

Eliminating World Poverty: a response by People & Planet



We would like to begin by acknowledging the progress towards sustainable development that has been made by the Department for International Development with the adoption of a broader interpretation of development in its rights based approach.

However, we feel the greatest challenge is about to begin. The challenge of eliminating world poverty will mean reversing some of the greatest threats to people and planet. Any serious response from DfID needs to be comparable to the size of the problem, putting human welfare and livelihoods before corporate power and economic gain.

Climate Change

The single biggest threat to development in the next 20 years will be the impact of climate change. We need to face up to the fact that climate change, largely fuelled by rich nations' over-consumption, will undermine development gains and disproportionately hurt the world's poorest.¹

- DfID needs to immediately implement a full carbon emissions review with the aim of reducing the carbon emissions that result, both directly and indirectly, from all lending, policy and support activities. DfID should aim to assist developing countries in finding new, low carbon, development paths.
- DfID must stop UK development aid facilitating oil development overseas. This aid, far from helping the world's poorest people, often serves the world's wealthiest corporations, leaving the poor worse off than before, aggravating global climate change, and undermining the Millennium Development Goals.²
- DfID must provide funds for adaptation to climate change in poor countries, providing assistance for localised sustainable energy technologies while also developing effective arrangements to respond to the increasing burden of climate related disaster relief.

Trade

Trade policy has continued to fail poor countries and the environment. The UK Government works as a whole to achieve sustainable development and no one department works in a vacuum. For the UK Government to eliminate world poverty a wider remit than the actions of DfID needs to be considered. Decisions made by the Department for Trade and Industry, the Treasury and the Foreign and Commonwealth Office have great impact on the world's poor. At the recent WTO negotiations in Hong Kong the UK delegation was led by the DTI, and negotiations continued to undermine the interests of the world's poor.

- DfID needs to encourage the Government to develop an inter-departmental strategy to create a holistic approach to sustainable development.
- DfID must ensure that trade liberalisation is not forced upon developing countries; they must be allowed 'policy space' so they can choose the best policies for sustainable economic development.
- DfID must ensure that bilateral aid is not used as a political tool to force trade liberalisation on developing countries.

¹ *Up in Smoke? Threats from, and responses to, the impact of global warming on human development*, Working Group on Climate Change and Development, New Economics Foundation 2004

² *Pumping Poverty; Britain's Department for International Development and the oil industry*, Platform Research 2005 & www.planb.org

HIV and AIDS

HIV/AIDS is the greatest pandemic the world has ever seen and is presently reversing many of the development achievements of the last 20 years. We congratulate the UK for showing leadership in the fight against HIV/AIDS, however:

- DfID must support a massive increase in generic drug production and distribution in order to drive drug prices much lower, which in turn will help reach and sustain universal access to treatment.
- DfID needs to detach key mechanisms such as patents from the WTO process to provide for human welfare and put public health before patent rights within a practical timescale.
- DfID must sustain its support for the Global Fund for AIDS, TB and Malaria and champion future rounds of grants. It must also make other governments, particularly the EU and US, contribute their fair share.

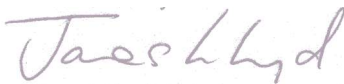
Substantial and sustainable financing for development

The challenges are large and to achieve them there will need to be additional financing available for sustainable development. This financing must be imaginative and additional. The influence of the UK Government on other nations and their attitudes towards development is high; where it has found the ability to show effective global leadership it is impressive. A clear example of this was the acceptance of 2010 as a universal access to treatment target for HIV and AIDS. We call on the Government to do the same with climate change as it also has a major negative impact on development.

- DfID must lead the way in developing innovative sources of financing such as the Currency Transaction Tax and the Air Ticket Levy. Financing raised in this way must be additional to the 0.7% of GDP Aid commitment.
- DfID must provide international leadership to create a massive scaling up of resources for the promotion and development of renewable energy. An example that may be worth looking at is that of the 'Global Fund for AIDS, TB and Malaria'. This has the advantage of the scale of resources to be mobilized, independence from institutions such as the World Bank and associated debates about conditionality, as well as essential involvement of southern representatives in key decisions.
- DfID must lead the calls to restructure the global tax architecture to allow developing countries to plug the leaks so they can mobilise their own resources for sustainable development.³

We have deliberately kept our response short but would be pleased to provide further information or guidance.

Yours sincerely,



James Lloyd

Head of Campaigns
People & Planet

³ <http://www.taxjustice.net/>. See also Oxfam, *Releasing the hidden billions for poverty eradication*, http://www.oxfam.org.uk/what_we_do/issues/debt_aid/tax_havens.htm