



Poverty targets off-track and in need of action: Caritas and CIDSE statement to the G8

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Caritas Internationalis and CIDSE are the two major Catholic international institutions active in development and emergency response. Our members and partner organisations worldwide are witnesses both to progress and setbacks in development. There is much progress to celebrate but there are too many places where there is deep disappointment at the slow pace of change. We are reminding the leaders of the G8 nations, therefore, of the promises made by the G8 in past summits to provide resources and approve and implement policies that are desperately needed if we are to make progress towards halving global poverty.

The approval of the Millennium Declaration and the adoption of the Millennium Development Goals (MDGs) by the UN General Assembly in 2000 marked a watershed in international development. For the first time the international community agreed the objectives for which they would work together, emphasising outcomes alongside the volume of resources. The 2015 target date for the achievement of the eight MDGs is an unambiguous challenge to political commitment. While the MDGs alone cannot be an adequate response to the vast and complex dimensions of poverty which need to be addressed by increased financial assistance and effective measures to enable domestic mobilisation of resources, they are nevertheless clear goals which, if achieved, will represent an enormous improvement in the lives of the poorest and most vulnerable people in the world.

Catholic Bishops' Conferences from the G8 countries have set out in a letter to their leaders their deep concerns regarding development and climate change and the urgent need for donors to rise to the challenge of providing a response that will bring hope to developing countries and their peoples. This statement, from Caritas Internationalis and CIDSE, which goes into greater detail about what has been promised and what needs to be delivered, should be seen as complementary to the letter from the nine Bishops' Conferences.

Now seven and a half years after the Millennium Declaration we are half way towards the target year of 2015 and it is now clear that too many of the developing countries will fail to achieve the goals. In some cases, at present rates of progress, some countries may have to wait more than a hundred years before the goals are reached. There are a number of causes: some lie with donors, others, more difficult to deal with, lie with developing countries themselves and the apparent inability or unwillingness of their governments to reach out to their poorest citizens. And in too many countries, conflict is setting back development by decades.

The issue that concerns us here is resources, in terms of quantity and quality, and the responsibilities of donor countries. Their leaders have met several times since 2000 and made solemn commitments to provide the resources needed to make the MDGs a reality. Governments of developing countries for their part have committed to ensuring that these resources are put to work in the cause of poverty reduction.

Development Assistance

By 2004 overall global development aid had increased to \$75 billion a year, an improvement over previous years. In 2005 the European Union pledged to achieve a collective target of 0.56% of Gross National Income (GNI) by 2010 and 0.70% by 2015. The G8 Gleneagles Summit in 2005 reiterated these European commitments. Four years later, however, several of the biggest EU donors are very seriously off track. Their development assistance in 2007 was US\$62,095 million (0.40% of GNI), including US\$6,949 million in debt relief grants. Their total aid, net of debt relief (US\$55,146 million), represents 0.36% of GNI.

In the case of the international community as a whole, total global development aid fell by 8.4% in 2007 in comparison with 2006, after a fall of 5.1% between 2005 and 2006. Nevertheless, it is encouraging that at the recent European Council (19/20 June 2008) member states once again reiterated their commitment to the collective targets set in 2005. For this reason we await with impatience member states' indicative targets setting out how exactly they intend to fulfil their commitments.

For G8 member states, the challenge of recovering momentum towards their 2010 targets is enormous. The assumption underlying these commitments, shared by civil society and politicians alike, is that aid can make a real difference to the lives of the poor and is an essential component in any strategy to achieve the MDGs. Indeed, we celebrate the progress that is being made in so many countries because they have governments which are genuinely committed to poverty reduction and have shown that they can make good use of the resources at their disposal.

We regret that we have to write once again, in 2008, to remind donor governments of the promises, made in 2002 and 2005, that remain unfulfilled. There is now a real danger that the Millennium Declaration, a solemn promise made to the world's poor by the international community, and especially its richest members, will be remembered as empty words. This can only fuel the cynicism with which so many people in developing countries already regard rich countries' expressions of concern.

Aid Quality

Nor can we ignore the quality of the resources provided as aid. Whatever the intentions of donors, their assistance will under-perform or even be counter-productive if they impose conditions against the will or without the agreement of the people they are supposed to be helping, if they provide aid tied to procurement from businesses based in their own countries, or if they impose rigid restrictions on what the aid can be used for, without due regard to the pattern of need in the recipient country. We can highlight here how determined advocacy has raised the profile of HIV and AIDS in donor countries and increased the resources to respond to and fight the pandemic. This single-minded focus, however, has meant that in some countries allocations for HIV and AIDS exceed overall public health budgets – and governments are not allowed to use HIV and AIDS monies to address other equally urgent health needs.

Debt Cancellation and Responsible Lending

The G8, notably in its efforts towards reducing the debt burdens of very poor countries, has contributed to freeing up resources for their governments to invest in development. Yet debt, whether old or new, internationally or domestically contracted, still remains a major obstacle for many poor countries. The further cancellation of debt and an international agreement on a framework for responsible lending would play a significant role within a coherent global effort to achieve the MDGs.

Food Crisis

At the same time, the current food crisis threatens to undermine other efforts to achieve the MDGs. Significant changes are needed in global trade policy together with concrete measures to increase investment in agriculture and rural development, focusing on small scale sustainable farming, particularly in developing countries.

The 'War on Terror'

There have been other changes that make the shortfall of aid, debt cancellation and development policy on the whole even more worrying. The so-called 'war on terror' and the conflicts in Iraq and Afghanistan are consuming vastly more resources than development and increasingly colour donors' approaches to development assistance.

Climate Change

We are also now keenly aware of the challenges posed by climate change which was not mentioned in the Millennium Declaration but will have an adverse impact on most of the MDGs. We welcome the international community's concern regarding climate change and the intention to negotiate commitments to reduce the emissions of greenhouse gases into the atmosphere. But once again, this is an issue on which progress will depend on the industrialised nations. They must take a lead by making and fulfilling pledges to make substantial and absolute reductions in their emissions.

The consequences of climate change, erratic patterns of drought and rainfall, and extreme weather events will be felt first and hardest by the poor and vulnerable in developing countries – those who are least responsible for the emissions which are causing climate change. We note too that humanitarian assistance is already taking an increasingly large share of donors' aid and that, as climate change begins to bite, demands for emergency response to climate-related disasters are likely to grow. The danger is that, in order to respond to these new threats, the donor community, rather than finding additional resources to help developing countries respond to emergencies and adapt to climate change, will divert the still inadequate resources pledged to development. For this reason, we urge donor governments to ensure that resources made available to assist developing countries to adapt to climate change are additional to resources for development and poverty reduction and are provided within the framework of the United Nations Framework Convention on Climate Change.

Finally, we wish the G8 leaders well and pray for them and the success of their meetings. We, and the poor of the world, expect nothing less than wisdom, solidarity and far-sightedness as they address the problems of poverty, dangerous climate change and insecurity that threaten our world.

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Caritas Internationalis is the umbrella organization for 162 national Catholic charities providing humanitarian assistance, social services, and integral human development.