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## **Outcomes of the G-8 and G-20 for Global Health Kaiser Family Foundation July 7, 2010**

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**J. STEPHEN MORRISON:** Good morning. Welcome to CSIS. We've tried to put out an extra amount of water today for those of you who've walked long distances and need to hydrate. I'm Steve Morrison, Director of the CSIS Center Global Health Policy. We're delighted to come together again this year with our partner, the Kaiser Family Foundation and Jen Kates, the Senior Vice President at the Kaiser Family Foundation, to review the outcome of the G-8 and this year also the G-20 with special focus on development and global health issues.

This is, I believe it's the sixth year, the sixth consecutive year that we've done this jointly with Kaiser. It's proven to be a very valuable tradition and particularly you hear the reflections, the sort of reflections while they're still fresh from those policy makers who are at the table. We have today Ambassador Len Edwards and NSC Director Mark Abdo, who kindly agreed to join us. So we're very delighted to have them with us. I'll come back to them in a moment.

Our partnership with Kaiser is among the most valuable that we have enjoyed over the last decade. Kaiser is a very exceptional institution. It's an operating foundation populated with great talents that sets the gold standard for data analysis and policy insights into health. We'll hear from Jen in a few minutes some of the most recent data, 2001 and 2008, on OECD commitments.

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Ambassador Len Edwards kindly agreed to come to Washington to be with us today. He is the special representative of the Canadian Prime Minister to the Summits; the Sherpa in the diplomatic language for the Summits. He's the former, as of June, he stepped down as the Deputy Foreign Minister. He has consecutively served as the Deputy Minister in three different agencies and departments going back nine years - foreign affairs, agriculture and trade, and served as Ambassador to Japan and to Korea. He has had a very distinguished career.

We're also very delighted to have Mark Abdo with us today. Mark is the Director for Global Health and Food Security on the National Security Council at the White House. Prior to that he served in many positions at Health and Human Services, most recently as the Acting Deputy Director of the Office of Global Health Affairs. He's had extensive experience over the last several years in the various diplomatic fora in preparing for the G-8 and handling many other issues including the preparation of the accountability report that we'll hear more about today, so brings a wealth of experience on these matters.

While I'm on this, I want to quickly thank a number of people who contributed to making this event happen. Seth Gannon, Daniel Porter, Carolyn Schrote, Asad Moten, Cathryn Streifel, Lizzie Cohen, Suzanne Brundage from CSIS. From

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Kaiser, Craig Palosky and Adam Wexler have been very helpful, and from the Canadian Embassy, Frank Roddick and we're joined today also from Ottawa, Ron Garson and Tracy Pfeiff - great to see you both here today.

We'll hear more this morning about the moment of big transition that's underway. I'm going to say a few words about that big transition in terms of the way that the G-8 and G-20 are evolving. We'll hear a brief presentation from Jen Kates on the data that they've just issued and then we will move to our two presenters, Ambassador Edwards and Mark Abdoo, and then we will have a discussion. As part of that discussion, open to the floor for comments from you.

The G-8 is an old club. It's an old and small club of liberal democracies, of dominant donors dating back to 1975. It's important to remember that it didn't really begin to embrace, seriously, global health and development issues until the second half of the 90s and then that didn't really accelerate until this last decade. It's an organization that, over time, has acquired a pretty broad agenda of economics, development, security, conflict issues. It has strong constituencies both in the alignment with the developing world, but also internally with the nongovernmental groups and advocacy groups and many of you who are represented here today.

In the last decade, there's been enormous activism by the G-8. I think when you see the data that Jen Kates is going

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to present on the period 2001 to 2008, it's rather dramatic the way the numbers were driven up during that period in terms of commitments on global health. I think the G-8 can claim predominant credit for having driven that process forward. There are many other high-impact contributions in the last decade, The Global Fund, the GAVI Alliance, many particular initiatives certainly surrounding HIV/AIDS, but then broadening in recent years.

We are clearly at a turning point and an uncertain turning point in terms of the G-8's future and its role. I'll just quickly highlight first is the decision taken at Muskoka to retire the Gleneagles commitments, which was controversial, difficult, somewhat embarrassing and to move on. This was really a decision that was taken that, at the five-year mark, it was time to retire this and move forward. That was an admission that things had become more difficult. I think it was an admission that the protracted global recession, the worsening debt and deficit situations in many of the G-8 countries were such that you weren't going to see a quick turnaround. It also means that we see a concentration of leadership and continued funding in just a small core of states, U.S., Canada, U.K. in particular.

The accountability mechanism that was rolled out at Muskoka, very important, a very new development in terms of peer review and data collection. Canada deserves enormous

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credit for having driven that process forward. Others like Mark who contributed directly to that, we'll hear more about that. It will continue to be a live presence, in the future, in evaluating performance and guidance. We'll hear more today about the MCH initiative, the \$5 billion, five-year commitment and how that was created, how that will move forward. It is an important initiative. It's modest. It's important. There are continued questions around implementation and coordination issues.

So there's this unresolved question of what is the G-8's future phase? Hopefully we'll hear more from our speakers today about what kind of continued catalytic role it's going to play under these circumstances.

Now on the G-20, we also have a transition underway there. It's a new entity by comparison, two-years old. Uncertain membership and mandate, it was created in the midst of the 2008 economic crisis to bring about greater coordination of emerging economies.

It has yet to demonstrate really its ability to fulfill the kind of commitments made going back to the last several meetings around the G-20 with respect to bringing about much closer coordination on financial management, exiting the debt, exiting the stimulus commitments, managing debt and deficit. What role will it play on development and global health in the long-term is an open question. The Koreans have created the

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working group, the new working group on development. There has been some initial outreach in New York, the U.N. with the World Bank. There's more continuing looking forward and I hope we'll hear more about that today. But, what I think, when we look at the G-20, we need to keep in mind that there are many countervailing pressure operating upon it many of which would argue not to enlarge the agenda around development and global health in any rushed fashion. I think we're going to see quite a bit of caution and care moving forward.

The G-20 members, the G-13, the emerging economies are certainly seeing a much stronger stake in the developing world. Their engagement is matching the power and force in the developing world of the G-8 countries. The G-8 troubles are creating a space for them to get involved. Development and global health are promising opportunities. The G-20 has already gotten its feet wet in a number of these areas creating now this new committee on development.

Those are the forces that are sort of pulling them in that direction but I think there's also others that will push for quite a bit of caution. The emerging powers have very special sensitivities around accountability, transparency, disclosure of data. We can talk more about that. They do not have strong domestic constituencies arguing for them to take on new commitments outside their borders in the developing world.

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There's the immediate pressure to do first things first that is to focus on those immediate macroeconomic policy coordination, regulatory reform, control of debt, exit strategies, all of those economic crisis obligations that are still yet to be really worked out. There's also great questions around where's the leadership going to come from to move the G-20 forward on these. There are clearly risks; climate change stalled as it moved into the G-20 orbit. There's no question that international property rights, that viral sovereignty, all of these issues if put into a G-20 context might themselves invite more tension and deadlock than they do in terms of inviting forward progress.

So with those words, thank you very much for being so patient and for being here with us. I'll invite Jen to show us some quick data. Thank you.

**JENNIFER KATES:** I see that Steve's already started to go through my slide presentation. Good morning everyone. I want to echo Steve's welcome particularly to our guests from the Canadian government and the U.S. government who kindly came to talk about the G-8 and the experience that they recently went through at the G-8. Also, I want to acknowledge our important long-term partnership with CSIS on this briefing but also on many, many things as Steve mentioned. It's really been invaluable to us as a health organization that focuses on

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health policy issues to be able to partner with a foreign policy entity and bring those two perspectives together.

So what we've always felt with this briefing is that we all spend so much energy focusing on what will happen at the G-8 and then, during the G-8, what is happening at the G-8 and I think it's important to do a readout on what actually did happen and not lose that momentum because it is after the Summits where important things should or continue to happen.

At every G-8 we look to see what will be the focus, what will be the issues that are elevated, will health rise to a top agenda item and if so, what will be the topic? As Steve mentioned, health has not always been at the top although in the last decade or so that's really changed. I would say for the most part, it's been very HIV-focused. Also at the G-8, we look to see what commitments were made. So what we know about this G-8 is that there was a health issue at the top of the agenda. It was on maternal and child health. Some new commitments were made. These are important for looking at markers and measuring going forward.

What these commitments will lead to is sort of the key question that a lot of us are focusing on now. To help set the stage a little bit, I'm going to do a retrospective kind of look back and see where the G-8 has been. It's not just the G-8 but the G-8 forms the bulk of most of the donor government assistance on global health. We do this report every year,

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where we look at data reported to the OECD by DAC governments on their global health funding commitments and just try to get a sense of trends. Just one thing that we also do is we look at health broadly. We include health, which is basic health care, general health issues as well as population and reproductive health, which is where HIV and STD programs fall as well as reproductive health programs and water and sanitation related to health. So we've used an expanded definition.

As this was up before and I think there's some notable things in the slide, we also are releasing this report now, the report's out there, so I'm just going to spend a couple minutes on a few things. You can see the increase over time, overall, in official development assistance. That's the total numbers at the top. You can also see over that time that health is actually growing as a share of that. What you can't see here are some of the reasons behind this - and that's in our report - particularly, this very large jump between 2007 and 2008, which we noticed and we thought, "What was going on there?" There are several things driving that that are really important for thinking about going forward.

A lot of that increase was due to economic infrastructure projects that are not health-related. A portion of that increase was due to ODA for Iraq/Afghanistan, a portion for debt relief, and some of it due to currency exchange

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fluctuations. So a lot of these things, when you take them out of the equation, there's still an increase but not as dramatic.

Then of course the global economic crisis and this becomes really important because one of the challenges to analyzing any of these data is that there's a real lag. So when we were able to look at the quote/unquote most recent data, we're looking at budgeting decisions that were made before the global economic crisis really hit. So this is, as Steve said, this is really about the G-8's legacy and the donor government legacy on global health more looking back and not clear going forward.

This just breaks down those total amounts over time by the sectors. The main point to take away here is that health has risen as a share of overall development assistance. It's always been favored as an area. Other big areas are economic infrastructure, multisector, which combines a lot of different things that doesn't fall into these other categories.

Speaking of this 2007 to 2008 increase, we were really curious what was driving that increase. What were the factors that contributed to a \$31 billion increase in official development assistance over that one-year period? You can see here it breaks it down by the different sectors that drove it. The biggest thing, as I mentioned earlier, was the economic infrastructure projects, also multisector efforts and commodity aid. Health drove 10-percent but it certainly wasn't the

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biggest driver as we wouldn't expect it to be but this is a helpful gage as to what was driving that increase.

We also always look at the donors that are contributing to health ODA and as you can see here, the U.S. is the largest and that's increased over time. Then recipients by region, sub-Saharan Africa is the largest region and that's also increased over time. Again, all of these data are in the report. So this is just a flag for you. One thing I'm not showing here is the sub-sectors of health. So if you look below these numbers, you can see what's driving the increase in health and it's largely been HIV/AIDS funding.

So a few take home messages and sort of a forward look. I think it's very clear, ODA for health has increased over the period that we looked at even if you adjust for inflation and exchange rate and look at all these other factors, but some real caveats to think about, the first being as I mentioned, the lag in data - the budgeting decisions that we're looking at here were before the crisis, so it's not clear what that will mean for next year or beyond that. We've already seen a slowing growth rate in health. I didn't show that here but it has been slowing.

So is there caution that's warranted going forward? On the one hand, as we see from the G-8, there's still attention to global health. There's the new initiative that was launched. There's the MDG Review Summit in the fall. There's

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the GHI by the U.S. government. So there's still a lot of momentum around putting forth global health initiatives. On the other, if you look at the OECD's recent data on what's happening with official development assistance writ large, not on health but just generally, it's actually relatively level between 2009 and 10, even in real and nominal terms. Some donors are actually decreasing and some are increasing, so it's not clear what this will mean. So going forward, it'll be really important to monitor how health fares in that equation and look at other markers in the near term since there's such a lag in the data.

One marker, for example, is what we'll talk about today, is the fulfillment of some of these commitments. The other is to look at countries like the U.S., the U.K., that tend to be the biggest donors and see what their funding amounts actually are. Global Fund replenishment is in the fall, the MDG Summit, these are all forward markers. Also I'll flag a report that we're going to release in about a week-and-a-half on funding for AIDS by donor governments, which will actually provide some new data more recent than this, which will give a little bit of a picture as to what might be happening.

Just to wrap up, one thing, to bring up Steve's point on the G-20, I think the question of the G-20 as donors is an important one to think about. If you look at the G-20, there

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are 10 G-20 members that are not in the DAC and of these, five were Global Fund donors, three donated to GAVI and two to UNITAID. So they are poised, in some fashion, to potentially be donors and six of these non-DAC G-20 members are classified by the World Bank as upper-income countries. So what their role is will be important to monitor going forward.

With that, we will hopefully hear from our government experts about what we can think about looking forward. Thanks.

**AMBASSADOR LEN EDWARDS:** Thank you, Steven, for the very kind introduction. It's very good to be here. I'm pleased to see Washington's a tiny bit hotter than Ottawa. I thought I was getting out of the hot town but I came to a hotter one.

It's great to be here for a number of reasons, weather perhaps being not one of them, but to actually have a chance to talk a bit about the Summits. It's only been a week and three days since we wrapped up two back-to-back Summits in Toronto and Muskoka. I think it's probably unique that any country has really organized these size of events back-to-back with them and they truly were, I believe, quite an extraordinary set of events and conjunction of issues and so forth as what I think has been pointed out as what used to be a single Summit that we, developed countries, look forward to around the G-8 has now become a series of G-8 and G-20 Summits. I'm pleased to

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comment on that and of course in our discussion period, which follows.

I think what I'm going to do in order to set the stage for a good discussion is focus primarily on the G-8 and talk a bit about the health aspects of the G-8. Well first a few general comments about how we approached this G-8 and this is against the background of the fact that the G-20 has been created. My Prime Minister, Stephen Harper, was very clear to me what he wanted when we set out on this road last September really to start to work on these two Summits. He wanted to have Canada look at the G-8 and go to what he called a back-to-basics approach and by that, it means to really try and find where the true value add of the G-8 lies in a world of which we now have the G-20, part of this evolutionary process as Steven referred to. We felt that what we needed to do is play to the strengths of the G-8, which is a group of leaders from developed countries, an organization where intimate and frank conversation was the norm, where we can deal with economic issues in passing, but pass those on to the G-20, but where we could really focus in two areas of strength in the G-8 and one was the development agenda and the other was peace and security.

Early on in the process, we then turned our attention to how we would approach the development agenda. As you know, it has been for some years now, part of the practice in the G-8

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to get together with a group of African leaders and an Africa focus has always been a key part of the G-8. We decided to continue that practice. The Prime Minister ended up inviting seven African leaders to the Summit.

Then we turned our attention to what we would do under the development heading. Again here the practice in the past has been to focus and has been described, health has been a growing important part of G-8 development agenda. We had to select something and it became quickly evident, the Prime Minister came to this decision back in December that we would focus on MDGs four and five, child and maternal health to match up against the MDG's, and that this was something that fit well with the progress into 2010 when the U.N. would be holding its MDG Summit in September, a very high level conference to review the implementation of the MDGs, and the two MDGs where progress has been least were MDGs four and five. It didn't take very long in shopping this idea around - here in Washington of course, it received extremely favorable response - in other capitols to realize that this was really, you might say, a no-brainer, that this was an area where the world was crying out for attention and where the strength of the G-8 as a catalyst, as a leader, as a convener, could really be helpful going into 2010.

So this is how we started the process. I'll just describe a little bit of how we got to Muskoka. The work of

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the U.N. is important in this respect. The United Nations Secretary General is calling for a joint action plan, which is focusing on women's and child health. He had a meeting in April, which we went to, and we wanted to ensure that what we did focused very much and collaborated very much with what the U.N. was doing so that we could in fact give a boost to the U.N.'s efforts and it would be seen as part of it. Again the logic was incontrovertible: hundreds of thousands of women die each year as a result of pregnancy and childbirth, and progress on child mortality is slowing and uneven - millions of children die each year even before their fifth birthday. As you all know, you follow this subject, millions of these deaths can actually be easily prevented through access to public health services that we take for granted in Canada and the United States and so on.

So we did believe that the G-8 could make a tangible difference in improving the health of women and children in developing countries. So we took a very straightforward approach as the chair of the G-8. We went and saw the World Health Organization. They told us that the game changers would be to focus on health systems to ensure availability of public health services along a full continuum of care from pre-pregnancy to childhood. We took their advice and, working with our G-8 partners, including the United States, of course, very much at the forefront of this effort. We focused the initiative

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squarely on scaling up investments in health systems to improve access to health services, as I said, along this continuum of care. For example, sexual and reproductive health care and services including family planning, the ability to give birth in a healthy facility attended by trained health workers, pre- and post-natal visits with a health care worker, childhood immunizations, well you know it, prevention and treatment of HIV/AIDS, malaria, diarrhea and pneumonia, safe drinking water, sanitation, and nutritious food.

So once we determined what we would include in this, and there was a fairly significant work went into this within the G-8 working with the OECD and others, we then focused on the issue of securing new resources. What we wanted to get here, and I emphasize this, was new and additional money. We wanted to scale up investments to support the services we just identified. Now with this launch at the Summit, G-8 members committed to, as you've heard, \$5 billion in new and additional financing for maternal and child health out to 2015.

Now let me emphasize that this is new money. There's nothing double counted. There's no recycled announcements. There's no robbing Peter to pay Paul. This is all new. We're also extremely confident that this figure will increase significantly in the years to come. As the declaration of Muskoka says, we expect to mobilize significantly more than \$10 billion by 2015.

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So that was the G-8 portion but there's much more, much more to this initiative. Indeed it was part of it right from the beginning because very quickly, we reached out to other countries to join us and to see whether or not they would be interested in building a partnership around this initiative even though they weren't going to be in Muskoka, if they would be ready to have their contributions listed in the declaration, have their countries listed in the declaration. So the Netherlands, Norway, New Zealand, Republic of Korea, Spain, Switzerland all joined in and are mentioned in our Muskoka communication.

We then went to the foundations and here I pay particular tribute to, to the Gates Foundation, which stepped forward at a very critical time to announce a \$1.5 billion sum over five years. This was hugely energizing to the whole process and for those governments in the G-8 that were still thinking about it, it had sent a signal that this was a very serious initiative and that we had strong outside support. The United Nations Foundation also joined in and there were others as well.

So what we had at the end of the day was a \$5 billion commitment from the G-8 joined with a \$2.3 billion commitment from non-G-8 sources both government and non-governmental. I think this is the special thing about the Muskoka Initiative and that is it's more than a G-8 initiative. It played to what

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I said earlier are part of the strengths of the G-8, its ability to catalyze, its ability to convene.

So this "Coalition of the Committed," you might call it, which we rolled out in Muskoka, I think sets a very important example of what the G-8 can do and what we can even do in constrained economic circumstances. The coalition, I think this approach, this partnership approach, which has been used before, but in this particular instance around new and additional resources, provides a good example for further efforts going forward.

Now we see that the "Coalition of Committed" broadening in the months ahead. In fact later this month, the African Union Summit will be held in Kampala. It too has chosen maternal and infant and child health as its theme for the Summit. As I said, we have been working very, very closely with United Nations and the U.N. Secretary General is leading development of a joint action plan on the health of women and children for agreement at the September MDG Summit.

For Canada, if I may put in an advertisement for my own country, we committed, of that \$5 billion, \$1.1 billion, which in fact adds to, I believe I'm right here, \$1.75 billion that we already spent on this and for \$2.85 total. Am I right, Tracy, on this? So as part of the figures that you see for the G-8, Canada is a significant contributor. We hope, of course, that this ongoing effort we have been part of will result in

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some significant further resources at the MDG Summit in September.

Now something about accountability and that is that we have built that into our plans. We work closely with leading agencies and institutions such as the OECD, the World Bank, and others to define what would be included in the funds and now we have set up a tracking mechanism to do this. I'm going to come back to accountability in a second, but let me just turn quickly to the other thing we followed up with in Muskoka and that was food security.

The L'Aquila Food Security Initiative was launched, as you know, with \$22 billion committed towards sustainable agricultural development. The only other issue that, apart from maternal health, that we really focused on at Muskoka was to continue to drive this initiative. This was an initiative of President Obama's last year. We joined in. We put \$600 million new dollars on the table to help meet our share of the commitment. So we've been working closely with the United States and with others, other G-8 partners to ensure that this commitment is made. The accountability process around L'Aquila fed into, in fact, the accountability report, which as others have pointed out, is a bit of a landmark achievement for the Muskoka Summit.

Let me now turn my attention then to the accountability. I know that you have some interest in this and

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I could just cover that before I conclude. Accountability, we believe, is one of the outstanding features of the Muskoka Summit. I remember last year in Italy when Prime Minister Harper mentioned this at the Leaders' Meeting that he was going to make accountability a foundation piece with the G-8 going forward. He had, at the back of his mind that again the credibility of the G-8 had to rest on being accountable. We had long been criticized by NGOs and by our developing partners and Third World elsewhere that we made big fancy statements but we didn't live up to the words. So we felt that we had to bring a new spirit of accountability to the G-8.

It was always our sense that the G-8 had a good story to tell on development - not a perfect story, but a good story - but we needed to improve the telling of it. So we're very pleased that with our presidency and with the support and leadership of others in the G-8, we did release the Muskoka Accountability Report assessing action and results against development-related commitments.

The report shows that the G-8 is advancing credible responses to meet development challenges. For example, between 2004-2009, G-8 development assistance increased by over 40-percent to more than U.S. \$82.2 billion. The G-8 has provided about 80-percent of all resources to the Global Fund to Fight AIDS, TB and Malaria. The G-8 provides about 50-percent of all the funds to the Global Polio Eradication Initiative. G-8

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members have cancelled significant levels of debt, referred to earlier, freeing billions of dollars for developing countries to use more productivity. The G-8 has played a leading role in strengthening countries of capacities to prevent and resolve conflict. In fact, the G-8 has surpassed its commitment in this respect. We said we would train between 75,000 troops with peace operations by 2010. We've actually done 130,000 troops. A direct outcome of G-8 support is increasingly effective, African Union-led peace missions.

However, this is not a perfect story as I said. We were prepared to find ourselves falling short in a number of areas. While Canada, the United States, and the United Kingdom have met our national Gleneagles commitments on aid volumes, some G-8 members have further to go. We need to remain focused on the L'Aquila Food Security commitments as well to ensure we achieve the \$20 billion that were the objective, or \$22 billion pledged.

This is a landmark document. I think for the G-8 going forward, it has to become an annual exercise. I am pleased to say that the French, who will be hosting next year, have already identified that food security and health will be the focus to the 2011 accountability exercise. The accountability report helps to further ensure continuity and attention to earlier centennial G-8 commitments.

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Maybe just a final word then about the G-20. It's been referred to and perhaps there'll be some discussion shortly on this but I think that this is a work in progress. The G-20 agenda, as it broadens and takes on other issues, will likely see a greater convergence in subject matter between it and the G-8. The area of development is the one where I think the jury is still out as to what can happen.

Now of course the G-20 is already involved in development issues right from the very beginning. Part of the outcomes, and I refer to London particularly, were around the resourcing of international financial institutions and indeed in Toronto, we celebrated success by concluding the general capital increases for the multilateral development banks, which put about \$350 billion new dollars at the disposal of the banks and doubled the amount of lending capacity available. We also launched something called the SME Challenge if any of you are interested, you probably know about it already, but this is quite an innovative new financing approach, and we cancelled Haiti's debt.

So where's the G-20 going to go on development? It will certainly deepen at the Seoul Summit. Korea has made it clear, as the next chair, they would like to see development to be a centerpiece or one of the centerpieces of their Summit. They have several themes they'll be pursuing, but this is certainly one they want to pursue. And, we, in Toronto, saw the

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launch of a working group under the Sherpas that will help define the scope and subject matter for Korea's development plans. The first meeting of this group actually is going to be taking place later this month and I think there's even a preparatory call this week that my staff will be participating in.

When you look at the areas, they're very broad. The paper that has been circulated at the U.N. just in the last few days talks about nine areas: infrastructure, human resources development, trade, financial inclusion, food security - already there in a way, governance, something called the platform for knowledge sharing, and the list goes on. Personally, I think that this is very much a work in progress as I said. The Koreans themselves realize that greater focus is going to be have to be brought to this agenda by the time Seoul rolls around and it's only four months away. I expect that there's some hard work to be done here.

I still think though that there's a complementarity between the G-20 and the G-8 even in the development area. The G-8 represents still the major donors. The G-20 represents, I think, an opportunity to discuss the broader role that development plays in economic recovery.

I think that the inclusion of additional African members as participants in the G-20, as we did in Toronto, we had Malawi representing the African Union and Ethiopia and

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NEPAD offers an opportunity for the developing world to be part of the new framework, which came out of Pittsburgh and which was confirmed in Toronto.

So I see development in that sense very much at home in the G-20 and providing, I think, a lot of very interesting opportunities for engagement. Of course, it will bring in the new emerging economies that need to play their bigger role on development.

So I think the differing nature of the two groups will still mean the two groups have specific roles in development and they'll be distinct for some time to come. Of course, one could never predict the future and as was pointed out, the role of the G-8 has itself evolved considerably over time, which then takes me back to your comment, Stephen, about the fact that in the mid-90s we weren't doing much on health and now it's a major part of what we do. So I expect some of the G-20 work is also going to evolve in that fashion.

Perhaps I'll conclude with these comments and I look forward to our discussion. Thank you very much [APPLAUSE].

**MARK ABDOO:** Thanks Jen and Steve. It's great to be here and particularly privileged to be on this panel with our Canadian colleague, Ambassador Edwards and kudos to the Canadians for doing a great job in getting us to a number of significant outcomes including the Muskoka MCH Initiative. It's no small feat that the Canadians were able to pull off two

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back-to-back Summits of this complexity and to this degree of success. They were even able, actually, to get the health experts all to eat antelope in Geneva at that matter. So you know the level of planning and detail that they have put into developing the Summit.

I'm not going to focus much on the G-20 other than to say that I do agree with Ambassador Edwards that it is a work in progress, the G-20's relationship to development, and that we'll know more coming out of the Seoul Summit as to what that work in progress is transforming into. I would say that it strikes me that the G-20 is a sort of logical place to focus on economic growth and broad-based growth as a driver of development and making the next generation of emerging, emergent economies that can join the global economy and foster sustainable outcomes to basic human service needs for their people.

Instead, I'm going to focus on a few things related to the G-8, mainly global health, and their accountability: the MCH Initiative and development. As a backdrop to the G-8 Summit, our President, President Obama recently released his National Security Strategy. In that strategy, the U.S. recognizes development as a moral, strategic, and economic imperative. Countries that achieve sustained development gains are more capable partners, they can engage in and contribute to

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the global economy and they provide citizens with the opportunity, means, and freedom to improve their lives.

The President will also be issuing a new development policy in the near future. At the start of the Muskoka Summit, he previewed that policy on a fact sheet called the New U.S. Approach to Development. It's on [Whitehouse.gov](http://Whitehouse.gov) for those who are interested. This development policy will focus on sustainable development outcomes by promoting broad-based economic growth, democratic governance, investing in game-changing innovations that have the potential to solve long-standing development changes, and building effective public sector capacity to provide basic services over the long-term. The policy also puts a premium on selectivity, leveraging the expertise and resources of others, mutual accountability, and on evidence of impact. This new approach served as the foundation for the outcomes the U.S. hoped to help achieve at the Summit.

With regard to accountability, President Obama takes accountability very seriously and I think both the Global Food Security Initiative and the Global Health Initiative ably demonstrate this. Canada showed tremendous leadership in coordinating a serious accountability process and an accountability report that provides a candid assessment of G-8 efforts.

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In health, we're doing pretty well, but there's certainly much more that needs to be done. The report is pretty frank about G-8 countries' achievements and failures and it makes clear that we need to redouble our efforts to meet our commitments. That's remarkable progress from where we were just a few years ago in the nascent accountability exercises under the German and Japanese presidencies. Just as donors ask our partners in the developing world to honor their commitments, we need to meet ours. This is tough especially in tight budget times, but the credibility of both our governments and the G-8 depends on it. We do our partners and ourselves no service or favors when we make commitments and fail to honor them.

This commitment to accountability and transparency guided our approach to the Canadian Muskoka MCH Initiative. Four months into office, I'm sure you all know, President Obama signaled an increased emphasis on maternal and child health when he announced the six years, \$63 billion Global Health Initiative. The Muskoka Initiative, which will reduce the number of maternal newborn under-five child deaths in developing countries by supporting strengthened country-led health systems and enabling the delivery of key interventions along the continuum of care compliments, that increased emphasis and, in ways, builds them.

The GHI has been clear and transparent in what it will achieve over six years. The targets are out there.

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Everybody's seen them and most of the global health world has commented on them, it seems, from the level of mail we've gotten about the Initiative. We took that lens to Muskoka. Our objective was to work with our G-8 partners to ensure outcomes were the headline for the Initiative. Of course to achieve outcomes, we need funding. That's a given, but in the G-8 context and in the development field more broadly, we've tended to focus too much on the funding inputs and not enough on what we hoped that funding would achieve. We needed to change that and under Canadian leadership, we did pretty well in terms of putting outcomes first when we make commitments and relying on data and evidence to guide our interventions. Our metric for success, of course, shouldn't be dollars spent but instead actual lives saved.

When it came time for the United States to make its funding commitment, we also wanted to be credible, transparent, and accountable. Having a big number in the communiqué is great but if we do that and don't deliver the goods later, as I said earlier, we do our partners and ourselves no favors. It's better for our partners, to be perfectly honest, to know exactly what we are committing and what they can expect and they can then bank on that. These principles are particularly important in times of fiscal constraint and we owe it both to our domestic constituencies and to those we hope to help

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through our systems to be absolutely clearest in what we're committing.

So we took credibility, transparency, and accountability into account when we announced our commitment to the MCH Initiative. That commitment was \$1.346 billion above our fiscal year 2008 baseline. That commitment covers our fiscal years 2010 and 2011 and is in support of both the MCH Initiative and program through the Global Health Initiative. The U.S. commitment is, as far as we can tell, the largest commitment over the 2008 baseline to the Muskoka Initiative and when you add the baseline with our commitment itself, it is roughly \$2.6 something billion.

What this doesn't represent, to be perfectly transparent, is additional funding commitments above what the President announced in May 2009 in total for the Global Health Initiative. Our number is derived from the MCH, family planning, and malaria elements of enacted levels in fiscal year 2010 and the fiscal year 2011 President's budget. On the malaria level, it's imputed at 89-percent given that malaria interventions, particularly in sub-Saharan Africa, are overwhelmingly targeted at under-five children and women of reproductive age.

We only were able to commit two years at this point in time, to the Muskoka Initiative. This commitment, again, is based on the President's approach to development and the new

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business model we're implementing through the Global Health Initiative, both of which rely on rigorous evaluation of the impact of our programming to guide decisions related to future funding commitments.

The good news is that the global health field has grown and matured. We've learned a great deal over the last decade about what works and what doesn't and about the difference between inputs and outcomes and about the importance and availability of the facts that can drive our analysis. So we plan on using the data and evidence generated through the implementation of the GHI in fiscal year 2010 and 2011 as the basis for determining our global health funding allocations for fiscal year 2012.

In terms of the specific interventions in the Muskoka Initiative, one of the great things about it is it's not too prescriptive. There's a general body of evidence about what's needed and what's worked and G-8 and the other partners in this initiative are able to implement those according to their policy and programming objectives and priorities. What this presents is an opportunity. In order to really make sustainable progress, the President believes that we need to begin to forge a deliberative division of labor. We don't all need to be working in the same field, in the same place, but we need to play to our respective added value.

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So this is something that I hope as we move forward in implementing the MCH Initiative we can really take a look at, to see how we can leverage each other's strengths to afford greater coverage and create better outcomes for the people that we're trying to help. So I think that was probably enough of me talking and I'm going to stop there. Thanks again for coming [APPLAUSE].

**J. STEPHEN MORRISON:** Thank you very much Mark and Len. I'm going to ask Jen to kick off our discussion here with a question. Would you like to do that?

**JENNIFER KATES:** I actually do have a question for Len specific to what the French are already beginning to talk about regarding next year's Summit. What has been stated thus far? What will be the next steps? I think a lot of, rather than lose momentum to think about the G-8 going forward, we should all be thinking about what the points of intervention or opportunity are going forward.

**AMBASSADOR LEN EDWARDS:** Well it's a tough question to ask because France isn't represented on this panel and I don't want to venture into ground where I'm speaking on behalf of my French colleagues. All we know is that, as I said earlier, that the accountability approach will be continued by the French and that we're going to be focusing on the two areas that I mentioned, food security and maternal and child health. With respect to G-8 practice however, the next presidency

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really doesn't begin to make its plans known until into the autumn and then they only assume presidency in January.

So I think we will have to be a little patient before we can get a clear sense of what the French are going to pursue, but I think it's fair to say that all members of the G-8 believe strongly that the G-8 must continue to deliver value, must continue to be focused on its core competencies, and I expect that the French will continue to ensure that the G-8 plays a very, very strong and useful role next year. That's a diplomatic answer if you don't mind.

**JENNIFER KATES:** It works. I appreciate it.

**J. STEPHEN MORRISON:** Let me just follow up there.

What I hear from your two presentations, with respect to the G-8, is that, certainly on behalf of the Canadian government and the United States government, a continued faith and belief in the value of the G-8 in driving forward a development agenda, a big shift towards the accountability in measurement of impacts, a focus in the near-term upon two principle issues of the food security initiative and MCH, and this kind of outreach function of trying to, in the midst of constrained budgets and tighter scrutiny of where the dollars are going, not only are you looking towards stronger accountability mechanisms, but you've got to look outside yourselves to new partners. So the G-8 is doing that.

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Now on the G-20, I hear you saying that it's a work in progress. There is this division between, I mean the G-20 contains the G-8 and it contains the emerging markets, it contains the non-DAC, it contains very wealthy countries that are large emerging markets that have quite a bit of resources that mostly are going towards internal purposes, or they may have elaborated foreign assistance programs like China does that are highly branded and highly bilateral. So if the G-8 is looking to continue to push in this way - accountability with a focus on a couple of core issues like food security, maternal and child health, I assume also the HIV/AIDS agenda does not fall away, the malaria agenda, as we've heard from Mark, that does not fall away either - how does the G-8 imagine crossing that divide in order to bring the powerful emerging economies, which have become donors unto themselves with equal if not greater power and influence in the developing world in terms of the marketplace, for the struggle for influence, if you look at the numbers in terms of trade, concessionary financing, bilateral direct assistance. The Chinese are shoulder to shoulder with any of the G-8 donors and you can make a similar argument, less dramatic but a similar argument, some of the other BRIC countries, how do you imagine the G-8 leadership, the U.K., the U.S., Canada cracking that nut and trying to pull into these coalitions those that are absent today? I mean your MCH had a little bit of modest Korean involvement but it was

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really the "N" states, New Zealand and Norway and Netherlands and then a little from Switzerland and a little bit from whoever else I'm forgetting here but there was not, it was notable that there was an absence of a commitment coming towards that MCH initiative from any of these powerful emerging markets except for Korea making the modest commitment. Can you talk about that?

**MARK ABDOO:** Well in terms of a global health agenda for the G-20, there clearly isn't one. I think where the G-20's real value add is, is as an entity that can figure out a pathway to help the very poor countries and developing countries really access the global economy. That's really what's needed for sustainable long-term economic growth and development across the board in many of those countries so that they can begin to put into place the policy decisions and legal and regulatory reforms that are really necessary to produce the types of development outcomes that lead to sustained provision of basic human needs and services. So that's really where I think the value add is. I think that that's what the G-20's uniquely positioned to do and is moving in that direction under Korean leadership.

**J. STEPHEN MORRISON:** But presumably when you were looking for donors towards the MCH Initiative, you talked to the BRIC countries right?

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**AMBASSADOR LEN EDWARDS:** Well we did some talking but, to be honest, we went to the countries where we felt that there was already opportunity to create partnerships. This is an ongoing effort. I mean it didn't end in Muskoka. I think going into the review of the Millennium Development Goals of this September, getting into the U.N. context, this is when we begin to expand that partnership and engage them.

I agree entirely with Mark, by the way, about the G-20. I think the G-20 has been very focused on its own core agenda around economic recovery and the regulatory reforms and so on. With a good bit, as I pointed out, of contributions towards development with the multilateral development banks and so on, and Toronto, in fact, called for a very healthy replenishment of the IDA under the World Bank and the African Development Fund. So we see that playing there. I think if we can get within this context of a discourse around the global economic model for the global economy of the future, in which developing countries, including the poorest, play a role, that would be a very important outcome from a so-called development agenda in the G-20.

I worry, frankly, that if we go too quickly into too full a development agenda in the G-20, we will lose our focus on the real core things that we still have to accomplish in the G-20, which is to get global recovery in place.

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**J. STEPHEN MORRISON:** Yes. Can I follow up on that? I mean when you look at what's happening in the creation of the development working group for the G-20, it's been surprising to see the speed and the scope of outreach that has happened in terms of the solicitation of input at the U.N., the World Bank, and now a number of others, this paper that's circulating that's very broad, as you say, covers the full waterfront in terms of possibilities, nine different categories. Can you comment a bit on that? I mean I'm quite surprised that the Koreans are taking that approach because when you hear them talk publicly, they say we are not opening up Pandora's Box. We are going to open the window in a very controlled and focused fashion because we understand what may happen along the line. Here we have a process, looks quite different, looks like very much of a let's throw the doors open and hear what we hear.

**AMBASSADOR LEN EDWARDS:** Well again, like I can't speak for the French, I can't really speak for the Koreans either, but they have been close partners this year. We've had these Summits within the same year and I know that from the Korean point of view that they still want to focus on these core issues that the G-20 must continue to drive forward but I think that it's, as I said earlier, it's a bit of a work in progress. I think they cast the net wide, but they know they're going to have to narrow it and focus it.

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They also want to be inclusive, which I think is very healthy. It does pose challenges to management of the preparatory process when you engage so many outside the G-20 in it, but there's no question it's a very helpful thing they're trying to do. I just worry that the amount of time they have is very short. There are still many things we need to get done on the financial regulatory agenda on the issues around stimulus combined with fiscal consolidation to import messages out of Toronto, the need to continue to reform the IMF governance structures, which is still falling behind, further replenishments, as I said, of the development funds. There's a lot to do in the G-20 and if the Koreans can get a solid start on a very focused development agenda along the lines we've been discussing, I think that's a big plus.

**J. STEPHEN MORRISON:** Mark did you have some thoughts?

**MARK ABDOO:** I would agree with Ambassador Edwards that this is really a work in progress and that we're at the very beginning. As he noted, the first phone call on the development agenda under the Korean Summit is tomorrow. So it's likely that we'll see a considerable narrowing of the focus by the time we get to the fall and that one of the really important things that this demonstrates is this notion of a division of labor. So if you got the G-8 working on more traditional development assistance or humanitarian assistance type projects then not everybody from the G-20 needs to jump on

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board there. There are other aspects of development as opposed to development assistance that we can deliberately forge this division of labor so that we're all working to our respective strengths and achieving more than we would if we were duplicating our efforts and being inefficient.

**JENNIFER KATES:** I actually wanted to get at that point of division of labor or the flipside of collaboration and coordination and going back to the G-8 specifically in Muskoka. One way to think about accountability going forward is what the delivery on the commitments is. The other way is how are the partners that have already agreed to be part of the Muskoka Initiative, in the G-8 and elsewhere, talked at all about coordinating their efforts to take advantage of who is best situated to do what interventions and use the opportunity as one for better coordination on the ground. I'm curious to hear if that conversation is in the works or if that came up in the discussion around the Initiative.

**AMBASSADOR LEN EDWARDS:** Well why don't I start, Mark, and you're closer to this accountability report than I was, but I know that on the accountability report it's more than just numbers. We were looking at how money's being spent effectively, the impact that it's having and so on. Now admittedly, that too is a work in progress because you need guidelines and so forth against which to measure effectiveness and so on. The numbers are one thing and if you just focus on

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the numbers, you get a mixed picture, but you need to go beyond that. You also need to go beyond, and here's why I think the G-8's played an important role, is the catalytic nature of the agents put in place and the changes that have been brought through these very significant sums that they've put in place. The accountability report does make some comment on that.

In Muskoka we had a chance again, through our African leaders present, to talk about accountability and a number of the Africa leaders in the room expressed their interest in following up on that discussion further. In fact, the AU, African Union, is doing their own accountability report, which is to be made public at some point over the course of the summer and there is an interest in really joining these two efforts up. So you begin to look at the continuum of the donor accountability versus recipient accountability and everything in between including those institutions we've turned to to help deliver plans and so forth that are in place to help deliver. So I think this is something, a very healthy development, which is going in a positive direction.

**MARK ABDOO:** Sure and I would say that the G-8 process is a very important first step toward the larger joint action plan that would be launched at the MDG high-level plenary review. That will also afford an opportunity for greater donor coordination. So I think implicit in the Muskoka Initiative is a need for coordination - who's doing what, and where and with

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whom - and that type of thinking is fundamental to the Global Health Initiative in which we're trying to forge deliberate alliances both with our partners in governments and in private philanthropical organizations to align behind country-led plans to include health systems. I think that will carry through into the fall as we reach the high-level plenary.

**J. STEPHEN MORRISON:** Thank you. Let's open things up for comments and questions from the audience. Please put your hand up and yes, right here. We're going to take three and then we'll come back to our speakers. So please identify yourselves.

**Suzanna Dennis:** Thank you. I'm Suzanna Dennis from Population Action International and I wanted to [inaudible]. First of all I want to thank all of the panelists for their presentations and work, especially Mr. Edwards for Canada's commitment to accountability and leadership on accountability. It is really important, especially for the accountability of the G8. So in that spirit I wanted to ask you to speak a little bit more about the tracking mechanisms and specifically two things, in the mechanism reporting, how you plan to distinguish between new resources or how the Initiative plans to distinguish between new resources and resources that have already been committed?

Then second of all, I want to really thank Canada for being very forthcoming in how much money they're committing and

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how much money they're already spending but from my understanding not all of the "Coalition of the Committed" has been so clear in terms of their role, how much funding their putting in to the initiative. So I was curious in terms of reporting back on achievements towards the commitments, if the "Coalition of the Committed" envisioned sort of reporting back on an aggregate level or if the reporting would be by donor or by member.

Second question for Mr. Abdoo, I wasn't exactly clear from your comments how much of the U.S.'s \$1.3 billion was additional if any. I was a little bit confused, so if you could talk about that a bit more. Thank you.

**J. STEPHEN MORRISON:** Thank you. Hold for a moment. Let's take a couple of additional, Princeton Lyman in the back.

**PRINCETON LYMAN:** Thank you. Princeton Lyman, the Council on Foreign Relations. I'd like to follow up a little bit on that last comment with Jennifer and others on accountability on the recipient side. As you know, African governments committed to no less than 15-percent of their budgets for health and 10-percent for agriculture and almost none of them have done so. How do you press this forward? I know it'll come up at the Summit, but what's the strategy at the MDG Summit and even more in the implementation of programs to get that kind of a buy-in? Otherwise these programs just won't be sustainable.

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**J. STEPHEN MORRISON:** Thank you. We'll take one more and then we'll come back to our speakers. Yes, right in front here.

**Yon Inf.Hotman:** Okay, thank you. To Mr. Edwards-

**J. STEPHEN MORRISON:** Can you please identify yourself?

**Yon Inf.Hotman:** My name is Yon. I come from 20 hours flight from Indonesia, but two months ago, not today. This is for twice me to come here. Mr. Ambassador, would you explain by your own [inaudible] between global economy and global healthy for global peace and harmony. I will send this message for my people, what's the relation between global healthy, global economy, and global peace?

Then for Mr. Abdoo, also would you share to me and maybe for some of us the difference between globalization and Americanization because when I'm still kids in my country where Obama also stayed there before, we are always reminded that Marlboro cigarette advertisement is correct, "Number one in America, number one in the world." Something like that. And then for Ms. Jennifer Kates, please help Indonesia in global health before the next year's full. Thank you.

**J. STEPHEN MORRISON:** Thank you very much. Len would you like to start?

**AMBASSADOR LEN EDWARDS:** Okay. Why don't I start off. The questions around, thank you very much for your very positive comments, very much appreciate it, I think around you

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made two points. On new resources as versus, there was a lot of discussion at the more technical level, not the Sherpa level about this, and indeed as Mark has pointed out with respect to the American approach to defining money, we had the same thing in Canada. We put aside money, which was not committed yet to anything else and we designated as \$1.1 billion. We were fairly insistent that that had to be the case.

Now the OECD was involved in some help in defining exactly what could be included in that. For instance, some money on nutrition could be included, some money on general health could be included. We have the big Global Fund replenishment coming up. That's the next big health replenishment or funding item this year. We're looking forward to a very substantial replenishment on that. There was a discussion about the interface between the two so we wouldn't get into double counting and so on. It's a highly technical thing. All I can tell you is that at the expert level, a lot of time was spent making sure that we didn't get ourselves into this situation of counting twice the same money.

On the point about aggregate, we did agree at the end that we would report on an aggregated basis for the G-8 and that's why the \$5 billion figure in there and we left it up to individual countries to say what they were going to be spending. We announced ours. The United States has announced

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theirs. Others have done the same thing and to the extent that once they're announced, we'll track it against amounts.

On the issue of a strategy at the MDG Summit on recipients, sometimes I ask myself when I listen to the quality of the discussion we've had with the African outreach at the G-8 just how much of a strategy you need now, because African leader after African leader talked about their responsibility to use development assistance money effectively. I think the tone has changed, the environment has changed. There is a readiness to be accountable and to ensure that these monies are spent effectively and they want them to be spent effectively.

Another element of this thing that sort of crosses over, if I may do so, into the G-20 is that, and again the United States' leadership is important here, the anti-corruption initiative at the G-20 and the whole issue of bribery and siphoning off of money, non-cooperative jurisdictions, it's a whole series of things there. The developing countries, leaders of developing countries are now very conscious of the fact that they don't want their aid money ending up in somebody's pocket. Again the whole tone has changed. So I think, of course I'm not going to be involved in the September meeting at the MDG, but I feel that the environment already is very positive but maybe Mark has more specifics he could bring to that.

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On the final question, a very interesting one, because I think that's why my Prime Minister chose maternal and child health, chose the health field generally, and so forth is because we all see and he saw the linkage between proper funding of health and developing countries against all of these other factors. It hasn't been said but it's worth saying that a healthy, young population, healthy mothers lead to economic productivity in developing countries. It's clearly linked with economic growth and development. We all know that, we just don't say it as often as we should. Of course economic growth brings more peace, more likely to bring stability. So these things linked together, that's why the funding for health generally is, although it's often cast in aid policy terms, it's actually a foreign policy issue. It's a fundamental building block to international peace and security.

**J. STEPHEN MORRISON:** Mark?

**MARK ABDON:** On the U.S. commitment, \$1.346 billion is additional to our fiscal year 2008 baseline. I believe the methodological paper and some of the baseline information is published on the website of the Canadian presidency. So I'd refer you to that and you could read the outcome of what was a long process of negotiation to develop the methodology. But, our fiscal year 2008 baseline is \$1.3 billion and then additional to that baseline of fiscal year 2010 and 2011, we'll commit \$1.346 billion.

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In terms of mutual accountability, I agree there's a sort of sea change in the way countries are looking at mutual accountability. In a number of statements from African leaders who attended the Summit actually pointed to the need for mutual accountability and made specific reference to the 15-percent for health commitment from Abuja.

I think that if you look slightly beyond health and look at the food security initiative, that's a really good example about how mutual accountability is playing out. The developing countries are doing exactly what they should be and developing multi-stakeholder, country-led plans for us to help them fund and they're being accountable for their part and we're being accountable for our part. I think this serves as a good model going forward.

In terms of globalization versus Americanization, I really don't have a good answer for you on that. Globalization has got a well known definition. I don't know that I know what Americanization actually is. So I'm just going to pass on that [LAUGHTER].

**J. STEPHEN MORRISON:** Thank you. On the corruption issue, just before the Summits, there was a major study by one of the transparency tracking organizations that showed rather astonishing levels of capital flight, illicit capital flight, from African states in particular and the G-20 as I understand it, in one of the technical committees, the G-20 agreed to

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consider - it did not commit - that it agreed to consider dedicating ODA monies in the future as a form of development assistance to the developing world, here I think we were talking about African states, for bringing about more effective control mechanisms around elicit capital flight, which I thought was interesting because there you had again the G-20 sort of taking an incremental step that acknowledged a problem and was putting a sort of pragmatic focus upon the kind of fixes that might be possible in closing some of these gaps but aware that the magnitude of the problem is rather prodigious. So there is this accumulation of sort of incremental steps being taken in these different portions of the G-20. We're getting near the end of our time. Let's take just a couple of quick final comments, Dan, over right here and behind you.

**DANIEL SINGER:** Thank you. Daniel Singer from the National Institute of Child Health and Human Development. The emphasis on accountability and anti-corruption mechanisms is certainly laudable. The outcome of that will inevitably be a requirement for more reporting, not just from the donors but from the implementers and the recipients of funds. One thing that you hear all of the time from countries that receive aid is the burden that they face in multiple reporting mechanisms, multiple metrics, multiple systems through which they have to report the implementation of projects, which are supported by donors. Where do you see the appropriate venue for trying to

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reconcile some of the international reporting to make it easier for countries? Should that be something that G-8 folks under G-20 or perhaps some place else so that countries could be more effective in reporting that they're doing what they've been funded to do.

**J. STEPHEN MORRISON:** Thank you. Right behind you.

**FERNANDA LOPEZ:** Fernanda Lopez with the Yale Global Justice Program. My question concerns Ambassador Edwards, your discussion of the G-8's new interest in developing health systems and how the G-8 has previously saved its commitment to eradicate or at least placating the neglect of neglected tropical diseases, how this was repledged in the recent Muskoka conference and how it would plan to integrate this search for new innovative technology through an alternative health system when it pledges its new money for these projects.

**J. STEPHEN MORRISON:** Thank you. I'm going to add one closing question for our two speakers, which has to do with if you imagine the G-20 looking for the tie-in in between health and economic stability and growth, if the G-20 leadership, both the G-8 members and the G-13 emerging markets, if they are thinking ahead and looking at where is the intersection of economic growth and stability and global health, there's a couple things that pop out right away. There's pandemic preparedness, which is around stability and responding to emerging threats. There's trade. There's TRIPS. There's

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trade in health. There's intellectual property rights. There's viral sovereignty issues, very sticky, difficult but fundamental to markets functioning. There's the rising chronic disorders, the noncommunicable diseases that are arguably galloping forward in the developing and the emerging markets in a way that's going to create enormous burdens on societies and economies in the future and which collective effort through the G-20 might again, in those areas, make the rational argument that health is, in fact, on the G-20 agenda, fundamental to markets and economies and sustainable recovery and growth. So if you could talk about that, as just imagining where the G-20 might move in the future, that would seem to be a very logical direction over time that they might migrate. So we have those three questions on the table. Len would you want to start?

**AMBASSADOR LEN EDWARDS:** Well I mean you raise a very interesting issue around reporting responsibilities and so on. I know we all face it inside our governments the number of reports we all have to submit. Now we have to submit it to the G-8 and we do a WTO and so on. I think that here and I'm not the expert but certainly around this kind of reporting, I think the OECD and the DAC can be very helpful using expertise there to try and regularize definitions and so forth so we're not reinventing the wheel every time we prepare an accountability report. I think a lot of that happened this time around. So I think it's incumbent on our experts to continue to work to

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minimize the burden of reporting and to ensure that we're getting as much common definitional work so that the job done once can actually serve several purposes. So I think you raise a very, very good important issue.

On innovation in the health field, of course the G-8 has referred several times to innovative health and the importance for research and development. In fact, I think it was in L'Aquila we actually talked about it. We didn't bring that out this time on this initiative but it's something that's back there. I firmly believe personally that the whole area of innovation research, creating clusters of innovation in developing countries themselves, creating research capacities and indigenous universities and so forth are really, really important. There's a really neat little initiative that we funded in Canada called the Next Einstein Initiative, which sets up, it builds on an initiative by a man called Neil Turok who's at our Perimeter Institute in Waterloo, Ontario where he set up a mathematics school in South Africa and we have announced some funding for several of those.

That gives you a perfect example of how homegrown mathematicians are essential to scientific endeavor, to good governance, to a whole bunch of things, but you have to create them in developing countries. So that's why innovation, creating research capacity in developing countries is very

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important and perhaps future chairs will pick that one up and run with it. Who knows?

Then finally, your point Stephen, I think we just have to let the G-20 kind of feel its way on this and can't read the future very well but I think you're making some very, very good points about how the health agenda fits so snugly against the economic growth that it has to be seen through much the same lens. I think that with time, I think this could well happen but I think it's a little hard to predict.

**J. STEPHEN MORRISON:** Thank you. Mark?

**MARK ABDOO:** With regard to Dan's question, reporting is a tremendous problem. I agree with Len that some consistency in definitions and how we're using terms is useful. I would say that much of this, I think, has to be resolved by each country on its own. As you know, many of our reporting requirements are mandated by our legislative body and as we move into the implementation phase, under the Global Health Initiative, I know that there's a serious effort going on to look at how we can reduce transaction costs both for our partner developing countries and for our staff in the field in order to create more efficiencies and have more effective program implementation. This is going to be a really important thing for the GHI moving forward.

In terms of NTDs, again I'd go back to the issue around a division of labor and there's great work that's going on both

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in terms of what governments are doing but also in terms of what the private sector is doing, in terms of donating drugs to treat neglected tropical diseases. It's a really good example of how there's almost a sort of systemic look at what needs to be done and people lining up to play to their mutual or respective advantages. So while we do need more drugs and better drugs in some instances, I think that there's a lot going on that both governments and the private sector can be very pleased about to move towards the control and elimination of many of those neglected tropical diseases.

Finally I would again have to agree that the G-20 question is still very much a work in progress. The points that you made, Stephen, are very sensible and leading but I think we'll need to wait a little while for it to play out to know which direction it's going in.

**J. STEPHEN MORRISON:** Thank you. Thank you. We're nearing the end here. I'd like to ask Jen to offer some closing comments and we will adjourn.

**JENNIFER KATES:** Just one thought, bringing it back to what the future holds, which none of us know. One of the challenges to really following what is happening in terms of donor government support, whether it's members of the G-8 or beyond, is this lack of real time information. We struggled with that in our analysis. I think all of us struggle with that and so looking forward, we can see two different

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scenarios, the G-8 legacy that you talked about continuing in health, continuing to really play the role it has in official development assistance and really driving that forward even amidst the economic crisis for all the reasons we discussed or the other way around, it flattening or even decreasing. We don't know which direction it's going to take.

I would just say that one of the things that and maybe this is a role for the private sector for research institutions, is to find more real time ways to make those assessments so that we're not stuck in the situation of having lags and not being able to really look forward given the fact that just like an epidemic, the effects of lags in funding and resources are felt out over the years to come. So you want to understand them ahead of time and get ahead of them. So if anyone has any thoughts about how to best do that, we have some at Kaiser but I think that's really needed. I also just want to thank both of you for your candid comments on all of this especially right after being in the midst of it.

**J. STEPHEN MORRISON:** Thank you. Thank you all for joining us and congratulations to the Canadians for successful Summits [APPLAUSE].

**AMBASSADOR LEN EDWARDS:** Thank you very much to you and to the Center and to the Kaiser Family Foundation for giving us this opportunity. Thank you.

[END RECORDING]

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