

Speech by the Chair of the GIZ Management Board, Tanja Gönner, at the 2022 annual press conference

Preventing crises through vision

Good morning, State Secretary Jochen Flasbarth,
good morning, ladies and gentlemen,

Welcome to those of you here in the room, and of course to those who are joining us via our live stream.

The past year has once again shown how much the world is in flux. Wars, crises and conflicts are on the rise. I am talking about Ethiopia, Myanmar, Yemen, Syria and, of course, the dramatic situation in Afghanistan, to name just a few examples. This year it is Russia's war of aggression on Ukraine. Here in the heart of Europe, we are painfully realising that long-held certainties no longer apply. In addition, we are still having to deal with the consequences of the COVID-19 pandemic. At the same time, climate change is progressing relentlessly. It is one of the biggest threats to security in the 21st century. In view of such developments, GIZ is often asked: Is there really any point in pursuing international cooperation? I have a very clear answer to this: international cooperation is more important than ever. It stabilises and prevents conflicts. It promotes human security, even in fragile contexts. Because where there is social cohesion, where people have prospects through education and economic participation, conditions are more stable. Countries then become more resilient to new crises – even if we cannot avert these crises entirely.

What we need now more than ever are values and vision – the title of this year's Company Report. Values provide orientation. In challenging times, with a war in Europe and the global repercussions that come with it. And in a pandemic that is still ongoing. The pandemic has destroyed some of the progress we had made. Now more than ever, we need vision and perseverance: the goals of the 2030 Agenda must be implemented rigorously, and international action must be aligned with this. The global sustainability goals, the SDGs, continue to be our guiding principles for advancing sustainable development. And this in a world of growing uncertainty.

Two thirds of the countries in which GIZ operates are fragile states. Around 60 per cent of our total commission volume is implemented in these countries. In Mali, for example, a country facing extreme tensions. In northern Mali, we work in close cooperation with the Bundeswehr, based on a comprehensive approach. On behalf of the Federal Foreign Office, we are helping to improve people's everyday lives through small-scale projects. This builds trust, stabilises communities and prevents new conflicts. We are providing support in developing the water supply, setting up youth centres and promoting business ideas and jobs. In Gao, for example, we procured motorised tricycles for a youth association. The young people there were thus able to set up a taxi company and now have an income. The municipalities themselves decide what they want to implement – together with us and in

dialogue with citizens. For development cooperation to work, it has to look at the big picture. At the same time, it must adapt to local and regional circumstances, particularly in fragile contexts. Only then can progress be made on a small and large scale. In four regions of Mali, we improved living conditions for around 600,000 people with this approach.

Success is not always immediately visible. This is often judged to be a weakness of development cooperation. And yet the medium and long-term factor is its primary strength. Because change, especially social change, takes time. Long-term cooperation builds trust and therefore creates a basis for structural changes and sustainable results. For instance by setting up well-functioning institutions and sustainable supply chains. Or creating access to education, work and health care, to list just a few examples.

We can also look back on many years of cooperation with Ukraine. This makes it all the more difficult to see the immeasurable suffering caused by this war. In the current emergency situation, we are adapting existing projects with our commissioning parties on an ad hoc basis. It is rapid support that builds on long-standing, trust-based cooperation structures. Municipalities we have been working with for many years tell us what they need in order to provide for their population. Together with our established local network, we ensure that urgently needed assistance arrives quickly: firefighting equipment, first aid kits, accommodation, food. On behalf of the German Development Ministry (BMZ) and the European Union, we have so far provided a package worth around EUR 35.2 million.

It is one thing that we are providing assistance in Ukraine and helping to alleviate at least some of the hardships suffered by people there. But we should not forget that events such as Russia's war of aggression on Ukraine set back years of development gains. We see this also in Afghanistan. Many things had improved before the Taliban came to power. Over a 20-year period from 2002, the number of children attending school increased twelvefold, and 87 per cent of Afghans – instead of eight per cent – had access to health care services. Today, the achievements that defined an entire generation are in jeopardy. But is this a reason to stop trying? That is not an option. The global community – including the countries we work with and in – expects Germany and its institutions to stand up for human rights, the rule of law and gender equality worldwide. We, too, are convinced that this is the right approach.

This growing global fragility is compounded by another crucial factor: climate change. In fragile contexts, in particular, climate change acts like an accelerant. Weather events such as droughts and floods threaten livelihoods. People are being forced to leave their homes, conflicts arise or escalate. Yet it is vital that people are given the opportunity to build a future, even in challenging climate conditions. Progress is made when we consider foreign, security, development and climate policy as one. Progress in human security – and ultimately also with the 2030 Agenda. GIZ therefore supports countries, particularly small island states and the least developed countries, in gaining better access to climate finance, such as the Green Climate Fund. Access to money is crucial if countries are to position themselves better in the fight against climate change. We also promote regional cooperation. An example of this is the cross-border dialogue between five Central Asian countries in the Green Central Asia Initiative. The aim is for the countries to jointly develop strategies to tackle urgent problems, such as the increasing water shortage in the region – and thus build prospects for the

population. Climate change does not stop at borders. But when nations stand united, they can make a difference.

This is all the more important amid the war in Ukraine, the delayed consequences of which many countries are only beginning to feel. The war is also threatening food security in many countries in North Africa and the Sahel region. What does this mean for international cooperation? We need to provide rapid assistance here as well. But above all, we must continue to work on tackling the causes of hunger and malnutrition on a lasting basis. This includes, for example, strengthening food production and processing at the local level. Only in this way can countries become less dependent in the long term on imports such as wheat and maize and more resilient to the dramatic price increases that we are currently seeing on the markets. With this in mind, BMZ is making up to EUR 31.9 million available to us this year as part of the One World – No Hunger special initiative.

Let's take Ethiopia as an example. The country imports over a quarter of its wheat requirements from Ukraine. On behalf of BMZ, one initiative we are supporting is a government-led pilot project on wheat production, which launched last year. We train farmers in methods of sustainable cultivation and irrigation and provide improved seeds. The harvest is impressive: more than one million tonnes of additional wheat was grown on an area one and a half times the size of Saarland. Next year, the area is to be expanded. This will bring the country a big step closer to independence from wheat imports.

In the face of interlocking crises – war and conflict, hunger, climate change – one thing is clear: this is the decade for action and cooperation. The international community can only tackle global challenges through joint action. This applies to achieving the goals of the 2030 Agenda. But it is especially true of engagement in fragile countries. With decades of experience, GIZ is in a position to make an impact in terms of development policy– even in the most challenging circumstances. This is what we work on with clients and partners, and it is what we are commissioned to do.

This is what our workforce of 25,000 people from 155 countries work to achieve each and every day. Almost 70 per cent of them are national staff based locally. They all work with the great dedication in around 120 countries, primarily in sub-Saharan Africa.

GIZ is a sought-after player in international cooperation, which is clear if we look at the business figures for 2021. GIZ's business volume increased a further 11 per cent year on year, reaching a new record level of around EUR 3.7 billion. Our main commissioning party, with EUR 3.15 billion, was the German Development Ministry (BMZ). Cofinancing arrangements accounted for EUR 558 million, almost a fifth of this. These are funds used by third parties such as the European Union, UN organisations and private foundations to expand existing projects and extend their scope of influence. Looking at the public-benefit business area as a whole, GIZ implemented EUR 626 million in cofinancing arrangements – an increase of 23 per cent year on year. This underlines the fact that cooperation is the order of the day when it comes to tackling existing challenges.

We generated half of our income in the public-benefit business area in competition with other public and public-benefit institutions. This includes funding for crisis management, development partnerships with the private sector and BMZ special initiatives.

We also work closely with the private sector – as a partner, but also as a commissioning party, for example through the International Services business area, which is currently celebrating its 20th anniversary as a separate business area under the GIZ umbrella. InS recorded significant growth in 2021. Total output rose by 25 per cent year on year to EUR 135 million, and by as much as 53 per cent compared to 2017. Over the past 20 years, InS has developed continuously and boosted GIZ's results successfully worldwide.

The largest commissioning party in the InS business area and largest cofinancing body in the public-benefit business area continues to be the European Union. Last year, GIZ's business volume with the EU totalled EUR 505 million, almost 18 per cent more than in 2020. The EU therefore remains GIZ's second-largest client.

Ladies and gentlemen, human security, social cohesion, green recovery and resilience are terms that are aptly described as 'values and vision'. In a sustainable world with countries that are more resilient to crises, there will be fewer conflicts. A prospect that is more than worthwhile. That is what we are working towards.

Thank you!