

UNIDO – 49th Industrial Development Board

**Statement by H. E. Mr. Gerhard Küntzle, Permanent Representative,
Ambassador Extraordinary and Plenipotentiary
of the Federal Republic of Germany**

12 – 15 July 2021

TOP 10: Third Industrial Development Decade for Africa

Director General,
Excellencies, Ladies and Gentlemen,

Over the last decade, Africa has been the focus of German development cooperation, with more than 2 billion Euros of bilateral aid per year supporting over 40 African partner countries. Germany is convinced that Africa can have a bright future! Africa is a dynamic continent with a current population of nearly 1.4 billion people, a wealth of biodiversity and raw materials, and an immensely energetic and creative youth, that is in need of a future that is socially stable and economically safe.

However, the COVID-19 pandemic is taking its toll on African economies. According to the International Monetary Fund, Sub Sahara Africa's GDP declined by more than 2 percent in 2020, the region's first recession in 25 years. Up to 30 million Africans may have lost their job because of the crisis, estimates the African Development Bank. Trade volumes have slumped and the level of sovereign debt has increased alarmingly.

Even before the pandemic, Germany has made a new start in its co-operation with African countries, with the G20 **Compact with Africa** and the **Marshall Plan with Africa, that focuses on economic activity, trade and employment, peace and security, democracy and the rule of law**. With the Marshall Plan, we pursue a cooperative model based on African ownership, partnership and responsibility.

But let us be clear: Official development assistance (ODA) alone cannot resolve the development challenges on the African continent. Hence the **need to mobilize substantially higher domestic resources and private investment**. And this is also where UNIDO has a role to play. As the only UN organization whose mandate corresponds to SDG 9 – industrialization and innovation – , UNIDO has become a key multilateral partner for the German government in its area of expertise.

In the framework of the **reform partnerships which Germany has concluded** with African countries, we have launched a **“Special Initiative on Training and Job Creation”**. This initiative aims at creating 100,000 new jobs and 30,000 new training opportunities. In order to mitigate the effects of the COVID-19 pandemic, we are now also focussing on preserving jobs that may otherwise be lost. The project agreement signed with UNIDO on job creation and vocational training in Ethiopia and Senegal is the largest project Germany has had with UNIDO so far, and both countries are among the first with whom UNIDO started its PCP Partnership . And we are planning to further increase funding for this initiative this year.

Moreover, in 2019, the German government launched the **Development Investment Fund**. This fund takes the form of a support package of 1 billion euros for German and European companies that want to get involved in Africa, and also for African companies seeking financial resources. In addition Germany encourages efforts to strengthen inter-African trade and diversify exports by supporting the **African Continental Free Trade Area – AfCFTA**. I’m glad to hear that UNIDO together with UNECA has worked on African national strategies to support AfCFTA implementation.

Under Germany’s Presidency of the EU Council, we supported the idea of a **new EU-Africa partnership**, which also puts a strong focus on harnessing the power of the private sector to create employment. We will also need to integrate the lessons learnt from the current COVID-19 crisis so as to “build back better”. In order to implement the 2030 Agenda, the Agenda 2063 and the Third Industrial Development Decade for Africa successfully, we will require strong partnerships with multiple stakeholders, including greater private sector engagement. This decade must be a **“decade of delivery”!**

Thank you very much!