



House of Commons
International Development
Committee

**Humanitarian Crisis in
Southern Africa:
Government Response
to the Committee's
Third Report
of Session 2002-03**

**Fourth Special Report of Session
2002-03**

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Fourth Special Report

The International Development Committee reported to the House on The Humanitarian Crisis in Southern Africa in its Third Report of Session 2002–03, published on 11 March 2003 as HC 116. The Government Response to that Report was received on 30 April 2003 in the form of a memorandum to the Committee. It is reproduced as an Appendix to this Special Report.

Appendix

Crisis in southern Africa

1. The simultaneous occurrence of major crises in southern Africa and the Horn of Africa poses a serious challenge to the international community's ability and willingness to respond. We share Clare Short's concern that the international humanitarian system may be getting over-stretched. (Paragraph 17)

We agree.

2. We are concerned that Africa is the only continent which is moving backwards as regards reaching the Millennium Development Goals (MDGs). If the international community fails to respond adequately to the humanitarian crises in southern Africa, Ethiopia and elsewhere, it will be impossible for countries to halve poverty and hunger by 2015 in line with the Millennium Development Goals. (Paragraph 18)

We share the Committee's concern. It is essential to ensure an effective response to humanitarian crises in Africa, but it is also essential to ensure that the humanitarian response promotes longer-term food security.

3. Southern Africa is not suffering a drought-induced famine. It is suffering a complex humanitarian crisis, which was triggered by erratic rainfall and a relatively modest fall in food production. (Paragraph 19)

We agree DFID's views on the complex causes of the crisis in Southern Africa were set out in our submissions and evidence to the Committee.

Vulnerable livelihoods: From shock to crisis

4. We would not wish to see the HIPC process undermined, even for the best of motives, and fully understand that debt relief is not the only form of development assistance. But we do urge DFID and its international partners to consider seriously the possibility of revising the HIPC framework. Realistic debt relief must take account of the resources which creditors/donors are prepared to spend, but development-focused debt relief should surely take more account of poor countries' development needs. We would like to hear DFID's views about the role of debt relief, and about whether or not the HIPC initiative should be revised to take more account of poor countries' development needs. (Paragraph 27)

Debt relief has an important role in freeing up resources for poverty reduction. However, as the Committee notes, it is not the only source of development financing, and will never be sufficient as financing for the MDGs. Relief must be sufficient, however, to reduce debts to a manageable level. HIPC has been an important success in this—countries now spend nearly four times as much on priority social spending as on debt servicing. For example in 2002 Malawi spent around 14% of its revenues on debt servicing, and 68% on social expenditure. Nevertheless, many HIPC countries remain vulnerable to external shocks. The Government is actively seeking ways to improve the HIPC Initiative, to ensure that it can deliver sustainable debt levels. We are pressing to ensure that additional relief is provided at Completion Point to all countries that risk exiting the Initiative with debts above the HIPC thresholds due to exogenous shocks. We are also pressing for a change in the rules, to ensure that additional relief provided by some bilateral creditors beyond HIPC is not included in the calculation of topping-up at Completion Point, and remains as an additional ‘safety cushion’.

In the longer term, the key challenge for HIPCs will be how to ensure that they have sufficient access to concessional finance for their Poverty Reduction Strategies (PRs) without incurring unsustainable debts. In some HIPCs, new International Development Association (IDA) loans could push external debt back over the HIPC programme thresholds and possibly back up to unsustainable levels. In these cases it may not be advisable for the country concerned to take on large quantities of new debt. This issue has arisen in Rwanda, Ethiopia and Niger, although it is likely to arise in more countries in the future. Topping up will be part of the solution, but we also need to consider a more flexible approach to IDA grants, so that they are concentrated on the most debt vulnerable countries, as well as a more sophisticated, country-specific approach to assessing debt sustainability. Further debt relief may play a role in some countries, but as remaining debts are owed to multilateral creditors, any further relief will have to be financed from existing multilateral resources. This means that the issue is about the most appropriate choice of instruments—grants, loans or further debt relief—within existing aid allocations. The Government is working with the World Bank and IMF to find a solution, to ensure that no country that is committed to sound economic management and poverty reduction is denied access to funding for its poverty reduction strategy.

5. Deep poverty at national and household levels is a major source of vulnerability. The depletion of household assets, together with declining opportunities for off-farm employment have raised vulnerability to future shocks throughout southern Africa. DFID and its donor, government and civil society partners must support strategies to restore household assets and to generate non-agricultural employment. (Paragraph 31)

We agree. This is the objective of the livelihoods approach, which is explored further in answer to Recommendation 25.

6. We believe that the UK Government is failing to communicate clearly the ways in which Zimbabwe is exacerbating food insecurity in southern Africa. DFID should explain clearly the culpability of Robert Mugabe's policies on land reform, and emphasise too that restrictions placed on the movement of genetically-modified maize have hampered the relief effort and contributed to the deteriorating situation across the region. If he continues with the same policies and approach, Zimbabwe will remain

part of the problem rather than part of the solution to famine and food insecurity in southern Africa. (Paragraph 34)

DFID and others donors/agencies have been explicit about problems Zimbabwe's policies and practices have caused, but we agree that we should continue to spell this out, including as planning for assistance to the region in 2003-04 is taken forward.

7. We are pleased that the Secretary of State is keen to learn from the past, and we welcome DFID's support for Poverty and Social Impact Assessments. We trust that such assessments will be made in the field of agricultural and food security policy, so that policy decisions and DFID's position itself are evidence-based rather than reactive, broad-brush and ideological. Oxfam called for mandatory impact assessments of the likely impacts of agricultural liberalisation. They recommended that donors, particularly the World Bank and IMF, end all lending conditions that promote further liberalisation of agriculture in Malawi, Mozambique and Zambia, pending thorough Poverty and Social Impact Assessments on agricultural policy reform in these countries, which can be used to inform policy choices about long-term food security and sustainable livelihoods. We endorse Oxfam's recommendation and urge DFID to do the same. (Paragraph 41)

DFID is committed to holding the Bank and IMF to their due diligence commitments to ensure that Poverty and Social Impact Assessments (PSIAs) are undertaken for major policy reforms likely to affect poor groups and agreed within Poverty Reduction Strategy Papers. This includes major agricultural sector policy changes where appropriate and agreed with national governments. DFID believes in supporting the development of nationally owned Poverty Reduction Strategy processes and nationally led PSIAs as part of an ongoing policy dialogue. Our experience is that this is more effective than pressing for the inclusion or exclusion of particular policy areas from donor financing negotiations. We also recognise that PSIAs are at an early stage of development and one of a range of available policy review mechanisms to which countries should have access.

8. HIV/AIDS is central to the unfolding humanitarian crisis in Southern Africa. In a continent ravaged by the HIV/AIDS pandemic, southern Africa is at its epicentre. The first defence against HIV/AIDS is food. Famine exacerbates disease, as disease exacerbates famine, in southern Africa. In creating new groups of vulnerable people, and exacerbating existing vulnerabilities, HIV/AIDS plays a major role in the cycle of vulnerability, crisis and poverty. (Paragraph 47)

Agree.

9. If the people of southern Africa are to escape from the cycle of vulnerability, crisis and poverty, the sources of vulnerability—poverty, weak governance and inappropriate policy, and HIV/AIDS must be understood and addressed, both in terms of immediate humanitarian response and in laying the foundations for longer-term development. This will also require that policy-makers do not latch onto the latest fashion in the misplaced hope that it will provide a solution to development problems. (Paragraph 52)

We agree. DFID's support for nationally owned Poverty Reduction Strategies is intended to encourage the move away from short-term fixes and sectoral priorities to address

longer-term issues. This will mean longer term commitments and the need for increased emphasis on capacity building.

Early warnings, information and donor response

10. We strongly endorse DFID's support for a regional approach to the improvement of early warning systems. Food crises are likely to recur in southern Africa in the coming years. It is vital therefore that famine early warning systems are strengthened at both regional and national levels:

- **Firstly, by improving crop production forecasts, especially of non maize food-crops including cassava, and assessments of their contribution to food availability and consumption;**
- **secondly, by strengthening vulnerability assessment at national and sub-national levels, including systematic monitoring of market prices and better understanding of the analytical linkages between poverty, seasonality, and access to food;**
- **thirdly, by incorporating non-official data sources, such as qualitative NGO reports and monitoring by vulnerability committees, into official early warning systems. (Paragraph 57)**

We agree.

Non-cereal foods are too often omitted from crop production forecasts. Attempts are now being made by national Vulnerability Assessment Committees to include crop estimates of roots and tubers into crop assessments. Already there are signs that size of the cereal gap has been reduced by the inclusion of cassava in those areas where it is a major crop.

The process for carrying out vulnerability assessments in Southern Africa has developed considerably in the past two years. Three vulnerability assessments are now planned each year and the latest round is establishing baselines in several key countries against which both short and long-term trends in vulnerability will be measured. There are few examples globally where vulnerability is being analysed on this scale with so much multi-sectoral interest and buy in. At a Southern Africa Development Community (SADC) meeting in Gaborone in March 2003, donors, NGOs and regional Government representatives agreed greater integration of early warning and vulnerability systems covering a wider range of food security indicators. Recommendations were produced for the SADC Council of Ministers to provide official endorsement of the proposals.

11. Implementing these improvements to early warning systems in Southern Africa will require a commitment of financial resources and technical expertise from the donor community, national governments and regional organisations, notably SADC. We urge DFID to support reasonable requests for financial and technical assistance. (Paragraph 58)

We agree. DFID is the major donor supporting national Vulnerability Assessments in Southern Africa having contributed £750,000 to the regional programme since the crisis began. These funds will last until August 2003, which will allow the next round of post harvest assessments to take place in April/May. DFID is collaborating with SADC in

designing a regional food security programme in which understanding and measuring vulnerability is a major component. This will be key to understanding and quantifying vulnerability both during food crises and in making links to longer term poverty.

12. Agricultural market information systems should be introduced or strengthened as a matter of urgency in all southern African countries. Lessons should be learned from the Indian Famine Codes and Kenya's Turkana District drought monitoring system, about how to incorporate price information into national and regional early warning systems. In addition to monitoring food prices and supplies in local markets, these systems should also collect data on agricultural input supplies and prices (especially fertiliser), and possibly also livestock prices and volumes, as "distress" sales of livestock at low prices are widely acknowledged as a robust indicator of livelihood stress. (Paragraph 69)

National Famine Early Warning Systems in the region (funded by USAID) now routinely include price and market analysis in their monthly reports. This type of information is also part of the Food Insecurity and Vulnerability Information Systems (FIVIMS) system that is being promoted by FAO. Factors such as restrictions on cattle movement to limit disease outbreaks and how they impact on incomes from livelihood sales are also included. There remain concerns over the timeliness of this information but systems are improving.

The humanitarian response

13. We were impressed in Malawi with the coordination between NGOs involved in the delivery of food aid and humanitarian assistance. In the medium term, such tasks ought to be performed by government, but NGOs are providing an essential and much-needed service. (Paragraph 80)

We partly agree. The experience of the past year has shown the value of using comparative advantage of various stakeholders. Governments are being encouraged to define core functions of Ministries to improve efficiency of services and, where appropriate, hand over responsibility for implementation to those better suited. Government has a clear responsibility for overall co-ordination and policy, but can leave implementation to others, which may mean NGOs or the private sector, probably through some form of performance-based contract system.

14. We are concerned at the lack of coordination within and between the donor community and regional institutions on food insecurity in southern Africa. On the basis that we believe food crises are likely to recur in the region, we believe it is unrealistic and unfair to expect regional governments in the immediate future to implement alone effective co-ordination between multiple organisations and institutions. As part of its evaluation of the UK response to the southern Africa emergency, DFID should assess the effectiveness of its working relationships with international, regional and national partners, including NGOs, and should draw lessons for improved coordination among multilateral and bilateral agencies. (Paragraph 83)

We agree. Some aspects of this question are also likely to be addressed by evaluations carried out by other organisations such as the World Food Programme.

15. We applaud these efforts by the international community to deliver effective relief programmes in the face of political indifference or hostility by certain governments. DFID and its partners in the international community must strive to maintain freedom from political interference in their responses to humanitarian emergencies, while at the same time ensuring that the humanitarian imperative remains the overarching principle, irrespective of the nature of the regime or difficulties in relationships between international actors and national governments. (Paragraph 86)

We agree.

16. We take the view that Zambia's decision—and especially the refusal to accept milled maize which could not possibly have impacted on Zambia's future export potential as it cannot germinate—was mistaken, particularly in the context of widespread hunger. (Paragraph 94)

We agree.

17. We recognise that GM is a complex and fast-moving technology, but we believe that the UK Government should seek to build a consensus on the use of GM food aid, and agree a clear and coherent policy on GM maize if it is to succeed in persuading food aid recipients of its benefit. (Paragraph 95)

We will consider how this might be taken forward given that each country will need to decide whether they will restrict import of GM, taking into account the latest scientific information and the impact of any restriction on humanitarian efforts in their country.

18. DFID and other donors—but not the USA which is a non-signatory—are bound, under the Cartagena Protocol on bio-safety, to respect the right of aid-dependent governments to refuse genetically-modified commodities if these are offered as food aid. We were pleased to hear Clare Short state that: “We take the view under the Cartagena Convention, the bio-diversity convention, that every country has the right to decide for itself whether to import GM food or seeds and needs the capacity to be able to think about it and make the decision in an intelligent way”. It seems to us that this is at heart an issue of governance; an accountable government, making decisions intelligently, would surely not opt for a policy of rejecting GM food aid when many of its citizens face starvation? (Paragraph 97)

We agree.

19. Donors should make every effort to provide food and non-food aid of a type and form acceptable to recipients. Looking beyond the current emergency, donors should also make more concerted efforts to source food staples locally as this is likely to be nutritionally-appropriate and culturally-preferred, is less likely to be genetically-modified, and will often be cheaper than shipping food aid from Europe and North America. In regions like southern Africa, where markets are relatively well-developed except in the most isolated rural areas, more consideration should be given to providing relief aid in the form of cash rather than food, as this maximises choice and supports rather than undermines local food producers and traders. (Paragraph 98)

We agree. South Africa has been the major source of commercial maize supplies for the region this year, but widescale exports resulted in an increase in the price for its own domestic consumers. Informal trade in maize from northern Mozambique and southern Tanzania into Zambia and Malawi played a key role in meeting the cereal shortfall. Much of this trade is informal and in some instances illegal as it avoids phytosanitary and customs controls. It thrives because it meets local needs. Sourcing locally or in adjacent countries is less successful where large consignments are required in a short time. Where grain is not grown in commercial quantities suppliers often struggle to meet bulk orders, deliveries are delayed and quality may not meet internationally acceptable standards leading to rejection at border crossings. While accepting that in most instances cash is preferable to food, there are occasions, such as in Zimbabwe recently, where even those with cash are unable to buy food and direct food deliveries are the only way to improve access. In Lesotho and Swaziland all the food needs for the two countries could have been sourced from South Africa and would have promoted the rural marketing networks but in the event much of the maize was provided in kind by the US government.

20. There is no room for complacency, but the humanitarian response has so far been a success. Overall, we commend DFID and its partners in the international community for responding generously to the crisis in Southern Africa in 2002, after a slow start and in the face of difficult governance contexts in several countries. (Paragraph 99)

We agree that the response was largely successful.

21. We urge the donor community and its regional partners (governments, SADC, NGOs and civil society) to establish contingency plans, such as pre-positioning of food stocks in the region, technical support to national safety net programmes, including better planned and transparently-managed Strategic Grain Reserves, and greater dialogue with the private sector to enhance coordination between public and private food flows. Those responsible for ensuring food security in the countries of southern Africa—including national Governments, the SADC-Food Agriculture and Natural Resources Vulnerability Assessment Committee, DFID, World Food Programme (WFP) and other bilateral and multilateral donors, NGOs and community-based organisations active in poverty reduction activities in the region—must establish clear criteria for predicting food shortages, declaring humanitarian emergencies, and mobilising relief resources. This requires institutional strengthening and coordination. To this end, national governments and their donor partners should consider establishing permanent Food Security and Evaluation Units, probably located in Ministries of Agriculture, which would liaise closely with local Vulnerability Committees. (Paragraph 100)

We partly agree. Ideally, SADC should play a major role in regional contingency planning, encouraged and supported by donors as necessary. The recent Gaborone meeting (see response to Recommendation 10 above) developed proposals for food security covering regional and country-specific requirements. However, it remains unclear when these will be agreed and put into effect. There are also arguments against maintaining Strategic Grain Reserves since they are expensive to operate and, in South Africa, there is a very well developed private sector capacity to store grain. A balance between government and private sector is required and also between cash and grain reserves.

SADC's Food and Natural Resources Secretariat already provides a home for regional vulnerability monitoring but provides few funds for the regional Vulnerability Assessment Committees (VACs). So long as enthusiasm for national vulnerability assessments does not fade once the immediate problem has been resolved, these provide truly national fora. They bring together a range of sectors and partners who now have the attention and interest of their respective governments as well as UN agencies involved in crisis management. DFID's role in supporting country and regional VACs is covered in the response to Recommendation 11.

In Malawi, significant progress has already been made towards a comprehensive long-term National Food Security Strategy. This will include production, storage, marketing and trade issues. Technical assistance has already been provided to the National Food Reserve Agency to improve management of the Strategic Grain Reserve with new, transparent systems for stock control, accountability and purchase and release criteria. Although efforts will be made to ensure the systems are as cost effective as possible, it is recognised by local stakeholders that full cost recovery is not likely and that some social costs to the Malawi Government and donors will have to be accepted.

22. As for the longer term, steps must be taken to reduce vulnerability to food production shocks. These will include: encouraging diversification away from maize and even out of agriculture for some of the population; providing appropriate support to poor households affected by HIV/AIDS; and where direct budgetary support is given, prioritising household food security within Poverty Reduction Strategy Programmes. (Paragraph 101)

We partly agree. In many marginal areas where food insecurity was most manifest in 2002, agriculture plays a minor role in people's livelihoods. Other sources of income are often more important and failure to understand these fully may have over emphasised the impact of crop failure in areas where cropping is opportunistic and crops fail most years. For Malawi, food security is explicitly indicated as a major component of the Safety Nets and Social Protection pillar of the Poverty Reduction Strategy Paper (PRSP). In accordance with the National Safety Nets Strategy a range of interventions, including agricultural input support, employment income opportunities, humanitarian feeding and direct welfare transfers, is already being provided. Unfortunately, safety nets are less well developed elsewhere in the region although there is increasing awareness of the need for strategies that address social protection providing that they do not undermine existing informal and social networks. DFID will continue to support the development of such strategies within national PRSPs.

From crisis response to food security and sustainable livelihoods

23. If people and communities are to escape from poverty traps and move towards food security and sustainable livelihoods, they must be enabled both to cope with crisis-related risks and to make the risky investments which are needed to climb out of poverty. (Paragraph 103)

We agree. In Malawi, encouraging progress is being made on risk mitigation through crop diversification, promotion of supplementary irrigation and support to small enterprise development made possible through income from public works employment. The success

of such efforts will depend on the extent of the government's commitment to sound governance and good macro-economic management. In other countries food for work and cash for work programmes may provide the opportunity to expose communities to more intensive agricultural production. Investments in small-scale irrigation supported by donors and NGOs are also being tested in Zimbabwe and Zambia. This is a beginning and it builds upon existing knowledge, but it will provide alternative income streams and nutritional sources for families in drought-prone areas. Basic infrastructure development and training as a component of drought relief programmes provides the initial investment that communities themselves are unable to supply while reducing the risk.

The role of agriculture in rural development

24. DFID itself does not have a “strategy” for agriculture, because—DFID argues—“it is too diverse a subject”, in relation to which developing countries must themselves take the lead. Instead, DFID has recently published an “issues” paper which discusses the role of agriculture in improving the livelihoods of poor people. We fail to see why agriculture is any different in this regard from other sectors such as education, and urge donors such as DFID to encourage their partner governments in southern Africa to take agriculture seriously, and to provide the necessary financial and technical support. Donors should not be active in all sectors—they should work to their comparative advantages—but given its considerable policy influence in the region, we believe that DFID has a responsibility to ensure that agriculture is not neglected by governments in southern Africa. (Paragraph 106)

DFID agrees that it is important that Governments give due attention to agriculture. Our approach to raising the overall profile of agriculture in PRSPs is set out in our response to Recommendation 62 below. DFID does not support the development of a DFID-specific agriculture strategy for Africa. Agriculture is defined and managed to national priorities which are quite different in neighbouring countries, who have very different contexts, potential and objectives. DFID's policy is to support these national priorities within the framework of Poverty Reduction Strategies rather than to earmark finances and develop donor strategies for specific sectors. Consistent with this, DFID bilateral assistance for education, health and agriculture in Africa is all programmed and discussed at the national level. Contrary to the implication of the Committee's Recommendation, that there are no overarching DFID strategies for education and health linked to bilateral priorities or expenditure in Africa.

25. We disagree with DFID that meeting the needs of the rural poor does not necessarily mean focussing on their agricultural capacity. We believe there is a risk that agriculture—which is the key component of rural livelihoods for millions of people in southern Africa, and the basis for growth and development—will continue to be neglected. (Paragraph 108)

DFID agrees that agriculture is a key component of rural livelihoods in Africa and central to poverty reduction efforts but does not believe that meeting the needs of the rural poor can be achieved by focusing exclusively on their agricultural capacity. This approach is the basis of the DFID “Sustainable Livelihoods Approach” which looks holistically at the assets, opportunities, institutions and processes by which poor people make living. This approach

shows that the ability of poor people to strengthen their livelihoods through agriculture is dependent on more than just improved agricultural techniques. This does not mean neglecting agriculture but, as DFID's Agriculture paper argues, donors can sometimes be more effective by tackling a range of legal, institutional and customary obstacles than by focusing on agricultural techniques. A good example is the poorest group in Africa — poor rural women. Women's rights to land tenure, their inability to raise credit in some areas, their time lost through disease, care provision or other burdens, such as water collection, are commonly greater constraints to their agricultural development than agricultural technology or extension services.

26. If poverty reduction and food security is to be achieved in southern Africa, agricultural investment must not be neglected. Rather than despairing at the hitherto poor performance of agriculture, donors must help to put in place the institutional environment which is needed to support agricultural investment and make it deliver significant poverty-reducing returns. Donors should support the re-building of agricultural extension services which were undermined as donor support to agriculture decreased. (Paragraph 109)

We partly agree. Effective agricultural investment will be crucial to poverty reduction efforts and donors have a role in supporting efforts to increase such investment. However, the responsibility for developing an institutional environment supportive of such agricultural investment lies with national governments. DFID believes that each country should decide on its priorities to do this. The role of donors is twofold. Firstly, to help countries define priorities as part of Poverty Reduction Strategy Processes and, secondly, to provide support to respond to those priorities. In the case of agriculture, this wider approach is needed as, in many cases, the institutional barriers are not directly related to agriculture or food security. They include such issues as weak macro economic management, financial services and transport infrastructure. Donor supported national plans may well include rebuilding extension services. However, rebuilding government extension services will not always be appropriate or practical and should not be promoted as a universal solution. DFID's approach is therefore to support countries in making their own informed decisions and not to promote such specific solutions.

27. The development of a cash-crop economy and export businesses can play an important role, not least in transferring technology to developing countries, but for widespread poverty reduction and livelihood enhancement the focus must be on small and medium scale agricultural producers. (Paragraph 110)

We agree. DFID believes that a sound development strategy can include developing both competitive large scale agribusiness as well as broad support for small and medium scale producers.

Safety nets and social protection

28. We applaud DFID for its role in supporting the design of Malawi's National Safety Nets Strategy. We urge DFID to do its utmost to ensure that the strategy is put into practice, that the different elements of the strategy are integrated, and that, where appropriate, safety nets strategies are developed throughout the region. (Paragraph 111)

DFID continues to play a leading role in the roll-out of the Malawi National Safety Nets Strategy. Technical assistance, training and equipment is strengthening relevant central and local Government departments and improving coordination between them and donor and NGO partners. Although the suspension of Direct Budget Support has placed some constraints on funding through the Government budget, donors, including DFID, are continuing to support individual programmes that fall within the Safety Net Strategy. Agricultural input support, public works employment and humanitarian feeding are the most significant components. Direct welfare transfers to the most vulnerable are becoming more important as HIV/AIDS impacts on households increase and work is expanding on the issues of targeting and appropriate types of such benefits.

29. We endorse the recommendations made by UN-OCHA, which as well as encouraging support for food-for-work and food-for-asset-creation programmes—include increasing support to school feeding programmes to reduce withdrawals of children and promote enrolment and attendance. (Paragraph 112)

We agree. DFID's supplementary feeding programmes at schools in Zimbabwe have been instrumental in ensuring that children remain at school. While this type of intervention has immense benefits during crises it can only be institutionalised as part of a wider PRSP or social protection programme targeted to vulnerable localities and groups. Where there is clear evidence of very acute malnutrition then UN-led interventions would be encouraged. In Malawi significant programmes have already started through NGOs and the Malawi Social Action Fund (MASAF), covering both food for work and food for assets, including agricultural inputs. These supplement existing cash for work programmes. School feeding programmes are also underway, but studies already show that these must be supported by improvements in teaching standards and school facilities if significant effects on attendance and performance are to be achieved. This may also provide an entry point for support to AIDS orphans.

30. We consider that a general maize subsidy is likely to strike the wrong balance between short-term relief and longer-term development. [. . .] In addition, given the likelihood of corruption in the sale of the Strategic Grain Reserve (SGR), and the possibility that a general maize subsidy might be diverted to buy votes at forthcoming elections or leaked through resale to neighbouring countries where prices are higher, we are not confident that a general maize subsidy is the most effective way of combating poverty and improving food security. It is essential that efforts to meet the short-term needs of communities do not undermine longer-term development. [. . .] Targeting assistance to the most needy is the most effective way of spending scarce resources, and is likely to minimise the risk of profiteering by elites. We remain concerned at the likely impacts of the general maize subsidy in Malawi, and share DFID's frustration at the World Bank's lack of consultation during the design of the scheme. (Paragraph 114)

We agree. DFID and other bilateral donors have expressed concern, at both country and headquarter level, over the failure of the World Bank and the IMF to take full account of donor views and of on-going technical work on targeting of subsidies and mechanisms for their implementation. The general subsidy has led to sale of less than 20% of the Government's commercial imports suggesting little positive impact on maize accessibility

for the poor, The poor sales will have potentially serious impacts on the national budget due to lack of cost recovery. The remaining high level of stocks may also affect the maize market in the forthcoming harvest period.

31. We are not a committee of inquiry into the complexities of the sale of Malawi's Strategic Grain Reserve, but such episodes do cast light on issues of governance and accountability. Greedy and corrupt officials in positions of responsibility must not be allowed to profit from the sale of a country's grain reserve. As such, we trust—although the removal of Gilton Chiwaula from the Anti-Corruption Bureau does not fill us with confidence—that the continuing inquiries will uncover what happened in Malawi, and that appropriate actions will be taken. (Paragraph 115)

We agree. Results from the independent audit of the 1999-2002 grain sales should be available by early May 2003. These will supplement the efforts being made, with technical support, to develop more transparent systems for management of the Strategic Grain Reserve. The recent tendering of 50,000 tonnes offered to private sector traders was a model of transparency and provides hope that real progress can be made in Malawi.

32. Properly managed grain reserves, coupled with the holding of options to purchase grain on commodity markets, must be part of future food security strategies in the region. Further—whilst it is important that the maintenance of grain reserves does not take too large a slice out of scarce governmental resources—we do not think it realistic to expect strategic grain reserves to operate on a full cost-recovery basis. (Paragraph 116)

State-operated grain and food reserves are subject to political bias and are used more often to manipulate markets than to ease shortfalls in supply. Where grain reserves are operating the ideal would be systems that are as cost effective as possible. However, it is recognised by those involved that full cost recovery is not likely and that some social costs to governments and donors will have to be accepted.

In 2002, the considerable grain reserves in private sector silos in South Africa acted as a regional reserve and were the prime source of most commercial purchases within the region. For countries in the Southern Africa Customs Union (SACU) these stocks provide a reserve at no cost to the governments. Sales from these private-sector reserves were transparent, market driven and imposed no financial burden on the state, unlike most parastatal grain reserves. As demand increased the private sector placed orders for yellow maize outside the region. The wider use of options and forward contracting on regional and national commodity trading exchanges will reduce the risk of regional shortages. However there is a desire amongst governments to control the grain trade rather than leave the function to the private sector. The grain trade is politically sensitive and is regarded by countries as a special case with private sector trading treated with suspicion. The expansion of food security related trade requires an enabling policy environment across trading partners. As the primary regional grain producer, South Africa has an interest in encouraging policy change. This is a high priority for SADC and the need for progress was again emphasised at a regional conference in Botswana in March 2003.

33. Public works programmes must be designed carefully. [...] In many ways, local people, including intended participants and beneficiaries, may well be in the best

position to advise on the most effective form of payment and should be involved fully in the design and implementation of such schemes. Public works programmes must take account of local situations and gender relations, and other measures must be taken to support those who cannot work. For instance, labour intensive public works programmes are entirely inappropriate for people living with HIV/AIDS, the infirm, and women with child-care responsibilities. But we believe that public works programmes provide an excellent way of linking short-term relief to longer-term development and urge DFID to support such schemes wherever communities in southern Africa have spare labour. (Paragraph 119)

We agree. In Malawi the experience from both NGOs and MASAF is contributing to development of programmes which combine the benefits of infrastructure improvement and increased earning power to provide both individual household earnings and local enterprise development. In Zambia, WFP and donor collaboration resulted in almost 500 000 people using some form of Conservation Farming on their own land. Where food was available it was provided to NGOs who used it as payment for work done but, more commonly, seeds and fertiliser were provided to those who had prepared part of their land using a range of conservation farming techniques. The impact this had on yields this year is being assessed but if successful such programmes, which directly benefit farming-families, will play a key role in any future food and cash for work programmes. Clearly those without access or unable to utilise land will not benefit from such schemes. They require a different approach within a wider social protection programme. In Lesotho, the EU are funding a cash for work road scheme. However, such schemes do take time to design and require intensive supervision.

34. Targeted Inputs Programmes can play an important role in achieving food security. To do so they must be part of a longer-term rural development strategy which, over time and where possible, reduces dependence on free inputs, making inputs more affordable and accessible by raising rural incomes and promoting rural development. We urge DFID to continue its support for Malawi's Targeted Inputs Programme, and to work with other Governments to examine whether such schemes—with carefully planned exit strategies—might enhance their food security and longer-term development prospects. (Paragraph 122)

We agree. Comprehensive evaluation of the five years experience of input programmes in Malawi is feeding into the discussion of the future of such programmes, whether in Malawi or elsewhere. They have provided a cost-effective “kick-start” to agricultural recovery and intensification. However, they form only one of the range of interventions necessary for an integrated approach to rural poverty alleviation and food security. Their role is being incorporated into the forth-coming National Food Security.

35. Donors and governments in southern Africa urgently need to find ways of making yield-enhancing inputs (fertiliser and seeds) accessible to smallholder farmers at affordable prices. The free distribution of inputs, whether universal or targeted, in Malawi or elsewhere, is a useful interim measure but does not provide an appropriate model for a sustainable long-term solution to food insecurity. An alternative proposal made to us by Stephen Carr, to amend the existing rural public works programmes so

that participants are paid with vouchers for agricultural inputs, rather than in food or cash as at present, should be seriously considered. (Paragraph 123)

We agree. In Malawi, DFID and other donors are considering with Government, MASAF and NGOs how the local experience of “inputs for work” can feed into the evolution of existing input programmes. Key to these discussions is the implication of scaling up such a programme toward national coverage in the 32,000 villages in Malawi. This will require realistic assessments of availability of appropriate public works activities and of the institutional capacity for the management of both the public works and the voucher systems.

36. Short-term assistance and focused safety nets must contribute towards longer term goals of improving governance, reducing dependency, nurturing functioning and equitable markets, developing infrastructure, and increasing agricultural productivity. Finally, effective social protection strategies, whilst addressing short-term needs, must—by including plans for the phasing out of certain forms of assistance such as free inputs programmes where possible—look to a future where such measures are employed less frequently and less widely. (Paragraph 124)

Agree. The development of the National Safety Net Strategy in Malawi may provide a useful experience. This was developed through wide consultation with stakeholders and recognises a need for a range of interventions for different categories of beneficiaries. As one of four pillars, it is firmly embedded within the Poverty Reduction Strategy, which ensures it priority for allocation of both donor and Government resources. DFID is leading in efforts to provide an effective institutional framework for implementation and for its evolution to respond to changes in local social and economic conditions.

Opportunity ladders

37. We believe that the open-pollinated varieties (OPVs) which require few inputs, and which farmers can store and re-use, are more appropriate for poor smallholder farmers than hybrid and genetically-engineered varieties which require annual repurchase and could tie poor farmers into costly relationships with powerful transnational seed companies. (Paragraph 127)

We agree. The recent FANRPAN meeting in Botswana recognised the need to ensure removal of technical and regulatory constraints to the use of OPV seeds across the SADC region. Recommendations from the meeting will be laid before the Council of Ministers. DFID is providing technical and financial support to Malawi to help multiplication of such seeds, working with the Ministry of Agriculture, seed companies, NGOs and farmers, both commercial and smallholders.

Most farmers use their own retained seed. In several countries only hybrid maize can be sold commercially. In Zimbabwe, OPVs can be grown but can only be sold outside the country. These regulations effectively bar small-scale growers from selling clean tested but locally produced maize as seed, unless it has passed rigorous quality and purity tests. The regional meeting in Gaborone recognised the need to ensure removal of technical and regulatory constraints to the use of OPV seeds across the SADC region. Recommendations from the meeting will be laid before the Council of Ministers. However several countries

are likely to resist the move, influenced by local scientific opinion backed by the seed industry lobby, which sees the introduction of OPV as a retrograde step. DFID however, is providing technical and financial support to Malawi to help multiplication of such seeds, working with the Ministry of Agriculture, seed companies, NGOs and farmers, both commercial and smallholders. Elsewhere in the region DFID is willing to support the production of drought-resistant seeds such as sorghum and cowpeas as there is a shortage in the region at a time of increased interest amongst farmers.

38. We would like DFID to explain its plans for making affordable fertiliser available to smallholders in southern Africa, in both the short and longer-term. (Paragraph 128)

DFID has no immediate regional plan to make affordable fertiliser available to farmers in southern Africa. The scale of need is beyond the ability of a single donor. DFID will however support efforts to expand cash crop production where appropriate, and adding local value, which can provide income for farmers to purchase inputs, including fertiliser. Research and pilot programmes have indicated that farmers will purchase fertiliser for food crops where it is packaged in small quantities. DFID will work with the private sector, governments and the NGOs in attempts to ensure that packaging is more appropriate for the small producer. DFID will also work to encourage price reductions through competition in supply. We will also continue our efforts to reduce distortions from production subsidies in Europe and North America. We will also continue assistance to reduce transport costs through road, rail and port improvements, eg the support given by DFID Malawi to the improvement of the Nacala trade route.

39. Climatic uncertainty, drought or erratic rainfall, is an increasingly important source of vulnerability in southern Africa, and one which should be addressed by developments in irrigation. Just as price-smoothing in maize markets can reduce one form of vulnerability, making maize prices less erratic, more predictable and more affordable, so too can irrigation and “rainfall-smoothing” or “rainwater-harvesting” reduce vulnerability. (Paragraph 129)

We agree. Irrigation is being promoted throughout the region and several countries, including Malawi, have already developed national strategies. Successful expansion of irrigation will depend on adoption of a commercial approach to ensure the costs of water supply are recovered and therefore the supply is sustained. Unfortunately, large-scale schemes have too often been government controlled, heavily subsidised and dependent upon expensive pumping systems to supply water. Farmers were expected to grow uneconomic crops such as maize as a contribution towards national self-sufficiency rather than utilising scarce water resources to diversify into high value crops. Many of these schemes have fallen into disrepair as governments have reduced spending and farmers can no longer afford to maintain the system. Small farmer-managed schemes have been more successful and in Zimbabwe supported by a number of donors including DFID. Micro-irrigation systems suitable for small plots using treadle pumps have proven popular in east and central Africa and are being promoted by the private sector and NGOs across the region. Selection of appropriate cash crops and focus on marketing systems has been shown to be at least as important as the choice of technology.

40. Historical imbalances in land ownership do need to be corrected, but land reform programmes must be planned and implemented carefully, legally, with adequate

consultation, and as part of poverty reduction strategies. We strongly endorse DFID's support for a regional technical facility to take forward land policy issues at a regional level within SADC. (Paragraph 130)

We agree the case for land reform in Zimbabwe is overwhelming, and it is regrettable that there has not been greater progress since independence. The problems in Zimbabwe clearly indicate that orderly reform of land ownership depends on sound policies, founded on consultation with stakeholders, supported by political will to ensure the provisions of policy are applied equitably and with recognition of impact on the local economy. Although Malawi has developed a new Land Policy which has been widely recognised as fair and forward-looking, successful implementation with donor support will require strong political commitment to the provision of the policy.

41. We agree with Christian Aid, that support should be provided to enable commercial and government credit institutions to provide rural credit, and urge DFID to increase the support it offers to this sector in southern Africa. There is a role too for farmers' associations such as National Smallholder Farmers' Association of Malawi (NASFAM) in improving smallholders' access to agricultural inputs and credit, provided they have the ability to reach and serve the very poorest farmers. (Paragraph 131)

Wide experience indicates successful, sustainable smallholder credit schemes depend on production and marketing of cash crops within a sound economic and political environment. There have been more failures in rural credit schemes than successes as drought or crop failures lead to non-payment and a build up in arrears. In addition, high interest rates combined with default have seriously undermined programmes in several countries in the region. Donors are considering expansion of support to farmer associations, which combine savings with credit, and which also organise farmers for input supply and marketing of production. The growth of NASFAM in Malawi, to serve over 100,000 small-holders offers a promising model.

42. We support strongly Clare Short's efforts to reform the FAO, and in particular its approach to food security, but encourage the FAO's critics to be realistic in their expectations of what the FAO can do within its resource constraints. They should not undermine the important work which the FAO does in promoting and developing international standards, and in providing agricultural advice for hard-pressed developing countries. Nevertheless, if the FAO is not—in the absence of sufficient governmental capacity—the right organisation to be involved in agricultural extension, improving agricultural productivity and encouraging diversification, we wonder which organisation is. (Paragraph 133)

No single organisation can provide effective agricultural support services. These require co-operation between a range of civil society, private sector, NGO and Government bodies. Precise arrangements will vary between countries and should be developed locally, within the framework of a PRSP where possible. DFID's position is not to seek to undermine FAO's role but rather to persuade it to focus on its comparative advantage and remit. This lies in policy advice, standards and statistics not in the co-ordination and implementation of agricultural services. FAO can play an important role in improving information systems, based on its high level of both in-house and call-down expertise. This can support policy

development, promotion of existing technologies, identification of new problems and strengthening of early warning and monitoring systems.

43. Price stability and food security—enabling better management of the risks associated with crises—is fundamental to efforts to develop a sustainable market economy. Food—insecure households are risk-averse households; risk-averse households do not make the investments needed to move beyond subsistence. John Winter of DFID said: “We would, of course, like to see an open market in maize within the region.” If the appropriate institutions were in place to ensure that sufficient maize was provided at prices which the poor could afford, we would agree. Currently, they are not. Without advocating any particular form of intervention, we believe that the principle of guaranteeing access to affordable food for the poor at all times is one that should be re-instituted and followed. (Paragraph 136)

We agree. Mr Winter was advocating transparency rather than the abolition of subsidies (and the response to Recommendation 44 confirms DFID’s view that targeted subsidies are often justified). The risk that large scale subsidies pose are covered in the answer to Recommendation 30.

44. The potential of using targeted food subsidies as an alternative to the unsustainable and inefficient consumer price subsidies of the past should be explored. DFID has recent experience with a pilot scheme of targeted “flexi-vouchers” in Malawi. Perhaps the lessons learned from this initiative could be expanded and incorporated into larger safety net programmes at the national or even regional level. (Paragraph 137)

We agree and will disseminate lessons as they emerge.

45. DFID should support southern African governments and SADC in their efforts to encourage the emergence of new and more effective “hybrid institutions”, which involve the state and the private sector in the regulation of staple food markets. It is not clear what sorts of systems might be able to deliver both price stability at appropriate levels, and the coordination and protection needed to nurture fragile market development. But it may be worth exploring the idea of private companies tendering for franchises to deliver specific services—including food supplies—at predetermined, and if necessary supported, prices. (Paragraph 138)

We agree, although how such systems will evolve will be country specific and will be adopted at different rates by countries in the region. Many governments view the private sector with suspicion and hostility and much needs to be done to overcome this before a true private sector/state partnership can develop.

46. We believe that some diversification into production of cash crops for export is desirable and were pleased to hear in Malawi of DFID's support for efforts to develop export capacity and know-how through the Integrated Framework. There are however important limitations and obstacles. Cash crop production is not a panacea, particularly for land-locked countries such as Malawi. In addition, a shift to cash crops will not in itself guarantee food security—the fundamental basis for development beyond subsistence levels—for rural communities. (Paragraph 139)

Cash crops could provide an additional source of economic growth for Malawi, though its difficult transport links will limit this. We agree that cash crops alone will not, though, deliver food security in the foreseeable future.

47. The major obstacle to export-led growth is of course that of limited market access and the highly hypocritical maintenance of export subsidy regimes in the EU and US. perhaps the best thing that developed countries could do to improve the prospects of developing countries such as those in southern Africa would be to practice what they preach, improving market access and eliminating export subsidies, at the same time as helping to build developing countries' export capacity. We urge DFID and the UK Government as a whole to step up its efforts to persuade our European partners that fundamental reform of the Common Agricultural Policy must to be a priority. In addition, consideration should be given to the role of a “development box” in allowing developing countries to maintain subsidies for essential food security reasons. (Paragraph 140)

We agree but note that several of the countries affected by the crisis have, in theory, already been granted duty and quota free access to EU markets for all exports under the EU Everything but Arms or “EBA” initiative. DFID supports the removal of EU domestic subsidy, improvement of EBA (e.g. through better rules of origin and harmonisation of EBA with other trade agreements) and removal of non tariff barriers such as inappropriately high EU import standards.

The challenge of HIV/AIDS

48. We appreciate that the priority has been to get enough food of any type through to the hungry, but trust that DFID and the international community will—now that the food pipeline is more secure—seek to improve the nutritional content of food aid, to maximise its effectiveness in addressing the needs of those infected with HIV. (Paragraph 143)

Inadequate nutrient intakes can increase the risk of illness even for people who are not HIV-infected. However, current knowledge about nutrition and HIV is still patchy. We know from metabolic studies that HIV affects the absorption and utilisation of nutrients, but as yet there is very little robust evidence that dietary or nutritional interventions can reduce the progression of HIV to AIDS and, to date, the World Health Organization has not made any specific recommendations concerning intakes of protein, energy or micronutrients for people living with HIV/AIDS.

The nutritional quality of humanitarian food aid can be improved by including a wider range of foods in the ration and/or by fortifying relief foods with micronutrients. Corn-Soy Blend (CSB), which is fortified with a range of vitamins and minerals, is included in WFP general rations when sufficient quantities are available, but availability is variable because CSB is relatively expensive and production capacity is limited.

An alternative to improving the quality of humanitarian food rations across the board is to target specific foods (eg CSB) to people with HIV—but in order to do this we need to be able to identify these people. Although HIV prevalence is high in southern Africa, very few individuals know their HIV status, and because of social stigma, some who do know they

are HIV-positive do not wish to be identified as such. An easier option is to identify people who are chronically ill, since in southern Africa many who fall into this category have AIDS. A significant limitation of this indicator, however, is that it does not identify people with asymptomatic HIV infection. Another factor that affects the precision of targeting is the tendency within poor households to share whatever food is available.

Our preferred approach is therefore to channel food to households with chronically-ill members, through home-based care programmes. DFID supports home-based care in southern Africa through partners such as the International Federation of the Red Cross and John Snow International (UK). Large-scale success with this approach, however, requires strong civil society networks with national coverage and a strong basic health service, both of which depend on large numbers of competent well-supervised staff. Human resource constraints are often the greatest challenge to implementing such programmes at the scale needed.

49. Targeting of assistance is crucial. Targeting is impossible if agencies do not even know where the hungry, and particularly the most vulnerable groups of people, including orphans, are. We would like to know what steps DFID is taking, in partnership with other agencies, to improve the mapping of need. (Paragraph 144)

Knowledge of local communities is needed in order to identify and target the households in which vulnerable people live. Such knowledge can often be tapped through locally-based NGOs, faith-based organisations and local relief committees.

In Zimbabwe, DFID has provided technical assistance and funding to Unicef for a national nutrition and health survey designed to generate district-level estimates of child malnutrition prevalence and various indicators of health status. Results will inform the targeting of both food and non-food assistance. Several NGOs in Zambia are working with communities to understand local perceptions of vulnerability and to standardise these to ensure consistency of targeting across districts.

50. Efforts must be made to assist HIV-affected households through the provision of appropriate labour-saving technologies, by encouraging diversification into less labour-intensive crops, and by working out how to ensure that agricultural know-how is passed down through the generations despite the early death of HIV-infected parents. (Paragraph 145)

International crop research institutions are already looking at changes in their plant breeding programmes to introduce traits in seeds and planting materials that would change the way that smallholders operate. It is in this field that genetically modified organisms that are weed resistant would provide massive benefits to labour-constrained farmers. But such techniques are controversial and to some countries unacceptable. Greater use of irrigation, where smaller areas could provide both food and income would obviate the need for large dry land crop production. DFID is funding research and piloting such schemes. Labour saving technologies should not be confined to HIV-affected households. Their application to all small-holders would increase options for directly increasing agricultural output or increase the availability of labour for non-agricultural activities, which surveys show frequently contribute more than agriculture to rural livelihoods. School curricula will need to be reviewed to ensure that they also contribute

effectively to the life skills that will be required for future generations in the affected rural areas.

51. We encourage DFID to consider the possibility of designing a public works programme to provide extra labour for child and grandparent-headed households at critical times, in return for food, cash, or agricultural inputs. (Paragraph 146)

Ideally, a social protection programme that provides cash to such households would enable them to use the money for the hire of labour or to buy basic foods. Schemes such as the “inputs for work” programme in Malawi provides for communities to identify 10% of beneficiaries who cannot work but who are considered in need of support. This is a form of community support similar to traditional networks that exist in rural areas, many of which no longer operate because of increased poverty and the impact of the HIV/AIDS epidemic. The work involved is normally on public infrastructure maintenance but could be extended to provision of labour directly to affected households. We need to gain a greater understanding of sharecropping systems, which operate in many countries.

52. DFID officials suggested to us in evidence that a first approach to improving capacity ought to be through enticing emigrants from the countries of southern Africa—perhaps emigrants who have studied and stayed in North America or Western Europe—back to southern Africa. Increasing technical assistance to enable countries to hire expatriate expertise, whether from other parts of Africa, other parts of the developing world, or elsewhere, should be a secondary step. (Paragraph 148)

There is a striking lack of human capacity in some Southern African countries, partly due to HIV/AIDS and partly to migration for economic or political reasons—some estimates suggest that 40% of all professionally trained Africans live outside Africa. There are several possible ways of increasing the capacity of African governments, ranging from short-term use of expensive Northern consultants to a gradual increase in the output of trained graduates in those countries. There is increasing evidence that one effective means of addressing capacity constraints would be to pool donor resources for technical assistance and allow the government concerned to judge which of the options would be the best use of those resources. DFID is discussing this model with the World Bank and other donors in a number of countries.

53. Access to essential medicines must be improved, and provision must be made within the WTO's agreement on Trade-Related Aspects of Intellectual Property Rights for the production of more affordable drugs for public health purposes. Part of the international response to the HIV/AIDS pandemic must be a more flexible application of patent rules in developing countries. The USA and its pharmaceutical industry must not be allowed to obstruct unilaterally such important and sensible initiatives. (Paragraph 149)

We agree, but safeguards in TRIPS need to allow for either production or access in countries with insufficient manufacturing capacity. The UK Government supports a more flexible application of patent rules but these must be in accordance with TRIPS and its safeguards.

54. In our view, whilst efforts should be made to improve the affordability of ARVs, this must not distract donors and governments from the need to focus on basic health-care systems. (Paragraph 150)

We agree that the importance of health care systems is paramount. Indeed, health services must be strengthened if antiretroviral *therapy*—which is much more than just antiretroviral *drugs*—is to be managed effectively. We see the prospect of affordable ARV drugs as an additional incentive for strengthening health systems. In addition to refining our corporate position on antiretroviral therapy, we are working with government and other partners in southern Africa to improve quality of health services and equity of access. Strengthening health care systems and improving affordability of ARVs need to proceed simultaneously.

55. We urge donors, NGOs and governments to do their utmost to promote improved understanding of HIV/AIDS, and to lay the foundations on which attitudinal and behavioural changes are built. (Paragraph 151)

We agree that changes to knowledge, attitude and behaviour are vital and we work with a variety of partners in an expanding range of sectors to promote understanding and appropriate responses.

56. In January 2003, the USA announced that it will treble its spending on HIV/AIDS to \$15 billion over the next five years. We applaud the USA for taking this step, and for demonstrating the priority which they attach to the fight against HIV/AIDS. We hope that other donors will be encouraged to do the same. We are concerned however that only \$1 billion of the new money will be channelled through the Global Fund. The rest is to be distributed bilaterally, and will therefore be more subject to pressures from domestic interest groups which object to the linking of HIV/AIDS and reproductive health issues. It is of course vital that money is spent effectively, and every effort should be made to ensure that the Global Fund is effective, but marginalising multilateral initiatives is surely counter-productive. (Paragraph 152)

DFID have pledged \$200 million over five years to the Global Fund as we believe it can play an important part in the fight against HIV/AIDS, TB and malaria, by providing drugs and commodities. It should, however, be seen as one of a number of strategies designed to improve basic health care in poor countries. Wherever appropriate, donors should aim to support the strengthening of effective and sustainable health systems and the delivery of HIV/AIDS strategies through partner governments' own planning and budgeting cycles, with the Global Fund providing support behind these other strategies. DFID has committed over £1.5 billion since 1997 to support the development of health systems in poorer countries. Strengthening such systems is vital if drugs are to be safely and sustainably supplied to the poor. The UK welcomes the US long-term approach to funding, which is vital to secure a long-term vision and financial framework within which the Global Fund can operate.

57. The focus of efforts to tackle HIV/AIDS should be on basic healthcare systems. However, we urge donors, including the UK, to not marginalise the Global Fund, but to work to make it more effective. The language used by the UN's Special Envoy for AIDS in Africa may have been extreme, but the sense of urgency which he injected is

welcome. If southern Africa is to move from crisis to food security and sustainable livelihoods, responding effectively to the threat of HIV/AIDS must be integrated into all stages and aspects of relief, recovery and development now. We therefore support the requests made by Oxfam and SCF-UK to the international community to ensure that all programming and funding activities respond to the impact of HIV/AIDS; to increase funding for food aid and food aid that meets the needs of people infected with HIV; and to increase funding for non-food needs including health, nutrition, water and sanitation. We look forward to hearing how DFID is taking account of HIV/AIDS in its continuing response to the immediate crisis, and in its work with partner governments to lay the foundations for longer-term development. (Paragraph 153)

DFID had a key role in getting the Global Fund (GFATM) established, and we continue to work with partners to improve the way GFATM works. To make the most of the opportunity afforded by GFATM, complementary engagement at country level is also required. At country level, DFID works with partners to ensure that countries' bids to GFATM are designed to strengthen rather than undermine the health system or any other component of the country's capacity to respond to HIV/AIDS.

We agree that HIV/AIDS prevention and mitigation must be mainstreamed into relief, recovery and development and have taken steps within our own programmes to do this. As regards non-food humanitarian needs, we have provided regional support to WHO to strengthen capacity for disease surveillance and timely response to outbreaks (eg cholera). In Malawi, DFID support to WHO has led to improved coordination of the emergency response and expanded provision of sexual health services and emergency obstetric care. In Zimbabwe, DFID has responded to emergency-related health and nutrition needs by providing essential drugs and by supporting Unicef to provide training and commodities to improve the treatment of severe malnutrition in health facilities.

In the transition from relief to development, national leadership on HIV/AIDS is crucial and national multi-sectoral coordinating bodies (eg National AIDS Councils) have a key role. In addition to working closely with such bodies, DFID is supporting a regional HIV/AIDS programme that includes Lesotho and Swaziland, and working to raise the profile of HIV/AIDS within SADC.

From a vicious circle to a virtuous circle

58. We urge DFID, with its partners, to consider the proposals made by Professor Kydd and Dr. Dorward, and to examine what a poverty-reducing “ecology of variety” might look like, and how it might be nurtured in southern Africa. We also encourage DFID to continue its work in helping healthy civil societies to grow in the countries of southern Africa. Civil society provides an important counter-balance to government, making governments more accountable to their electorates and improving governance. Finally, of perhaps greatest importance, we would like to hear from DFID as to how it plans—with its partners—to help to build the capacity of governments, and key ministries such as those concerned with agriculture, education and health. (Paragraph 156)

Much of DFID's work in those countries affected by the humanitarian crisis where we have programmes is focused on improving government capacity. In some cases this work is directly related to food security issues, and in other cases there is a strong but indirect link,

including through support for Education and Health Ministries. DFID is also supporting SADC in its role in providing regional capacity for forecasting and assessing vulnerability. DFID is helping in a number of ways to draw out key lessons from the present crisis. For example we are funding the ODI Forum on Food Security in Southern Africa which will allow the sharing of experiences and build on practical experience and academic studies to develop strategies for improving response to future crises.

59. Africa is missing the Millennium Development Goals partly because donors are missing the 0.7% target. We once again urge the UK Government to make swift progress towards its target of providing 0.7% of GNI in aid, to set out a timetable for meeting this target, and to encourage other donors to do likewise. We welcome in this regard, the Chancellor's innovative proposal for an international financing facility. On trade, we urge the UK Government to press its EU partners, and to press them harder, to agree to substantial reform of the Common Agricultural Policy. It is disgraceful for the developed world to subsidise over-production and the dumping of surplus agricultural products, and to restrict access to the EU's market, whilst preaching the virtues of trade liberalisation to developing countries. (Paragraph 157)

The 2002 Spending Review provided for an increase in the UK's aid budget to 0.4% of GNI by 2005-06. This will mean that the UK will exceed the average European Union ODA/GNI target agreed last year. The recent proposal by the Chancellor of the Exchequer and the Secretary of State for International Development for an International Finance Facility is intended to allow a doubling of global ODA in the years to 2015. We are discussing this idea with key partners. We agree on the need for the EU to agree substantial reform of the Common Agricultural Policy.

60. We urge DFID—particularly at a time when WFP's Executive Board is chaired by a DFID representative—to help WFP to make progress on three fronts: one, to consider a change to WFP's funding regime, to provide it with some predictable base funding; two, to engage more with a wider range of donors such as India, Russia, China and the oil-exporting countries; and three, to encourage donors including the USA to provide cash donations rather than food, in order to increase WFP's flexibility and ability to deliver timely and effective humanitarian assistance. (Paragraph 159)

We agree. Our analysis is that, in volume terms, the donor community generally responds well to major crises, but that (a) there are often problems in mobilising funds in the early stages of a crisis and (b) there is a risk that less high-profile emergencies remain underfunded. More predictable funding, more donors and more cash would help in these areas, as would an agreement to increase the size of WFP's Immediate Response Account, which provides funding on a replenishment basis in the early stages of a crisis.

However, a successful response is not just about the level of contributions. Other actions are needed to ensure that future humanitarian needs are promptly and effectively covered. For example, we need to encourage WFP to improve: its needs assessment and targeting; its measurement of the impact of its interventions; and its coordination and coherence within the international community's response to crises and rehabilitation needs. DFID is working on all of these areas through the Executive Board and in policy discussions with WFP. DFID is also working to encourage a more collegiate approach by donors to addressing WFP's humanitarian needs and challenges.

61. Moves to enhance the role of SADC are a matter for the member states themselves, involving, as they do, sharing of responsibility and even sovereignty. But they could provide one way of enhancing the region's food security and prospects for sustainable development. As DFID noted in evidence, moves towards regional cooperation and economic integration are in line with the New Partnership for Africa's Development (NEPAD) agenda. DFID should encourage governments in the region to consider seriously the benefits which enhanced coordination of policy through SADC might confer. (Paragraph 162)

We agree. The importance of policy analysis and reform is fully recognised by SADC. As far back as 1994, at the first conference of the Ministers of Agriculture in Harare, it was agreed to support the establishment of a regional policy network to enhance the capacity for policy formulation and analysis in the Southern Africa region. However the Food Agriculture and Natural Resources Policy Analysis Network (FANRPAN) was not established until 2002, and then with donor funding from the US and France.

Comparative policy analysis within the region is now taking place but the challenge remains to obtain the political will to translate this into policy changes. Given the poverty dimension of this crisis the main vehicle for influence for DFID will be the country PRSP processes, but with an increased emphasis on food security and the regional implications.

International development, human rights and accountability

62. We urge DFID to encourage its governmental partners to pay more attention to rural livelihoods and food security in their PRSPs, and trust that the World Bank will be supportive of this move. (Paragraph 164)

DFID does not press for particular issues to be emphasised within PRSPs. But we do support national governments to develop PRSPs that reflect the feedback from consultation processes, working groups and policy analysis (including PSIAAs). Where PRSPs do not appear to reflect the priority given to rural livelihoods and food security issues within these processes we will work within donor co-ordination groups and international fora to encourage national governments to pay greater attention to them.

63. “Good governance” must be more than a badge given to countries which accept the donors' policy advice. Good governance, fundamentally, is about being accountable to those who one is supposed to serve. Governments, if they are to be democratic, must be accountable to their citizens. Donors, in their use of policy conditionality, must take care not to undermine the relationship between developing country governments and their citizens upon which true good governance is based. As Clare Short recently wrote: “The old approach to aid, with a plethora of projects, reporting requirements, conditionality and management systems, undermines sovereignty and accountability.” We would welcome more information about DFID's work on defining and assessing standards of governance. In addition, we encourage DFID to show leadership in the donor community and put itself forward for the donor review process which is envisaged as part of (NEPAD). (Paragraph 166)

We agree that governance is about accountability and that the relationship between governments and donors must not undermine domestic accountability. To that end we are

committed to providing our assistance through a range of instruments in such a way that deliberately strengthens local systems. Where appropriate, budget support is used in pursuit of these aims, as well as more directly providing the resources for governments to deliver better services to their people.

In considering both economic and political governance, we seek to work jointly with our partners, helping them to meet their own commitments. As far as political governance is concerned, we work to improve civil liberties, structures and patterns of political representation and the effectiveness of institutions. In all these areas we are concerned primarily with the direction of change, as we recognise that all countries are at different stages in their development.

In providing assistance, the UK recognises that governments and donors alike are mutually committed to the achievement of the MDGs. We recognise therefore that as a donor, the UK is accountable for the quality, quantity and coherence of our assistance. We thus strongly support the ideas underlying “mutual accountability” in NEPAD and willingly open ourselves up for peer review. Indeed, the UK is at the forefront of urging donor colleagues to adopt this important new agenda. We do so at both country level and in a range of international fora.

64. We welcome DFID's commitment to the humanitarian imperative and its efforts to remain free from undue political interference, in what have been very difficult circumstances. (Paragraph 167)

65. DFID plays a major role in the international humanitarian system in its own right as well as a supporter of UN agencies. We believe that DFID and other donors should be accountable for the humanitarian assistance they provide; such accountability must begin with clarity about the purpose and methods of humanitarian assistance, and about how the effectiveness of humanitarian assistance might be measured. (Paragraph 168)

DFID is politically and legally accountable in the UK for its humanitarian aid. DFID has published and widely disseminated its principles for humanitarian aid. And DFID's engagement with the major international humanitarian agencies is documented in published strategies for our work with each institution. There is also extensive published evaluation of DFID's humanitarian operations.

66. If the right to food is to mean anything, someone—governments, organisations and individuals—should be held accountable when the basic human right to food is violated. (Paragraph 169)

We agree that governments should be held accountable for their relevant international obligations, including under Art 11 of the International Covenant on Economic, Social and Cultural Rights (ICESCR). We take the view that only States can have obligations under international human rights law and that such obligations are towards individuals within States' own national jurisdictions rather than towards other States. Accountability is essentially political and needs to take place in the framework of each country's national political and legal system. But international pressure, along with scrutiny by the relevant

treaty monitoring body and work through the Office of the High Commissioner for Human Rights is also relevant.

67. We urge DFID to consider how progress towards realising the right to food might be furthered by improving accountability within the international humanitarian system, and what this might mean in practice for the provision of food security in southern Africa. We would be interested too, to hear DFID's views about the wider relationship between international development partnerships, sovereignty, and accountability. (Paragraph 172)

We do not believe that accountability of international humanitarian agencies has been a serious obstacle to realising the right to adequate food of individuals in developing countries. There has on the whole been a strong international commitment to providing humanitarian assistance during humanitarian crises. And practices in the delivery of aid have in general evolved to reflect improved understanding of the impact of aid on the longer-term food security of those communities receiving emergency aid. There is of course always some lag in the recognition of best practice and strong advocacy for change will always be needed. Food security is invariably a priority for poor communities and the most effective leadership will come from developing country governments which have strong administrations that are accountable to those communities and that work closely with international agencies to respond to their needs.