

MAY 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

28 May 2006

A **further £1 million** was **announced** to be made available immediately to **support the victims** of the **Indonesian earthquake**. The £1 million allocation, in addition to the £3 million announced yesterday, is in response to the appeal from the International Federation of Red Cross and Red Crescent Societies. The money will be used by the Indonesian Red Crescent (PMI) to provide emergency relief supplies and services, such as shelter, access to clean water supplies and medical care. DFID will also be sending two members of its emergency operations team, including one health specialist, to support the DFID team already in place in Indonesia. They will continue providing support to the Government of Indonesia in handling the immediate emergency relief work and planning the longer term response to the disaster.

27 May 2006

Up to £3 million has been **made available** to the **UN** and its agencies to **meet urgent needs** they identify in response to the **earthquake in Indonesia**. It is expected that any appeal from the UN will be to help provide emergency relief supplies such as tents, blankets and medical kits. DFID also stands ready to supply emergency items after a needs assessment has been carried out by a joint UN and NGO team. The UK's £3 million is from unspent funds given to the UN following the Asian tsunami in 2004. The redirection of these funds is in recognition of the greater immediate need following the earthquake and will not affect support for tsunami survivors or long-term reconstruction in Indonesia.

10 May 2005

A **joint DFID-Defra action plan to combat illegal fishing** was **launched**. This recognises that illegal fishing is a serious global problem, similar in extent to the international trade in illegal timber, that threatens one of the world's remaining global natural assets. DFID's Renewable Natural Resources and Agriculture team has supported research that shows the worldwide value of illegal catches to be around US\$9 billion a year. While \$1.25 billion of this comes from the high seas, the remainder is taken from the national waters of coastal states. Many losses from illegal fishing are borne by developing countries.

- The UK action plan to combat illegal fishing: <http://www.high-seas.org/>
- Illegal fishing work that DFID sponsors at Chatham House: <http://www.illegal-fishing.info/>

3 May 2006

DFID together with the **UNDP** and the **district authorities** in **Tajikistan** recently **launched** the '**Zarafshan Valley Initiative**', the latest exciting new programme in Tajikistan, which is the poorest country in the Europe and Central Asia region and the least likely to reach the MDGs. The challenges facing people in the Zarafshan valley are great: it's a mountain-locked region with poor roads and lack of market access, numerous natural disasters and a declining agricultural economy. Its population includes some of the most deprived communities in Tajikistan, in terms of service delivery and economic opportunity. Although Zarafshan is one of the poorest regions in Tajikistan, its remoteness and the challenges of working in such a difficult environment has led to it receiving the least amount of international aid. DFID's **new £3.5 million programme** over the **next three years** aims to break the isolation of the Valley, through giving local authorities and civil society the capacity to plan their own future development, manage scarce resources and promote public and private investment. It will contribute to Tajikistan's Poverty Reduction Strategy Paper (PRSP), which includes an emphasis on the development of the country's deprived regions. The objective of the Zarafshan Valley Initiative is to reduce poverty and improve living conditions among the 270,000 inhabitants of

the three isolated districts of the Zarafshan valley: Aini, Penjikent and Mastchoi Kuhi. This will be achieved by:

- setting up information systems for identifying priorities and planning
- improving delivery of public services, and
- enhancing employment opportunities.

A range of activities will be supported, such as:

- capacity building of local authorities and civil society
- disaster mitigation
- establishment of micro finance institution
- advisory services for small business and farms
- investment of remittances in local economy, and
- building communities around peoples' needs.

Each district will produce development plans together with civil society, based on what people believe to be the most important development challenges. Collaborative approaches involving local authorities and communities in planning and maintenance and building partnerships with the private sector will ensure better delivery of public services. In this way, we aim to forge a model development partnership that could be replicated in other regions of Tajikistan.

- Tajikistan country page: <http://www.dfid.gov.uk/countries/asia/tajikistan.asp>
- UNDP in Tajikistan: <http://www.undp.tj/>

PRESS RELEASES

26 May 2006

The **UK** is to **support** a **new scheme** to **safeguard basic health, education and water supply** in **Ethiopia**. In January, the UK along with other donors stopped direct budget support to the Government of Ethiopia as a result of concerns over human rights and governance issues in the country. At the time, Hilary Benn made clear that the UK would work with other donors to find other ways to support the poorest people in Ethiopia, where 80% of people live on less than \$2 a day. The 'protection of basic services' grant is the result of this work. Unlike budget support, the **money** provided will be **earmarked** for spending in **specific sectors**: health, education, water and sanitation, and agriculture, and will be closely monitored.

The **World Bank** yesterday announced that it will provide over **£120 million of funding**, and the **UK** will provide **£94 million over two years**. The Netherlands will also be contributing, and other donors, including the European Commission, Canada, Ireland, Sweden and the African Development Bank are currently considering contributions. The money from the grant will be provided to the 'woredas', or districts, in Ethiopia, and aims to:

- Help get an extra 3.7 million children in primary school over the next two years
 - Provide teacher training, and pay salaries for an additional 160,000 primary school teachers
 - Help pay the salaries of over 16,000 doctors and nurses, provide 6.5 million insecticide treated bednets, 2 million doses of malaria treatment, and contraception for around 3 million women;
 - Give over 20 million people access to clean water, through constructing and rehabilitating wells, and building sanitation facilities;
 - Give about 2 million more poor farmers the help they need, through irrigation, veterinary services and pest control, to not only grow crops for themselves and their family, but also to sell to others.
- This helps the poor to help themselves.

The protection of basic services grant will have strict quarterly reviews to ensure that money is being spent as intended. Release of funding will depend on the success of these reviews. Information will be provided to local communities on how the money is being spent, ensuring financial transparency and accountability. The grant will also provide funds directly to 'civil society' groups – including faith groups, local associations etc – to help them to hold local officials to account for the delivery of basic services. The UK is also providing £30 million this year for the productive safety nets programme in Ethiopia, to help 7 million households that face regular food shortages. The scheme gives the poorest the opportunity to earn predictable cash and food in exchange for work on public projects such as local roads and water schemes.

16 May 2006

The UK Government and the British Council called on **higher education institutions** in the **UK and 25 developing countries** to **bid** for a **share of £15 million of new funding for ways to fight global poverty**. DFID is contributing the funds over seven years to support a range of partnerships that will include Higher Education institutions in the UK and overseas. The new projects will bring together understanding and expertise across the world which will contribute to reducing poverty, promoting science and technology and help meet international targets for providing basic health and education services by 2015. The Development Partnerships in Higher Education (DELPHE) initiative will be managed by the British Council and the Association of Commonwealth Universities will assist by promoting DELPHE through its network of universities and academics around the world.

Institutions which link up will work on initiatives for skills development, knowledge sharing, problem solving research and other activities that will contribute towards achieving the UN Millennium Development Goals. In addition to addressing core areas such as health, education, gender equality, DELPHE will also encourage projects aiming to promote science and technology in Africa and Asia. Partnerships supported under DELPHE will involve at least two HE institutions and there will be particular emphasis on partnerships involving different countries where appropriate. Proposals for projects will have to be led by a partner in one of the 25 bilateral focus countries. These lead partners will be responsible for managing the projects, normally over a three year period. The selection criteria and guidelines will be posted on the British Council website by the beginning of June. Each grant will range from £15,000-£50,000 and successful applicants will be announced in September.

The British Council is the UK's international organisation for educational opportunities and cultural relations. Higher Education Institutions from the following 25 developing countries are eligible to apply for funding:

- Africa: Democratic Republic of Congo (DRC), Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mozambique, Nigeria, Rwanda, Sierra Leone, South Africa, Sudan, Tanzania, Uganda, Zambia and Zimbabwe.
- Asia: Afghanistan, Bangladesh, Cambodia, China, India, Indonesia, Nepal, Pakistan and Vietnam.

16 May 2006

A **multi-million pound research programme** to help the **poorest** in **Africa** cope with the increasing **impact of climate change** was launched by DFID and Canada's International Development Research Centre (IDRC). Many in Africa already face the effects of climate extremes, and are vulnerable to flooding, soil erosion, drought, and crop failure. If these extreme conditions continue to occur more frequently as predicted, the burden will fall heavily on those least able to cope. DFID is investing £24m and IDRC £7.5m in the new, five year multi-national partnership, the Climate Change Adaptation in Africa Programme (CCAA). The programme aims to strengthen research around how African countries and communities can best deal with the expected effects of climate change.

The CCAA aims to significantly improve the capacity of African countries to adapt to climate change in ways that benefit the most vulnerable. Objectives include:

- Strengthening the capacity of African scientists, organizations, decision makers and others to contribute to adaptation to climate change.
- Supporting rural and urban people, particularly the most vulnerable, to adapt through action research.
- Generating a better shared understanding of the findings of scientists and research institutes on climate change.
- Informing policy with good quality science-based knowledge.
- More information on the programme can be found at <http://www.idrc.ca/ccaa>

6 May 2006

Hilary Benn welcomed the Darfur agreement and announced that the UK is giving an **additional £9 million** to the **UN's Common Humanitarian Fund for Sudan**, on top of £40 million already allocated, to help meet the most urgent humanitarian needs in Darfur and elsewhere in Sudan.

3 May 2006

A **new £215 million programme of budget support** for **Mozambique**, which will be provided directly to the budget of the Government of Mozambique (GoM) over the **next five years** was

announced. The money will be used to support the GoM to achieve the goals for poverty reduction and economic growth that it will set out in its new poverty reduction strategy (PARPA II). This level of funding from the UK demonstrates the confidence that the UK has in the Government of Mozambique's ability to sustain, over the next five years, the impressive progress already made in improving the lives of the Mozambican people. The **programme is rolling**. This means that each year DFID will add another year to the programme – so that the Government always has a five year commitment. We are making such a long-term commitment so that the Government can in-turn have the confidence to plan long-term and to enter into long-term commitments for service delivery. But the funding is not un-conditional, we will expect a strong and real impact on the lives of poor people every year. So each year we will, working with the Group of 18 budget support donors, with civil society and with the government, monitor the impact of this financing very carefully. We will also continue to work closely with the Government to help ensure that systems for the control of public finances continue to be strengthened.

The UK is one of the largest donors in Mozambique. DFID's aid framework for 2005/06 is £55 million. Of the £55 million, £35 million (64%) is provided as budget support. In addition to budget support, DFID has large sectoral programmes in health, education, infrastructure and HIV and AIDS. DFID also funds key central reform processes, including public financial management and public sector reform. In addition DFID has a number of programmes with civil society which aim to strengthen voice and accountability.

This is a doubling of DFID budget support compared to its support over the last five years. It will take DFID's annual budget support to nearly £50 million by 2011, accounting for 75% of our annual programme, the highest percentage of any donor to Mozambique.

SPEECHES

22 May 2006

Speech at European Bank for Reconstruction and Development Annual Meeting 2006

Hilary Benn

At the 2004 Annual Meeting, we celebrated eight new countries joining the EU and EBRD's role in helping this to happen. We expect these countries to graduate from EBRD help but, as we continue to celebrate this success story, we cannot stop there because there are new challenges that the Bank is in a very good position to address.

Three challenges strike me in particular:

1. The first is the need for a greater focus on other countries, and in particular in the south and the east, in the Western Balkans, in Central Asia and the Caucasus, countries where transition is, frankly, less well advanced;
2. Secondly, in doing more to ensure that poor people benefit from the reforms that the Bank promotes;
3. And, finally, in helping countries to tackle one of the greatest problems of our time, climate change and energy efficiency.

Underpinning all of this progress and change is governance. As we look around the world at the challenge of development, we have, all of us, come to understand just how important good governance is to making that sustainable change happen; the quality of how we govern and how we are governed, whether it is in politics or in business; the relationship between those who give their consent to government and those who have the responsibility of government, and here the EBRD must lead by example. I welcome, therefore, the further improvements in corporate governance, including the new codes of conduct. The Bank should continue these efforts and ensure that the operation of the Board provides value for money because the EBRD has a key role to play in promoting transparency, and this has been a centrepiece of all its work. There is also more to be done in helping more countries, for example to take up the Extractive Industries Transparency Initiative, an initiative which is starting to have a real impact.