



HOUSE OF LORDS

European Union Committee

4th Report of Session 2007–08

**Current
Developments in
European Foreign
Policy: the EU and
Africa**

Report with Evidence

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The Members of the Sub-Committee which carried out this inquiry (Foreign Affairs, Defence and Development Policy, Sub-Committee C) are:

Lord Anderson of Swansea	Lord Lea of Crondall (until November 2007)
Lord Boyce	Lord Roper (Chairman)
Lord Chidgey	Lord Selkirk of Douglas (from November 2007)
Lord Crickhowell	Lord Swinfen
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Lord Jones (from November 2007)	Lord Truscott (from November 2007)

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Oral Evidence

Lord Malloch-Brown, Minister for Africa, Asia and the UN, Foreign and Commonwealth Office;

Mr Marcus Manuel, Director for Pan-African Strategy and Programmes, Department for International Development.

Oral evidence, 8 November 2007 1

NOTE: In the text of the report:

(Q) refers to a question in oral evidence

Current Developments in European Foreign Policy: the EU and Africa

REPORT

1. The Committee asked the Minister for Africa, Asia and the UN, Lord Malloch-Brown, to give evidence on the most recent developments in relations between the European Union and Africa. We thank the Minister for his time.
2. In the Report we make available, for the information of the House, the oral evidence given to Sub-Committee C (Foreign Affairs, Defence and Development Policy) by the Minister for Africa, Asia and the UN, accompanied by Mr Marcus Manuel, Director for Pan-African Strategy and Programmes, Department for International Development, on 8 November 2007.
3. Key topics in the evidence are:
 - The EU-Africa Strategy, Action Plans and the EU's relations with Africa (QQ 1, 4, 12, 20–23, 28);
 - The EU-Africa Summit (8 December 2007) (QQ 1, 3, 6, 10, 12);
 - UK representation at the EU-Africa Summit (QQ 1, 5);
 - Human rights and governance in Africa (QQ 2–4, 6, 12–18)
 - Africa peer review mechanism (QQ 12–16);
 - EU cooperation with the Commonwealth and Non-Governmental Organisations (Q 19);
 - Zimbabwe (QQ 2–4, 6, 8, 9);
 - Sudan—Darfur, Southern Sudan (QQ 4, 8, 37, 38);
 - China's relations with Africa (QQ 6–8);
 - Extractive Industries Transparency Initiative (EITI) (QQ 7, 8);
 - Trade, WTO, and Economic Partnership Agreements (EPAs) (QQ 9–11);
 - African capabilities in peace and security, including peacekeeping and financing of African Union missions (QQ 23–25, 37, 38);
 - Availability of helicopters (QQ 25, 27);
 - Commitments by EU Member States (and Japan) to development aid, including the UK Government record (QQ 29–32);
 - Aid coordination between donor states and effective use of donor funds (QQ 33–36);
 - Monitoring and evaluation of aid from the EU (QQ 35, 36);
 - Climate change, sustainability and population growth (Q 36).

APPENDIX 1: SUB-COMMITTEE C (FOREIGN AFFAIRS, DEFENCE AND DEVELOPMENT POLICY)

The Members of the Sub-Committee which conducted this Inquiry were:

Lord Anderson of Swansea
Lord Boyce
Lord Chidgey
Lord Crickhowell
Lord Hamilton of Epsom
Lord Hannay of Chiswick
Lord Jones (from November 2007)
Lord Lea of Crondall (until November 2007)
Lord Roper (Chairman)
Lord Selkirk of Douglas (from November 2007)
Lord Swinfen
Baroness Symons of Vernham Dean
Lord Tomlinson (until November 2007)
Lord Truscott (from November 2007)

Declaration of Interests

A full list of Members' interests can be found in the Register of Lords Interests:

<http://www.publications.parliament.uk/pa/ld/ldreg.htm>

APPENDIX 2: REPORTS

Recent Reports from the EU Select Committee

Evidence from the Ambassador of the Federal Republic of Germany on the German Presidency (10th Report, Session 2006–07, HL Paper 56)

The Commission's Annual Policy Strategy for 2008 (23rd Report, Session 2006–07, HL Paper 123)

Further Enlargement of the EU: Follow-up Report (24th Report, Session 2006–07, HL Paper 125)

Evidence from the Minister for Europe on the June European Union Council and the 2007 Inter-Governmental Conference (28th Report, Session 2006–07, HL Paper 142)

Evidence from the Ambassador of Portugal on the Priorities of the Portuguese Presidency (29th Report, session 2006–07, HL Paper 143)

The EU Reform Treaty: work in progress (35th Report, Session 2006–07, HL Paper 180)

Annual Report 2007 (36th Report, Session 2006–07, HL Paper 181)

Session 2006–2007 Reports prepared by Sub-Committee C

Current Developments in European Defence Policy (1st Report, HL Paper 17)

Current Developments in European Foreign Policy (16th Report, HL Paper 76)

The EU and the Middle East Peace Process (26th Report, HL Paper 132)

Current Developments in European Foreign Policy: Kosovo (32nd Report, HL Paper 154)

Current Developments in European Defence Policy (34th Report, HL Paper 161)

Current Developments in European Foreign Policy (38th Report, HL Paper 183)

Minutes of Evidence

TAKEN BEFORE THE SELECT COMMITTEE OF THE EUROPEAN UNION
(SUB-COMMITTEE C)

THURSDAY 8 NOVEMBER 2007

Present	Anderson of Swansea, L Crickhowell, L Hannay of Chiswick, L Lea of Crondall, L	Roper, L (Chairman) Swinfen, L Symons of Vernham Dean, B Tomlinson, L
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Examination of Witnesses

Witnesses: LORD MALLOCH-BROWN, a Member of the House, Minister of State for Africa, Asia and the UN, Foreign and Commonwealth Office, and MR MARCUS MANUEL, Director for Pan-African Strategy and Programmes, Department for International Development, examined.

Chairman: Minister and Mr Manuel, thank you very much for coming to meet the Committee today. We have a number of questions on the EU-Africa Strategy. We have been looking at the various instruments and we know that the strategy is going to be considered by the next meeting of the GAERC so we felt it was important that we would be able to have a meeting today and hopefully clear the document for scrutiny so that you would be able to go forward to take it to the GAERC when it meets next week. I am going to ask Lord Crickhowell to ask the first question.

Q1 Lord Crickhowell: When we met, Minister, here in July, I asked Jim Murphy precisely the same question I am going to ask now: “In what ways will the EU-Africa Strategy be a step forward in relation to the current EU relations with Africa?” with the add-on question this time of how will the UK be represented at the EU-Africa Summit in the absence of representation at ministerial level?

Lord Malloch-Brown: Look, on the first one, as you know, some of the same difficulties which have come up in the context of this summit meant that the last time there was an effort to hold a summit it did not happen—which means it is a long time since the EU and Africa have sat down in this kind of summit formula—and, as African leaders are quick to point out to me, during that time a lot else has happened. There have been several top level meetings in China of African leaders; there has been another Japan-TICAD summit with African leaders, so, in a sense, we have some catching up to do in terms of discussing our agenda. The African leaders who still have deep links and affinities and gratitude to us for the current levels of ODA, are as keen as we are to see the relationship refreshed and updated. There are two things to which I would draw your attention. For the first time, in addition to, if you like, the aggregate of

bilateral and internal to Africa issues such as development and governance, in the preparations in the meeting last week of the EU troika with their African counterparts there is a discussion of common approaches to global problems. I, as an old UN man, know how important it is to try to have more of a European-African axis at the UN on issues like human rights, where we should be on the same side of the argument for the most part. In terms of the rest of the agenda, we have been working extremely hard, and the priorities for us and for everybody else going to the summit on both sides are the development of the MDGs; peace and security, where there are chronic issues still of both insecurity but also a lack of capacity on the peacemaking and peacekeeping side adequately to address the continuing conflicts in Africa; growth, which is becoming a major new attention point not just for all of us but for African leaders as well; governance; and climate change. So I think it is a busy summit with a lot of important issues. In terms of our own representation, the Prime Minister said there would be no “senior ministerial attendance”, so I think that rules out Cabinet Ministers from attending but he has not yet decided what the level of attendance will be or who it will be.

Q2 Lord Crickhowell: You referred quite early in your remarks to the British aid contribution. In the inevitably rather hurried ending of your speech in the House yesterday, when you were pressed presumably for time, you again laid emphasis on the British aid contribution. Earlier you had spoken about our participation in the European partnership adding muscle, enabling us to put a big enough chip on the table. Could you elaborate, because you did not have the chance to do that, in the context of Africa? We have already heard about the difficulties in representation and clearly there are going to be great difficulties in dealing with the issues of human rights

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and governance in that particular conference. In what way is muscle being added to our efforts by the European attack, so to speak?

Lord Malloch-Brown: Just for a moment to pursue a bit further the example I took earlier of human rights: you have 48 African states and 27 European states in a UN membership of 192, where an awful lot of things fall your way if you have a majority—I mean, you have to have a consensus, but the majority is the first step towards prevailing in an argument. Where there is a common agenda on which the two groups can for the most part vote with each other, it will be key. Whereas there are some very, very difficult and well-known human rights and governance problems in Africa—most notably Zimbabwe but not exclusively Zimbabwe—the fact is, more broadly, that Africa takes a pretty benign and constructive view towards human rights and governance issues compared to, say, Asia in terms of its positions internationally—it is worth noting that the top-scoring member of the new Human Rights Council which achieved the single biggest tally of votes from across the world was Ghana—so these are important allies on issues we care about. For Europe, *per se*, there are certain things which it would be hard for the UK to raise itself with Africa as a grouping but which we can as Europe. The volume of development assistance we are talking of, despite our leadership role in it, is nevertheless hugely greater if it is EU assistance rather than just UK assistance, but on issues such as climate change we obviously speak with an authority which we could never speak with just bilaterally interacting with Africa. On future issues such as energy, security and migration, also, it is much easier to address those issues with Africa as Europe rather than as the UK. I think the agenda that benefits from a mutual discussion is quite a strong and important one.

Q3 Lord Crickhowell: Do you think human rights and governance issues are likely to be effectively raised in this conference, bearing in mind the difficulty of our position?

Lord Malloch-Brown: Look, we may not be there at a government level to raise them, but the new French Government, led by President Sarkozy, with Foreign Minister Bernard Kouchner, a career-long human rights and humanitarian advocate, as well as the Dutch, the Scandinavians, the Germans under Chancellor Merkel, I think there are a lot of people who put almost as much emphasis as we do on good governance in Africa.

Q4 Lord Lea of Crondall: I suppose one might say, would you agree, Minister, that the credibility of the African Union has been a question of two steps forward and one step back? Zimbabwe does illustrate the dilemma, and, indeed, does the negative reaction

of some African countries to the Prime Minister's statement of intent not to go to Lisbon. But could I pick up on your penultimate point that there are many things where it is much better to do it through the EU than to do it bilaterally. Even the reputation as ex colonial power, Britain and France in particular, is it not the case that if you go right through the race card—you mentioned climate change and I might mention the Malthusian spectre of the huge growth of population in Africa—it is very, very difficult to have this sort of dialogue, but strengthening the credibility of the African Union to do things is absolutely bedrock in all of this. Would you say a word about that?

Lord Malloch-Brown: Having been lucky enough to sit in a large football stadium in South Africa and watch the birth of the African Union through the Zulu dances and other things that preceded it, I saw both the opportunity but also the challenge, because President Mugabe raised the biggest cheer in that stadium when he arrived as Head of State of Zimbabwe. This anomaly has been there from the beginning of an African Union which is much tougher than its predecessor the OAU; much more willing to use a peer review mechanism to review the governance performance of its members; much more willing to set out a truly pan-African institutional machinery to deal with issues such as peace and security but also certain development and social issues as well; an African Union which has created even some modest pan-African institutions like a parliament with, as they are quick to point out, more women parliamentarians in it than we have in the European Parliament. There are a lot of positive things on that side of the score card but they are still grappling with what is an appropriate level of interference in each other's internal affairs when a country falls short on governance. While Zimbabwe has, from our point of view, been the most extreme case of that, frankly there was a tremendous reticence to interfere in Darfur and even in Southern Sudan, despite the fact that there was no distracting white farmer component or anything else to blame it on. This was straight violence by an Islamic, Arab-dominated government in Khartoum, against people of African origin in Darfur in the South, and yet, even there, there has been a reticence about interference because of a feeling that states are fragile, that, once this precedent of interference begins goodness knows where it will stop, the borders of Africa will get redrawn, et cetera, et cetera, et cetera. So they do have a different approach to us, but please do not confuse that reticence with a lack of concern about human rights and such like. That consciousness is growing healthily in Africa.

Q5 Lord Lea of Crondall: Could I make one very short additional point? You mentioned that it was not yet clear whether we were going to be represented

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at junior ministerial level or civil servant level. Picking up Lord Crickhowell's point, if there is going to be a political dialogue on these questions in Lisbon, as I think it is inescapable there will be, I would have thought, on balance—and I am speaking purely personally—it would be better that a junior minister is there to have a robust political statement of support, whatever the EU political statement is, rather than not to be there, given our hugely important role.

Lord Malloch-Brown: Look, a reaction to that only to say that I share the view that we need to be properly represented. There is a fundamental issue that in the summit sessions heads of government only can speak. Whoever sits in the chair is not going to be able to speak in the formal summit sessions but, in terms of an ability to represent our point of view in the corridors and the working sessions, I think we want to make sure we send somebody, minister or official, who is respected by their fellows on both the European and African side.

Q6 *Lord Anderson of Swansea:* I have two questions on the human rights dimension. Are you concerned that none of our European Union partners, whatever their commitment to human rights, has followed our lead in respect of the stand on Zimbabwe? Secondly, on China: China recently hosted this mammoth jamboree in Beijing, attended by all the African leaders, offered sums without any strings, without interference in internal African affairs. Are you concerned at all that the Chinese initiative may, to some extent, have undermined what the European Union is trying to do?

Lord Malloch-Brown: I will answer the questions but then ask Marcus to say a little bit about the DFID-China collaboration on Africa because I think it is an interesting example of the way these debates are going. First, on the point about whether or not I am concerned that no European country has at this stage followed us on this, I think a number of European countries have expressed strong sympathy with our position but reserved what action they may or may not take themselves and I think they are waiting to see how things develop, whether or not Mugabe genuinely is going to come or whether African leaders may prevail on him to find a face-saving way of staying home. I think they are keeping their powder dry in terms of their final decision. But I have to say that I, anyway, consider us here to be balancing two objectives. One is that we have made our own point of view clear. We, the British Government, and we, the British people and Parliament, all care deeply about what is happening in Zimbabwe and, after all we have said, we should not sit down in the same room with him. If others read their own consciences differently or believe that constructive engagement and confronting him on his human rights record is a

better way of doing it, I think we have to respect that. There are going to be some other people whose human rights record is not exactly stellar in that room as well. Some choose engagement over isolation and I think we have to respect that, but the key point I come back to is that we would not want to do anything to jeopardise the summit. We would not want to shake the table so much and start trying to strong-arm our European partners into not going in a way which then provokes the Africans to say, "I'm very sorry, but it's up to us. You invited the AU and now you're telling us who from the AU can come. We are not going to come." That was the tit-for-tat process that destroyed the summit last time. I think we want to avoid that. We want this summit to happen. On China, I will make an overall point: I think you have to look at the China engagement in Africa as a fine teacup which is half-full or half-empty depending on how you look at it. It is half-full in the sense that this is vital new sources of investment capital for Africa, going into exactly the sectors that we were all skirting around, like infrastructure, but which African leaders have rightly been saying for years is critical to the development of their markets and to a future growth strategy.

Q7 *Lord Anderson of Swansea:* Even if it builds up vast debts.

Lord Malloch-Brown: That is the issue. That is where the cup can easily end up half-empty: if debt is unsustainable, if social and environmental standards are not met, if it does not create African jobs but just Chinese jobs, et cetera, et cetera, et cetera. There are a whole lot of qualitative issues around this Chinese investment, which is part loan/part investment. It is, when you look at it, essentially a recycling of the very vast financial surpluses that have built up in sovereign fund-like instruments in China and which for the health of the global economy we need to see recycled. The issue is: Can we raise the quality of these loans and investments? I went to China and challenged them on just that. They produced some very sophisticated people from the main sovereign fund there, Exim Bank who were all trained at the Asian Development Bank and the World Bank, and they pulled out charts which I had seen the likes of before to show why the debt was sustainable and the environment and social links. But I think we have to call their bluff on this and try to draw them in to both a partnership on qualitative issues at the country level and draw them into forums like OECD DAG and the World Bank, which they are in, obviously, but get them involved in the donor debates and make them a good donor, rather than a bad donor repeating the mistakes we made 20 or 30 years ago. Marcus, you may want to say a little bit about this.

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Mr Manuel: Thank you. This is a subject where the two departments are working incredibly closely together. I was with my counterpart in Beijing only five months ago talking about working with the Chinese. Clearly, China is now a major player in Africa. It is bringing a lot in terms of stimulating high growth rates and China's own success in reducing poverty is very clear. They hosted the Africa Development Bank meeting in Shanghai and it was quite striking for many African finance ministers coming and seeing the transformation that happened in China and thinking: "This is what happens if I have very high growth rates." Those kinds of lesson-learnings are very important. I think the key issue is about how we can encourage China to play a responsible global role in Africa. For us, the key aspect that we are pressing on collectively in government is on the issue of transparency. This is a plea from many Africans, we hear. They say, "We don't know what China is doing next door. We know what it is doing in our country but we do not know what is happening next door." One of the things we are doing is funding African universities to research and to monitor and to track what is happening in Africa, then making that information available to everyone who wants to know and find out about it. As you say, debt is one of the issues that needs to be considered and that is one of the things that is being encouraged to track. We are also trying to encourage China to join, as Lord Malloch-Brown mentioned, institutions and ways of approach. For example, the Infrastructure Consortium for Africa is a way of encouraging them to join with other partners in thinking about how you provide infrastructure and therefore the environmental sustainability issues and all this can come naturally as part of their conversation, but, also, on transparency, encouraging them to be engaged with the Extractive Industries Transparency Initiative, of which you may be aware, just encouraging people to publish what monies are flowing and how things are being resourced.

Chairman: Lord Hannay on this point and then Baroness Symons.

Q8 Lord Hannay of Chiswick: Is there any evidence in fact that the Chinese in their aid policies are tolerating bad practices, corruption, human rights abuses by the companies who benefit from the Chinese aid? Is there any evidence in fact in the sort of scare stories in the press that the Chinese are thus undermining all the efforts by the West, the Europeans and other donors to raise these standards? Is there evidence of that at all? You mentioned the EITI, which is obviously very important, but what is the Chinese response? Is PetroChina, with all its millions or trillions of dollars, going to tell a country in which it goes to search for oil that it wants that

country to apply EITI? Or are they just going to turn a blind eye?

Lord Malloch-Brown: Let me try to answer and Marcus can correct me if I get this wrong. I think these are important points. At the individual project level, the stories that one hears about Chinese roads falling apart quickly I rather doubt. I just doubt that. The way the Chinese have built their own infrastructure in recent years shows they have high quality engineering skills and I doubt the work is, in that sense, shoddy. There is an issue about them doing projects which from the development point of view are of questionable priority: grand buildings, when, frankly, they could do with a few more primary schools and such like, so there may be some issues at the margin about development choices. On EITI, I raised that in China as something we would like to pursue when the Prime Minister goes to China. We have not been told no, but nor have we been told yes. They have repeatedly expressed interest in it but we feel we do not yet have real traction on drawing them into a point where we would say they are going to join the EITI. On the broader point, the area where there is a little concern in some of the countries in which they invest is that there is nothing wrong with the project, but the availability of large amounts of capital, if you like, removes the lever for political reform. There I would say the energy sector in Sudan and, indeed, earlier, support for Zimbabwe. The support for Zimbabwe seems to be at a standstill now, other than humanitarian assistance, and that is something I had raised very strongly with them while I was there. In the case of Darfur, that economic lever they have is now of course being used much more constructively to try to encourage progress on Darfur which perhaps was less the case, say, a year ago.

Q9 Baroness Symons of Vernham Dean: I would like to touch again on the Zimbabwe point. Your responses make me wonder what is the real point of having a policy in the European Union if, when push comes to shove, we are so very delicate about trying to implement it? Is it not the fact that our European partners are going to sit down with Mr Mugabe? Does it not reinforce his point that this is a British post-colonial problem rather than a human rights problem which is of concern to the whole of the European Union? It looks like not Zimbabwe being isolated because of human rights but Britain being isolated on a post-colonial point. I think that is where we have got ourselves and I would be interested in your comment. Point two, if I may: in the list of things you indicated you were going to be talking about, you talked about a lack of capacity on peace and security and you talked about growth. One thing the European Union could really do is something about trade, and we have not mentioned that word so far. Again, the European Union does pick up its

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skirts rather on the trade question and look the other way. It is something we could do something about bilaterally and it is absolutely something we could do something about in terms of the WTO. I would be grateful for your comments on trade.

Lord Malloch-Brown: Let me deal with the first point and Marcus can come in on trade. To be honest, I think we have poor choices on Zimbabwe because I think the position of the Prime Minister is that he and President Mugabe attending the same summit, being in the same room together, would completely overshadow the serious business of the summit and would utterly destroy its usefulness and turn it into a kind of tabloid sport “Brown versus Mugabe” and these points we are discussing now would all be lost. The alternative of trying to insist on one European policy in insisting that the whole of Europe not go to an event that Mugabe is at similarly has consequences, in that it again leads to the Africans feeling that Britain is allowing its colonial past, in their eyes, to hold the whole of Europe’s Africa policy hostage to Britain’s Zimbabwe policy. That would cause huge resentment and difficulty too. Were Europe to act together and this would become an issue of common foreign policy—and assuming we can prevail in making that argument—I think it would have the same effect that you want to avoid: it would be seen as reinforcing a British colonial grudge. I think we are trying here to approach this in a balanced way, which I think is appreciated by moderate African leaders who have no greater regard for Mugabe than we do, which is that we are trying to free the future, the fate of the summit, from Mugabe. We are trying to downplay him as an issue to avoid that kind of UK-Zimbabwean theatrics dominating the summit and we are allowing Africa and Europe to get on with their business. It is not a perfect solution but, of poor choices, it is perhaps the best. On trade I think it is very good you raise it because, to be honest, there is this whole movement towards European EPAs with Africa which is on a terribly tight and urgent deadline now to replace the old agreements and it might be useful for you to hear where that all stands.

Mr Manuel: Obviously in relation to the summit itself there is a separate regional and trade integration partnership as part of the process but that is talking more broadly about private sector growth, investment climate and a range of other issues. But the key trade issues at the moment are the Economic Partnership Agreements and also the Doha round. The summit would be useful for just highlighting the importance of making progress because you are going to have politicians having time thinking about Africa, thinking about how the EU relates to Africa. I think that hopefully will have a spin-off benefit of re-energising the need to deliver on the Doha round and also to deliver on the European Partnership

Agreements. As you well know, the deadline for the European Partnership Agreements is 31 December in order to comply with the World Trade Organisation rules. We are very concerned about what happens in those regions which do not meet that deadline. The Parliamentary Under-Secretary of State, the Minister for DfID and BERR, Gareth Thomas, has recently written to the other EU trade ministers to press the EC to ensure that, basically, countries are no worse off after the end of 2007 once the Cotonou Agreement lapses. I can go into detail if you want me to but that is clearly a major concern and taking up a lot of energy and discussion about how to find our way through this deadline process and also making sure that we get European Partnership Agreements which are good for development and help countries trade their way out of poverty.

Q10 *Baroness Symons of Vernham Dean:* This will be a real focus? I am not really quite clear whether you are talking about it as a spin-off, and it is fine because they will all give each other a nudge, or whether it is actually going to be focused upon.

Mr Manuel: The action plan and strategy itself talk about a much wider range of issues than just the European Partnership Agreements. But it would be amazing if, as part of this process, there were not discussions in the corridors and outside saying: “Okay, how are we going to manage the European Partnership Agreements?” I am not sure we have seen the detailed agenda for the summit itself to know whether that is going to be part of it, but, in terms of the action plan and the EU-Africa Strategy which goes much wider than that, this is not a European Partnership Agreement summit, it is much, much broader than that, but, as I say, I cannot believe, given the deadline and the importance of the issue, this will not be coming up.

Lord Malloch-Brown: Just to clarify, obviously these are sub-regional agreements which need a lot of leg work and hard work with smaller sub-sets of governments, with European officials, and therefore the summit can give a push to it at the political level but there is just an awful lot of work that these guys have to get done in the coming weeks and that would not fit neatly into a Head of Governments’ summit.

Mr Manuel: As we all know, on trade it is the detail that matters and the detail is precisely what people are now arguing about, which is why I think it is the political impetus that will matter. But, as you say, it is not actually AU, it is the Regional Economic Communities that are involved on the other side.

Q11 *Lord Hannay of Chiswick:* The deadline of the end of the year results from the WTO having found that our existing Cotonou arrangements are not in full conformity with WTO rules. Is that correct? If that is the case, do we see this deadline as of benefit

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to us and the Africans? Or is it going to be so tight as to drive us over the cliff together? If that is the case, is there no way in which there could be a standstill in the present arrangements for a further period before time was needed?

Mr Manuel: No, I do not think it is going to drive us over the cliff, in that sense. You are right, the WTO deadline is driving this process. One of the options on the table is to explore whether we can get at least a “goods only” agreement sorted out and in place by the end of this year and allow the other issues, the Singapore issues, the investment issues, to be dealt with later. The UK has always made it very clear, at any rate, that it is very much for African countries to decide whether or not they want to include Singapore issues in these conversations or not. In that sense, that is consistent with the line the UK Government has been taking as trying to find a way through on this process. The difficulty is that once you go past the deadline you are then into a legal uncertainty. At that point you start having challenges and it then becomes unclear. That is why we are trying to stay very closely in touch with the African negotiations, saying what is going to work from your viewpoint and what are you trying to push for here and why “goods only” might be one of the ways through. But we certainly do not want to, and we are pushing very hard to make sure we do not, as you say “go over the cliff” and end up with a situation where suddenly countries are in a worse off situation than they were. The potential gains from the Economic Partnership Agreements are enormous and one of the real problems of the Everything But Arms initiative is that it does not tackle the issues of laws of origin and particularly only works for the least developed countries. If you are a Tanzanian fish producing company, you cannot take your tins from Kenya and use them for export because they come from Kenya which is not an LDC. Sorting out these rules of origin, bringing in other African countries who often are key partners with those poorer African countries is really important. That is why getting this deal to work is so important.

Q12 Lord Lea of Crondall: Turning to the next question that I seem to have notice of, which is to do with the negotiations leading up to the Summit Declaration, could you characterise the negotiations more generally? In our report, the heart of the report in many respects is that there is no point in the EU having a so-called African Strategy and expect the African Union to say we will transfer the ownership of the EU Strategy and it will be an Africa Strategy. Clearly there has to be equal inputs from both sides. The matrix, however unimpressive as a process possibly, was inevitably based on that. Would you, Minister, or your colleague perhaps say what the thinking is about the experience of this process? Are we getting some African ownership, whereby there is

commitment by African countries through the African Union to do some of the things that they are now signing up to with African ownership, in a way that they would not have been committed to doing if it had simply been an EU Strategy and saying, “Africa, please get some ownership of this EU Strategy?”

Lord Malloch-Brown: We have reached the point in the relationship where, were we to try that latter approach, it is not that there would not be any ownership but it would just be rejected or it would be forgotten the moment the summit was over. Africa is achieving a level of self-awareness about its problems and how to address them. That means it has pretty strong views on this. On their side of the table, the Ghanaians have been very prominent under Kufuor, who have given a lot of thought to development, growth, democracy issues, who have had a traditional interest in peacekeeping and conflict resolution. They have been one of the smaller but nevertheless significant troop contributors to peacekeeping operations, AU and UN. We have had a very educated counterpart on this agenda and, from our point of view, luckily one with a very strong British view on these things. He was here last week visiting the Inns of Court from which he had graduated and the university from which he had graduated, so he has a sense of many of these issues which I think we would all recognise. I think this has been a healthy process. Again, Marcus, would you like to add to that? You have been closer to the working of it than me.

Mr Manuel: I think one of the things that is striking in the action plan is that it does say: “These are the actions we are both going to do together; these are the actions the EU is going to do together and these are the actions the AU are going to do together”. I think that is quite helpful and very much reflects what you are saying as demonstrating that kind of process. The other really good example that is referred to on the governance side is the Africa Peer Review Mechanism, which is very much an African-owned and African-run process that really is stimulating some remarkable debate across Africa. I think Graca Machel going into Kenya and having a conversation with the Kenyans about corruption was quite a difficult and quite an interesting conversation. Ghana put itself up and some things came out. I think the Ghanians were slightly surprised but then said, “Okay, you’ve raised these concerns and we are going to respond” and as a result have made some changes to ministerial codes and other things. It was a very interesting process and that is part of the partnership.

Q13 Lord Lea of Crondall: Have there been key things that really we have wanted to press and they have just said no? Can you lift the veil to that extent?

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Lord Malloch-Brown: I think this governance is an example where we have a more intrusive vision of us setting standards with them of governance and they rather pushed back and said, “We have the peer review mechanism and we are a little tired of Europeans setting standards of good governance for us. We get a lot further when you guys step back a bit and allow us to kind of peer review each other.” You can debate whether that is right or not and you can certainly be a little frustrated that the peer review mechanism has not claimed more scalps in terms of bad governance but, from their point of view, I think it is a defensible position that they want to do this themselves and then are happy to discuss the results with us but do not want us as intimately involved in their own governance issues as we initially wanted to be. Is that fair?

Mr Manuel: Yes.

Q14 Lord Hannay of Chiswick: Could you update us a bit on how the Africans are getting on with their peer review mechanism. When we did our report last year there was a fairly small number of African countries who had bought into the peer review mechanism and were subjecting to it, and, surprise, surprise, none of them of course were the people who were most likely to be criticised by such a mechanism. Is there progress being made? Are there more African countries signing up to the peer review mechanism? Is it therefore, as it were, developing momentum or is it simply stuck with the people who are in it being, on the whole, very clean and the people who are not in it being less clean but not subject to it?

Lord Anderson of Swansea: And not volunteering.

Lord Hannay of Chiswick: And not volunteering, of course.

Mr Manuel: Five countries have now completed the review and 27 have signed up to it. So that is where we are.

Q15 Lord Hannay of Chiswick: Is that 32 in all or 27 in all?

Mr Manuel: No, 27 in all.

Q16 Lord Hannay of Chiswick: It is just under half.

Mr Manuel: Exactly, under half. I was meeting with the Africa Peer Review secretariat two months ago and they characterised it as having done the first wave—so the Ghanas, the Kenyas, the South Africas and the Rwandas have gone through. The real challenge has been lifting the next lot to get going on the process. Various countries have signed up but did not seem to be taking the steps to do that. Mozambique is now engaging and is now getting it to work and they have consultation processes going and working up. Uganda were waiting for the green light to take the next stage forward. That is going to be the next step, whether we get on to the second phase of

countries. But you are right: the challenge is going to be expanding the list from 27 to all of Africa. We will continue to push for that and continue to argue for that, but I think what comes out of the five that have already gone through, and now the other ones that are starting to go through, is going to be critical.

Q17 Lord Anderson of Swansea: Minister, the Commission has proposed an EU-Africa partnership on democratic governance and indeed a Governance Forum which, at first sight, seems to link well with a number of DFID initiatives, including that excellent report prepared for DFID by the ODI experts which did focus much on parliamentary government, and also the other DFID papers on the subject. What has been the preliminary response by the Africans to this initiative? Who is included? What form will this forum take?

Lord Malloch-Brown: It has evolved quite a lot since the original Commission recommendation, which had some other things, including something a bit more intrusive on the internal side. It was also more about joint positions on some external issues, which, as I said at the beginning of this session, interests me a lot. But it has changed as the Africans have engaged. You perhaps might want to describe how it now is, Marcus.

Mr Manuel: The action plan at the moment has three areas of cooperation envisaged. There is a publicly available document.

Q18 Chairman: We have had the letter from Mr Thomas¹ but the attachments which were the information publicly available from the Portuguese Presidency, which includes highlights from both documents, does not seem to have arrived.

Mr Manuel: Electronic transmission at rapid speed often falls down. We are sorry about that. We will certainly let you have it.² It is just a few pages which sets it out in a bit more detail. On the Government side there are three things really: one is to enhance the dialogue at the global level and in international fora—and this is very much what Lord Malloch-Brown was talking about in terms of the UN and other processes. The second is to promote the Africa Peer Review Mechanism, which we have already discussed, and also to support the African Charter on Democracy, Elections and Governance. The third is strengthening cooperation in the area of cultural goods. Then there is an action plan that unpicks each of those particular aspects and goes into more detail on that.

¹ Letter from Mr Thomas MP to Lord Grenfell dated 6 November 2007 is available at: http://www.parliament.uk/parliamentary_committees/lords_s_comm_c/cwm_c.cfm

² “The Portuguese Presidency Paper” Brief is available at: <http://www.parliament.uk/documents/upload/EUAfricaStrategicBrief.pdf>

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Q19 Lord Anderson of Swansea: One clear follow-up is that there are many other groups working in that same field. Obviously the Commonwealth has similar parameters, similar moves. To what extent is it suggested that there be full cooperation with the Commonwealth initiatives in this field? Not only the Commonwealth, there are a number of non-governmental organisations working with the same sort of remit. I, for example, was very involved as senior vice-president with a body called AWEPA, which, with funds in part from the EU but also from other sources, seems to build up good governance. Is it proposed that there will be the fullest cooperation with not just the governments but with Commonwealth initiatives and also with relevant non-governmental organisations?

Mr Manuel: One of the advantages of the partnerships that are coming out of this is that they do specifically allow for a much wider range of actors than are just going to be at the AU Summit. There is a very wide range list. I am not aware of the detail of that but certainly in principle it would allow all sorts of non-state actors to be involved, including research institutes and other processes as well. But, yes, the point about joining up where we can with the Commonwealth is very well taken.

Q20 Lord Anderson of Swansea: The great temptation is always to have grand declarations which everyone rallies around and no implementation. Is it suggested that there should be various milestones and that stock should be taken at each one of these? How can one avoid the charge so frequently levelled: “Grand declaration, no fulfilment?”

Mr Manuel: It is a real danger. This is what is interesting about the process here, that you have these action plans on these eight specific areas, which attempt to do that by setting out what are the expected outcomes, what are the expected duties.

Q21 Lord Anderson of Swansea: At each level?

Mr Manuel: Each plan and each sub-component of each plan.

Q22 Lord Anderson of Swansea: What would be the monitoring mechanism?

Mr Manuel: There is a broader monitoring mechanism which is that there are twice yearly troika AU meetings and—this is one of the really good things that has happened recently—it is specifically agreed that civil society will be involved in consultation prior to those troika meetings, both on the EU side and on the African side. So there is, at the highest level, quite substantial space for monitoring, even if the details of that monitoring have not been fully fleshed out.

Q23 Lord Hannay of Chiswick: Could I preface this by saying it is not Darfur specific because, if you agree, Minister, we are going to have word about that separately. What is it doing and what is it planned to do in the strategy and action plan for enhancing African capabilities in the areas of peace and security, including peacekeeping? To what extent is the EU contributing to strengthening African capacity in this area directly and to what extent is it backing the UN's own ten-year capacity-building plan for African peacekeeping which was one of the outcomes of the September summit. As a last and much smaller question: Are we satisfied that the EU is now properly equipped in Addis Ababa as we recommended in our report so that the diplomatic post there that the EU has is not divided in these artificial divisions between development and security issues and so on and is actually able to conduct real business with the African Union institutions in Addis Ababa and, above all, their African security council and the various mechanisms there?

Lord Malloch-Brown: Let me say that this has been an area of the preparations in which we in the FCO have been particularly interested. It will not surprise you that I have been frustrated now and before between these gaps which have opened up in African peacekeeping capabilities, where you have to re-hat something as UN to deal with outstanding funding, training, equipment, even troop issues. That is creating a perverse incentive, in that it is undermining Africa's own peacekeeping operations, such as Somalia, by having people wait until they get rehatted as a UN one and it is seen as in better financial shape. Even where the UN is there ready to write the cheque, there are still threshold quality and training issues which not all African contributors can meet, so there are these gaps. When several years ago that special fund was created to fund African peacekeeping, rather controversially out of, you will recall, the development side of things, it was enormously important but it was not a sustainable structure for the long term. So we have set up in this summit a kind of ongoing process. To knock off the issues where there will be cooperation, there is, (1) cooperation between the evolving AU conflict early warning system and the EU's own early warning and analysis structures, and (2) EU support for an African standby force, which would include support to regular training, even civilian support to the force helping with defining logistics and other key needs for deployment, et cetera. There is a proposal for a Euro RECAMP training and validation exercise which is provisionally planned for 2009. Then a separate part of the draft action plan deals with the need to address this core question of external funding for African peacekeeping missions. The EU is currently itself the single biggest provider of finance for AU peace support operations, but, as I mentioned, Darfur,

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Somalia, there are serious gaps, and, to be honest, there is a particular British interest here too because we tend to be the financier of last resort. We go in and we lift a Burundian battalion, as we have just done, to Somalia, or we put in some support to the Nigerians to allow them to deploy more urgently to Darfur so we have a double objective here to get as much of this into a European burden sharing formula as possible and to consolidate European support for this, but also look at longer term sustainable mechanisms which we can then get non European donors to join as well and then finally to work out what is the long-term relationship between UN funding and AU peace support operations. I see it as a complex of issues which is going to need sustained work over time to sort out which is very urgent. On the Addis issue, obviously we have strongly supported the need for a strong representative of the EU in Addis who could speak to all these different integrated elements of EU work with the AU and we think that individual needs to be in place to follow up on this summit.

Q24 Lord Hannay of Chiswick: It will be no surprise to you if I recall that the High-Level Panel of course recommended that the UN should be prepared on a case-by-case basis to provide financing for African Union missions. I hope we are not giving up on that as a long-term objective, even though there are those who would rather the cup passed away from them and of course stayed with the EU or with individual countries like Britain.

Lord Malloch-Brown: I completely support the objective because it is the ultimate burden sharing. It is a good deal for Britain to get as much as we can through this. Having been responsible in the UN ultimately for the fiduciary management of the UN, there are fairly hair-raising issues that we came across in our support to the AU's Darfur mission of financial control, management accountability, et cetera. There is a lot we need to get done to build up the confidence that we can indeed transfer money to a regional peacekeeping operation and yet still feel accountable to our financiers for how that money was spent, but I think it is very much part of the long-term strategy.

Q25 Lord Anderson of Swansea: Mobility is crucial for both peacekeeping and responding to natural emergencies. To what extent would heavy lift and helicopters be part of this operation? Presumably it is the EU which currently would provide much of that. Is it proposed that that be transferred to the capability of Africa-Union countries?

Lord Malloch-Brown: First, it is very important to separate heavy lift, which is, if you like, the strategic lift that brings troops in from out of theatre, from Ghana or wherever into the area where they are to

peace keep, and that is not really a problem. Between us, the Brits, the Americans, the French, we kind of provide that and the real issue is the close tactical support which we are seeing becoming such an issue in African peace keeping, because, you are right, mobility is key and if you take Darfur—because in a sense it is the clearest expression of this but the Congo (DRC) is not dissimilar—you have 26,000 troops, if we ever get there, in an area the size of France. So, still, helicopter mobility is critical to effectiveness and at this point we have no helicopters for that operation. This is not a lack of goodwill on anybody's part; it is the Sudanese saying, "We do not want Western helicopters" and it is, secondly, a genuine global shortage of helicopters at the moment. We were debating last night how we have magnificently restored the production line for these important armoured vehicles in Afghanistan. Frankly, I think there should be some questions in the Lords about whether we should not be doing the same on helicopters because it is not just a British problem. There are not enough in Afghanistan, there are none for Darfur. I have been having some surreal conversations, because I took it upon myself to call every country where there was allegedly a surplus of helicopters to see whether I could persuade them to make them available for Darfur. First, I had to knock off the lists the ones we are already trying to head out to help in Afghanistan. Then it became surreal when people said, "We kicked the tyres and it has not flown for several years but maybe with a little mechanical help we could get it airborne again." It is just not what you want to hear when you have an operation which we had promised to get deployed in the next few months. I think this lift issue is a key thing. It is not that there is some great pool of European helicopters that we are applying to these operations.

Q26 Lord Anderson of Swansea: Not even with the Ukraine and Russian surplus Antonovs?

Lord Malloch-Brown: The Ukrainians are looking at what they can provide but they are quite heavily involved already. I hesitate to say where, but they already have several major deployments, so even they, who are the usual fallback, say they do not have spare capacity at the moment. They have the very, very, very big ones but they do not have those able to do this quick movement of people and support that we need.

Q27 Lord Crickhowell: It is a very depressing comment you make. Some of us were asking these questions that you say we should be asking of the minister two years ago and we are not really much further down the road than we were then.

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Lord Malloch-Brown: Mine, just for clarity, is a slightly different question because I do not see this as a British problem, I see it as a European and a global problem that we need to address.

Q28 Chairman: This may be something on which we need to come back within the discussions within the European Defence Agency and elsewhere, because it does seem to me that we should take that up with MoD ministers in due course. Mr Manuel has already covered the mechanisms which exist to ensure the implementation of the summit conference but I wonder whether you or Mr Manuel would like to say something about what particular role you see for the United Kingdom in implementing the strategy and action plan.

Mr Manuel: This is a question we are actively debating now. Having achieved four new action plans and got the Millennium Development Goals and peace and security on the table, which we are very pleased about, the question is just how to follow up. At the moment, it seems to me, there are two options, one of which is that we, having got them on the table, encourage other people to take ownership for them and to take them forward. That might be the most productive way to achieve momentum. The other would be to put our own hand up and say, "Yes, fine, we will take an active lead on working with this action plan" and that is the debate that we are currently having as to what is the most effective way forward to do this.

Chairman: It may well be that the Committee would want to come back and talk to you again about that at a later date. I wonder if we could go on. Lord Tomlinson.

Q29 Lord Tomlinson: Minister, it appears that not all EU Member States are fulfilling the commitments that they have signed up to concerning the financing of development, including the long-term allocation of 0.7% of GNI to ODA. What is your opinion of how far the other EU Member States are on track to meet their obligations? What pressure are we exercising here on those that we perceive to be potential backsliders?

Lord Malloch-Brown: Let me first, if I may Lord Tomlinson, give you the factual answer and then a little interpretive analysis. In general, last year was quite good because the Commission's report in May showed that for the years 2005–06 the EU exceeded the target it agreed to in 2002, which required it to have got EU-ODA to an average of 0.39% by 2006, but with two significant butts: (i) the debt relief for Nigeria and Iraq was a significant surge in this figures and (ii) three Member States, Greece, Italy and Portugal, missed their agreed targets for 2006. It is not as good as the superficial figures would suggest. In fact, we would expect overall numbers to be down

in 2007 because of the big debt relief numbers phasing out of the numbers. For some years British ministers have been pressing the quality of aid issues, that we have to make sure that as debt relief phases down new, fresh monies phase in, which is a lot more expensive money than debt relief and therefore a lot harder to force out of the political systems. Two points: one obviously Britain is trying to lead by example. It has a pretty good track record. DFID ministers are quite rightly embarrassed by their success in the spending round and coy about it than you might expect them to be because they have won very significant increases which are consistent with the commitments made at Gleneagles and which will keep us on track to make the 0.56% and then the 0.7% by 2013. Secondly, very important is what the Prime Minister did in his visit to New York by declaring an MDG emergency. He is personally very seized, as the two secretaries of state are, with this view that somehow some of the focus on poverty reduction, aid levels has been lost since Gleneagles. Partly it is climate change—a nice problem to have but another terribly important global priority muscles its way to the front of the discussion and it has had the unintended consequence of perhaps putting poverty back a bit more in the shadows. We feel that through pushing for a summit level discussion of MDG progress next summer at the UN, we will put the political spotlight back on this and tee up a G8 recommitment to this and a European recommitment and, also, with all the new oil wealth created, try to get some new donors to play a much more active role on this. I think the honest answer is we are not doing as well as we want but we are in a hugely improved position than we were a few years ago.

Q30 Lord Tomlinson: In order to meet the goal of 2013, there is an accelerating demand as you approach 2013. If at the relative early stages of this process we are backsliding, is the problem not going to get significantly worse in the run-up to 2013?

Lord Malloch-Brown: Again, I think that is why the Prime Minister has decided to make a real political push on this over the next year essentially. I think this is why he called it an MDG emergency because I think he accepts the logic of your point, that, unless we make a push now with spending plans tending to have two or three year trajectories and with possibly economic conditions in the West getting harder and tighter, if we do not kind of put our foot down and make a fuss and push, we will indeed face a growing gap between commitments and what has been put on the table.

Q31 Chairman: Mr Manuel, would you like to add anything on this particular point?

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Mr Manuel: There is a real political challenge out there. The challenge is political and for all our colleagues to meet what they promised. The fact that the UK has, is making a big difference. I was in Tokyo and they said to me, “Yes, we noticed, the UK is now the second largest bilateral donor in the world. We used to be that and we are now fifth.” That has a real impact. Leading by example really does make a difference.

Q32 Lord Tomlinson: You immediately demanded that they told you what they were doing to restore their second position.

Mr Manuel: Absolutely. Of course. I was there talking to them 14 months in advance of them presiding over the G8, which was trying to encourage them in that process.

Q33 Baroness Symons of Vernham Dean: Minister, do we have the capacity to spend it properly? It is all very well getting the money, but one of the things I found really depressing when I was a minister was going out to the UN and talking about money that we were putting into projects and, frankly, feeling somewhat less than confident that chaps and, indeed, chapesses on the other side of the table really knew what the projects were in which they should be investing. And I thought we had a lot more expertise at home than they did there.

Lord Malloch-Brown: You know, that is one more reason why I regret that you would never come and talk to me when you came to the UN!

Q34 Baroness Symons of Vernham Dean: A good side-stepping answer, but . . .

Lord Malloch-Brown: Let me just say that obviously part of the DFID strategy—and I am again going to turn to Marcus, but as there is a political level to it let me address it first—is to rely growingly on multilateral vehicles for financing—which is not just the UN, it is the World Bank and the other development banks as well—and it is to rely on growing amounts of direct budget support to countries which we feel meet the conditions of governance and judiciary, et cetera, et cetera, et cetera. In that sense, we can ramp up spending through tested vehicles and I think we want to do that wherever we prudently can. I would make the plea for the multilateral that, from the recipient’s point of view, to get a single seamless funding strategy for your health sector or education sector rather than a DFID bit and a French bit and an American bit is a hugely important improvement in good donorship, because it allows them a huge reduction in the transaction costs and the competing priorities of different donors, et cetera, et cetera. I think you will find that there is a great support for these multilateral mechanisms amongst the countries on the other end,

that they like to make this work. But to take the UN point: the Prime Minister was on a panel that the Secretary General organised last year to look at how to make the UN perform better at the country level, because we recognised on the UN side that if we were to be the home for more funds we had to perform better; we had to raise our game. I think that has to happen. DFID, if I might say so, having been on the other end, is a hugely competent department. It is viewed as the best bilateral development agency by those of us at the multilateral end of things but obviously it is going to have a challenge of ramping up its expenditure at a very rapid rate. I am sure all of you there are kind of making sure you do it without accidents en route.

Mr Manuel: In terms of where DFID is, one of the things the UK has been leading on has been looking at the relative effectiveness of different multilaterals because using extra aid money well is incredibly important. We have been doing a process of how do you rank the EC, the World Bank versus the African Development Bank versus UNDP versus the Global Health Fund, et cetera, et cetera, and that is being used now for ministers who are precisely discussing these issues in DFID, with the settlement as to how the money should be exactly used across the different spending processes so that we are making sure that we are using it most effectively on the multilateral side. One of the issues also within DFID is: What should the balance be between the multilateral and the bilateral? That will again take into account what the relative effectiveness and efficiency is, and country offices have come back to the ministers saying, “If we had more money, this is the sort of thing we would want to spend it on and this is how we could do it.” Having worked both for developing country governments and also for the UK and watched different country programmes, I have no doubt that we could use the money really well. We are sitting on projects that we are having to turn down. The worst was when we had to halve what we were going to give for malarial bed nets in one country because we just did not have enough money. There are projects that clearly just need to be done and that is just one example, but the infrastructure needs or anything else, there are so many different things that could be done and I think there are now much better international structures for managing that.

Chairman: We are coming up against time constraints but I know I have supplementaries from both Lord Crickhowell and Lord Lea.

Q35 Lord Crickhowell: Clearly, as the biggest donor with an efficient department we are quite good at selecting where we want the money to go and the projects. I am interested in the audit process. I imagine we are also quite good at making sure that our money is being spent, having got it to projects,

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where it should be spent. The question I have, because this is a Committee dealing with the EU, is whether EU aid is being effectively audited so that we know that it is going to where it should be going and it is being spent where we thought it was going to be spent.

Mr Manuel: For us the biggest and best way of monitoring and evaluating aid is being out in the field to see what is happening. I think the biggest change that we have pressed for and we are pleased to see in terms of the EC is that there is now much more decentralisation of their aid management processes. In 2002 only 24% of the European Development Fund was being managed by delegations and now we have revised that to 82%. In that sense, you can have auditing processes but what you want before the auditing processes is the people who are going to manage it who are designing it and working on it. If you have those people in Brussels, if you get them out of Brussels and you put them in the country, from our view that is by far the best way of taking it forward. There are, in addition, a range of audit processes that continue and are being strengthened and worked on. We recognise there has been a real improvement in the effectiveness of EC aid and that is our perception as to how we measure it at a global level and also what we talk about when we work with delegations in the field and we see what is happening. Could more be done? Yes, I am sure. That is why we will continue to press for better auditing and better monitoring processes.

Q36 Lord Lea of Crondall: Minister, every report we have done—and we have done a succession of reports on the effectiveness of EU aid—reaches one conclusion among others, that you cannot have this debate going on endlessly about bilateral versus multilateral because in Burundi you just cannot have 28 countries telling you different ways of doing auditing. You really have to have EU policies. I am not posing EU versus the UN versus the World Bank or anything like that, but you certainly need a very strong multilateral element. To say that we are more effective than doing it through the EU is a false dichotomy but another example of where the EU will have a bigger role in the future. Going back to your remark, is it not the case that when you said that the climate change and the Stern Review and so on have started to leap up the agenda and, if we are not careful, will displace MDGs that is partly the fact that the MDGs are failing in Africa? I think on the last statistics it is going to be 30 years before most of sub-Saharan Africa, on present trends, will get there and some GDP per head of growth rates—per head is the obvious statistic we need—are only 1% or something. Therefore, is it not the case that, far from saying that sustainable development and climate change is somehow edging something off the agenda,

given the importance of the CO₂ question—and you and I were at the same discussion yesterday with Professor Stern—it is essential that we integrate the climate change/sustainability agenda and population growth and the whole problem, otherwise Africa will have a population bigger than India or China, and, as somebody said in Ghana, “They’ll all come here, if we don’t do something over there.” So is it not essential to include in our thinking what is essential in the next 20 years for African nations themselves as well as for us? We have to put a huge amount of money into the carbon tax and this has to be thought through quite urgently now.

Lord Malloch-Brown: I completely agree. I think the difficulty is that at both ends public opinions are a little too quick to look at these as alternatives rather than the two sides of the same coin. There is a little bit in Western public opinion and we are preoccupied with climate change: we see it as a very Western story about our own low carbon economy. To the extent we see it having a developing country dimension, it is India and China belching noxious gases into the air but it is not viewed as an African issue, and on the Africa side that is understood to mean, “Ah, typical rich man’s problem. You are no longer thinking about Africa.” But, in fact, as Nick Stern was arguing in front of both of us yesterday, it has a huge African dimension. It may not be an African-made problem but it is going to be a problem with an African consequence in terms of water, agricultural productivity, et cetera. So, yes, we need to reattach to the word “development” the word which has come detached in recent years “sustainable”, sustainable development, because we need a development model which has a vision of what are the useable sustainable water and agricultural strategies available to Africa. I agree, it should not be an either or, it is both.

Chairman: I will move on now to a question on Darfur. We have two or three other questions to which we may have a chance to return but there is a time constraint. Lord Hannay.

Q37 Lord Hannay of Chiswick: There are two things I would like to ask you about Darfur, Minister. First of all, how confident are we that the resolution which has now been adopted by unanimity for a deployment there of a hybrid force will take place broadly as planned and on schedule and will it work when it has been deployed? The second question is what can Britain and the EU do to bring some influence to bear on the rebel groups who have not been so far prepared to participate in Serte conference and so on? Is there any way they can be influenced so that the Sudanese Government is not left sitting looking as if it is the peacemaker when in fact it has been the cause of the problem all along?

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Lord Malloch-Brown: Let me just say, if I may that obviously the two are very interrelated because the resolution 1769 very rightly tackled all three fronts. It said that it has to be a political process; there has to be peace keeping to support principally the outcome of that political process; and there must be an economic recovery process as well. I think that was one of the reasons this was a much more successful resolution than the earlier one. The second thing is it pulled punches on certain enforcement issues in order to make sure that we got China and the Arab and African members of the Council to join us in a 15 to zero outcome, because we felt that was critical to showing the Sudanese community that the international community was united and would not blink. Where we stand is that on troop deployment it is falling behind schedule. The AU and UN agreed on a force composition which was largely but not exclusively African and would include such things as a Swedish/Norwegian engineering troop, Nepalese and Thai battalions and some other critical components to its effectiveness. There are two obstacles to its deployment at this stage. One is that the Sudanese are still fighting over the non-African components of it, and, second, we have not found the helicopters. So the Secretary General, when he complains about this distributes his complaints probably around those two objectives: one, Sudanese problem; one, problem at the international community. We are pushing to try to overcome both issues. I have talked to the Sudanese several times, including to President Bashir, about the force composition issue and tried to get them down off their high horse on this and to say that this force meets the requirement of the resolution which is a predominantly African character, et cetera, but we are not there yet and we really feel we cannot compromise any more and that the UN should not compromise any more because otherwise Bashir will feel that he can get away with whatever he wants on these things. On the Serte talks, by contrast the government has done rather well. It showed up at a very senior level, it offered a ceasefire of the rebel groups.

Q38 Chairman: The Sudanese government.

Lord Malloch-Brown: The Sudanese government. Their delegation was led by their main Darfur political person and presidential aide called Nafi Ali

Nafi. They offered a ceasefire to the rebel groups who were also at the talks. But it was contingent on not being shot at, the fighting not spreading into Kurdufan, and did not cover the groups who were not at the talks. The problem was that, even if this was an important progress on the Government's side, the rebels behaved dismally and the main groups stayed out with completely impossible demands of saying they would only come if there was peace first, that the UN had managed to establish security across the country. As a consequence of that, the UN and AU have sent delegations of their negotiators to Juba and somewhere else—I forget where—where the rebels are to try to persuade them to come into the talks, and we are deliberately avoiding kind of letting the train leave the station and giving the rebels a last chance to get on the train but it is the view of the Prime Minister and the Foreign Secretary that if the rebels continue to hold out they would be as liable to be sanctioned in some way as the government. There has to be even-handed pressure on both sides. We are very worried about the situation. There is more displacement going on. There has been violence in the camps and now, overnight, the Sudanese government appears to have expelled the senior UN humanitarian official in Southern Darfur. As always with this, it is a step forward or maybe two steps forward and then a step back. The situation is not great.

Q39 Chairman: Thank you very much indeed. Minister, I know you have to be away by noon so I would like to thank you very much indeed. I am sorry we have not had a chance to ask you all the questions that we had hoped to. If there are any points that you feel we could have covered and we have not and you wanted to write to us, we would obviously appreciate it, but we are very grateful to you and we look forward to seeing you on a number of future occasions.

Lord Malloch-Brown: I appreciate it.

Chairman: Mr Manuel, we are also very pleased to have DFID officials in front of us and we are hoping to see DFID officials again later in November to discuss other matters with them. We are very glad we are fulfilling all three of our responsibilities. Thank you very much indeed.