

Speech by Ms Tanja Gönner, Chair of the GIZ Management Board,
at the 2014 annual press conference

Achieving results at the highest level

Good morning, State Secretary,

Good morning, ladies and gentlemen,

and welcome. I'm delighted that you've come to hear about our work today despite the rival attractions of the **football World Cup**. Indeed, let me assure you that football is very important to us, too: in our work in Brazil, we use the sport to teach young people about team spirit and fairness but also about the environment and AIDS. And it's a real success story – but I'm getting ahead of myself. First of all, I'm delighted to share with you the details of GIZ's business over the past year.

- Our work is achieving results around the world. Millions of people now enjoy better education, greater social protection and improved income prospects.
- As a service provider for the German Government, we are delighted that various federal ministries regularly commission us to work for them in developing countries, emerging economies and industrialised countries alike.
- Many other clients are also now placing commissions, something that we see as clear evidence of our effectiveness and recognition of our services.

And this is clearly reflected in our figures for the year: fiscal 2013 was very successful for GIZ, with a total business volume of more than EUR 1.9 billion, mirroring our success in previous years. We are particularly pleased with the growth in new commissions, which were up slightly on the previous year at around EUR 2.3 billion (EUR 2.292 billion in 2013 as against EUR 2.285 billion in 2012). Looking ahead, we anticipate that our total business will remain unchanged at this high level over the next few years, with few surprises expected. One exception, in 2012, was a EUR 220 million increase in funding from the European Development Fund (EDF), which BMZ used to commission us and which we used to secure a further improvement in results. This was a one-off, though, and we are very satisfied with the total business volume we achieved in 2013 as a reflection of the demand for our services.

The German Federal Ministry for Economic Cooperation and Development (BMZ) was our principal commissioning party, accounting for a business volume of EUR 1.5 billion. This figure includes around EUR 170 million of co-funding from the EU and the governments of Australia and the Netherlands, among others – a strong vote of confidence, in my view.

GIZ is a service provider for the entire German Government, and commissions from other federal ministries now make up almost 15% of our total business. These include the German Federal Foreign Office (EUR 118.6 million) and the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (EUR 86.6 million) – another strong endorsement of the quality of our work.

Through GIZ International Services (IS) we also generated funds of EUR 178 million (9% of our total business volume) to support the German Government's international cooperation activities without relying on German taxpayers' money. This illustrates how we are diversifying our clients: this money came from direct orders placed by national governments, including the Government of Saudi Arabia, by multilateral organisations, such as the EU, and by private companies, including Shell.

Three years after the company began operating as GIZ, we have become more of a **global player** in international cooperation than ever before. As a company, we are complementing our work in developing countries by strengthening our involvement in industrialised nations and emerging economies. With a presence in over 130 countries, we are one of Germany's most globally engaged companies, and we now work for more than 300 different clients.

A company with such a diverse range of clients, partner countries and areas of work needs the best possible organisational structure so that it can respond even more rapidly and flexibly. We are currently reviewing our internal structures and processes and intend to make ourselves even fitter for the future, so that we can meet the needs of our principal commissioning party and the many other clients who look to us to deliver tailored solutions that work. And let me be clear: the aim of the restructuring is not to reduce our staffing levels but to enable us to use our staff better.

Let me give you an example of both the increase in demand from a range of clients and our work in new markets. On behalf of the Federal Environment Ministry we are now working in **Greece** to support the Greek Government in boosting the proportion of electricity produced from renewable sources to around 40% by 2020. With funding from the World Health Organization, WHO, we are working on reforms of Greece's health sector to improve health care for the Greek population. And, with funding from the European Commission, we are working with selected Greek municipalities to pilot budget planning models.

And our involvement with the EU is not limited to working in the EU Member States themselves; the European Union itself is also a major commissioning party, providing business worth EUR 140 million last year.

Bangladesh is a prime example of how relevant our work around the world is to the people of Germany, too. Just over a year ago, a building collapsed in Bangladesh, killing more than 1,100 people. Our colleagues were on the ground to support the rescue effort, which included providing a thermal imaging camera to help find those buried in the rubble. We are now working on behalf of BMZ to help the survivors, some of whom were disabled. We are offering medical care, such as prostheses, and helping them return to work by providing retraining or support with starting up a business. GIZ is also, however, working on behalf of BMZ and the European Union to improve working conditions in Bangladesh's textile industry. Progress is already evident: there have so far been tangible improvements in 650 textile factories employing more than 500,000 people, covering areas such as pay, the regulation of overtime, and information on employees' rights.

Our experience in campaigning for decent and safe working conditions for women working in the textile industry shows that this kind of commitment is most successful when the state, the private sector and civil society all work together.

This is why **cooperation with the private sector** is now an established part of what we do, both in the textile sector and beyond. As a German federal enterprise for international cooperation, sustainability underpins everything we do. Our know-how and our good local contacts mean that we can work with the private sector to implement projects that are socially just and environmentally friendly – something we set great store by. With our support, small and medium-sized enterprises and international corporations alike are able to act in ways that ensure business success goes hand in hand with improved living conditions for local people. And this does not mean charity or donations but joint projects that bring sustainable benefit to all those involved.

And, of course, digital innovation has been integral to our regular work for a long time now. In **Ghana, Burkina Faso and Uganda**, cashew farmers now benefit from an app specially developed jointly by GIZ and the software corporation **SAP**, which is based here in Germany. The app enables the farmers to access current cashew nut prices on the world market, so that they are better informed when it comes to selling their crop. The app also helps them to obtain Fairtrade certification for their products by providing evidence of provenance and production conditions. This boosts the farmers' competitiveness and, of course, the income they can earn for themselves and their family.

The people of **Afghanistan** also want prospects of a better future. In two days' time, they will again be going to the polls. The turnout clearly demonstrates how strong their desire for a stable future is. Working on behalf of the German Government, we have already achieved

much for the people of Afghanistan – and we are continuing to work there, even in areas like Faizabad and Kunduz, where the German army has already withdrawn.

Around Faizabad, for example, we have now built six small-scale hydropower plants, providing electricity for around 60,000 people. In the neighbouring province of Takhar, work is under way on constructing a further small-scale hydropower plant and two solar power plants that will benefit 19,000 people. Meanwhile, in Kunduz, we have built or repaired roads, giving a million people access to markets; 100 school buildings are providing education for 300,000 young Afghans; and some 13,000 households now have a supply of safe drinking water.

Results lie at the heart of all our work, whether we are working to improve the working conditions of seamstresses in Bangladesh, promoting the use of renewables in Greece, boosting agricultural yields in Ghana, or facilitating education in Afghanistan. However, we seldom talk about the cumulative **impact of our work around the world**. That impact is impressive, though.

Take employment and **training**, for example. With our help, more than 300,000 women and men have received vocational training over the past two years. Our work in this area is so successful, in fact, that the Saudi Arabian Government has commissioned us to run its vocational schools, a commission worth EUR 190 million.

As well as helping to ensure good training, we help to create **enterprises and jobs**. Over the past two years, we have supported more than 5,000 business start-ups – and these companies have in turn created thousands of jobs.

Greater social protection is also at the heart of what we do. With our help, more than 100 million people have over the past three years been able to benefit for the first time from **health insurance** – a benefit that we take for granted.

Everything we do relies on our **staff**. On 31 December 2013, GIZ had a total of 16,510 staff members. 3,208 were working here in Germany and 2,058 were seconded staff working abroad. Almost 70% of all our employees – a total of 11,244 individuals – were employed in our partner countries as national personnel. GIZ also has just under 1,000 integrated and returning experts and 869 development workers.

Our staff are the main reason for our success, and I would like to thank them sincerely for their work. Without our staff, we could not succeed as we do. But deploying staff abroad is not without risks. The death of three of our colleagues in a cowardly terrorist attack in Yemen was a painful reminder of the dangers our staff face. The ability to work globally also means

that many of our employees confront difficult conditions on a daily basis. They do so with enormous passion and professionalism – for our many partners, for our commissioning parties and, above all, for the local people.

Passion and professionalism – that also sums up our contribution to the **football World Cup in Brazil**. Working with the German Football Association (DFB) and Brazilian partners, we are building on enthusiasm for the beautiful game to support disadvantaged young people in Brazil, particularly those from poor areas. We are using coaching and tournaments to develop their skills in team-working, a sense of fairness, and the ability to resolve conflict peacefully. The coaching is being provided through sport camps in venues where the German team is playing throughout the tournament.

But that is just the start. Beyond the World Cup, GIZ will be working in Brazil to empower young people through sport. Around 60,000 young South Africans have already benefited from similar training with financial support from BMZ and the European Union. And almost 25,000 of them are girls.

I believe young people are already World Cup winners. And all that remains is for me to add that I would be even more delighted if the German team emerged as the other World Cup winners on 13 July.