

CAMP DAVID ACCOUNTABILITY REPORT

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## **Executive Summary**

since 1975, the Group of Eight (G-8) has met to discuss and take decisive action on pressing global challenges. As world leaders committed to achieving results and to the ideals of transparency and accountability, the G-8 introduced an annual accountability report to mark the group's progress in implementing agreed-upon actions and commitments.

Among the challenges to which the G-8 has increasingly turned is global economic development: as an expression of shared humanity and in recognition of the growing interconnectedness of the world economy and in the contribution of low- and middle-income countries to global economic well-being. The Millennium Development Goals (MDGs) introduced clear targets for the world and encouraged global action, and yet the global food price crisis of 2007-2008 and the subsequent economic crisis have demonstrated how fragile development progress can be and how vulnerable poor people the world over are to economic shocks.

Launched at the G-8 Summit in 2009, the L'Aquila Food Security Initiative (AFSI) represents a shared commitment to act with the scale and urgency needed to help low-income countries reverse the growing vulnerability of food and agricultural systems and achieve international targets to halve hunger and poverty. While global in scope, much of the L'Aquila effort has focused on supporting African countries in their efforts to strengthen smallholder farmer capacity and build food systems that are more resilient to shocks.

With 2012 marking the end of the three-year financial pledge period under AFSI, this accountability report will focus on the performance and action of the G-8 in three key areas related to the initiative: food security, agricultural markets and trade, and nutrition. Because of longstanding G-8 commitments to improving global health and the importance of health to nutrition outcomes—particularly for mothers and infants—the report also includes a section on G-8 performance and actions related to health.

#### WHAT'S NEW?

The Camp David Accountability Report builds upon the recommendations of the Muskoka and Deauville Accountability Reports, and adds two tools: first, a self-reported scorecard intended to catalogue indicators of progress in a specific focus area; and second, in-depth reporting tables to give a fuller picture of G-8 members' agricultural development and food security activities in a set of developing countries, and how well G-8 activities are aligned with the plans and priorities of each of these countries. This report represents an evolution toward reporting not only what the G-8 is doing in financial terms, but how the G-8 is approaching this work using aid-effectiveness principles to increase its impact.

#### **HOW IS THE G-8 DOING?**

In spite of the constrained global fiscal environment, the G-8 is resolute in its commitment to meet global challenges. The G-8 is generally on track in realizing the commitments its leaders have made to food security and health and in increasing the broader effectiveness of development assistance. Although growth in assistance volumes has slowed with the global economic downturn, G-8 members have already largely met individual targets for increased aid volumes to African countries. Last, improved impact-evaluation capacities are beginning to track results on the ground, including for women and smallholder producers. Improved impact evaluation will help the G-8 and its partners assess and improve upon their efforts.

#### AGRICULTURE AND FOOD SECURITY

As part of the L'Aquila Food Security Initiative (AFSI), leaders are committed to increasing assistance for agriculture and food security and to taking a comprehensive approach characterized by support for country ownership, effective coordination, the increased use of multilateral institutions as appropriate, and accountability. While nearly one-third of the more than \$22 billion pledged at L'Aquila was "new" money, G-8 members are working to adopt the L'Aquila approach across all of their agriculture and food security assistance.

The G-8 is making strong progress toward fulfilling its financial pledges under the L'Aquila Initiative. All G-8 members have either fully committed their L'Aquila financial pledges or are on track to commit them by the end of 2012. Nearly half of the G-8 members have made rapid progress in disbursing their financial commitments and have fully disbursed their pledges. However, despite the substantial increases in public-sector funding from the G-8, other AFSI donors, multilateral development institutions and developing countries themselves, national agriculture investment plans are still underfunded by about half. While in some cases public financing could more directly support the investment needs identified in national agriculture investment plans, in almost every case the private-sector elements of these national plans are disproportionately underfunded. This suggests the urgent need to actively attract private investment to the priorities identified in national agriculture investment plans.

Overall, the G-8 has made fair progress toward adopting the L'Aquila approach in its agriculture and food security assistance. The G-8 has made good progress against indicators for supporting country ownership, investments in science and technology, promoting food and agricultural trade and multilateral engagement, and has made fair progress against indicators for building local capacity and using a comprehensive approach. The G-8 needs to do better at targeting women as part of its approach.

#### **FOOD COMMODITY MARKETS & TRADE**

The G-8 actively supports the strengthening of food commodity markets and trade because well-functioning markets create opportunities for smallholders to raise and diversify their income and contribute to lower and more stable food prices. Investing in sound markets is essential to self-sustaining private-sector activity in the agriculture and food sectors, and increasingly the G-8 is helping to strengthen these markets as part of a comprehensive approach.

Through efforts to improve agriculture data and support for processes that have led to voluntary guidelines on land tenure and principles for responsible agriculture investment, the G-8 and its partners are creating better conditions for private investment in agriculture, strengthened markets and increased trade. The G-8 is also proving to be an important champion for public-private partnership and helping developing countries mobilize the private sector.

#### **NUTRITION**

Global awareness of the importance of nutrition and its impact on children and development has grown much in recent years, and with it, the urgent need to act. In response, the G-8 is elevating the role and importance of nutrition through leadership, advocacy and action, and is increasingly mainstreaming nutrition as an integral part of assistance for agriculture and food security. G-8 members have played a pivotal role in the launch of nutrition initiatives—such as the Scaling Up Nutrition movement—at global and national levels, and are investing in a comprehensive set of actions and tools to meet nutrition needs in partner countries. From 2009 to 2011, the G-8 reports that financing for nutrition-specific activities increased by 48 percent, to reach \$439 million in 2011. For the same period, the G-8 reported that financing for nutrition-sensitive activities rose by 46 percent, to reach \$2.45 billion in 2011. These gains are significant, as is the leadership and action of the G-8 to increase awareness, support and momentum for improved nutrition outcomes. Still, much more needs to be done to help developing countries meet the MDGs related to nutrition.

#### HEALTH

Through its leadership and ongoing assistance, the G-8 continues to have an enormous positive impact on improving health and health systems in developing countries. G-8 members are making steady progress in aligning health programming with partner-country plans and priorities and, guided by aid-effectiveness principles, are working with partner countries toward shared results and mutual accountability. Central to these efforts has been the role of the G-8 in mobilizing multilateral actors including the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), greater partnership with partner governments as well as the private sector, civil society and other donors, and an increasing focus on coordination across disease-specific efforts. These efforts are essential to transitioning to more sustainable approaches

to health-service delivery for meeting global health challenges. The world now has an opportunity to eradicate a number of diseases and improve the lives of millions of people by continuing to support this approach.

The G-8 is well on track to meet its commitments to provide at least \$60 billion to fight infectious diseases and improve health systems by 2012, to provide at least \$5 billion in additional financing for maternal, newborn and child health, and to mobilize resources for the Global Fund. In meeting these and other health commitments, the G-8 has catalyzed global action and is seeing these initiatives deliver: innovative financing mechanisms supported by the G-8 have raised more than \$3.6 billion since 2006 to help with immunization; the Global Fund has committed more than \$22.6 billion in 150 countries, providing AIDS treatment to more than 3.3 million people, tuberculosis treatment to more than 8.6 million and has distributed more than 230 million bed nets to prevent malaria; and, in the 11 years since the Measles initiative was established, more than 1 billion children in over 80 countries have been vaccinated against measles through the Initiative, averting an estimated 9.6 million measles deaths.

# OFFICIAL DEVELOPMENT ASSISTANCE VOLUMES

At the 2005 Gleneagles G-8 Summit, leaders made national commitments to increase international assistance. These commitments varied in size, ambition and target dates. Overall, progress toward these commitments is mixed: G-8 members have largely met commitments to double aid to Africa, but not all have been able to meet their individual international assistance targets, including official development assistance (ODA) targets for some G-8 members. While G-8 members have substantially increased ODA in recent years, more ambitious ODA targets set by five G-8 members to deliver development assistance at 0.7 percent of gross national income have seen mixed progress.

In 2011, global ODA volumes reached \$133.5 billion, but decreased in real terms for the first time in more than a decade. As part of this decline, total G-8 ODA fell in real terms by almost 1 percent from 2010. Looking forward, the G-8 reaffirms its commitment to the world's poorest

and most vulnerable people. ODA makes a vital contribu-

### A SNAPSHOT OF G-8 PROGRESS AGAINST KEY COMMITMENTS

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# **Chapter 1: Food Security**

fter nearly four decades of steady decline in real agricultural commodity prices, the cost of food began to rise in 2006, increased steadily in 2007, and shot up so sharply in 2008 that by mid-year, the prices of some commodities—including staples such as wheat, rice and maize—were more than double their 2002 price. This precipitous rise in food prices drove the number of people suffering from chronic food insecurity to over 1 billion for the first time in history¹ and provoked political and social unrest in many countries.

Responding to these circumstances, G-8 leaders and other partners<sup>2</sup> at the 2009 L'Aquila Summit agreed to "act with the scale and urgency needed to achieve sustainable global food security" and to "partner with vulnerable countries and regions to help them develop and implement their own food security strategies and, together, substantially increase sustained commitments of financial and technical assistance to invest in those strategies."

#### L'AQUILA FOOD SECURITY INITIATIVE

"We therefore agree to act with the scale and urgency needed to achieve sustainable global food security. To this end, we will partner with vulnerable countries and regions to help them develop and implement their own food security strategies, and, together, substantially increase sustained commitments of financial and technical assistance to invest in those strategies. Our action will be characterized by a comprehensive approach to food security, effective coordination, and support for country-owned processes as well as by the use of multilateral institutions whenever appropriate. Delivering on our commitments in a timely and reliable manner, mutual accountability and a sound policy environment are key to this effort."

Financial pledges made by the G-8 at L'Aquila leveraged funds from non-G-8 countries, so that donors ultimately agreed to mobilize more than \$22 billion over a period of three years, "focused on sustainable agricultural development," and including over \$6.8 billion in "new" money.<sup>3</sup> Recognizing the need for short- and long-term food security interventions, L'Aquila partners also agreed to maintain a strong commitment to ensuring adequate emergency food aid assistance. As part of the 2010 Muskoka Accountability Report, G-8 members estimated that about half of the L'Aquila pledge would likely go to agriculture, and the other half to sectors contributing to agriculture and food security.<sup>4</sup>

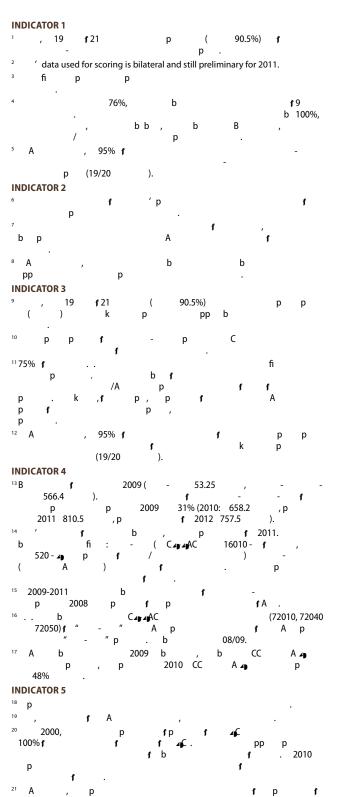
Commitments made at L'Aquila importantly extend beyond financial pledges. Under the L'Aquila Joint Statement on Global Food Security,<sup>5</sup> signatories agreed to take a comprehensive approach toward meeting the challenge of global food insecurity, coordinate more effectively, support

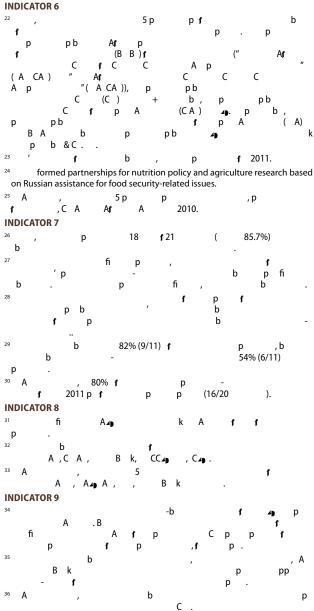
country-owned processes and plans, better engage multilateral institutions, deliver on sustained commitments and be mutually accountable. These principles, unanimously endorsed as the Rome Principles for Sustainable Global Food Security at the World Summit on Food Security in 2009<sup>6</sup>, renewed commitments to use aid-effectiveness principles and represent a fundamental shift in the way that donor and partner countries should approach agricultural development. Partners in the L'Aquila Food Security Initiative (AFSI)—including AFSI donors, partner countries, international organizations and others<sup>2</sup>—have met semi-annually since 2009 to track progress toward meeting their financial pledges and toward their commitment to an approach based on the AFSI/Rome Principles.

Building upon the work of the 2010 Muskoka Accountability Report (MAR) and the 2011 Deauville Accountability Report (DAR), this chapter assesses the collective effort of the G-8 and other AFSI donors toward committing and disbursing AFSI pledges, and toward using an approach based upon the AFSI/Rome Principles. Complementing this assessment are two new tools: (1) In-depth tables, completed by AFSI donors, that disaggregate each donor's financial data by partner country and sector, including examples of programs in-country, metrics used to measure results, progress to date and narrative examples of how AFSI donors are implementing the AFSI/Rome Principles; and (2) A G-8 Food and Nutrition Security Scorecard, which provides a framework to assess G-8 progress against the AFSI/Rome Principles based on a set of key indicators. The scorecard uses self-reporting to assess progress. This chapter also includes preliminary reports on AFSI efforts in tracking spending on agricultural research for development (AR4D) and in managing for development results (MfDR).

#### **G-8 FOOD AND NUTRITION SECURITY SCORECARD** L'Aquila Principle: Country-owned Development Goal Statement: G-8 countries align behind country-owned food security strategies and investment plans (including regional and national strategies and plans in Africa, Latin America, the Caribbean and Asia) Unit 1 Name of Indicator Definition **Data Source Countries** 50% fi 50% 90% .De nition: C UK<sup>4</sup> USA: р fi pp f- p р Goal Statement: G-8 countries contribute to development of local capacity to sustain improvements in food security Name of Indicator Definition Unit **Data Source** b , fi , р De nition: b p pp р USA8 EU UK р **f**- p Can Fra Ger<sup>6</sup> lta Jap Rus7 p b L'Aquila Principle: Strategic Coordination Goal Statement: G-8 countries coordinate food security progamming, financing and implemention in partner countries Definition **Data Source** р ( 50% **f** р Α p) 50-90% **f** UK<sup>11</sup> USA<sup>1</sup> lta р f- p 90% f L'Aquila Principle: Comprehensive Approach Goal Statement: G-8 countries' food security programming consists of comprehensive twin-track approach of short-term with medium/long-term objectives 4 Name of Indicator Definition Unit **Data Source** Countries fi : fi b f b ( . .f fi 25% р b Fra **f**- p Ita<sup>14</sup> Jap Rus<sup>15</sup> UK<sup>16</sup> USA<sup>1</sup> f (+ b 25% ). B р Goal Statement: G-8 country removes food export restrictions or extraordinary taxes, especially for food purchased for humanitarian purposes 5 Name of Indicator Definition **Data Source Countries** р b р Jap UK **f**- p f f р f рр b







#### **INDICATOR 10**

<sup>37</sup> European Union does not report on AFSI disbursements to the OECD-DAC. The European Union disburses according to schedules agreed upon with partner governments. While its AFSI pledge was in terms of commitments, E.U. disbursements made over the AFSI pledging period exceed \$1.4 billion (€1 billion) and contribute to the L'Aquila targets.

#### **FINANCIAL PLEDGES**

#### **AFSI Financial Pledges**

#### **Funds Committed**

Funds pledged by the G-8 and others at L'Aquila have helped to reverse the decades-long decline in spending on global agricultural development. All G-8 members, and almost all AFSI donors, are on track to fully commit funds toward their financial pledges by the end of 2012.<sup>7</sup> As shown in the AFSI Pledge Tracking Table, 10 of 13 AFSI donors have committed the full amount of their AFSI pledges (representing over 99 percent of the total pledge).

#### **Funds Disbursed**

Since AFSI was launched, civil society and non-governmental organizations have suggested that funds disbursed by AFSI donors—not funds committed—is the better measure of whether or not donors are meeting their financial pledges. All AFSI members are making progress on disbursing their AFSI commitments, and AFSI donors have so far collectively disbursed 58 percent of the total AFSI pledge.8 Four of 13 AFSI donors (Canada, Italy, The Netherlands and the United Kingdom) have fully disbursed their pledges. While Japan has financially committed all of its \$3 billion pledge and the United States has committed more than \$2.8 billion of its \$3.5 billion pledge, Japan has so far only reported \$326 million<sup>9</sup> in disbursements and the United States has so far only reported \$790 million in disbursements against these financial commitments.

The varying speed of disbursement by G-8 members reflects differences in institutional approaches to program financing. Differences in institutional approaches can slow disbursements, but they allow G-8 members to tailor support to individual national agriculture priorities and plans, and to support critical non-governmental partners, ranging from local civil society organizations and communities, to the private sector, to international

institutions, to government ministries—each important in their own right for achieving sustainable food security outcomes. Additionally, in following through on their AFSI pledges, G-8 members are investing in a broad set of countries, each with their own diverse circumstances and readiness in putting forward a technically-sound and comprehensive national agriculture and food security investment plan, developed through an inclusive, multistakeholder process. These differing circumstances and states of readiness have also, in some cases, resulted in slower disbursements.

G-8 reporting of financial commitments and disbursements toward AFSI pledges has continued to improve, with almost all G-8 members reporting disbursement levels this year.<sup>10</sup>

# CAADP<sup>11</sup> and Other National Agriculture and Food Security Plans

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#### COUNTRY INVESTMENT PLAN FINANCING SUMMARY—GLOBAL

		ationa urity l		ulture and	USD (millions) GLOBAL	% of cost GLOBAL
C	f				\$ 54,305.23	100%
			C	b	\$ 14,070.21	26%
40	,		C	b	\$ 12,464.99	23%
	C	b			\$ 340.77	1%
Fina	ancing	g Gap			\$ 27,429.27	51%

#### COUNTRY INVESTMENT PLAN FINANCING SUMMARY—AFRICA

		ationa urity F		ulture and	USD (millions) AFRICA	% of cost AFRICA
C	f				\$ 39,065.31	100%
			C	b	\$ 11,069.47	29%
40	,		C	b	\$ 8,656.04	21%
	C	b			\$ 44.25	0%
Fina	ancing	g Gap			\$ 19,295.56	50%

Under the Maputo Declaration on Agriculture and Food Security, African Union member states agreed not only to launch CAADP and thereby create national agriculture and food security plans, but to increase public investment in agriculture to a minimum of 10 percent of their national budgets and to achieve a growth rate of their national agricultural sectors of at least 6 percent. Progress toward meeting these targets varies country-to-country. By 2010, African countries, on average, were spending 6.5 percent of their national budgets on agriculture and had achieved a 6.7 percent agricultural growth rate. G-8 members have long been supporters and advocates for CAADP. AFSI and the support of G-8 members has helped to propel CAADP and similar national agriculture-planning processes in a number of countries.

# TRACKING COMMITMENTS TO THE AFSI/ROME PRINCIPLES: NEW TOOLS

In-depth Tables<sup>13</sup>

This year, AFSI donors are extending reporting beyond what was reported in 2010 and 2011, to include countrylevel information on each donor's AFSI investments in agricultural development, food security and nutrition. AFSI donors<sup>14</sup> have reported on investments in a subset of developing countries that represent a substantial portion of each donor's investments in food security.15 This information, presented in in-depth tables, can inform coordination efforts, helping to more fully describe the financing and programmatic landscape in partner countries and across sectors. AFSI donors believe that making these tables publicly-available is a helpful step

toward increasing accountability and the transparency of G-8 commitments. The in-depth tables identify many of the partner countries in which AFSI donors are investing and provide details about the amount of AFSI assistance, programs implemented, intended objectives, systems for managing investments and programs and reporting results, progress to date and evidence that investments

and programs support commitments to the AFSI/Rome Principles.

While G-8 countries are still in the process of collecting results data for their programs on the ground, this accountability report summarizes preliminary findings on where and how donors are meeting their pledges. Future accountability reports can draw from more complete moni-

#### MAR Recommendation:

"Beyond the tracking of financial commitments, G-8 countries should continue to focus on supporting efforts to map broader food security activities." (pg. 45)

### **DAR Recommendation:**

"The G-8 AWG recommends improving transparency of its aid information, particularly by making progress on publishing information on allocations, expenditure and results." (pg. 56)

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toring and evaluation data—for example, in-depth tables and the AFSI Managing for Development Results exercise—to assess donors' individual and collective achievements, in partnership with developing countries.

AFSI/Rome principle, with scores against key indicators graded on a green-yellow-red scale, representing "good progress," "fair progress" or "in need of improvement."

### **G-8 FOOD AND NUTRITION SECURITY SCORECARD**

While the in-depth tables provide a deeper look at what AFSI partners are doing at the country level, the G-8 Food and Nutrition Security Scorecard provides an overview of G-8 progress toward committing to the AFSI/Rome Principles. The scorecard is self-scored and assesses the status of G-8 actions against goals associated with each

#### **DAR Recommendation:**

"The G-8 AWG recommends relevant international institutions and initiatives to build common sets and/or understanding of performance criteria for multilateral assistance . . . . " (pg. 56)

#### MANAGING FOR DEVELOPMENT RESULTS (MFDR) AND RESULTS REPORTING

The Paris, Accra and Busan High-Level Fora on Aid Effectiveness have urged the utilization of an MfDR model in development agendas: a management strategy that focuses on using performance information to improve decision-making, utilizing practical tools for strategic planning, risk management, progress monitoring and outcome evaluation. MfDR also encompasses a range of principles, including country ownership, alignment of donors and accountability for development results, which are all supported by AFSI. At the September 2011 AFSI meeting in Dakar, Senegal, AFSI members agreed to "collectively demonstrate, by means of examples in some partner countries on a voluntary basis, that the provided resources are managed for results and that the fulfillment of financial and non-financial commitments leads to actual results on the ground." In February 2012, the MfDR Working Group reported agreement on a framework for initial data collection, including agreement on a set of common indicators to track progress among pilot country populations in agriculturesector performance and poverty and nutritional status.

# DAR Recommendation: "...

G-8 countries should continue to strengthen their monitoring and evaluation and to ensure that the findings guide policy, program planning and investment decisions." (pg. 56)

"... relevant institutions [should] intensify, together with interested pilot recipient countries, evaluations of the impact of international aid." (pq. 56)

In its AFSI MfDR Early Harvest Report: The Case of Ghana, the AFSI MfDR Working Group, chaired by Germany, finds an upward trend in ODA and government spending in

Ghana between 2002 and 2010, with the ODA share for agriculture and food security also increasing for this period. Donor alignment with Ghanaian agriculture and food security priorities is evidenced by the fact that more than 85 percent of aid is reflected in the budget of the Ghanaian Ministry of Food and Agriculture (MOFA)18, exceeding the targets set in the Paris Declaration on Aid Effectiveness. 19 However, Ghana's Medium-Term Agriculture-Sector Investment Plan (METASIP) is funded at only 34 percent. Ghana has met the MDG of halving the proportion of people living in poverty, and agricultural production levels have increased at an average rate of 3.5 percent between 1990 and 2000, which exceeds African and global averages. It is too early to assess to what degree these gains are at least partially attributable to AFSI.

Stronger implementation of the AFSI/Rome Principles could help overcome remaining challenges like weak interagency coordination, rising consumer food prices concomitant with declining producer food prices (excepting major export commodities like cocoa) and weak links between the METASIP results framework and budget. The AFSI MfDR Working Group will produce a final report at the end of 2012 that will include case studies from Bangladesh, Ghana, Rwanda and Senegal.

# TRACKING COMMITMENTS TO THE AFSI/ROME PRINCIPLES

The AFSI in-depth tables and G-8 Food and Nutrition Security Scorecard allow for greater transparency into the progress measured by AFSI donors against their commitment to the AFSI/Rome Principles.

### **Country-owned Development**

The in-depth tables suggest that G-8 and other AFSI donors are making progress toward their commitment to support country-owned plans, in that they are aligning their bilateral funding and programs with partner countries' own national plans. On the scorecard, all AFSI donors except the United Kingdom have self-scored themselves "green" on this commitment.<sup>20</sup>

Despite increased financing for agriculture from national budgets and development partners, and ongoing efforts to align official development assistance with country-owned plans, national agriculture and food security plans are underfunded. For national agriculture and food security plans to be fully-funded and implemented, not only must developing countries and development partners continue efforts to align public investments against these plans, but they must do a great deal more to encourage public-private partnership and private-sector investment around the outlined development priorities.

By some definitions, "country-owned" characterizes plans that incorporate input from stakeholders other than partner governments and donors, such as the private sector, civil society and non-governmental organizations, farmer cooperatives and other citizens groups. Indeed, if agricultural development is to be sustainable and successful, program planning and implementation must extend beyond government institutions to include these stakeholders. The G-8 Food and Nutrition Security Scorecard therefore includes an assessment of how G-8 assistance "contribute(s) to development of local capacity to sustain improvements in food security." This goal is tracked by the number of local associations, firms, civil society organizations or local government entities applying new agriculture and food security-related best practices and technologies. As a group, the G-8 has self-scored next-tolowest against this indicator. All G-8 countries except Japan and the United States (both "green") have self-scored

"yellow," meaning that the donors collect data against the indicator but do not disaggregate these data by type of organization.

### **Strategic Coordination**

The in-depth tables and the scorecard suggest that the G-8 and other AFSI donors are making progress in coordinating their investments and programs in partner countries. In addition to meeting with AFSI partners and various working groups throughout the year, almost all AFSI donors are participating in country-led, donor-coordination working groups. However, without an agreed means for measuring impact, it is difficult to determine how increased donor participation in these working groups at the country level is enhancing the impact of programs under national agriculture plans.

The in-depth tables reveal the large number and geographic diversity of countries benefiting from AFSI investments. AFSI donor investments reported in the in-depth tables are spread across 42 partner countries. Going forward, it is important to ensure that coordination continues to be strengthened around support of national agriculture and food security plans in countries where multiple donors are active, with due consideration to leveraging regional progress through actions in neighboring countries.

#### **Comprehensive Approach**

The in-depth tables and scorecard suggest that donors are taking a more comprehensive approach to improving food security by providing funding that complements direct investments in agricultural development and nutrition, and that meets short- and long-term food security needs. One indicator for a comprehensive approach on the scorecard asks whether G-8 members are taking a "twin-track" approach of addressing short-term needs, while simultaneously funding medium- and longer-term development. Most G-8 members have self-scored "green," indicating that they have increased assistance for short-term food security needs and longer-term development over pre-AFSI levels by more than 25 percent.

The commitment to a comprehensive approach also calls for research investment that generates sustainable and accessible solutions for smallholder farmers, especially women. According to self-reporting in the scorecard, almost all G-8 members have formed research partnerships to benefit smallholder farmers and nearly all have objectives related to women in at least four of five partner countries. However, the G-8 self-scores lowest on the scorecard for promoting the participation of farmers, especially smallholders and women. Only Canada, Germany and the United States self-score "green," suggesting that the majority of G-8 members could do better at collecting sex-disaggregated data and, in some cases, integrating gender objectives into their work.

The information available in the AFSI in-depth tables allows the opportunity to explore whether the collective approach of AFSI partners in any one partner country meets the AFSI/Rome Principles of alignment with country plans, strategic coordination and adoption of comprehensive approaches. Vietnam and Mozambique represent two of many examples where G-8 investments are working together across a range of sectors and are aligned with priorities outlined in national agriculture and food security plans.

# G-8 Action: Country Examples from the In-depth Reporting Tables

- In Vietnam, France is upgrading and modernizing the management of the Bac Hung Hai irrigation and drainage system; Canada is investing in irrigation, as well as agricultural extension services, small-scale infrastructure to increase household dairy, rice and cattle production, and climate change resilience; and Japan is using a value-chain approach to improve irrigation management, transport infrastructure and the post-harvest production and marketing of agricultural products.
- In Mozambique, the United Kingdom invests in land rights and the sustainable and equitable use of resources and in the Beira Agricultural Growth Corridor;<sup>21</sup> Japan funds the improvement of transport infrastructure and research capacity for the Nacala Corridor,<sup>22</sup> and implements agricultural development projects there under the Japan-Brazil-Mozambique Triangular Cooperation on the Tropical Savanna Agricultural Development Program, aiming to promote sustainable agricultural and rural development; Canada has provided support to the

Ministry of Agriculture and other partners in the agriculture and rural development sector, and has worked to improve agricultural production through the dissemination of new technologies, improved market linkages, rehabilitation of irrigation schemes, strengthened farmers associations and improved

#### PARTNER COUNTRY EXAMPLE: ETHIOPIA

G-8 countries actively collaborate in support of key national agriculture and food security programs in Ethiopia. The United States and Canada support Ethiopia's Agriculture Growth Program (AGP) through investments designed to spur agricultural growth, strengthen linkages of smallholder producers to markets, build institutional capacity and improve nutrition and health care services. The United Kingdom is currently developing a new strategy of assistance to Ethiopia and, as part of this strategy, is exploring ways to support the AGP through parallel systems. Germany, Canada and France provide support to Ethiopia's Sustainable Land Management Program to reduce land degradation in the highland regions, improve agricultural productivity and increase the resilience of rural populations against the effects of climate change. The European Union also supports programs in livestock and agricultural marketing, and implements a range of livelihood-support projects in drought-prone areas through the European Union Food Facility. Japan recently initiated a program aimed at strengthening the resilience of pastoralists. G-8 investments are complementary, covering geographically-diverse regions and representing a comprehensive set of actions intended to reduce vulnerability and promote agricultural productivity for smallholder farmers and pastoralists.

G-8 members actively participate in relevant donor working groups to help coordinate their work with the Ethiopian Government and local stakeholders. From 2009 to 2011, the Rural Economic Development and Food Security Working Group was co-chaired by Canada and the European Union; together with other partners—including Italy, which channeled funds through the FAO specifically for this purpose—the working group supported the CAADP process in Ethiopia. This resulted in the development and revision of an Agriculture Sector Policy and Investment Framework, as well as reviews of the flagship programs of Ethiopia: the Productive Safety Net Program (PSNP), the Sustainable Land Management Program (SLMP) and the Agricultural Growth Program (AGP).

To better align assistance behind national and regional resilience-investment priorities, the African Union, the Intergovernmental Authority on Development (IGAD), Italy (Chair of the IGAD Partners Forum), the United States, the European Union, Germany, Japan and other partners participated in the Joint IGAD Ministerial and High Level Development Partners Meeting on Drought Resilience in the Horn of Africa in April 2012. There, participating governments and institutions agreed to form the Global Partnership Alliance for Drought Resilience and Growth and an associated Regional Development Partners Group to mobilize and align resources behind a common framework for action to strengthen resilience in the Horn of Africa and to coordinate their efforts within IGAD's Regional Platform.

The United States, the United Kingdom, Canada and the European Union, in collaboration with other donors, also support the Food Security Program (FSP), which is an integral part of the Country Investment Plan. The FSP offers six months of public works employment opportunity to over 7 million chronically food-insecure people in rural areas of six regions. The FSP also provides these farm families with access to agricultural extension services, with improved inputs and markets being developed in key value chains including honey, livestock and cereal crops. The FSP productively invests the labor of these 7 million people and contributes to agricultural productivity and growth. For example, the FSP public works build check dams and water-harvesting structures, farm-to-market roads and bridges and address underlying causes through activities such as watershed rehabilitation. The farmers in the communities are then able to produce more with the extension advice and inputs that they access through the program

G-8 support is helping to improve food security and resilience in Ethiopia. In mid-2011 to early 2012, the Horn of Africa experienced its worst drought in 60 years; yet, the scale of the humanitarian disaster, while tragic, was not the worst the region had experienced in 60 years. Government-led efforts with donor support to improve the resilience of smallholder subsistence farmers and pastoralists in the Horn of Africa improved the food security status of millions of people who were better able to cope with the effects of the drought and, as a result, did not need emergency assistance during the acute phase of the drought. While we cannot yet credit specific G-8 efforts with specific outcomes in the Horn of Africa, the new data offered in the in-depth tables help illuminate the types of programs receiving G-8 investment in countries like Ethiopia that contribute to drought preparedness and resilience.

#### **Accountability and Transparency**

The G-8 has improved transparency around its commitments through the introduction of an annual accountability report at Muskoka. The evolution of the report to include the AFSI in-depth tables and the G-8 Food and Nutrition Security Scorecard, and the efforts of the AFSI MfDR, are indication of the commitment of the G-8 to greater transparency and accountability. The AFSI indepth tables show that AFSI donors are developing indicators to measure and report on progress at the country level (data on these indicators are still being collected), which will be a welcome complement to the evolving set of assessment tools used for the accountability report. Among G-8 members, the European Union uses its Results Oriented Monitoring System to annually review a significant number of E.U.-funded projects, with reviews made available to project stakeholders. So far, only the United States has developed a publicly-available results framework that links indicators with specific objectives and goals.

#### **FINDINGS**

- The G-8 is making good progress toward meeting its financial pledges to food security. All G-8 members have either fully committed their L'Aquila-pledged funds or are on track to commit them by the end of 2012. For AFSI G-8 donors in the aggregate, only about 1 percent of the AFSI pledges are uncommitted, while 25 percent of the pledge period remains. Nearly 58 percent of the AFSI funds are disbursed.
- Developing countries are "owning" their agriculture and food security plans, in that, on average, these governments are providing the largest resource share to financing these plans. According to informal data collected, developing-country governments are providing, on average, 26 percent of the financing resources for plans. The average financing share attributed to donors is 23 percent globally.
- Despite significant increases in public-sector funding for agriculture and food security made by developing countries, the G-8 and AFSI partners and multilateral development institutions, reporting suggests that national agriculture and food security plans are underfunded by about half.

- Private-sector-appropriate elements of national agriculture and food security plans remain disproportionately underfunded, suggesting the urgent need to attract private investment to the priorities identified in these plans.
- Overall, the G-8 has made fair progress toward adopting the AFSI/Rome Principles. The G-8 has made good progress toward supporting country ownership, investments in science and technology, promoting food and agricultural trade and multilateral engagement; and has made fair progress toward developing indicators for building local capacity and using a comprehensive approach. The G-8 acknowledges the need to better target women as part of its approach.

#### **Endnotes**

- In 2010, this number dropped slightly to 925 million, due partly to some stabilization in food prices (SOFI 2010) http://www. fao.org/docrep/013/i1683e/i1683e.pdf). Due to an ongoing revision of the methods it uses to calculate numbers of foodinsecure and malnourished individuals, the Food and Agriculture Organization did not report a number for 2011.
- Non-G-8 AFSI signatories include (pledge donors <u>underlined</u>): Algeria, Angola, <u>Australia</u>, Brazil, Denmark, Egypt, Ethiopia, India, Indonesia, Libya (Presidency of the AU), Mexico, <u>The Netherlands</u>, Nigeria, China, Republic of Korea, Senegal, <u>Spain</u>, South Africa, Turkey, AU Commission, FAO, IEA, IFAD, ILO, IMF, OECD, UNHLTF, WFP, World Bank, WTO, AGRA, CGIAR, Global Donor Platform for Rural Development and GFAR.
- <sup>3</sup> Additional to previously-planned expenditures and representing spending plans above the baseline.
- <sup>4</sup> As part of the Muskoka Accountability Report, G-8 members estimated that just over half of the total G-8 pledge would go to agriculture, with the other half going to agriculture- and food security-related activities, including transport and storage (22 percent), development food aid (8 percent), rural development (4 percent), nutrition (3 percent), safety nets (2 percent) and other activities (8 percent). G-8 members also estimated that assistance would go to multilateral institutions through voluntary core contributions, trust funds and earmarks (10 percent).
- http://www.g8italia2009.it/static/G8\_Allegato/LAquila\_Joint\_ Statement\_on\_Global\_Food\_Security%5B1%5D,0.pdf.
- ftp://ftp.fao.org/docrep/fao/Meeting/018/k6050e.pdf.
- <sup>7</sup> The United States is on track to committing the remaining 23 percent of its pledge by the end of FY 2012.

- Looking exclusively at G-8 AFSI donors, the G-8 has disbursed 49 percent of its total \$15.2 billion pledge; the European Union has not reported its disbursements and thus was not included in either the disbursement or total G-8 pledge calculation.
- <sup>9</sup> This amount only includes Japan's disbursements for 2010.
- The European Union disburses according to schedules agreed upon with partner governments. While its AFSI pledge was in terms of commitments, E. U. disbursements made over the AFSI pledging period are significant and contribute to the L'Aquila goals.
- Under the auspices of the Comprehensive Africa Agriculture Development Program (CAADP) of the New Partnership for Africa's Development (NEPAD) and the African Union (AU), 30 countries have completed their CAADP consultation processes and have signed compacts with the main stakeholder groups. Of these countries, 23 have developed detailed Country Investment Plans and conducted preliminary costing and financing analyses. The Country Investment Plans are designed with the objective of spurring significant agriculture sector growth (CAADP goal of 6 percent annual growth) to benefit smallholder farmers and reducing rural poverty across the continent, with a particular focus on women. These plans will be financed by target allocations of 10 percent of national budgets to agriculture, in addition to contributions from donors, the private sector and, in some cases, non-governmental organizations.
- 12 http://www.resakss.org/.
- The in-depth tables are available with the online version of the Camp David Accountability Report.
- In-depth tables were submitted by Canada, the European Union, France, Germany, Italy, Japan, Spain, Sweden, the United Kingdom and the United States. Russia, Australia and The Netherlands did not submit in-depth tables.
- in-depth information was determined by the donor government itself, i.e., the term "significant" was donor-defined. Partner-country investments reported in in-depth tables account for 40 percent of the total pledge for the countries that provided tables; multilateral and other aligned investments are also reported in the tables (under "Other").
- Alston, J., C. Chan-Kang, M. Marra, P. Pardey, T. Wyatt, A Meta-Analysis of Rates of Return to Agricultural R&D: Ex Pede Herculem? IFPRI Research Report 113, Washington, DC, 2000.
- OECD-DAC CRS code 31182 (Agricultural Research) is defined as: plant breeding, physiology, genetic resources, ecology, taxonomy, disease control, agricultural bio-technology; including livestock research (animal health, breeding and genetics, nutrition, physiology).
- One of the Paris Declaration (PD) targets for alignment is that at least 85 percent of aid flows are aligned on national priorities.

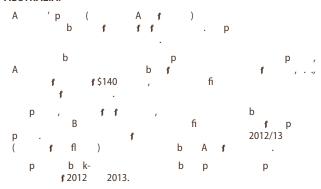
- This indicator was calculated as the ratio of: agricultural budget support disbursed by donors to agricultural aid allocations for Ghana's Ministry of Food and Agriculture as specified in the national budget for the same years. The ratios were found to exceed the 85 percent PD target, indicating that agricultural aid is well aligned with priorities of Ghana's Ministry of Food and Agriculture.
- <sup>19</sup> http://www.oecd.org/dataoecd/11/41/34428351.pdf.
- U.K. programs in South Sudan and Zimbabwe from 2009 to 2011 were not directly connected to country-owned food security strategies as such national strategy did not yet exist. In Nigeria the Department for International Development (DFID) program is currently developing a new agricultural program which will be aligned with the Federal Ministry of Agriculture and Rural Development's Agricultural Transformation Agenda (ATA). The United Kingdom also invests in non-African country-owned plans outside of the CAADP system.
- The BAGC is an innovative public-private partnership launched in early 2010 that aims to create new rural jobs and raise smallholder farm incomes through coordinated investment in agribusinesses and smallholder outgrower schemes. It is supported by the Government of Mozambique, the Alliance for a Green Revolution in Africa (AGRA), the United Kingdom, the Norwegian Government, the World Economic Forum, the Hewlett Foundation, the NEPAD Business Foundation and Yara International. BAGC will use donor resources to leverage large volumes of socially- and environmentally-responsible private investment to the agriculture sector, which will reduce poverty, achieve value for money and ensure long-term sustainability.
- The objectives of the Nacala Road Corridor Project, which falls within the Southern African Development Community's (SADC) priority projects in the NEPAD-STAP program, are to (i) provide Malawi, Zambia and the interior of Mozambique with road transport linkage to the port of Nacala and improve transport services through reduction in transport and delay costs at border crossings; (ii) improve sustainability of investments by controlling axle loads; and (iii) improve the accessibility of the communities in the zone of influence to markets and social services and contribute to the reduction of poverty.

TRACKING THE L'AQUILA FOOD SECURITY INITIATIVE PLEDGE AND RELATED FUNDING

TABLE 2: COMMITMENTS AND DISBURSEMENTS (	IMENTS AND D	SBURSEM	ENTS (	7												
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AFSI Donor	Period of Pledge	Total (1)	Total (1) Additional	Period Covered	Voluntary Core	Earmarked and Trust Funds	Agro- Industries, Forestry, Fishing (311, 32161, 312, 313)	Nutrition (12240)	Nutrition Food Aid/Food T Security 8 Assistance (520)	Transport & Storage (210)	Safety Nets () f (16010)	Rural Development (43040)	w1 1429	Rural   w1 14294&DC 4 (E)TEMC (NT)TJSpanAAc6/Ac (43040)	IC (NT) TJSpa	an/Ac6/Ac

### Notes, By Donor: .

### AUSTRALIA:



### CANADA:

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# **Chapter 2: Markets and Trade**

esponding to the 2007-2008 global food price crisis, the 2008 G-8 Summit in Hokkaido-Toyako called for a range of collective actions to increase global food security. Underlying these actions was a recognition that a well-functioning agricultural and food market and trade system is essential for global food security. In the area of trade and markets, the summit called for the urgent and successful conclusion of an ambitious, comprehensive and balanced Doha Round, the removal of food export trade restrictions and the development of open and efficient agricultural and food markets.

### HOKKAIDO-TOYAKO MARKET & TRADE COMMITMENTS

- The urgent and successful conclusion of an ambitious, comprehensive and balanced Doha Round.
- The removal of export restrictions and the introduction at the WTO of stricter disciplines to curb such policies, particularly as they hinder humanitarian purchases of food commodities.
- The development of open and efficient agricultural and food markets and the monitoring of the functioning of such markets by relevant agencies.

Over the following year, a G-8 food security experts group elaborated on these commitments, reporting back to the G-8 with amplified recommendations and findings. In addition to reiterating the messages of Hokkaido-Toyako, the experts group noted the importance of rejecting protectionism, encouraging the development of integrated agricultural markets, supporting a rules-based system for international agricultural trade, making significant improvements in women's and smallholder farmers' access to markets, and continuing G-8 support to strengthen the capacity of developing countries to participate in and implement international trade agreements.

#### L'AQUILA MARKET & TRADE COMMITMENTS

- National and regional strategies that promote the participation of farmers—especially smallholders and women—in community, domestic, regional and international markets.
- The commitment to open markets and the rejection of protectionism.
- The monitoring and analysis of factors potentially affecting commodity price volatility.
- The reduction of agricultural trade distortions and restraint in imposing new barriers to trade and investment, or in imposing WTOinconsistent measures, to stimulate exports.

Well-functioning commodity markets and trade create opportunities for smallholders to raise and diversify their incomes, and contribute to lower and more stable food prices. Investing in sound markets is essential to self-sustaining private-sector activity in the agriculture and food sectors.

The 2009 L'Aquila Summit reinforced the commitment of the G-8 to strengthening food and agricultural markets and trade by identifying increased and open agricultural trade flows and efficient markets as part of its comprehensive approach to supporting agriculture and global food security. Leaders at the summit

also repeated the call for an ambitious, comprehensive and balanced conclusion to the Doha Development Round.

Linking trade and markets to the L'Aquila Summit's definitive pledge to substantially increase investment in agriculture, leaders committed to supporting national and regional agricultural strategies that increase farmers' access to markets, support open food and agricultural markets, monitor and analyze factors affecting commodity price volatility and reduce agricultural trade distortions.

In addition, leaders at the L'Aquila Summit linked these commitments in trade and market development to further commitments to improve access to information, promote enabling business environments and increase investment in rural infrastructure.

### **COLLECTIVE ACTIONS**

Since the Hokkaido-Toyako and L'Aquila Summits, a number of significant collective initiatives have been undertaken to promote food security through market development and open trade. In many cases, these initiatives have been launched through the support of the G-20 or the United Nations, but their endorsement by the G-8, coupled with \$22 billion in public investment in agriculture and rural development through the L'Aquila Food Security Initiative (AFSI), is helping to ensure their successful contributions to global food security and nutrition.

The Agricultural Market Information System (AMIS), launched in Rome in September 2011, provides a platform for sharing agricultural data and improving its quality, reliability, accuracy, timeliness and comparability, particularly regarding the production, consumption and stock levels of wheat, rice, maize and soybeans. Housed at the Food and Agriculture Organization (FAO) in Rome, AMIS combines data from the G-20 and at least seven other major agricultural producing and consuming countries. This pooled information will promote greater market efficiency and mitigate future commodity price volatility.

The 2011 Cannes G-20 Summit took a first step toward meeting the collective commitments of both the G-8 and G-20 to end the use of restrictions and extraordinary taxes on the export of food. At Cannes, the G-20 agreed that food purchased for non-commercial humanitarian

#### **COLLECTIVE ACTIONS FOR MARKETS & TRADE**

- Sharing agricultural data on production, consumption and stocks through AMIS.
- Commitment to end export restrictions and extraordinary taxes on humanitarian food aid.
- Support for the Voluntary Guidelines on Responsible Governance of Tenure of Land, Fisheries and Forests.
- Support for the consultation process of the Principles of Responsible Agricultural Investment.

purposes by the World Food Program (WFP) would not be subject to export restrictions or extraordinary taxes. Self-reporting from the Food and Nutrition Security Scorecard shows that all G-8 members have either eliminated restrictions and extraordinary taxes for humanitarian food aid, or that they were never introduced. While the G-20 commitment represents a positive development that will ease constraints on humanitarian food deliveries, it leaves the preponderance of global food trade subject to the harmful effects of food export restrictions. Efforts will therefore need to continue in the G-8 to press for the elimination of such policies.

The expected endorsement in May 2012 of the Voluntary Guidelines on the Responsible Governance of the Tenure of Land, Fisheries and Forests in the Context of National Food Security, conducted through the United

Nations Committee on World Food Security, represents another important collective action that holds promise for improved markets for food production. Inadequate land tenure law has been a fundamental impediment to development and agricultural investment by small- and large-scale producers in many countries. Adoption and implementation of the Voluntary Guidelines by these countries can lead to their emergence as more efficient and productive food producers, and can thus contribute to global food security.

Drafted by a set of international organizations at the request of the G-8, and complementary to the Voluntary Guidelines, the Principles of Responsible Agricultural Investment (PRAI), derived from the 2009 G-8 Summit and endorsed by the G-8 and the G-20, is a further mechanism to encourage agricultural investment, serving as a guide for responsible practices by both governments and investors to ensure sustainable agricultural practices and development models that promote the interests of local people, including women and smallholder farmers. G-8 members and other parties remain engaged in a process leading to a broad-based outcome on responsible agricultural investment based on PRAI in the Committee on World Food Security, supporting parallel, ongoing related work by international organizations.

#### **BILATERAL ACTIONS**

Through bilateral and regional cooperation programs, G-8 members have advanced a number of initiatives to foster trade and strengthen market development. These include programs that facilitate access to broader national and international markets for smallholder farmers and rural entrepreneurs, especially women; programs that work with national governments to improve policies and enable environments to support agricultural trade and investment; programs that increase the access of agricultural producers and rural entrepreneurs to finance for trade; and programs that promote the development of regional markets. Many of these programs are implemented in cooperation with other donors—including public-private partnerships—and all aim to align with priorities established by the benefiting countries. Despite increasing bilateral assistance to strengthening local, national and regional markets and trade, we have not seen

the influx of private-sector investment needed to result in rapid growth in markets and trade.

### G-8 Action: Examples of Market Access for Smallholder Farmers and Rural Entrepreneurs

- Canada's Agriculture Sector Supply Chains project in Mali increases women's access to markets through increased production and marketing capacity of women's groups working in agriculture supply chains. With the aim of bringing an additional 21,000 tons of agricultural goods to market, the project has facilitated investment in women-owned businesses and increased financial returns for women-owned cooperatives. Canada's Market-Based Solutions for Improved Livelihoods project in Ethiopia aims to increase the incomes of 6,500 households engaged in rice production using a value-chain approach. The project aims to increase competitiveness through capacity-building and the strengthening of linkages among key actors including input suppliers, farmers, processors and marketers. In Senegal, Canada's Agricultural Market Development Program improves distribution systems and infrastructure and builds the capacity of export-oriented organizations.
- Since 2002, the European Union has enabled small cotton producers in Mali to compete in global markets by supporting niche production and marketing of organic "Fair Trade Mali Cotton." The initiative has helped producers organize in cooperatives with a special focus on empowering women—who constitute 30 percent of the cotton farmers—and has helped establish a local body, the Mouvement Biologique Malien (MOBIOM), to ensure production standards and strengthen member cooperatives' access to national and international markets.
- Germany, in cooperation with the Bill and Melinda Gates Foundation and private enterprises, supports the Competitive African Cotton Initiative and the marketing of the "Cotton made in Africa" label. Through this program, 325,000 cotton smallholder farmers and their families in Benin, Burkina Faso, Ivory Coast, Malawi, Mozambique and Zambia have increased their income from cotton by 30 to 40 percent. Similarly, in cooperation with the Bill and Melinda Gates Foundation and private enterprises,

Germany supports the African Cashew Initiative in Benin, Burkina Faso, Ivory Coast, Ghana and Mozambique. The initiative has trained 204,000 farmers who benefit from better market access through a direct link with processors and exporters. Improved market information, better quality and higher production under the program have led to an average annual income increase of \$70 per farmer, and the development of local processing has created 2,700 jobs, 75 percent of which are held by women.

- Japan's Small Holder Horticulture Empowerment Project in Kenya, whose scaled-up second phase is being implemented, helps small-scale farmers increase their income by changing their priorities from "producing first and marketing second" to "making efforts to produce marketable and betterquality crops." The project addresses women's role in farming and farm management and encourages a changed relationship between men and women within the household from "one farm manager and one farm laborer" to an "equal farm management partner." As a result of the project, the average income of 2,500 household farmers (122 farmer groups) has doubled. Japan also supports the Coalition for African Rice Development (CARD), aimed at doubling rice production in African countries over 10 years by 2018. CARD functions as the platform for the collective action of all stakeholders, including donors, research institutions, non-governmental organizations and private institutions. The CARD initiative has demonstrated the importance of recognizing the relative advantage of each stakeholder and the coordination to maximize investment impact, rather than rigidly defining limited approaches or assistance schemes.
- In cooperation with non-G-8 donors, The United Kingdom funds the Making Markets Work for the Poor (M4P) program, which improves access to markets for the world's poorest people, facilitating economic growth, wealth creation and income generation through private-sector development. Focusing on the development of producer-to-consumer systems, M4P has applications in Bangladesh, Nigeria and elsewhere. In sub-Saharan Africa, the United Kingdom's Food Retail Industry Challenge Fund

- helps producers of fruits and vegetables gain direct access to European markets. The fund connects African growers with global retailers in partnerships that remove blockages to market access and informs European shoppers that their purchases benefit poor farmers. The program is active in 11 sub-Saharan countries, in product chains including coffee, tea, a chocolate drink, fresh produce, berries, juice and smoothies, flowers, tilapia and vanilla.
- Italy's Agricultural Value Chains in Oromia project is increasing the productivity and quality of two traditional products in Ethiopia—durum wheat and wild coffee—and improving opportunities for private investment. The project introduced new cropping and post-harvest practices, and is building the marketing capacity of key stakeholders, research, extension and regulatory institutions, and farmers' organizations. The project is establishing new business links between farmers' associations and the pasta industry, helping meet demand from local pasta makers. Twenty-seven cooperatives and five farmers' unions—10,000 farmers in all—benefit and contribute to economic growth and development through the project. In 2011, fourteen of the participating cooperatives produced about 9,000 quintals of high-protein wheat, and the production target in 2016 is a half-million quintals. The Oromia Regional Agricultural Research Institute provides technical support to stakeholders and fast assessment of grain quality, and promotes new seedcertification schemes.
- A key pillar of the U.S. Feed the Future Initiative is increasing market access for smallholder farmers. Through this initiative, the United States has increased the value of incremental sales collected at the farm level in 2011 by over \$81.6 million; the value of commodities exported as a result of U.S. assistance through this initiative is nearly \$650 million. A specific example of these programs is Ethiopian meat exports. USAID programs designed to increase the productivity and competitiveness of the dairy sector have helped to increase Ethiopian meat and liveanimal exports by 72 percent, and milk production and sales among USAID-assisted producers increased by \$1.2 million between 2010 and 2011.

### G-8 Action: Examples of Fostering Enabling Environments for Agricultural Trade and Investment

- Germany's Private-Sector Development Program in Kenya and Market-Oriented Agriculture Program in Ghana both focus on enabling small- and mediumsized agricultural producers and food processors to better integrate into national and international markets. In addition to working with producers and private-sector associations, the programs include cooperation with governments to improve political, legal, administrative and infrastructural frameworks to foster agricultural investment.
- Through the U.S. Feed the Future initiative, the United States is working with countries to identify and address policy bottlenecks to agricultural production, trade and investment. As a way to promote trade in West Africa, USAID has been supporting efforts to reduce bribes at border crossings. In 2011, this work contributed to a reduction in bribes along trade corridors between Ghana, Burkina Faso and Benin, including reductions of 70 percent on the Techiman-Kantchari maize corridor, 40 percent on the Kantchari-Accra onion corridor and 15 percent on the Fada N'gourma-Parakou livestock corridor.

#### G-8 Action: Examples of Trade Finance

- Launched in 2011, Germany's Africa Agriculture Trade and Investment Fund provides investment finance for agricultural value chains, including support for trade development. The fund provides risk capital tailored to the conditions of the particular value chain supported, while aiming to achieve development impacts of poverty reduction, job creation and increases in productivity, production and quality.
- Renewed in 2009 at a level of €30 million for three years, France's Trade Capacity Building Program supports, inter alia, the export of Guinean potatoes, natural latex (hevea) production in Africa and South Asia and cotton in Francophone Africa.

#### G-8 Action: Examples of Regional Market Development

- Both Japan and the United States are working with the ASEAN Integrated Food Security Framework and the Strategic Plan of Action on Food Security in the ASEAN region to foster public participation in regional trade-policy reform, support the harmonization of policies to improve trade efficiencies and strengthen food security information systems, information sharing and transparency.
- In partnership with other donors, the United Kingdom supports the Africa Free Trade Initiative to promote trade and regional integration across Africa. One of the flagship programs under this initiative, TradeMark East Africa, works with national governments, the private sector and civil society in the five member states of the East African Community (Burundi, Kenya, Rwanda, Tanzania and Uganda) to boost the regional produce trade by streamlining red tape and developing essential infrastructure projects.
- Through its Feed the Future initiative, the United States funds regional programs in East Africa, West Africa, Southern Africa, Central America and Asia that strengthen regional market integration. Examples of U.S. efforts include: supporting the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA) to improve the policy and regulatory environment for intraregional trade, resulting in the harmonization of regional standards for 24 staple foods; piloting a regional platform (the Revenue Authorities Digital Data

#### **FINDINGS**

- G-8 members are actively investing in improved market access for smallholder farmers and rural entrepreneurs, and in increased regional trade. These investments are having a significant positive impact on production and trade volumes in partner countries.
- Through support for voluntary guidelines on land tenure and principles for responsible agriculture investment, the G-8 and its partners are creating better conditions for private investment in agriculture, strengthened markets and increased trade.
- Through efforts to improve agriculture data through AMIS and support for the work of multilateral and other institutions, the G-8 is contributing to the monitoring and analysis of factors potentially affecting commodity-price volatility.
- The G-8 is proving a useful champion for publicprivate partnerships and helping developing countries mobilize the private sector, including helping to foster a strong agribusiness investment climate that will benefit smallholder farmers.
- The G-8 has followed through on its commitment to end export restrictions and extraordinary taxes on humanitarian food aid, having either eliminated them or never introduced them in the first place.

# **Chapter 3: Nutrition**

hronic undernutrition leaves children vulnerable to both infectious and chronic disease, impairs cognitive function and physical growth, reduces lifetime earning potential, increases lifetime healthcare costs and leaves communities less resilient. Undernutrition reduces human capital and capacity, and undermines development investments in health, education and economic growth. Long-term solutions to undernutrition

#### L'AQUILA FOOD SECURITY INITIATIVE

There is urgent need for decisive action to free humankind from hunger and poverty. Food security, nutrition and sustainable agriculture must remain a priority issue on the political agenda, to be addressed through a crosscutting and inclusive approach, involving all relevant stakeholders, at global, regional and national levels.

come from comprehensive and cross-sectoral interventions that address the underlying determinants of nutritional status, including poverty, agriculture, health care, maternal and child-care practices, girls' education, gender equity and effective policy formation and implementation.

Undernutrition contributes to 2.6 million child deaths a year, over a third of all deaths of children under 5 and more than any other disease. A child suffering from undernutrition is highly susceptible to other illnesses, like diarrhea and pneumonia and, ultimately, is more likely to die early. The consequences of undernutrition extend beyond health: a child who is undernourished in early life suffers irreversible cognitive damage that impairs his or her ability to learn and work. Adults affected by undernutrition in early life earn on average almost 20 percent less than their adequately-nourished peers. Undernutrition can also cost countries up to 2-3 percent of their annual GDP. The direct cost of child undernutrition is between \$20 billion and \$30 billion per year—but ending undernutrition globally would cost only half of this¹.

There has been some progress made to address this global issue. The prevalence of underweight children in the developing world has declined from 29 percent in 1990 to 18 percent in 2010;<sup>2</sup> and the prevalence of chronic undernutrition, i.e. stunting, declined from 40 percent to 27 percent for the same time period. There are now 171 million children who are chronically undernourished, down from 253 million in 1990.<sup>3</sup> Global figures for progress toward reducing undernutrition, however, mask disparities and needs across countries and regions. For example, Asia has made substantial progress in reducing undernutrition, and countries like Cambodia and Bangladesh have achieved some of the fastest annual reductions in chronic undernutrition in the world over the last two decades, but one in three Asian children is still chronically undernourished. In Africa, the rate of decline for undernutrition has been much slower, declining by a total of only 2 percent in 20 years. Two in five African children are chronically undernourished, and today there are 15 million more chronically undernourished children in Africa than there were in 1990.<sup>4</sup>

#### A CALL TO ACTION

Global awareness of the importance of nutrition and its impact on children and development has grown much in recent years, and with growing awareness has come the urgent need to act. In response, the G-8 is elevating the role and importance of nutrition through leadership, advocacy and action, and is increasingly mainstreaming nutrition-sensitivity as an integral part of assistance for agriculture and food security. G-8 members have played a pivotal role in the launch of nutrition initiatives—like the Scaling Up Nutrition (SUN) Movement—at global and national levels, and are investing in a comprehensive set of actions and tools to meet nutrition needs in partner countries.

While leaders at the G-8 L'Aquila Summit did not make specific financial pledges to nutrition, they did call for nutrition—along with food security and sustainable agriculture—to remain a priority and be addressed through a cross-cutting and inclusive approach. The G-8 pledged that increases to investment in agriculture would not come at the expense of humanitarian assistance, which often responds to acute undernutrition.

Since the L'Aquila Summit, G-8 members have played an important role on the global stage by elevating attention to nutrition as a key pillar of food security, and supporting country-led efforts to strengthen nutrition as part of national development plans. While more needs to be done to address chronic undernutrition, the scope of nutrition-specific and nutrition-sensitive programs supported by G-8 members is broad, and ongoing efforts to integrate nutrition outcomes into health, agriculture and social protection suggest that G-8 members are approaching nutrition as a cross-cutting issue. This is important because while a nutritious diet is critical to reducing undernutrition, improving access to health care, water and sanitation, and ensuring proper child-care practices are equally as important to nutrition outcomes. In countries like Brazil and Thailand, dramatic reductions in undernutrition in the 1990s were attributable in large part to successful coordination between the agriculture, social-protection, health and education sectors.5

Applying this experience, developing countries are increasingly adopting a more comprehensive approach to nutrition, and G-8 members have helped support this important shift, both by increasing financial support

#### THE SCALING UP NUTRITION MOVEMENT

The Scaling Up Nutrition (SUN) Movement was launched in September 2010 as a call to action and a means to increase program alignment with the goal of reducing global hunger and undernutrition. Heads of State from 27 countries with high undernutrition burdens have joined the movement, committing to scaling up nutrition with the help of SUN partners. These 27 countries are home to 53 million children under the age of 5 who are affected by chronic undernutrition, representing nearly a quarter of all chronically undernourished children in the world today.

Partners in the movement are increasing resource commitments to SUN countries, and better aligning their support with national plans using best practices that are proven to be effective. Partners are also helping countries implement their nutrition-sensitive development strategies. The net impact of this effort will be seen in the increased intellectual, physical and social progress of children and their future contributions to economic development.

Under the United Nations (UN) Secretary-General's oversight, stewardship of the SUN Movement will fall to a Lead Group whose role is to provide strategic oversight, ensure coherent action by stakeholders, improve resource mobilization and establish collective accountability. The foundation for action is the SUN Country Network, made up of SUN partner-country focal points. SUN Country Networks are responsible for ensuring that national efforts engage all relevant line ministries and stakeholders, and for coordinating external support. SUN Country Networks also identify common needs and emerging issues, and promote best practices.

Four additional networks represent the interests of the development partners, civil society organizations, United Nations system bodies and private-sector groups supporting the SUN Movement. Stakeholder groups from G-8 and G-20 countries—including governments, civil society, business and research institutions—are participating across these four SUN networks.

for country-led nutrition plans, and through improved coordination efforts, in particular through the SUN Movement. And, since the L'Aquila Summit, G-8 members have substantially increased support for nutrition, and have integrated nutrition outcomes into food security, health, social protection and humanitarian assistance. In 2011, G-8 members reported \$459.8 million going to nutrition-specific programs and \$2.4 billion going to nutrition-sensitive programs,<sup>6</sup> which represents roughly a 45 percent increase in nutrition-specific and nutrition-sensitive spending between 2009 and 2011.

#### **ACTING IN PARTNERSHIP**

Civil society organizations have galvanized support for nutrition in countries and at a global level. In some developing countries, grassroots civil society partnerships have grown out of a mutual need to advocate for nutrition on the national policy agenda. G-8 members have supported these civil society partners as key players in the national and global nutrition community, including through the SUN Movement. More than 100 civil society organizations working in 11 SUN countries have developed a multi-year action plan for supporting national action on nutrition and for strengthening accountability.

As part of its commitment to the L'Aquila Food Security Initiative (AFSI), the United States, together with Ireland and many international partners, launched "1,000 Days" in September 2010 to focus international attention on nutrition during the 1,000-day window of opportunity from pregnancy to a child's second birthday. The 1,000 Days partnership includes over 70 civil society organizations that prioritize and program to improve nutrition for pregnant women and infants worldwide, and these organizations are a vibrant cornerstone of the initiative.

# THE L'AQUILA/ROME PRINCIPLES AND NUTRITION

At the L'Aquila Summit, leaders agreed to a set of five principles that would characterize their urgent action on food security: a comprehensive approach, effective coordination, support for country-owned processes and plans, the increased use of multilateral institutions as appropriate, and accountability.

#### TANZANIA: LEADING BY EXAMPLE

In Tanzania, more than a third of children under 5 are chronically undernourished. Lack of dietary diversity contributes to the burden of nutrition-related disease, and anemia is a major public health problem. To better address these challenges, in June 2011, Tanzania's prime minister convened a high-level meeting with civil society and development partners to outline his vision for scaling up nutrition, in which Tanzania announced six steps to tackle undernutrition.

- 1. Establish a Tanzanian-led High-Level National Nutrition Steering Committee with partners.
- 2. Complete a national nutrition-strategy implementation plan.
- 3. Integrate nutrition into Tanzania's Agriculture and Food security Investment Plan.
- 4. Establish a national budget line for nutrition effective FY 2012-2013.
- 5. Immediately establish nutrition focal persons at the district level.
- Roll out national standards for micronutrient fortification of basic food staples set in 2010.

#### **Support for Country-Owned Processes and Plans**

Countries like Peru and Tanzania are demonstrating that with high-level leadership, effective policies and coordinated action among all development partners, it is possible to substantially accelerate progress toward eliminating undernutrition. G-8 members are supporting the efforts of countries like Peru and Tanzania through the SUN Movement and other country-led approaches—which seek to align the work of stakeholders and mobilize resources for a country's national nutrition plans and priorities—but also through capacity-building in developing countries to meet nutrition challenges.

Countries such as Burkina Faso, Mali, Nepal, Peru, Senegal and Zambia have increasingly prioritized investments in nutrition as part of their national plans. As a consequence, funding for nutrition-specific programs is rising with increased resourcing from both national budgets and development partners.

In 2011, the total funding for nutrition in Zambia nearly doubled compared with the previous year. Likewise, investments in Nepal's National Nutrition and Food Security Plan increased in 2010 and 2011, receiving \$46.5 million from the Global Agriculture and Food Security Program (GAFSP) and \$46 million from the United States. In Burkina Faso, annual funding for nutrition interventions increased from less than \$5 million in 2006 to more than \$25 million in 2010, largely through increased contributions from the European Union, UNICEF and WFP, but also with the help of other G-8 members. The trend in spending in Burkina Faso is similar to other countries, and reflects a prioritization of prevention of chronic undernutrition, balanced with treatment of acute malnutrition.

### G-8 Action: Examples of Capacity-Building

- Canada supports the Micronutrient Initiative (MI) through a contribution of CA\$150 million (2009-2014) and an additional CA\$75 million (2011-2015) as part of the Muskoka Initiative. The MI delivers micronutrient programming in 22 countries and assists 77 countries to procure essential minerals and vitamins. A cornerstone of the MI approach is to work closely with recipient governments so that MI programs and efforts align with national priorities. MI is supporting governments to integrate micronutrient interventions within existing services, rather than creating donordependent national campaigns for vertical-style delivery of micronutrient interventions that will ultimately be unsustainable. To build capacity directly, MI is funding nutrition-specific positions within relevant government departments that, in certain countries, have been budgeted into the departments and funded by the governments themselves. MI is also working with local institutions—including academia, non-governmental organizations and parastatal organizations—in its programming, particularly in the areas of monitoring and evaluation, to support the expansion of local nutrition expertise.
- Working with WFP, Russia is promoting the establishment of a WFP Centre of Excellence against Hunger in 2012-2013, as a center for developing the capacity of national governments in the Eurasian region in the areas of school feeding, nutrition and food security.

- The United Kingdom has launched Transform Nutrition, an \$8.5 million research program to help identify the best ways of tackling and scaling up nutrition-sensitive programs. The United Kingdomsupported Leveraging Agriculture and Nutrition in South Asia research program will generate evidence on the linkages between agriculture policies, investments and nutrition outcomes.
- In Bangladesh, the United States provides technical support to help the government mainstream nutrition into health-sector programs. Building on the success of a USAID program that resulted in a 30 percent reduction in chronic child undernutrition in five years, the United States is scaling up a package of interventions in Bangladesh that includes household food production and social and behavioral change.

### A Comprehensive Approach

Increasingly, G-8 members are taking a multisectoral approach to nutrition in the countries where they are active. These are complementary and reinforcing actions needed in health; agriculture; education; water, sanitation and hygiene (WASH); social protection and other sectors to help children receive and benefit from nutritious foods and nutritional supplements.

### G-8 Action: Examples of a Multisectoral and Cross-Cutting Approach

In Ethiopia, Canadian support for food security and nutrition includes training community health workers to provide comprehensive nutrition services. This support is expected to result in improved detection and treatment rates among malnourished under-5 children, as well as increased coverage of exclusive breastfeeding promotion and provision of deworming tablets. In Malawi, Canadian support for food security and nutrition promotes improved nutritional practices among vulnerable households and provides increased access to and utilization of community-based nutrition treatment and prevention services focused on the reduction of child stunting and child anemia. It targets pregnant and lactating women and children under 5.

### PERU: THE IMPORTANCE OF LEADING BY EXAMPLE

In 2007, Peru began to target results-based national budgets toward alleviating poverty and achieving its Millennium Development Goals (MDGs). Inspired by evidence from the Lancet Series on Maternal and Child Undernutrition in 2008, Peru's leadership brought together civil society and development partners to plan and implement a multisectoral approach to end hunger and malnutrition. The approach centered on reducing chronic undernutrition during the 1,000-day vulnerable period for women and children—from conception to 24 months of age—and allocated subnational program budgets according to the prevalence of chronic undernutrition in each area.

From 2006 to 2011, Peru increased national spending toward this initiative and worked with development partners to align their assistance behind Peru's national plan. Partners include: Japan, Germany, the European Union, the United States, the United Nations (PAHO, PMA, UNICEF, FAO, UNODC), the World Bank and IDB. As a result of Peru's prioritization of nutrition and with support from G-8 members and other institutions, Peru is on track to meet its nutrition target under the MDGs.

- In Guatemala, the European Union is using budgetsupport measures to invest in the country's Strategic Plan for Food Security and Nutrition. To tackle the country's high rates of chronic undernutrition, the strategy identifies actions in agriculture, health, education, markets and the strengthening of institutional capacities.
- Italy is supporting the PLIACEM program in Mauritania to improve food security and fight malnutrition. This program is implemented in collaboration with the food security commissioner and the Ministry of Social Affairs, through an integrated and multisectoral approach and the involvement of civil society.
- In Nepal, Japan has been supporting improvement of the nutritional status of children by integrating nutrition, health and education. Japan helped schools in two districts to improve nutritional status by introducing new guidelines for health and sanitation and revised teaching materials. Upon successful implementation of this assistance, the dissemination of best practices created by these interventions is

- expected to be applied to other school districts in order to help scale up the impact of the project.
- Russia provides support to Armenia through a joint project with WFP aimed at the distribution of nutritionally-balanced meals to 50,000 primary-school children in the most vulnerable and food-insecure regions, and support for the design of a sustainable and affordable national school feeding policy and program to be embedded in national priorities and budgets. Russia is closely engaging with the Ministry of Education in identifying gaps and assisting the Government of Armenia to take over the project in 2013.
- In Uganda, U.S. nutrition programs will reach 450,000 children with services to prevent chronic undernutrition and child mortality. These programs include community- and facility-based prevention and treatment, targeted nutrition service delivery, food fortification and leveraging a multisectoral approach to strengthen the enabling environment for improved nutrition. And, in Nepal, U.S. nutrition programs will decrease mortality and chronic undernutrition for 393,000 young children, and will improve nutrition for their mothers through household food production and clean water supply and sanitation, changing food consumption and hygiene-related behaviors, and integrating reproductive-health and maternal- and child-health activities.
- Also in Uganda, Germany supports a program that aims at achieving sustainable food and nutrition security while introducing approaches to peaceful conflict management. The food and nutrition component follows a two-pronged approach of boosting and diversifying food production on the one hand, and support for nutrition advisory services, the promotion of safe food processing and the promotion of general and personal hygiene on the other.

### Strategic Coordination

Consistent with AFSI, G-8 members have encouraged broad stakeholder engagement, both at the country level, in support of country-led efforts, and at the global level to harmonize policies and approaches. Further, G-8 members have initiated and helped to strengthen coordination at each of these levels to help align the actions of governments, civil society, the private sector and development partners.

A number of G-8 members participate in the SUN Movement, which has helped to improve coordination in support of nutrition in 27 SUN Partner Countries. The SUN Movement brings together government line ministries, civil society groups, the private sector, United Nations System bodies and development partners through country-level networks and four partner networks. Stakeholder groups from G-8 countries participate across all four SUN-partner networks.

### G-8 Action: Examples of Improved Coordination and Harmonization

- The European Union and its member states have recently revised the overall framework for development policy, which stresses the importance of countries taking responsibility for their own development outcomes and the key role of the private sector. The European Union has also developed a common policy on food security, which guides the programming of E.U. food security assistance. The Reference Document on Addressing Undernutrition in External Assistance provides guidance on incorporating nutrition objectives into relevant sectors through the various funding modalities used by the European Union—whether in development cooperation or in humanitarian response. The reference document is also intended to support ongoing efforts to join up the approaches and priorities of the European Union's aid institutions across its member states.
- France has developed a strategic guideline called "Developing Countries and Nutrition" in the framework of its cooperation to commit resources, experts and players to the global objective of

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ensuring the nutrition security and nutritional balance of vulnerable populations by placing issues relating to malnutrition at the core of development priorities. The implementation of this guideline is ensured by a monitoring committee led by the Ministry of Foreign and European Affairs, which includes representatives from the Ministries of Health, Agriculture and Development.

### **Multilateral Engagement**

The United Nations and Multilateral Development Banks have been much-valued partners for the G-8 in catalyzing meaningful action to improve nutrition, and in harmonizing the efforts of development partners and other stakeholders. These institutions have the reach, relationships, leadership and experience that governments need to help take programs the last mile.

### G-8 Action: Examples of Multilateral Engagement

- Canada supports the REACH initiative, a coordination mechanism between UNICEF, WFP, WHO and FAO that assists governments to build national capacity to effectively scale up direct nutrition and nutritionsensitive interventions. This program is currently supporting the governments of Bangladesh, Ghana, Mali, Mozambique, Nepal, Rwanda, Tanzania and Uganda.
- France supports UNICEF in reinforcing information systems, breastfeeding, vitamin A supplementation and treatment of acute and severe malnutrition in West Africa.
- Germany supports nutrition-specific interventions through WFP. Several mother-child health and nutrition programs as well as supplementary feeding programs are supported in Yemen, Kenya, Bangladesh and other countries. In Bangladesh, Germany supports the cooperation of WFP and the International Food Policy Research Institute (IFPRI) that aims to create evidence on the impact of social transfers on household food consumption, nutritional status and income.

■ Through the World Bank Rapid Social Response and the Russian Food Price Crisis Rapid Response, Russia contributes to the reduction of the negative impact of high and more volatile food prices on the lives of the poor, supporting governments in the design of sustainable agriculture and food security policies, establishing safety nets and supporting broad-based growth in productivity and market participation in agriculture. These efforts ensure sustainable food-supply response and nutrition security in the Eurasia region and worldwide, mainly for the most vulnerable.

### **Accountability and Transparency**

Since the launch of the SUN Movement, many countries and development partners have adopted a new paradigm of accountability for nutrition that involves both nutrition-specific and nutrition-sensitive interventions. Nutrition-specific interventions aim to improve nutritional status, and are based on evidence for impact from the 2008 Lancet Series on Maternal and Child Undernutrition. Nutrition-specific interventions are accessible to all mothers and infants and their households, targeting the 1,000 days from pregnancy to a child's second birthday. During this window, adequate nutrition has the greatest impact

#### **NUTRITION-SPECIFIC INTERVENTIONS**

(	p	f,	р	4)		
Activit	ties Funded			2009	2011	%Change
С	- p fi p	C4p4pAC.		109.7	203	+85%
р	- p fi p <b>f</b> p ,	pp b , p	<b>f</b> p	87.36	60.4	-31%
A 4 p	р	f		0.49	2.84	+480%
р	b <b>f</b>			0.37	0.51	+38%
	A f f f f f f f	<b>f</b> fi .	р	0.77	0.77	0%
1 p	C p A p .	( <b>∮</b> CA)' p , 2011,	рр <b>₄</b> СА- р	4.3 p	5.4	+26%
\$2	- p fi b ).	<b>b b</b>	2009	6.9	7.9	+14%
,	i i	, 4)	A , A <b>f</b> p ' p b	, 11 <b>f</b>	20	+89%
<sub>7</sub> B	р	C474AC. (2011	l fi p	). 20.4	48	+135%
<b>f</b> , p .		p , f 17	-	55	90	+64%
TOTAL—NUTRITIO	N-SPECIFIC			\$296.3	\$438.8	+48.1%

### **NUTRITION-SENSITIVE INTERVENTIONS<sup>8</sup>**

(	p f , p 4)	)		
	Activities Funded	2009	2011	%Change
р	- p p f , p p .	117.25	118.06	+1%
	A <b>f</b> b p <b>f</b> k, fl, <b>f f</b> , <b>f</b> b ,b , A -p fi .(4)	123	172	+40%
	<b>-f</b> p p b	8.5	25.2	+196%
	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	27.7	42.1	+52%
	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	298	430	+44%
	B	0	21	
	Bkp p b p b, f p f b p.	0	15	
	B	- 0	3	
	p b b b f 4 4 4 4 7 P P P P P P P P P P P P P P P	69	193	+180%
	20 p p ; f p b 2011.	9.6	32.3	+236%
	- <b>4</b> p , <b>f</b> , , , , , , , , , , , , , , , , , , ,	378	426	+13%

on developing a child's lifetime cognitive and physical capacity. Nutrition-sensitive development promotes adequate nutrition as the goal of national development policies and programs in agriculture, social protection, health and education.

Using this paradigm to account for G-8 contributions, self-reported spending on nutrition-specific interventions by G-8 members has increased by 48 percent since 2009, from \$296 million to \$439 million in 2011. Spending on nutrition-sensitive development programs has increased by 46 percent, from \$1.67 billion in 2009 to \$2.45 billion in 2011.

and the means for targeting these special foods in emergencies, as part of a two-year effort to review the quality of food aid products and programming. These new products and delivery mechanisms will target women, children and infants.

### PARTNERING WITH THE PRIVATE SECTOR TO SCALE UP NUTRITION

Private-sector investment and functioning markets are crucial for improving food and nutrition security. From small- and medium-sized enterprises to multinational companies, businesses are important sources of innovation that can overcome development obstacles that stymie the public sector. Whether through product development, quality assurance, marketing or supply-chain management, the private sector can offer solutions and opportunities to accelerate efforts to scale up development programs. To promote these types of opportunities, G-8 members working through the SUN Movement are collaborating with private-sector partners to develop a toolkit to help civil society, governments, non-governmental organizations and others to better engage local businesses to scale up nutrition.

G-8 members are working closely with private companies to help make more nutritious foods available to poor consumers. One example of this approach is social marketing. In Uganda, G-8 members, non-governmental organizations and government stakeholders enlisted the private sector to identify methods for addressing micronutrient deficiencies. Encouraged by a supportive policy environment and the opportunity to increase market share, the private sector partnered with the government and development partners to develop and market fortified foods. Social marketing undertaken by the government and non-governmental organizations has led to increased public preference for fortified foods produced by private-sector partners, leading to the emergence of a sustainable, competitive environment for privatelyproduced, nutrient-fortified foods. Because of this publicprivate partnership in Uganda, vitamin A-fortified oil now reaches over 80 percent of the population there.

### **ENTERPRISE ETHIOPEA**

The United States, WFP and PepsiCo have partnered in Ethiopia to develop Enterprise EthioPEA, aimed at improving both nutrition and the marketplace in Ethiopia by enhancing agricultural productivity, increasing local production of nutritious food commodities and addressing undernutrition in children. The partnership will work with local smallholder farmers to increase chickpea production for both domestic and export markets, while also working with local private companies to create a nutritious supplemental food that can be used to treat acute malnutrition. The nutritious supplement produced will then be distributed to affected children through local and regional programs.

### G-8 Action: Examples of Public-Private Partnerships

- To scale up the treatment of diarrhea—one of the leading killers of children under 5—Canada has launched the Zinc Alliance for Child Health, an innovative public-private partnership between CIDA, the Micronutrient Initiative and Teck Resources Limited, designed to scale up the delivery of zinc and oral-rehydration-solution treatment programs to help save children's lives from diarrheal disease.
- In partnership with Nutritset, France supports the local production of the ready-for-use therapeutic food Plumpy'Nut, increasing access to therapeutic foods for vulnerable populations and strengthening the agroindustrial sector of project countries.
- With the objective of increasing access to fortified foods, Germany is supporting the Strategic Alliance for the Fortification of Oil and Other Staple Foods (SAFO), a development partnership with BASF to increase the availability of affordable vitamin A-fortified staple foods for low-income households.
- Through JICA, Japan supports feasibility studies conducted by private companies in Bangladesh, Ghana and India. A feasibility study in Ghana provides the basis for a full-scale project aimed at developing and delivering nutritional supplements for traditional complementary foods, in cooperation with local university and non-governmental organizations.

The United Kingdom has a partnership with the GAIN, which brings together the private and public sectors to tackle undernutrition to help reach 60 million people with fortified foods.

### **FINDINGS**

- G-8 members are playing a key role in strengthening coordination and mobilizing resources for nutrition, both through the SUN Movement and with initiatives like "1,000 days," and through their support for the efforts of the United Nations family and other institutions.
- Although the G-8 has not made a financial pledge for nutrition, G-8 financial support for nutrition-specific and nutrition-sensitive programs has increased by roughly 46 percent over the past two years. This increase is welcome, and importantly complemented by G-8 assistance to other sectors, including health, water and sanitation, education, agriculture and social safety nets.
- G-8 members are investing considerable effort into improving coordination, including by introducing common frameworks for action and through global and country-level cross-sectoral engagement. There appear to be good lessons applicable to other sectors receiving G-8 support for public-private partnerships in the area of nutrition, and partnerships with civil society.
- The G-8 has committed to aid-effectiveness principles and an approach characterized by country ownership, strategic coordination, the use of multilateral institutions where appropriate and transparency and accountability. G-8 support for the SUN Movement and other initiatives are a good example of this approach. Other examples are the broad stakeholder engagement seen in G-8 members' nutrition programs, and increases in financial support for technically-sound national nutrition plans.

■ Low self-reported scores for the use of gendersensitive indicators in country programs suggests that the G-8, as a whole, could do more to account for gender in program design and outcomes, which is particularly important for improving nutrition outcomes among children. This is not to say that G-8 members are not focusing on or investing in women through their programs, only that better accounting for gender in program monitoring and evaluation could help to improve nutrition outcomes.

#### **Endnotes**

- World Food Program, Ending Child Hunger and Undernutrition Initiative: Global Framework for Action, Summary Note, 2006; and World Bank, Scaling up Nutrition: What will it cost?, 2010.
- <sup>2</sup> World Health Organization
- <sup>3</sup> A Life Free from Hunger, Save the Children U.K., 2012
- <sup>4</sup> A Life Free from Hunger, Save the Children U.K., 2012
- Monteiro et al, 2010, Narrowing socio-economic inequality in child stunting: the Brazilian experience, 1974-2007. Bulletin of the World Health Organization 88:305-311, and Acosta MA, 2011, Analyzing Success in the Fight Against Malnutrition. IDS Working Paper Vol. 2011 No367.
- Figures for nutrition-specific and nutrition-sensitive spending do include untied UN funding. Figure for nutrition-specific funding does not include emergency nutrition programs.
- All figures for U.K. programming in both tables are reported for the fiscal year starting in April.
- The international donor community currently does not have an agreed-upon methodology for reporting nutrition spending, particularly when it comes to the area of nutrition-sensitive interventions. A process is currently underway through the SUN Movement to develop a standardized methodology to include spending on nutrition-sensitive interventions.

### **Chapter 4: Global Health**

nvesting in global health remains a top G-8 priority, despite the backdrop of constrained economies. By investing in healthy communities, the G-8, along with its partners, are saving lives, strengthening families, communities and countries, and preventing billions of dollars in lost productivity every year. Improving global health not only saves lives and stimulates economic growth, but also supports educational attainment, enables civic participation and alleviates poverty. Leaders at the 2010 Deauville G-8 Summit committed to "shared and mutual responsibility" under which donors and partners work together toward country-led health goals with a focus on aid-effectiveness principles, and remain committed to leading improvements in global health.

G-8 health commitments supplement and reinforce international health-related development goals, such as Millennium Development Goals (MDGs) 4, 5 and 6. Health issues have been on the agenda of every G-8 meeting since 1996, and the G-8 continues to work toward its health commitments and key targets associated with HIV/AIDS, malaria and maternal, newborn and child health. The G-8 has also committed to fighting the spread of other diseases, including polio, measles, tuberculosis (TB) and neglected tropical diseases (NTDs).

The Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), which was called for by the G-8, marks its 10th anniversary in 2012 and has much to celebrate. With the G-8 supplying 78 percent of its funds thus far, the Global Fund has provided HIV/AIDS treatment to 3.3 million people, TB treatment to 8.6 million people and has funded the distribution of 230 million insecticide-treated bed nets to prevent malaria. Recent management and structural reforms will usher the Global Fund into a decade of even greater progress in the fight against HIV/AIDS, TB and malaria.

The Muskoka Initiative for Maternal, Newborn and Child Health was launched in 2010. Through the initiative and ongoing efforts, G-8 members and their partners have made significant commitments toward improving the health of women, newborns and children in developing countries, and are contributing to developing countries' efforts to reduce maternal and child mortality rates through strengthened health systems, including the training of frontline health workers and the delivery of life-saving interventions along the continuum of care from prepregnancy to childhood. The work of the G-8 complements the United Nations' Every Woman Every Child¹ global movement and its Global Strategy for Women's and Children's Health.

In the 11 years since the Measles Initiative was established, more than 1 billion children in over 80 countries have been vaccinated against measles through the initiative, averting an estimated 9.6 million measles deaths.<sup>2</sup> Improvements in TB rates also showcase the effectiveness of focused initiatives, with an 80 percent decline in incidence from 1990 to 2010, through G-8 contributions and broader global efforts.

of

The G-8 has made very good progress in addressing major health needs in the many countries its assistance reaches. This chapter outlines the G-8's contributions to global health and the impact of some of these investments.

### SHARED AND MUTUAL RESPONSIBILITY

Global health is a shared responsibility that cannot be met by one nation alone. The G-8 promotes the concept of "shared and mutual responsibility" in the health programs it supports. Developing and developed countries are mutually accountable and responsible for improving global health, but the primary responsibility lies with the developing countries themselves. The G-8 is contributing to health and development goals by mobilizing official development assistance (ODA), launching initiatives and playing a catalytic role with a range of other stakeholders.

### G-8 Action: Examples of G-8 Approaches that Support Shared and Mutual Responsibility

 In 2011, Canada, together with the United Republic of Tanzania, co-chaired the United Nations Commission on Information and Accountability for Women's and Children's Health. The commission has since proposed a framework for global reporting, oversight and accountability on women's and children's health. Through 10 recommendations presented in its report, *Keeping Promises, Measuring Results*, the commission has created a system to track whether donations for women's and children's health are made on time, resources are spent wisely and transparently and desired results are achieved. Countries such as Canada, the United Kingdom and Norway are supporting the World Health Organization (WHO) in the implementation of the commission's recommendations in 74 targeted countries.

 The European Union supports developing countries in their efforts to improve the health of their citizens particularly women and children—and to confront

### CAMP DAVID ACCOUNTABILITY REPORT

Enhance Development Cooperation." By providing technical support and training for laboratory diagnosis, disease surveillance and containment of outbreaks through leading Russian research institutions, Russia has made a significant contribution to improved surveillance in the region.

- Many of the United Kingdom's planned results are set out in the U.K. aid report "Changing Lives, Delivering Results."The United Kingdom supports targeted, costeffective interventions and seeks to ensure that these interventions support the longer-term development of a health service fit to meet the needs of the population and adapt to demographic changes and shifts in the burden of disease over time. The United Kingdom measures success in terms of specific results and outcomes for people—such as reduced burden of disease, improved child survival and better maternal health—approaching the achievement of these outcomes through a combination of targeted and systems-based interventions. The United Kingdom maximizes the impact of resources to support poorer countries, where appropriate, in order to move more rapidly toward universal health coverage.
- The United States dedicates substantial funding and other resources to global health and deploys a model that maximizes the sustainable health impact of every U.S. dollar invested. The U.S. Global Health Initiative (GHI) directs foreign assistance in health using a set of seven core principles: increase impact through strategic coordination and integration for patients and for those involved in providing or paying for services; support country ownership and invest in country-led plans; build sustainability through healthsystem strengthening; strengthen and leverage key multilateral organizations, global health partnerships and private-sector engagement; implement a woman, girl, and gender-equity approach both to improve health outcomes for women and to recognize that women are central to the health of families and communities; improve metrics, monitoring and evaluation; and promote research and innovation to identify what works. The United States will continue to lead and work with the global community to help build healthier, stronger, more self-sufficient nations in the developing world. GHI programs aim for

ambitious outcomes, are targeted toward countries with the highest needs, and are demonstrating a commitment to achieve sustainable health impacts and leverage other programs and platforms. In more than 40 GHI countries, the United States is working with partner governments and in-country stakeholders to strengthen health systems and strategies.

### THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA

January 2012 marked the 10 year anniversary of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund). Since its creation in 2002 after it was called for by the G-8, the Global Fund has become the main financing facility for programs to fight AIDS, TB and malaria worldwide, and has approved \$22.6 billion in funding for more than 1,000 programs in 150 countries. The Global Fund acts as a force multiplier, allowing G-8 contributions to reach more people with quality services; leverage contributions from other donors; expand the geographic reach of its investment; and promote shared responsibil-

ity among donors and implementers for financing countries' responses to the three diseases. The Global Fund also serves to engage non-traditional donors, including private foundations and the private sector. To date, programs supported by the Global Fund have provided AIDS treatment for 3.3 million people, TB treatment for 8.6 million people and 230 million insecticide-treated bed nets for the prevention of malaria. Since

## G-8 CONTRIBUTIONS TO THE GLOBAL FUND 2002-2011 (USD MILLIONS)

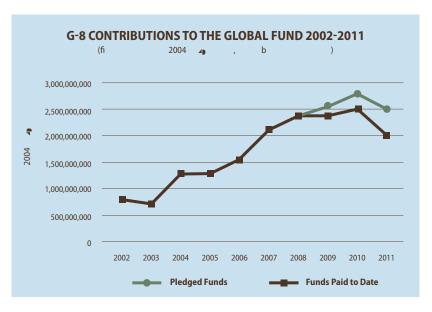
Country	2002-2011
С	1,020.3
р	1,351.3
	2,872.7
	1,525.6
	1,008.3
<b>∮</b> p	1,402.1
	277.0
	1,477.4
	6,079.9
TOTAL G-8 + E.U.	17,014.6
TOAL RESOURCES	21,689.5
Percentage of overall resources	78.4%
: b	A ₄,

its creation, the G-8 has provided more than 78 percent of the overall Global Fund resources.

G-8 contributions to the Global Fund have increased dramatically over the past 10 years, albeit with a slight decrease in pledged funding for 2011. From 2002 to 2008, G-8 members disbursed 100 percent of funds pledged. Government appropriation processes have delayed the disbursement of some pledges in recent years, and several countries still have further planned contributions. Almost all G-8 members have pledged additional funding for 2012. The 2012 G-8 Foreign Ministers meeting in Washington encouraged all donors to meet their pledges and invited new donors to join G-8 efforts to support the fund, reaffirming the importance of the Global Fund as a multilateral model that is saving lives.

The Global Fund is building countries' capacity to lead and effectively manage national health systems in a way that systematically includes stakeholders in national funding and policy decisions. The Global Fund supports programs that are developed from national plans and that reflect national health priorities, and disburses funds based on program performance and delivering on agreed-upon program targets.

The Global Fund adopted a Consolidated Transformation Plan (CTP) in November 2011, and a new 2012-2016 strategy will lead to greater country ownership and program impact. With strong endorsement from G-8 members, the Global Fund Board approved the Global Fund's strategy, which will end rounds-based funding and adopt a more iterative proposal-development process with greater focus on high-impact interventions. The transition to the new model is already underway, and will improve the Fund's business model, operations and the impact of programs on the ground. New counterpart financing requirements will help ensure that recipient countries contribute a significant and growing share of resources to their national disease responses, making these responses more sustainable in the long term.



# HEALTH SYSTEM STRENGTHENING, PANDEMIC PREPAREDNESS AND PUBLIC-PRIVATE PARTNERSHIPS

Introduced as a commitment at the 2007 Heiligendamm Summit and reinforced in 2008 and 2009, health-system strengthening is a fundamental step toward establishing sustainable national responses to global health challenges. This commitment is part of the G-8's \$60 billion financial pledge to fight infectious diseases and improve health systems. Related to the pledge to strengthen health systems, at the 2006 St. Petersburg Summit the G-8 also committed to building disease-surveillance and early-warning capacity in the most vulnerable countries. A number of G-8 members have developed global health policies and initiatives in support of the G-8 commitment to strengthening systems and building early-warning and disease-surveillance capacity.

Although disbursements for half of G-8 members fell from 2008 to 2009, the G-8 appears to be on track to meeting its 2007 Heiligendamm commitment to provide a total of \$60 billion between 2008 and 2012 to fight infectious diseases and strengthen health systems.

Public-private partnerships can be useful for introducing and scaling up health resources, and providing additional

#### THE GAVI ALLIANCE

The GAVI Alliance was launched in 2000 to save children's lives and protect people's health by increasing access to immunization in the world's poorest countries.

By bringing all of the principal actors in the immunization sector into one decision-making body, the GAVI Alliance has brought a unified focus to the urgent task of closing three critical gaps in the provision of vaccines: children receiving immunizations and the 23.2 million children worldwide with no access to vaccines; introduction of a new vaccine in rich countries and the average 10-15 years required for the same vaccine to reach low-income countries; and the need for new vaccines in developing countries and the lack of research and funds to provide them.

G-8 partners are increasing investments in public-private financing mechanisms such as the GAVI Alliance, with Japan joining and contributing for the first time in 2011. Total G-8 contributions to the GAVI Alliance in 2011 reached \$564.4 million, representing nearly 50 percent of all GAVI Alliance contributions from public and private sources.

capacity to national health systems. The G-8 supports a number of public-private partnerships that are helping to deliver vaccines, services and solutions.

### Improving Health Workforce Coverage

Workforce coverage is a key element to strengthening health systems. At the 2008 Hokkaido-Toyako Summit, the G-8 committed to working toward the goal of increasing health workforce coverage, and helping countries to achieve the WHO threshold of 2.3 health workers per 1,000 people in recognition of acute health workforce shortages in developing countries. G-8 members have acted to meet this commitment, both through support for programs that promote health workforce retention in developing countries and in considering how domestic policies can contribute to this effort.

### G-8 Action: Examples of Improving the Health Workforce

- The European Union has adopted a European Program for Action to tackle the shortage of health workers in developing countries (2007-2013), that includes a clear set of actions at country, regional and global levels. In addition, the European Union is addressing migration and brain drain in the area of health through internal E.U. policies. A consultation paper on the E.U. health workforce with a section on the impact of E.U. internal health-sector policy on developing countries has been adopted. Forty million euros have been programmed from 2007 to 2013 to support specific activities in this field. Specific support to WHO activities in Africa is ongoing (€6 million), and includes improving countries' capacity to develop their knowledge (observatories) and capacities in human resources for health management, and the launch of an open call for proposals for non-state actors (€13 million). A program linking human resources for health and maternal health was funded in 2010 with €8 million.
- Through the groundbreaking trans-African Medical Education Partnership Initiative (MEPI), the United

### JAPAN DELIVERS ON TICAD IV

At the Fourth Tokyo International Conference on African Development (TICAD IV) in 2008, Japan committed to supporting the training and retention of health and medical workers in Africa. Japan has already met the targets for improving 1,000 hospitals and health centers and training 100,000 health and medical workers, with 3,935 hospitals and health centers supported and 203,671 health and medical workers receiving training.

As set out in its new global health policy, Japan will support the development of policy-oriented human resources in order for partner countries to formulate and implement evidence-based, country-led national health plans based on the best and most adequate information. Japan will also help establish a network for health-systems research and human-resource development, particularly in sub-Saharan Africa, with the aim of promoting implementation research for effective and efficient health interventions and integrating the research results into evidence-based policymaking.

States supports building a stronger medical workforce and increasing rates of retention in sub-Saharan Africa. MEPI supports a network of 30 institutions, providing community-based medical education, developing rural teaching sites, partnering with regional institutions, expanding the role of research training and experiences in medical education, establishing career pathways for physicians and scientists and removing divisions between HIV and non-HIV care.

### **Pandemic Preparedness**

Disease pandemics are a shared global challenge that can overwhelm national health systems, and well-functioning health systems are a foundation for pandemic preparedness. The G-8 is acting on its commitment to build early-warning and disease-surveillance systems, helping developing countries with research, training, surveillance and response.

### G-8 Action: Examples of Building Pandemic Preparedness

- In partnership with the international community, the German Government has contributed \$39.5 million to support pandemic-influenza preparedness in lowincome countries including \$23.1 million provided to WHO in December 2009 to support the WHO H1N1 Global Response Plan and WHO Vaccine Deployment to developing countries. The remaining amount of \$16.3 million was allocated for bilateral support measures. The German Pandemic Preparedness Initiative, launched in September 2009, supports strengthening core capacities for the implementation of the International Health Regulations (IHR) and pandemic preparedness, including diseasesurveillance and early-warning systems. The initiative supports relevant actors in partner countries using a demand-driven approach. As of January 2012, 41 proposals from 21 countries had been approved for funding and were at various stages of implementation. The German Pandemic Preparedness Initiative will phase out in 2013.
- In 2011, U.S. health experts worked with local health staff to rapidly respond to 320 disease outbreaks and public-health emergencies in 39 countries, involving

diseases ranging from cholera to influenza to dengue. The United States also provided approximately \$30 million in 2011 in training and research resources to support disease surveillance and response in vulnerable countries. Training was provided to local health staff to teach skills such as field epidemiology and outbreak investigation; designing guidelines, surveillance norms, thresholds for action and implementation strategies for integrated disease surveillance and response; and integrating information systems to improve data exchange.

### **Public-Private Partnerships**

Public-Private Partnerships (PPPs) are a key pillar of the G-8's work in health, helping to introduce and rapidly scale up health innovation and solutions. At a domestic level, PPPs between governments and the non-state sector are complex but potentially effective, and are being

#### HARNESSING NON-STATE ACTORS FOR HEALTH

The United Kingdom's Department for International Development (DFID) is the current chair of Harnessing Non-State Actors for Better Health for the Poor (HANSHEP), a group of development agencies and countries working to improve the performance of the non-state sector in delivering better healthcare to the poor. Its members include AusAID, the Bill & Melinda Gates Foundation, the International Finance Corporation (IFC), KfW on behalf of the German Federal Ministry for Economic Cooperation and Development, the Rockefeller Foundation, USAID, the World Bank and the Government of Rwanda. HANSHEP funds research for more effective models of non-state delivery and public-private collaboration, and also provides resources to support the piloting and scaling of successful models. In this way, it seeks to better harness non-state actors to provide more accessible, higher quality, more affordable and better-value healthcare for the poor.

HANSHEP currently provides support for the Center for Health Markets Innovation, a knowledge bank of innovative delivery and financing programs that organizes health markets; the Mining Health Initiative, which explores the potential to mobilize the mining industry in low-income countries to extend and/or facilitate the delivery of quality and affordable healthcare for poor people; and a pilot Health PPP Advisory Facility that helps governments develop and implement PPPs for better health for the poor.

used extensively in India and other countries to deliver health services. But while PPPs can be very effective, recent PPP assessments highlight the need for active performance monitoring, sound contract management and basic cost and quality monitoring. To ensure that target populations are well-served in PPP arrangements, public health systems need to have sufficient capacity to design and manage these partnerships. G-8 members have been important champions for PPPs and are working through HANSHEP and other initiatives to increase the capacity of health systems to develop and manage PPPs.

### G-8 Action: Examples of Public-Private Partnerships

- The European Union has been supporting PPPs for product development, with a special focus on Africa. From 2006 to 2009, the European Union contributed €3 million to the International AIDS Vaccine Initiative (IAVI) and €4.2 million to the International Partnership for Microbicides. The European Union also supported the development of malaria vaccines and their multicenter trials with €7 million.
- Public Private Partnership in Health (PPPH) is one of the pillars of Italian action to strengthen health systems in East Africa, and is based on the principles of equity, effectiveness and universal access. Uganda is one of PPH's success stories. The Uganda private health sector plays a major role in health –service provision. Private not-for-profit religious and lay organizations, private clinics and professionals (private health providers) and traditional complementary medical practitioners (TCMP) also play an active role. The program is providing this sector with better coordination and technical assistance to facilitate its integration into the Uganda public health system. One important outcome of the program is the strengthening of PPPs, which has been established in the context of the national health plan and implemented at the level of all nine districts for all operational phases of the health sector (planning, budget, monitoring and evaluation). The Government of Uganda has approved the first national policy on PPPH, which will give international donors the opportunity to support the non-profit private health sector and improve access to health services in Uganda. Italy has led this process, and together with bilateral and multilateral partners, and

### IFFIM AND AMC: GAME-CHANGING GLOBAL IMMUNIZATION SPEARHEADED BY THE G-8

The United Kingdom, France and Italy are pioneering innovative financing mechanisms like the International Finance Facility for Immunization (IFFIm), implemented by the World Bank and the GAVI Alliance.<sup>3</sup> Launched in November 2006, IFFIm had raised more than \$3.6 billion by September 2011, of which \$1.77 billion was issued in the Japanese retail market. It is estimated that over 30,000 Japanese investors have purchased IFFIm Vaccine bonds. IFFIm is a catalytic success story, and one that is constantly attracting new members.

In pledging \$1.4 billion out of \$1.5 billion toward the effort, Italy, the United Kingdom, Canada and Russia have also spearheaded Advance Market Commitments (AMCs) for vaccines aimed at encouraging the development and production of affordable vaccines tailored to the needs of developing countries. The overarching goal is to prevent an estimated 7 million childhood deaths by 2030 via the GAVI Alliance. The first AMC produced was the pneumococcal vaccine.

Sixteen countries (Benin, Burundi, Cameroon, the Central African Republic, Democratic Republic of Congo, Ethiopia, Gambia, Ghana, Guyana, Honduras, Kenya, Madagascar, Mali, Malawi, Nicaragua and Yemen) have already introduced the pneumococcal vaccine through GAVI. This will allow more than 3 million children to be vaccinated against pneumococcal disease by the end of 2011.

- with the support of local governments and faithbased organizations, mobilized about \$45 million in investments over the past 10 years.
- The Mobile Alliance for Maternal Action (MAMA) harnesses the power of mobile technology to engage and empower expecting and new mothers to make healthy decisions and access health services. The United States and Johnson & Johnson led the formation of this PPP, which also includes the United Nations Foundation, mHealth Alliance and BabyCenter. MAMA is working in an initial set of three countries (Bangladesh, India and South Africa) to help coordinate and increase the impact of existing mobile health programs, provide resources and technical assistance to promising new business models and build the evidence base for the effective application of mobile technology to improve maternal health.

### MATERNAL, NEWBORN AND CHILD HEALTH (MNCH)

The number of children under 5 years of age dying each year declined from more than 12 million in 1990 to 7.6 million in 2010. Around 12,000 more children's lives are saved each day in 2012 compared to 1990.<sup>5</sup> However, overall progress on the MDGs related to maternal and child health has continued to lag. Maternal deaths have also considerably decreased, from 543,000 in 1990 to an estimated 287,000 in 2010, but the rate of decline is just over half that needed to achieve the 2015 MDG target to reduce maternal mortality.

To catalyze greater global action and overcome lagging progress relative to other MDGs, the G-8 Muskoka Initiative was launched in 2010, with significant commitments toward improving the health of women, newborns and children. Reinforcing the direction of the MDGs, the Muskoka Initiative commits its members to supporting significant MNCH progress in developing countries facing high burdens of maternal and under-5 child mortality. Using the principle of country ownership, G-8 members

### PREVENTION OF MOTHER-TO-CHILD HIV TRANSMISSION

The U.S. President's Emergency Plan for AIDS Relief (PEPFAR) program has been the global leader in the effort to prevent mother-to-child transmission of HIV, preventing 200,000 infant infections in 2011 alone. Building on lessons learned, over the next two years, the United States will expand its programs to reach more than 1.5 million HIV-positive pregnant women with antiretroviral drugs to prevent them from passing the virus to their children. PEPFAR is working with UNAIDS on the prevention of mother-to-child transmission of HIV, with a focus on the countries with the greatest incidence. PEPFAR and UNAIDS co-chair the Global Steering Group that is responsible for implementing the Global Plan Toward the Elimination of New HIV Infections Among Children by 2015 and Keeping their Mothers Alive. Launched in June 2011, the Global Plan is an unprecedented effort to leverage and coordinate the contributions of various partners, including the private sector, to virtually eliminate mother-to-child transmission of HIV. Under U.S. and U.N. leadership, the Global Plan is focused on the 22 priority countries that account for 90 percent of new pediatric HIV infections globally.

are acting across the spectrum of maternal, newborn and child health needs, including strengthening health systems and supporting frontline health workers in the developing world to deliver life-saving health services for women and children. In support of broader and complementary global efforts, G-8 members are also actively supporting the U.N. Secretary-General's Every Woman Every Child movement and its Global Strategy for Women's and Children's Health in their work.

### G-8 Action: Examples of Maternal, Newborn and Child Health

- With the joint support of the European Union, the United States and the World Bank, as well as funding from Canada and others, Afghanistan is expanding coverage of basic health services in all 34 provinces and ensuring that a greater proportion of the rural population receives the Basic Package of Health Services (BPHS) developed by the Afghan Ministry of Public Health. Delivered by local and international non-governmental organizations and in certain provinces through the ministry's own service system, BPHS comprises proven, cost-effective, evidence-based, preventive health interventions. It prioritizes such services as antenatal care, delivery care, postpartum care, family planning, newborn care, expanded immunization services, integrated management of childhood illnesses and nutrition.
- The German Federal Ministry of Economic Cooperation and Development launched an initiative called "Rights-Based Family Planning" and "Maternal Health" in 2011, which seeks to improve knowledge and acceptance of modern family-planning methods, expand access to modern family-planning methods and services and increase the number of births attended by health professionals. The initiative will double the ministry's annual bilateral funding for reproductive health and family planning from about €45 million in 2008 to at least €90 million annually moving forward. In addition, the initiative will provide a more strategic focus for German efforts in reproductive health, including an emphasis on broadening the use of contraceptives and healthsystem strengthening. In 2011, official bilateral commitments to partner governments alone had reached €93 million.

partnerships among the health administration,

- In selected communities of Sudan, South Sudan, Uganda, Kenya and Democratic Republic of Congo, Italian Cooperation has promoted a pilot program at the primary level for nurses to use portable ultrasound machines in antenatal care services. According to field evaluation, this approach has increased the number of pregnant women attending antenatal care, and has reduced maternal mortality by early referrals of at-risk pregnancies. This strategy has proven to be a good example of "task shifting" for nurses in rural areas, by making a specialist diagnostic tool available in the absence of specialized personnel.
- Japan's bilateral assistance for MNCH aims to build and strengthen the systems that provide a comprehensive continuum of care for MNCH through improvements in the quality of and access to health services. To achieve this, Japan provides various assistance including: creating a pool of health service providers for antenatal care; increasing the number of attended childbirths by enhancing

- capacity and expanding health infrastructure and knowledge. As an example, in 2011, the Russian Federation organized international meetings and training workshops for 300 specialists from CIS and Africa partner countries at the Research Institute for Midwifery, Gynecology and Perinatology. Russia's MNCH workshop series will continue in 2012-2014.
- The U.S. Maternal and Child Health Integrated Program (MCHIP) is a flagship MNCH program launched in 2008, which focuses on reducing maternal, neonatal and child mortality and accelerating progress toward achieving MDGs 4 and 5. Working in 30 priority countries that account for more than 70 percent of the world's MNCH deaths, MCHIP addresses barriers to accessing and using focused, evidence-based interventions along the MNCH continuum of care from pre-pregnancy to age 5, and by linking communities, first-level facilities and hospitals. To encourage innovation for MNCH, in 2011 the United States led the creation of "Saving" Lives at Birth: A Grand Challenge for Development," a unique partnership with the Governments of Norway and Canada, the Bill & Melinda Gates Foundation and the World Bank to support innovative interventions to reduce maternal and neonatal mortality. The partnership aims to raise \$50 million over five years to support activities that introduce new technologies, service-delivery models and ways to stimulate demand for health-care services at the time of birth. In 2011, the partnership attracted 600 applicants from around the world and awarded 24 innovators. In February 2012, the partnership launched its second global call for innovative solutions along with a new partner, the United Kingdom.

#### **HIV/AIDS**

The number of new HIV infections has fallen from a peak of 3.5 million in 1996 to 2.7 million in 2010. Deaths from AIDS-related illnesses also dropped from 2.2 million in 2004 to 1.8 million in 2010. By the end of 2011, more than 6.6 million people in low- and middle-income countries were on treatment, more than a 16-fold increase from the 400,000 on treatment in 2003. While significant gains have been made in the fight against HIV/AIDS, it is still one of the major global health burdens and the G-8 has

### **PEPFAR AND INNOVATION**

The United States has maintained its historic commitment to prevention, care and treatment through PEPFAR. In 2011, the United States established the goal of creating an AIDS-free generation. Creating an AIDS-free generation will mean ensuring that virtually no children are born with HIV, that these children are at a far lower risk of becoming infected as they grow into teenagers and adults, and that if they do acquire HIV, they will have access to treatment that helps prevent them from developing AIDS and passing the virus to others. In 2011, PEPFAR bilateral programs supported antiretroviral (ARV) treatment for more than 3.9 million people, and HIV testing and counseling for more than 40 million people, including more than 25 million women. In addition, 660,000 pregnant HIV-positive women received antiretroviral prophylaxis to prevent mother-tochild HIV transmission, leading to an estimated 200,000 HIV-free births.

U.S.-supported research has shown that ARV treatment for people living with HIV greatly reduces the risk of sexual transmission to other people, demonstrating that treatment also acts as a form of prevention to slow the epidemic. Integrating these types of scientific breakthroughs and innovations in order to boost efficiency positioned the United States to dramatically increase PEPFAR's goal for treatment—from support for 4 million people to support for 6 million people by the end of 2013. Through PEPFAR, the United States has driven down the cost of ARV treatment through innovative regulatory and businessmodel approaches to expand use of generic medicines, improved availability and use of economic and financial data, a highly-efficient new supply chain mechanism and reliance on land and sea freight rather than air. The cost to PEPFAR fell from \$1,100 per patient per year in 2004 to approximately \$335 in 2011. PEPFAR is also making major investments in Voluntary Male Medical Circumcision (VMMC) as prevention, and has committed to supporting more than 4.7 million VMMCs over the next two years. In addition, PEPFAR is leading efforts with UNAIDS to virtually eliminate mother-to-child transmission. By 2015, this Global Plan aims to reduce new-child infections by 90 percent and AIDS-related maternal deaths by 50 percent. To help reach this goal, PEPFAR will support treatment for more than 1.5 million pregnant women living with HIV by 2013.

stressed that the path to an AIDS-free generation will require concerted efforts from all stakeholders. The epidemic continues to spread, but new infections dropped by 21 percent from 1997 to 2010. This progress and new

scientific advances have created a unique opportunity for major strides toward an AIDS-free generation.

The G-8 continues to lead the fight against the spread of HIV/AIDS and has seen real progress in the number of new cases of HIV/AIDS, the number of people receiving ARV treatment, the cost of treating HIV/AIDS and advances in research that affect the prevention and treatment of HIV/AIDS. Two key commitments guide the G-8's work around HIV/AIDS: in 2006, at the G-8 Summit in St. Petersburg, the G-8 pledged to develop and implement a package for HIV prevention, treatment and care, with the aim of near-universal access to HIV/AIDS treatment for all who need it by 2010; and in 2009, in L'Aquila, the G-8 pledged to counter stigma, discrimination and human rights violations associated with HIV/AIDS.

### G-8 Action: Examples for HIV/AIDS

Canada is supporting the Program for Appropriate Technology in Health (PATH) to enhance HIV prevention programs with CA\$20 million from 2009 to 2013. The program aims at averting HIV infections among high-risk populations. Through its work on the Legal Empowerment of Women Initiative (CA\$3 million, FY 2010-2013), Canada has supported the UN Women for the Fund for Women's Property and Inheritance Rights in the Context of HIV/AIDS, which has provided small grants to 20 grassroots and

community-based organizations in sub-Saharan Africa to strengthen women's property and inheritance rights as a critical strategy for addressing women's vulnerability to HIV/AIDS.

In the field of harm reduction, German Development Cooperation supports Nepal in expanding highquality national opioid-substitution programs. This decreases highrisk behavior and the number of persons dropping out of treatment. Infections associated with intravenous drug use—such as HIV, TB and hepatitis—are receiving treatment and are in decline.

### **COUNTERING STIGMA AND DISCRIMINATION**

The G-8 has also focused its policy initiatives on countering any form of stigma, discrimination and human rights violations as a result of HIV/AIDS. The United Kingdom's position paper on HIV in the developing world, "Toward Zero Infections," published in May 2011, confirms the United Kingdom's commitment and sets a priority to significantly reduce stigma and discrimination. France is actively supporting non-governmental organizations and community-based organizations, including organizations of stigmatized and discriminated persons, both at the country level and through global and regional networks. Support for human rights-based responses is a main tenet in Germany's HIV/AIDS approach. The United States' PEPFAR program works to oppose stigma and discrimination by ensuring access to its programs for all affected populations.

Since 2006, Japan has supported Zambia's national response to HIV/AIDS, from policy-making to community-based provision of services. Japan's multisectoral and multi-level assistance is building clinical and diagnostic capacities among rural health workers to ensure quality of services. Japan assisted the Ministry of Health to provide mobile ARV services that enable the provision of ARV at rural health centers, and demonstrated that quality ARV services can be implemented with the limited human

#### G-8 BILATERAL DISBURSEMENTS TO HIV/AIDS (USD MILLIONS)

Country	2006	2007	2008	2009	2010
С	55.1	79.4	45.3	47.1	39.5
р	44.2	65.0	44.4	29.9	39.9
	2.5	2.7	3.5	19.5	34.0
	47.6	93.7	91.6	126.7	110.7
	2.4	6.0	9.5	12.4	5.1
<b>∮</b> p	2.2	10.2	11.7	15.5	16.2
			14.2	14.6	5.6
	262.2	383.5	300.6	347.2	299.5
	2,096.2	2,627.2	3,677.9	4,208.9	4,437.7
Total G-8 (+E.U.)	2,512.4	3,267.7	4,198.7	4,821.8	4,988.2

CATARC

and financial resources available in rural Zambia. The service model developed from this project was adopted in national guidelines and is being scaled up. Japan has also supported projects aimed at transforming the lives of the people most vulnerable to HIV. Former refugees in Rwanda, mothers in Palestinian Territories, construction workers in Thailand and Laos and women living with HIV in Cameroon are some of the marginalized communities targeted through these programs.

The United Kingdom will contribute to reducing HIV infections among women by at least an estimated 500,000 in eight or more sub-Saharan African countries by 2015 through scaling up prevention services, including TB prevention, strengthening reproductive health services, empowering women and better resource allocation. The United Kingdom is also working in at least six countries to reduce HIV infection among the most at-risk populations through activities that improve access to prevention services—such as needle exchange and condoms—which help maintain prevalence below 1 percent in the general population.

### **BREAKING THE MALARIA CYCLE**

Breaking the Cycle: Saving Lives and Protecting the Future, the United Kingdom's Framework for Results for Malaria in the developing world (MFfR), aims to develop strategies to: reach more people, more effectively; integrate malaria control with other health services; strengthen underlying health systems; and ensure that interventions and delivery strategies are appropriate to make best use of resources. The United Kingdom will invest up to £500 million each year by 2014-2015 to support this goal, where results can be delivered and value for money demonstrated.

Since 2005, the G-8 has helped the world make remarkable progress against malaria. The malaria burden is tragic for its toll in human lives and economic growth, and the progress since 2005 represents hundreds of thousands of lives saved each year. Continued G-8 investments in malaria prevention and treatment will fuel continued progress against this preventable disease. Still, much remains to be done. In 2010, 216 million people became infected with the disease, and 655,000 died. Ninety percent of malaria deaths occur in sub-Saharan Africa, and 85 percent of the fatalities are children under 5 years old.

#### **MALARIA**

In 2004, there were an estimated 350 to 500 million clinical cases of malaria and over 1 million resulting deaths worldwide, with 80 percent of those deaths in Africa. At the 2005 Gleneagles Summit, the G-8 committed to work with African countries to scale up action against malaria to reach 85 percent of the vulnerable populations with key interventions that would save 600,000 children's lives by 2015. The G-8 reiterated this commitment at the 2006 St. Petersburg Summit, and at the 2008 Hokkaido-Toyako Summit committed to expanding access to longlasting, insecticide-treated nets, with a goal of providing 100 million nets by the end of 2010.

**G-8 BILATERAL DISBURSEMENTS TO MALARIA PREVENTION AND CONTROL** (USD MILLIONS)

Country	2006	2007	2008	2009	2010
С	7.93	0.07	15.97	19.62	20.24
р		1.10	7.58	1.37	2.16
			0.15	0.55	4.59
		0.01	0.38	0.65	1.20
	0.49		0.11	0.44	0.16
<b>∮</b> p	1.66	12.36	30.34	18.82	6.34
		5.00	9.00	5.00	0
		34.51	34.04	65.98	140.55
		27.20	215.25	314.84	394.25
Total G-8 (+E.U.)	10.1	80.3	312.8	427.3	569.5

: CATANC

The G-8 provides support to bilateral programs and global malaria initiatives such as the Global Fund and the Roll Back Malaria Partnership to monitor, treat and prevent malaria worldwide. This effort importantly includes strengthening surveillance for anti-malarial drug resistance and monitoring anti-malarial drug quality. G-8 members and partners are working to develop new anti-malarial medications and vaccines, build capacity to improve access to treatment and explore ways to help control the spread of resistance to malaria drugs.

### G-8 Action: Examples for Malaria

- Since 2007, Canada has provided about CA\$95 million to deliver integrated community packages to treat the three leading causes of under-5 mortality: malaria, pneumonia and diarrhea. These programs strengthen national health systems by supporting the training and supervision of community health workers. To date, over 11,000 community health workers have been trained in 12 African countries, allowing treatment of over 840,000 cases of malaria, pneumonia and diarrhea.
- Since 2008, Russia's support for malaria prevention has developed core malaria-training modules and has organized seven training courses in Africa and the Middle East. Over 160 health professionals have been trained. Russian support has also allowed the WHO to provide technical support to several country-level training activities, leading to the training of 220 malaria experts. In 2011-2014 Russia will continue to strengthen human-resource capacity for malaria control and elimination in malaria-endemic countries. In collaboration with GMP/WHO, Russia will launch a \$4.5 million joint project aimed at capacity-building in malaria control and elimination in CIS and Africa. As a result, 45 health workers from African countries and 150 health workers from CIS countries will be trained.
- In Sierra Leone, the United Kingdom contributed 1 million long-lasting insecticidal nets (LLINs), enabling Sierra Leone to achieve universal bed-net coverage for the first time in December 2010. The United Kingdom also supported free health care for pregnant and nursing women and children under 5 years,

- which resulted in a tripling of the number of under-5 consultations from 1 million to 3 million in the first year, 1 million of which were treated for malaria. Over the next four years, the United Kingdom will provide focused support targeting the prevention and treatment of malaria in pregnant women and young children, leading to a further 867,000 children sleeping under LLINs and 230,000 women receiving malaria-preventative treatment during pregnancy.
- The U.S. Presidential Malaria Initiative seeks to reduce the burden of malaria by 50 percent for 450 million people, representing 70 percent of the at-risk population in Africa. The United States supports four proven, highly-effective malaria prevention and treatment measures including indoor residual spraying with insecticides, insecticide-treated bed-net procurement and distribution, intermittent preventive treatment of malaria in pregnancy, and treatment with artemisinin-based combination therapy.

### G-8 Action: Examples for Neglected Diseases

- In 2011, Germany provided €5 million to Product Development Partnerships (PDPs) through the Federal Ministry of Education and Research. PDPs receiving funding through the program include the European Vaccine Initiative, the Drugs for Neglected Diseases Initiative and the Foundation for Innovative New Diagnostics. Germany also supports the WHO Special Program for Research and Training in Tropical Diseases with an annual contribution of €750,000.
- In Tanzania, Italy has helped to construct a Level 3 Bio-Safe Laboratory for the diagnosing and isolating of highly-infectious diseases, in particular haemorrhagic fever viruses. The Ifakara Tanzanian Research Centre and the Italian National Institute for Infectious Diseases have developed joint research projects and created a laboratory that will work as part of the Global Laboratories Network in Africa to monitor the distribution and incidence of viral hemorrhagic fever (VHF) in East Africa.
- Russia allocated \$21 million for the period 2009-2012 to intensify research in the area of NTDs, including assistance to partner countries in African and Central Asia to build their capacities in surveillance, diagnosis and prevention of NTDs. As a result, they have developed new means for diagnosing and preventing NTDs. The programs have also been granting test kits and laboratory equipment to partner countries since 2009.
- In 2011, the United Kingdom pledged to provide an additional £195 million over four years to target Guinea worm, lymphatic filariasis, river blindness and schistosomiasis, as well as to develop integrated country approaches and new programs for blinding trachoma and visceral leishmaniasis research. These programs are intended to protect more than 140 million people from infections that deform, disable, blind and kill, and to eradicate Guinea worm. If successful, Guinea worm will be the second human disease to be eradicated.
- The U.S. NTD program fights seven major diseases: lymphatic filariasis, schistosomiasis, trachoma, onchocerciasis and three soil-transmitted helminthes (hookworm, roundworm and whipworm). Since the

NTD program began in 2006, drugs valued at over \$3.1 billion have been donated to the program, representing one of the largest U.S. PPPs. To date, the NTD program has helped to deliver approximately 532 million NTD treatments through integrated programs, reaching over 232 million people. In December 2011, the United States announced the launch of the National Center for Advancing Translational Sciences (NCATS). The Therapeutics for Rare and Neglected Disease Initiative under NCATS stimulates drug discovery and development through research collaboration between academic scientists, non-profit organizations and pharmaceutical and biotechnology companies working on rare and neglected illnesses. Current NCATS projects include therapeutics for Sickle Cell Disease, schistosomiasis and cryptococcal meningitis.

### **TUBERCULOSI**

laboratory and diagnostic services and facilities, invested in targeted research areas and expanded coverage for TB/HIV interventions.

### **G-8 Action: Examples for Tuberculosis**

 Canada contributes directly to strengthening TBcontrol systems to ensure that under-serviced areas have access to TB treatment, care and support. Canada focuses its support where it is most needed, in high-TB-burden and high-prevalence countries, on people who have limited access to services and on proven cost-effective interventions. As a member of the Board of the Stop TB Partnership, Canada works to ensure that its approach is consistent with the efforts of the Global Plan to Stop TB 2011-2015, which includes a CA\$120 million contribution to TB REACH. TB REACH is a grants-based mechanism managed by the Stop TB Partnership to address urgent needs, gaps and bottlenecks in TB control in collaboration with national TB control programs. To date, TB REACH has implemented 75 projects in 36 countries. These projects have detected as many as 140,000 additional TB cases, which could save 70,000 lives and prevent 1.4 million new TB infections. Through Canadian support to TB REACH in Siskone district, South Africa, the project aims to increase access to TB case finding and treatment, and is working to expand the quality

- of and access to public sector services including TB control, and increase the speed with which new TB drugs get registered.
- In 2010, Japan provided a grant of up to JPY 2.643 billion (approximately \$28 million) to construct and equip a new hospital for infectious diseases at the Afghanistan National Tuberculosis Control Program in Kabul.
- The United Kingdom supports India's national TB program, which is helping to avert an estimated 180,000 deaths a year. The United Kingdom is also supporting the PATHS2 project in Nigeria, which improves the training of health workers, establishes TB DOTS centers and increases the supply of basic equipment and consumables to rural health facilities in Nigeria.

### **POLIO**

The world has made enormous strides in the fight to eradicate polio. Global incidence of polio has decreased by more than 99 percent since 1988, when the Global Polio Eradication Initiative (GPEI) was launched. Since then, the number of wild poliovirus cases has dropped from more than 350,000 annual cases to only 650 cases in 2011. As of January 2012, India recorded a full year without a polio infection and has been removed from the list

of endemic polio countries, leaving only Afghanistan, Pakistan and Nigeria that still need to break transmission of the virus. The G-8 continues to support the fight against polio through donations to the GPEI.

GPEI has developed the Global Polio Emergency Action Plan 2012-13, which focuses on Nigeria, Pakistan and Afghanistan, and is intended to intensify implementation of existing strategies and to introduce new tactics and innovations as a prerequisite to achieving polio eradication. The Emergency Action Plan is underfunded by approximately \$1 billion.

### G-8 BILATERAL DISBURSEMENTS TO TUBERCULOSIS<sup>11</sup> (USD MILLIONS)

Country	2006	2007	2008	2009	2010
C		1.26	8.39	21.39	34.05
р			3.49		1.44
		0.08		2.15	2.02
		4.96	7.22	7.77	6.05
	0.1	5.86	2.19	0.05	0.49
<b>∮</b> p		3.55	3.91	5.59	7.34
		15.51	6.31	28.66	33.06
		8.07	60.1	97.9	154.9
Total G-8 (+E.U.)	0.1	39.3	91.6	163.5	239.4

: C454AC12

### G-8 Action: Examples for Polio

- From 2004 to 2010, the European Union directly supported polio-eradication activities in Nigeria with a total of €85 million. The European Union is continuing polio-eradication activities in Nigeria with an additional €15 million for 2011-2013.
- In August 2011, Japan provided Pakistan with a loan of approximately 5 billion yen (\$65 million) for its national polio-immunization campaigns. The loan is underpinned by an innovative financing approach called "Loan Conversion" for health. Using this approach, the Bill & Melinda Gates Foundation will repay the credit to the Japanese International Cooperation Agency (JICA) on behalf of the Pakistani Government if the project is successfully implemented. This is the first cooperation of its kind to mobilize funding from a private foundation through a Japanese ODA loan.
- Russia provides bilateral assistance to CIS countries to help them fight polio and maintain polio-free status. In 2011-2012, Russia will provide 9.3 million doses of polio vaccine to Armenia, Belarus, Kyrgyzstan and Uzbekistan, along with14 units of laboratory equipment for polio diagnosis and 340 units of coldchain equipment for vaccine supplies.

U.S. efforts include support for the Stop Transmission of Polio (STOP) program, which has trained and deployed more than 1,600 public health professionals to 63 countries to improve disease surveillance, improve data quality and analysis, increase social mobilization, and plan, implement and evaluate immunization campaigns. In 2012, the United States announced that it would scale up polio eradication efforts, including enhanced support for countries most threatened by pervasive or recurrent polio outbreaks and the activation of its Emergency Operations Center as part of an intensified strategy to stop the spread of poliovirus and eradicate polio.

### **MEASLES**

The G-8 continues to support the work of the Measles Initiative, which strengthens routine immunization systems, implements mass vaccination campaigns, supports diagnostic laboratories, enhances disease-surveillance systems and conducts outbreak response. More than 1 billion children in over 80 countries have been vaccinated against measles as a result of the initiative. Between 2000 and 2010, an estimated 9.6 million measles deaths were averted through vaccination, and global mortality attributed to measles declined by 74 percent. Since 2000, efforts to reduce measles-related deaths have substantially contributed to progress toward reaching MDG 4.

#### G-8 CONTRIBUTIONS TO THE GLOBAL POLIO ERADICATION INITIATIVE (USD MILLIONS)

2006	2007	2008	2009	2010	2011
132.4	133.1	133.5	133.2	133.8	133.5
59.7	56.9	42.7	37.3	24.7	106.4
14.1	20.3	21.1	21.4	39.0	93.2
13.8	28.8	81.5	136.5	25.4	2.5
42.5	9.1	32.6	29.3	29.2	24.115
28.2	37.3	8.2	0.9	1.1	23.2
1.4	11.0	11.8	2.1	1.4	0.6
12.8			2.7		
3.0	3.0	8.9	5.1	2.0	2.0
307.9	299.5	340.3	368.5	256.6	385.5
	132.4 59.7 14.1 13.8 42.5 28.2 1.4 12.8 3.0	132.4     133.1       59.7     56.9       14.1     20.3       13.8     28.8       42.5     9.1       28.2     37.3       1.4     11.0       12.8       3.0     3.0	132.4     133.1     133.5       59.7     56.9     42.7       14.1     20.3     21.1       13.8     28.8     81.5       42.5     9.1     32.6       28.2     37.3     8.2       1.4     11.0     11.8       12.8     3.0     3.0     8.9	132.4       133.1       133.5       133.2         59.7       56.9       42.7       37.3         14.1       20.3       21.1       21.4         13.8       28.8       81.5       136.5         42.5       9.1       32.6       29.3         28.2       37.3       8.2       0.9         1.4       11.0       11.8       2.1         12.8       2.7         3.0       3.0       8.9       5.1	132.4       133.1       133.5       133.2       133.8         59.7       56.9       42.7       37.3       24.7         14.1       20.3       21.1       21.4       39.0         13.8       28.8       81.5       136.5       25.4         42.5       9.1       32.6       29.3       29.2         28.2       37.3       8.2       0.9       1.1         1.4       11.0       11.8       2.1       1.4         12.8       2.7         3.0       3.0       8.9       5.1       2.0

In 2011, measles vaccination campaigns supported by the Measles Initiative were undertaken in 28 countries and reached 146 million children. Measles vaccination campaigns are also often used to deliver integrated health services—including polio, rubella and yellow fever vaccinations—and to distribute long-lasting, insecticide-treated bed nets to prevent malaria, de-worming medication and vitamin A doses.

Through the Measles Initiative, the G-8 is also strengthening the virus-detection capacity of laboratories, which is essential for improving global surveillance and more quickly identifying and responding to importation events. By the end of 2011, 185 countries were reporting monthly surveillance data. As part of its ongoing work, the Measles Initiative recently developed the Global Measles-Rubella Strategic Framework for 2012-2020 to help countries eliminate measles, rubella and congenital rubella syndrome. The partnership is now officially the Measles and Rubella Initiative and will aim to prevent the 112,000 annual cases of congenital rubella syndrome among newborns worldwide, the leading infectious cause of congenital birth defects.

#### G-8 Action: Measles

- Canada continues to support measles vaccination and prevention by strengthening routine immunization services. Between 1998 and 2011, Canada provided over CA\$175 million to strengthen routine immunization efforts in vulnerable countries through the Canadian International Immunization Initiative.
- Japan has constructed a measles-vaccine manufacturing facility in Vietnam, building Vietnam's domestic capacity to produce vaccines through a technical cooperation project from 2006 to 2010. Each year, the facility is producing 7.5 million WHOcompliant vaccine doses to meet domestic demand.
- The United States remains committed to fighting measles, and provides financial and technical assistance to its partners in the Measles Initiative, including nearly \$35 million in 2011. U.S. support focuses on strengthening routine immunization systems, implementing mass vaccination campaigns, supporting diagnostic laboratories, enhancing disease surveillance systems and conducting outbreak response.

### **FINDINGS**

- G-8 political and financial support to health-financing mechanisms such as the Global Fund to Fight, AIDS, Tuberculosis and Malaria plays a key role in catalyzing action by others, and in coordinating a comprehensive approach to global health challenges. Total G-8 contributions to the Global Fund from 2002 to 2011 exceeded \$17 billion, comprising 78 percent of all contributions to the fund. G-8 support will remain critical to the important work of the Global Fund in coming years, and especially to efforts to execute critical reforms and meet and accelerate pledges to the fund.
- The G-8 is on track to meet its commitment to provide at least \$60 billion to fight infectious diseases and improve health systems by 2012. Between 2008 and 2010, the G-8 provided \$37.2 billion for this purpose. The gains seen against HIV/AIDS, malaria, TB and polio, as well as gains in maternal and child health, can be attributed in part to the G-8's strong leadership in global health.
- The G-8 plays a central role in leveraging and mobilizing partnerships with the private sector, other donors and stakeholders, as well as with partner governments. Although the global health architecture is complex, G-8 members continue to look for and undertake means for improving coordination and harmonization.
- Guided by aid-effectiveness principles, G-8 members are making steady progress in aligning health programming with partner-country plans and priorities, and continue to work toward results produced together with all partners in the spirit of shared accountability.
- Innovative financing mechanisms have played an important role in developing effective medicines and vaccines. For example, the GAVI Alliance has pioneered innovative financing mechanisms such as Advance Market Commitment (AMC) and the International Finance Facility for Immunization (IFFIm). Launched in November 2006, IFFIm raised more than \$3.6 billion as of September 2011.

 G-8 support of the GPEI has helped reduce the incidence of polio by 99 percent since 1988.
 Continued political and financial support is vital to achieving complete eradication and a world free of polio.

### **Endnotes**

- 1 www.everywomaneverychild.org
- <sup>2</sup> Assessment of the 2010 global measles mortality reduction goal: Results from a model of surveillance data, by Emily Simons, Matthew Ferrari, John Fricks, Kathleen Wannemuehler, Abhijeet Anand, Anthony Burton, Peter Strebel, published in The Lancet online April 24, 2012 DOI:10.1016/S0140-6736(12)60638-2.
- <sup>3</sup> http://www.gavialliance.org/support/nvs/pneumococcal
- <sup>4</sup> Self-reported as €524.0 million (\$694.0 million). The European Union reports €524.0 million for 2010 based on established practice to take into account 10 percent of GBS in the G-8 report for health disbursement. OECD-DAC reports \$549.9 million for 2010.
- 5 http://www.unicef.org/
- <sup>6</sup> Please refer to Annex 3 for disbursement details.
- <sup>7</sup> The German Muskoka commitment refers to 2011 until 2015. 2011 disbursement data is not available yet. However, Germany disbursed €343.6 million in 2010, which is €41 million above the 2008 baseline. While this does not reflect Germany's Muskoka pledge, it does represent Germany's strong commitment to improving MNCH outcomes.
- The United States has revised its Muskoka commitment based on congressional appropriations for MNCH and malaria.
- Funding levels represent budget authority for MNCH, not disbursements.
- 10 http://www.who.int/mediacentre/factsheets/fs104/en/
- " Russia supports halting the spread of TB through the Global
- Detailed tracking for TB control at the OECD-DAC began in 2007. The CRS purpose code for tracking financial flows for TB control was introduced by the OECD-DAC in 2007. Following the introduction of a new CRS purpose code, it can take up to three years to achieve optimal quality data.
- 13 http://www.polioeradication.org/

- The 2009 contribution from Germany includes €52 million (\$82.01 million) to the Government of India (combination loan/grant), which the Government is using to strengthen cold-chain and information systems. GPEI included this amount in Germany's total contribution to the initiative, but is not included in the total contributions line for G-8 members. Germany will fulfill its commitment to allocate €100 million from 2009-2013 for GPEI, and allocate the remaining €26 million to partner countries in 2012 and 2013.
- 15 Preliminary figure based on the 2011 average exchange rate.

## **Chapter 5: Conclusion**

Τ

### AGRICULTURE AND FOOD SECURITY

L'Aquila Food Security Initiative (AFSI) partners are making good progress toward meeting their \$22 billion financial pledge under the initiative. All G-8 members have fully committed their L'Aquila-pledged funds, or are on track to fully committing them by the end of 2012. Financial disbursements have come slower, and while some G-8 members have completely disbursed their individual pledges, collectively the G-8 has only disbursed about 55 percent of its total financial pledge so far. In some cases, disbursements have been slower in order to account for evolving country investment plans; in other cases, it reflects differences in fiscal and appropriations cycles or the different institutional approaches among G-8 development agencies.

Overall, the G-8 has made fair progress toward the non-financial commitments of AFSI, which are embodied by the Rome Principles. Using the scorecard, the G-8 has made good progress in supporting country ownership, investments in science and technology, promoting food and agricultural trade and multilateral engagement. Taken as a group, the G-8 has been moderately successful in using a comprehensive approach and in building local agricultural capacity. And, while some G-8 members have done a good job of explicitly targeting women through their assistance, on the whole the G-8 could improve the extent to which programs target women.

An important characteristic of the G-8's approach under AFSI is support for country-owned plans and priorities. Despite the significant increases in public-sector funding for agriculture and food security made by the G-8, AFSI partners, multilateral development institutions and developing countries themselves, reporting suggests that national agriculture investment plans are underfunded by about half. Although limited, informal data suggest that on average, developing-country governments are providing about 26 percent of the financing for these plans; development partners are providing about 23 percent of the financing requirement; and about 1 percent comes from other sources. The average share provided by governments in sub-Saharan Africa appears to be slightly higher at 29 percent. Largely absent from this financing picture is the private sector.

Although public-sector financing is a key input for these national agriculture-investment plans, private-sector financing is also an important element, but one that appears to be seriously underfunded. To narrow the substantial investment gap for national agriculture-investment plans, much more can be done to encourage domestic and foreign private investment around the priorities outlined in these plans.

### **FOOD COMMODITY MARKETS & TRADE**

The ability of smallholders, in particular women farmers, to engage in trade by bringing products to market is critical to increasing household income. On a larger scale, the development of vibrant, efficient agricultural markets at local, regional and national levels is key to domestic food security and economic growth.

Sound markets are essential to self-sustaining private-sector activity in the agriculture and food sectors. The G-8 actively supports the strengthening of food-commodity markets and trade because the functions of properly regulated competitive markets contribute to private-sector activity and achieving development priorities. The important role of markets and trade in agricultural growth suggests the need for more effective partnerships between governments, development partners and the private sector to encourage private-sector activity that can contribute to scaling up food security initiatives.

G-8 investments in strengthening market access and trade for smallholder farmers and rural entrepreneurs are having a significant positive impact on production and trade volumes. The G-8 is also proving a useful champion for public-private partnerships, and helping developing countries mobilize the private sector, including helping to foster a strong agri-business investment climate that can benefit smallholder and other farmers. Through efforts to improve agriculture data and supporting voluntary guidelines on land tenure and principles for responsible agriculture investment, the G-8 and its partners are creating better conditions for private investment in agriculture, strengthened markets and increased trade.

Separate from their contributions to developing food-commodity markets and trade, all G-8 members have either eliminated restrictions and extraordinary taxes for humanitarian food aid as part of their G-20 commitments, or never introduced them.

### **NUTRITION**

Chronic undernutrition among children in the world comes at a very high cost, in lives lost and unrealized future productivity. Globally, much progress has been made toward reducing chronic undernutrition, but these broad gains mask slow and uneven progress in some developing countries, particularly in those in sub-Saharan Africa. For example, on average chronic malnutrition has only decreased by 2 percent over the last 20 years in sub-Saharan Africa. Since the AFSI, the G-8 has begun to elevate the role and importance of nutrition in its work through leadership, advocacy and action.

G-8 members have played a pivotal role in the launch of nutrition initiatives at global and national levels. And, while the G-8 needs to do more to build nutrition outcomes into its activities, G-8 members are investing in a comprehensive set of actions and tools to meet nutrition needs in partner countries. The G-8 is also reaching out to civil society and the private sector to help find solutions to chronic undernutrition, which is an underlying cause of one in three child deaths in developing countries. Both civil society and the private sector represent key partners for taking nutrition innovation to scale and, in partnership with governments, creating sustainable markets that deliver more nutritious foods, community-driven approaches that result in better nutrition practices, and together, improved nutrition outcomes.

To help accelerate progress toward improved nutrition, in addition to voice and advocacy, G-8 members have been increasing assistance to nutrition programs. From 2009 to 2011, the G-8 reported that financing for nutrition-specific activities increased by 48 percent, to reach \$439 million. For the same period, the G-8 reported that financing for nutrition-sensitive activities rose by 46 percent, to reach over \$2.4 billion.

### **HEALTH**

Through its leadership and ongoing assistance, the G-8 continues to have an enormous positive impact on improving health and health systems in developing countries. G-8 members are making steady progress in aligning health programming with partner-country plans and priorities and, guided by aid-effectiveness principles, are working with partner countries and others for shared results and mutual accountability. The foundation of this effort, and the means for achieving sustainable and functioning health services, is strengthening countries' health systems.

The G-8 has amplified its effort through greater partnership with partner governments as well as the private sector, civil society and other donors, and through an increasing focus on coordination across disease-specific efforts. In doing so, G-8 members have seen real results, from comprehensive and coordinated political and financial support, to health financing mechanisms such as the Global Fund to Fight AIDS, Tuberculosis and Malaria. Through the creation of such mechanisms, the G-8 has played a key role in catalyzing action from others and leveraging global health funding from a range of donors. The G-8 has continued to provide support for the Global Fund at a critical junction in the Fund's history, as the Fund has developed and implemented an ambitious reform agenda to improve oversight, accountability and effectiveness in using its resources to combat the three epidemics.

The G-8 is well on track to meet its commitment to provide at least \$60 billion to fight infectious diseases and improve health systems by 2012, to provide at least \$5 billion in additional financing for maternal, newborn and child health, and to mobilize resources for the Global Fund. In meeting these and other health commitments, the G-8 has catalyzed global action and is seeing these initiatives deliver: innovative financing mechanisms supported by the G-8 have raised more than \$3.6 billion since 2006 to help with immunization; the Global Fund has committed more than \$22.6 billion in 150 countries, providing AIDS treatment to more than 3.3 million people, tuberculosis treatment to more than 8.6 million people, and more than 230 million bednets to prevent malaria; in the 11 years since the Measles Initiative was

established, more than 1 billion children in over 80 countries have been vaccinated; and G-8 support of the Global Polio Eradication Initiative has helped reduce the incidence of polio by 99 percent since 1988.

RECOMMENDATIONS

- As part of its commitment to accountability, the G-8
   Accountability Working Group (AWG) should continue to report on the progress of the G-8 in meeting its financial and non-financial commitments, with a greater focus on reporting results, including through AFSI's Managing for Development Results (MfDR) work stream.
- 2. The G-8 AWG should consider improved approaches to tracking real progress against the Rome Principles, building on this year's Food and Nutrition Security Scorecard, the In-depth Reporting Tables and progress made by the MfDR Working Group, perhaps including, for example, input from a set of recipient countries to supplement G-8 self-reporting.
- 3. Accounting for gender is key to improved nutrition outcomes, and progress in targeting women in agricultural trade and promoting women's participation and empowerment in agricultural value chains are generally needed to accelerate progress in food security. G-8 countries and other development partners can do more to promote gender equality as a foundation for food security, nutrition and sustainable agriculture, and to improve the evidence base for work in this area. The G-8 AWG should continue to strengthen the means for assessing how projects and approaches are contributing to improved outcomes for women and smallholder farmers.
- 4. Available data that measure the spectrum of policy, infrastructure and market inputs that contribute to increasing agricultural productivity and food security for smallholder farmers is limited and makes it more difficult to measure and adjust the impact of assistance on food security. The G-8 should consider encouraging appropriate institutions to examine the feasibility of developing a publicly available agricultural index or indices to help evaluate progress

toward agriculture and food security objectives; such an index would help countries identify and address those areas which currently hamper private-sector investment. It is nevertheless hoped that international investors, in particular, will not shy away from investing in countries, even when the business climate may need improvement.

### Annex I: ODA Volumes & Aid E ectiveness

fficial Development Assistance (ODA), as defined by the Organization for Economic Cooperation and Development's (OECD's) Development Assistance Committee (DAC), is the flow of financial resources from donor governments to developing countries, intended to help achieve development outcomes, such as reducing poverty or supporting sustainable growth. For over a decade, the G-8 has played a prominent role in mobilizing ODA from donor countries and focusing greater attention on major development challenges. During that same time frame, the international development community has achieved consensus on a series of development goals and aid-effectiveness principles.

The Millennium Development Goals (MDGs), established following the adoption of the United Nations Millennium Declaration (2000), focused the world's attention on eight development goals that the international community committed to achieve by 2015. Meanwhile, the United Nation's Monterrey Consensus on Financing for Development (2002) gave the world a basis for discussing how to finance the achievement of the MDGs.

The Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008) established and helped to refine the aid-effectiveness agenda, which aims to improve the delivery and management of ODA to maximize development results. The OECD-DAC's aid-effectiveness mandate culminated in the 4th High-Level Forum on Aid Effectiveness (HLF4) held in Busan, Republic of Korea, in 2011. The discussions at Busan recognized the multiplicity of new players involved in global development, and resulted in an agreement to establish, by June 2012, a new, more inclusive Global Partnership for Effective Development Cooperation and a public commitment from all parties—traditional donors, emerging economies, developing countries, multilateral organizations, civil society organizations and the private sector—to support a development agenda based on common goals and shared principles. There was also broad recognition that while ODA is only part of the solution, it plays a catalytic and indispensable role in international development.

#### **G-8 ODA COMMITMENTS**

### **Increasing Official Development Assistance**

At the 2005 G-8 Summit held at Gleneagles, Scotland, G-8 leaders announced a series of commitments to increase international assistance, including ODA. Each G-8 member made a specific national commitment to significantly increase its international assistance, with a special emphasis on assistance to sub-Saharan Africa. The G-8 was joined by other aid donors who had likewise made commitments to increase ODA worldwide.

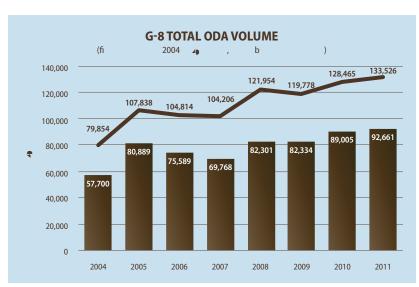
According to the latest data provided by the OECD, annual ODA from OECD Development Assistance Committee (DAC) donors increased by \$48.6 billion in current dollars, from 2004 to 2010,1 with the G-8 accounting for 62 percent of that increase, or \$31 billion.

ODA from non-DAC donors reporting aid statistics to the OECD more than doubled for this period, from \$3.6 billion in 2004 to \$7.2 billion in 2010.<sup>3</sup> Accounting for these amounts, total ODA tracked by the OECD increased \$52 billion in current dollars from 2004 to 2010. The increase in the number of non-DAC donors and the volume of ODA they contribute represent a significant trend in ODA and development cooperation.

In 2011, OECD-DAC bilateral donors provided \$133.5 billion in ODA to developing countries (in current dollars, preliminary), with the G-8 contributing \$92.6 billion of that amount (69 percent). While 2011 OECD-DAC ODA increased 3.9 percent from 2010 in current dollars, and is the highest total ODA amount achieved to date for the OECD-DAC, it represents a 2.7 percent decrease<sup>4</sup> in ODA in real terms compared to 2010.<sup>5</sup> The year 2011 also represents a small decrease in the average growth rate of ODA for recent years, and can be attributed, in part, to the global recession that has affected the budgets of many G-8 and OECD countries. Looking forward, the OECD suggests that the full effect of the global recession on aid flows has not yet manifested, and that growth in global ODA volumes may stagnate in the next few years.

### **Gleneagles Annex II National Commitments**

As mentioned previously, each G-8 member country made a specific national commitment at the Gleneagles Summit to increase its international assistance. These commitments varied in size and schedule. Overall, G-8 members' progress toward meeting these commitments is mixed. Table 2 details individual G-8 members' progress toward these commitments.



**Source:** OECD ODA by donor and Russian national ODA data<sup>2</sup>

**Notes:** Total OECD-DAC ODA volume does not include national data from Russia.

Figures for 2011 are preliminary.

### **TABLE 1A:**

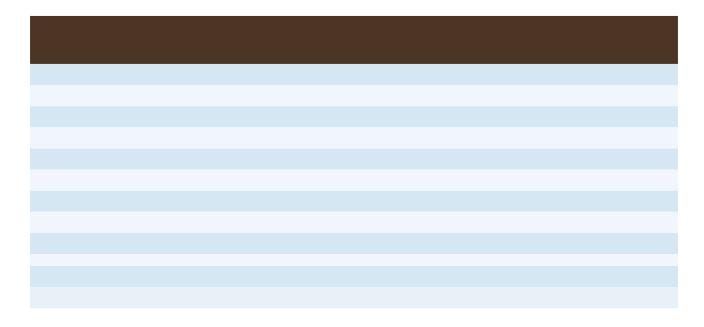
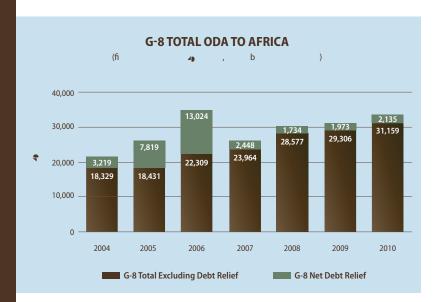


TABLE 2: GLENEAGLES ANNEX II NATIONAL COMMITMENTS

Country Commitment	Progress
C b <b>f</b> 2001 2010, A <b>f</b> b <b>f</b> 2003- 2004 2008-2009.	C p b Af .
b 0.5 p  4 Af ,  p b f 4 A 2000  0.7 p 4 A 2012.	fi 2007 4A/ f 0.51 p 2010 0.7 p 2015. Af 2010 b 0.01 p , 4A/ 0.46 p 2011 (p ). , f 0.7 p 2015.
, pp b , k 0.51 p ₄A/ 2010 0.7 p ₄A/ 2015.	r 4 A 2010
k 0.51 p ₄ <b>g</b> A/ 2010 0.7 p ₄ <b>g</b> A/ 2015.	' ₄A/ 2010 0.15 p . ' 2011 ₄A/ 0.19 p (p ).
#A b \$10b fi .#p  b .#A Af  \$5b	# p
\$11.3 b	b b Af f \$11.3 b , \$2.2 b f b f C .
b 0.7 p ΔgA/ b 2013 b b p Ag b 2003-2004 2007-2008.	A p f p f 0.56 p / 4A/ f 2010 k 0.7 p 4A/ 2013, b f
b b- A <b>f</b> b 2004 2010 \$8.67 b .	A , b- Af f \$4.34 b 2004 \$8.67 b 2010. B 2009, .
b 2015, f 0.56 p 4A/ b 2010. p b 4A b 2004 2010 f 34.5 b 67 b . A 50 p f b- Af .	2011, A. 0.42 p f , \$73.6 b . p 0.7 p A. b 2015.
: p b 4// f b	•



# Aid to Africa

According to the latest data from the OECD, total annual ODA to Africa increased by \$17.8 billion from 2004 to 2010<sup>7</sup>, with the G-8 accounting for 65 percent of the increase, or \$11.7 billion.<sup>8</sup> Excluding debt relief, G-8 annual ODA to Africa increased 70 percent from 2004 to 2010.

From 2004 to 2010, the G-8 accounted for over 70 percent of OECD-DAC bilateral assistance to Africa. G-8 bilateral ODA statistics for 2004 and 2010 are available in Table 3. Detailed statistics for 2011 are not yet available, but preliminary 2011 data suggests that bilateral ODA to Africa from OECD-DAC donors increased to \$31.4 billion per year in 2011 (current dollars, estimated),9 an increase of approximately \$12 billion from 2004, or about 62 percent.

TABLE 3B: G-8 ODA ALLOCATED TO AFRICA, NET DISBURSEMENT AMOUNT ( C A 12)

G-8 Country	Bilate	eral ODA	Total ODA (bilateral & imputed multilateral ODA)		Change in Total ODA: 2004-2010	
	2004	2010	2004	2010	Percentage	Absolute Number
С	632	1,061	874	1,491	71%	617
	3,728	3,543	5,196	5,696	10%	500
	1,400	1,720	3,089	3,717	20%	628
	393	305	1,067	1,151	8%	84
<b>∮</b> p	839	1,635	1,994	3,132	57%	1,138
	Α	47	Α	64	Α	Α
	2,449	3,124	3,589	5,632	57%	2,043
	4,186	6,784	5,739	8,371	46%	2,632
G-8 Total	13,627	18,219	21,548	29,254	35%	7,642
OECD-DAC	19,362	24,949	30,376	39,883	31%	9,507

Source: OECD and national data from Russia (disaggregated Russian ODA data is not available for years prior to 2009)

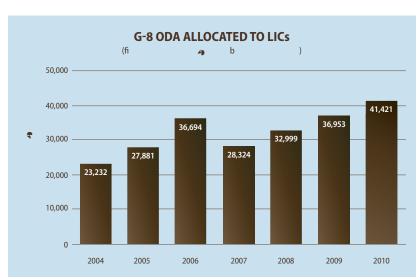
**Notes:** Russia is not a member of the OECD-DAC.

Data on ODA flows for European Union relate to grants only. Constant 2004 figures for the European Union are not available.

## **Aid to Low-Income Countries**

Along with substantially increasing ODA, both to Africa and worldwide, G-8 leaders at Gleneagles agreed to focus aid on Low-Income Countries (LICs), especially those committed to growth and poverty reduction; democratic, accountable and transparent government; and sound public financial management.

From 2004 to 2010, the G-8 increased its ODA allocated to LICs by 77 percent<sup>13</sup> as measured in current prices, or 56 percent using constant 2004 USD. Additionally, the G-8 has increased the proportion of its total ODA to LICs, up 12 percent from 2005 to 2010.



Source: Notes: OECD Dataset DAC2a and Russian national ODA data Includes bilateral and imputed multilateral ODA.

Only includes Russian ODA to LICs for 2009-2010 (disaggregated Russian ODA data is not available for years prior to 2009; Russian ODA to LICs for years 2004-2008 is estimated at 50 percent total ODA).

#### **Debt Relief**

Over the past two decades, G-8 members have led and supported many initiatives to increase and enable the provision of debt relief to developing countries. In many Heavily Indebted Poor Countries (HIPC), debt payments consume a significant portion of the national budget, decreasing available budget that could be allocated to new economic growth and human development programs, responding to social and economic shocks or meeting recurring expenditure requirements like social safety nets.

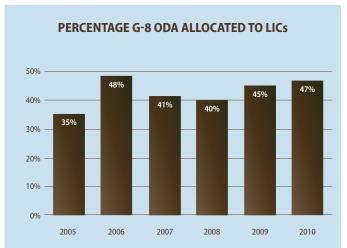
In 1996, the International Monetary Fund (IMF) and the World Bank launched the HIPC initiative to provide significant debt relief to a subset of developing countries struggling with unsustainable debt. The HIPC initiative was enhanced following the 1999 Cologne G-8 Summit. Under the enhanced initiative, bilateral and multilateral creditors provide debt relief to debtor countries that complete the HIPC process. Many multilateral creditors rely on bilateral resources distributed through the Debt Relief Trust Fund to provide that debt relief. In 2002, the G-8 committed to financing its share of a projected shortfall in the Trust Fund, and to seeing that any remaining shortfall was fully financed.

In 2005, following the Gleneagles Summit and thanks

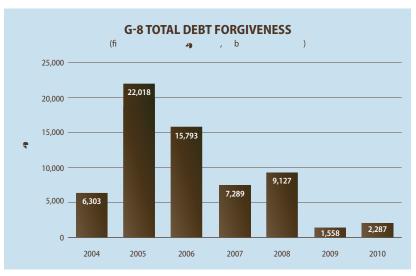
in large measure to the influence of G-8 leaders, the Multilateral Debt Relief Initiative (MDRI) was created. An extension of the HIPC initiative, the MDRI offers 100 percent cancellation of debts of eligible HIPCs owed to the IMF, the World Bank and the African Development Fund.

Since 1999, the G-8 has collectively forgiven at least 90 percent of the debt owed to G-8 members by every developing country to complete the HIPC process. Most G-8 members have cancelled 100 percent of the debt owed to them by such countries. Over time, as many HIPC-eligible countries have completed the HIPC process and had their debt can-

celled, the commitment to reserving a significant amount of ODA for debt forgiveness has waned. That said, from 2004 to 2010, the G-8 collectively disbursed \$63 billion in debt forgiveness.



Source: OECD Dataset DAC2a and Russian national ODA data
Notes: Includes bilateral and imputed multilateral ODA.
Only includes Russian ODA to LICs for 2009-2010 (disaggregated Russian ODA data is not available for years prior to 2009; Russian ODA to LICs for years 2004-2008 is estimated at 50 percent total ODA).



Source: OECD Dataset DAC2a

Notes: Russian national ODA data not included. Since 2005, Russia has cancelled the debts of African countries in the amount of \$11.3 billion.

#### **G-8 AND AID EFFECTIVENESS**

# **Increasing the Quality of Development Assistance**

For over a decade, the international development community has worked together to identify and implement aid-effectiveness principles intended to improve the quality of development cooperation. Improved development cooperation accelerates efforts to reduce poverty, spur economic growth, build capacity and achieve the MDGs. Starting with the Monterrey Consensus in 2002, the world's donors have periodically gathered to discuss financing for development and for periodic High-Level Fora on Aid Effectiveness. These fora led to the Paris Declaration on Aid Effectiveness in 2005, the Accra Agenda for Action in 2008 and the Busan Partnership for Effective Development Cooperation in 2011.

While not alone in endorsing the aid-effectiveness agenda, G-8 members have done a great deal to implement their commitments to these principles, and have strongly supported this agenda within the international community. At the 2009 L'Aquila Summit, the G-8 collectively affirmed the importance of implementing aid-effectiveness principles, which are reflected in the approach outlined in the L'Aquila Food Security Initiative. The G-8 also acknowledged the likely repercussions of the global financial crisis on development assistance. With global growth for ODA levels leveling off or dipping in the near term, the quality of development assistance and a collective commitment to fully adopt aid-effective principles is more important than ever.

# Effective Aid and Effective Development Cooperation

Building on the inclusion of civil society organizations at Accra in 2008, G-8 members and other development actors pushed to make the Fourth High-Level Forum on Aid Effectiveness (HLF4) as inclusive as possible. For the first time, non-governmental organizations and emerging economies participated directly in negotiating the forum's outcomes, and the private sector contributed at a higher level than ever before. Held in Busan, Republic of Korea, in late 2011, HLF4 resulted in an agreement to establish a new Global Partnership for Effective Development Cooperation, which deepened the Paris and Accra

commitments to ownership, results, inclusive development partnerships and transparency and accountability by focusing on implementation mechanisms and country-led activities.

An additional outcome from this more inclusive forum was recognition that ODA represents a share of the overall financing need to achieve sustainable development outcomes, and that other forms of development finance serve a critical a role in building toward sustainable development. Increasing the effectiveness of development and, particularly, harnessing the catalytic potential of public investment, should be the goal of the development community.

At the conclusion of the forum, G-8 members joined with other donors, emerging economies, developing countries, multilateral organizations, civil society organizations and the private sector in committing to support an inclusive development agenda based on common goals and shared principles.

In June of this year, the Working Party on Aid Effectiveness is expected to decide on a new country-focused aid architecture that emphasizes country-level ownership and streamlines bureaucratic processes. This new global partnership will also include a monitoring system for tracking the implementation of Busan commitments.

# BUSAN PARTNERSHIP FOR EFFECTIVE DEVELOPMENT COOPERATION

We can and must improve and accelerate our efforts. We commit to modernize, deepen and broaden our co-operation, involving state and non-state actors that wish to shape an agenda that has until recently been dominated by a narrower group of development actors. In Busan, we forge a *new global development partnership* that embraces diversity and recognizes the distinct roles that all stakeholders in co-operation can play to support development. (Paragraph 7)

#### **Focus on Results**

Development interventions should set measurable and realistic targets that speak to impact, outcomes, and outputs, and ensure that these targets are well aligned with host country priorities and plans. Where possible, these targets should be harmonized with those of other development partners to allow for more systematic measurement of progress. Moreover program and collective targets should be monitored and evaluated routinely, and the results soon shared with governments and development partners working towards shared sector goals and objectives, including challenges and best practice solutions. Doing so will allow donors and developing countries to identify and eliminate ineffective programs, enabling those resources to be devoted to development that is achieving results.

The 2011 OECD Monitoring Survey noted substantial progress in that higher quality results-oriented frameworks are in place in many countries. G-8 members and other development actors have made progress, increasing alignment with host country development strategies and devoting more resources to evaluating the impact of development programs.

## **Country-level Ownership**

Development cooperation is at its most successful and sustainable when it is led by developing-country actors. Increasing the capacity of host-country institutions is a necessary prerequisite to enabling developing countries to play that leadership role.

Since the Paris Declaration in 2005, the OECD has tracked the implementation of aid-effectiveness principles. In 2011, the OECD released the results of the most recent survey on monitoring the implementation of the Paris Declaration. The results of that survey, published as *Aid Effectiveness 2005-10: Progress in Implementing the Paris Declaration*, found that while significantly more developing countries have national development strategies in place, only 37 percent of those strategies received a rating of "A" or "B" on a five-point scale. The OECD survey also found that while donors are helping build the capacity of host-country institutions by increasing their use of partner-country systems, they are not systematically or consistently using those systems.

While the G-8 and other donors are working with developing-country actors to build capacity and align aid with host-country development priorities, much work needs to be done to support ownership by developing-country actors, and to increase the use of implementing approaches that are tailored to country-specific situations and needs. Developing countries play a key role in encouraging donors, including emerging donors, to implement effective development cooperation principles and commitments.

# **Inclusive Development Partnerships**

To accelerate and achieve sustainable growth and development in developing countries, the international community must support, and perhaps at times encourage, host-government efforts to engage the private sector, civil society, communities and other key stakeholders around development priorities. ODA can play a catalytic role in this regard, helping to build an enabling environment for the private sector and civil society, and incentivizing private-sector investment. The G-8 can lead by facilitating inclusive and innovative partnerships for all development actors at global, regional and national levels.

## Transparency and Accountability

Greater aid transparency gives donors and recipient countries the ability to better understand where and how aid is having the most impact and achieving results. This information allows aid to be programmed more intelligently, thereby increasing the effectiveness of that aid. Increased access to aid information allows developing countries to better account for and predict aid flows, and plan national budgets; donors to identify assistance gaps

# **RUSSIA REPORTING TO THE OECD-DAC**

The Russian ODA reporting system, including the data for the G-8 accountability reports, has been formulated using internationally accepted principles and reflects the OECD-DAC methodology. Russia first reported on 2010 ODA flows to the OECD-DAC as a non-DAC member in November 2011. Starting in 2011, Russia will report on ODA to the OECD on a regular basis. This step reflects Russia's commitment to enhanced aid transparency and comparability as a whole.

and better coordinate financing and resources; and the public, in both donor and developing countries, to hold recipient countries and development actors accountable for meeting their commitments and achieving results.

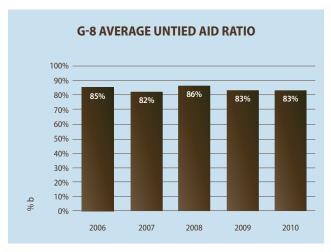
G-8 members are making marked progress toward meeting their commitment to improve the availability and accessibility of information on development cooperation and aid resources, including through publication of reports like this one. At Busan, the international community agreed to establish by December 2012, and implement by 2015, a common, open standard for electronic publication of information on development-cooperation resources, taking into account the statistical reporting of the OECD-DAC and the complementary efforts of the International Aid Transparency Initiative (IATI) and others. Five G-8 members are signatories to IATI, and others who use the OECD or other reporting systems are exploring other opportunities for increasing access to and usefulness of their international assistance information.<sup>14</sup>

There are a number of ongoing efforts supported by G-8 members to develop shared program data and geocoding, i.e. mapping, resources that could be used for coordination, assessment and research.

# **Untying Aid**

Untying aid refers to the removal of legal and other barriers that restrict competition for ODA-financed procurement. Therefore, aid-funded procurements that are open to all bidders are considered untied. While untying aid is not one of the specific shared principles coming out of HLF4, untying aid can increase the effectiveness of ODA by reducing transaction costs, increasing transparency and giving host countries the opportunity to participate more fully in local development cooperation.

Some G-8 members have either fully untied their aid or have a clear plan for untying additional aid, and most G-8 members have surpassed the OECD-DAC weighted average of 86 percent untied aid.<sup>15</sup>



Source: OECD Dataset DAC7b

Notes: Russian national ODA data is not included as Russia is not an
OECD-DAC member.

#### **FINDINGS**

- In 2011, the G-8 provided over \$92 billion in ODA, representing 69 percent of total OECD-DAC ODA (current dollars).
- The number of non-DAC donors and the amount of aid they are providing is growing. ODA from non-DAC donors reporting to the OECD doubled from 2004 to 2010.
- The global economic downturn is impacting aid flows, and will likely constrain ODA growth in the near term. OECD-DAC ODA in 2011 dropped 2.7 percent in real terms from 2004 to 2010.
- ODA has the potential to have much greater impact when aid effectiveness principles are fully employed. HLF4 highlighted the importance of focusing on development effectiveness and reaffirmed the critical importance of results, ownership, inclusiveness, and transparency and accountability to making development cooperation effective and sustainable. As donor budgets are pressured, aid effectiveness and the use of aid effectiveness principles will play a more prominent role in realizing greater development impact.

#### **Endnotes**

- <sup>1</sup> In constant 2004 dollars, total OECD-DAC ODA increased by \$29.5 billion between 2004 and 2010.
- <sup>2</sup> Constant 2004 figures for Russia have been computed using the OECD deflator for total DAC.
- In current dollars; constant 2004 figures are unavailable for non-DAC donors.
- <sup>4</sup> Total G-8 ODA increased by 4.1 percent from 2010 to 2011 in current dollars, but likewise fell in real terms by nearly 1 percent.
- OECD, Aid to Developing Countries Falls Because of Global Recession, April 4, 2012.
- Constant 2004 figures are currently not available from the OECD. The figures in this table have been calculated using OECD-DAC deflators for each G-8 member. OECD-DAC deflators adjust for both price and exchange-rate changes. Constant 2004 figures are calculated by dividing the current-year figure by the 2004 deflator ratio (current year deflator divided by 2004 deflator) for each country as reported by the OECD. Because OECD deflators for 2011 are not yet available through the OECD data system, constant 2004 figures for 2011 ODA have been calculated using the constant 2010 figure for 2011 ODA, as reported by the OECD.
- Based on commitments made at the Gleneagles Summit, members of the international community projected an increase in annual ODA to Africa of \$25 billion from 2004 to 2010.
- OECD Dataset DAC2a, ODA disbursements by recipient (includes imputed multilateral ODA), current dollars.
- Source: OECD, Aid to Developing Countries Falls Because of Global Recession, April 4, 2012 (excludes imputed multilateral ODA).
- <sup>10</sup> Figures in Table 3A and 3B are for all of Africa, i.e. sub-Saharan Africa and the Maghreb countries.
- <sup>11</sup> Please see Table 2 for U.S. figures for sub-Saharan Africa.
- <sup>12</sup> Constant 2004 figures are currently not available from the OECD. The figures in this table have been calculated using OECD-DAC deflators for each G-8 member. OECD-DAC deflators adjust for both price and exchange rate changes.
- 13 Includes imputed multilateral ODA.
- Starting in 2011, Russia will report ODA statistics to the OECD as a non-DAC member, a significant step in enhancing G-8 aid transparency and comparability.
- 15 2009 OECD weighted average.

# Annex 2: Health-Related G-8 Commitments Since 2005

EALTH COMMITI						SUMMIT
lealth Financing	and Strengthen			\$60 b	<u> </u>	2007;
f	р	<b>f</b> p	р	300 D	ı	′A 2009
2008 fi	2009, <b>f</b>		, k	\$60 2012).	b	
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k <b>f</b>	k k ) -p p	, р	p b	,		
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IV/AIDS						
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olio		<b>f</b> p -	n	2006-2008		2005
pp		<b>f</b> p -	р \$829	,	b	2003
lalaria k Af		р		85 p <b>f</b>	b	2005;
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p <b>ff</b> fi -	p ,	p 100	ţ	b	-	kk - k 2008
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uberculosis	b p l	, 2006-2	2015			. b 2006
pp leasles	μ .	, 2000-2	2013.			. b 2006
k		b <b>f</b>	-	, p		. b 2006
o <b>f</b>						

# Annex 3: Detailed Disbursement Updates For Muskoka Commitments

Donor	Muskoka MNCH Financial Commitment	Time Frame	Scope	Muskoka MNCH Disbursement Update (2010 and 2011)
С	CA\$1.1 b	2010-11 2014-15	b	CA\$368 (fi p b f )
	500	2011-2015	p : 25	pp
	400	2010-2015	p , , ,	b fi b f2010 fl p f ' k k .  2011, p pp ( k k -     b ) p . fl f 72 2008,     b fi .  C p p p  -B 2011.  b 343.6  2010, 41 b 2008 b fi k p , p p C .

Donor	Muskoka MNCH Financial Commitment	Time Frame	Scope	Muskoka MNCH Disbursement Update (2010 and 2011)
	\$75	2011-2015	b ,p -p ,  p	f .  A f  b 2011,\$145.57  b 2011 f f C .
<b>4</b> p	\$ 50 b - (\$500 f )	2011-2015	pp	\$35 fi p ,b 4gAC f 2011 fl .
	\$75	2011-2015	b f b f /A 4 p, , , p f f p pp f p f f f p b f	\$22.5
	2.1 b - (\$3.4 b f )  fi b k k )	2010-2015	p f 50,000 p b , f b b b b 10 p ff p fi (2011-15).	2010 b 744 (\$1,149.2 ) b -8 k k . p 352 2008 b f 392 . 2011 (294 ) k b .4 fi fi b p b . 6 .
	\$980 *	2010 2011	fb p , (p 89 p f ) f p .	\$980
	A f	<b>f</b> p p <b>f</b> p		
р	\$70 ( 50 )	2010-2013	4) 4 5	A 15 b 2011. : 15 b 2013; 10 A 2012-13; 280 4 4 5 b f 2015.

