

Germany

Reported ODA: EUR 29984 million
0.67 % GNI (↓ from -17.20% in 2023)

Non-inflated ODA: EUR 20586 million
0.46 % GNI (↓ from -0.08% in 2023)

Total inflated ODA: EUR 9398 million
30.93 % of total



“Germany’s development policy: shrinking budgets & political shifts”

VENRO

Main trends

In 2024, Germany’s development cooperation faced another year of significant cuts. The federal government reduced humanitarian aid by EUR 400 million (–18%) and cut EUR 1 billion (–8%) from the BMZ’s development budget. Political instability further exacerbated the situation: in autumn 2024, the governing coalition collapsed, triggering snap elections and delaying key decisions on development financing into 2025. During the campaign, several politicians advocated for merging the Ministry for Economic Cooperation and Development (BMZ) with the Foreign Office. **However, strong pushback from civil society contributed to the new Conservative–Social Democrat government retaining a standalone development ministry.**

Despite this, **the downward trend in funding continues.** The BMZ is set to lose another EUR 1 billion in 2025 – the third consecutive year of such cuts – with a further reduction of EUR 1 billion planned by 2028. Humanitarian aid is also under threat, with the initial 2025 budget proposal suggesting a drastic cut of over 50%. Moreover, Germany tends to fall short of its pledge to provide EUR 6 billion annually in international climate finance. Despite these drastic cuts, Germany is on the path to become (for the first time in history) the largest international ODA contributor, because of the dismantling of USAID by the Trump administration.

Germany’s new Development Minister, Reem Alabali-Radovan, is under pressure to present a strategic reorientation of Germany’s development policy and has announced four priorities: ensuring a life in dignity, linking development with security and foreign policy, leveraging the private sector, and building strategic alliances. Whether these ambitions can be implemented in a context of shrinking budgets remains to be seen.

Government's relationship with civil society

In 2024, the BMZ adopted a new strategy for engaging with civil society, offering encouraging signals for innovation and deeper collaboration. The strategy seeks to strengthen political dialogue, defend civic space globally, promote feminist development policy, empower Global South actors, and simplify funding procedures for CSOs.

However, funding cuts have taken a toll on implementation. The number of newly approved civil society projects has dropped by around 30%. This decline puts additional pressure on many partner organisations, some of which were already struggling due to funding gaps left by the termination of key USAID programmes. Despite a strong strategic framework, the shrinking resources are limiting civil society's ability to act.

Recommendations

- Make additional financial resources available for development cooperation and humanitarian emergencies to meet current needs.
- Increase civil society funding to the OECD average of 13% of ODA.
- Support an overhaul of the ODA reporting rules to better reflect actual support for partner countries and change Germany's own reporting accordingly.
- Increase climate finance to EUR 8-10 billion annually, while ensuring that this is new and additional funding to the 0.7% commitment of ODA/GNI.