

Speaking For African Progress Panel Kofi Annan Urges Germany To Keep G8 Promises Of Aid To Africa

April 11, 2008 1:05 p.m. EST

Linda Young - AHN Editor

Geneva, Switzerland (AHN) - Former U.N. Secretary General Kofi Annan speaking on behalf of the African Progress panel organization said Friday that the APP is concerned over reports that Germany is planning to cut budget funds to projects related to G8 promises.

In a statement released Friday, Annan noted that the APP had heard reports that tight economic conditions were forcing budget cuts on Germany's Finance Minister, Peter Steinbrück.

While praising Germany for past commitment to helping Africa, Annan expressed concern that those budget cuts might have a negative impact if it caused Germany to cut promised funds to development projects and combating HIV/AIDS.

"Chancellor Angela Merkel has shown considerable dedication to Africa and the global development agenda, and has tirelessly supported the APP's aim," Annan said in a statement. However, he emphasized, "The only promises that matter are those that are kept.

Steinbrück is attempting to balance Germany's budget, saying he intends to do it by 2009. Germany had been in violation of euro-zone rules that dictate a country can't run a deficit higher than 3 percent, which Germany violated from 2002 to 2005, but in 2006, it was running only a 1.7 percent deficit as the economy picked up and tax revenues rose, according to reports by Germany's Spiegel news.

Despite the improvements, Steinbrück has ordered several ministries to slash their budgets, saying that he will assign their budgets if they fail to do it themselves. Among those ministries was the Economic Cooperation and Development ministry, which selects developing nations to partner with to provide assistance, while giving aid that is more limited to other developing nations.

According to Germany's Federal Ministry for Economic Cooperation and Development, its main regional focus is on Africa where almost half (24) of its development partners are located. The ministry had intended to double funding to that region by 2010, according to a statement on its website.

Steinbrück, however, is asking for budget cuts. He says that the combined budgets of the Economics, Education and Research, Economic Cooperation and Development and Transport ministries are some \$12.8 billion over the Finance Ministry's planned budget now. In addition, that overage could be \$62.9 billion by 2012.

Steinbrück sent the budgets back to those ministries telling them to cut them or he will assign their budgets without any negotiations, Spiegel news reports.

However, Annan said that it was especially important in these tough economic times that Germany, and other developed nations, stays committed to preserving their global partnership to promote progress on development in Africa's poor countries.

"We cannot risk cutting back on our commitments to the world's poor at a time when climate change and rising food prices threaten to reverse the gains made towards achieving the Millennium Development Goals," Annan said.

The African Progress Panel was set up by Mr. Tony Blair in 2007 and its members include Michel Camdessus, Peter Eigen, Bob Geldof, Graça Machel, Bob Rubin, Tidjane Thiam, Linah Mohohlo and Muhammad Yunus.

According to its website, the Panel's goal is to focus the attention of the world's leaders on Africa and comment on the challenges of Africa's governments, the G8 and other international partners to meet commitments to Africa's development.