



THE DATA REPORT 2009
MONITORING THE **G8 PROMISE** TO AFRICA
EXECUTIVE SUMMARY



EVEN IN THESE HARSH TIMES, DOING THE RIGHT THING IS POLITICALLY POSSIBLE AND ECONOMICALLY SENSIBLE.

Almost ten years ago, African leaders and their partners in the international community entered a pact for improving the lives of hundreds of millions of people. As part of their campaign to achieve the Millennium Development Goals, they made commitments to each other and to their citizens that they would work to beat extreme poverty and promote good governance; while Western leaders responded to the demands of their citizens that aid budgets should be increased and spent wisely and effectively in support of Africa's campaign against poverty.

This year's Africa Progress Panel and DATA Reports, deliberately launched back-to-back, serve to underline this shared responsibility, both of governments everywhere to their own people, and of G8 and African leaders to each other. ONE focuses on the degree to which commitments made by Africa's partners have been met, while the APP addresses the challenges faced by African leaders and what needs to happen if they are to be able to deliver people-centred growth. There are inspiring success stories on both sides, but these also serve to highlight formidable obstacles to progress.

In a tumultuous year, crises emanating from the dynamic economic centres of the planet have worsened the prospects of the periphery. It is ironic that, just as some of the poorest were beginning to experience the benefits of globalisation, the global integration project should falter so violently. Too many have been 'decoupled' from the benefits, but tightly linked to the costs, of globalisation. Those who have contributed least to the crises have been affected most. It is unfortunately true that when the rich become less rich the poor become even poorer.

As capital inflows dwindle and access to credit becomes more difficult, we not only have a shared responsibility to ensure that the poorest are protected from the devastating impact of the crisis, but also that this opportunity to move towards a more sustainable economic development model is seized.

It is a constant struggle to get governments to meet their stated targets. In the areas of ODA levels, accountability, transparency and democracy, it becomes even more difficult when budgets get tightened and domestic exigencies understandably come to the fore. This, however, should not be a pretext for departing from commitments: not least as the well-being of so many fellow humans is at stake. The performance of a number of G8 countries this last year

has been commendable. While some have met and others are striving to meet their promises, two nations, Italy and France, endanger overall progress to the achievement of the Gleneagles targets. However, other nations are proving that, even in these harsh times, doing the right thing is politically possible and economically sensible.

At existential moments of crisis, debate about development and the role of aid is reinvigorated. This is welcome. When old systems appear to fail, it is right and useful to question why, analyse and plot new ways forward. Notions of aid and aid delivery, its usefulness or otherwise, the role of NGOs, appropriate models of economy and politics, types of effective representative governance and hitherto accepted assumptions are being reappraised; we hope this will lead to fruitful, evidence-based conclusions rather than vapid theorising. The development establishment must challenge itself aggressively, and we hope deliver a renewed strategy, based on shared responsibility and mutual accountability, by 2010.

The purpose of this brief, however, is more limited. It is to report on the ups and downs, who is and who isn't doing what they said and what are the indices going forward. And while there are many superb examples of progress and societal advancement, there are equally and unfortunately the all too predictable failures.

We can only deal with the empirical. And the evidence is that aid, used accountably by governments acting in the interests of their people and in an open manner, can make a measurable positive difference, contributing to better educated, healthy and employed men and women. Whether financial resources, including aid, achieve development results depends upon the willingness and ability of those in power to use them responsibly. Where that is lacking, whether in resource-poor countries like Somalia or resource-rich like Equatorial Guinea, MDG achievement will remain a distant prospect.

The imperative for governments to go the extra mile to keep to their commitments and promises is clear. If they don't, those least able to withstand its woes will bear the brunt of the global recession, and Africa's essential contribution to global recovery will not be realised, to the detriment of all.

KOFI ANNAN
AFRICA PROGRESS PANEL

SIR BOB GELDOF
ONE

ONE's DATA Report is an exercise in accountability.

It charts a course from past promises to present delivery.

Especially in these tumultuous times, this course must be followed.

In 2000 the international community agreed to the Millennium Declaration. In 2005 the declaration was made more concrete, especially for Africa, through promises made in the Gleneagles G8 Communiqué. These promises need to be met by 2010 in order to help African nations on their way towards achieving the Millennium Development Goals (MDGs) by 2015.

The hopes and prosperity of the 'bottom billion' depend, in part, upon this pact's fulfilment. Today's world offers many challenges – challenges the world faces together. To meet them, it is essential that the bonds of trust between North and South, East and West and rich and poor are strengthened. Keeping the promises that have been made is both critical to building and sustaining this trust.

The moral, economic and security importance of working together towards achieving the MDGs raises important issues about how to deal with those nations – including this year's G8 Summit host, Italy – which drastically default on promises. This should not be tolerated: G8 leaders must challenge their poorly performing peers.

Fortunately, there are still significant opportunities to get back on track with commitments in 2009, including the G8 Summit in July, annual budget procedures and other upcoming multilateral forums. The G8 can still make good progress against their 2010 promises if the political will is generated.

This year's report has evolved in some methodological aspects from last year:

Firstly, the report not only analyses past performance but also offers a more detailed projection of 2009 disbursements, based upon the latest budget figures and consultations with donor governments.

Secondly, to facilitate better comparative analysis, ONE has used 2008 prices, not 2004 prices, to assess performance against promises.

Thirdly, this report is more robust in its analysis of the quality of development assistance, building on momentum from the Accra High Level Forum on Aid Effectiveness.

Fourthly, ONE did not include a chapter on governance and security or a chapter on commitments by African leaders this year. Those functions are appropriately being offered by the Africa Progress Panel's Annual Report, as well as by the efforts of the African Monitor, the African platforms of the Global Call to Action Against Poverty, the Mo Ibrahim Foundation's Index of African Governance and other civil society efforts focused on holding African governments accountable to their citizens. These partners need more support from the international community.

As always, ONE calls for better and more timely data. Above all, it calls for active citizens to hold governments accountable for delivery. Wherever citizens are more engaged, states are more effective and governments are more honest.

In 2009 this report can at least chart a path towards partial promise keeping. It can also lay the groundwork for a fresh set of more accountable commitments – which ONE advocates must be made by 2010 – which can drive multilateral momentum for development through to 2015.

In 2010 the eyes of the world will be on Africa as it hosts the football World Cup. The stage is set for a powerful and renewed African vision, flowing from the passion and hopes of African citizens, entrepreneurs, school children and farm labourers. This vision must direct the international constituency of support for Africa and further inspire us all to demand justice and opportunity for the inhabitants of this dynamic continent.

There are only 18 months to go before the 2010 deadline by which the G8 promised to deliver on their part of an historic partnership with Africa, to help the region's citizens achieve the Millennium Development Goals.

The G8 promised to support African citizens as they work to beat poverty, fight hunger and disease, and put their children in school. They promised to do this by improving the quality and doubling the quantity of development assistance, cancelling debt and boosting trade and investment to the region. This report monitors delivery of these promises by the G8 and other donors. The African side of the partnership is monitored by the Africa Progress Panel, African Monitor, and other civil society groups.

As the 2010 deadline approaches quickly, it is clear that the need for the G8 commitments to be achieved is even greater than when they were made in 2005. The food, fuel and financial crises have hit the world's poorest countries hard, driving millions more Africans into poverty. These crises, coupled with the effects of climate change, threaten to turn back the clock on the advances Africa has made in recent years.

The 2009 DATA Report is ONE's fourth annual report analysing, collectively and individually, the G8's progress towards their commitments to Africa, made at the 2005 Gleneagles Summit and since. The verdict on the G8 this year gives cause for both cheers and consternation.

Collectively, the G8 are at risk of defaulting on their commitments to Africa. By the end of 2008 the group collectively had only delivered one-third of the Official Development Assistance (ODA) increases promised by 2010. The Third High Level Forum on Aid Effectiveness, held in Accra, has reinvigorated efforts to improve the transparency and overall quality of ODA, but substantial progress is still needed if the Paris Declaration principles on ODA effectiveness are to be fully followed. The G8 are behind in delivering on some other promises, most notably on trade reform. They are meeting commitments to cancel bilateral debts and compensate multilateral actors for debt cancellation but, especially given the financial crisis, there is renewed risk of debt reaccumulation.

While the collective G8 assessment is grim, progress by some countries brings good news. On the ODA commitment, certain members of the G8 are meeting and even beating the targets they set for themselves. Others, most notably Italy and France, have made exceptionally poor progress and are damaging the G8's collective credibility. More importantly, they are failing to deliver promised financial support at a time when sub-Saharan Africa is already seeing other sources of income dry up. As a result of the financial crisis, remittances, foreign direct investment and exports are all declining. Recent IMF projections suggest that the global financial crisis could shrink Africa's economic growth in 2009 from a predicted 6.7% to 1.7% – a negative per capita growth rate. If the G8 default on their ODA, trade and investment commitments to Africa, they will be contributing to a likely budgetary and humanitarian crisis across the continent.

The failure of some of the G8 to fully deliver their commitments is particularly troubling given the growing evidence that recent development assistance increases have achieved real measurable results. African citizens have used the ODA flows that have been delivered to provide AIDS treatment to nearly 3 million people, to dramatically reduce deaths from malaria and to help put 34 million more children in school. Sub-Saharan Africa's economies on average expanded by 5.4% in 2008; for the first time in more than 45 years, the continent's growth has exceeded 5% for five consecutive years.

Given how far some G8 countries have drifted from their promises, it will be challenging for the G8 as a group to get back on track to keep their commitments. However, it is also difficult to imagine a time when it is more important for them to do so.

KEY FINDINGS

DEVELOPMENT ASSISTANCE QUANTITY AND QUALITY

SOME DELIVERING, SOME DISAPPOINTING:
BY 2008, THE G7 HAD DELIVERED A THIRD.

BY 2009, ONE ESTIMATES THAT THEY
WILL HAVE DELIVERED A HALF

BY 2010, THEY NEED TO DELIVER THE OTHER HALF.

This report finds that by the end of 2008, the G7 have delivered one third of the increases promised by 2010: only \$7 billion of the \$21.5 billion promised.

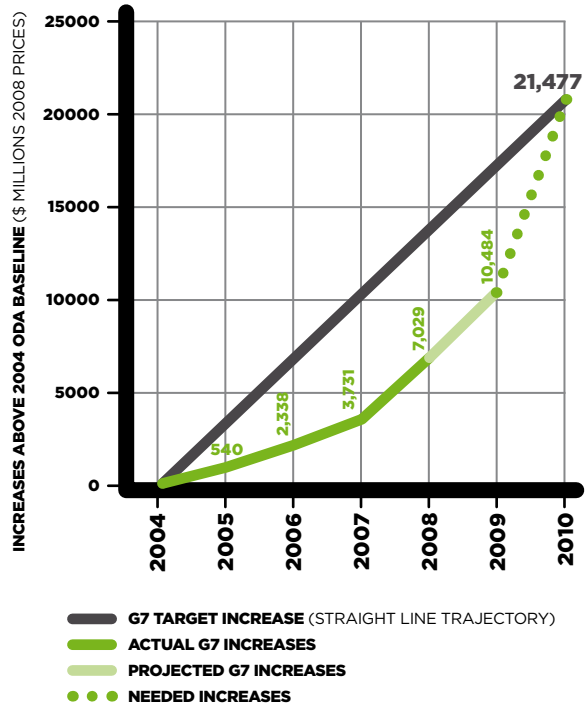
As a group, the G7 have performed poorly, but the blame for this lies with a minority of the G7. Some countries are meeting their ODA commitments, others are progressing valiantly, and others are performing especially poorly. To get on track, the G7 needs to deliver an average of an additional \$7.2 billion each year in 2009 and 2010. ONE projects that they will deliver an additional \$3.46 billion in 2009, far short of the need. We project that 80% of this 2009 shortfall by the G7 will be because of the failure by two countries – Italy and France. This shortfall in 2009 leaves about half (or \$11 billion) of the cumulative increases promised by 2010 to be delivered in the final year.

The G7 plus other donors (together known as the OECD's Development Assistance Committee, or DAC) have collectively committed to increase ODA to sub-Saharan Africa by \$28.3 billion by 2010, but they have so far delivered only \$9.4 billion. To meet their collective commitment, the DAC would need to increase ODA to the region by an average of \$9.5 billion in each of 2009 and 2010.

Within the G7, some countries are meeting or beating modest targets, some are striving to meet big commitments, France's delivery is disappointing, and Italy's performance is an utter failure.

FIGURE 1

G7 INCREASES PROMISED TO SUB-SAHARAN AFRICA BY 2010



NOTE: AT THE 2005 GLENEAGLES SUMMIT, RUSSIA DID NOT MAKE AN ODA PROMISE TO SUB-SAHARAN AFRICA. THEREFORE, IN THIS REPORT WHEN ODA PROGRESS IS DESCRIBED, 'G7' IS USED INSTEAD OF 'G8'. WHEN REFERRING TO THE GROUP'S OVERALL SET OF COMMITMENTS OR OTHER NON-ODA ACTIONS, 'G8' IS USED.

MEETING OR BEATING MODEST TARGETS

THE **US, JAPAN AND CANADA** HAVE SURPASSED OR WILL SURPASS THEIR COMMITMENTS

In 2008, Canada and Japan surpassed their relatively modest commitments. ONE predicts that the United States is likely to meet its commitment in 2009, a year before its promised deadline. Though all three donors made relatively less ambitious commitments, they are driving (along with Germany) the collective G7 increases this year and should be applauded for delivering on their commitments. All three donors can now build on this progress by setting more ambitious goals going forward through to 2015.

STRIVING TO MEET BIG COMMITMENTS

GERMANY AND THE UK WILL DELIVER SIGNIFICANT INCREASES TO AFRICA BY 2010

Though this year's report labels Germany and the UK as currently off track to meet their ODA commitments to sub-Saharan Africa, both are in fact making serious progress against commitments that were more ambitious than those of the US, Canada or Japan. Germany has delivered significant increases in ODA to the region for the past three years. Those increases are not enough to keep it on track to meet its commitment, but the effort should be applauded as Germany's commitment was ambitious and all indications are that it will continue on this trajectory despite the financial crisis.

The recent UK budget committed to an historic increase in global ODA, putting the UK on target to be the first G8 country to meet the UN goal of spending 0.7% of national income in ODA.¹ Despite slow increases in ODA to sub-Saharan Africa in 2008, the pipeline for funding to the region is strong and ONE projects that the UK will fulfill its Gleneagles promise to Africa.

DISAPPOINTING DELIVERY AGAINST COMMITMENTS

DESPITE GLOBAL ODA INCREASES, **FRANCE** IS NOT DELIVERING ON ITS AMBITIOUS COMMITMENT TO AFRICA

Between 2007 and 2008, France increased its global ODA, but its ODA to sub-Saharan Africa declined; it has increased only slightly since 2004. This slow progress thus far necessitates steep increases in 2009 to get on track. President Sarkozy had already reduced France's original commitment by extending the timeline set to reach 0.7% GNI/ODA from 2012 to 2015, and has now further reduced the ODA budget for sub-Saharan Africa for 2009. In 2008, Germany became a bigger donor to sub-Saharan Africa than France. France's lack of delivery on its commitment is dragging down the G7's collective performance.

UTTER FAILURE AGAINST COMMITMENTS

ITALY, THE 2009 G8 CHAIR, HAS PERFORMED ESPECIALLY POORLY AND NOW HAS A CREDIBILITY CRISIS IN ITS RELATIONSHIP WITH AFRICA

In 2005 Italy made an ambitious promise to sub-Saharan Africa, but since then it has cut development assistance to the region. Italy is currently planning to further cut its development assistance budget for 2009. This decision must be reversed urgently and further promised increases must be added to the budget if Italy is to save face on the global stage. As this year's host, Italy has said it will put Africa at the forefront of the agenda at the G8 Summit. Based on its performance against the Gleneagles commitments, it has no credibility to host discussions of such global importance. Italy must urgently reverse its course if it is not to be embarrassed at the forthcoming G8 Summit.

ACCRA ACCELERATES ACTION ON AID EFFECTIVENESS

Progress towards implementing the Paris Declaration principles, originally agreed in 2005, was reviewed in September 2008 at the Third High-Level Forum on Aid Effectiveness in Accra. The UK continues to stand out among donors as a leader on disbursing ODA in keeping with the principles of the Paris Declaration. Notably this year, Canada made the welcome move to untie all of its development assistance by the 2012/13 budget year. As a result of the Accra Forum, there has been a renewed emphasis on the need for transparency of ODA flows by donors and recipients. Two new initiatives, the International Aid Transparency Initiative and Publish What You Fund have been formed by donors and civil society to continue to push for increased transparency. Across indicators of ODA effectiveness, there have been significant advances in some cases, particularly in recipient countries, but not nearly enough progress has been achieved to meet the 2010 targets.

WHAT'S NEEDED TO GET ON TRACK

ONE projects 2009 G7 ODA to sub-Saharan Africa will increase by \$3.46 billion. If the G8 were to collectively get on track towards their target, they would need to increase ODA to the region by an average of \$7.2 billion in 2009 and 2010. Italy and France threaten to prevent the G8 as a group from keeping their commitment to Africa. But with some countries keeping and even surpassing their commitments, it is clear that the Gleneagles promises can be kept where there is political will. Citizens around the world should continue to advocate that the G8 meet their Gleneagles promises, with a particular focus on laggards France and Italy. G8 leaders must also recognise that their commitment was a collective one and that they bear responsibility for pressing their colleagues in France and Italy to deliver.

SMART AID DELIVERING LIFESAVING RESULTS

African countries with strong and effective governments and agencies have used targeted smart aid² and domestic resources to improve health and education, with life-saving results:

- The number of people receiving antiretroviral therapy (ARV) globally rose from just 50,000 in 2002 to approximately 4 million by the end of 2008.³ ONE estimates that 3 million people in Africa are on ARVs.
- Of the 647 million people at risk of malaria in Africa, the portion covered by insecticide-treated bed nets has increased from 3% in 2001 to 39% in 2007.
- Targeted debt cancellation, development assistance, domestic resources and political leadership helped to enroll 34 million more children in primary school between 1999 and 2006.
- Globally, deaths among children less than five years old have decreased from 12.7 million in 1990 to 9.2 million in 2007. Reductions in Malawi, Mozambique, Niger, Ethiopia and Eritrea contributed to this decline.

THE G8 ARE NOT 'MAKING TRADE WORK FOR AFRICA'

The G8 committed to 'make trade work for Africa', but have done almost nothing to facilitate greater trade between the continent and the rest of the world.

Most African countries have not been able to reap the benefits of globalisation. Despite a substantial increase in exports in recent years, Africa's share of global trade is 3.5% in 2008, the lowest share of any region in the world.⁴ Even a small increase in this share of trade could translate into a substantial amount of income for Africa. In 2007, 1% of global trade was worth \$119 billion⁵ – more than three times what sub-Saharan Africa received in development assistance in 2007.

Making trade work for Africa requires a combination of enhanced access to developed country markets, 'aid for trade' to help countries produce and deliver goods, a reduction in agricultural subsidies in rich countries that create an unfair advantage for their goods, and flexibility that enables governments to develop and implement trade policies that enhance poverty alleviation strategies. The magnitude of G8 agriculture subsidies and the failure of the Doha trade negotiations continue to make a mockery of the G8's promise to make trade work for Africa. As the world works to rebalance and rebuild the global financial system, conditions must be set that ensure that the nearly 1 billion people living in Africa are not excluded from the new global economy.

2010: TIME FOR A RENEWED DRIVE TO ACHIEVE THE MILLENNIUM DEVELOPMENT GOALS

In 2010, the Gleneagles promises will come due. If current trends continue, the G8 will not have fully delivered their commitments, yet the needs in Africa will be exacerbated in the short-term by the fallout from the global economic crisis. The next partnership between Africa, the G8 and emerging powers should not just be a repackaged set of the unfinished Gleneagles commitments with an extended deadline. Instead, it should celebrate and accelerate successes while learning careful lessons from failures. A reinvigorated partnership should challenge old assumptions. Partners from emerging powers must be brought more into the conversation while not letting old partners off the hook on their promises. Above all, African political, private sector and civil society leaders must be allowed to drive their own development, as must Africa's free media. African nations must be recognised as vital partners in the effort to kickstart global economic growth, fight global climate change and ensure global stability.

DELIVERING ON DEBT CANCELLATION, BUT POTENTIALLY BREWING NEW DEBT CRISES

In response to the crushing debt burdens impeding poor countries' ability to invest in development, creditors launched two rounds of debt cancellation for countries deemed to have the most unsustainable debt burdens. Despite the many significant benefits that the bilateral and multilateral rounds of debt cancellation have brought, the lack of sufficient development assistance is pushing countries towards additional borrowing, often for social investments, thus creating the potential for another debt crisis in the near future. Among the 20 African countries that have reached 'completion point' in the debt cancellation process, 11 are now facing high to moderate risk of debt distress through reaccumulation of debt.⁶ As the effects of the global financial crisis unfold in Africa, this figure is likely to increase. This should be prevented by increasing the amount of development assistance given in grants rather than loans; creating a framework of legal standards to ensure that any new debt is focused on economically productive investments; and establishing a fair and transparent process for orderly debt work-outs and analysing the possible odious origin of debts.

FIGURE 2

ODA TO SUB-SAHARAN AFRICA (SSA) (ALL FIGURES ARE NET OF BILATERAL DEBT RELIEF IN \$ MILLIONS 2008 PRICES)

	% OF INCREASES PROMISED TO SSA BY 2010 SO FAR ACHIEVED	2004 ODA TO SSA**	2008 ODA TO SSA	ESTIMATED INCREASE IN PIPELINE FOR ODA TO SSA IN 2009	ESTIMATE OF 2009 ODA INCREASES TO SSA NEEDED TO BE ON-TRACK TO 2010 TARGET ⁷	2010 TARGET ODA TO SSA
CANADA	206%	1,113	1,911	-308	–	1,500
FRANCE	7%	3,192	3,542	597	2,428	8,398
GERMANY	31%	2,712	3,897	711	1,316	6,529
ITALY	3%	1,457	1,571	-362	1,759	5,089
JAPAN*	150%	1,589	2,613	309	–	2,350
UK	28%	2,862	4,023	1,259	1,691	7,088
US	70%	5,351	7,750	1,250	525	8,800
G7 TOTAL	33%	18,277	25,306	3,455	7,046	39,754
NON-G7 DAC	34%	9,147	11,496	–	2,262	16,019
DAC TOTAL	33%	27,424	36,802	–	9,308	55,773

FIGURE 2 CONTINUED

GLOBAL ODA (ALL FIGURES ARE NET OF BILATERAL DEBT RELIEF)

	2008 GLOBAL ODA (ODA/GNI)	2008 GLOBAL ODA	2004 GLOBAL ODA	CHANGE IN GLOBAL ODA 2004-2008	PERCENTAGE INCREASE IN GLOBAL ODA 2004-2008
CANADA	0.31%	4,592	3,460	1,132	33%
FRANCE	0.36%	10,058	8,416	1,642	20%
GERMANY	0.31%	11,312	8,476	2,836	33%
ITALY	0.18%	3,934	3,020	913	30%
JAPAN*	0.15%	7,789	8,711	-922	-11%
UK	0.41%	10,754	7,874	2,880	37%
US	0.18%	25,776	21,822	3,954	18%
G7 TOTAL	0.23%	74,215	61,779	12,436	20%
NON-G7 DAC	0.51%	37,236	26,276	10,960	42%
DAC TOTAL	0.28%	111,451	88,055	23,396	27%

* JAPAN'S COMMITMENT TO SUB-SAHARAN AFRICA WAS ONLY ON BILATERAL ODA, SO FOR THE PURPOSES OF MONITORING THE PERCENTAGE OF INCREASES PROMISED TO THE REGION, ONE ONLY CONSIDERS BILATERAL ODA. TO GENERATE A 2010 TARGET, ONE ASSUMES A FLATLINED MULTILATERAL ODA FOR 2009 AND 2010.

** BECAUSE MULTILATERAL CONTRIBUTIONS ARE OFTEN DISBURSED IN LUMPS, ONE CONSIDERS IT FAIRER TO SMOOTH 2004 AND 2005 FOR THE PURPOSES OF ESTABLISHING A BASELINE FOR PROGRESS.

FIGURE 3

2008 G7 ODA (ALL FIGURES ARE NET OF BILATERAL DEBT RELIEF)

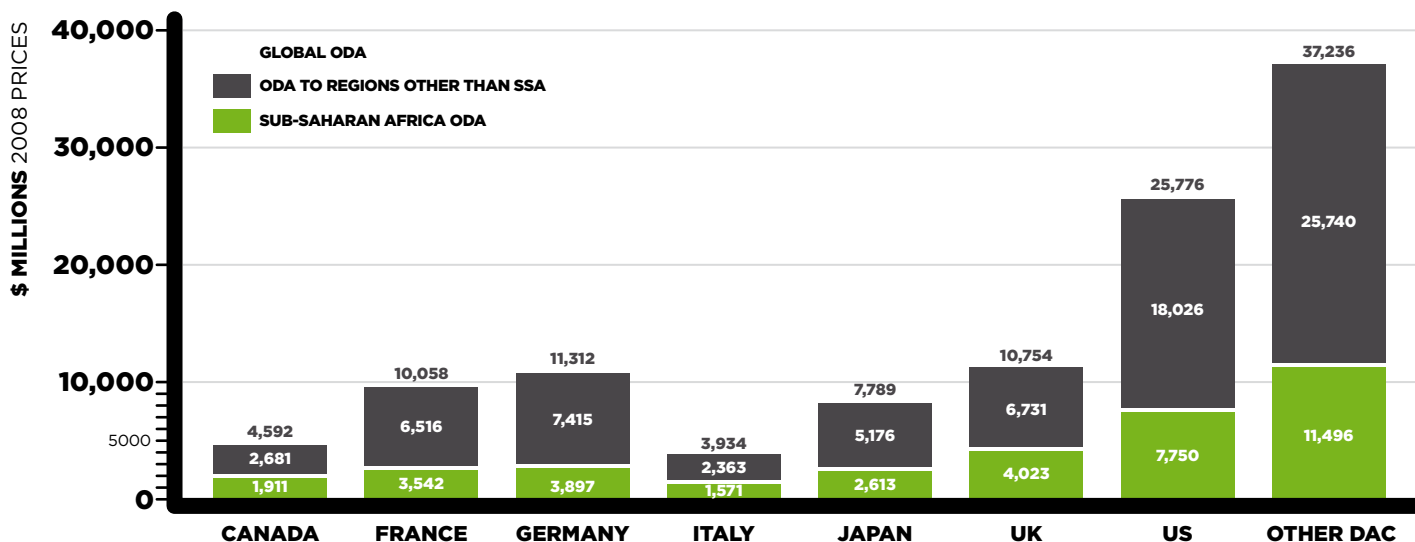
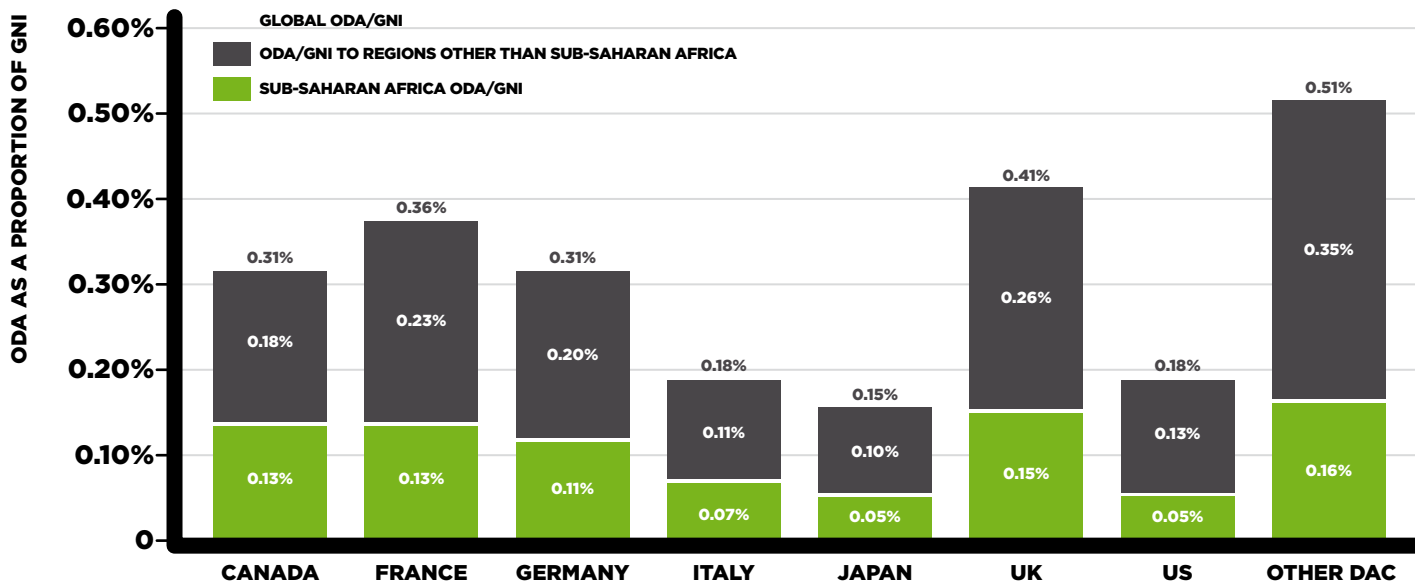


FIGURE 4

2008 G7 ODA/GNI (ALL FIGURES ARE NET OF BILATERAL DEBT RELIEF)



G7 COUNTRY OVERALL ASSESSMENTS

CANADA

A significant increase in ODA to sub-Saharan Africa between 2007 and 2008 enabled Canada to surpass its modest Gleneagles commitment to double development assistance to the region by the end of the 2008–09 budget year. Canada should build on this progress by making a new and more ambitious commitment to the region.

Canada remains a strong supporter of primary education in sub-Saharan Africa and has also become a leader in improving ODA quality by committing to untie all of its development assistance by 2012–13.⁹ However, along with other G8 countries, Canada is not making real progress on ‘making trade work for Africa’, especially in the area of aid for trade.

GERMANY

Despite significant and laudable increases in development assistance to sub-Saharan Africa in 2007 and 2008, Germany remains off track to meet its 2010 target. Germany has budgeted for further significant increases in 2009. Attaining the 2010 target is not out of reach, but it will require even more rapid progress in the one remaining budget cycle.

Within the G7, Germany is an average performer on effectiveness of development assistance. It has spent more on water and sanitation in sub-Saharan Africa than any other G8 country and is a clear leader in this sector. It also continues to be a leader in generating funding from innovative financing mechanisms, including being the first G8 country to direct financing from the sales of CO₂ emissions certificates to development. However, Germany, along with other members of the EU, has failed to deliver pro-development trade reforms.

FRANCE

Despite an increase in its global ODA in 2008, France’s ODA to sub-Saharan Africa fell from 2007 to 2008. For the first time, Germany is now a bigger donor to sub-Saharan Africa than France. France is off track to meet its 2010 commitments, and this cut in assistance will necessitate even steeper increases to the region over the next two years to get on track for 2010. Unfortunately, the French budget shows that global ODA levels will rise only slightly in the coming two years, and projected ODA increases to sub-Saharan Africa in 2009 will only be enough to recoup decreases that occurred in 2008. Radical changes will have to be made to France’s budget levels and spending priorities if the Gleneagles commitments and EU targets are to be achieved.

France has provided leadership among the G8 in delivering funding for the Global Fund to Fight AIDS, Tuberculosis and Malaria. Moving forward, France will have a difficult time keeping its sector commitments given the recent cuts in its development budget.

ITALY

Italy, the President of the G8 in 2009, only slightly increased its ODA to sub-Saharan Africa and globally between 2007 and 2008. It is far off track to meet its commitments. Further, Italy is planning devastating cuts to its bilateral development assistance programme in 2009.

If Italy wants to have any pretence to a leadership role through the G8, it must reverse this disastrous path by dramatically increasing ODA, in particular to sub-Saharan Africa.

JAPAN

Japan's ODA, both globally and to sub-Saharan Africa, increased significantly in 2008 for the first time since 2005. In the course of the year Japan made a new, but unambitious, pledge to double bilateral ODA to Africa by 2012, and is on track to fulfil this commitment: it has already fulfilled a derived interim 2010 target for it. Despite this year's significant increase, Japan's original commitment and the 2008 commitment were both the weakest among the G8 as measured by ODA/GNI.

In May 2008, Japan made several new sectoral commitments to Africa, including doubling rice production in the continent within a decade and training 100,000 health workers, but there were no monetary commitments specifying how these commitments will be financed. Though Japan recently increased its commitment to the Global Fund to Fight AIDS, Tuberculosis and Malaria, its pledges from 2008 to 2010 are modest. On trade, it has done little to integrate its trade policy with development to create opportunities for African countries.

UNITED KINGDOM

The UK met its 2007/08 commitment to double bilateral ODA to sub-Saharan Africa. The recent budget also committed to an historic increase in global ODA for 2009 and 2010, putting the UK on target to be the first G8 country to meet the UN goal of spending 0.7% of national income in ODA. The pipeline for funding to sub-Saharan Africa is also strong, with the UK on track to deliver its Gleneagles promise to the region. However, despite a major increase in global ODA in 2008, ODA to sub-Saharan Africa barely increased.

The UK remains the clear leader on ODA effectiveness and education. During the current financial crisis, it has continued to lead calls within Europe for pro-development trade reform, even though the EU has failed to deliver. The UK has also played a vital role in ensuring that the G20 give focus to Africa and the poorest countries in their response to the global financial crisis.

UNITED STATES

US ODA to sub-Saharan Africa rose by 26% in 2008, a significant amount that outpaced global ODA growth of 16%. The US is now solidly on track to meet and exceed its 2010 target, perhaps one year ahead of the target date. While ODA increases in 2009 for sub-Saharan Africa may not match the level achieved in 2008, projections of ODA disbursements remain robust, with solid increases expected for health programmes, Millennium Challenge Corporation compact countries and ODA delivered through multilateral channels.

The US remains a clear leader on programmes to fight malaria and AIDS, as well as having increased ODA for agriculture significantly in the past three years. Recent appropriations and proposed budgets for other development sectors are promising and are likely to result in higher ODA disbursements in the future. However, the US remains below target in some sectors, especially in the areas of education and water and ranks sixth among the G7 on ODA effectiveness.

President Obama has committed to double foreign assistance by 2015. ONE looks forward to learning how much of this will be directed to sub-Saharan Africa.

SUMMARY OF SECTOR PROGRESS

HEALTH

In 2005, G8 countries committed to help African countries reach the MDGs by reducing the burden of HIV/AIDS, malaria, tuberculosis and polio and improving access to basic health care in African countries. At subsequent G8 Summits, additional commitments were made that strengthen the disease-specific commitments and support health system strengthening, the training and retention of health workers and the control or elimination of neglected tropical diseases.

- Perhaps more than in any other sector, where concentrated investments have been made, results have been delivered. New HIV infections are declining and more people living with HIV are receiving care and treatment, rates of new cases of tuberculosis are declining, malaria mortality has been reduced in targeted countries and child mortality has declined.⁹ Polio remains endemic in only one country in Africa, and with a recent influx of resources could join smallpox on the list of eradicated diseases.¹⁰
- However, as a region, Africa remains seriously off track to achieve the health MDGs, especially those to reduce the under-five death rate by two-thirds by 2015 and the maternal death rate by three-quarters by 2015 respectively. Life expectancy remains stubbornly low and, more broadly, Africa's health indicators remain among the poorest in the world.
- Delivering on the G7 commitments on health would improve life expectancy and quality of life across the continent. Greater investments in health care worker training and building health systems can complement the success of already effective programs such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and the US President's Emergency Plan for AIDS Relief (PEPFAR).

EDUCATION

At the 2005 Gleneagles Summit, the G8 reiterated its commitment to support African efforts to ensure that all children are able to complete a full course of primary education by 2015 (also known as 'universal primary education' or UPE). They also promised to bolster African efforts towards achieving this goal, specifically through support of the Education for All Fast Track Initiative (FTI).

- Savings from debt relief, increased development assistance for education and prioritisation by national governments have helped to eliminate school fees and other barriers to enrolment in many African countries.
- As a result, 34 million more children were enrolled in primary school between 1999 and 2006.
- Despite this progress, the global compact on education needs to be reinvigorated if the world is to meet the 2015 goal of UPE. G7 ODA for education in sub-Saharan Africa actually declined by one-third between 2006 and 2007.
- Despite substantial progress in coordinating donor support for national education plans, the FTI has faced chronic funding shortfalls and a limited mandate since its inception. The FTI has taken on many of the reforms necessary to expand its reach and capacity. However, FTI should be strengthened and reformed further to ensure an increased quantity and quality of resources flow towards country-owned plans.

AGRICULTURE

Each G8 communiqué from 2005 to 2008 made reference to the importance of support for agriculture, but lacked commitment to a specific set of actions to achieve increased agricultural productivity. Rising food prices pushed the issue of agriculture to the forefront of debate prior to the 2008 Hokkaido Summit. There, the G8 reiterated commitments totalling \$10 billion that individual countries had made since January 2008 to address the food crisis by providing ‘...food aid, nutrition interventions, social protection activities and measures to increase agricultural output in affected countries’.

- Although the G8 also stated support for longer-term strategies to revive Africa’s agricultural sector (including to reverse the decline in funding for the sector), the commitment was not paired with a specific and ambitious commitment of financial support.
- The G8 did reverse the decline in ODA for agriculture, but ODA to this sector remains small compared with other sectors and grossly insufficient to contribute significantly to long-term improvements in agricultural output.
- The G8 must now offer better financing and a more coherent policy framework to support investments in agricultural development, including support for the Comprehensive African Agricultural Development Plan (CAADP), the Alliance for a Green Revolution in Africa (AGRA), and the Rome-based food and agriculture organizations.

WATER AND SANITATION

At the 2003 G8 summit in Evian, the G8 committed to a Water Action Plan that was to ‘give high priority in Official Development Assistance (ODA) allocation to sound water and sanitation proposals’. This plan was referenced again at the 2005 and 2008 G8 Summits. Despite this attention, the G8 has set no quantitative targets in the sector. Improvements in access to clean water and sanitation serve as a catalyst for progress in almost every other area of development, providing the foundation for good health, education and economic productivity.

- In fact, globally 4,100 children die daily from diarrhoeal diseases, which are spread through lack of clean water, poor sanitation and hygiene.
- Despite the critical importance of this sector, progress towards increasing access to clean water and sanitation has been slow, particularly in sub-Saharan Africa and investments in this sector by the G7 have grown slowly since 2004.
- Sub-Saharan Africa has a large disparity in access to water and sanitation between urban and rural dwellers: access to improved sanitation in urban areas is 42%, compared with just 24% for rural areas. Water supply coverage for urban areas is 81%, compared with just 46% in rural areas.

EXECUTIVE SUMMARY

¹ The UK has recommitted to its ODA plans despite falling projections of national income. This means that the UK is projected to reach 0.62% ODA/GNI in 2010/11 (rather than 0.56% as initially planned). This is comfortably on track to reach 0.7% by 2013 as planned.

² For more information on the concept of smart aid, please visit www.one.org/smartaid.

³ At the time this report went to print, a new treatment figure for sub-Saharan Africa had not yet been made available by WHO or UNAIDS. By the end of 2008, 4 million people globally were reported to be on AIDS treatment. ONE has extrapolated this figure based on 2007 figures and early figures for 2008 that approximately 75% of people on treatment globally will be in Africa.

⁴ World Trade Organisation. 2008. 'International Trade Statistics 2008'. Table 1.4.

⁵ Calculated from IMF Direction of Trade (2007). This assumes that the overall global trade volumes remain the same after Africa's trade increases.

⁶ World Bank/IMF. 'List of LIC DSAs for PRGF-Eligible Countries, Last update: January 16, 2009'. A country faces an episode of debt distress if it cannot service its debt without resort to exceptional financing (such as debt relief) or a major future correction in the balance of income and expenditures. The risk is measured jointly by the World Bank and the IMF by making use of Indicative External Debt Burden Indicators.

⁷ The G7 aggregate for the 2009 increase needed does not equate with the sum of the individual G7 donors. This is because ODA delivered in 2008 by Canada and Japan was in excess of their 2009 targets (by a combined \$673 million) – thus collectively the amount needed by the G7 is less.

⁸ This commitment was made by Canada in September 2008, following a commitment in April 2008 to untie 100% of food assistance. Canadian International Development Agency. 2008. 'Canada Fully Unties its Development Aid'. <http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/NAT-9583229-GQC>

⁹ UNAIDS. 2008. 'UNAIDS World AIDS Day Report – AIDS Outlook 2009'. Joint United Nations Programme on HIV/AIDS. Geneva; WHO. 2009. 'Global Tuberculosis Control – Epidemiology, Strategy, Financing'. WHO: Geneva; Roll Back Malaria. 2008 'Global Malaria Action Plan'. Section 1.3. Roll Back Malaria: Geneva; United Nations Children's Fund (UNICEF). 2008. 'State of the World's Children 2009: Maternal and Newborn Health'. UNICEF: New York.

¹⁰ Global Polio Eradication Initiative. April 2009 Monthly Situation Report. http://www.polioeradication.org/content/general/current_monthly_sitrep.asp. Accessed 1 May 2009.

ONE is a campaign and advocacy organisation backed by more than 2 million people who are committed to the fight against extreme poverty and preventable disease, particularly in Africa.

At ONE, we achieve change through advocacy. We hold world leaders to account for the commitments they've made to fight extreme poverty and we campaign for better development policies, more effective development assistance and trade reform. We also support greater democracy, accountability and transparency to ensure that citizens of developing nations can hold their leaders accountable and so that resources are deployed effectively.

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