

Speech by the Chair of the GIZ Management Board, Tanja Gönner, at the 2019 annual press conference

Global action for climate change mitigation

Good morning State Secretary Martin Jäger,
good morning ladies and gentlemen, and welcome.

What is happening with our climate? This is what people are currently talking about in Germany and around the world. Because climate change is not a future scenario. It is already threatening the livelihoods of people around the world. And developing countries and emerging economies are particularly affected. This is why, at GIZ, we consider it our special responsibility to contribute to global climate change reversal: we support countries worldwide in promoting climate change mitigation.

Climate and energy are key priority areas in our work, which we carry out on behalf of various German ministries and other national and international clients. In the past year alone, we received commissions worth more than EUR 930 million. Just under a billion euros. This means: in total, a third of our work in the public-benefit business area relates to climate change.

We began this work decades ago and have acquired extensive expertise over the years. We have achieved notable success: Together with our partners, we reduced greenhouse gas emissions worldwide by the equivalent of 36 million tonnes of CO₂ between 2015 and 2017. That is more than the annual CO₂ emissions of Berlin. We supported 14 million people worldwide in coping with climate change – for example through improved flood defences and insurance against damage. We played a role in installing systems with a capacity of 1374 MW, which generate green electricity from wind or solar energy, for example. This is the equivalent of more than 400 modern wind turbines.

From our many years of experience, we know that: international cooperation is vital in order to mitigate climate change. And the term international cooperation conveys what is really important: the worlds of politics, business, science, civil society and practical development cooperation need to work together closely. Because the complex issues of the future cannot be resolved alone. Our actions are guided by the basic principle of cooperation. The standard we set for ourselves is therefore to be a good partner – when developing a strategy or during implementation.

The German Government and the European Union are driving forces of international climate change mitigation – and we support them in this. Global commitments, such as the Paris Agreement, are an essential aspect. The Agreement requires a commitment from all states and focuses on national climate contributions, the Nationally Determined Contributions (NDCs). The NDCs are the core element of the Paris Agreement and need to be vigorously pursued in all sectors of the economy – be it the energy sector, agriculture or urban development. Long-term development plans and budget plans must also be geared towards them.

GIZ's work focuses on these challenges and supports many countries in strategically developing and implementing their climate targets at the national level and in adapting to the effects of climate change.

To turn words into coordinated action, GIZ, on behalf of the Federal Ministry for Economic Cooperation and Development and other international clients, is supporting 15 major cities in achieving their contributions to the targets of the Paris Agreement. This is because 70 per cent of energy-related greenhouse gas emissions worldwide are generated in cities and metropolitan areas.

The Energising Development programme, which GIZ coordinates on behalf of Germany and four other European countries, is aligned with national energy targets. Together, these countries are promoting access to more energy efficient, sustainable and reliable energy in 25 countries in Africa, Asia and Latin America. The success is clear to see: since 2005, more than 21.3 million people have had electricity or cooking facilities in their homes that are more energy efficient and also healthier. And more than 21,000 social institutions – schools, hospitals and community centres – and 46,000 SMEs use reliable, efficient and sustainable energy.

Chile, host of the next United Nations Climate Change Conference in December 2019, is also committed to renewable energy. On behalf of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), GIZ is working with Chile to make the switch to renewable energy. Chile's energy sector currently has the highest percentage growth in renewable energy of any country in the world. With our support, the installed capacity of solar systems was increased from below 7 MW in 2014 to more than 2,400 MW in 2018, and the installed capacity of wind farms rose from 335 MW to more than

1,700 MW. GIZ is also supporting Chile in phasing out fossil fuels, with the first coal-fired power plants currently being shut down.

In addition to time-proven measures and technology, climate change also requires technical innovation. GIZ is going in new directions here. For example, in South-East Asia, we are supporting rice farming on behalf of the Federal Ministry for Economic Cooperation and Development: here, more than 15 million hectares of paddy fields were monitored in real time with the help of satellites. This data made it possible to predict crop failures – with an impressive rate of accuracy of around 90 per cent. In the event of damage, the farmers concerned then received swifter assistance. This meant that they lost less income and were saved from ruin.

It is essential that solutions are tailored to the region in question. For example, the Caribbean island state of Grenada obtains its water largely from surface water and rainwater. As a result of climate change, the island is being hit by storms and droughts more and more. But the supply of drinking water needs to be secured nevertheless. To achieve this, we are building storm-proof water storage facilities and wells with local companies, for instance. More than 100,000 people benefit from this. This is a remarkable project in many ways, as this is the first time that we have worked for the Green Climate Fund. This fund was founded in 2010 by 194 states to provide money for climate projects in developing countries. The GCF is a key instrument in international climate financing, for which GIZ was successfully accredited in 2017. A second project for low-carbon cooking stoves in Kenya and Senegal has already been approved.

In addition to this and many other projects, we also take our responsibility with regard to climate change mitigation very seriously as a company: we aim to be climate neutral by 2020. And we are working hand in hand with the Federal Ministry for Economic Cooperation and Development to achieve this. Avoiding, reducing and offsetting greenhouse gases – that is our basic principle. We have achieved a lot already: We record our CO₂ emissions in Germany and abroad. Between 2015 and 2017, we reduced CO₂ emissions per member of the workforce in Germany by 4.6 per cent. The aim is to reduce per capita emissions in Germany by 2.5 per cent each year in future. In cases where the CO₂ emissions of our staff in Germany cannot be avoided, we offset these emissions through a special project in Thailand, which has been running since 2013. And we continue to work on reducing our CO₂ emissions to become climate neutral worldwide.

The commitment of our staff around the globe is vital in achieving this – they too are keen to see GIZ forge ahead with climate change mitigation and sustainability. As at 31 December 2018, GIZ had a total workforce of 20,726, 1,220 more than the previous year. Almost 70 per cent of them were national personnel (2018: 14,196 people; 2017: 13,448). GIZ's workforce was also made up of 1,412 development workers, integrated experts and returning experts.

The commitment and expertise of all these colleagues is the basis for the success of our business. Last year, GIZ had around EUR 3 billion available for its work. Business volume therefore increased by 17 per cent. This brings with it an increasing level of responsibility – which we are strongly committed to fulfilling. In addition to climate and energy (commissions received in 2018: EUR 936.5 million), other key topics for our work were security and stabilisation (commissions received in 2018: EUR 700.3 million) and displacement and migration (commissions received in 2018: EUR 406.2 million). Projects relating to business and investment in Africa are also becoming increasingly important.

In 2018, the Federal Ministry for Economic Cooperation and Development (BMZ) continued to be our main commissioning party. GIZ received income totalling around EUR 2.5 billion through BMZ, 16 per cent more than in the previous year. This included significant funding from third parties such as the EU, foreign governments and foundations who, as cofinanciers, provided additional funds totalling around EUR 380 million (or 15 per cent) in 2018.

As a federal enterprise, we are also a service provider for the entire German Government. Income from other German public-sector clients rose significantly by around 14 per cent to EUR 375 million (+EUR 45 million). The majority of this income came from the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (147; 2017: EUR 134 million; +10%), followed by the Federal Foreign Office (111; 2017: EUR 108 million; +3%) and the Federal Ministry for Economic Affairs and Energy (30; 2017: EUR 27 million; +11%). GIZ generated almost half of its income in the public-benefit business area from competitive tenders.

GIZ also works for the EU. If we combine the funding we receive from the EU for cofinancing and direct commissions, it is our second largest donor, with around EUR 358 million. In this context, for example, we work to promote economic development and strengthen human rights in developing countries and emerging economies.

We also work for other international institutions such as the United Nations and clients such as governments of other countries worldwide, foundations and companies. The common belief that guides our work is that international cooperation is an investment in the future – for the people in the countries in which we work, and for all of us. To pick up on the heading of our Integrated Company Report: together we can achieve more.