

Speech by the Chair of the GIZ Management Board, Tanja Gönner, at the 2017 annual press conference

Stability through development

Good morning, State Secretary Dr Kitschelt.

Good morning, Ladies and Gentlemen.

A warm welcome to you all.

We can all sense that the world is undergoing a period of upheaval. It is becoming more unstable as a result not only of crisis and conflict, but also of climate change and a growing number of natural disasters. Some 1.5 billion people now live in fragile states and countries in the grip of conflict and violence.

At 65.6 million, the number of refugees and internally displaced persons is unprecedented. In Syria alone, two thirds of the population have had to leave their home villages and towns. And the re-ignition of the conflict in South Sudan has forced hundreds of thousands more people to flee the country, most of them heading for Uganda.

The brunt of this refugee crisis is being borne by developing countries, which have taken in 84 per cent of the world's refugees.

Looking at our work around the globe, there are four main points that I wish to make. Firstly, international cooperation is designed to create long-term prospects, and all the more so in times of instability. This uncertainty around the world is having a far-reaching impact on GIZ's work. We find ourselves operating increasingly frequently in crisis regions. Over half of the countries in which we are active on behalf of the German Government and other clients and commissioning parties are fragile states. Crisis prevention and stabilisation are becoming ever more important in our work, alongside fast-acting initiatives to provide initial relief from suffering. Creating stability means creating prospects, and this requires perseverance. People need access to

properly functioning state services, food, health care, education and employment, as well as to an effective municipal administration, a trustworthy legal system and political participation. This is the only way to achieve lasting stability and peace.

Our studies show that, together, we and our partners have made a real difference to people's lives in this context. Between 2010 and 2015, we reached over 4.4 million refugees and internally displaced persons and around 3.8 million residents of host communities. Additionally, some 45 million people now have access to clean drinking water and almost 900,000 individuals have found employment, to mention just a few of the results of our work. This shows that, with stamina and perseverance, international cooperation actors can play a key role in improving people's living conditions. International cooperation is especially vital in the times we live in.

The second point that I would like to raise is that the unchanging relevance of international cooperation is also reflected in the growing number and volume of commissions that we are receiving. Our business volume amounted to EUR 2.4 billion last year, which represents a 12 per cent year-on-year increase. We receive commissions from the German Government, as well as from the European Union, foreign governments and the United Nations. Our main commissioning party was the German Federal Ministry for Economic Cooperation and Development (BMZ). We had EUR 1.9 billion at our disposal from the BMZ budget in 2016; EUR 220 million more than in 2015.

All in all, we generated over 40 per cent of our business volume on a competitive basis in 2016. This includes International Services, as well as funds from BMZ's special initiatives and third-party funding, for example from the EU and the UK's Department for International Development (DFID).

The third point is that supporting refugees and their host communities is and will remain one of our key tasks. Turkey has taken in 2.9 million refugees and Germany 669,500. Nonetheless, as already mentioned, the majority of refugees, that is 84 per cent, have been received by developing countries. The main host countries in Africa

are Ethiopia and Uganda. In the Middle East, it is Jordan, Libya and Northern Iraq feeling the effects of the Syrian crises most acutely. These countries have particularly high proportions of refugees and internally displaced persons relative to their native populations. Lebanon, with a population of almost six million, has taken in one million Syrian refugees – men, women and children who, like the indigenous population, have an urgent need for work, schools, clean drinking water and medical care.

This makes it even more important for us to assist these countries in dealing with this additional burden and so preventing new conflicts.

The autonomous region of Kurdistan in Northern Iraq, for example, is home to around 5.6 million people. Since the Syrian crisis and the advance of so-called Islamic State, it has taken in approximately one million internally displaced persons and 250,000 Syrian refugees. The economic situation is poor and parts of the infrastructure are obsolete or unsound. With our support, 21 new schools have now been built and places provided for over 20,000 children. One million children have been given access to clean drinking water. Through our work with the Kreditanstalt für Wiederaufbau on behalf of BMZ, we created 61,000 jobs last year as part of cash-for-work schemes. This direct payment model has given workers and their families quick access to an income. We are currently stepping up our efforts with regard to the Syrian crisis, for which we received EUR 78 million in total from the EU and BMZ (EUR 70 million of which was from the EU and almost EUR 8 million from BMZ) last year. We will work with the French and Spanish international cooperation agencies to assist refugees and the local population in the region with repairing schools, upgrading roads and boosting employment, among other things. After all, this is what the people living there need most in the next few years and it is also what promotes stability.

The global challenges are and will remain immense, not only in terms of the refugee crisis, but also with regard to climate change and its impacts. The climate programmes are the largest area of activity for GIZ. A third of our projects focus on mitigating emissions harmful to the climate and adapting to the consequences of

climate change. We were particularly delighted to obtain accreditation from the Green Climate Fund last year. As a result, we can apply in future for finance from the fund for projects with a total volume of up to USD 250 million and provide greater support for climate change mitigation activities in developing countries and emerging economies.

Displacement and migration, security and stability, climate and energy – these are the three business areas that shape GIZ's work at present and will continue to do so in future.

I would now like to make the fourth and final point, namely that a multitude of tasks requires a multitude of clients and commissioning parties, and, above all, a multitude of dedicated staff. We are also receiving an increasing number of commissions from German ministries other than BMZ, in particular the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (EUR 127 million; 2015: EUR 110 million), the Federal Foreign Office (EUR 107 million; 2015: EUR 85 million) and the Federal Ministry for Economic Affairs and Energy (EUR 23 million; 2015: EUR 20 million). The total commission volume from other ministries came to EUR 315 million in 2016, a year-on-year increase of EUR 65 million.

We have also seen a rise in the level of funding from third parties such as the European Union, foreign governments and foundations involved in projects of BMZ and other ministries. This accounted for EUR 286 million of the EUR 1.9 billion provided by BMZ last year, a year-on-year increase of EUR 50 million.

Through GIZ International Services, we also support the German Government's international cooperation activities without drawing on German taxpayers' money. Around EUR 149 million came from commissions and funding that International Services had received in 2016 from actors including private enterprises, multilateral organisations and foreign governments. (2015: EUR 166 million).

I would like to express my particular appreciation to our staff, who work with great dedication and expertise in the most difficult of circumstances to improve people's living conditions. As at 31 December 2016, GIZ employed a total workforce of 18,260, a year-on-year increase of 941 and a new record. National personnel accounted for some 70 per cent of the workforce, or 12,605 people in total (2015: 11,949). Additionally, the company deployed 643 development workers around the world.

GIZ's success is the success of its staff. The daily challenges they face are getting bigger and their work is becoming increasingly demanding. I am extremely impressed by how professional and highly motivated our colleagues are in striving to bring about change for people. I would like to express once more my sincere appreciation for their work.