

Brussels, 8 May 2009

Dear Members of the General Affairs and External Relations Council,

On 18 and 19 May, you will be adopting Council Conclusions on the European Commission's Communication on "Supporting developing countries in coping with the crisis" (COM (2009) 160 final), the so-called "April Package".

We welcome the EU's commitment to reaching its ODA targets set for 2010 and 2015 and to speeding up aid delivery as a driver of recovery in developing countries' economies. The crisis is already predicted to have severe impacts on people's health. According to a recent World Bank analysis, life-saving drug treatment for up to 1.7 million people with HIV is under threat because of funding pressures.<sup>1</sup> Treatment disruptions and stock-out for HIV, malaria and tuberculosis medication can have devastating impacts on the health of millions. Projections also cite a 200,000 – 400,000 rise in infant mortality, driven by dramatically increased child malnutrition<sup>2</sup>. Furthermore, preventing maternal mortality - the leading cause of death globally among adult women of reproductive age (10.000 deaths a week) - will likely struggle even more for support in economic hard times<sup>3</sup>. Weak capacity will limit the scope for the world's poorest countries to protect the vulnerable, at a time when public spending and services are needed more than ever. As such, **the role of the EU in providing more and predictable ODA, which is directly linked to the achievement of the MDGs, is more vital than ever.**

However, as the Communication rightly states, ODA alone will not be enough. The EU must now live up to the commitments made in the Accra Agenda for Action and the EU Guidelines for Accra. All EU Member states should urgently develop action plans and clear timelines for their implementation. So far, there has been little progress in implementation of all five Paris Declaration principles, but in particular with **"managing for results" and "mutual accountability"**. There is an urgent need to link aid to **transparent results frameworks based on the achievement of the MDGs**, developed in partnership with civil society, Parliaments and other relevant stakeholders, and that both EU donors and recipient governments can be held accountable for delivering on.

The Communication puts a major emphasis on the more macro-economic aspects of addressing the crisis, rather than on the specific details of social sector support needed. While the Communication mentions social safety nets, we would urge the Council of Ministers to make **the strengthening of social sectors and social protection a central part of its response to the crisis**. Social protection is critical for tackling chronic poverty and reaching the most marginalized and vulnerable groups, but is also an investment in human capital, which catalyses economic growth, social inclusion and empowerment. Indeed, action in this sphere has been a key element of the EU Member States own actions to deal with the crisis within Europe.

There should also be a much stronger commitment from the EU and Member States to ensure that IMF conditionalities will not **constraint developing countries government's**

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<sup>1</sup> Averting a Human Crisis during the Global Downturn, World Bank, May 2009

<sup>2</sup> The Millennium Development Goals – Bankable Pledge or Sub-Prime Asset?, Kevin Watkins (Director EFA Global Monitoring Report) and Patrick Montjourides, UNESCO Future Forum, 2 March 2009

<sup>3</sup> The Financial Crisis and Global Health, Lindsay Morgan, Global Health Magazine, Winter 2009

**ability to adequately fund social sectors**, as these can be catastrophic in terms of access to health and education services in poor countries. Finally, when measuring the degree of vulnerability of countries, the EU should make assessments on the basis of the real income per capita, rather than relying on more narrow macroeconomic criteria only.

The Communication in part responds to an agriculture crisis largely stemming from donors providing insufficient support to the agriculture sector over a number of years. The social sectors, so key to revitalizing and investing in the people of developing countries, should not now suffer a similar fate during the financial crisis. The Council of Ministers should, therefore, elaborate within their Conclusions **clear and specific support for the social sectors**, including health, beyond providing social safety nets and supporting the World Banks operational crisis response initiatives as a priority.

If the EU is serious about not using the global crisis as an excuse to water down its commitments, the Council should adopt strong Council Conclusions on 18 and 19 May that seriously address the social aspects of the crisis, avoid a further 90 million people in developing countries to fall into poverty and ensure that the most vulnerable are not left unprotected.

Yours sincerely,

Action for Global Health

Aids Fonds

Cordaid

Countdown 2015 Europe

European Alliance against Malaria (EEAM)

German Foundation for World Population (DSW)

Hivos

International HIV/AIDS Alliance

International Planned Parenthood Federation (IPPF)– European Network

Marie Stopes International

Stop AIDS Alliance

Stop AIDS Now!

World Vision EU Liaison Office

Uk Consortium on AIDS and International Development