

For Six Month Period Ending Sept 30, 2008
(Insert date)

I - REGISTRANT

1. (a) Name of Registrant (b) Registration No.
M+R Strategic Services 5829

(c) Business Address(es) of Registrant
2120 L St. NW Suite 600
Washington, DC 20037

2. Has there been a change in the information previously furnished in connection with the following:

- (a) If an individual:
(1) Residence address(es) Yes No
(2) Citizenship Yes No
(3) Occupation Yes No
- (b) If an organization:
(1) Name Yes No
(2) Ownership or control Yes No
(3) Branch offices Yes No
- (c) Explain fully all changes, if any, indicated in items (a) and (b) above.

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IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a).

3. If you have previously filed Exhibit C¹, state whether any changes therein have occurred during this 6 month reporting period.

Yes No

If yes, have you filed an amendment to the Exhibit C? Yes No

If no, please attach the required amendment.

¹ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Position	Date connection ended
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(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?

Yes No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
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5. (a) Has any person named in item 4(b) rendered services directly in furtherance of the interests of any foreign principal?

Yes No

If yes, identify each such person and describe his service.

(b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Position or connection	Date terminated
Ben Grossman-Cohen	Consultant	April 2008

(c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes No

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
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6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement?

Yes No

If no, list names of persons who have not filed the required statement.

II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes No

If yes, furnish the following information:

Name of foreign principal

Date of termination

Portland PR

July 31, 2008

8. Have you acquired any new foreign principal² during this 6 month reporting period?

Yes No

If yes, furnish the following information:

Name and address of foreign principal

Date acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principals² whom you continued to represent during the 6 month reporting period.

10. **EXHIBITS A AND B**

(a) Have you filed for each of the newly acquired foreign principals in Item 8 the following:

Exhibit A ³	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Exhibit B ⁴	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during the 6 month period? Yes No

If yes, have you filed an amendment to these exhibits? Yes No

If no, please attach the required amendment.

² The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

³ The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157), sets forth the information required to be disclosed concerning each foreign principal.

⁴ The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

III - ACTIVITIES

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, and 9 of this statement? Yes No

If yes, identify each such foreign principal and describe in full detail your activities and services:

Portland PR - Provided and shared a media relations strategy and consulting on behalf of Portland PR to assist with press releases to support the launch of the Africa Progress Panel's 2008 Report in Tokyo, Japan. Work consisted of assisting with editing of press releases and providing strategic advice on messaging of said releases.

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity⁵ as defined below? Yes No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes No

If yes, describe fully.

⁵ The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies⁶.

Date	From whom	Purpose	Amount
October 7, 2008	Portland PR	Portion of retainer	\$16,459.88

Total

(b) RECEIPTS - FUND RAISING CAMPAIGN

During this 6 month reporting period, have you received, as part of a fund raising campaign⁷, any money on behalf of any foreign principal named in items 7, 8, or 9 of this statement? Yes No

If yes, have you filed an Exhibit D⁸ to your registration? Yes No

If yes, indicate the date the Exhibit D was filed. Date _____

(c) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁹ other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes No

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
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^{6, 7} A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. (See Rule 201(e).)

⁸ An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

⁹ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) **DISBURSEMENTS – MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes No

(2) transmitted monies to any such foreign principal? Yes No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
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Total

(b) DISBURSEMENTS – THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value¹⁰ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes No

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
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(c) DISBURSEMENTS – POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value¹¹ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes No

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
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^{10, 11} Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials¹²?
Yes No

IF YES, RESPOND TO THE REMAINING ITEMS IN SECTION V.

17. Identify each such foreign principal.

Portland PR

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

part of scheduled work thru contract with Portland PR
Total amount received on OCT 7, 2008 was \$16,459.88

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Internet
- Other (specify) Africa Progress Panel Report

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- Public officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) _____

21. What language was used in the informational materials:

- English
- Other (specify) _____

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes No

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes No

12 The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

VI - EXECUTION

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

(Type or print name under each signature¹³)

Ann Marie Habershaw

10/28/08

Ann Marie Habershaw, Chief Operating Officer

10/28/08

Bill Wasserman
Bill Wasserman, President

10/28/08

Donald K. Ross
Donald K. Ross

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¹³ This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

UNITED STATES DEPARTMENT OF JUSTICE
FARA REGISTRATION UNIT
NATIONAL SECURITY DIVISION
WASHINGTON, D.C. 20530

NOTICE

Please answer the following questions and return this sheet in triplicate with your Supplemental Statement:

1. Is your answer to Item 16 of Section V (Informational Materials – page 8 of Form NSD-2, formerly Form CRM-154 Supplemental Statement):

YES _____ or NO _____

(If your answer to question 1 is "yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

YES _____ or NO _____

(If your answer to question 2 is "yes" please forward for our review copies of all material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

Ann Marie Habershaw
Signature

10/20/08
Date

Ann Marie Habershaw
Please type or print name of
Signatory on the line above

Chief Operating Officer
Title

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U.S. Department of Justice

National Security Division

Washington, DC 20530

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT SUPPLEMENTAL STATEMENT - PLEASE EXECUTE IN TRIPPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

Short Form List for Registrant: M+R Strategic Services

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Pauly	Angela Danielle	09/19/2007		
Grossman-Cohen	Ben	09/19/2007	4/30/08	Consultant
Koppel-Pollack	Andrea	06/03/2008		
Kerns	Leslie M.	06/03/2008		
Chrin	Paula	06/03/2008		
McMillan	Kate	06/03/2008		

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CONSULTING AGREEMENT

AGREEMENT, dated as of May 28, 2008, by and between M+R Strategic Services ("M+R"), a public affairs firm incorporated in the State of New York, and Portland PR ("Client"), a public relations firm based in London, England.

WITNESSETH:

WHEREAS, Client desires to avail itself of the expertise and services of M+R and M+R desires to make its expertise and services available to Client upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the agreements below, the parties agree as follows:

1. CONSULTING SERVICES. M+R agrees to perform the services described in Schedule A attached hereto ("Services") during the term of the Agreement.

M+R will use its best efforts and devote the necessary time and attention to promote the interests of Client during the term of this Agreement.

2. TERM OF AGREEMENT. The term of this Agreement shall commence immediately, and shall end July 31, 2008, or on such date as is otherwise agreed by both parties in writing.

3. COMPENSATION.

a. Rate of Compensation. The compensation for services hereunder shall be £12,500 (Twelve Thousand and Five Hundred Pounds) payable in two installments, £5,000.00 (Five Thousand Pounds) upon execution of the agreement and £7,500.00 (Seven-Thousand and Five Hundred Pounds) no later than July 31, 2008. Such compensation may be adjusted by the mutual agreement of the parties as evidenced by a written addendum to this Agreement. M+R reserves the right to charge interest at a rate of 1.5 per month for late payment of amounts owed under this Agreement.

b. Reimbursement of Expenses. M+R shall be entitled to reimbursement for reasonable travel, lodging, and out-of-pocket expenses such as courier, mail services, fax, long distance phone calls and other necessary services, upon presentation of an itemized invoice, incurred in connection with the Services provided to Client under this Agreement.

To the extent expenses exceed a total of US \$400 in a calendar month, Portland's prior approval shall be obtained before they are invoiced.

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All invoices shall be due and payable no later than 30 (thirty) days after receipt by Client.

4. **CONFIDENTIALITY.** Each party agrees that it will not, directly or indirectly, at any time during the term of this Agreement or thereafter, and without regard to when or for what reason this Agreement shall terminate, divulge, furnish, make accessible, or permit the disclosure to anyone (other than persons employed or designated by that party) of, any knowledge or information of any type whatsoever of a confidential nature relating to the business of the other party, including business relating to Services rendered under this Agreement, or any other entity related thereto unless and only to the extent that such knowledge or information is generally known to the public or the trade (and has become known without the commission of a tortious act by the person disclosing the information) or to the extent it is or shall become available in trade or other publications or in the public record.

5. **OTHER CONSULTING SERVICES.** Client and M+R agree that M+R may provide independent consulting services to other individuals or entities, provided, however, that:

(a) such other independent consulting services shall in no way impair M+R's ability to provide consulting services to Client pursuant to this Agreement and

(b) M+R shall observe in full in relation to consulting work performed for other individuals or entities the confidentiality requirements set forth in Section 4 of this Agreement.

6. **INDEMNIFICATION.** Client will indemnify and hold M+R harmless from any liabilities, actions, damages, claims, demands, judgments, losses, attorney's fees and attachments arising from, or related to, any pending suit, threatened or contemplated action, suit or proceeding attributable to the services rendered by M+R to Client under the terms of this Agreement. Client and M+R will not indemnify one another if the liabilities, actions, damages, claims, demands, judgments, losses, attorneys' fees and attachments are due to the gross negligence or willful misconduct of M+R or Client, or are the result of any infringement of any copyright by M+R or Client, respectively.

7. **INDEPENDENT CONTRACTOR.** M+R shall perform consulting services pursuant to this Agreement as an independent contractor with respect to Client, and nothing in this Agreement shall create, or be deemed to create, any relationship of employer and employee or of master and servant between Client and Consultant. As an independent contractor, M+R is responsible for payment of all applicable obligations to state and/or federal government agencies, including, but not limited to, income tax, unemployment tax, business registration fees, etc.

8. ASSIGNMENT. Except as specifically set forth in this Agreement, the rights and interests of M+R in this Agreement may not be sold, transferred, assigned, pledged or hypothecated. The rights and obligations of Client hereunder shall be binding upon and run in favor of the successors and assigns of Client. In the event of any attempted assignment or transfer or rights hereunder contrary to the provisions hereof, Client shall have no further liability for payments hereunder.

9. DISPUTE RESOLUTION. (a) Notice. In the event of any controversy or claim arising out of or in connection with the performance of the Agreement, the aggrieved party shall give to the other party written notice specifying with reasonable particularity the nature of the alleged controversy or claim. (b) Meeting. Within Ten (10) business days after receipt of such notice, the parties hereto shall meet, face-to-face, and in good faith endeavor to arrive at a mutually satisfactory resolution of such controversy or claim. (c) Arbitration. In the absence of resolution, said controversy or claim shall be settled by binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. (d) Location. The proceedings shall be held at a place designated by the arbitrator (e) Costs. The arbitrator shall assess all expenses of arbitration including arbitration fees, costs and reasonable attorney's fees, in favor of the party the arbitrator determines to be the prevailing party.

10. SEVERABILITY. Any provision of this Agreement which is found to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed to be modified to the extent necessary to render such provision valid and enforceable; if such provision may not be so saved, it shall be severed and the remainder of the Agreement shall remain in full force and effect. Modification or severance of a provision in any jurisdiction shall not serve to modify, invalidate or render unenforceable such provision in any other jurisdiction.

11. WAIVER OF OFFICERS AND DIRECTORS LIABILITY. Neither party shall have recourse or right of action against any shareholder, officer, director or member, in his or her individual capacity as such, past, present or future, or the other party or of any successor thereto, whether by virtue of any statute or rule of law or otherwise, all such liability being, by the acceptance hereof and as part of the consideration of the execution hereof, expressly waived and released.

12. GOVERNING LAW; CAPTIONS. This document and the attachments to it contain the entire agreement between the parties and shall be governed by the laws of District of Columbia. It may not be changed orally, but only by agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. Section headings are for convenience of reference only and shall not be considered a part of this Agreement.

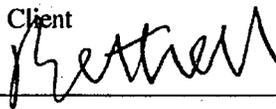
13. SURVIVAL. The provisions of Sections 4, 6, 9 and 11 shall survive any expiration or termination of this Agreement.

14. **PRIOR AGREEMENTS.** This Agreement supersedes and terminates all prior agreements between the parties relating to the subject matter herein addressed.

15. NOTICES. Any notice or other communications required or permitted hereunder shall be in writing and shall be deemed effective when delivered in person or, if mailed, on the date of deposit in the mail, postage prepaid, addressed, in the case of M+R, to Leslie Kerns, and Client to Toby Orr, at Aldwych House, 81 Aldwych, London, England WC2B 4HN or such other address as shall have been specified in writing by either party to the other.

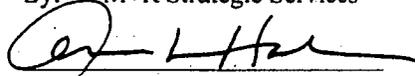
IN WITNESS WHEREOF, the Client and M+R each has caused this Agreement to be signed by its duly authorized representative as of the day and year appearing above.

By: Client



Title: *managing partner.*

By: M+R Strategic Services



Title:

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Appendix I — M+R (US & Canada) Deliverables

Schedule A

Overall objective:

- To execute an integrated Public Affairs and media campaign focusing on the US and Canada to support the launch of the Africa Progress Panel's 2008 Report in Tokyo in mid-June (dtbc). The majority of the outreach will focus on U.S. media and public affairs influencers, with only targeted efforts — to a limited number of outlets and influencers — in Canada.
- Generate coverage of an Opinion Poll (being carried out by ICM across all G8 markets) on the run-up to the G8 Summit in Hokkaido (poll still tbc).
- Execute media relations around ad hoc statements or reactions, with a limit of 2 media pushes.

1. Public Affairs

- 1.1 Identifying diplomatic, political and policy community stakeholders, including African Ambassadors in each market, as well as relevant Administration, legislative, political party, think tank, academic, NGO and international development institution stakeholders
- 1.2 Sending the report directly to diplomatic, political and policy community stakeholders in each market (emailing when available)
- 1.3 Facilitating a letter and copy of the report to be sent from Kofi Annan to the President and Prime Minister of Canada. The letter would be drafted by Portland, and refreshed by M+R as necessary for a U.S. or Canadian audience.

2. Media engagement

- 2.1 Identifying all relevant journalists in both markets across wire, broadcast print and online media
- 2.2 Identifying relevant news platforms, particularly on broadcast channels
- 2.3 Pre-briefing relevant commentators in the US and Canadian media
- 2.4 Sending out embargoed Report News Release to all media
- 2.5 Putting in follow-up calls to key media to drive coverage
- 2.6 Setting up, facilitating and co-ordinating media interviews with national media in both markets
- 2.7 Liaising with Portland in London to co-ordinate activity
- 2.8 Exploring various news hooks and angles, including feature and analysis stories focused on the Panel, histories, personalities etc and pitching embargoed story to longer-lead news publications breaking news at the time or soon after the launch
- 2.9 Working with Portland to refresh and place an Op Ed in a key US daily publication timed to co-incide with the launch of the report. The op-ed would be drafted by Portland, and refreshed by M+R as necessary for a U.S. or Canadian audience.

3. Opinion poll media relations

- 3.1 Refreshing and pitching a targeted national News Releases focusing on national newlines from the Opinion Poll.
- 3.2 Pursuing media strategies to maximize media coverage, including embargoed story to longer-lead news publications
- 3.3 Pre-briefing relevant commentators in the media in both markets
- 3.4 Sending out News Release to all target media
- 3.5 Putting in follow-up calls to key media to drive coverage in the U.S.; Canadian follow up will be limited to top tier media (i.e. *Globe and Mail*, *Toronto Star*, CBC Television, CBC Radio)
- 3.6 Setting up, facilitating and co-ordinating media interviews with Panel members for national broadcasters

5. Ad hoc media relations

- 5.1 Disseminating APP statements to media when appropriate, in advance, during, or after the G8 Summit, with a limit of up to 2 media pushes total
- 5.2 Putting in follow-up calls to key media to drive coverage; in the U.S.; Canadian follow up will be limited to top tier media (i.e. *Globe and Mail*, *Toronto Star*, CBC Television, CBC Radio)

6. Media monitoring

- 6.1 Monitoring all media coverage (including main broadcast coverage and interviews)

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FOR IMMEDIATE RELEASE
June 16, 2008

Media Contacts
Ben Grossman-Cohen, 202-478-6128
bgrossman-cohen@mrss.com

Leslie Kerns, 202-478-6184
lkerns@mrss.com

**Africa Progress Panel demands action on global food crisis
“reversing decades of economic progress”**

Panel of world leaders mandated to evaluate progress on Africa warns the
G8 that it is failing to deliver

London – 16 June 2008: The Africa Progress Panel, chaired by Kofi Annan, is today demanding international action to deal with the urgent threat of world food prices, while also calling for G8 leaders to take immediate steps to get their commitments to Africa back on target.

The Africa Progress Panel’s report, “Africa’s Development: Promises and Prospects,” being launched today by Kofi Annan, Michel Camdessus and Tidjane Thiam in London, states that the world food crisis “threatens to destroy years, if not decades, of economic progress” as “100 million people are being pushed back into absolute poverty.” “Unless some way can be found to halt and reverse the current trend in food prices there will be a significant increase in hunger, malnutrition, and in infant and child mortality.”

The Africa Progress Panel’s report also warns that, despite progress on debt relief and significant increases in assistance by individual countries, “the G8’s commitment to double assistance to Africa by 2010 is not likely to be fulfilled.” The report identifies a shortfall of \$40 billion in aid that needs to be filled if the G8 is to meet the targets set at Gleneagles

As noted by the Organisation for Economic Co-Operation and Development, there is a marked drop off in aid this year with the biggest decline coming from France (-15.9%), Great Britain (-29.1%), United States (-9.9%) and the host of this year’s G-8 summit Japan (-30.1%). In the immediate term, the Africa Progress Panel wants G-8 members not only to make good on their

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pledge of development assistance, but also to set a timetable for progress toward the overall goal of doubling aid.

A key recommendation of the Commission for Africa Report, the eleven-member Africa Progress Panel was launched in 2007 as a unique and independent authority on Africa to focus world leaders' attention on delivering their commitments to the continent.

In the report, which assesses the state of the continent in 2008, the Panel members highlight six policy areas requiring immediate attention at the forthcoming G8 Summit in Hokkaido, Japan:

- The food crisis – a range of measures must be undertaken to increase the quantity of food on international markets and to provide greater financial assistance to international agencies such as the World Food Programme and to the governments of affected countries
- Aid levels and aid quality – G8 countries must urgently fund shortfalls against their targets to double assistance to Africa by 2010; these increases must be accompanied by clear timetables and increased transparency in order to improve the quality of aid
- Trade - countries must immediately review arrangements for stockpiling food, while a comprehensive rethinking of trade policy is needed to boost agricultural production around the world
- Climate change – the G8 must increase funding for renewable energy and invest in adaptation and the prevention of deforestation
- Infrastructure – cited by the private sector as its most serious constraint, strategies to connect farmers to markets must be developed in conjunction with efforts to increase access to water and improve sanitation
- Good governance – while there has been significant success in improving governance, the resolution of current crises requires greater and more consistent efforts by the African Union, individual African governments and the international community as a whole

Focusing on the emergence of new trading partners with Africa, the Africa Progress Panel report states that China and other new entrants have brought the continent “new dynamism and significant new resources,” creating “greater opportunities for Africa’s development.” However, it counsels that “if Africa’s development is to stay on track, it is crucial for both old and new actors to comply with agreed-upon principles of co-operation in the areas of aid, trade, development finance, and debt sustainability.”

Kofi Annan, the Chair of the Africa Progress Panel, says: "Africa has made substantial progress in recent years. However, the current food crisis threatens to reverse many of the hard-fought gains that have been made. With 100 million people on the brink of abject poverty, the cost of food will not be measured in the price of wheat and rice, but in the rising number of infant and child deaths across Africa."

"The G8 is also off-track. European leaders at the forthcoming European Council Summit must move decisively to fund shortfalls in aid, while Japan must demonstrate clear leadership during its Presidency of the G8, not least by addressing the stockpiling of food. Every G8 country has a critical role to play, by working together to deal with immediate threats and by honouring the longer-term commitments they have already made.

"The whole international community has a stake in seeing Africa become a secure, stable and prosperous continent. I firmly believe that what is achieved in the months ahead will be more than a test of leadership; it will also determine the very future of the continent."

The full Africa Progress Panel Report, as well as an abridged version of the Report and other media materials, are available on the APP's website: www.africaprogresspanel.org.

About the Africa Progress Panel

In 2005, the Commission for Africa recommended the establishment of an independent mechanism to monitor implementation of commitments and report on progress in Africa. Following on from this, in 2006, Tony Blair, former Prime Minister of Great Britain, announced the establishment of the Africa Progress Panel as a mechanism to keep world leaders to their commitments to Africa, and Kofi Annan was invited to serve as Chair. The Panel was formally launched in April 2007, and its members provide a unique repository of expertise on Africa and its development. Full profiles of the Panel members are available at www.africaprogresspanel.org.

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AFRICA PROGRESS PANEL

MEDIA ADVISORY

Kofi Annan to launch Africa Progress Panel's first report

Kofi Annan and members of the Africa Progress Panel will be launching the Panel's inaugural report on the state of the continent's development and how far G8 commitments to Africa are being met. The report assesses recent progress, identifies new threats and issues new demands.

09.30 – 10.30 on Monday 16 June
Westminster Roof Pavilion, Royal Festival Hall, London

All media are invited to the event.

To find out more, or request interviews with Panel members, please contact:

Hannah McCullagh +44 (0) 207 842 0147 / +44 (0) 7739 147841
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The Africa Progress Panel is comprised of **Kofi Annan** (Former Secretary-General of the United Nations and Nobel Laureate), **Tony Blair** (former Prime Minister of the United Kingdom of Great Britain and Northern Ireland), **Michel Camdessus** (former Managing Director of the International Monetary Fund), **Peter Eigen** (founder and Chair of the Advisory Council, Transparency International), **Bob Geldof** (musician, businessman, founder and Chair of Band Aid, Live Aid and Live8, Co-founder of DATA, former member of the Commission for Africa), **Graça Machel** (women and children's rights activist, President of the Foundation for Community Development), **Linah Kelebogile Mohohlo** (Governor, Bank of Botswana), **Olusegun Obasanjo**, (former President of Nigeria), **Robert E Rubin** (Chairman of the Executive Committee, Citigroup, former Secretary of the United States Treasury), **Tidjane Thiam** (Chief Financial Officer, Prudential Plc, former member of the Commission for Africa) and **Muhammad Yunus** (economist, founder of Grameen Bank and Nobel Laureate)

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Africa's Development: Promises and Prospects

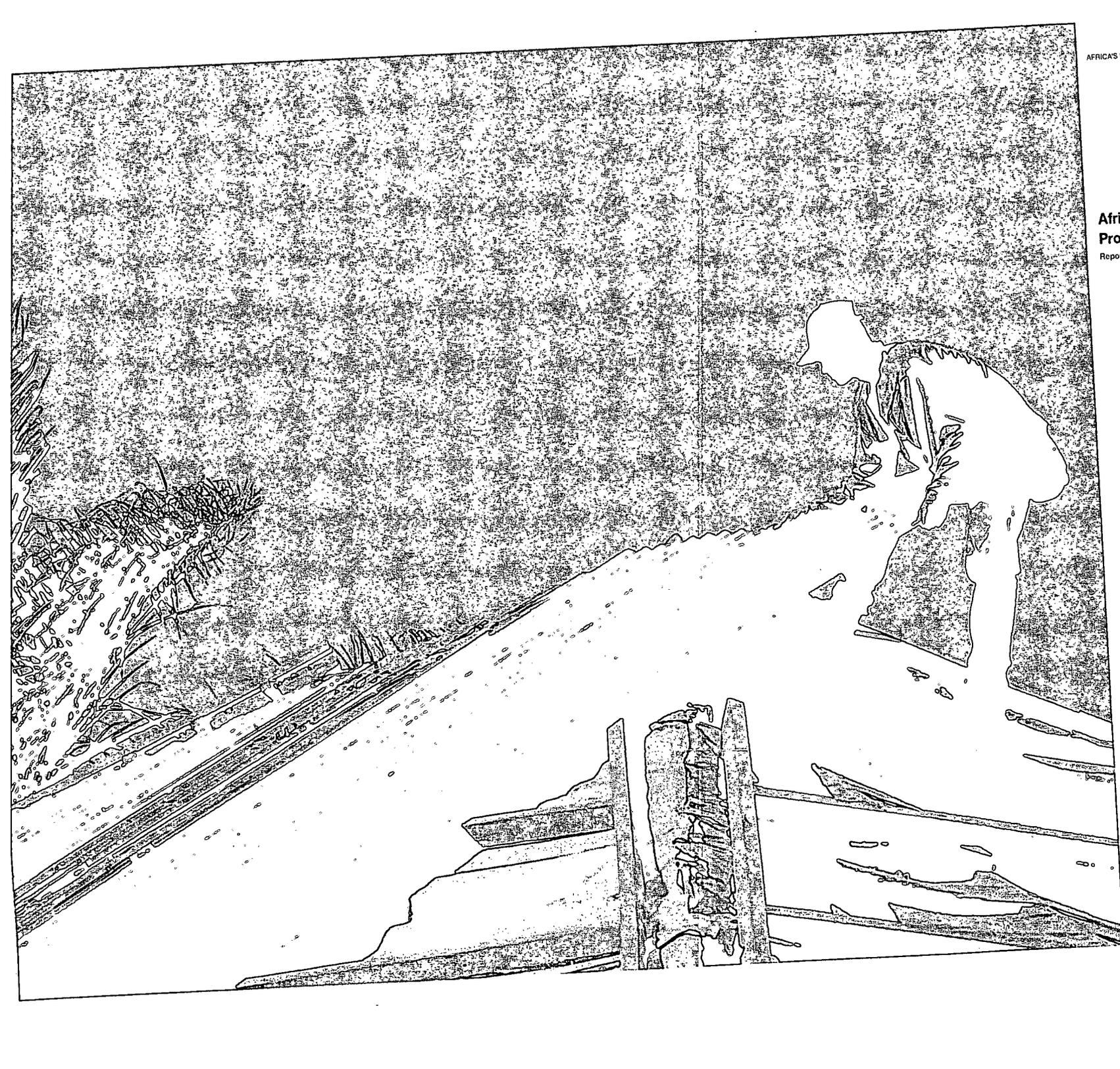
Report of the Africa Progress Panel 2008

AFRICA
PROGRESS PANEL

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**Africa's Development:
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AFRICA
PROGRESS PANEL



Members of the Africa Progress Panel

Mr Kofi Annan
Former Secretary-General of the United Nations
and Nobel Laureate

Mr Tony Blair
Former Prime Minister of the United Kingdom of
Great Britain and Northern Ireland

Mr Michel Camdessus
Former Managing Director of the International
Monetary Fund

Mr Peter Eigen
Founder and Chair of the Advisory Council,
Transparency International

Mr Bob Geldof KBE
Musician, Businessman, Founder and Chair of Band
Aid, Live Aid and Live8, Co-founder of DATA and a
member of the Commission for Africa

Mrs Graça Machel
Women and children's rights activist, President of
the Foundation for Community Development

Mrs Linah Kelebogile Mohohlo
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Group Finance Director, Prudential plc, member of
the Commission for Africa

Professor Muhammad Yunus
Economist, Founder of Grameen Bank and Nobel
Laureate

Rapporteur to the Panel: **Vijaya Ramachandran**
Acting Secretary to the Panel: **Andrew Bearpark**
Research Assistant: **Robin Kraft**

Preface

Four crises dominate the global economy today - a financial crisis in the developed countries, an energy crisis that is worsening by the day, climate change which is becoming both better understood and more urgent, and a food crisis which is devastating to the world's poorest citizens. We have missed early opportunities to deal with the first two crises. It is imperative that we meet the challenge of the third and take immediate steps to address the fourth. And indeed these crises are linked - increasing the world's supply of food will require substantial resources as well as a re-thinking of policies towards aid, trade, energy, and climate change.

Against the background of these immediate challenges, the substantial progress that Africa has made in recent years is threatened. Climatic and geographic factors are exacerbating the problem of food shortages and of other economic or disaster-related shocks. It may not be easy to overcome these problems, but the world has a stake in realising the African continent's huge potential to thrive. The international community has expressed a common ambition to see Africa become a well-governed, peaceful, secure, stable and prosperous continent. Africa's leaders and their development partners have undertaken precise commitments in support of this aim.

The objective of the report of the Africa Progress Panel is to examine the state of the continent in 2008, to focus world leaders' attention on delivering on existing commitments and to mobilize resources to deal with new challenges, in particular the crisis in food production. The Panel has drawn on the work of various institutions and eminent individuals working on African issues to present an independent assessment of progress. We have strived to combine these assessments with our experience and judgement to highlight pressing concerns, inspire honest debate amongst leaders and civil society, and prompt effective action.

I am honoured to chair this Panel and I invite all of you who share our vision for Africa to read and act on this report.

Kofi Annan
Chair
Africa Progress Panel

Findings and recommendations of the Africa Progress Panel

The Food Crisis. The sharp and sustained increase in world food prices is of great concern. Unless some way can be found to halt and reverse the current trend in food prices there will be a significant increase in hunger, malnutrition, and infant and child mortality. Many countries are already experiencing the reversal of decades of economic progress and 100 million people are being pushed back into absolute poverty. As countries adopt export bans on key commodities such as rice, prices in world markets are rising even further.

In the immediate term, the supply of food to the world's most vulnerable citizens must be increased by raising the level of financial assistance to the governments of affected countries and aid agencies. Every effort must also be made to increase the quantity of food on international markets, so that the World Food Programme (WFP), relief organisations, and individual governments are able to purchase food as needed.

Developed countries should immediately review their economic and financial policies to ensure that the production of enough food to feed the world is not threatened. In the short to medium term, safety nets, targeted food aid, cash voucher programmes, and other types of interventions must be also carefully reviewed and redesigned as necessary, to meet the challenge of sustained high food prices.

In the longer term appropriate policies and substantial new investments are needed to raise agricultural productivity and increase food production in Africa and around the world. These will necessarily include investments in key inputs such as fertilizer, improved seeds, effective water management and new crop varieties, and the linking of farmers to markets via investments in roads and other types of infrastructure.

Trade. There is a critical need for a rethinking of trade policy in order to boost agricultural production around the world. Biotech subsidies and export controls are not currently the focus of multilateral trade negotiations but must be addressed as part of an overall strategy to liberalise agricultural production. Trade policy as it concerns fertilizer markets must also be included in multilateral negotiations—currently, the market for fertilizer is not generating the quantity response needed to address the shortage in food production.

Policies on grain storage and buffer stocks must also be reviewed. Also, in light of climate change and the resulting decline of agricultural productivity in some parts of Africa, expanded access to markets, fair world trading rules, and improvements in the capacity to trade are critical for job creation. Income and accompanying purchases of food. In sum, efforts to liberalise trade must be combined with strategic thinking about the problems we are facing in the global economy.

There has been no progress on multilateral trade negotiations since 2005. The G8 has repeatedly emphasised the importance of the Doha Development Round, but talks have remained deadlocked since 2006. While pressing for the impasse around Doha to be broken, we ask for an early harvesting of gains in trade liberalisation for Africa. The G8 and African governments should also prioritize rural development, by strengthening the mechanisms by which the poor can have access to markets. Only then will the full benefits of an open trading system be realised. The delivery of promises on aid for trade must not be held hostage to trade deals.

Climate Change. Climate change will affect Africa more severely than other regions of the world, and will have a devastating impact on food production and the livelihoods of the rural poor. Many of the poorest, particularly in urban areas, are already facing the consequences of high food prices; the loss of agricultural productivity will make this situation even worse.

The G8 must lend strong support to address the problems of climate change, by investing in adaptation and the prevention of deforestation, and by increasing funding for renewable energy in Africa. Renewable energy, such as solar, wind and geothermal, is very viable in Africa—every effort must be made to move away from coal-based projects towards these sources.

Infrastructure. The availability of infrastructure is critical to the development of Africa's private sector, including a reliable supply of energy and safe roads. In particular, connecting farmers to markets has taken on a new urgency. Strategies to respond to these needs should be developed in parallel with efforts in the field of water access and sanitation – an MDG made even more relevant by the food crisis and the underutilisation of the potential for the

expansion of irrigation in Africa. Infrastructure is currently a key constraint to enterprise development—almost 60 percent of enterprises indicate that it is their main brake on expansion. There is enormous scope for improvement of infrastructure, with a focus on regional projects. Increased funding from a variety of sources—both public and private—for regional infrastructure projects is critical.

African governments must make every effort to attract private capital for the funding of infrastructure projects; regulatory and pricing reform as well as monitoring mechanisms to prevent corruption, will need to be ramped up to achieve this goal. Governments should also attract sovereign wealth funds to Africa for investment in infrastructure—the 1% solution proposed by World Bank President Robert Zoellick can generate an estimated \$30 billion for infrastructure investments. Multilateral banks and other actors can devise new and better instruments for underwriting and guaranteeing investments in frontier markets as well as at regional and sub-national levels.

China and India, as well as Malaysia, the United Arab Emirates and others, have become significant investors in infrastructure in Africa. China is now Africa's third largest trading partner and, together with other new entrants, has brought new dynamism and significant new resources. These countries have created greater opportunities for Africa's development, particularly in the areas of infrastructure, development finance, and trade. If Africa's development is to stay on track, it is crucial for both old and new actors to comply with agreed-upon principles of cooperation in the areas of aid, trade, development finance, and debt sustainability.

Aid Levels and Aid Quality. While the G8 must play a leading role in addressing the food crisis, it must also keep its existing pledges towards Africa's progress. The G8 has made substantial progress in the area of debt relief, helping to lift millions of Africans out of poverty. Individual countries have also made significant increases in their levels of assistance. However, the pledge to double assistance to Africa by 2010, made at the G8 Summit at Gleneagles in 2005, is not likely to be fulfilled. The volatility of aid continues to be problematic as well, imposing a great burden on countries' abilities to plan investments.

There are several ways that the G8 can deliver assistance more effectively, particularly in the area of programmable aid:

- 1) The G8 must make funding sources and timetables available in a timely manner, along with stated pledges. Each member country should provide a detailed outline on the potential and availability of funding as well as how and when funds will be delivered for stated pledges. This information should be released immediately prior to or after each summit, to ensure that pledges and statements made at the summits are honoured fully. Finally, funding shortfalls against the 2010 targets should be addressed immediately—through a special plan to meet the pledge made at Gleneagles.
- 2) The proportion of aid that is tied must be clearly identified by every member of the G8, and must be decreased over time.
- 3) The G8 must take steps to reduce the volatility of aid, and support innovative efforts to improve aid quality. Providing information on forthcoming aid disbursements in a timely manner will help to reduce volatility, as will commitments that are made over a multi-year time horizon.
- 4) In light of existing pledges as well as the need for additional resources to address the food crisis and the problems of climate change, the G8 should renew its discussion of innovative financing mechanisms.

Good Governance. The Africa Peer Review Mechanism (APRM) launched by the New Partnership for Africa's Development (NEPAD), the African Union Convention on Corruption, and the Extractive Industries Transparency Initiative (EITI) have had significant success in improving governance. Sustainable democracies are emerging in many countries although setbacks in elections in some countries have been a great disappointment. African governments are increasing their revenue base and using more of these resources to meet the costs of economic development. In addition, civil society is playing an important role in holding governments accountable in many countries. But there is still much work to be done. Some countries are yet to move to healthy, functioning

democracies. And other parts of Africa continue to experience terrible and violent conflict, as well as economic and social chaos. In particular, the conflicts in Darfur and eastern Congo continue to take many lives and threaten the stability of the region. Zimbabwe is in total economic collapse with severe political and social implications. The resolution of these crises will require greater and more consistent efforts by the African Union as well as leadership by individual African governments, and the international community as a whole. Strong G8 action to stop corruption by its own businesses in Africa must complement Africa's efforts for better governance.

G8 support for NEPAD and the APRM is critical as well. While the G8 has expressed support for training peacekeepers and for the Africa Standby Force, levels of funding are still inadequate. In general, the African Union's potential as a home-grown peacekeeping body and regional forum is severely limited by resource and capacity constraints. Donors have so far failed to appropriately fund and equip its operations in Darfur. This tragedy calls now for exceptional efforts from all parties involved. African governments must also lend more financial support to the African Union in order to make progress on stated goals of fighting corruption, strengthening institutions, ending conflict, and improving governance.

Analysis

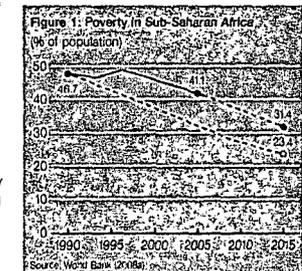
Introduction

Gross domestic product per capita in Africa has risen steadily since 1991. According to the most recent estimates of the International Monetary Fund, the rate of growth has reached 6.6% in 2007—a rate expected to be maintained broadly in 2008. This is not as high as Asian developing countries in 2007 (9.7%), but exceeds growth in the Middle East (5.6%) and Latin America (5.6%). Economic growth in several non-oil exporting countries has been in the range of 5.5 % for the past decade; these countries have also seen significant improvements in the management of their economies. Macroeconomic reforms, some still in process, are already producing significant results in terms of growth and stability, and the level of inflation is under control almost everywhere. Foreign direct investment into Africa has increased significantly since the early 1990s. Many countries have begun to diversify towards a widening range of production of goods and services and have moved away from an exclusive dependence on natural resources and extractive industries. Even more encouraging is that these favorable economic trends have taken place in a generally improving political environment. More countries have moved towards multi-party elections providing opportunities for voices to be heard and strengthening accountability of governments.

The number of people living in poverty has leveled off over the past few years, and Africa's poverty rate has declined by almost 6 percentage points since 2000. There have been significant improvements in health and education. Primary school enrollment has increased by 36 percentage points between 1999 and 2005 and infant and child mortality have declined in many parts of Africa (OECD-DAC, 2008). Significant efforts are being made to combat disease with positive results on the ground. In September 2007, the Global Fund for AIDS, Malaria and Tuberculosis received \$10 billion—these resources will go far in terms of combating these diseases in Africa.

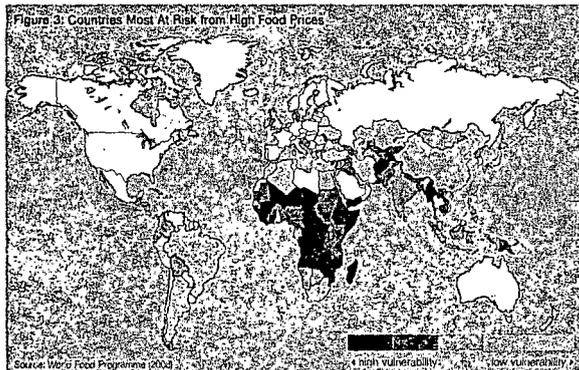
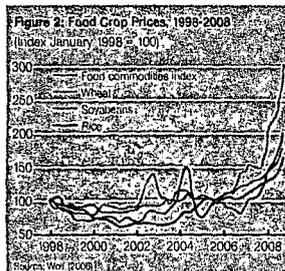
Yet, there are troubling signs as well. While some countries are growing, others are falling behind. Some 20 countries, accounting for a third of Africa's population, have grown by only 2.1 % per year over the past decade. Many of these countries are affected by conflict, and many have very weak policy environments (Collier, 2007). The poor performance of these countries affects Africa's overall performance—Africa is currently not on

course to meet the Millennium Development Goal of halving poverty by 2015 (relative to 1990 levels). In 2015, it is estimated that 31 million Africans will be living on less than \$1/day (Figure 1).



Right now, 33 million children in Africa of primary school age are not in school. Some parts of Africa continue to experience high levels of conflict. About 300 million Africans do not have a reliable supply of clean drinking water, and 450 million do not have good access to proper sanitation (WDI, 2006). Much of Africa is without access to clean, modern energy and is forced to rely on biomass fuels. Problems due to environmental degradation and climate change are already manifesting themselves. On top of all of this, rising food prices are affecting tens of millions of Africans, especially those living in urban areas, and are threatening to wipe out gains made over the last several decades. The food crisis is a major setback which is creating a major humanitarian emergency. It also requires an immediate and thoughtful response on the best strategy to be implemented in order to enable rural populations to take advantage of the new level of agricultural prices and increase food production.

Against this backdrop, we will assess progress on the G8's commitments to Africa at the various summits, particularly those held at Kananaskis and Gleneagles. We will also raise the critical issue of aid quality, look at how Africa must cope with climate change while investing in much-needed agricultural production and infrastructure, and comment on the role of emerging donors in Africa's development dialogue. While we address what we believe are the most critical issues for Africa, we know that there are many important problems that we do not discuss in this report but will likely be the subjects of future reports.



Africa (and of this Panel) says, "If there ever was a time for an African Green Revolution, it is now... We must implement immediate solutions for today's crisis, and do so in the context of a long-term concerted effort to transform small-holder agriculture, to increase its productivity and sustainability, and end poverty and hunger" (Annan, 2008).

The response in food supply to the current crisis will likely take some time to produce results (as was the case in 1973-74) and must receive sustained levels of support. An increase in the supply of food will require the development and use of new crop technologies. This is an enormous challenge - there is little unused high-quality land left, input prices such as that of fertilizer are rising, and the yield-potential of current technologies has been static for decades. Governments and the international community must make every effort to invest substantial resources in the development of new seed varieties, extension systems, and key inputs such as fertilizer, in order to boost the production of food. Africa must also have appropriate access to world markets to purchase food as well as seeds, fertilizer, and other key inputs, at prices that are not distorted by protectionist policies or hoarding. Institutions - at the international, regional, national and local level - that are focused on the development of new technologies that will increase crop yields or improve resistance to drought and disease should be provided with the resources they need. Figure 4 shows the schematic of a coherent

global response to the current crisis, in the immediate, medium and long term.

Trade

There is a critical need for a rethinking of trade policy in the context of the urgent need to boost agricultural production around the world. Biofuel subsidies and export controls are not currently the focus of multilateral trade negotiations but must be addressed as part of an overall strategy to liberalise agricultural production. Trade liberalisation of input markets is also very important in the longer term, an increase in the production of fertilizer is necessary to raise yields. Currently, the fertilizer market is far from efficient and is not generating the quantity response that is needed to address the shortage in food production. Policies on grain storage and buffer stocks should also be reviewed. In light of climate change and the resulting decline of agricultural productivity in some parts of Africa, expanded access to markets, fair world trading rules, and improvements in the capacity to trade are absolutely critical in terms of enabling millions of Africans to generate enough income to purchase food.

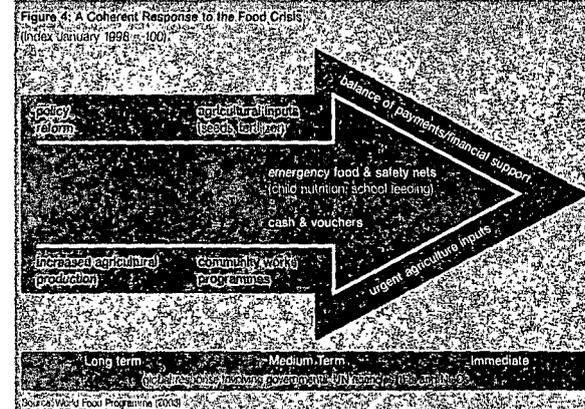
In the longer term, trade policy must work to enable millions of Africans to get jobs and grow their incomes. Initiatives such as the U.S. African Growth and Opportunity Act (AGOA), which offers duty-free access to 37 countries and has simplified rules of origin, and the European Union's Everything But

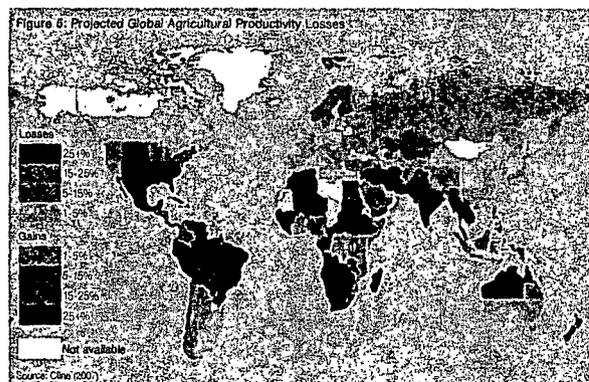
Arms, which offers duty-free, quota-free market access to nearly all products from 34 African countries, are to be commended for their efforts to open up markets to Africa's exports. The European Union is negotiating Economic Partnership Agreements (EPAs) with several clusters of countries including several in Africa; countries with EPAs will have tariff- and quota-free access to markets in EU member countries, with short transition periods for sugar and rice. The G8 has reiterated its commitment to duty-free and quota-free market access for LDCs, and has provided strong support for the Aid for Trade initiative. The U.S. and Japan dominated aid-for-trade delivery in 2006, and several other donors have made significant contributions

But multilateral efforts, particularly the Doha Development Round, remain deadlocked. While the G8 has emphasised the need to conclude the Doha Development Round, talks have stalled on a variety of issues. The commitment to eliminate all forms of agricultural subsidies was dropped from the 2007 G8 communique. Many countries continue to impose tariffs on imports of agricultural commodities which have had a significant, negative impact on Africa's exports. Recently, there have been renewed efforts to restart the Doha Round - there is scope for early harvesting of gains for Africa from this new effort.

With rising food prices, the "policy space" provision of previous G8 statements is particularly important. The G8 has recognised that "least-developed countries face specific problems in integrating into the international trading system" and is committed to "work to ensure that there is appropriate flexibility in the DDA negotiations" so that countries can "decide, plan and sequence their overall economic reforms." Progress against this provision is hard to measure, but we want to emphasise that it must not be forgotten.

It is worth noting that African countries have undertaken their own efforts to reduce intra-continental trade barriers via the formation of regional free trade areas. Kenya, Tanzania and Uganda have created a customs union in the form of the East African Community. Several countries in Africa are in process of reforming their business environments, especially in the area of customs clearance and business regulations (World Bank Doing Business, 2008). Even as African





Preventing Deforestation

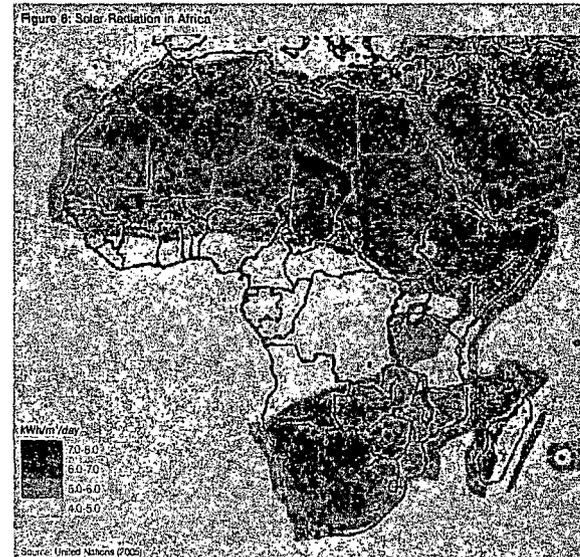
Development assistance has long included programs for tropical forest conservation, which is important to limit the enormous volume of emissions from forest-clearing in Africa and other developing regions. After numerous failures of conventional programs, however, the global community is increasingly focused on direct payments for forest conservation that will compensate for the value in other uses foregone. An appropriate multilateral fund for this purpose, the Forest Carbon Partnership Facility (FCPF), was launched by the World Bank and 9 donor countries in conjunction with the Bali conference in December 2007. The Congo Forest Basin Initiative is also a large-scale project to prevent deforestation, with substantial funding from the U.K. and other donors. The FCPF has nine initial donors and an initial subscription of \$160 million. This can only be considered a down payment, since the UNFCCC estimates total forest conservation payments at \$12 billion annually. Administration of these payments will be particularly challenging in Africa, with associated new requirements for forest monitoring, land-tenure clarification, and national enforcement capacity. Finally, the Clean Development Mechanism needs to prioritise the prevention of deforestation to a greater extent—this might enable African countries with forests to get more access to resources to battle deforestation.

Exploiting Renewable Energy

Africa has enormous potential for energy production from renewable sources—solar, hydro, wind, nuclear and geothermal.¹ Almost all Sub-Saharan African countries have sufficient renewable resources, exploitable with current technologies, to satisfy many times their current energy demand. To illustrate this point, consider the case of solar thermal power. Figure 6 shows why Africa could be the world's future solar superpower—daily average solar radiation levels in Africa are very high. As the world moves toward a global system for internalising the cost of carbon emissions, solar power will have increasing appeal.

Recent research shows that baseload-scale solar thermal power is now lower-cost than high-efficiency coal-fired power at a carbon dioxide

¹ As mentioned earlier, there may well be an adverse impact on food production and prices caused by substitution away from food crops towards some types of biofuels. It is an issue that must be kept in mind as we deal with climate change, and must be factored into any calculation on the mix of renewable energies that make sense in the African context.



emissions charge well below the level consistent with the European Union's new climate action plan, and far below the level recommended by the Stern Review (Wheeler, 2006). Using carbon charges to guide project selection is now feasible, because new bilateral and multilateral clean technology funds are available to finance the incremental cost gap between dirty and clean power. The World Bank has recently launched a Clean Technology Fund, for which the US, UK and Japan have already pledged several billion dollars. The scope of this fund must be defined to focus on major shifts toward clean energy as opposed to changes at the margin. Also, clean energy funds will have to grow tenfold in scale to handle the global problem; the International Energy Agency estimates that \$30 billion annually will be required to close the incremental cost gap between clean and conventional energy investments.

At the recent U.N. climate change conference in Bali, U.N. Secretary General Ban Ki-moon called for a revolutionary change in the world's energy mix to minimise the risk of catastrophic global warming. Furthermore, recent price increases in coal and

equipment prices have drastically narrowed the cost gap between coal and solar thermal power. Based on the Stern Review, the work of the Intergovernmental Panel on Climate Change and the enormous amount of analytical work that has followed, the World Bank, other multilateral banks, and members of the donor community must stop funding coal-based power plants in the current form, and avail themselves of analytical and financing instruments to account for the true cost of carbon. Multilateral institutions can also play a central role in generating aggregate global demand for renewable sources of energy - this is likely to be large enough to affect learning curves.

Infrastructure
Investments in infrastructure are central to achieving a lasting solution to the current crisis; roads, power and water are central to the ability of farmers to produce and distribute food. Infrastructure is also central to economic growth, jobs, income generation, and a productive private sector. Employment generation is particularly important given the high proportion of youth in most African countries. Table 1 shows the low

Table 1: Low Coverage and High Cost of Africa's Infrastructure

Item	Low coverage		High costs		
	Sub-Saharan Africa	Other developing countries	Sub-Saharan Africa	Other developing countries	
Paved road density (per 1,000 sq km)	5.1	10.4	Power tariffs (US\$/kWh)	0.05-0.30	0.05-0.10
Total road density (per 1,000 sq km)	13	21	Road freight tariffs (US\$/ton-km)	0.03-0.25	0.01-0.04
Mainline density (lines per 1,000 people)	10	75	International phone call (US\$/min. call to the United States)	0.50	0.20
Mobile density (lines per 1,000 people)	65	89	Internet dial-up service (US\$/month)	50	15-25
Generation capacity (MW per million people)	0.7	2.3			
Electricity coverage (% of population)	16	53			
Improved Water (% of population)	50	72			
Improved Sanitation (% of population)	24	51			

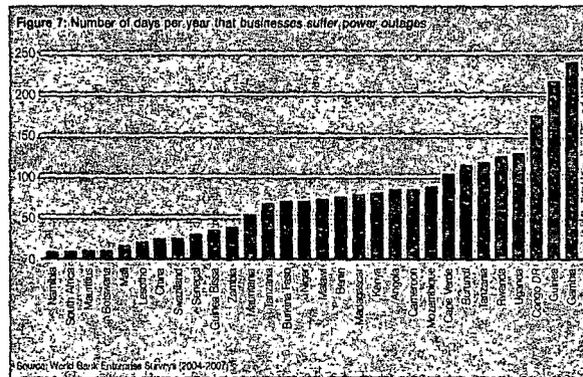
Source: World Bank Global Monitoring Report (2008)

coverage and high cost of Africa's stock of infrastructure.

A comprehensive set of Enterprise Surveys (World Bank, 2004-2007) also show that the lack of infrastructure is one of the most serious constraints to the growth of Africa's private sector. Of all enterprises surveyed across the African continent, almost 60 percent indicated that the lack of electricity is their top constraint. Figure 7 shows the number of days that a power outage occurred each year in the countries surveyed. Comparable data for China (in this and subsequent tables) show that the burden of power outages is far smaller for businesses in that country. Not surprisingly, the

data also show that large businesses are able to cope much better than small and medium-sized businesses—a much higher percentage of large businesses own generators. Analysis of these and other data shows that poor infrastructure is a key driver of the high cost of the business environment, and has seriously hampered profits in the African private sector (Erfert et al. 2008).

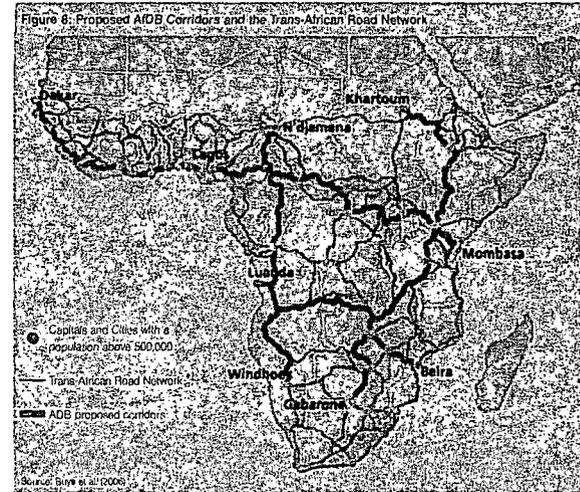
As discussed earlier, Africa has tremendous potential for the production of renewable energy—reserves of renewable resources, including hydro, geothermal, wind and solar, are the highest in the world (Buys et al. 2007). There is scope for harvesting these renewable resources—in both



small- and large-scale projects. For homes and businesses in sparsely populated areas with no access to the public grid, solar panels and other small-scale energy sources such as micro-hydro would enable access to modern energy, thereby reducing the enormous dependence on biomass-based fuels. Large-scale generation of power at a regional level, through the use of solar thermal technology, is seen as very viable as well. Regional hydro power projects, including the ongoing efforts to harness the power of the Inga River, have the potential to meet a significant share of Africa's power needs. The time has come to make a real push towards helping Africa get on a carbon-free path of power generation by using the best available renewable energy technologies.

There is potential to address the transport bottleneck as well. A network of roads connecting all sub-Saharan capitals and other cities with populations over 500,000, along with the African Development Bank's proposed corridor network (Figure 8), is estimated to result in an expansion of overland trade of about \$250 billion over fifteen years, with both direct and indirect benefits for Africa's rural poor (Buys et al. 2006). Corridor road networks connecting villages and smaller towns to these main roads will likely generate additional gains. Roads are critical not just to the private sector but also for getting children to school, delivering health care services, and for providing humanitarian aid. Currently, overland shipments between South Africa and Nigeria—the two largest economies in Africa—are almost nonexistent because of the poor quality of roads in between.

Investments in roads should be accompanied by adequate investments in road safety. Today, only 12% of roads are paved (WDI 2007), and Africa is estimated to have a very high road death rate relative to the size of its vehicle fleet. It is estimated that 10% of road deaths occur in Sub-Saharan Africa, where only 4% of motor vehicles are registered, in contrast to the developed world's 14% share despite accounting for 60% of registered motor vehicles (Jacobs and Aaron-Thomas, 2000). Road safety is an issue in need of urgent attention. In terms of existing roads as well as new construction, and has typically not received enough attention or funding. As interest in infrastructure is growing and new players are entering the picture, it is very important for road construction to reflect safety concerns and that every available technology



is considered to reduce the rate of death and injury on African roads.

Africa is also off target in terms of meeting the Millennium Development Goals related to water and sanitation (Figure 9). Management of water resources and the need for clean drinking water are of desperate importance in sub-Saharan Africa. The G8 has stated that it will "maintain its commitments" on water management, but the financing shortfall for water and sanitation is estimated to be around \$3 billion (UN HDR, 2006).

There has been some success in improving the



supply of water. The African Development Bank's Rural Water Supply and Sanitation Initiative (RWSSI) has successfully mobilised the major international donors as well as African governments to adopt RWSSI as the common framework for resource mobilisation and investment for the development of rural water supply and sanitation services in Africa (AIDB, 2007). The main target is to extend the provision of safe drinking water and basic sanitation to 80% of the rural populations by 2015, from the base level of about 47% coverage for water supply and 44% for sanitation in 2000.

Initiatives such as WRASSI and the African Water Facility are in need of support, attention and funding. WRASSI addresses some of the most difficult aspects of the problem with particular attention to the initiatives and management capabilities of local rural communities. After a relatively slow start, WRASSI is gaining momentum and according to the AIDB, some 30 million people will gain access to water and sanitation before the end of 2010. Along with the rapid rate of urbanisation, the food crisis compounds the need to address the issue of water. The dramatic underutilisation of irrigation must be emphasised—the Africa Water Vision for 2025 states that only 6% of cultivated area in Africa is irrigated (UNECA et al. 2000).

Infrastructure development is a top priority of NEPAD and the African Development Bank. The G8 launched the Infrastructure Consortium for Africa in 2005 to ensure that financing is available for infrastructure, but funding levels (while rising) are still below the levels recommended by the Commission for Africa and the High Level Panel Report of the African Development Bank (High Level Panel Report, 2007). Most recently, the Infrastructure Consortium for Africa concluded, based on the Africa Infrastructure Country Diagnostic, that infrastructure needs are of the order of \$38 billion per year; about two thirds of this is required for the energy sector (ICA, 2008). In 2007, Consortium members committed about \$10 billion in infrastructure funding. The EU-Africa Infrastructure Trust Fund, launched in 2007, is also receiving pledges from several EU member states.

African governments must also make every effort to develop public-private partnerships to attract capital for the funding of infrastructure projects. Public-Private Partnerships (PPPs) are often mentioned as key to improving services and infrastructure in Sub-Saharan Africa, where government capacity and revenue can be too limited to support the volume and size of needed investments outlined in this report (Parlam, 2006). The opportunity to leverage private expertise and share project risk is attractive in many ways, but governments cannot expect PPPs to be a magic bullet. As with any government procurement project, corruption during tendering, implementation and monitoring can make a viable project turn bad very quickly. And ensuring appropriate tariffs, project terms and regulatory conditions is as essential as it is complex. Despite these difficulties, successful PPPs in Sub-Saharan Africa show that they are useful instruments, provided the project, responsibilities and expectations are clearly defined.

Regulatory and pricing reforms will need to be ramped up to achieve this goal, as will monitoring mechanisms to prevent corruption. The existence of best-practice models for regulations, pricing and maintenance, and the capacity of multilateral banks and others to deliver technical assistance in this area, is central to these efforts. For example, maintenance can be included in construction contracts, outsourced to independent providers, or contracted in other ways. User charges can also play a role in funding construction and maintenance costs. Agreed tariff policies must be vigorously

implemented and competitive bidding, in the most transparent manner possible, must be the focus of all infrastructure projects.

African governments can also attract sovereign wealth funds to Africa for investment in infrastructure—if these funds invest just 1% of their portfolios in Africa, this will generate significant new resources for investment in the region. During a recent speech, World Bank President Robert Zoellick stated that sovereign wealth funds hold an estimated \$3 trillion in assets and argued that “if the World Bank Group can help create the platforms and benchmarks, the investment of even one % of their assets would draw \$30 billion to African growth, development, and opportunity” (Zoellick, 2008). This investment could be leveraged into attracting different types of funds to solve infrastructure financing needs. Another way that the World Bank and other actors can facilitate investments in infrastructure is by devising new and better instruments for underwriting and guaranteeing investments in so-called frontier markets.

It is worth noting that China and India, as well as Malaysia, the United Arab Emirates and others, have become significant investors in Africa. China is now Africa's third largest trading partner and together with other new entrants, has brought new dynamism and significant new resources. The new players have created greater opportunities for Africa's development, particularly in the areas of infrastructure, development finance, and trade. Their activity also raises the importance of debt sustainability for African governments. If Africa's development is to stay on track, it is crucial for both old and new actors to comply with agreed-upon principles of cooperation in the areas of aid, trade, and development finance.

Aid Levels and Aid Quality

Even while the food crisis imposes new burdens on Africa's resources, it is important that the G8 does not fall behind on promises already made.

Africa has received steadily increasing levels of assistance since 2002 (Figure 2). But in recent years, most of it has been in the form of debt relief, rather than programmable aid.

There is no doubt that debt relief has been beneficial to recipient countries. But with the Multilateral Debt Relief Initiative reaching its

conclusion, the resource gap is again widening. Equally troubling is that aid has not been sufficiently redirected towards countries with relatively good policy performance (OECD-DAC, 2008). A significant part of aid is still tied—a curious anomaly for donors who typically promote market-oriented institutions and reforms. Finally, volatility in the disbursement of aid has imposed a real burden on many African countries.

Aid and Debt Relief

The Monterrey Summit for Financing for Development and the G8 Summit in Kananaskis, Canada in 2002 were the founding events of a new partnership between the G8 and Africa. The G8 Africa Action Plan adopted in Kananaskis stated that aid “will ensure that no country genuinely committed to poverty reduction, good governance and economic reform will be denied the chance to achieve the Millennium goals through lack of finance”. The authors of the New Partnership for Africa's Development (NEPAD) were invited to the Kananaskis summit to launch a new relationship between the G8 and Africa, with the goal of ending

poverty on the African continent. The Action Plan for Africa offered support in several key areas—promotion of peace and security, improvement of governance and institutions, implementation of debt relief, tackling HIV/AIDS, increasing productivity in agriculture, and improving the management of water resources. The Action Plan also stated that it would be closely linked to the objectives of NEPAD with respect to improving governance, strengthening institutions and addressing the problem of corruption.

The G8 Summit at Gleneagles in 2005 marked another significant step towards increasing assistance to Africa. This summit resulted in major pledges from G8 member countries towards debt cancellation and the achievement of the Millennium Development Goals. Apart from the G8 summits, two summits on aid effectiveness, in Paris (2005) and in Accra (upcoming), focus attention on improving the delivery of aid to the developing world.

But any assessment of progress on delivering on the G8's commitments in the years since the

Kananaskis summit of 2002 shows a mixed picture.² The G8 has been successful in providing much-needed debt relief - the Heavily Indebted Poor Countries (HIPC) initiative and the Multilateral Debt Relief Initiative have alleviated the debt burden of many African countries. Table 2 shows the status of debt relief efforts in Africa.

Debt relief has undoubtedly resulted in significant gains. As the report of the G8 Africa Personal Representatives pointed out, it has “provided fiscal space for increasing poverty-reduction expenditures and has freed up resources for greater investment in the Millennium Development Goals” (G8 APR Report, 2007). The MDRI is estimated to cancel as much as \$60 billion worth of multilateral debt. Furthermore, the World Bank-IMF Debt Sustainability Framework lays the groundwork for responsible lending and debt management by creditors and borrowers alike. Not all countries have received debt relief but much progress is being made, with strong ongoing support from the G8. Debt cancellation has helped many nations to address the important goal of poverty alleviation much more vigorously; some governments have indicated that it has also served as a strong, positive signal to foreign investors.

Expenditures in the social sectors (such as health and education) of countries that have received debt relief have increased beyond the amount of debt relief, which means that they are not just using the funds from debt relief to increase social expenditures, but are also leveraging these funds for higher investments in health and education (IMF, 2001). The G8 has also provided strong support to the Global Fund for AIDS, Tuberculosis and Malaria, which has committed about \$8 billion in 136 countries to fight the three diseases. This support was further strengthened at the meeting to replenish the Global Fund, held in Berlin in September 2007, where an additional \$10 billion was raised for the next three years. Individual G8 members have also invested substantially in the health sector.

The results on the ground suggest that the investments in health and education are paying off. There has been progress on health, particularly in the reduction of infant and child mortality. Malaria interventions are significant as well—over 20 million bed nets have been distributed by the Global Fund

through country-owned mechanisms. There is continuing progress in the fight against infectious disease, and the G8 can honestly claim responsibility for some of the gains (OECD-DAC, 2008). Some countries have also undertaken innovative efforts—in March 2008, the U.K. and France have announced a joint initiative to enroll 16 million African children in school within the next two years, in partnership with organisations that govern the sport of football.

But even in the social sector, where visible gains have been made, there remains work to be done. Attention to and investments in health systems lag far behind stated pledges. Africa also accounts for nearly half of the world's children who are not in school. The G8 has expressed support for the goal of universal primary education and for the Education For All Fast Track Initiative at several summits but has not made specific financial commitments. In order to meet the goal of universal primary education by 2015, some 47 million African children of primary school age will need to be enrolled in school between now and 2010. If Africa is to really benefit from the new “knowledge era”, a major effort will have also to be undertaken to rehabilitate its universities and to develop an autonomous research sector. This is a major challenge that the Panel will consider in more detail in the future.

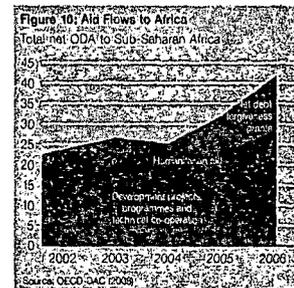


Figure 10: Aid Flows to Africa. Total ODA to Sub-Saharan Africa (billions of dollars) from 2002 to 2006. Source: OECD-DAC 2008.

The G8 also does not have a timetable for progress toward the overall goal of doubling aid. In the immediate term, the key issue is how to get from 2008 to 2010 or beyond and how much information the G8's members can give African countries about what types of resources will be available and when they will be available.

A statement from the OECD-DAC issued in April 2008 argues that commitments made at Gleneagles and subsequent summits by the G8 imply that overall aid levels will rise from \$80 billion in 2004 to \$130 billion in 2010 (OECD-DAC, 2008). For this to be realised, the rate of increase in core development programs will have to more than double over the next three years. OECD-DAC concludes that donors “will need to achieve unprecedented increases” to meet their targets for 2010. Early findings from an OECD survey of future spending shows that donors are making efforts to raise levels of aid but there is still a gap of about \$40 billion (in 2007 dollars) that needs to be filled.

We are in a situation where it is increasingly clear that traditional budgetary resources are too overstretched to meet aid pledges, unless innovative financing mechanisms are promptly put in place. Possible sources of new funds include currency transactions taxes, global environmental taxes such as carbon taxes, taxes on international air travel and freight transport, a global lottery, measures to increase private funding of development agencies, etc. Urgent collective work to evaluate these and other options should be a priority for the donor community.

Improving the Quality of Aid

We believe that the quality of aid must also improve along with the donor community's commitments and policies. Fragmentation of aid continues to be a problem as many donors implement scores of projects across the developing world. Major donors are committed to improving aid quality via the Paris Declaration on Aid Effectiveness; a forthcoming high-level summit in Accra will highlight this issue once again. Many policymakers and researchers have emphasised the need for outcome-based evaluation of aid projects as well. Recently, there has been strong support from a number of developed and developing countries for the International Initiative on Impact Evaluation (3IE) which will carry out independent assessments using randomised trials and other new methodologies.

Table 2: The Status of Debt Relief Efforts in Africa (in billions of Special Drawing Rights (SDRs), as of August 2007)

Country	HIPC Decision Point	HIPC Completion Point	Total HIPC and MDRI Debt Relief
Completion Point HIPC			
Burkina Faso	Jul-00	Mar-03	54
Burkina Faso	Jul-00	Apr-02	103
Cameroon	Oct-00	Mar-03	213
Ethiopia	Nov-01	Apr-04	126
Ghana	Feb-02	Jul-04	314
Madagascar	Dec-00	Oct-04	145
Mali	Dec-00	Aug-03	52
Mali	Sep-03	Mar-03	112
Mali	Feb-00	Jun-02	69
Mozambique	Apr-01	Sep-01	191
Rwanda	Dec-00	Apr-03	71
Sao Tome & Principe	Dec-00	Mar-07	17
Senegal	Jun-00	Apr-04	133
Sierra Leone	Mar-02	Dec-06	163
Tanzania	Apr-00	Nov-01	303
Uganda	Feb-00	May-00	188
Zambia	Dec-00	Apr-05	807
Interim HIPC			
Burundi	Aug-05	floating	0
Chad	May-01	floating	0
Democratic Republic of Congo	Jul-03	floating	0
Republic of Congo	Mar-06	floating	0
The Gambia	Dec-00	floating	0
Guinea	Dec-00	floating	0
Guinea-Bissau	Dec-00	floating	0
Interim HIPC under the original HIPC initiative			
Cote d'Ivoire	Mar-98	floating	0

Source: IMF (2007).

2 Appendix 1 lists in detail the promises made by the G8 at Gleneagles and subsequent summits.

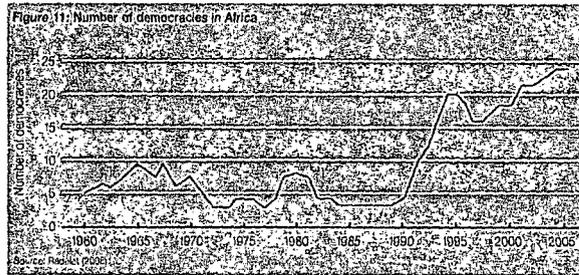
This will enable more rigorous assessments of the impact of aid.

Tied aid is a key issue in need of attention. It limits the opportunities for "shopping around" and does not maximize the benefits of aid. Fortunately, in recent years, there has been some progress as DAC members increased their reported untied aid from 42.5% of aid in 2002 to 53% in 2006. Aid reported as tied fell from 7.3% to 3%. However, with both measures, the tying status of large portions of aid is not reported, notably aid from the United States. The proportion of aid that is tied must be clearly identified by every member of the GB, and must be decreased over time.

The quality of aid is also very dependent on its level of predictability. New data show that aid volatility continues to be a very serious problem, and many countries in Africa, suffer the worst consequences (World Bank, 2008a). The data show that aid flows should be discounted by 15-20% to account for the effect of volatility—this number is even higher for countries which experience extreme volatility (Kharas, 2008). There is also evidence to indicate that if aid predictability is not improved, recipient countries may see increases in aid offset by volatility (Eifert and Gelb, 2005). This raises the possibility of a low-level equilibrium: countries budgeting prudently within a medium-term fiscal framework will discount commitments and donors will see few funding gaps, so pledges will fall. With some countries discounting aid commitments in formulating budgets, we already observe some signs of this behaviour.

Donors should pay attention to this problem, and consider various solutions, including pre-committing aid over a multi-year horizon on the basis of an initial performance assessment. Pre-commitments can be made under flexible rules which revise commitments in response to deteriorations in governance; the resulting improvements in predictability would likely be significant, especially for the poorest countries.

Innovation in aid delivery must also be a part of the broader donor agenda of improving aid quality. Continuous improvements in the delivery of aid will help overcome major challenges in aid appropriation, which will only become more difficult as donor countries try to fulfill their commitments to major increases in development assistance. Donors



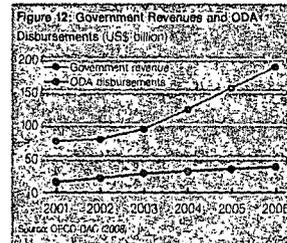
and their taxpayers want to know that additional funds will achieve results, yet it is not always clear whether aid for building schools, training teachers, and buying textbooks will get children in school or ensure that they learn once there. This problem persists for two reasons: donors often cannot identify the optimal use of funds in each country from outside, and some donor practices, such as spending funds outside their budgets, can hinder the long run development of country capacity and institutions.³ These problems must be addressed by innovations that will improve the effectiveness of aid. And finally, while we have focused our analysis on aid and trade, we note that individual developed country policies on issues such as migration, investment, or technological development can have an enormous impact on Africa's growth prospects (Roodman, 2008). Future work of the Panel will look at some of these areas in detail.

Good Governance

The ability to cope with immediate- and longer-term challenges is very much dependent on changes within the continent, particularly in the area of governance. And while there have been ups and downs, there is no doubt that overall, some progress has been made in good governance. In Kenya, a power-sharing agreement has been reached. In Rwanda, there has been much progress in improving the regulatory environment for businesses (World Bank, Doing Business, 2008). In several countries, sub-national and local governments are playing more important roles in the allocation of funds towards health and education; these actions are resulting in significant improvements in child mortality, primary enrolment rates and access to life-saving medicines (OECD-DAC, 2008). The growing role of civil society in many countries is a great sign of progress—non-governmental organisations and

other citizens groups are playing a significant role in holding governments accountable for their actions. The Internet has emerged as a tool for both governments and civil society as well.

Improvements in governance are correlated with advancements in other areas, including economic growth, income distribution, and poverty alleviation (Radelet, 2008). Figure 11 shows the number of democracies in Africa.⁴ Even if the basic criteria can be discussed and the sustainability of progress cannot always be taken for granted, we observe that more than half of the continent is now democratic.



The level of resources being committed by African governments to tackling poverty and other problems is rising, along with the revenue base. Figure 12 shows that government revenues in billion US\$ are rising quite steeply, especially since 2004. In countries that are experiencing sustainable

3 One interesting idea is that donors might commit to only pay a specific amount for a specific measure of progress such as school enrolment rates, as much as is verifiably achieved, and 4% supplemental payment on top of existing aid (Birdsall et al., 2007).

4 To qualify as a democracy, a country must score 4 or less on the combined Freedom House scores and 2 or more on the polity score from Polity IV (Radelet, 2008).

growth, it is also clear that more of these resources are going towards development (World Bank Global Monitoring, 2008). African governments have greatly increased their own participation in areas such as health and education (DATA, 2007). While progress is sometimes slow, many governments are taking on a higher share of the costs of development.

Data from the World Bank's Governance Indicators Project, Freedom House, and from Transparency International show that Africa's governance scores are improving, in accordance with the objectives of NEPAD (see Figure 13 for data from the World

While the rate of progress may not be as high or as steady as we wish, it is positive and we must do everything we can to acknowledge this trend and to make sure that it is not reversed.

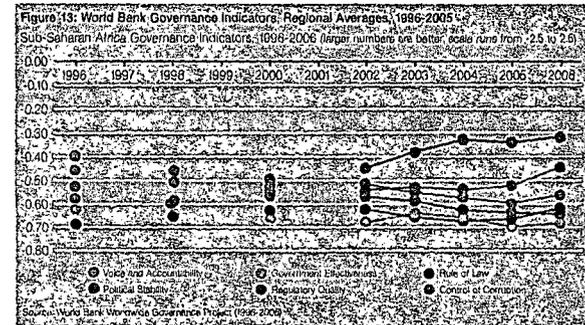
By adopting the framework of NEPAD unanimously in Lusaka in 2001, African governments have pledged to their peoples, and to the world, that they will promote good governance. In 2002, NEPAD launched the Africa Peer Review Mechanism (APRM), a self-monitoring mechanism for maintaining high standards of governance, accountability and economic performance.⁵ As of 2007, 26 countries

there is progress to be made—it is critical that governments implement the recommendations of the APRM reports and that the review process moves at a healthy pace in order to speed up the rate of completion for countries in the queue.

The GB has repeatedly stated its support for the Africa Peer Review Mechanism and the Extractive Industries Transparency Initiative, which is designed to monitor the use of funds earned from oil and other natural resources. Both the APRM and the EITI have been successful, even groundbreaking, in their efforts to improve governance—and both have resulted in improvements on the ground. The GB must be commended for its role in these efforts. Still, the GB can lend more support than it currently does. In particular, countries that are implementing reforms based on the results of the peer review process should be entitled to receive more help from the GB, in terms both of financing and of technical assistance.

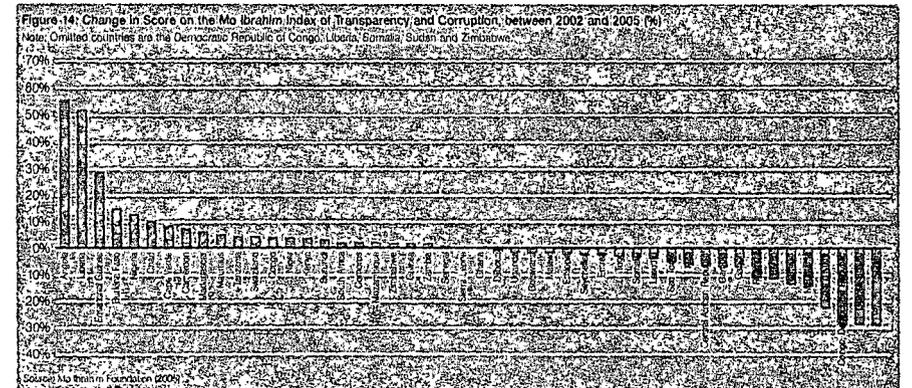
5 The Ibrahim Index defines good governance as the delivery of key political goods and uses statistics on poverty, infrastructure, elections, etc. to evaluate such delivery. An extensive explanation of the index and the methodology behind it is available at <http://www.mo IbrahimFoundation.org>

6 The African Peer Review Mechanism (APRM) is voluntarily accessed to by the members of the African Union and entails periodic reviews of the policies and practices of participating countries to ascertain progress made towards goals in democracy and political governance, economic governance and management, corporate governance, and socio-economic development. The APRM is not meant to exclude or punish countries, and there is no conditionality attached to the mechanism. Country review reports are available at <http://www.nepad.org/aprm/> for South Africa, Ghana, Kenya, Algeria and Benin.



Bank). Scores in the Ibrahim Index category on rule of law, transparency and corruption also indicate progress in some African countries (Figure 14).⁶

had enrolled in the APRM process and three countries had completed the process and presented progress reports to the larger group. Still



The African Union Convention on Preventing and Combating Corruption, adopted in 2003, provides a framework for anti-corruption legislation focused around prevention, punishment, cooperation and education (Muna, 2004). The Convention entered into force in 2006 and has been ratified by 24 countries, but its effectiveness depends on national legislation and enforcement of varying quality. The G8 should also support this legislative process and the real implementation of credible enforcement mechanisms as part of its commitment to improving legal systems and general governance. On the side of African governments, there needs to be greater leadership in terms of follow-up and implementation. Implementation of reforms suggested by the APRM must also occur at a faster pace. African governments can and should devote greater resources to these efforts as well.

The G8 must also continue to improve governance within its own countries, in accordance with the OECD Convention on Corruption, in order to be a credible partner in Africa's progress. The implementation of the OECD Convention against bribery of foreign officials has suffered serious setbacks (Transparency International, 2007). Equally disappointing is the fact that the UN Convention on Corruption is not yet ratified by all of the G8 member countries.

While acknowledging progress in governance in many countries, the ongoing violence in the Darfur region of Sudan and in the eastern part of the Democratic Republic of Congo is of extreme concern. Both conflicts have resulted in millions of

deaths and untold levels of suffering. It is widely estimated that the conflict in Congo has resulted in the deaths of over 5 million people and that the ongoing conflict in Darfur has also caused millions of people to be killed or displaced from their homes. The total economic collapse of Zimbabwe and the unstable situation in Somalia are also of concern. Together, these situations represent humanitarian disasters of enormous proportions.

The situation regarding refugees continues to be of great concern. A satellite picture from UNOSAT, taken in February 2008, shows the scale of refugee flows from the Chadian capital of NDjamena to the Cameroonian border (Figure 15). Each dot on the photograph is an individual and each yellow box is a vehicle—a single photograph depicts thousands of men, women and children fleeing their homes.

The training of peacekeepers needs greater support and coordination from within and outside Africa. A commitment made in 2004 by the G8 to train peacekeepers was repeated in 2005 and 2006. The United States, the United Kingdom, France and Italy have invested resources in training troops and police, fulfilling promises made at the G8 Summit in Sea Island. Some financial support has also been provided for the African Union's Mission in Sudan (AMIS), both by the United States and by the European Union, and other bilateral commitments have also been made. More recently, the commitment to support the Africa Mission to Sudan has been expanded to include a specific statement reflecting the situation in Darfur.

Several summits have reiterated the G8's commitment to support the building of the Africa Standby Force's civilian and military capacity but these promises are unfulfilled. According to the African Union's protocol, the Africa Standby Force is supposed to have the capacity, by 2010, to carry out complex peacekeeping missions, undertake post-conflict disarmament and demobilisation exercises and provide humanitarian assistance. It is also supposed to be able to deploy quickly—within 30 to 90 days of authorisation by the AU commission (Mbogo, 2006). The African Standby Force is yet to achieve these objectives and suffers from a severe lack of funding. In order to resolve existing conflicts and prevent new ones, it is very important for the G8 to follow up on promises to support peacekeeping with sustained action and financial support.

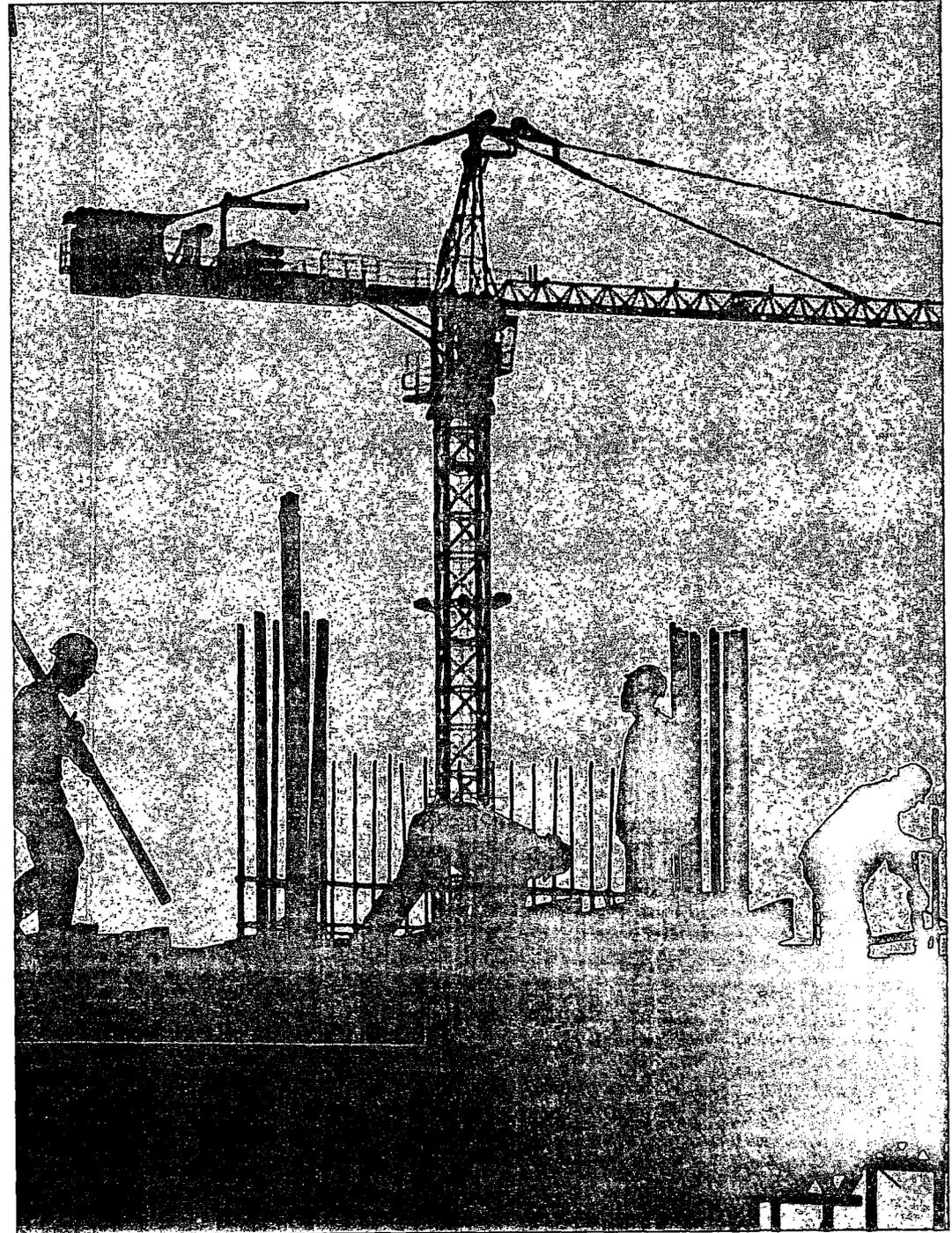
More broadly, the African Union must be supported in its efforts to strengthen its capacity to address ongoing conflicts and prevent new ones. Its annual budget of about \$600 million is wholly inadequate to address the multitude of problems it must cope with. Currently it is struggling to cope with the provision of transport, logistics support, and humanitarian aid to Africa's conflict zones. It is also understaffed in several critical areas (African Union, 2004). Deliveries of critical equipment such as helicopters or transport vehicles are often delayed due to lack of funds and attention. Both the G8 and African governments can do more to address this situation, by focusing on strengthening the capacity of the African Union and by taking on more financial responsibilities.

In concluding this brief report on the present state of Africa, we would like to emphasise to the partners in Africa's development, both the new and unprecedented opportunities they enjoy and the problems which they must help address. Promising avenues are opened up by the progress observed in many sectors as well as by emerging countries keen to develop their economic relations with the African continent. At the same time, the crises afflicting the world economy today are particularly threatening for Africa, as they can derail progress.

Africa is, no doubt, at a critical juncture, facing the challenge of maintaining and, if at all possible, increasing the speed of its development. In such circumstances, it is imperative for its international partners to make sure - as pledged by the G8 Africa Action Plan adopted in Kananaskis - that aid "will ensure that no country genuinely committed to poverty reduction, good governance and economic reform, will be denied the chance to achieve the Millennium Goals through lack of finance". The first step in that direction for Africa's partners should consist of bringing, as soon as possible, their individual contributions in line with pledged undertakings, while considering the best ways to support the African Union in its efforts to address ongoing conflicts, prevent new ones, and adapt the continent to changing climatic conditions.



Figure 15: Refugee flows from NDjamena to the Cameroonian border



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Appendix 1: G8 commitments to Africa 2005-07
Source: DATA (2007)

G8 commitments at Gleneagles	G8 commitments at St Petersburg	G8 commitments at Heiligendamm
<p>Double assistance to Africa: "The commitment of the G8 and other donors will lead to an increase in official development assistance to Africa of \$26 billion a year by 2010, more than doubling aid to Africa compared to 2004."</p> <p>Aid effectiveness: "We will implement and be monitored on all commitments we made in the Paris Declaration on aid effectiveness, including enhancing efforts to unite aid."</p> <p>Innovative financing: "A group of the countries above firmly believe that innovative financing mechanisms can help deliver and bring forward the financing needed to achieve the Millennium Development Goals. They will continue to consider the International Financing Facility (IFF), a pilot IFF for immunisation and a solidarity contribution on plane tickets to fund health development projects, in particular in the health sector, and to finance the IFF/A working group will consider the implementation of these mechanisms."</p> <p>Doubling of EU ODA: "The EU will nearly double its ODA between 2004 and 2010. At least 50% of this increase should go to sub-Saharan Africa."</p>	<p>Double assistance to Africa: "We are working hard to deliver on our substantial aid commitments."</p> <p>Aid effectiveness: "We are working on the implementation of the March 2005 Paris Declaration on Aid Effectiveness" and have started to conduct a survey on monitoring the implementation."</p> <p>Innovative financing: "In the Annex of the G8/Africa statement, Canada, France, Italy, Russia, the UK and the US reiterated their support for AMCs and other forms of innovative financing."</p>	<p>Double assistance to Africa: "We stress our firm resolve to implement the commitments on development made in particular in Gleneagles. They include increasing, compared with 2004, with other donors, ODA to Africa by US\$ 25 billion a year by 2010." (Africa statement)</p> <p>"Significant progress has been made, but we recognise that further action is needed to meet our previous commitments." (Africa statement)</p> <p>"Debt relief, innovative financing in as well as private sector engagements will contribute to fulfil these commitments." (Chair's Summary)</p> <p>Aid effectiveness: "We are working to implement the Paris Declaration on Aid Effectiveness and recognise that both donors and partner countries have signs to take to improve the impact of aid."</p> <p>Innovative financing: "The G8 welcome innovative financing initiatives. We note that such measures, taken on a voluntary basis, to mobilise additional resources for a long-term access to affordable vaccines and treatments, as well as for the development of vaccines, such as the GAVI, UNITAID, the IFF and the AMC."</p>
<p>Multilateral Debt Relief Initiative: "Cancel 100% of outstanding debts of eligible Heavily Indebted Poor Countries to the IMF, IDA and African Development Fund, and provide additional resources to ensure that the financing capacity of the IFIs is not reduced."</p> <p>Nigeria: "Achieve a sustainable exit for Nigeria from its debt problems." <i>Doha Development Round:</i> "Work with greater urgency to bring these negotiations to a close by the end of 2006."</p> <p>Agriculture: "Commit to substantially reducing trade-distorting domestic support and substantially improving market access and eliminating all forms of export subsidies and establishing disciplines on all export measures with equivalent effect by a credible end date."</p> <p>Market access: "Reiterate the commitment to duty-free and quota-free market access for products originating from LDCs and improve the utilisation of our preference programmes by</p>	<p>Multilateral Debt Relief Initiative: "We have made good progress in lifting the debt burden from the poorest countries."</p> <p>Nigeria: "A deal resolving 100% of Nigeria's \$30 billion in debts to Paris Club creditors has also been agreed and implemented."</p> <p>Doha Development Round: "A deal resolving almost all outstanding issues in concluding the DDA with urgency."</p> <p>Agriculture: "We agreed to eliminate all forms of export subsidy on cotton by 2006, to end all forms of agricultural export subsidies and to discipline all export measures with equivalent effect by end 2013, subject to successful conclusion of the Doha Round."</p> <p>Market access: "Provide duty-free and quota-free market access for at least 97% of products originating from all LDCs by 2008, or no later than the start of the implementation period of the DDA, subject to successful</p>	<p>"These commitments include the historic multilateral debt relief of up to US\$ 60 billion, the implementation of which is now well underway."</p> <p>Debt sustainability: "We invite (all donors) to adhere to the Paris Declaration as donors and to take account of the debt sustainability issues in all of their lending practices."</p> <p>Doha Development Round: "We pledged to work with a high level of ambition in all areas of the DDA. The time has come to translate continued commitment on a political level into tangible results."</p> <p>Agriculture: "No mention."</p> <p>Market access: "We are fully committed to provide duty-free and quota-free market access for products originating from LDCs to achieve substantial improvements in market access."</p> <p>Aid for trade: "The G8 will further concentrate on trade capacity building assistance and</p>

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ensuring that rules (particularly rules of origin) are transparent and simple to follow and do not inadvertently preclude developing countries from taking advantage of those schemes.

Aid for Trade: Increase our help to developing countries to build the physical, human and institutional capacity to trade, including trade facilitation measures.

Policy space: Ensure that there is appropriate flexibility in the DDA negotiations, so that Least Developed Countries can decide, plan and sequence their overall economic reforms in line with their country-led development programmes.

HIV/AIDS: With the aim of an AIDS-free generation, develop and implement a package with the aim of as close to possible universal access to treatment for all those who need it by 2010, and ensure that all children left orphaned or vulnerable by AIDS or other pandemics are given proper support.

We will work to meet the financing needs of HIV/AIDS, including through the replenishment this year of the Global Fund.

TB: Help to meet the needs identified by the Stop TB Partnership.

Malaria: By contributing to the additional \$1.5 billion a year needed annually, we can reduce the burden of malaria as a major killer of children in sub-Saharan Africa.

Polio: Supporting the Polio Eradication Initiative for the post-eradication period in 2006-08 through continuing or increasing our own contributions.

Health systems: Investing in improved health systems in partnership with African governments, by helping train and retain doctors, nurses and community health workers.

conclusion of the Doha Round.

Aid for Trade: We expect spending on Aid for Trade to increase to \$4 billion, including through enhancing the Integrated Framework.

HIV/AIDS: Building on the commitments we made at Gleneagles last year, pursue all necessary efforts to scale up towards the goal of universal access to comprehensive prevention programmes, treatment, care and support by 2010, and ensure that additional resources are made available to tackle AIDS in view of this. UNAIDS estimate that \$20-\$23 billion is needed annually by 2010.

We will work with other donors in the effort to secure the funding needed for the Global Fund for the 2006-07 replenishment period and call upon all concerned to participate actively in the development of a four-year strategy, aimed at building a solid foundation for the activities of the Fund in the years ahead.

TB/malaria: We are working to deliver the Global Plan to Stop TB, launched in January 2006, and the Global Strategic Plan to Roll Back Malaria, launched in November 2005.

Polio: We have committed \$210 million to fund Polio Eradication in 2008.

Health systems: Improved access to prevention and treatment of diseases for those in need through assistance programmes focused on strengthening the capacity of health systems and the training, deployment and retention of qualified health workers.

support the recommendations of the WTO's Aid for Trade Task Force to improve the quality and monitor the delivery of the commitments on Aid for Trade. We expect spending on Aid for Trade to increase to US\$4 billion, including through enhancing the Integrated Framework.

Health: Though visible progress has been achieved, we and others need to do more.

The G8 countries will scale up their efforts to contributing towards the goal of universal access to HIV/AIDS prevention programmes, treatment and care and support by 2010 for all. We recognise that to meet this goal of universal access as well as realising the MDGs for fighting HIV/AIDS, malaria and TB on a sustainable basis, and strengthening of health systems will require substantial resources. We will continue our efforts towards these goals to provide at least a projected US\$ 60 billion over the coming years.

G8 members pledge to work with other donors to replenish the GFATM and to provide long-term, predictable funding based on ambitious, but realistic demand-driven targets.

HIV/AIDS: G8 members, in support of national HIV/AIDS programmes globally, individually and collectively, over the next few years will aim to employ existing and additional programmes to support life saving anti-retroviral treatment through bilateral and multilateral efforts for approximately five million people; to prevent twenty-four million new infections and to care for twenty-four million people, including ten million orphans and vulnerable children.

TB: We are committed to working towards further integration of efforts against TB and HIV/AIDS and the integration of DOTS treatment and other comprehensive approaches necessary to control TB.

Malaria: To accelerate implementation of the

[REDACTED]

Universal Primary Education: We support our African partners' commitment to ensure that by 2015 all children have access to and complete free and compulsory primary education of good quality.

Education for All Fast Track Initiative: We will work to support the Education for All agenda in Africa, including continuing our support for the Fast Track Initiative (FTI).

Implementing the G8 water action plan agreed at Evian, including through increasing aid in this sector.

APRM: Support to the African Peer Review Mechanism while respecting African ownership.

[REDACTED]

Universal Primary Education: We are working with our African partners on their commitment to provide free primary education for all African children by 2015.

Education for all Fast Track Initiative: We support an effective implementation of the EFA Fast Track Initiative.

We are contributing to efforts to improve the effectiveness of aid to Africa's water sector.

APRM: 25 countries have signed up to the African Peer Review Mechanism and three have

financial commitment we have undertaken at Gleneagles, we will work to reach this goal by mobilising the private sector and its expertise and resources, enhancing public awareness, encouraging public-private partnerships, and urging non-G8 countries to do the same.

Polio: The G8 will make utmost efforts in cooperation with international organisations and partners to eradicate polio and will also work with others to close urgent funding shortfalls.

Health Systems: The shortfall in human resources undermines the provision of adequate health care in Africa. We will work with African states to address the different causes of this lack of human resource capacity within the health sector, including working conditions and salaries, with the aim of recruiting, training and retaining additional health workers.

Monitoring progress: In view of the G8 countries' contributions to achieving the health-related international goals we agreed in SI Potsdam, to review progress in this regard, including our financial commitments, in fighting the three diseases HIV/AIDS, TB and malaria regularly. We will undertake this monitoring exercise for the first time this year under the Presidency's guidance. The report will inform our activities and commitments and we affirm that we will continue this close monitoring process regularly. (http://www.g-8.de/Content/EN/Article/07_08_summit/agen/2007_11_05_health_review/property-publicationFile.pdf)

Universal Primary Education: We reaffirm that no country seriously committed to Education for All will be thwarted in their achievement of the goal by lack of resources.

Education for all Fast Track Initiative: The G8 will continue to work with partners and other donors to meet shortfalls in all FTI endorsed countries, estimated by the FTI Secretariat at around US\$ 500 million for 2007.

[Not mentioned]

Good governance is an important basis for our co-operation.

such as through contributions to the APRM Secretariat Unit Fund.

EITI: Increase support to the Extractive Industries Transparency Initiative and countries implementing EITI including through financial and technical measures.

UNCAC: Work vigorously for early ratification of the UN Convention Against Corruption and start discussions on mechanisms to ensure its effective implementation.

OECD Convention on Bribery: Reduce bribery by the private sector by rigorously enforcing laws against the bribery of foreign public officials.

Training peacekeepers: We are progressing our Sea Island commitment to train and where appropriate equip some 75,000 troops to take part in peace support operations worldwide with a sustained focus on Africa.

African Union Mission in Sudan (AMIS): We commend and will continue to support the African Union's mission in Sudan (Darfur).

African Standby Force: Providing continued technical assistance to the African Standby Force and helping to establish planning elements at the AU HQ and its regional brigades.

completed the process.

EITI: Good progress has been made in improving transparency and accountability including in the oil and gas industries through the EITI.

UNCAC: We have secured the entry into force of UNCAC; three G8 countries are among those who have ratified.

OECD Convention on Bribery: We have successfully completed work at the OECD to strengthen significantly anti-bribery requirements for those applying for export and credit guarantees.

Training peacekeepers: We are on track to deliver our Sea Island commitment to train 75,000 troops worldwide by 2010, with a sustained focus on Africa.

African Union Mission in Sudan (AMIS): We have provided funding, hardware, personnel and technical assistance to the AU Mission in Darfur and stand ready to support a UN force to take over from the AU there.

African Standby Force: We have increased our support for African efforts to build a peaceful and stable Africa including support for setting up the African Standby Force.

APRM: The G8 agreed to provide additional support to countries during their peer reviews and for implementing reforms emerging from the APRM recommendations. (Chair's Summary).

We commit ourselves and encourage others to give priority attention to the results of the APRM reviews in their own strategies for bilateral and regional co-ordination. (Africa statement).

EITI: We therefore express our continuous support for EITI and we will launch a certification pilot project. (Chair's Summary).

UNCAC: We will intensify common efforts to effectively combat corruption worldwide. This includes: Supporting ratification of UNCAC by all countries. (Global Communiqué).

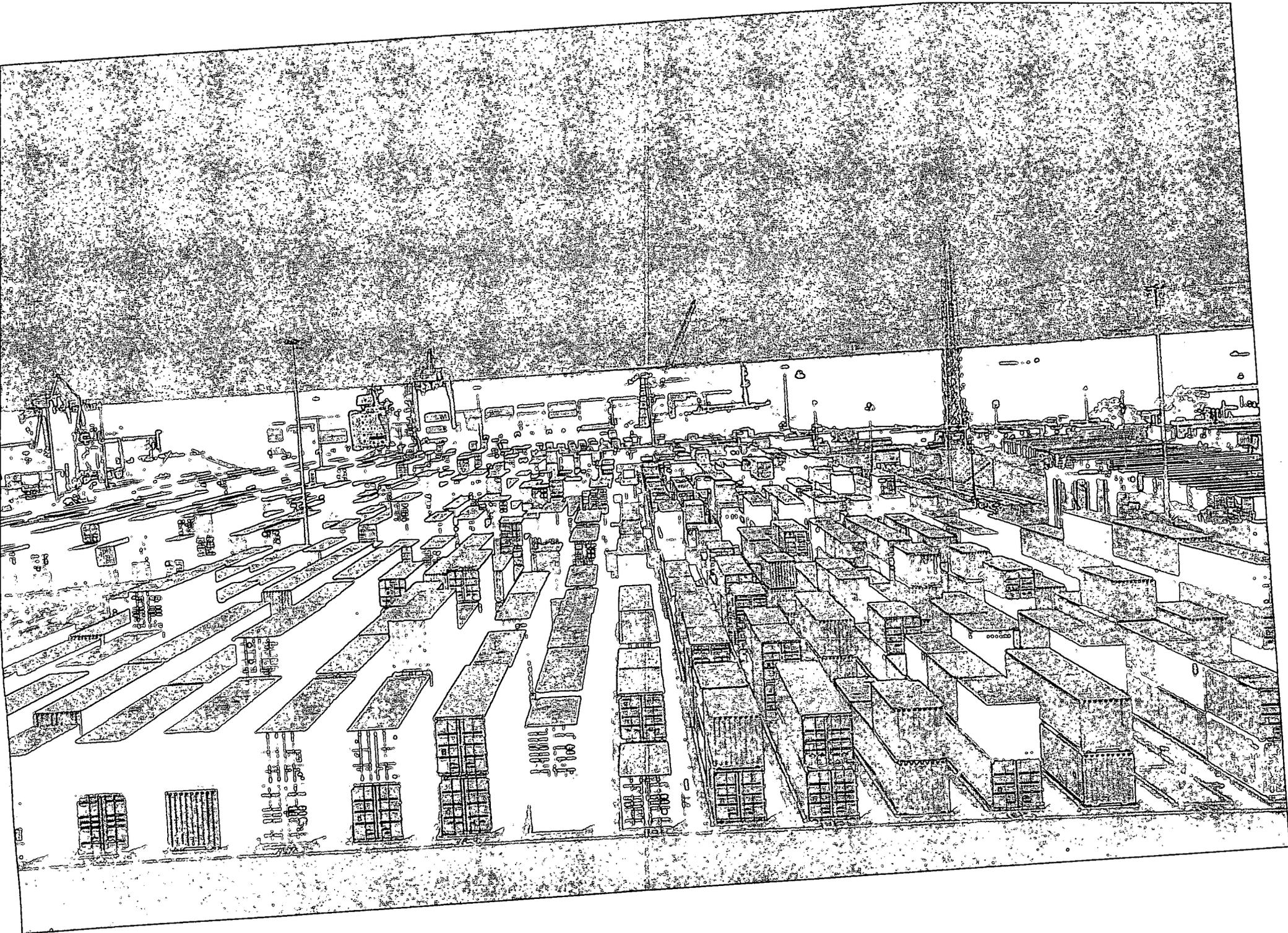
OECD Convention on Bribery: We are committed to full implementation of obligations under existing international agreements. This includes the partners commitment to effective investigation and prosecution of domestic and foreign bribery cases. (Global Communiqué).

Good Financial Governance: the G8 Action Plan for Good Financial Governance in Africa will support the promotion of good financial governance, including capacity development, working closely with the IFIs ongoing initiatives. We will assist African countries that are taking credible action against corruption and increasing transparency and accountability.

Training peacekeepers: No mention.

African Union Mission in Sudan (AMIS): From the G8's statement on Sudan/Darfur. "We also reiterate our commitment to support AMIS in the rapid transition to the AU/UN hybrid mission. ... We agreed that if the Government of Sudan and the rebel movements continue to fail to meet their obligations, we will support appropriate action in the Security Council."

African Standby Force: The G8 are committed to strengthen the civilian, including police capabilities of the ASF. At the same time, we remain firmly committed to providing the necessary support to the ASF for its core military capabilities, which require increased investment by troop contributors and donors alike.





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Appendix 1: G8 commitments to Africa 2005-07
Source: DATA (2007)

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<p>Double assistance to Africa: The commitment of the G8 and other donors will lead to an increase in official development assistance to Africa of \$25 billion a year by 2010, more than doubling aid to Africa compared to 2004.</p> <p>Aid effectiveness: We will implement and be monitored on all commitments we made in the Paris Declaration on aid effectiveness, including enhancing efforts to untie aid.</p> <p>Innovative financing: A group of the countries above firmly believe that innovative financing mechanisms can help deliver and bring forward the financing needed to achieve the Millennium Development Goals. They will continue to consider the International Financing Facility (IFF) a pilot IFF for immunisation and a solidarity contribution on plane tickets to finance development projects, in particular in the health sector, and to finance the IFF. A working group will consider the implementation of these mechanisms.</p> <p>Doubling of EU ODA: The EU will nearly double its ODA between 2004 and 2010. At least 50% of this increase should go to sub-Saharan Africa.</p>	<p>Double assistance to Africa: We are working hard to deliver on our substantial aid commitments.</p> <p>Aid effectiveness: We are working on the implementation of the March 2005 Paris Declaration on Aid Effectiveness and have started to conduct a survey on monitoring the implementation.</p> <p>Innovative financing: In the Annex of the G8 Africa statement, Canada, France, Italy, Russia, the UK and the US reiterated their support for AMCs and other forms of innovative financing.</p>	<p>Double assistance to Africa: we stress our firm resolve to implement the commitments on development made, in particular in Gleneagles, they include increasing, compared with 2004, with other donors, ODA to Africa by US\$ 25 billion a year by 2010. (Africa statement)</p> <p>"Significant progress has been made, but we recognise that further action is needed to meet our previous commitments." (Africa statement)</p> <p>"Debt relief, innovative financing in as well as private sector engagements will contribute to fulfil these commitments." (Chair's Summary)</p>
<p>Multilateral Debt Relief Initiative: Cancel 100% of outstanding debts of eligible Heavily Indebted Poor Countries to the IMF, IDA and African Development Fund and provide additional resources to ensure that the financing capacity of the IFF is not reduced.</p> <p>Nigeria: Achieve a sustainable exit for Nigeria from its debt problems. <i>Doha Development Round:</i> Work with greater urgency to bring these negotiations to a close by the end of 2006.</p> <p>Agriculture: Commit to substantially reducing trade-distorting domestic support and substantially improving market access and eliminating all forms of export subsidies and establishing disciplines on all export measures with equivalent effect by a credible end date.</p> <p>Market access: Reiterate the commitment to duty-free and quota-free market access for products originating from LDCs and improve the utilisation of our preference programmes by</p>	<p>Multilateral Debt Relief Initiative: We have made good progress in lifting the debt burden from the poorest countries.</p> <p>Nigeria: A deal resolving 100% of Nigeria's \$30 billion in debts to Paris Club creditors has also been agreed and implemented.</p> <p>Doha Development Round: A plea for utmost urgency, in concluding the DDA.</p> <p>Agriculture: We agreed to eliminate all forms of export subsidy on cotton by 2006, to end all forms of agricultural export subsidies and to discipline all export measures with equivalent effect by end 2013, subject to successful conclusion of the Doha Round.</p> <p>Market access: Provide duty-free and quota-free market access for at least 97% of products originating from all LDCs by 2008, or no later than the start of the implementation period of the DDA, subject to successful</p>	<p>"These commitments include the historic multilateral debt relief of up to US\$ 60 billion, the implementation of which is now well underway."</p> <p>Debt sustainability: We invite (all donors) to adhere to the Paris Declaration as donors and to take account of the debt sustainability issues in all of their lending practices.</p> <p>Doha Development Round: We pledged to work with a high level of ambition in all areas of the DDA. The time has come to translate our continued commitment on a political level into tangible results.</p> <p>Agriculture: No mention.</p> <p>Market access: We are fully committed to provide duty-free and quota-free market access for products originating from LDCs to achieve substantial improvements in market access.</p> <p>Aid for trade: The G8 will further concentrate on trade capacity building assistance and</p>

ensuring that rules (particularly rules of origin) are transparent and simple to follow and do not inadvertently preclude developing countries from taking advantage of those schemes.

Aid for Trade: Increase our help to developing countries to build the physical, human and institutional capacity to trade, including trade facilitation measures.

Policy space: Ensure that there is appropriate flexibility in the DDA negotiations, so that Least Developed Countries can decide their own and sequence their overall economic reforms in line with their country-led development programmes.

HIV/AIDS: With the aim of an AIDS-free generation, develop and implement a package with the aim of as close to possible universal access to treatment for all those who need it by 2010 and ensure that all children left orphaned or vulnerable by AIDS or other pandemics are given proper support.

We will work to meet the financing needs of HIV/AIDS, including through the replenishment of the 2006-07 Global Fund.

TB: Helping to meet the needs identified by the Stop TB Partnership.

Malaria: By contributing to the additional \$15 billion a year needed annually, we can reduce the burden of malaria as a major killer of children in sub-Saharan Africa.

Polio: Supporting the Polio Eradication Initiative for the post-eradication period in 2008-09 through continuing or increasing our own contributions.

Health systems: Investing in improved health systems in partnership with African governments by helping train and retain doctors, nurses and community health workers.

conclusion of the Doha Round.

Aid for Trade: We expect spending on Aid for Trade to increase to \$4 billion including through enhancing the integrated framework.

HIV/AIDS: Building on the commitments we made at G8+5 last year, we pursue all necessary efforts to scale up towards the goal of universal access to comprehensive prevention, programmes, treatment, care and support by 2010, and ensure that additional resources are made available to tackle AIDS in view of the UNAIDS estimate that \$20-\$23 billion is needed annually by 2010.

We will work with other donors in the effort to secure the funding needed for the Global Fund for the 2006-07 replenishment period and call upon all concerned to participate actively in the development of a four-year strategy aimed at building a solid foundation for the activities of the Fund in the years ahead.

TB/malaria: We are working to deliver the Global Plan to Stop TB launched in January 2006, and the Global Strategic Plan to Roll Back Malaria, launched in November 2005.

Polio: We have committed \$210 million to fund Polio Eradication in 2008.

Health systems: Improved access to prevention and treatment of diseases for those in need through assistance programmes focused on strengthening the capacity of health systems and the training, deployment and retention of qualified health workers.

support the recommendations of the WTO's Aid for Trade Task Force to improve the quality and monitor the delivery of the commitments on Aid for Trade. We expect spending on Aid for Trade to increase to US\$4 billion including through enhancing the integrated framework.

Health: Though visible progress has been achieved, we and others need to do more necessary efforts to scale up towards the goal of universal access to comprehensive prevention, programmes, treatment, care and support by 2010 for all.

The G8 countries will scale up their efforts to contributing towards the goal of universal access to HIV/AIDS prevention programmes, treatment and care and support by 2010 for all. We recognise that to meet this goal of universal access as well as realising the MDGs for fighting HIV/AIDS, malaria and TB on a sustainable basis, and strengthening of health systems will require substantial resources. We will continue our efforts towards these goals to provide at least a projected US\$ 60 billion over the coming years.

G8 members pledge to work with other donors to replenish the GFATM and to provide long-term, predictable funding based on ambitious, but realistic demand-driven targets.

HIV/AIDS: G8 members in support of national HIV/AIDS programmes globally, individually and collectively, over the next few years will aim to employ existing and additional programmes to support life saving anti-retroviral treatment through bilateral and multilateral efforts for approximately five million people, to prevent twenty-four million new infections and to care for twenty-four million people including ten million orphans and vulnerable children.

TB: We are committed to working towards further integration of efforts against TB and HIV/AIDS and the integration of DOTs treatment and other comprehensive approaches necessary to control TB.

Malaria: To accelerate implementation of the

Universal Primary Education: We support our African partners' commitment to ensure that by 2015 all children have access to and complete free and compulsory primary education of good quality.

Education for All Fast Track Initiative: We will work to support the Education for All agenda in Africa, including continuing our support for the Fast Track Initiative (FTI).

Implementing the G8 water action plan agreed at G8+5, including through increasing aid in the sector.

APRM: Support to the African Peer Review Mechanism while respecting African ownership.

Universal Primary Education: We are working with our African partners on their commitment to provide free primary education for all African children by 2016.

Education for all Fast Track Initiative: We support an effective implementation of the EFA Fast Track Initiative.

We are contributing to efforts to improve the effectiveness of aid to Africa's water sector.

APRM: 25 countries have signed up to the African Peer Review Mechanism and three have

financial commitment we have undertaken at G8+5. We will work to reach this goal by mobilising the private sector and its expertise and resources, enhancing public awareness, encouraging public-private partnerships, and urging non-G8 countries to do the same.

Polio: The G8 will make utmost efforts in cooperation with international organisations and partners to eradicate polio and will also work with others to close urgent funding shortfalls.

Health Systems: The shortfall in human resources undermines the provision of adequate health care in Africa. We will work with African states to address the different causes of this lack of human resource capacity within the health sector, including working conditions and salaries, with the aim of recruiting, training and retaining additional health workers.

Monitoring progress: In view of the G8 countries' contributions to achieving the health-related international goals we agreed in St. Petersburg to review progress in this regard including our financial commitments, in fighting the three diseases HIV/AIDS, TB and malaria regularly. We will undertake this monitoring exercise for the first time this year under the Presidency's guidance. The report will inform our activities and commitments and we affirm that we will continue this close monitoring process regularly. (<http://www.g8.de/Content/EN/Article/22/ge-summit/stpeterg2007/11-05-health-review-property-publicationFile.pdf>)

Universal Primary Education: We reaffirm that no country seriously committed to Education for All will be thwarted in their achievement of this goal by lack of resources.

Education for all Fast Track Initiative: The G8 will continue to work with partners and other donors to meet shortfalls in all FTI endorsed countries estimated by the FTI Secretariat at around US\$ 500 million for 2007.

Not mentioned.

Good governance is an important basis for our co-operation.

such as through contributions to the APRM Secretariat Trust Fund.

EITI: Increase support to the Extractive Industries Transparency Initiative and countries implementing EITI, including through financial and technical measures.

UNCAC: Work vigorously for early ratification of the UN Convention Against Corruption and start discussions on mechanisms to ensure its effective implementation.

OECD Convention on Bribery: Reduce Bribery by the private sector by rigorously enforcing laws against the bribery of foreign public officials.

completed the process.

EITI: "Good progress has been made in improving transparency and accountability, including in the oil and gas industries through the EITI."

UNCAC: "We have secured the entry into force of UNCAC". Three G8 countries are among those who have ratified."

OECD Convention on Bribery: "We have successfully completed work at the OECD to strengthen significantly anti-bribery requirements for those applying for export and credit guarantees."

Training peacekeepers: "We are progressing our Sea Island commitment to train and where appropriate equip some 75,000 troops to take part in peace support operations worldwide with a sustained focus on Africa."

African Union Mission in Sudan (AMIS): "We commend and will continue to support the African Union's mission in Sudan (Darfur)."

African Standby Force: "Providing coordinated technical assistance to the African Standby Force and helping to establish planning elements at the AU HQ and its regional brigades."

Training peacekeepers: "We are on track to deliver our Sea Island commitment to train 75,000 troops worldwide by 2010 with a sustained focus on Africa."

African Union Mission in Sudan (AMIS): "We have provided funding, hardware, personnel and technical assistance to the AU Mission in Darfur and stand ready to support a UN force to take over from the AU there."

African Standby Force: "We have increased our support for African efforts to build a peaceful and stable Africa, including support for setting up the African Standby Force."

APRM: "The G8 agreed to provide additional support to countries during their peer reviews and for implementing reforms emerging from the APRM recommendations". (Chair's Summary)

"We commit ourselves and encourage others to give priority attention to the results of the (APRM) reviews in their own strategies for bilateral and regional co-operation". (Africa statement)

EITI: "We therefore express our continuous support for EITI and we will launch a certification pilot project". (Chair's Summary)

UNCAC: "We will intensify common efforts to effectively combat corruption worldwide. This includes: Supporting ratification of UNCAC by all countries". (Global Communiqué)

OECD Convention on Bribery: "We are committed to full implementation of obligations under existing international agreements. This includes the partners commitment to effective investigation and prosecution of domestic and foreign bribery cases". (Global Communiqué)

Good Financial Governance: "The G8 Action Plan for Good Financial Governance in Africa will support the promotion of good financial governance, including capacity development, working closely with the IFIs ongoing initiatives. We will assist African countries that are taking credible action against corruption and increasing transparency and accountability."

Training peacekeepers: No mention

African Union Mission to Sudan (AMIS): From the G8's statement on Sudan/Darfur: "We also reiterate our commitment to support AMIS in the rapid transition to the AU/UN hybrid mission. We agreed that, if the Government of Sudan and the rebel movements continue to fail to meet their obligations, we will support appropriate action in the Security Council."

African Standby Force: "The G8 are committed to strengthen the civilian, including police capabilities of the ASF". "At the same time, we remain firmly committed to providing the necessary support to the ASF for its core military capabilities, which require increased investment by troop contributors and donors alike."