

What About Germany?

Responsibilities for development cooperation

- The Federal Ministry for Economic Cooperation and Development (BMZ) is the leading ministry in the formulation of German development policy.
- Principal implementing organizations include the Agency for Technical Cooperation (GTZ) and the German Bank for Reconstruction (KfW). In March 2010 the BMZ announced it would merge the three foreign-aid agencies – GTZ, DED (German Development Service) and InWent (International Capacity Building). The financial arm of development (KfW) will still remain a separate organisation.

Contribution to the Millennium Development Goals (MDG's)

- Adopted by the German Cabinet in April 2001, the Program of Action 2015 establishes poverty reduction as the overarching objective of German development policy.
- In 2008 the German Development Ministry published a White Book on development policy that strongly confirms the commitment to the Millennium Development Goals.

Germany's record on aid

Aid quantity

- German Official Development Assistance (ODA) represented 0.38% of Gross National Income (GNI) in 2008. Germany's ratio of ODA to GNI lags behind the average country effort of DAC-EU countries (0.43%). The DAC preliminary data for 2009 shows that German ODA fell to 0.35% of GNI in 2009, the lowest in three years. It also lags behind the EU-DAC 2009 average of 0.44%.
- Germany provided \$13.91 billion USD in net ODA in 2008; its contribution was reduced to \$11.98 billion in 2009 as per the DAC preliminary data for 2009.
- As an EU-15 member, Germany committed to reach 0.7% of GNI by 2015, setting interim targets at 0.33% by 2006 and 0.51% by 2010. Germany met its 2006 target. However, the German Minister of Development announced in March 2010 that Germany will fail to meet its 0.51% ODA/GNI target for 2010. At the same time, Germany remains committed to reach 0.7% of GNI as ODA to comply with the 2015 target.
- Debt relief grants (i.e. grants which forgive the debt of developing countries), comprised 23.3% of German ODA in 2007 and 18.7% in 2008.

Aid quality

- Germany's share of bilateral aid (e.g. the aid given by Germany to a developing country) was 65% in 2007 and 2008 which fell to 58% in 2009. In 2007-08, only 15.6% of German bilateral ODA went to least-developed countries (LDCs) where it is most needed. Middle East and North Africa received the greatest percentage of German bilateral ODA (28.4%), followed by the Sub-Saharan Africa (24%) in 2007-08.
- Country Programmable Aid (CPA) is the proportion of aid that developing countries can allocate according to their development needs. CPA represented only 30% of German gross ODA in 2005. Germany's share of CPA was below the average of all OECD countries (47%).
- In 2007, 93.4% of German aid was untied (tied aid is assistance given to developing countries which must be

used to purchase goods and services from the donor country).

- In 2006 and 2008, The OECD/DAC conducted a Survey on Monitoring the Paris Declaration to gauge the progress of donor nations toward improving aid effectiveness. The report finds that between 2005 and 2007, Germany made positive gains on most indicators of aid effectiveness but its overall performance on several measures remains far below the 2010 targets.

Policy coherence

- The OECD defines policy coherence for development as "working to ensure that the objectives and results of a government's development policies are not undermined by other policies of that same government which impact on developing countries, and that these other policies support development objectives where feasible".
- Improved policy coherence for development has become an increasing priority for the BMZ and the administration as a whole since 2004 and is a central element of German national policies.
- However, inconsistencies between trade and development objectives exist. As an EU Member State, Germany implements the Common Agricultural Policy (CAP). Germany pays the highest contribution into CAP. The agreed and adopted position of the German government on the CAP reform is to defend the status quo.

Public Opinion

- A 2009 Eurobarometer survey asked EU citizens if they had you ever heard or read about the Millennium Development Goals. The vast majority of German respondents (74%) were uninformed about the Millennium Development Goals this is a slight improvement compared to 2007 (78%). The results for Germany aligned closely with those of the combined EU27.

Commitment to Development Index

- The Centre for Global Development (CGD) ranks 22 of the world's richest countries based on their dedication to policies that benefit poor nations. CGD's 2009 Commitment to Development Index ranks Germany thirteenth among twenty-two OECD countries. Its score is brought down by its low level of aid as a share of national income and by poor participation in international peacekeeping efforts.

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