

## German Statement

Honourable Ministers,

Co-Chairs from UK, the World Bank and the UN, Distinguished Delegates,

On behalf of the German government I would like to thank the organizers for the excellent preparation of this event and the UK for its hospitality. Germany congratulates the Government of Sierra Leone for the preparatory work – especially the well-prepared Agenda for Change and the paper on Aid Policy. The Agenda emphasizes the intervention areas relevant for Sierra Leone's accelerated development. Germany especially welcomes the emphasis placed on the topic of employment.

Sierra Leone has made a real progress in the past few years. The peaceful and fair elections of 2007 led to a democratic change of government. This demonstrates the achievements that have been made in terms of democratic consolidation and political stability. Germany has acknowledged this progress by honouring Dr. Christina Thorpe, head of the National Election Commission, with the German Africa Price 2009.

In order to achieve progress, an efficient and quick implementation of the Agenda is of utmost importance.

We are confident that the Government of Sierra Leone will continue to implement important reforms in the context of governance. The work of the **Anti-Corruption Commission** is one of the visible examples. The fight against corruption needs to be continued resolutely. It is an encouraging sign that the work of this Commission is starting to take effect at the highest, as recent events demonstrate. But there is still a long way to go, especially with regard to the oversight functions of Parliament and in terms of giving more attention to the private sector.

Successful implementation of the Agenda might be hindered by the lack of **capacity and the quality of public services**. This is why development projects are often delayed and difficult to implement. In the financial sector, strong institutions are needed and require efficient banking supervision. To gain results, the support of the central

bank backed by a strong political will is crucial. Germany is promoting this process together with other partners in the Microfinance Sector Programme.

**Food security** is still a major concern. The 2009 Global Hunger Index rates Sierra Leone with an “extremely alarming” score. This might lead to a situation where stability is undermined. Care needs to be taken that long-term land lease agreements for foreign export oriented investment do not contribute to food insecurity. Investment in food production is needed.

Regarding **human rights**, Germany welcomes the fact, that Sierra Leone has ratified or signed all major universal accords. However, as far as the protection of women is concerned, there is an urgent need to improve compliance. German Parliament as well as the German public is deeply concerned about the high prevalence of female genital mutilation. In most West African countries the view on this practice is changing. The Agenda for Change mentions some instruments that might help to overcome FGM. We expect the Government to declare its explicit will to fight this practice which violates human rights and, through the negative effects on health of women and children, leads to negative consequence in economic development. The ratification of the Maputo Protocol would be a clear signal in this regard. Neighbouring countries are proving that it is possible to fight FGM. The German Government is prepared to support the process if needed.

In post-conflict settings, joint efforts for coordination and harmonisation are crucial. We would like to support the Government of Sierra Leone in strengthening its own efforts for coordination. We recommend that the Government of Sierra Leone supported especially by organisations such as the World Bank or the UN System develop harmonised instruments like Multi-Donor Trust Funds and common approaches. All possibilities for using common financing instruments and undertaking joint planning activities should be explored in order to optimise the support provided for the Agenda. Germany is prepared to take part in such funds in the future

Germany welcomes the Aid Policy which has been discussed with Development Partners and provides an excellent framework for development and a coherent and

harmonised strategy to implement aid in an effective way. We also congratulate the government for concentrating aid coordination in one Ministry.

In line with Paris Principles and Accra Agenda for Action we will be happy to work together with the Sierra Leone Government to develop appropriate and concrete structures and sectoral groups in which Government and partners could meet regularly to discuss and coordinate sectoral policy and operational issues. Concrete proposals are tabled. We hope that all new and existing partners will join us in this endeavour.

Germany re-emphasises its commitment to contribute as a reliable development partner to the consolidation of peace and stability in Sierra Leone. From 2007 up to today Germany has made bilateral commitments amounting to 37 million euros. In addition to this, there are our multilateral contributions: Germany's share of EU funding amounts to 20%, our share in IDA funding to 7.1% making Germany the 4<sup>th</sup> largest donor to IDA. We contribute to the current African Development Fund (ADF XI, 2008-2010) with a share of 11%.

The main focus of German development cooperation with Sierra Leone lies in our contribution to the challenge of **employment**. The Agenda identifies youth unemployment as one of the three major risks that could threaten the country's peace and security. In this regard, we support programmes to rehabilitate rural economic infrastructure, restore functioning agricultural markets and establish microfinance. This includes the promotion of small enterprise development and the training of people along the agricultural value chain as well as capacity building for the administrative levels involved. With these activities, agricultural productivity, one of the four priorities of the Agenda, is enhanced.

In 2009, we were able to commit an additional 7.0 million euros of technical cooperation earmarked for employment in rural areas. We are prepared to bring this commitment into a joint "Government-donor effort" so as to be able to pass on our experience on a larger level. Interested partners are welcome.

Germany has committed an additional 5.0 million euros financial cooperation for such an initiative in support of the Poverty Reduction Strategy.

In 2009 Germany also supported the **Promotion of the Financial Sector** with 9.8 million euros earmarked for the Microfinance Sector Programme (MITAF). This is a joint donor support effort together with UNCDF, UNDP and Cordaid.

Our intention is to promote financial sector reform more broadly and to further extend access to finance in rural areas. This requires strong political will and support from the Government of Sierra Leone. We therefore further encourage Government to support a transparent and level playing field in the private and financial sector by promoting responsible finance. In 2009, Germany committed an additional 3.5 million euros for a new programme to assist the Central Bank in developing appropriate supervisory and regulatory capacities.

Finally, the Agenda sets out the significance of managing and exercising control over mineral and natural resources for the country's future viability. Together with other donors, the German government is prepared to provide technical assistance for further enhancing the effective management of mineral resources as part of a harmonised approach.

In 2009, the German government supported the political consolidation process by contributing 1.5 million euros for the Special Court for Sierra Leone, to be used to finalise the trial against former Liberian President Charles Taylor. Since 2006, German support for the Court has amounted to 4.5 million euros.

Thank you.