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Glaring Gaps between Promises and Actions

A communiqué by ActionAid International ahead of the Africa Finance Ministers Meeting in May 30 – 31, 2007 in Accra Ghana

Introduction

On 21st and 22nd May 2006, African Finance Ministers met in Abuja. The Abuja Conference symbolized a critical first step by African Finance Ministers to lead a process that translates financing for development commitments into action. The Abuja conference focused on scaling up efforts to achieve and sustain the Millennium Development Goals (MDGs). There were significant commitments made in 2005 by several international actors¹ to deliver more and better aid, debt cancellation, reduced conditionality and more coherent, 'joined up' policies in support of development. A year has elapsed since the 2006 Abuja Conference and it is apposite that all parties do some critical stock-taking of the progress made to date.

Donors' Hollow Promises to Africa

At Gleneagles and three previous summits the G8 leaders made several high sounding promises to Africa:

Quantity of Aid

In order for Africa to develop sustainably there is need for massive investment in productive sectors, infrastructure, energy and social sectors. Recognising this, in 2005 the G8 promised to make a 'big push' for African development by doubling aid to the continent to US\$50bn by 2010. For their part the EU member states promised to increase aid to 0.39 per cent of their combined Gross National Income (GNI) by 2010.

Unfortunately both of these commitments are already subject to doubt. Globally, the Organisation for Economic Cooperation and Development (OECD) countries provided 5.1percent less aid in 2006 than in 2005 – including large amounts of debt relief to Iraq and Nigeria. Aid to sub-Saharan Africa stalled at about US\$23bn,² less than half of the 2010 target.

Promises to the world's 40 million HIV positive people are the very last promises that should be broken, yet two years after pledging to achieve universal access to treatment by 2010, donors are providing only a third of the aid needed to finance universal access. 2007 is the final opportunity for action if the 2010 target is to be met. Unless rich countries are willing to back the treatment and prevention plans developed by African governments by committing new financial resources, the epidemic will continue to ravage Africa's social and economic fabric, destroying the human capital needed to generate growth and development in years to come.

Debt Cancellation

At Gleneagles, donors promised to cancel all debts owed by the Highly Indebted Poor Countries (HIPC) to the International Monetary Fund (IMF), International Development Assistance (IDA) and the Africa Development Fund to help these countries fight poverty and meet the MDGs. As at mid-July 2006, total HIPC initiative assistance commitment and assistance delivered or expected to be delivered to Africa under the Multilateral Debt Relief Initiative (MDRI) was approximately US\$50bn.³ For the beneficiary countries, debt cancellation has freed up an estimated US\$1.25bn per year in debt servicing payments that can now be re-invested in social programmes. However, there is a pressing need to remove the onerous conditionalities associated with the HIPC and MDRI process as well as expand the cancellation initiative to cover the odious, illegitimate and un-payable debts of all African countries.

¹ Including: the United Nations, G8, European Union, African Union and bi-lateral donors

² Not counting debt relief to Nigeria.

³ Africa partnership Forum, prepared for the 7th Meeting of the African Partnership Forum, Moscow, Russia,

Quality of Aid and National Ownership

Overall economic growth in Africa has been commendable over the last decade, but it has not been as vigorous as expected. This expectation gap is partly due to the low quality of aid provided by international donors. Aid to African countries remains haphazard, poorly coordinated, and unfocused.⁴ This reduces its effectiveness and undermines long-term development prospects.

The G8 agreed in 2005 that “It is up to developing countries themselves and their governments to take lead on development. They need to decide, plan and sequence their economic policies to fit with their own development strategies, for which they should be accountable to all their people.”

Achieving this requires a more effective, and responsive and responsible aid architecture. The distinctive characteristics of such new aid architecture should be the promotion of national ownership; an end to economic policy conditionality; and more harmonised donor actions.

Some donors shamelessly persist with imposing retrogressive policy conditions which undermine the objective of national ownership, human rights of the affected poor and, the democratic principles of government accountability to its citizens. International donors should recognize and respect the responsibility and fiscal autonomy of African governments and citizens to decide, plan, and appropriately sequence their growth and poverty reduction policies by eliminating conditionalities, especially those relating to economic policy.

Only five of the Development Assistance Committee (DAC) donors (Finland, Ireland, Luxemburg, Norway and United Kingdom) have untied all their aid. We strongly urge other international donors to follow suit and untie all their aid to African countries.

In the Paris Declaration donors reiterated their commitment to implement the Rome Declaration. The declaration calls upon donors to harmonize and align aid delivery through, among other things, increasing alignment of aid with partner countries' priorities, systems and procedures. It also includes helping to strengthen recipient countries capacities, and, eliminating duplication of efforts and rationalizing donor activities to make them as cost effective as possible.

The OECD report revealed that in 2005 donors fielded 10,453 missions in 34 countries translating into an average of 307 per country. This is an unsustainable state of affairs. Overall disbursement, reporting, and monitoring and review procedures of the International Finance Institutions (IFIs), multilateral institutions, and donors are too cumbersome and time consuming. It is critical that the donor community meets all the commitment they made in Rome. This will help to lift the burden on national governments responding to different demands and conditions set by various donor representatives.

In conclusion, to improve the quality of aid, new aid to sub-Saharan Africa should be mainly by way of grants;⁵ all aid should be untied, predictable, harmonised and linked to the decision-making and budget processes of the recipient countries. All use of policy conditionality associated with external assistance should be stopped forthwith. More time and effort should be invested in institutionalizing systems and processes of increasing reciprocal accountability and of monitoring implementation.

African Governments

There has been partial progress made in most African countries towards the integration of national development plans, MDGs and budget processes. However, efforts towards setting up effective mechanisms for monitoring and evaluation, and accountability for results have

⁴ ‘Our Common Interest’, Report of the Commission for Africa, March 2005, Pp 312-335

⁵ to avoid the recurrent debt crisis and facilitate greater policy flexibility

been sluggish. The effective involvement of national parliaments in the budget formulation, implementation, monitoring and evaluation processes remains low.

Efforts to strengthen expenditure management processes in country could be better enhanced. Ten (10) countries (not publicly identified at the 2006 Abuja Conference) were expected to commit to carrying out analysis of the efficiency of public expenditure management systems, including expenditure tracking surveys, by December 2007. It is hoped that the forthcoming Accra Conference will specifically address this issue by identifying the ten (10) participating countries. They should also set specific time limits and benchmarks for assessing progress.

The most disappointing progress so far made by African governments is with respect to the undertaking to promote transparency at all levels on the use of all public resources, and making information freely available to civil society organisations. Contrary to the assumption made in the Abuja Conference, most **“existing legal frameworks”**, in the participating countries will hinder rather than **“enable independent monitoring of progress”**. Save for very few exceptions most national legal frameworks are unduly restrictive when it comes to the question of access to public information by citizens. The very slow progress so far made towards guaranteeing the right to information relating to governmental financial transactions is a factor that detracts from the steady progress so far made by African governments towards strengthening accountability of government systems and ownership of development processes and policies by their citizens.

HIV and AIDS

In 2005, African governments also signed the pledge to achieve universal access to treatment, prevention and care by 2010. However, some have yet to deliver on their promise to *“develop costed plans on how to achieve universal access to treatment, prevention and care by 2010”*.⁶ This must be done immediately.

With women and girls making up 59% of people living with HIV and bearing a disproportionate burden of care in sub-Saharan Africa, these plans must give priority to ensuring women get the services and support they need, including access to sexual and reproductive health and legal services, sex education, safe and consent-based testing, and affordable female-controlled prevention methods.

Scaling up the effort to combat AIDS and other infectious diseases will require that African countries increase and retain their qualified health workers. UNAIDS estimates that Sub-Saharan Africa needs to find 620,000 new nurses over the next few years. Immediate and effective strategies should be put in place to arrest and reverse current “brain drain” of qualified personnel that is haemorrhaging the continent⁷. In addition primary health care should be made free to all at the point of use with immediate abolition of user fees.

Both donors and African governments must play a bigger part in financing these needs. The Abuja Conference reiterated commitments made by African Health Ministers and Heads of State to “fulfil existing international and regional commitments to allocate additional budgetary resources to achieving the MDGs”. To date less than five out of 53 African countries have either met or are close to meeting the target of dedicating 15 percent of the national budget to health expenditures agreed in the Abuja Declaration of 2001 and reaffirmed by the Health Ministers at the Abuja Summit on HIV/AIDS in 2006.

⁶ . As of March 2007, more than 30 countries have developed national ‘road maps’ to universal access but only 16 of these are fully costed, including those from Kenya, Zambia, Burundi, Chad, Ghana, Sierra Leone and Mali.

⁷ In August 2006, WHO, ILO and IOM launched a joint programme addressing the needs of health workers to be implemented by the newly established (May 2006) Global Health Workforce Alliance. This “Treat, Train, Retain” programme will cost between US\$7.2 billion and US\$14 billion over five years.

Donor governments, as mentioned above, must agree a clear financing plan to provide the estimated US\$8-10bn needed annually to achieve universal access. They should also remove all international barriers that prevent African governments from either producing or purchasing affordable and quality drugs, diagnostics and preventive tools. A starting point would be for G8 countries and their allies to review the TRIPS agreement. Africa's success in the battle against AIDS, tuberculosis and other infectious diseases will also depend on the extent to which all stakeholders prioritize an increase in financing Research and Development(R & D) of essential drugs, vaccines and microbicides.

Agriculture

Investment in land and water management; rural infrastructure and trade-related capacities for improved market access; increased food supply and social protection to reduce chronic hunger; as well agricultural, research and technology development remains unacceptably low. The same is true of investment in national resources and capacity. Support from international donors for the agricultural sector has been, at worst pathetic and at best lethargic.

The 2006 Africa Partnership Forum (APF) report⁸ suggests that there has been some progress on research and technology⁹. Most African countries have to undertake comprehensive agrarian reform in order to address emerging challenges and aspirations. This requires significant investment if challenges such as women's access to land, water, seed, credit and extension services are to be comprehensively addressed. It is hoped that the Accra meeting will prioritise the financing of programmes that guarantee the right of women to own, control and inherit property, land and access to credit and extension services.

Agricultural development is critical for the achievement of food sovereignty on the African continent as well the eradication of preventable hunger and starvation. This reality should constitute a 'wake-up call' for African governments, international donors and civil society actors that will meet in Accra to take immediate remedial action to achieve sustainable agricultural development.

Education

African countries failed to meet the first MDG target to fall due: gender parity in primary and secondary education by 2005. Eliminating gender inequalities in primary and secondary education requires adequate resources to eliminate violence against girls and free and universal access to education at all levels as a matter of urgency. To realize MDGs in Africa, at the forthcoming Accra Conference decisive action needs to be taken to increase aid to basic education in low income countries from the current level of about US\$1.7bn per year to about US\$ 5 billion in 2007, US\$7bn in 2008 to reach about US\$10 billion in 2010.

In Abuja, 20 African countries committed to develop 10-year costed education plans by September 2006.¹⁰ Fifteen countries have so far managed to develop and cost 10 year plans.¹¹

At the Abuja Summit the UK government committed to provide at least US\$15bn for education over the next ten years starting April 2006. However, the Brussels donor roundtable last month yielded very little. On present trends it is highly unlikely that Education For All (EFA) targets will be met by 2015. At least US\$9bn annually is required to enable the 80 million children who are currently not in school to access primary education.

⁸ 'Our Common Interest Report', report of the Commission for Africa, March 2005.

⁹ It cites specific initiatives such as cassava and rice in Rwanda

¹⁰ Burkina Faso, Cameroon, Ethiopia, Gabon, Gambia, Ghana, Kenya, Madagascar, Mali, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, Swaziland, Tanzania and Uganda

¹¹ These include: Ethiopia, Ghana, Malawi, Mali, Mozambique, Mauritania, Senegal, Sierra Leone, Tanzania, The Gambia, Uganda and Zambia.

Monitoring & Evaluation

Many African countries are yet to come up with Monitoring and Evaluation Frameworks¹². Governments must ensure that institutional and policy frameworks are put in place to allow for citizen participation in the development processes in their respective countries. To date, there is no effective or official monitoring mechanism besides NEPAD Secretariat and the APF Support Unit. There is no evidence of independent monitoring mechanisms at a continental scale within Africa. This issue is long overdue and requires the urgent attention of the forthcoming Accra Finance Ministers Conference. An initiative established by the Archbishop of Cape Town known as the Africa Monitor, whose acceptance by African governments remains to be seen provides a good example for this.

Conclusion

Rather than make another wish list of commitments, it is imperative that the forthcoming Accra Finance Ministers Conference takes serious stock of the glaring gaps between commitments and action referred to above.

International donors should account for their failure to meet promises repeatedly made with respect to fiscal autonomy and the provision of long-term and predictable financing.

The human and economic cost of failing to turn the Abuja commitments into action far outweighs the potential risk involved in scaling up aid. Improved plans and strategies for national development need to be owned by national governments and their citizens. This will help create the basis for more efficient use of public resources (domestic and external) to achieve development and eradicate poverty.

Ultimately, an empowered citizenry is the most legitimate and effective monitoring system. African governments must deliberately use innovative mechanisms to engage with communities, individuals and organized sections of civil society. The effective role of African citizens in monitoring commitments made by their governments and international donors requires the upholding of transparency and freedom of information relating to government financial operations, such as the national budget processes, the national debt stock and loan procurement processes. Independence of media should also be safeguarded to enable it perform its watch dog role effectively.

¹² However, some countries such as Tanzania, Zambia, Malawi, Mozambique, Ghana and Ethiopia have mechanisms for mutual review of progress. Others such as Kenya, Benin, Burundi, Burkina Faso, Uganda and Niger are yet to come up with such frameworks.