



related to the economic crisis, which had negatively affected their ODA budgets. The largest falls were seen in Greece and Spain as a direct result of the crisis. These were followed by Austria and Belgium, owing to reduced debt forgiveness grants. Japanese ODA also suffered a large decrease after a significant rise in 2010. Only Sweden, Norway, Luxembourg, Denmark and the Netherlands still provided aid over and above the United Nations target of 0.7 per cent of donor country gross national income (GNI) in 2011 (see figure 1).

According to the MDG Gap Task Force Report, to meet the United Nations target, total ODA should more than double to about \$300 billion (in 2011 dollars), thus leaving a delivery gap of \$167 billion against that commitment. Least developed countries should receive about one-fourth of this amount (see figure 2). The report further expresses concern that aid flows remain highly volatile from the perspective of recipient countries, as donors have made little to no progress in disbursing aid in more predictable ways. Such volatility is affecting the implementation of development programmes. The report urges donors and multilateral organizations to develop publicly available multi-year spending plans to increase transparency and help reduce such volatility.

Debt relief

The report commends the international community for successfully providing debt relief to heavily indebted poor countries (HIPCs). The external debt of a number of middle-income countries has also been reduced, helped by internationally concerted debt restructurings. Despite this and caused in part by deteriorating global economic conditions, the report identifies 20 low-income and vulnerable countries that are in debt distress or at high risk. Since existing international debt relief initiatives are coming to an end, the report stresses the urgent need to devise new arrangements.

Protectionism on the rise

The MDG Gap Task Force Report further finds that the current economic situation has lured Governments back into pursuing protectionist trade policies. Despite the pledges by G20 members to resist protectionist measures initiated as a result of the global financial crisis, only 18 per cent of trade restrictions introduced since the end of 2008 have been eliminated, and new trade-restrictive measures have been introduced recently. The protectionist measures taken so far have affected almost 3 per cent of global trade.

Negotiations for a fairer multilateral trading system that are taking place under the Doha Round remain at an impasse 11 years after they have started. Successful conclusion of the Doha Round would promise greater opportunities for developing countries to gain from world trade. Rather than seeking a comprehensive agreement, the report suggests that achieving partial agreements could help in making steps forward and regaining momentum in the negotiations to eliminate inequities in the trading system.

More funding for essential medicines

Resources available for providing essential medicines through some disease-specific global health funds increased in 2011, despite the global economic downturn, the MDG Gap Task Force Report notes. New funding was pledged to the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Global Alliance for Vaccines and Immunization. Global initiatives such as these have been effective in the prevention and control of specific diseases. However, greater efforts should be made to assure that such funds are not merely diverting existing ODA, but also become vehicles for raising significantly more resources.

In a broader sense, however, the UN report finds that there has been little improvement in recent years in

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