

Africa-Canada Forum Backgrounder

Africa Matters

Time for a
Renewed Commitment to
Economic and Social Justice
for Africa

The Africa-Canada Forum (ACF) is a Working Group of the Canadian Council for International Co-operation (CCIC) and brings together NGOs, churches, unions, and solidarity groups from across Canada that have a specific interest in development issues and social justice in Sub-Saharan Africa.

Its purpose is twofold: (i) to improve the quality and impact of the work of participating groups through reflection and analysis of current programming relationships in Africa; and (ii) to improve the coordination of policy development and strategies for joint action and advocacy, in dialogue with African counterparts and colleagues.

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Africa Matters: Time for a Renewed Commitment to Economic and Social Justice for Africa

In the coming months Canada's foreign policy, including the agenda for the June 2010 G20 and G8, must give the highest priority to actions that promote human rights and end poverty and injustice in Africa. A renewed commitment to economic and social justice for Africa includes:

1. **A renewed long-term Canadian ODA commitment to address growing poverty in Sub-Saharan Africa**, with increased resources at least equal, each year, to the percentage increase of the International Assistance Envelope (IAE). At least 50 per cent of CIDA's bilateral and multilateral disbursements combined should be allocated to Sub-Saharan Africa, guided by the Canadian ODA Accountability Act.
2. **Greater priority to strengthening Canada's role in support of peace processes and peace keeping** on the continent, in Sudan, the DRC, Somalia, ensuring women are included in all levels of peace making and peace keeping.
3. **The establishment of a Canadian Corporate Social Responsibility (CSR) Framework** that includes the adoption of policies and laws based on the highest environmental and human rights standards for corporate behaviour of Canadian extractive companies.
4. **The focus of CIDA's agriculture strategies on African small-scale farmers, including women food producers**, to strengthen their livelihoods, while sustainably increasing their food production for household consumption and local markets.
5. **Collaboration with African governments to ensure trade rules reflect poorest countries' concerns** for more stable prices for basic commodities, such as food – whether through basic tariffs or more complex international supply management arrangements – not just market access for advanced exporters like Canada.
6. **A strong commitment to effective finance for African adaptation to climate change**, in addition to ODA, by strengthening African states and civil society capacities to apply African climate change and sustainable development knowledge to their own development paths.

Background

African citizens and their governments have been working to strengthen African leadership to address urgent development challenges for Africa's peoples. This agenda was expressed in the *New Economic Partnership for Africa's Development* (NEPAD) first set out by African leaders just prior to Canada's 2002 Kananaskis G8 Summit, and since then was complemented by development initiatives in many African countries.

Africa achieved some success since 2002. African governments mobilized domestic resources to finance their own development and called upon international donors to live up to the many high profile commitments made to Africa in 2005. Progress was being made, with economic growth averaging 6 per cent per year between 2001 and 2008, and with advances in several African countries on the Millennium Development Goals to reduce widespread African poverty.

But on the eve of the Canadian-hosted G8 / G20 summits in 2010, the impact of the global economic crisis threatens once again to push more Africans into conditions of extreme poverty and hunger. African leaders and citizens bear no responsibility for this crisis. Yet African-led development will experience slower growth, increased poverty, in part induced by renege promises by international donors, long after the rest of the world recovers.

G7 countries are failing Africa, with several not likely to meet their 2010 commitments to double aid to Africa, at a time when the global economic crisis is deepening an already urgent African development crisis. UNESCO estimates the poorest 390 million working people in Africa will see their incomes drop about 20 per cent – far more than G8 countries. Child malnutrition is expected to cause an additional 200,000 to 400,000 infant deaths a year in Africa. Setbacks in universal primary education are expected to affect numerous countries, including Mozambique, Ethiopia, Mali, Senegal, and Rwanda, all of which have made substantial progress in recent years.¹ The recent food-price hikes have caused an additional 28 million people in Sub-Saharan Africa to return to extreme poverty.²

The Huntsville Summits provide Canada with an important moment to galvanize the G8 and G20 agendas with bold new initiatives that strengthen the capacities of Africans and their governments to weather this economic storm and resume strategies to overcome poverty and growing inequalities on the continent. Canadian civil society is working closely with counterparts across the continent to make this a reality.

The way forward in African development is also rooted in African civil society. Citizens increasingly engage with their governments to influence national policies and bring attention to their impact on the most marginalized and poor populations. HakiElimu is one example of a Tanzanian organization that creates opportunities for ordinary Tanzanians to get involved to make a difference in education and democracy. It has exposed the rural realities for many Tanzanians and the challenges of the education sector to ensure schooling really means learning. Canadian civil society brings the results of this independent monitoring and analysis to the attention of CIDA, which is supporting Tanzanian education efforts.

Economic gains for Africa have also been affected by poorly conceived economic growth policies, often pushed by donors as conditions for their aid and debt relief. These policies may sometimes produce growth, but they have not translated into significant benefits for the poorest and most marginalized, but rather resulted in increased social inequalities. For example, Uganda's 4 per cent growth over the last decade has not led to significant reductions in rural

¹ EFA Global Monitoring Report 2009 – *Overcoming Inequality: why governance matters*. <http://www.unesco.org/en/efareport/reports/2009-governance/>. See also the MDG report 2009 at http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2009/MDG_Report_2009_En.pdf.

² See African Monitor 2009 Report at http://www.africanmonitor.org/Site/docs/EXEC_single_lowres.pdf.

poverty or child mortality. In Benin, years of growth have also been combined with growing number of poor in that country.³ With economic and trade policies determined by the IMF or the WTO, African governments have rarely had the “policy space” and sustained aid resources needed to pursue African-designed and implemented economic policies to tackle poverty.

Official Development Assistance (ODA), as a stimulus for African development, is only part of a complex mix of donor policies affecting African development. Failure to address long-standing impacts of donor trade, investment, finance and foreign policies often have had greater consequences for African-led poverty-focused development strategies.

Is Canada ready to play a leadership role in addressing Africa’s poverty? Will the government bring proposals to the G20 Summit for reform of global trade and investment rules that take into account the needs of the poorest countries? These countries have been offered no seat at the G20 table to make their own proposals. Will the government set standards for Canadian private sector actors so that African countries benefit from Canadian foreign investments in their countries? And when it comes to Canada’s aid package – will our donor performance show steadiness and continued commitment to build on the doubling of aid or are we abandoning Africa?

For more information on the enclosed short background documents, please contact:
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³ Le Développement face à la pauvreté. Réseau analyse économique et développement. Under the direction of Fouzi Mourji, Bernard Decaluwé and Patrick Plane; Economica Paris 2006, p.4.

Africa Matters: Increased Aid to Address Growing Poverty in Africa

Briefing Note 1

Canada should:

- **Renew its financial commitment of Canadian ODA to address growing poverty in Africa** by increasing Canadian aid for Sub-Saharan Africa by at least the annual increase to the International Assistance Envelope (IAE). Total CIDA resources for Sub-Saharan Africa should be equal to at least 50 per cent of CIDA's bilateral and multilateral disbursements.
- **Ensure all aid allocation to Africa's development comply with the new Act of Parliament, the Official Development Assistance Accountability Act.** The Act clearly prescribes that all ministers responsible for aid allocations must be assured, including through consultations with CSOs, that these disbursements will contribute to poverty reduction, take account of the perspectives of the poor, and are consistent with international human rights standards. The application of these criteria should be documented in the annual Report to Parliament.
- **Apply international human right standards to Canadian ODA channeled through the International Financial Institutions (IFIs) to African countries.** The Department of Finance should set out a publicly-available implementation strategy for the 2008 ODA Accountability Act in relation to Canadian engagement with the World Bank, which pays particular attention to the implications of international human rights standards for Canadian ODA resources channeled through the World Bank's International Development Association (IDA) financing window to the poorest countries in Africa.
- **Commit greater CIDA financial resources specifically dedicated to achieving gender equality and women's rights in all its programs.** Increased financial commitments must be targeted significantly towards GE-specific programming. Funding and disbursements for gender equality, as with all aid, must be long-term, predictable and transparent. Greater financial commitments must be commensurate with and reflective of the importance of the rationale for CIDA's Policy on Gender Equality which states that for the achievement of poverty reduction, we must eliminate the constraints faced by women and girls.⁴

⁴ See *Strengthening Canada's International Leadership in the Promotion of Gender Equality, A Civil Society Response to the Evaluation of the Implementation of CIDA's 1999 Policy on Gender Equality*, authored by members of the Informal CSO Working Group on Women's Rights, http://www.ccic.ca/files/en/what_we_do/002_gender_cida_analysis_csos_response.pdf.

Background

At the Gleneagles G7 Summit in 2005, donors committed to double aid to Africa by 2010; implement commitments made in the Paris Declaration on Aid Effectiveness; and cancel debt for the poorest countries through the Multilateral Debt Reduction Initiative,⁵ including 34 African countries. Earlier in 2002, under Canada's leadership at the Kananaskis G8 Summit, the G8 promoted the *New Partnership for Africa's Development (NEPAD)* as the framework for strengthening their contributions to African development.

The Canadian government did meet its commitment to double aid to Africa between 2003-04 and 2008-09, with total aid to Africa rising from \$1,050.25 million to \$2,165.17 in 2008-09. Excluding debt cancellation, aid more than doubled from a 2003-04 base of \$985.96 million. However, internationally, excluding debt relief, global ODA to Africa has only increased by 4 per cent between 2005 and 2008. The OECD DAC estimates that the commitment to double aid to Africa will fall short by more than half the commitment, with a US\$12 billion increase since 2005 out of the US\$25 billion promised. As the Canadian government shifts its aid priorities away from Africa towards the Americas, it is expected that aid to Africa as a proportion of total Canadian aid efforts will decline after 2008-09.

African governments have committed to dedicate 10 per cent of national budget spending to agriculture, 20 per cent to education; 15 per cent to health and 0.5 per cent of GDP to water and sanitation. According to the African Monitor Report 2009, the majority of African countries have not met these commitments of national budget spending. African governments often suffer from low budget planning capacities and lack of ownership on spending decisions as a result of aid dependency on donors. Development progress suffers from weak local government and leadership at the district and local level. A failure to recognize the central role of civil society and grassroots communities in development delivery, particularly in guiding policy development and identifying priorities, have also contributed to the slow progress on spending targets.

Dambissa Moyo in her book *Dead Aid* has spurred a robust debate about the effectiveness of aid in Africa, echoing the 2007 Senate Committee Report that castigated Canadian aid for its "40 years of failure" in Sub-Saharan Africa. Civil society organizations in Africa and in Canada have raised many of the same critiques of how aid is delivered. The 700 CSO members global Better Aid Platform has been promoting fundamental reforms in aid practices for more effective development impacts. But aid alone cannot be singled out as the cause of development failure: its impact must be assessed as part of a complex and often contradictory mix of policies in which trade, investment, finance and foreign policies have strongly influenced African development prospects for Africa's populations.

A Few Facts

- The 2010-11 Federal Budget announced that Canadian aid will not grow beyond the level achieved in 2010-11 of approximately \$5 billion. As the government responds to new country commitments in the Americas and Asia (Afghanistan), aid to Africa will likely decline from the levels achieved in 2008-09, and certainly as a proportion of total CIDA's bilateral and multilateral disbursements.

⁵ <http://www.imf.org/external/np/exr/facts/mdri.htm>.

- Among 20 priority countries for Canadian bilateral aid, African countries now number only 7, including Ethiopia, Ghana, Mali, Mozambique, Senegal, Sudan, Tanzania. Previously 14 African countries were on the list. Burkina Faso, Rwanda, Niger, Benin, Malawi, Zambia, Cameroon, and Kenya are no longer priority countries for CIDA, despite their high poverty levels and low human development indices.
- Canada is on track to meet our commitments to increase our bilateral funding to basic education in Africa to \$150 million annually by 2010-2011, as well as our 2006 G8 Summit commitment to the Africa Health Systems Initiatives with \$450 million over 10 years. In 2008-2009, Canada's overall humanitarian aid to Africa rose from \$84.4 million to \$200.5, and 45 per cent of CIDA's total aid budget went to Africa. For the same period, Africa received 62 per cent of Canada's total food aid, 55 per cent of all of our agricultural support and 51 per cent of our multilateral aid.⁶
- Despite progress in enrolment in primary education, the quality of education in Africa is still a significant challenge: fewer than 50 per cent of primary school teachers in Chad, Madagascar, Nigeria, Sierra Leone and Togo, and less than 30 per cent of secondary school teachers in Burkina Faso and Niger are trained. Only 5 out of 22 countries for which data is available spend more than 20 per cent of their budget on education, another 10 countries spend more than 15 per cent.
- Due in part to structural adjustment policies, government funding for agriculture in developing countries has declined sharply over the past 3 decades. The average expenditure for African governments on agriculture is between 5 per cent and 6 per cent, falling short of the 10 per cent target stated in the Comprehensive Africa Agriculture Programme (CAADP). Donor support for agriculture has slipped from 18 per cent of total ODA in 1979 to 3.5 per cent in 2004. Canada recently committed \$1.2 billion over 3 years to address food security. This includes \$690 million to food aid, \$250 million to nutrition, \$875 million for agriculture support and \$160 million for research.
- In Africa, where over 40 per cent of the people live below the poverty line, nearly 300 million live in absolute poverty, on less than US \$1.25 a day. The overwhelming majority of this population lives in rural areas.
- Botswana, Burkina Faso, Liberia, Malawi and Rwanda achieved the 15 per cent health target, while Angola, Congo, Côte d'Ivoire, Eritrea, Guinea, Guinea Bissau, and Nigeria spend less than 5 per cent.
- African countries in general, are off track in meeting the MDG target to halve the number of people without access to safe water and sanitation.
- African countries received \$38bn in aid flows in 2008 and have experienced the longest consistent periods of economic growth in the last years, but they still face tremendous challenges to bring about social and economic development.

⁶ Speaking notes for the Honourable Beverley J. Oda, Minister of International Cooperation, for a Meeting with African Ambassadors to Canada Monday, October 26, 2009, <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-116113533-MGA>.

Africa Matters: Promoting the Right to Food in Canadian Food Security Policies

Briefing Note 2

Canada should:

- **Ensure the right to food is a central pillar of CIDA's new thematic strategy.** Focus its food security strategy on smallholder male and female farmers, helping promote resilient agriculture systems and rural livelihoods, while taking measures to change the institutions, policies and structures that erode them.
- **Support Canadian and international agricultural, environmental, and trade policies consistent with its development goals for food security.** Canada should promote global and bilateral trade, investments and commodity agreements (including food stocks) that are respectful of African countries' sovereignty to chart their own policies to support sustainable local food production, and local and regional markets.
- **Support fundamental reform of the multilateral food system,** including greater democratization of the Food and Agricultural Organization (FAO) and the Consultative Group on International Agricultural Research (CGIAR), giving equitable voice to African developing countries, and greater accountability to the needs and interests of small-scale African farmers and sustainable food systems. Specifically, Canada should support the Committee on World Food Security of the FAO as the authoritative global policy forum for supporting access to food. The CWFS allows participation and advice from civil society organizations representing small-scale food providers and other social movements, along with NGOs.
- **Support policies for climate change adaptation in Africa** that emphasize small scale farmer-based, biodiversity-based and conservation-based approaches.

Background

In Sub-Saharan Africa, between 60 and 80 per cent of the population live in rural areas and are small-scale farmers. Smallholder farmers, particularly female farmers, play an integral role in global agriculture, producing more than half of the world's food supply. Women and girls face specific barriers to accessing food for consumption and to the resources required for food production, including land and credit.⁷ Between 1990-1992 and 2004-2006 the percentage of people in Sub-Saharan Africa that are under nourished fell from 32 to 28 per cent, yet due to the increased international food prices in 2008 it rose to 29 per cent.⁸

⁷ http://www.ccic.ca/files/en/working_groups/003_food_2008-11_pathways_to_resilience.pdf.

⁸ http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2009/MDG_Report_2009_En.pdf.

Many factors have contributed to the global food crisis and its dramatic impact on Africa. Years of structural adjustment, trade liberalization, and very low grain prices, driven by Northern subsidies and overproduction, have weakened African countries' capacity to support agriculture. In 2007 the OECD countries spent US\$258 billion on subsidizing domestic agricultural producers. In 2008, 44 African countries imported cereal equivalent to one-quarter of their total production. Seventeen per cent of cereals consumed in Africa are imported. Among those most vulnerable to the food crisis are rural families, who make up 75 per cent of the developing world's poor and 70 per cent of the world's malnourished.⁹

Donors, including CIDA, significantly reduced their aid directed to agriculture from an average of 18 per cent in 1979 to less than 4 per cent in 2004. Agricultural markets de-regulation over the past three decades and speculative trading in food commodities led to increased food volatility. Currently, the rapid development of biofuels production and climate change are seriously threatening biodiversity, access to water and small-scale food production. Developing countries small-scale farmers, of whom a majority are women, will be affected more severely.

Solutions put forward by the international community do not, however, address the root causes of the food crisis, and do not provide sustainable answers for the marginalized and poor people in Africa, including women. Solutions have focused on increased productivity and biotechnology, in partnership with the Bill and Melinda Gates Foundation's Alliance for a Green Revolution in Africa (AGRA), when they should prioritize small-scale male and female farmers, resilient agriculture systems and rural livelihoods, based on the international human right to food.

At the L'Aquila G8 2009 Summit in Italy, Prime Minister Harper announced that Canada was committing \$600 million additional funds to agricultural development over the next 3 years, 50 per cent of which was estimated to go to Africa.¹⁰ As part of this commitment, Canada's support for the International Fund for Agricultural Development (IFAD) will total \$75 million over three years, making Canada the world's fifth largest contributor. In addition, Canada supports the World Bank's efforts to develop a multi-donor food security and agriculture trust fund to address the ongoing challenges of food security and sustainable agricultural development.¹¹

CIDA's food security strategy, announced on World Food Day 2009, will more than double the current investment in agricultural support to \$1.2 billion over three years. CIDA's food security strategy will be supported with a minimum of \$690 million in food aid, over \$250 million towards nutrition, over \$875 million towards agricultural support and over \$160 million towards research.¹² This includes support to the Consultative Group on International Agricultural

⁹ http://www.ccic.ca/files/en/working_groups/003_food_2008-11_pathways_to_resilience.pdf.

¹⁰ Speaking notes for the Honourable Beverley J. Oda, Minister of International Cooperation, for a Meeting with African Ambassadors to Canada, Monday, October 26, 2009, Ottawa, Ontario <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-116113533-MGA>.

¹¹ Speaking notes for the Honourable Beverley J. Oda, Minister of International Cooperation, for the FAO Summit on Food Security Rome, Italy, November 17, 2009 at <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-112510223-L2D>.

¹² Speaking notes for the Honourable Beverley J. Oda, Minister of International Cooperation, at the Canadian Wheat Board Center for Grain Storage Research at the University of Manitoba, Winnipeg (Manitoba), October 16, 2009, <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-1019134236-NS7>.

Research (CGIAR) for bio-fortification to increase the micro nutrient values of staple foods, new approaches to help vulnerable rural communities adapt to the impacts of climate change, and the creation of the Canadian International Food Security Research Fund in partnership with IDRC to support applied collaborative research with developing countries to find practical and concrete solutions to challenges on the ground in the developing countries.

A Few Facts

- There are currently only 14 countries in Africa on track to achieving the MDG target of reducing the prevalence of hunger by half by 2015.¹³ Fifteen of the 16 countries with a prevalence of hunger over 35 per cent are found in Africa.¹⁴ Twenty seven of the 47 countries that experienced food crises in 2007 are located in Africa. Since 2001, 25 countries in Africa suffer chronic food crises annually.
- The global decline in commodity exports and prices will have a significant impact on small farmers and producers.¹⁵
- 700,000 African women will suffer from pregnancy anaemia due to malnutrition.¹⁶
- Only 21 per cent of North African and 31 per cent of Sub-Saharan African women are found outside of agricultural employment. Therefore women remain locked in low-paying and insecure jobs.¹⁷
- Poor people in both rural and urban areas are disproportionately vulnerable and spend a large share of their incomes on food. Biofuels subsidies in developed countries tend to drive up food prices, thus reducing consumption and nutritional well-being for net buyers.¹⁸

¹³ <http://www.fao.org/docrep/011/i0291e/i0291e00.htm>.

¹⁴ <ftp://ftp.fao.org/docrep/fao/011/i0291e/i0291e00.pdf>.

¹⁵ <http://www.realizingrights.org/pdf/GEC.pdf>.

¹⁶ http://www.unscn.org/Publications/SCN_Nutrition_Impacts_of_Financial_Crisis.pdf.

¹⁷ <http://www.un.org/millenniumgoals/pdf/The%20Millennium%20Development%20Goals%20Report%202008.pdf>.

¹⁸ <http://www.ifpri.org/themes/bioenergy/bioenergybro.pdf>.

Africa Matters: Ensuring the Highest Environmental and Human Rights Standards for Canadian Corporate Investment in Africa

Briefing Note 3

Canada should:

- **Strengthen its Corporate Social Responsibility policies and their application to Canadian private sector investments in Africa,**¹⁹ by adopting the central recommendations of the report of the Advisory Group to the National Round Tables on Corporate Social Responsibility and the Canadian Extractive Industry in Developing Countries (March 2007).²⁰
- **Adopt Bill 300**, which focuses on conditioning access to governmental services for extractive industries on the observance of strong guidelines on Corporate Social Responsibility.
- **Ensure that Canada's private sector development strategies for Africa are consistent with Canada's development aid objectives** for poverty reduction, and with the development goals of concerned African countries.
- **Amend the Corruption of Foreign Public Officials Act** (1999) to make it more in line with the spirit of the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions, of which Canada is a signatory.
- **Promote the inclusion of human rights standards in World Bank policies** to ensure the Bank's loans to the private sector abide by international human rights standards.

Background

Africa is a mineral-rich continent and its resources have been integrated into the global economy since colonial times. Paradoxically, this wealth has never translated into development for the local populations and the countries where natural resources are being exploited. Employment rates are low and poverty is pervasive and endemic in mining communities. Countries rich in natural resources and dependent on mining production are often found among the heavily indebted poor countries (HIPC) and present among the worst ratings on the Human Development Index (HDI).

¹⁹ Corporate Social Responsibility Building the Canadian Advantage: A Corporate Social Responsibility (CSR) Strategy for the Canadian International Extractive Sector, <http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/csr-strategy-rse-strategie.aspx?lang=eng>.

²⁰ See <http://www.halifaxinitiative.org/> for information related to the National Round Tables.

Since the early 1990s, World Bank (WB) and International Monetary Fund (IMF) policies have encouraged these countries to consider their mining sector as key to their development as long as it was privatized. The proposed reforms were to facilitate foreign investments in this sector, redefine the role of the state and focus on governance. By 2001, 35 African countries had revised their respective mining code in order to make them less constraining for foreign investments.

However, most African governments never benefited from this openness; neither, did they gain from the rising prices of natural resources in the past years. Civil society and African parliaments began to scrutinize contracts that were signed under unfavorable conditions (corruption, armed conflicts, political pressure). Half a dozen countries, including Guinea Conakry, Liberia, the Democratic Republic of Congo (DRC), Sierra Leone, Tanzania, and Zambia have started in recent years to renegotiate those contracts, and sometimes raised royalties, which were below regular levels elsewhere in the world. For many, these renegotiations have taken place as they were affected by the global financial crisis. As a result, in some cases, foreign governments, willing to help their own enterprises, as was the case with Canada in Tanzania, pressed African governments to compromise their interests.

Canada, with its large mining industry, is a key player in the mining sector in Africa. Over 1,000 mining companies are listed on Canadian stock exchanges, which represent the most important source of investment in mining in Africa. Canadian investments in the mining sector in Africa have grown from \$2, 8 billion US in 2001 to \$6 billion in 2005, and are expected to reach about \$17 billion in 2010.²¹

In 2005, a Parliamentary initiative resulted in multi-stakeholders roundtables across the country to debate corporate accountability in Canada's extractive industries operating overseas. The multi-stakeholder (industry, government and civil society) Advisory Committee produced a consensus report. Its central recommendations called for the adoption of clear standards for Canadian extractive companies operating in developing countries; the establishment of an accountability mechanism that could lead to sanctions for companies which do not comply with the recommended standards; and the creation of an ombudsman who could investigate complaints and report publicly on the results. The consensus report also recommended linking the provision of government financial and political support to Canadian extractive companies to compliance with environmental and human rights standards.

The government strategy announced in March 2009 chooses instead to promote voluntary guidelines without a monitoring mechanism, set up the Office of the Extractive Sector CSR Counselor for the extractive industry, but with no independent investigation power; established a CSR Centre of Excellence, but with no possible sanction for bad corporate behavior as, for example, cutting access to Export Development Canada (EDC) funding.²² This strategy discards the Advisory Committee Report's key recommendations and demonstrates continued weak Canadian leadership in corporate social accountability.²³

²¹ http://www.ieim.uqam.ca/IMG/pdf/BCampbell_-_ABC_2008_0501.pdf.

²² <http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/csr-strategy-rse-strategie.aspx#1>.

²³ http://halifaxinitiative.info/updir/March_26_press_release-final.pdf.

A Few Facts

- In Ghana, mineral exploration and mining activities have been bolstered following the reforms. The sector had attracted nearly US\$6 billion worth of FDI at the close of 2005, accounting for nearly 60 per cent of FDI flows to the national economy during the period. The country now boasts 16 operating mines, six projects at mine development stage and over 150 local and foreign companies with exploration licenses, mainly in the domain of gold. However, the large-scale mining sector's share of total employment of the working age population is only 0.7 per cent, compared with agriculture's 55 per cent, trade's 18 per cent and manufacturing's 12 per cent.²⁴
- Tanzania is believed to have lost \$400M US in revenues between 2003 and 2008 due to low royalty levels, unpaid income tax and other taxes, and fiscal evasion.²⁵ As a result of the transfer of gold exploitation to multinational companies, 400,000 artisanal miners lost their job.²⁶
- A DRC Senate inquiry commission on the mining sector, revealed in October 2009 that only for the year 2008, more than \$361M US did not reach the public revenue department due to the disorganized public administration in the sector, the non-application of the mining regulations, corruption and false declarations on minerals exported by companies.²⁷
- Negative livelihood impacts resulting from mining activities are more pervasive among the most vulnerable segments of the society. Women have often borne the brunt of negative impacts of mining activities. They are usually unfairly treated when it comes to compensation for people to be resettled or relocated. Women, who are often dependent on petty trading for their livelihood, commonly lose such livelihood sources during relocation or resettlement.²⁸

²⁴ http://www.idrc.ca/fr/ev-138476-201-1-DO_TOPIC.html see Chapter 1. Mining in Ghana: Implications for National Economic Development and Poverty Reduction Thomas Akabzaa 2009, and Chapter 5. Governance, Human Rights and Mining in the Democratic Republic of the Congo, Marie Mazalto,

²⁵ <http://www.pambazuka.org/images/articles/407/goldenopp.pdf>.

²⁶ A Golden Opportunity? How Tanzania is Failing to Benefit from Gold Mining: Christian Council of Tanzania, National Council of Muslims in Tanzania and Tanzania Episcopal Conference, March 2008. <http://www.pambazuka.org/images/articles/407/goldenopp.pdf>.

²⁷ Rapport de la commission d'enquête sur le secteur minier de la Commission économique, financière et de la bonne gouvernance du Sénat, octobre 2009.

²⁸ http://www.idrc.ca/fr/ev-138476-201-1-DO_TOPIC.html.

Africa Matters: Working for Climate Justice with Africa

Briefing Note 4

Canada should:

- **Meet its legally-binding obligations under the United Nations Framework Convention on Climate Change, the Kyoto Protocol and other international environmental treaties,** including the United Nations Convention on Biological Diversity, and the United Nations Convention to Combat Desertification.
- **Demonstrate leadership at the G8 / G20 Summits to advance negotiations to reach an ambitious and legally binding global climate agreement** under the United Nations Framework Convention on Climate Change (UNFCCC) at the United Nations Climate Change Conference in Mexico in December 2010.
- **Contribute its fair share (approximately 4 per cent of global needs), in addition to official development assistance, to support Africa in mitigating and adapting to the impacts of climate change.** Mitigation and adaptation financing should deliver adequate, predictable and stable resources to effectively address the needs of vulnerable people in Africa, including adequate resources to respond to climate related humanitarian emergencies and conflicts.
- **Adopt a human rights approach to guide all mitigation and adaptation policies, prioritizing the rights of people living in poverty, in particular those most vulnerable to climate change in Africa.** These rights include the right to live without poverty, and in particular the right to food, the right to water, gender equality and the rights of women, the right to health, and the right to education. These policies should strengthen African states and civil society capacities to apply African climate change knowledge to their own development paths, including locally-determined renewable energy solutions, support to small-scale African farmers and biodiversity-based and conservation-based approaches.
- **Support fundamental changes to the rules governing international trade and investments.** The government should take all necessary action to regulate Canadian corporate investment in Africa to ensure human rights and environmental considerations are at the forefront of economic decision-making.
- **Support the Financial Transaction Tax initiative** that could yield up to \$700 billion globally each year – enough to fund the MDGs, the costs of climate change mitigation and adaptation for developing countries and domestic stimulus packages.

Background

The people of Africa will bear the greatest burden of the climate change crisis, even though it is the developed countries that carry the bulk of responsibility for the conditions that created it. In Sub-Saharan Africa poverty continues to grow despite the commitment to the Millennium Development Goals (MDGs) and poor people are the most vulnerable to systemic changes in climate. The most affected regions lack the infrastructure, capacities and resources to deal with its effects. For example, West Africa has experienced a steady decline in annual rainfall since the end of the 1960s. In recent years, Southern and Eastern African countries have been facing intense and widespread droughts with significant increase in heavy rainfall. Africa's ecosystems' biodiversity is at risk of being dramatically damaged. In the coming decades, it is expected that climate change will result in the disappearance of about 5,000 African plant species, over 50 per cent of some bird and mammal species, and the decline of the productivity of Africa's lakes by between 20 and 30 per cent by 2100.²⁹ Water scarcity will increasingly lead to conflict, food insecurity and a decline in water services. Women would be particularly affected by conflict given their role in the collection and management of natural resources. For example, they spend 40 billion hours a year collecting water.³⁰ By 2025, almost half of the African population – about one billion – is expected to experience such conditions.

In the Horn of Africa, West Africa and Southern Africa, populations have been pushed to rely on humanitarian assistance by a combination of factors, including bad crops, droughts and erroneous national policies³¹. The UN has warned that 20 million people in the Horn of Africa alone will need emergency food aid as a consequence of multiyear droughts. In Senegal, around 70 per cent of rural women are engaged in the agriculture sector, and 90 per cent of workers in fish processing are women. Soil erosion on farms and along coastlines and increasingly unpredictable rain patterns will seriously affect their livelihoods.³²

The great majority of Africa's urban populations – estimated to reach about 740 million by 2030 – live in coastal cities where flooding is expected to become more recurrent and intense as a result of global warming. By 2080, North Africa, West Africa and Southern Africa will be among the world's five regions most at risk from coastal flooding, with approximately 70 million people affected.³³

²⁹ The Economic Cost of Climate Change in Africa, Pan African Climate Justice Alliance, November 2009, <http://www.africa-adapt.net/AA/>.

³⁰ Resource Guide on Gender and Climate Change, United Nations Development Program, 2009, http://www.un.org/womenwatch/downloads/Resource_Guide_English_FINAL.pdf.

³¹ Changement climatique: Une crise de l'homme ordinaire, Kwesi Obeng http://www.twnafrica.org/index.php?option=com_content&view=article&id=270:changement-climatique--une-crise-de-lhomme-ordinaire&catid=51:leading-french-articles&Itemid=104.

³² Climate Change Connections, Common Ground http://www.wedo.org/wp-content/uploads/ClimateConnections_English_3_CaseStudies.pdf.

³³ The Economic Cost of Climate Change in Africa, Pan African Climate Justice Alliance, November 2009, <http://www.africa-adapt.net/AA/>.

Numerous studies have been conducted on Africa's financial needs to adapt to climate change. These include assessing vulnerability based on National Adaptation Programmes of Action (NAPA), building institutional capacity, piloting adaptation strategies, and operational adaptation to cope with new hazards and conditions. Accordingly, it is estimated that Africa's adaptation financing needs will reach a minimum of US\$10 billion a year by 2030, up to as much as US\$30 billion a year. These figures do not take into account other expected costs such as loss of lives and livelihoods, extreme events, and economic losses.³⁴ In the UNFCCC process, developed countries have accepted that adaptation funding is an international obligation to compensate developing countries for the impacts of climate change on their environment, economies and societies, which adds to their development challenges. For Africa, which already faces a development financing deficit because donors have failed to realize their 2005 Gleneagles commitment to double aid to Africa, additional adaptation finance is both essential and urgent.

In the 2009 Nairobi Declaration on Climate, the African Ministers united all African countries to urge the international community to respond to the priorities determined by Africa, which include programs for adaptation, capacity-building, financing and technology development and transfer. Ministers pointed to the importance of South-South transfer of knowledge, in particular building on indigenous knowledge.³⁵

Unfortunately the outcome of the Copenhagen UNFCCC Conference was deeply disappointing. A non-binding "Copenhagen Accord," reached by an exclusive group of 5 countries – the United-States, China, India, Brazil and South Africa – was rejected by many of the most vulnerable developing countries, including many in Africa, which were further marginalized in the process.³⁶

As of February 2010, ninety-four countries – about half of those present in Copenhagen – have endorsed the Accord, including the world's top ten carbon emitters. But only 15 out of 53 African governments have committed to it so far. Several African countries are expected to sign the Accord to enable access to the quick-start US\$30 billion in financing promised up to 2012.³⁷ However, it is not clear where the money will come from and how it will be allocated.

Canada's share of the "US\$30 billion quick-start fund" is approximately C\$1 billion in new and additional resources, based on an annual commitment of C\$320-\$420 million, or 3-4 per cent of the total. A priority area for Canada's contribution should be to support National Adaptation Programmes of Action (NAPAs) developed under the UNFCCC, ensuring they are closely aligned with country-directed poverty reduction plans that take account of the best climate change knowledge and community based experience in adaptation and development change.³⁸

³⁴ Ibid.

³⁵ The Nairobi Declaration on the African Process for Combating Climate Change http://www.unep.org/roa/Amcen/Amcen_Events/3rd_ss/Docs/nairobi-Declaration-2009.pdf.

³⁶ La souris qui rugissait à Copenhague, Alemayehu G. Mariani, <http://www.pambazuka.org/fr/category/features/61404>.

³⁷ Perhaps We Should Just Sign? <http://allafrica.com/africa/>.

³⁸ Adaptation Financing for Climate Change: Taking Account of CSO Perspectives for Aid Reform, Brian Tomlinson, CCIC, forthcoming in a 2010 Reality Check, a Reality of Aid Network publication, to be accessible at www.realityofaid.org.

Canada should take the opportunity of the June G8 and G 20 Summits to galvanize global efforts to deliver a solid and legally binding agreement at COP16 in Mexico in December 2010. The Copenhagen Accord has not been formally adopted by the parties and therefore is not an official outcome of COP15. It does not replace or subsume the Kyoto Protocol. Archbishop Emeritus Desmond Tutu, in an open letter to Heads of States on December 15 in Copenhagen appealed to the world leaders to take action: "...We have but one earth home. ... We can swim or sink only together. The African group wants a deal, a fair ambitious and legally enforceable deal... This is a moral issue, it is a matter of justice for especially the weak and most vulnerable and the developed world is noted for seeking to do what is right and good." Let's hope his appeal resonates in Muskoka.

A Few Facts:

- Desertification has its greatest impact in Africa. Two-thirds of the continent consists of deserts or dry lands. There are extensive agricultural drylands, almost three-quarters of which are already degraded to some degree.³⁹
- Climate change will significantly affect rainfall, temperature and water availability for agriculture in already vulnerable areas. For example, drought-affected areas in Sub-Saharan Africa could expand by 60–90 million hectares, with dry land zones suffering losses of US\$26 billion by 2060 (2003 prices), a figure in excess of bilateral aid to the region in 2005.⁴⁰
- Greater rainfall variability and more severe droughts in semiarid Africa will hinder efforts to enhance food security and combat malnourishment. The incidence of drought, projected to increase in the Sahel and elsewhere, is also strongly correlated with past meningitis epidemics in Sub-Saharan Africa.⁴¹
- In Africa, women do 90 per cent of the work of gathering water and wood, for the household and for food preparation. They spend between two to nine hours per day collecting firewood and other biomass products. Close to 60 per cent of rural women in Africa are affected by a shortage of firewood.⁴²
- New markets in carbon are likely to lead to large-scale disenfranchisement of forest-dwellers, driven by private sector and government capture of forests for their carbon sequestration value.⁴³

³⁹ <http://www.unccd.int/regional/africa/menu.php>.

⁴⁰ http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf. This is also greater than the promised \$25 billion in increased aid by 2010 that was promised at the Gleneagles G8 meeting in 2005, for which latest data show that donors will fail to deliver.

⁴¹ World Development Report 2010, Understanding the links between climate change and development <http://siteresources.worldbank.org/INTWDR2010/Resources/5287678-1226014527953/Chapter-1.pdf>.

⁴² Gender and the Climate Change Agenda, 2010, Women Environment Network, <http://www.wen.org.uk/wp-content/uploads/Gender-and-the-climate-change-agenda-21.pdf>.

⁴³ Rights and Resources Initiative (RRI) 2009, From Exclusion to Ownership? Challenges and opportunities in advancing forest tenure reform.

- In Africa an estimated 10 million people are likely to have migrated or been displaced over the last two decades mainly in response to environmental degradation and desertification.⁴⁴
- The deterioration of farming conditions due to climate change will increase African's poorest people dependence on food imports and food aid. Currently, around 40 per cent of Sub-Saharan Africa's population is undernourished. By the 2080s, this number could increase by as much as 50 million to approximately 240 million.⁴⁵
- The number of people exposed to malaria in Africa by 2070-2099 is estimated to be 13-18.9 per cent higher than at present⁴⁶.
- By 2055, another 350-600 million more people in Africa will be at risk of increased water stress, especially in northern and southern Africa⁴⁷.

⁴⁴ UNFPA State of World Population 2009 – Facing a changing world: women, population and climate
<http://www.unfpa.org/swp/2009/en/index.shtml>.

⁴⁵ The Economic Cost of Climate Change in Africa, Pan African Climate Justice Alliance, November 2009,
<http://www.africa-adapt.net/AA/>.

⁴⁶ Ibid.

⁴⁷ Ibid.

Africa Matters: Promoting Fair and Transparent Global Economic, Trade and Financial Policies for Africa's Development

Briefing Note 5

Canada should:

- **Promote international economic, trade and investment policies that respect the priority of ending poverty in Africa and the need for African countries to be able to use a full range of policy tools to promote human rights and realize their own development strategies.** International rules and policies should enable support for infant industries and small farmers, the rapid elimination of harmful agricultural subsidies, protection for essential public services, and the reform of intellectual property rules. In the latter case, this reform should ensure respect for the principle of free prior and informed consent (FPIC), enable a ban on the patenting of life forms, make the cost of medicines accessible, and facilitate a more open flow of educational materials and technology transfer.
- **Refrain from pursuing bilateral trade and investment treaties that strengthen investors' rights while restricting government's ability to direct investment to development goals** such as through performance requirements. There should be a moratorium on investor-state dispute settlement mechanisms.
- **Work to end donor-imposed policy conditions** in international cooperation such as those currently attached to World Bank and International Monetary Fund (IMF) development loans and grants. Such conditions often constrain a national government's spending on social programs aimed at meeting people's rights or restrict a country's choice for more expansive, but still feasible, fiscal and monetary policies. Canada should instead promote a donor-recipient dialogue and mutually agreed arrangements based on respect for shared obligations in international human rights law and in development commitments.
- **Champion the immediate and unconditional cancellation of 100 per cent of the multilateral and bilateral debts owed by all of the poorest countries in Africa** taking into consideration the devastating impact of the current triple crises of finance, food security and climate change. This should include conducting national audits to determine the illegitimacy of odious and apartheid debts incurred by dictatorial African regimes, and supporting such audits within other countries and in International Financial Institutions.
- **Work with African governments to advance respect, protection and fulfillment of core international labour rights for African workers**, from both formal and informal sectors, including social protection and security. Canada should sign, ratify and implement the International Convention on the Protection of the Rights of All Migrant Workers and their Families.

- **Promote effective African representation in decision making institutions such as the G-20.** Canada should work to build a global leaders forum based on democratic principles of inclusion, representation, transparency and accountability, and ensuring avenues for hearing citizens' voices. As an immediate step in 2010, Canada should support the inclusion of the African Union in the G-20, while working to increase participation in the G-20 from other least developed countries in Africa and other regions.
- **Advocate for the adoption of procedures that make the exchange of tax information automatic and require country-by-country reporting** on accounts from multinational companies. Such measures could help ensure revenues that could provide health services, infrastructure and other critical needs, are not diverted through tax evasion and avoidance.
- **Support a global Financial Transaction Tax of 0.05 per cent** that could yield up to \$700 billion globally each year – enough to fund the MDGs, the costs of climate change mitigation and adaptation for developing countries and domestic stimulus packages.

Background

Africa has been deeply affected by the global financial crisis. African economies have been weakened by the decrease of exports as a result of falling commodity prices; the reduction of Foreign Direct Investments (FDI); and a decline in remittances and foreign aid. Vulnerable social groups, including women, small-scale farmers, the urban poor, risk deeper impoverishment and exclusion. In 2005, Sub-Saharan Africa had 100 million more people living in extreme poverty than in 1990, and the poverty rate remained above 50 per cent.⁴⁸ The global economic crisis is expected to worsen the situation. In particular, informal economies will grow to unprecedented levels, leading to more insecure and precarious work conditions and deeper income disparities, particularly for women's economic livelihoods.⁴⁹

Other factors have also contributed to growing poverty and inequality. Despite economic growth averaging 6 per cent per year between 2001 and 2008, the agrarian structure of African economies and their dependence on a narrow band of export commodities has not been fundamentally changed. The economies of many African countries are also extremely vulnerable due to the following: their heavy reliance on remittances and trade; low levels of international reserves; weak exchange rates; high current account deficits and levels of Foreign Direct Investments; dependence on Official Development Assistance (ODA); and low GDP per capita.⁵⁰

⁴⁸ The Millennium Development Goals Report 2009, http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2009/MDG_Report_2009_En.pdf.

⁴⁹ The Global Financial Crisis and Women in West Africa: Developing Impacts and the Implications of Policy Responses, Dzodzi Tsikata, AWID, <http://www.awid.org/eng/Issues-and-Analysis/Library/The-Global-Financial-Crisis-and-Women-in-West-Africa-Developing-Impacts-and-the-Implications-of-Policy-Responses>.

⁵⁰ Ibid.

A fundamental transformation of the global economy – both its systems and institutions – is required to deliver decent work and sustainable development to all parts of the globe. Through fairer international rules and policies for trade, tax, and finance and the democratization of the international financial institutions (IFIs), the world's leaders can address the structural flaws that have exacerbated the financial crisis and help build a strong public sector that can support measures to mitigate its most adverse affects.⁵¹

To address the short-term impact of the crisis, the G-20 announced in 2009 \$1.1 trillion in funding, but only \$50 billion is expected to go to the world's poorest countries, mostly as loans. This has raised the specter of a new debt crisis.⁵² Although the IMF and the World Bank have introduced new forms of social protection and have reduced the number and type of conditions attached to new loans, many of the remaining conditions (including public sector wage freezes or cuts, pension freezes, utility price hikes and rising interest rates) still undermine attempts to increase social protection. And in real terms, increases to social protection still come in the context of rapidly declining government budgets.

In terms of tax havens, the US group Global Financial Integrity⁵³ estimates that globally \$500-800 billion (US) of illicit money flows out of developing and transitional economies every year. Around 65 per cent is in the form of tax evasion and avoidance by multinational companies. The British NGO Christian Aid further estimates that developing countries lose around \$160 billion each year in tax revenue through tax dodging – more than 30 per cent higher than the total amount of aid given by donors in 2008.⁵⁴

African governments continue to demand the return of stolen wealth and significant reform to tax havens that would stem the outflow of capital from the African continent.⁵⁵ Beyond addressing capital flight from the continent, they have also called for a moratorium on debt servicing and the removal of aid conditionalities that prevent innovative solutions to the crisis.

In terms of a stimulus package for Africa, in 2007, global trade in all financial assets stood at \$194 trillion (US) – more than 12 times the global trade in goods and services. The idea of placing a small levy of 0.05 per cent on the trade of these assets has gained the support of British Prime Minister Gordon Brown, French President Nicholas Sarkozy and German Chancellor Angela Merkel. Austrian economist Stephan Schulmeister estimates that taxing financial transactions could yield upwards of \$700 billion globally each year – enough to fund the MDGs, the costs of climate change for developing countries and domestic stimulus packages, urgently needed in Africa.

⁵¹ The G8 and G20 Summits of 2010 An Agenda for Global Development, <http://halifaxinitiative.org/content/g8-g20-2010-agenda-global-development>.

⁵² G-20 response to financial crisis – money, money, money, Monthly Issue Update April 30, 2009, Halifax Initiative, <http://halifaxinitiative.org/content/monthly-issue-update-april-30-2009>.

⁵³ Global Financial Integrity, <http://www.gfip.org>.

⁵⁴ Three ways to pay for aid commitments, Fraser Reilly-King, Halifax Initiative Coalition, in *Embassy – Canada's Foreign Policy Newspaper*, Wednesday, February 3, 2010.

⁵⁵ The global financial crisis and growing discontent in Africa, Issue N° 231/232, Nov/Dec 2009, Kwesi W. Obeng. This article is reproduced in *Third World Resurgence from African Agenda* (Vol. 12, N° 3, 2009), published by TWN Africa.

African governments have been calling for major reforms in the international economic system, and at International Financial Institutions (IFIs) to give developing countries a voice. In this vein, it is critical for the poorest countries of Africa, where the majority live in extreme poverty to have a leaders' forum that addresses the needs and interests of a diverse range of countries. G-8 and G-20 leaders must commit to transition to a more representative forum; one that adheres to principles of transparency, accountability and inclusivity of the world's poorest nations and citizen's voices. Such a transition must be done within the broader context of reforming and strengthening multilateralism more generally, and the role and place of the United Nations in the international system in particular.⁵⁶

A Few Facts

- Sub-Saharan Africa loses around \$2bn a year due to import barriers in rich countries. Deteriorating terms of trade have cost more than seven times as much as Africa received in aid.⁵⁷
- The prices of mineral raw materials – oil, gas, metals, and certain plant produce such as coffee, cotton and timber – have declined, some by as much as 20 per cent between 2008 and 2009. In Ghana, although cocoa and gold prices have generally held up in spite of a small decline from peak prices in 2008, export earnings have been affected by a drastic decline in timber (27 per cent), horticultural products and shea nut exports.⁵⁸
- West Africa's shea nut collectors, processors and traders are predominantly women among the poorest in their communities. They rely on these wild nuts to supplement their income which helps alleviate seasonal food insecurity. The growing international export trade for shea butter – in particular to Europe – has been substantially reduced with the crisis, with direct economic impacts in Burkina Faso, Mali and in other shea areas of West Africa. Price declines in Ghana are estimated at 50 per cent to 75 per cent. This situation has a direct impact on the poverty of the women involved.⁵⁹
- Remittances to households constitute on average 5 per cent of their income in Ghana. In Senegal, Nigeria, Sierra Leone and Togo, remittances represent around 5 per cent of their GDP in 2007, and for Cape Verde, Liberia and the Gambia, over 10 per cent. Reductions in remittances as a consequence of the 2009 financial crisis will have serious implications for families on education of children, living expenses supplement, and investments in housing and small businesses.⁶⁰

⁵⁶ What's missing in the response to the global financial crisis? *Rethinking the international financial system during a time of crisis, Policy Paper – Executive Summary*, January 2010, Halifax Initiative, <http://www.halifaxinitiative.org/content/conference-whats-missing-response-global-financial-crisis>.

⁵⁷ Rigged Rules and Double Standards Trade, Globalization and the Fight Against Poverty, Oxfam International, http://www.maketrade-fair.com/assets/english/report_english.pdf.

⁵⁸ The Global Financial Crisis and Women in West Africa: Developing Impacts and the Implications of Policy Responses, Dzodzi Tsikata, AWID, <http://www.awid.org/eng/Issues-and-Analysis/Library/The-Global-Financial-Crisis-and-Women-in-West-Africa-Developing-Impacts-and-the-Implications-of-Policy-Responses>.

⁵⁹ Ibid.

⁶⁰ Ibid.

- As a consequence of the commodity prices decline – in particular mineral raw material – and the loss of exports revenues in 2008-09, Ghana has had to return to IMF tutelage and a regime of policy conditionalities to reduce its deficit. This will affect its policy choices for addressing the crisis. The Nigerian government has cut its 2009 Budget in response to lower oil prices and this is expected to affect investments in education, electricity and infrastructure. Credit availability for private enterprises has reduced and is causing congestion in Nigerian ports and shortages of certain imported goods.⁶¹
- Developing countries are losing \$1 trillion every year due to crime, government corruption, and tax evasion. Approximately 60 to 65 per cent of these outflows can be attributed to tax evasion and avoidance by Multinational companies. These illicit monetary outflows are more than eight times the amount of aid money going into developing countries for poverty reduction and economic development. In Sub-Saharan Africa – despite incomplete and unreliable external debt data – it is estimated that illicit financial outflows are fast approaching half a trillion dollars, more than twice the size of its aggregate external liabilities.⁶²

⁶¹ Ibid.

⁶² Illicit Financial Flows from Developing Countries 2002-2006, Global Financial Integrity, <http://www.gfip.org/>.

Africa Matters: Promoting Sustainable and Inclusive Peace in Africa

Briefing Note 6

Canada should make sustainable, inclusive peace a priority in Canadian Foreign, Development, and Defense policy. To this end it should:

- **Strengthen African conflict prevention, peace-building and peace-making capacities, through long-term financial and diplomatic support to regional initiatives and organizations**, including the African Union – emphasizing conflict prevention, management and conflict resolution capacities.
- **Commit troop deployments and financial support to UN peace operations in Africa.** Specifically, Canada should increase Canadian forces, policing, and civilian deployments to supporting peace operations, for example in the Democratic Republic of Congo and Sudan.
- **Prioritize women’s role in peace processes by supporting** women’s groups to engage in peace processes, encouraging women’s political participation and decision-making, and funding programs that end violence against women.
- **To this end, develop and make public a Canadian National Action Plan on Resolution 1325 on Women, Peace and Security and subsequent Resolutions on sexual violence and women in conflict** through comprehensive transparent consultation with Canadian civil society and African women’s groups.⁶³
- **Take all possible actions, in consultation with all relevant African institutions, to prevent and respond to genocide, war crimes and crimes against humanity** including by early diplomatic engagement and combating impunity for grave human rights abuses.
- **To this end, support politically and financially, local, traditional, national and international justice mechanisms such as the International Criminal Court (ICC)** to hold accountable perpetrators of grave crimes including the forced recruitment of child soldiers and sexual and gender-based violence.
- **Support comprehensive reforms to strengthen African states emerging from conflict and prevent the emergence of new conflicts by supporting democratic local actions** through citizens, particularly women, and civil society organizations to contribute to bottom-up processes of peace-building, social reconciliation, and equitable management of natural resources.
- **Curb the illicit transfer and trade in small arms and light weapons by fully supporting a strong Arms Trade Treaty (ATT) to be in place by the end of 2012.**

⁶³ In 2000 the United Nations (UN) Security Council adopted Resolution 1325 on Women, Peace and Security to include women’s rights, gender equality and women’s participation in peace and security initiatives, including in developing and implementing peace agreements. In 2008, resolution 1820 on sexual violence, and more recently resolution 1888 also on sexual violence but more specifically looking at peacekeeping forces and their role in protecting women from sexual violence were also adopted.

Background

Africa is home to about 40 per cent of armed conflicts with at least 1,000 fatalities in the world today.⁶⁴ Out of 50 countries on the continent, 11 are considered to be experiencing or involved in some form of armed conflict.⁶⁵ Over the last 15 years, 18 of the 33 African Least Developed Countries (LDC) have been affected by conflict, which further undermines progress in poverty reduction, human rights and women's rights, and development.

Civilians, and in particular vulnerable populations, women, and children pay a very high price as a result of conflicts. Violence, including horrific and rising sexual violence as in the case of the DRC, has a direct impact not just on the individual women but also on communities' health and livelihoods. Child soldiers are more numerous in Africa than elsewhere in the world, and they are active in rebel and militia groups, as well as in some government forces. About a fifth of the world's 500 million small arms and light weapons are found in Africa. Child soldiers involved in conflicts by non-state actors are the main users of SALWs. Migration flows, another direct consequence of conflicts, have largely contributed to the over 13 million Internally Displaced Persons (IDPs) in Africa,⁶⁶ which include a majority of women and children.⁶⁷

Since the 1990's, key causes of African conflicts have been identified to be related the failure of democratic processes and governance issues. Competition over scarce resources, increasingly exacerbated by climate change, is often an important underlying factor of conflict, as can be currently seen in the Horn of Africa, southern Sudan and the 2007 post-election violence in Kenya. The fair sharing of natural resources, including land, minerals, oil, forests, and in particular water, will be major challenges in the future.

Despite the decline in the number of conflicts since the end of the Cold War, hard cases remain in eastern Congo, Somalia, and Sudan. Countries, which experienced violent conflict over the past 10 to 15 years such as Liberia, Sierra Leone and Rwanda, are still in the process of post-conflict rebuilding, while others face high levels of political unrest and violence, as is the case for Zimbabwe, Guinea-Bissau, Mauritania, Niger and Madagascar.

In Africa, democratization efforts mainly focused on competitive elections, promoted by the donor community as the prerequisite for democracy, often result in the legitimization of an already strong executive power and the creation of a more or less effective legislative power, without investing in the other pillars of democracy such as the judiciary, independent press and civil society organizations.⁶⁸

⁶⁴ Armed Conflicts Report 2009, Ploughshares, <http://www.ploughshares.ca/libraries/ACRText/ACR-TitlePage.html>.

⁶⁵ In 2008, these countries included Algeria, Burundi, Chad, the Democratic Republic of Congo, Ethiopia, Kenya, Nigeria, Somalia, Sudan, Sudan-Darfur and Uganda.

⁶⁶ http://www.unhcr.org/publ/PUBL/4444d3cc11.html#_ftn3.

⁶⁷ <http://www.unhcr.org/4a375c426.html>.

⁶⁸ L'avenir des opérations de maintien de la paix dans les conflits contemporains, Speech by Louise Arbour, President CEO, International Crisis Group, 7 octobre 2009, www.crisisgroup.org/home/index.cfm?id=6364&l=1.

The African Union (AU) – through its Peace and Security Council – has demonstrated its will to play more important roles in peacekeeping operations, through diplomatic efforts in conflict resolution, and more recently in taking a strong stance and thus helping to delegitimize military coups d'état and illegal take over in Guinea, Madagascar, Mauritania, and Guinea-Bissau. To date the AU has been involved in three peace operations: the African Mission in Burundi (AMIB) in 2003; the African Union Mission in Sudan (Darfur) (AMIS) in 2006; and the African Mission in Somalia (AMISOM) in 2007. Given the complexity of these conflicts and the limited capacities of the AU, these operations have been supported by a UN operation. In the Sudan, the AMIS was replaced by a hybrid UN-AU operation to preserve an “African character”, in response to a Sudanese government request.

African sub-regional organizations have also played an important part, along with nongovernmental and civil society organizations involved in peacemaking and peace-building, in negotiated settlements, such as the Comprehensive Peace Agreement in Sudan.⁶⁹

Canada has supported peace processes in Africa in the past decade, mainly by providing financial, diplomatic and material support. In the Democratic Republic of Congo (DRC) in 2003, Canada actively supported the Inter-Congolese Dialogue, which brought together the various political factions involved in the conflict to set the parameters for the political transition towards democracy, and which led to the Global and Inclusive Peace Agreement. Canada provided substantial funding for the presidential elections in 2006. In 2008, Canada financially supported the Goma Peace Process and the Amani Program but not with nearly the same kind of political or substantive involvement as in the past, drawing concern that Canada was retreating from its presence in Africa, and more specifically DRC.

The Canadian government played a role as a member of the International Committee in Support of the Transition (CIAT) and Co-Chair of the Group of Friends of the Great Lakes Region which was set up to support the International Conference on the Great Lakes Region (ICGLR). The ICGLR brought together 11 countries in the region to agree on a set of protocols. As another example of support to peace processes, Canada funded the 2006 Juba Peace Process between the Lord's Resistance Army and Ugandan government.

In Sudan, Canada's contribution to peace efforts, humanitarian assistance, reconstruction, early recovery and international peacekeeping missions in Sudan has reached over \$760 million since January 2006. It has played a central diplomatic role in the process headed by the African Union that led to the signing of the Darfur Peace Agreement in May 2006. Through the Global Peace and Security Fund managed by START, Canada is supporting the political and social consolidation of peace in Sudan by promoting initiatives in several key areas including: strengthening judicial institutions, federalism, corrections reform, improving community security, disarmament, demobilization and reintegration (DDR), as well as capacity building of stakeholders in the Darfur peace talks. In addition, Canadian Forces personnel and civilian police officers have been involved in peacekeeping operations in Sudan, in particular the UNMIS, mainly as peacekeepers and military observers in southern Sudan.⁷⁰

⁶⁹ Human security: Setting the agenda for the Horn of Africa, John Siebert, *The Ploughshares Monitor*, Summer 2009, volume 30, N° 2 <http://www.ploughshares.ca/libraries/monitor/monj09g.pdf>.

⁷⁰ <http://www.canadainternational.gc.ca/sudan-soudan/approach-approche.aspx?lang=eng>.

However, in spite of these initiatives, Canada's approach to supporting peace processes remains ad-hoc. Since the end of the 1990s, Canada has moved away from UN missions that were struggling at the time with new realities without having the means to address them: large-scale massacres, civil wars or ethnic cleansing such as in Bosnia, Somalia and Rwanda. As the UN was drawing lessons from its failures and adapting its missions consequently, Canada chose to focus its interventions on operations led by like-minded country coalitions. The Canadian contribution in terms of staff involved in UN missions went from 10 per cent in 1991 to less than 0.2 per cent in 2009. And today only 40 Canadian military and 26 civilian police officers are taking part in the 3 UN missions in Africa, in Ivory Coast, the DRC and Sudan. The demand for peacekeeping in Africa has been increasing with more than 72,000 peace-keepers deployed in places like Southern Sudan, Darfur, Democratic Republic of the Congo, Cote d'Ivoire and Liberia in 2009.⁷¹

An essential part of preventing violence and conflict and promoting peace is ensuring accountability for serious human rights abuses. International justice has made strides in the past decade in developing norms and mechanisms for holding perpetrators of war crimes, crimes against humanity, genocide and ethnic cleansing accountable for their abuses. Sexual and gender-based violence and the recruitment of child soldiers have been established as punishable under international law. Canada played a leading role in helping to establish the International Criminal Court, and has supported other international justice mechanism including the tribunals and courts in Sierra Leone, Rwanda and former Yugoslavia. In the case of Uganda, Canada has funded consultations on accountability and justice and the establishment of national justice mechanisms. Over the next years, Canada should increase its support to strengthening justice mechanisms and accountability of serious rights abuses committed in times of conflict through traditional, national, and international justice processes.

At present, Canada's dwindling prioritization of Africa may affect the sustainability and implementation of peace efforts in places like DRC and Uganda, not to mention a number of smaller countries. Of the 20 CIDA Countries of Focus, only 7 are from Africa, with 5 of these countries – Ethiopia, Mali, Mozambique, Senegal, and Sudan – being both Least Developed Countries and conflict-affected. The Department of Foreign Affairs' Global Peace and Security Fund (GPSF), aimed at supporting fragile states, at present includes Sudan, Uganda, and DRC (a modest program), as the only African countries on the government's priority list. Unfortunately the low priority given to Africa at both CIDA and DFAIT's GPSF, makes support for Africa in general more challenging, and support for peace processes and peace-building activities all the more difficult.

Canada needs to develop a long-term and sustained strategic approach that support peace processes in Africa. For Canada's support to be more effective, it will need to go beyond sending observers to peace-talks. Commitments should be multi-year, consistent in policy when there are changes in government and should include support for civil society organizations (CSOs). To do this, Canada needs to have a policy framework and accessible funds dedicated to peace processes that allows for different approaches to respond to the range of conflicts in Africa.

⁷¹ Canada's Contribution to UN Peacekeeping, <http://www.peacebuild.ca/work-groups-peace-operations-e.php>.

A Few Facts

- The number of refugees in Africa has declined to 2.1 million from 3.4 million since 2004. Yet, renewed and new conflicts have produced an additional 210 000 new refugees.⁷²
- There are currently over 13 million Internally Displaced Persons (IDPs) in Africa.⁷³ Over 50 per cent of the refugees and IDPs are women and children.⁷⁴
- Displaced children are the most vulnerable during conflicts as they are more likely to be neglected and exposed to abuses including sexual exploitation, trafficking and recruitment.⁷⁵
- The majority of conflicts that occurred in 2008 were not new conflicts, but the resumptions of fighting after failed peace agreements and negotiations.⁷⁶
- Africa's portion of international imports of major conventional weapons has increased between the 1999-2003 and 2004-2008 periods from 6 per cent to 7 per cent.⁷⁷
- Of the 500 millions Small Arms and Light Weapons (SALW) that are found around the world, 100 million of them are found in Africa. SALW are often used by non-state actors, and are the weapons of choice in conflicts which have involved the use of child soldiers.⁷⁸
- Africa has the highest number of child soldiers in the world. They are active in rebel and militia groups, as well as some government forces.⁷⁹
- Resources like diamonds, lumber and oil continue to fuel conflicts across Africa.⁸⁰
- Land grabs are an increasing concern that will fuel tensions and could lead to open conflict and political volatility.⁸¹

⁷² <http://www.unhcr.org/4a375c426.html>.

⁷³ http://www.unhcr.org/publ/PUBL/4444d3cc11.html#_ftn3.

⁷⁴ <http://www.unhcr.org/4a375c426.html>.

⁷⁵ [http://www.internal-displacement.org/8025708F004BE3B1/\(httpInfoFiles\)/82DA6A2DE4C7BA41C12575A90041E6A8/\\$file/IDM_C_Internal_Displacement_Global_Overview_2008.pdf](http://www.internal-displacement.org/8025708F004BE3B1/(httpInfoFiles)/82DA6A2DE4C7BA41C12575A90041E6A8/$file/IDM_C_Internal_Displacement_Global_Overview_2008.pdf).

⁷⁶ [http://www.internal-displacement.org/8025708F004BE3B1/\(httpInfoFiles\)/82DA6A2DE4C7BA41C12575A90041E6A8/\\$file/IDM_C_Internal_Displacement_Global_Overview_2008.pdf](http://www.internal-displacement.org/8025708F004BE3B1/(httpInfoFiles)/82DA6A2DE4C7BA41C12575A90041E6A8/$file/IDM_C_Internal_Displacement_Global_Overview_2008.pdf).

⁷⁷ http://www.sipri.org/research/armaments/transfers/data_on_inter_arms_trade_default/recent_trends/siprifs0904.

⁷⁸ http://www.africa-union.org/root/au/AUC/Departments/PSC/Small_Arms.htm.

⁷⁹ <http://www.childsoldiersglobalreport.org/content/facts-and-figures-child-soldiers>.

⁸⁰ http://www.globalwitness.org/pages/en/natural_resources_in_conflict.html.

⁸¹ "Seized: The 2008 land grab for food and financial security", GRAIN briefing, October 2008, (11 pp), plus Annex (11 pp). Available at: <http://www.grain.org/go/landgrab>.