

**APRIL 2006: UK GOVERNMENT NEWS REPORT**  
JICA UK OFFICE

Sources:

- Department for International Development (DFID) website: <http://www.dfid.gov.uk/>
- Foreign and Commonwealth Office (FCO) website: <http://www.fco.gov.uk/>
- HM Treasury website: <http://www.hm-treasury.gov.uk/>
- 10 Downing Street website (PM's speeches): <http://www.number-10.gov.uk/>

**NEWS**

20 April 2006

An **article** by **Hilary Benn** on the **need for tough action against corruption** was published in FT.com (website of the **Financial Times** newspaper). In this he outlined that at the World Bank Spring Meeting on Saturday 22nd April, he would be calling for a new international framework for tough, effective and consistent action to tackle corruption, not least because of the shared responsibility to ensure that the extra resources from debt cancellation and from increased aid, genuinely go to help the poor.

- Full article: <http://www.dfid.gov.uk/news/files/corruption-action.asp>

20 April 2006

The **report** from the **recent Asia 2015 Conference** was **published**. It provides a summary of discussions and central outcomes from the two-day event, held in March 2006 at Lancaster House in London. Opened by the Prime Minister of Pakistan, Shaukat Aziz, and UK PM Tony Blair MP, Asia 2015 was co-hosted by DFID, the Asian Development Bank (ADB), and the World Bank, and attended by more than 150 participants from across Asia. The report highlights that participants:

- examined potential challenges to Asia's capacity to maintain high rates of growth while continuing to move millions out of extreme poverty
- concluded that aid was still important, but should be based on more mature relationships in future
- agreed that there was a significant non-aid story: one which involves a range of strategic partnerships to meet emerging global and regional challenges, based on shared responsibility and mutual commitments.

The outcomes of Asia 2015 are intended to assist participants at the Asian Development Bank Annual Meeting in Hyderabad, India, in May 2006, and at the 2006 Annual Meetings of the International Monetary Fund and the World Bank in Singapore in September.

- Conference website: [www.asia2015conference.org](http://www.asia2015conference.org)

18 April 2006

**Sue Owen** will **join** the **DFID Senior Management team** as **Director General for Corporate Performance** on 18 April. Sue has had a distinguished career in academia, at the Treasury, and as Counsellor (Economic) in Britain's Washington Embassy. Sue takes over from Mark Lowcock, who starts in his new role as Director General for Policy and International from the same date.

18 April 2006

The **latest edition** of **DFID's annual report to Parliament** on its **work with the World Bank** is now available. 2005 was a special year in the fight against poverty and also a special year for the UK's work with the World Bank:

- DFID helped secure a huge increase in the volume of aid the Bank will give to the poorest countries;
- DFID brokered a historic debt deal that will write off 100% of the debt owed by the Heavily Indebted Poor Countries to the Bank;
- DFID persuaded the Bank to step up the pace of its work in Africa with a new Africa Action Plan;
- and DFID convinced the Bank to review its use of conditionality, leading to a set of good practice principles which reflect the spirit of the UK's own policy.
- The UK and the World Bank 2005: <http://www.dfid.gov.uk/pubs/files/uk-worldbank-2005.pdf>

7 April 2006

The **UK** has **adopted a policy of not actively looking for healthcare workers in deprived countries** to staff the National Health Service (NHS). A list of countries, including all those in sub-Saharan African, has been drawn up by DFID and the Department of Health, to ensure the NHS does not "poach" doctors and nurses that are needed elsewhere. In addition, the Department of Health has secured a groundbreaking agreement for this code to apply to many private healthcare providers so they too do not recruit staff from the world's poorest countries.

- Department of Health press release: [http://www.dh.gov.uk/PublicationsAndStatistics/PressReleases/PressReleasesNotices/fs/en?CONTENT\\_ID=4133545&chk=GlgDtl](http://www.dh.gov.uk/PublicationsAndStatistics/PressReleases/PressReleasesNotices/fs/en?CONTENT_ID=4133545&chk=GlgDtl)

## PRESS RELEASES

25 April 2006

DFID will provide **£15 million** (\$26.78 million) in **support for Palestinian refugees**. The funding will be made available immediately to the **United Nations Relief and Works Agency (UNRWA)**, which provides basic services for Palestinian refugees in the occupied Palestinian territories and elsewhere in the Middle East. Over the last ten years, DFID has provided a total of £156 million for UNRWA's overall programme. £10.7 million of which has been for projects we have designed with UNRWA and £38.5 million has been for UNRWA's emergency appeal.

21 April 2006

An **additional £100 million** (\$170 million) from the UK **over the next two years was announced** to help ensure faster progress towards the Millennium Development Goal of getting every child in the world into primary school by 2015. The £100 million will help fill nearly a quarter of the current funding gap in the **Fast Track Initiative (FTI) for education**, a global partnership between donors and developing countries. This support will be additional to the £50 million from the UK for the FTI announced in 2005. The money will go to support both the preparation and implementation of plans by developing countries to get more of their children into school.

Launched in 2002, the FTI encourages donors to work together to provide more effective aid for education in support of plans prepared by the countries themselves. 54 low-income countries currently receive financial and/or technical support through the FTI. 40 more countries are expected to join the FTI by 2008, enabling the FTI to help enrol more than 70 million out-of-school children by 2008. The FTI currently provides financial support to: Burkina Faso, Djibouti, Ethiopia, the Gambia, Ghana, Guinea, Guyana, Honduras, Kenya, Lesotho, Madagascar, Mauritania, Moldova, Mozambique, Nicaragua, Niger, Tajikistan, Timor Leste, Vietnam and Yemen. The financing gap for the FTI Catalytic Fund for 2006 is \$305 million and in 2007 will be \$408 million. The UK's contribution of an additional £100 million (\$170m) over the next two years will cover nearly a quarter of this funding gap.

12 April 2006

**Eight international development organisations** are to **share at least £40m new Government funding over five years**, increasing DFID's spend on partnership working arrangements with NGOs by more than 10%, to almost £90m annually.

The eight new partner organisations are: World Vision; Plan UK; International Institute for Environment & Development; Transparency International; One World Action; Aga Khan Foundation; Islamic Relief; Ethical Trading Initiative.

Each organisation will receive between £0.5m and £2m annually until 2011, having set out as part of the process of applying for the money how they will spend it.

Projects and activities planned will complement and extend work around the world that DFID is already supporting through existing partnership arrangements with 18 other NGOs.

Each of the new partnership organisations has received DFID funding previously, but this has been project-specific.

The partnership grants, known as Partnership Programme Agreements (PPAs), form part of DFID's efforts to achieve the internationally-agreed Millennium Development Goals – including reducing poverty and hunger, combating HIV/AIDS, improving access to education and health services particularly for girls and women, protecting the environment and natural resources and making international trade fairer – by 2015.

There are 18 existing PPA recipients. They are:

ActionAid; CAFOD; Care International UK; PANOS; Christian Aid; OXFAM; Save The Children UK; VSO; WWF UK; International Service; Overseas Development Institute (ODI); Progressio (formerly CIIR); Skillshare International; ADD; Practical Action (formerly ITDG); International HIV/AIDS Alliance; HelpAge International; WaterAid

- More details about DFID's PPA scheme:

<http://www.dfid.gov.uk/aboutdfid/DFIDwork/ppas/partnerprogagreements.asp>

12 April 2006

DFID has given **£22 million** to the **UN Children's Fund (UNICEF)** in **Zimbabwe** in a bid to improve the plight of orphans and vulnerable children across the country. The funding will **help deliver a national plan of action for orphans and vulnerable children**.

The funds will go towards:

- Increasing school enrolment of orphans and vulnerable children
- Family and community support
- School nutrition programmes
- Increasing the number of children with birth certificates
- Increasing access to food, health services, water and sanitation
- Reducing the number of children living outside a family environment.
- Reducing physical abuse of orphans

All money to Zimbabwe from the UK government goes through UN agencies and Non-Governmental Organisations. The funds from DFID, in addition to £2m given to UNICEF last year, will be distributed over four years.

11 April 2006

A **boost for DFID's Global School Partnerships (GSP) Programme, more than doubling funding to £7.5 million over three years** was announced. The programme **funds teacher exchanges** to increase engagement by UK schools with teachers and students across the developing world and raise awareness of development issues.

The Global School Partnerships programme was created in 2003. It is currently managed by a consortium led by the British Council, with the Cambridge Education Foundation, UK One World Linking Association and Voluntary Services Overseas as partners. The programme currently receives £3.2 million in funding over three years (2003-2005). It gives two types of grants: Reciprocal Visit Grants, up to £1500 in value to help send teachers to visit each other's school and establish and develop a partnership; and Global Curriculum Project Grants, up to £4500 annually over a three year period for curriculum development and reciprocal visits for two

teachers. For secondary schools and sixth form colleges an additional £1500 is available for one student to take part in a visit. In its first three years the programme has given out 266 grants (193 Reciprocal Visit Grants and 73 Global Curriculum Grants) involving 370 UK schools with a similar number benefiting in the developing world. The new funding of £7.5 million over three years aims to increase the number of grants to 250 in 2006-07, 350 in 07-08 and 500 in 08-09, totalling 1100 and involving another 1500 schools in the programme.

10 April 2006

Chancellor of the Exchequer, Gordon Brown, and Secretary of State for International Development, Hilary Benn, committed today that the **UK Government** would spend **at least \$15 billion**, or £8.5 billion, on **aid for education** over the **next ten years**. For the first time, the UK Government will enter into 10 year agreements with poor countries to finance 10 year education plans – locking in the long-term commitment vital to delivering high quality education for all. This £8.5 billion commitment compares to a figure of less than £2 billion over the last 10 years. A pamphlet was also launched, 'Keeping promises: delivering education for all' setting out the challenge of getting every child in every continent into school and the importance of keeping the promises that were made in 2005.

DFID's total planned spending on education over the three year period 2005-06 to 2007-08 is £1.4 billion. DFID will spend at least £8.5 billion over the period 2006-07 to 2015-16. This compares with a figure of less than £2 billion over the period 1995-96 to 2004-05.

- Keeping promises: delivering education for all: <http://www.dfid.gov.uk/pubs/files/education-delivering-promises.pdf>

4 April 2006

The **Global Fund for Aids, TB and Malaria** agreed a **new partnership** with **DFID** which will **strengthen joint working** between the two organizations in **Mozambique**. The Global Fund to Fight AIDS, Tuberculosis and Malaria and DFID have agreed to appoint a Health and HIV/AIDS Adviser to step up advice, monitoring and liaison between DFID, the Global Fund and Mozambican health authorities. The collaboration will ensure that the Global Fund, as a major financier of the health sector of Mozambique, is kept informed and can provide policy inputs whilst having no staff of its own present in the country.

The position will be fully funded by DFID and report to the Head of Office of DFID Mozambique, but will work in close consultation with grant management staff of the Global Fund. The Adviser will function as a focal point for Global Fund partners in Mozambique, while management of the Global Fund grants will continue to be the full responsibility of Global Fund staff in Geneva.

The Global Fund provides funding directly to the health sector in Mozambique through a multi-donor financing mechanism, or 'common fund', of which DFID is also a member. Policy dialogue will take place through the multi-donor working group. Providing funding and technical advice through these channels helps to strengthen national planning and coordination and reduces administrative burden.

The Global Fund has awarded four grants to Mozambique, with a combined commitment of US\$51 million over two years. The total five year value of these grants is US\$153 million.

## SPEECHES

26 April 2006

### **China and international action**

Jack Straw, Foreign Secretary, Smith Institute Seminar, London

The re-emergence of a country the size of China has, of course, hugely diverse and complex ramifications. But the core interests of the international community – and, I suggest, of China itself – are in fact relatively simple. As China's weight builds and its impact around the globe gets

deeper, we have a greater and greater interest in the kind of international actor that China is becoming. And we have a greater and greater interest in its continuing economic success.

We can define our objectives, I suggest, as follows: externally, we want China to work together with its key Western partners as a responsible and leading member of the international community, strengthening the international norms and systems which protect our vital interests, and dealing with the common challenges of this century; and internally, we want China to pursue progressive political and economic reforms which should enable it successfully to manage the risks of its extremely rapid development.

First, what do I mean by a responsible and leading member of the international community? In basic terms, it is a leading country which defines its interests broadly, as being served through sustaining the integrity of the overall international system, rather than narrowly, as being served by securing short-term bilateral advantage. It is a partner which plays by the rules of global business; contributes to international security and stability; looks for co-operative and market-oriented ways to secure energy supplies; and works with others to promote sustainable development and good governance around the globe. There are other areas too where, as China's economic and political impact round the globe is increasing, so are the responsibilities of international stewardship which it shares with other leading countries.

Take Africa, for example. China's outward Foreign Direct Investment is currently a small proportion of total global outward investment – about two per cent – but this figure is rising fast. China has set up more than 700 companies in 49 countries across Africa. To secure the raw materials and energy supplies which its growing economy demands, China has cultivated deep financial, trade and investment ties with a wide variety of governments in Africa, some of which have deplorable records on human rights and governance. This gives China the opportunity to wield significant influence in Africa in support of vital international goals: promoting sustainable development; improving governance and reducing poverty; promoting transparent and socially responsible business practices. China shares with us a deep, long-term interest in embedding good governance and rule of law around the developing world, because good governments are the basis of a stable international system which protects investment and ensures continued growth; and because ending poverty and achieving the Millennium Development Goals matter enormously to all of us. So I look forward to working more closely with Chinese partners on the challenges of the developing world, including serious problem cases like Zimbabwe, Sudan and Burma, countries where China now has the clout to make a real difference. As I said, it's in our shared interest as leading members of the international community to do so. And it is important for those Western public perceptions of China I mentioned earlier – people will pay increasingly close attention to China's profile in the developing world, and they will be reassured to see China working with us to achieve vital international goals.

The second of my points concerns the way in which China will manage the risks of its own rapid development. The stark truth is that China has become such an integral part of the global economic landscape that were it to fail in this area, the consequences for all of us would be severe. So, whether welcome or not, there is always going to be a great deal of interest in China's economic policies and progress. We need and want China to succeed. We need and want China to maintain political stability and to continue stable and sustainable growth.

I don't underestimate for a second what they have already achieved. But huge challenges remain for China's leaders. China's leaders understand these problems all too well. Their new emphasis on 'harmonious' development, designed to narrow disparities and promote more sustainable development, attests to their efforts to tackle them. But there is perhaps a natural tendency to fear that, while economic reform continues, allowing parallel political reform will lead to fragmentation and instability. Whereas, I suggest, the opposite is true. Freedom of expression and the rule of law are fundamental, in my judgement, to long-term economic success. Overall, wider political participation, freedom of expression, and rule of law are a force for stability rather than fragmentation.

20 April 2006

**Speech, to United Nations Ambassadors, New York**

Gordon Brown, Chancellor of the Exchequer

It may seem surprising for me as a minister concerned with the economy to make the theme of my speech here today the environment. But environmental priorities - including climate change - have all too often been compartmentalised away from economic priorities. Far from being at odds with each other, our economic objectives and our environmental objectives now increasingly reinforce each other. The new synthesis we need is that economic growth, social justice and environmental care advance best when they all advance together.

This imperative applies most strongly of all to the greatest of the environmental challenges we face, that of climate change. This is why last year, I asked Sir Nicholas Stern - former Chief Economist at the World Bank and Head of the British Government Economic Service - to report on the economics of climate change. And what his initial findings suggest is that the risks of climate change will not be evenly spread, but will hit poorest countries most, making the issue of climate change one of justice as much as economic development: a problem whose causes are led by industrialised countries but whose effects will disproportionately fall on developing countries - most recently drought in the Sahel and the Horn of Africa.

And because we have to spend \$6 billion of aid simply to respond to this humanitarian crisis, resources are being diverted to tackling the short-term consequences of environmental change and away from dealing with the causes of underdevelopment and environmental neglect. So it is not surprising and indeed it is right that anti poverty campaigners have taken up the environmental as well as poverty challenge. Round the world, as they know, it is the poorest - those who depend most upon the natural world for their survival, and those with the fewest resources to buy their way out of unhealthy environments - that suffer the most.

So we must start from the profound truths: that economic development in poor countries is going to take place in the context of a changing climate, that underdevelopment and environmental neglect go hand in hand, that future development strategies are going to have to adapt to meet this new twin challenge. This is not a question of making climate change a priority over poverty reduction it is ensuring that policies for growth offer the technological advance and necessary resources to overcome both poverty and underdevelopment and environmental neglect.

Climate change is therefore a global problem. And it requires a global solution. This is not say that countries do not individually have a responsibility to act. We do. And we will.

In Britain, our voluntary carbon scheme, with more than 30 companies, helped reduce carbon emissions by more than 1.6 million tonnes. And the City of London is now a global centre for carbon trading. And now in Europe, we have adopted a scheme that will cut emissions across all 25 Member States. And Britain is now proposing to extend and strengthen the European scheme beyond 2012. By matching it with an extension of the Clean Development Mechanism beyond 2012 - our aim is for it to support investment not just in Europe, but in developing countries. And we will examine how we can guarantee a continued market for carbon credits up to and beyond 2012. And by linking it with other initiatives now being developed across the world from states in America and Australia to countries such as Canada and South Korea - our aim is for it to become the driver for a deep, liquid and long term global carbon trading system. Our ultimate goal must be a global carbon market.

Europe's environmental research funding is the basis for a new partnership with China on virtually zero carbon coal emissions. A global consensus for environmental change can only be secured if all countries can share in the benefits from action to address it. For this to happen, developed countries must be prepared to support, with public investment, through grants or loans, developing countries in their efforts. And we have a special responsibility to help the poorest countries to adapt to climate change and to invest in climate-friendly energy production and

energy efficiency to ensure that all the Millennium Development Goals are met - not at the cost of economic growth, but to achieve it. Indeed new alternative energy technologies not only offer the possibility of meeting Africa's growing needs; but also the potential of new exports to the rest of the world.

And when I was in Africa last week, Britain began discussions with Mozambique and South Africa on a new partnership with Brazil - today the world's largest producer of renewable biofuels - on how southern Africa could become a leader in biofuels production as well. Yet globally there is an estimated \$60 billion annual shortfall in energy investment in developing countries. So at the G8 meeting in Gleneagles in Scotland last year, Britain proposed a new global energy investment framework. The aim of the framework is to remove the barriers that prevent investment, by developing new financing mechanisms which leverage private and public finance from both within and outside developing countries. And in Washington tomorrow, I will propose a new public-private partnership, a World Bank led facility, a \$20 billion fund for developing economies to invest in alternative sources of energy and greater energy efficiency. I believe it is by providing in these ways for a flow of public and private investment funds for developing countries that we will be able to bring these countries into the global consensus on climate change that I am calling for today.

10 April 2006

**Remarks made during visit to Mozambique – Keeping our promises: delivering education for all**

Gordon Brown, Chancellor of the Exchequer

At the invitation of President Guebuza, President Mandela will launch a new initiative in Mozambique this week with the Finance Ministers of Nigeria and South Africa, and Hilary Benn and I that is about delivering one of the greatest rights of all - the right to education.

President Mandela has said that his long walk is not over. Having climbed one mountain - freedom from apartheid - he wants to climb another mountain: freedom from poverty. And if this generation could achieve universal free education for every child, universal healthcare for every family, it will go down as the greatest generation. So what should we do now ?

Already through the World Bank's Fast Track Initiative countries like ours - through Hilary Benn's leadership - are providing increased financial aid to support education in poor countries. But progress has not been fast enough. In Washington next week I will ask the G8 to take immediate action to plug the initiative's current funding gap, with Britain committing to its share. But we must offer more.

To enable poorest countries to put in place the plans to provide free education to every child, and not just for one year but for every year – the richest countries must keep the 2005 promises on aid and provide the long term funding necessary to finance them. And in Mozambique this week Hilary Benn and I will set out Britain's commitment. For the first time Britain will enter into 10 year agreements with poor countries to finance their 10 year education plans – locking in the long-term commitment vital to delivering high quality education for all. In total Britain will commit at least \$15 billion over the next ten years - four times as much as the \$3.5 billion of the previous ten years. And we call on other rich countries to follow.

So throughout 2006 and 2007 'education for all' should not just be a slogan. It should become a global cause around which the world can unite that affirms our dignity as human beings - that no matter your birth or background, every child in every part of the world should have the chance to realise their potential, to bridge the gap between what they are and what they have it in themselves to become, and so to enrich the world.

10 April 2006

**Remarks made during visit to Mozambique – climate change and development**

Gordon Brown, Chancellor of the Exchequer

There is now overwhelming evidence of the environmental risk caused by human activity, from climate change. This is a global problem that needs a global response: no region will remain unaffected. Climate change is an issue of justice as much of economic development. It is a problem caused by the industrialised countries, whose effects will disproportionately fall on developing countries.

In 2003 at Evian in France, the G8 made a commitment to strengthen international cooperation on observing climate change. In 2005 at Gleneagles the G8 then agreed to expand the Global Climate Observation System by strengthening observatories and research in Africa to develop for the first a fully operational network of climate centres across the continent. Now today Hilary Benn and I are announcing that Britain is providing new funds to help make this a reality. And I call on other countries to join us. Britain will also support this with a major initiative in Africa to support research on the impact of climate change. Today Britain, Mozambique and South Africa have begun discussions on how we can work with Brazil to develop a new partnership to encourage private sector investment for bioethanol production in Mozambique and across southern Africa.

10 April 2006

**Remarks made during visit to Mozambique on transparency**

Gordon Brown, Chancellor of the Exchequer

The deal between developed and developing countries agreed at Gleneagles is grounded in responsibilities that we believe it is to the benefit of all to accept - rich countries and poor countries recognising that they have mutual obligations and indeed responsibilities to each other. All plans from developing countries must be underpinned by the openness, good governance and transparency they have stated is essential for their own development. We must all open our books, be fully transparent and each of us account for our actions for all to see. Just as developed countries must continue to extend openness and transparency alongside increasing aid for development, so this must be matched by openness and transparency in not just some but all developing countries. 10 year plans for education will be based on transparency and clear deliverable outcomes for the funding committed. Countries will be accountable not just to donors but their own people for delivery.