

Speech by the Chief Secretary to the Treasury, Stephen Timms MP at the Make Poverty History Forum, Melbourne, Australia, 16 November 2006

Thank you Andrew. I am delighted to be here.

I was recently in Sri Lanka, Pakistan and Bangladesh. It wasn't a cricket tour. In villages hit by last year's earthquake, I saw people's determination to carry on. In the tent camps – in fact, everywhere I went in Azad Kashmir and the North West frontier province – I saw small boys playing cricket with improvised bats and wickets. It spoke to me of human resilience, and also of why we always have such a hard time when we take on Pakistan at cricket. There was a great global response to the earthquake, and to the Tsunami. But there is a great deal still to do.

Make Poverty History

2005 was a momentous year. I'm not thinking solely of England winning the Ashes. Make Poverty History and the Live8 concerts. The Gleneagles G8 summit – commitments to US \$50 billion a year extra in aid, and the doubling of aid to Africa by 2010. At the G20 now in Melbourne, the message must be of turning momentum into delivery.

Because Making Poverty History is in all our interests. Stability and security, growing economies, managed migration, investing in people, tackling climate change – all of those will benefit all of us.

Thousands were in London's Trafalgar Square last Spring to hear Nelson Mandela. A quarter of a million marched in Edinburgh on the G8 summit. In Sydney, a giant Make Poverty History banner on the Harbour Bridge, and a great march through the streets of Melbourne. Across Australia, concerts and events to call G8 leaders rightly to account. The demand: change to the system where one in six human beings live on less than \$1 a day, 40 million people live with HIV, and one in six lack safe water.

And the churches have been in the lead. Next year in Britain we mark 200 years since abolition of the slave trade. That also was the result of campaigning led through the churches, inspired by the ministry of John Wesley, animated by remarkable Christians like John Newton and Thomas Clarkson, and led in Parliament by William Wilberforce, the MP for Hull.

Wilberforce's diary contains an entry for Sunday 28 October 1787, one year after he had been converted to personal Christian faith. "God has set before me two great objects", he wrote, "the suppression of the slave trade and the reformation of manners". I'm not sure how he felt he got on with the second of those objects, but twenty years on, he achieved the first. The world had never seen anything like that campaign – and it set the pattern for great popular campaigns ever since, up to and including Make Poverty History.

The extent of poverty

We have seen progress against poverty. In 40 years, life expectancy in the developing world is up by a quarter. In 30 years, illiteracy has fallen by half. Since the mid 1980s, 400 million people have been raised out of absolute poverty. We are beating polio, and smallpox has been beaten already. But we need to be frank about the reality of what is happening:

- The number living in poverty in Sub-Saharan Africa is going up, and big challenges remain in the South Pacific;
- Half a million of women die in pregnancy and childbirth;
- Every day, 30,000 children die of preventable causes.

On current progress, we will fall far short of the Millennium Development Goals by 2015.

We need to do much better, and we can. If countries work together. If they provide the resources we all committed to last year. If people continue to demand more, through this coalition and its counterparts around the world. Then we can break with the past and reach the goals on time.

Developing countries need ambitious and credible long term plans, and then to demand that donors, like my country, who have committed to provide the funding, step forward and deliver what has been promised.

UK commitment

In the UK, we set out our commitment in our White Paper in July. One of our first acts when elected in 1997 was a new Department for International Development, with its own Cabinet Minister. We have since increased its budget by 140% in real terms. Last year, UK Official Development Assistance hit 0.47% of Gross National Income, and we'll reach 0.7% by 2013.

We're using this increasing budget for aid to help countries train teachers and doctors, to build schools, buy drugs, provide clean water, and support farmers. We need investment, jobs and income, plus peace and security. And good government – to tackle corruption, and build capacity.

Education for all

Through improving education and healthcare, even those who are poorest today can look forward in the future to an escape from poverty, disease and illiteracy.

Education is absolutely key. The education millennium goal of every child completing primary school by 2015, means they must be enrolled by 2010. In Bangladesh, I announced last month that the UK would support the Government in a ten-year plan for education, enabling it to take long-term decisions for the future.

Last April, the Chancellor of the Exchequer, Gordon Brown, and our International Development Secretary, Hilary Benn, announced the UK will spend at least \$15 billion on aid for education worldwide over the next ten years, and that we will make 10 year agreements with developing countries to support their own education plans.

In Singapore in September, 17 countries, led by Nigeria and Ghana, set out their progress on their 10-year education plans to a roundtable hosted by Paul Wolfowitz, the World Bank President. Fully implemented, the plans would ensure 25 million more children in education. We will work with other developing countries, in Asia and Africa, to support ambitious, long-term plans. The next step will be a donor conference next year. I hope all of us will join to take this forward.

Healthcare

And what we do in education we must also do in health. That's why, last week we launched the first bond issue of the International Finance Facility for Immunisation – IFFim – a breakthrough in innovative financing. Long-term, legally binding donor commitments are converted through the capital markets into resources now. Over ten years, \$4 billion to the Global Alliance for Vaccines & Immunisation, to tackle big killers in poor countries.

I'm pleased to say the issue was over-subscribed. The first six \$1000 bonds were purchased by the Pope, the Archbishop of Canterbury, the UK Chief Rabbi, the Muslim Council of Britain, the Hindu Forum of Britain and the Network of Sikh Organisations. Coming together to support what they recognised as a valuable and important initiative. Between now and 2015, it will mean we can immunise 500 million children and save ten million lives.

Millions die each year from diseases where there are no effective vaccines – AIDS, Malaria, Tuberculosis, Pneumonia. We need to scale up access to treatments for those diseases, making them affordable to the poorest countries. That's why UNITAID was launched on a French initiative at the UN General Assembly in September, also using innovative long-term financing. It has raised \$300 million so far.

We need a higher level of more sustained research and development. Only 10 % of the world's health R&D is spent on diseases accounting for 90 % of sickness in poor countries. Those numbers are the wrong way round!

We need much higher levels of private investment. Advance Market Commitments are promising: donors underwriting purchasing power in poor countries, giving commercial incentives to speed up new vaccine development. The UK, with others, will soon launch an Advanced Market Commitment for a vaccine against pneumococcus, which kills 1.6 million people a year. After that, million malaria deaths a year will be the next target for that approach.

Climate Change

Education, healthcare. And also climate change. Tackling climate change – the world's biggest market failure – is not just an environmental and economic imperative, but a moral one too: the threat is grievous injustice between generations as also between countries.

Every region will be affected. But the poorest – those most dependent on the natural world for survival, those with the least to buy their way out of trouble – they will suffer most. I saw that first hand in the Chars livelihood programme in Bangladesh. The project is improving income and security for vulnerable women, men and children eking a living on islands formed through continual erosion and deposition in the estuaries of major rivers. It is a very uncertain life they lead – uncertainty growing as climate change gathers pace.

We need to adapt our development strategies for this new challenge. We can't allow poverty reduction, and our quest for the 2015 Goals, to be overwhelmed and reversed by climate change.

Every nation needs to work together towards a low carbon economy, ensuring space for growth and development. Following Professor Nick Stern's review on the

economics of climate change, published two weeks ago, Gordon Brown called for a stable and sustainable world economy, based on low carbon – a pro growth and pro green approach.

We see in the UK five elements in an effective global response:

1. The pricing of carbon, through tax, trading or regulation;
2. Support for innovation and deployment of low-carbon technologies;
3. Building innovative international partnerships;
4. Helping developing countries adapt to climate change;
5. Action to remove barriers to energy efficiency, and to inform and persuade individuals on personal responses to climate change.

Uniquely in the G7, Britain has met its Kyoto target. By 2010 we will have met it almost twice over, cutting greenhouse emissions by over 20%.

Professor Stern argues that international carbon trading, building on the European Union Emissions Trading Scheme, will be particularly important for cost effective reductions. We want to extend it around the world:

- First, by guaranteeing beyond 2012 the clean development mechanism with developing countries; and
- Second, by linking with schemes in Japan, here in Australia, in Switzerland, North Eastern US states, and now in California, where Tony Blair met Arnold Schwarzenegger in the summer.

Stern also highlights technology policy to reinforce carbon pricing and encourage low carbon technologies; and increased funding for low carbon technologies in the developing world.

We need new international partnerships. The Gleneagles G8 summit established the Energy Investment Framework, led by the World Bank and Regional Development Banks, as a catalyst for investing in energy efficiency and alternative energy sources. The UK has led agreement with the World Economic Forum and World Business Council on Sustainable Development to bring the private sector into the Framework, leading to a conference in the New Year. Our target: a \$20 billion loan and grant fund, to increase investment in energy efficiency and in low carbon technologies.

We need to work with the rainforest countries – because deforestation increases greenhouse gas emissions. We will work with Brazil, Papua New Guinea, Costa Rica and the Coalition of Rainforest Nations on mobilising international resources to help sustainable forest management.

We want to mainstream climate risk reduction into development. We are working to improve African climate risk data, and more widely to develop climate risk screening and assessment. And the UK, with the Canadian International Development Research Centre, has initiated a £30 million climate change research programme for 2006-2010, focusing on Africa.

A low carbon world economy will be built on a global carbon market. The Stern Review is pretty stark. We need action now, on a large but affordable scale, to avert far greater costs in the future. And we all need to be working together. We want Stern to be discussed and debated as widely as possible around the world, by Governments and international institutions, by businesses and, crucially by

non-Government organisations, faith groups and civil society – by members, that is, of this coalition.

Conclusion

There is a way forward, through international cooperation, that can allow us to resolve these challenges that confront the world.

We can build a consensus on how to do it. That's the lesson of the Make Poverty History campaign. The call, initially by a few people of faith, developed into a campaign by the many, and then into a consensus amongst almost all. Education. Healthcare. Now climate change. Its time to deliver.