

think!

GFA Consulting Group – facts and figures today ① From Senegal to Iraq – a history of projects ① Development cooperation – moving beyond paternal aid from North to South ① Arab Spring in North Africa and the Middle East – what comes next? ① Roundtable talk: lessons learnt to face the challenges of the future

30 YEARS OF DEVELOPMENT PARTNERSHIP

1982 - 2012



**Creating
opportunities**

“The fact that the topics of developmental cooperation are increasingly gaining weight in a cyclical manner has its advantages. We can do lots of things better and use the lessons learnt from the past.” p.20

10

Solid growth beats the one-man show

Entrepreneurial spirit turned a risky startup into an established medium-sized company: the GFA Consulting Group story.

14

Taking chances and creating opportunities

Founder Johannes Lagemann talks about the early GFA years: “We found deciding things for ourselves highly stimulating.”



16

Outstanding results and sound strategies

GFA today: success supported by a network of companies, offices and subsidiaries worldwide.

18

Health: from food aid to AIDS prevention

Few people remember that state-of-the-art health projects arose from old-fashioned food aid in Africa.



20

Africa: the farmer as an entrepreneur

Income generation lead small-holders into an economically sound future.

24

Asia: a high price for an economic boom

Current climate protection programs are building on the experience with forestry projects of the 90s.

26

The Middle East after the Arab Spring

For development cooperation, the working conditions in the troubled region have changed dramatically.

30

Green investment from start to finish

The GFA Forest Investment Unit develops sustainable – and profitable – projects for investors.

34

Debate: is aid doing any good at all?

“think!” Magazine asked economist James Shikwati and Dr Christoph Beier (GIZ) to provide some thoughts.

38

GFA: values create value

“It is long-term economic viability that guides our business decisions.”

40

Latin America: divided

Some countries are reliable partners. Others suffer from violence and drugs.



45

Education: the power of investing in people

Providing better education for all has become this decade’s focus.

46

Financing development

Access to affordable lending and financing is a prerequisite for economic advancement.

50

Water & Sanitation: serving the urban poor

It is an enormous challenge. Over 1.5 billion people do not have access to clean, safe water.

52

Seal of reliability

Today timber and paper products need a seal of origin. GFA Certification provides this – after careful inspection.

54

The desire to do something meaningful

For “think!”, Heiko Weißleder, Christoph Schaefer-Kehnert and Klaus Altemeier met to fathom the future path of the GFA Consulting Group.

58

Contact us!



Dr Heiko Weißleder, Dr Klaus Altemeier
and Dr Christoph Schaefer-Kehnert,
Management of the GFA Consulting Group

Success is more than positive numbers

In 2012, the GFA Consulting Group has had its best business results to date with € 76 million in revenue in its 30th year of operations. Nearly 1,000 employees are currently based at the main office in Hamburg, as well as in other offices in Germany and abroad and on location at the project sites. The GFA Consulting Group continues its tradition of success with these figures.

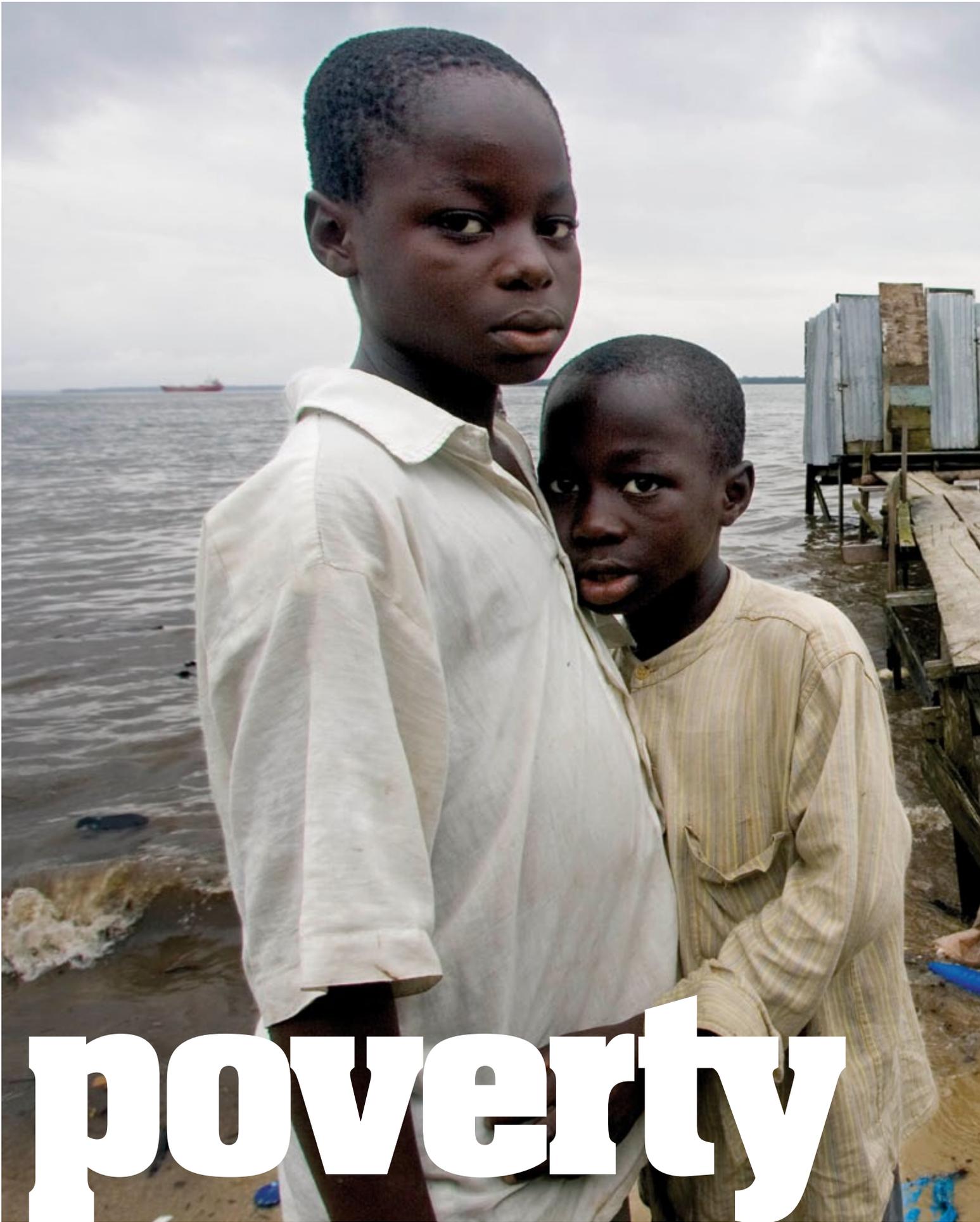
In 1982, the year the two founders rented their first offices and acquired GFA's first study contracts, the long term success of the company was by no means certain. The consulting sector in development cooperation had long been a "closed shop" with just a few old hands in this field. But over the years both the founders and the employees – and later the managing directors – contributed the basic requirements for leading GFA to a successful future: commitment, a willingness to assume responsibility and a passion for taking on demanding challenges in the field of consulting.

We are looking back at the history of GFA from its humble beginnings until today on the occasion of its 30th anniversary. But 30 years of successful work also gives us a reason to pause and reflect on what we have achieved from a critical viewpoint. Careful reflection and self-assessment of our results on a regular basis is a necessary exercise: at their core the consulting activities of the GFA Consulting Group always serve the interests

of people, ensuring their food security, preserving their environment and improving their living conditions. It is about life itself. Which is why our business results can – and should! – only be seen as part of our success.

We talked to employees and business partners and asked them to contribute to "think!" Magazine. Our research in preparation for our 30-year jubilee did not lead to a normal company brochure. We produced a magazine that meets journalistic standards and presents a wide range of topics, impressions and points of view.

The vivid "think!" Magazine reflects the GFA Consulting Group's image of itself: a company that lives on diversity, the courage to change things and its willingness to see continuous renewal. Enjoy your reading!



poverty



FACTS

More than one billion people live on **less than one dollar a day**. Poverty means more than little or no income, however. A quarter of humanity lives without electricity. People are forced to walk more than ten miles a day to collect water and firewood. Poverty results in diseases that were eradicated from developed countries decades ago.

WHAT WE THINK!

We cannot leave anyone behind. Poverty is the main obstacle on our way into a better future and the major hindrance for sustainable development. Poverty has many facets; hence there are different strategies and approaches to address its causes and effects. Key to enhancing people's lives is access to decent work, education, good infrastructure and social and support services. We have to **understand the needs** and potential of men and women living on the fringe. Listen to their voices.



food

FACTS

Today, nearly one billion people suffer from hunger and malnourishment, in spite of the fact that food production has been steadily increasing for decades. By mid-century another **two billion people will need to be fed**, placing increasing strains on water and land resources.

WHAT WE THINK!

Even if the Millennium Development Goal of halving the number of people who suffer from hunger is achieved by 2015, some 500 million people will still go hungry every day. In the light of this, **the renaissance of food security projects is dearly needed!** Focus must be given to rural areas, with investments in agriculture and improving the resilience of farmers, which are crucial to sustainable long-term food security.



health

A young boy with dark skin is lying in bed, looking upwards with a thoughtful expression. He is wearing a dark blue shirt with a white floral pattern. The background is a plain, light-colored wall.

FACTS

Every 60 seconds, a child in Africa dies from malaria. Every two minutes, somewhere a woman dies in childbirth or from the effects of pregnancy. **Every day, 7,000 people get infected with HIV-AIDS.** Every year, 100 million people are pushed into poverty because they cannot afford to pay for their health expenditures.

WHAT WE THINK!

Everyone needs access to affordable and effective quality health services. Even poor countries must be enabled to dedicate more resources to treatment, prevention, health promotion and rehabilitation. In the face of growing health care costs, **it is a nationwide task to implement changes, but ministries of health can lead the way.** Evidence-based decision-making will increase efficiency, for example in purchasing medical supplies and providing quality services, and the countrywide use of state-of-the-art information systems will support the modernization of the medical sector.



1982

BURKINA FASO

Shortly after the foundation in 1982, GFA experts worked in a food security program in Burkina Faso.



Solid growth beats the one-man show

Enthusiasm, opportunities seized, staff with an eye for new issues: over thirty years, a risky startup has turned into the successful GFA Consulting Group.

by **JOCHEN VORFELDER**

2012

IRAQ

Post-conflict assignment: GFA engages in an EU project to support the Iraqi Ministry of Interior.



A lot was due to chance. When, at the end of 1982, Hans Jahnke and Johannes Lagemann founded the Gesellschaft für Agrarprojekte in Übersee GFA, the two young agricultural economists may have had a business idea, but they had no real plan: “We were convinced”, says Johannes Lagemann today, “that, given our practical experience, our management expertise and our analytical skills, we would have a chance on the market. We were really enthusiastic, but

we didn't really know how to run a company.”

More cautious contemporaries, on looking more closely at the facts, would have advised the entrepreneurs-to-be not to establish a consultancy firm. In Germany in the eighties, private consultancy business in the field of development cooperation was in the hands of just a few companies, all of whom worked for GTZ and KfW. It was difficult to get a foothold in this area. In the first three years, Lagemann, Jahnke and the first employees of GFA were only commissioned with short-term assignments involving studies and evaluations.

It was not until 1985 that the company won the first tender to implement a project of its own: “The improvement of animal husbandry in the semi-arid region of Yatenga in northern Burkina Faso, which was still called Upper Volta at that time. That was our →

one of us

JOACHIM GROMOTKA

Head of GFA MEDICA, the Health & HIV/AIDS Department, Hamburg

first project, funded by the EU,” recalls Bernhard Riggers, who worked for GFA from the mid-eighties and introduced the first computerized accounting system. “Between 1986 and 1988, things really took off. We were awarded long-term projects by what was then the GTZ, mainly in the field of agriculture and irrigation.”

With these first successes on the market and a balance sheet in the black, GFA had mastered its development phase: the newcomer had largely made a name for itself through its contracts. At the same time, the company had reached a point where it had to chart its future course: “In the consultancy business, you can only establish yourself in the long term by pursuing one of two paths”, says Nico van Tienhoven, who joined GFA at the beginning of the nineties. “Either you settle for the traditional one-man show, establish a good name for yourself and then enjoy a good living, or you have to grow continuously and become real big quite fast.”

In van Tienhoven’s view, it is the initial growth phase, above all, that is dangerous for a new company. In other words, the period in which a functioning office with one or two dozen staff becomes essential and the corresponding overhead costs have to be paid. If you are then dependent on one or two clients and projects suddenly dry up, van Tienhoven says, “the sky can very quickly darken”. GFA opted for rapid growth.

An opportunity arose through the unexpected fall of the Iron Curtain. The breakup of the Soviet Union, the founding of the CIS states and German reunification opened up entirely new business areas. Advice for ailing agricultural cooperatives and adapting socialist economies to the free market went far beyond the company’s core business, which to that point had mainly focused on agriculture: diversification, economic consultancy and project management became the task of the hour for GFA starting in the early nineties. Within a few years, other firms were set up alongside GFA Agrar, such as GFA International Management Consulting, GFA Umwelt and GFA MEDICA. The experts sent out from Hamburg-Volksdorf no longer traveled exclusively to Latin America and Africa, but suddenly to Russia, Moldova and the Caucasus too. “We opened up new markets and started to work directly with German ministries and

I signed my first freelance contract with GFA on 9 September, 1984. At that time I was fresh out of university with an economics master degree; today I’ve been with the company longer than any other employee.

I signed on with Hans Jahnke at the first office in Duvenstedt. He was desperately seeking an employee for an impact study in six African countries. He asked me, “Gromotka, can you handle this?”

And I replied, “Of course!” Actually, I hardly had a clue what he was talking about or what was in store for me.

I worked 20 out of the next 28 years in Africa and Asia, first as an assistant young professional, then as a long-term expert and an expert in short-term assignments, and finally as a team leader. Now I’m here at our head offices as the health department head.

So I took the stereotype, ideal career path at GFA: from a young professional to managing team leaders. GFA’s objectives, giving good people a chance and building long-term relationships with them, are reflected in my professional life.



later also with new donors like the American MCC,” says Günter Schmidt, who started at the company as the Head of the Bonn Office and later became one of the CEOs of GFA Consulting Group.

In the rapid growth phase following the end of the Cold War and before the turn of the millennium, the regional and thematic expansion was pushed forward – with seasoned staff, joined by new employees who brought with them specific local expertise and a good sense for new issues. “Ernst Küster, for example, was an expert on Indonesia like Klaus Altemeier. When Ernst came, he was so thrilled by new concepts in forestry in Asia, that GFA couldn’t get away from it,” Bernhard Riggers recalls. In Vietnam, GFA set up over a dozen forestry projects in the mid-nineties, some of which are still being supported today.

Through the continuous paradigm shifts and new development issues in international cooperation, additional areas of work were also opening up all the time for GFA. “As a

result of the global awareness of our responsibilities for the environment and international climate policies, resource management and environmental protection has become significantly more important. In many projects and programs that we’re currently involved in,” says Christoph Schaefer-Kehnert, “sustainability is the pivotal orientation point around which things revolve.”

Schaefer-Kehnert has worked for the company for over twenty years. As one of the first department heads at GFA, he was responsible for “Eastern and Southern Africa”. Today he is responsible for the strategic direction of the company, together with the two other CEOs of GFA Consulting Group. “Nevertheless, the challenges in the traditional areas have not gone away. Important issues like health and education and urgent problems like hunger and poverty will not be solved globally in the foreseeable future.”

GFA’s development from a specialist agricultural consultancy into a medium-sized,

1988

DUVENSTEDT

After six years in the first office in Duvenstedt, GFA moved to new premises in Hamburg-Volksdorf.

broad-based management consultancy company is not only due to an expansion of issues and regions it deals with, but also to a successful internal reorganization. In 2000, GFA merged with Hamburg-based Luso Consult. At a stroke, a significant number of ongoing projects, new topics and new staff were added, along with the inevitable problems of integration. “We suddenly had new staff who were used to very different procedures and processes. And we at the old GFA were not prepared at short notice to integrate two dozen staff properly,” recalls Heiko Weißleder. As CEO of GFA, Heiko Weißleder today is responsible for business processes and quality management. “It took a while for us to come to terms with this sudden change and increase in size.”

When Johannes Lagemann retired from the operational business in December 2008 and moved to the supervisory board of GFA, the company had put successful change management in place. Internal procedures were standardized and efficiently organized; the range of services offered to the outside world was coherent and diversified. The new Water & Sanitation Unit – and with it, to some extent, a return to classical engineering expertise – was added. In the certification area, GFA succeeded in reaching other customers beyond the traditional DC clients. The Forest Investment Unit is also working for a new, private business clientele.

“These are still exciting times at GFA and that’s particularly true again at the moment”, is how Klaus Altemeier, the third CEO of the Consulting Group, sizes up the current position. “We are always working in a political context that we cannot influence but that sometimes causes us real headaches. Examples are Afghanistan, Iraq, the Arab Spring in North Africa, drugs crime in Central America, and now Mali. Our staff today frequently work in fragile post-conflict situations.”

At the same time, in terms of development policy and issues, a lot is changing. For example, the approach taken in many projects to support trade as a driving force for development and treating small farmers as local entrepreneurs is very promising. “Green economy” projects, such as in Burkina Faso together with the GIZ, are also seen as pioneering and positive. So everything is on the right track? “Traditionally, we are optimists at GFA,” says Klaus Altemeier and smiles. ❖



FACTS: FIRST OFFICE IN HAMBURG-DUVENSTEDT

Since the beginning of the eighties, Hans Jahnke and Johannes Lagemann, who met while both attending the University of Hohenheim, had been in intensive contact. Since graduation, both had worked for a number of years in international projects and both shared a common desire to set up their own consulting firm. International cooperation was about to undergo a fundamental change: “In the seventies, the German agricultural experts were mainly agronomists with practical farming experience operating as advisors to farmers and/or managing so-called demonstration farms,” notes Johannes Lagemann. “They were walking around the countryside with tans. But times were changing; a paradigm shift was taking place in international cooperation.”

Jahnke and Lagemann were likewise practical people, but with detailed agricultural and economic expertise. They had experiences in project planning, in evaluation, with organizational analysis and cost/benefit calculations. They were thinking outside of the agricultural box.

The founding partners were convinced that there would be a demand for these qualifications over the coming years. In 1982, they co-founded GFA (Gesellschaft für Agrarprojekte in Übersee); their first offices were ready in late 1982.

They were located in Hamburg-Duvenstedt, on Jahnke’s father-in-law’s nursery. He had converted an empty pigpen and garage into offices. The young entrepreneurs Lagemann and Jahnke rented them at a favorable price. Until GFA moved to Hamburg-Volksdorf in 1988, the company was based in Duvenstedt.



Dr Johannes Lagemann,
one of the two founders of GFA
(Gesellschaft für Agrarprojekte
in Übersee)

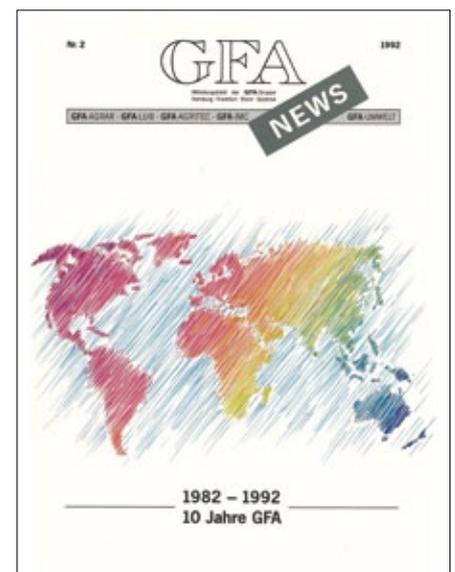
At the beginning of the 1980s, capable consultants in the field of development cooperation had no difficulty in finding well-paid and secure jobs abroad. Johannes Lagemann and Hans Jahnke decided on a different option: **they founded GFA.** “think!” Magazine spoke to Johannes Lagemann about his motivation, the spirit of optimism at that time, and the systematics of change management.

? Mr Lagemann, at the beginning of the 1980s you were a much sought-after agricultural economist with experience working in Latin America and Africa. You got offers from GTZ, KfW and the World Bank. You could have had a well-paid, secure job, but you decided to set up a small consulting firm instead. Why would you do that?

Those years were times of change, both politically and socially; Helmut Schmidt left, Helmut Kohl arrived. The ODA business in Germany was also going through changes. On the one hand, there were budget cuts, and it was neither desirable nor possible to go on as before. On the other hand, change was wanted; young people and fresh ideas suddenly had a chance to challenge the established players in new niches in the market.

Both my partner at that time and I were convinced that our work was meaningful. We enjoyed our work enormously, and I think you could say that we both loved what we were doing. Added to that, we both thought along commercial lines. Of course, we could have continued to draw up commissioned studies or to work as appointed experts in a semi-official status. But we found shaping and deciding things for ourselves and taking full responsibility, including all the financial risks, to be highly stimulating. We wanted to create opportunities and make the most of them. There's a reason why “Creating Opportunities” is one of the mission statements of GFA.

? In retrospect, it looks as if there was a carefully planned strategy to develop GFA. Were there no surprises?



Of course, there were setbacks, disappointments and wrong decisions down through the years. But there were more successes, be they strategic, personal or commercial. The crucial factor was having our finger firmly on the pulse of the times and reacting flexibly to changes in social and economic circumstances.

For example, we reacted very quickly to political change in Eastern Europe; as early as 1990, we began advising the first agricultural cooperatives on production technology and business management. The cooperatives had to adapt to the market and we helped them to do so. In a roundabout way, that was the start of GFA Management Consulting, the first step away from the agricultural and forestry sectors that for us were traditional in development cooperation. It is certainly true to say that all of the business in the East, which is so important for GFA, and not least our collaboration with the Federal Ministry of Food, Agriculture and Consumer Protection, which still continues today, came from those initial contacts in the former GDR.

🕒 In any case, it seems as if GFA's projects and activities in the CIS states and in Asia have shaped and even changed the company significantly over recent decades.

That's right. That has been important, not only for the company, but also for our self-perception and the way we assess our own work. I remember my first job in China in 1988 very well, for example. The government of Lower Saxony had arranged for a model farm to be set up there and for dairy cattle to be delivered. As part of a study, we were supposed simply to collect data on site, but the Chinese completely turned our role around. We ended up having to give a lecture to a huge audience every evening on an agricultural topic in Germany. The people were so thirsty for knowledge and were prepared to take on something new; I had never experienced anything like that before.

🕒 Are these more personal and cultural impressions, or did experiences of that sort also influence the direction GFA took?

One of GFA's guidelines has always been that we must be open to market changes, to expansion, to renewal. Navigating the tendencies and trends to achieve this was and is the role

of management, but it is also always a topic for discussion with staff and on visits in the projects: what is your impression? What could be done better? Where could we go further? Is there a commercial opportunity for us? These were the questions that we posed from the outset and that we are looking for the answers to.

This ongoing search is also part of successful change management. Since the 90s, GFA has held regular strategy meetings in which business ideas and models are discussed. The

decision is then taken whether we should continue with a particular strategy or reject it. Many new business areas have been developed in this way, such as the health and water sector, certification, human resources and labor markets. There were and still are differing opinions in these areas. I remember the issue of the water sector, for example. There were two or three voices saying 'Don't touch it, the market is too small and it's already covered.' But the majority was in favor – fortunately. ❖

1992

OFFICE MEETING

In 1992, GFA staff occupied the newly opened Bonn office and met for a photo shooting.



FACTS: THE BONN OFFICE

In 1992, GFA won a tender from the German Federal Ministry of Food, Agriculture and Forestry (BML) and became the general agent for technical cooperation (TZ) in the agricultural sector in the countries of Central and Eastern Europe and the CIS. In order to complete the contract, a GFA office was opened in Bonn in 1993. Harald Litterscheid (left), Susanne Eggers (2nd from left) and Günter Schmidt (center), later a CEO of GFA Consulting Group, were among the local staff.

Litterscheid developed a financial software package for the BML project and is now the managing director of GFA B.I.S. GmbH for Business Management Software, headquartered in Bonn. Susanne Eggers is currently the executive assistant to GFA's managing directors in Hamburg. Günter Schmidt moved to Hamburg-Volksdorf in 1998 and until 2009 has been one of the directors of the GFA Consulting Group.

GFA's Bonn office was relocated to Berlin in 2008 and is currently managed by Inge Gaerke. The original contract with BML has been running uninterrupted for over twenty years now.



Outstanding results and sound strategies

GFA's core business of managing development cooperation projects is supported by a network of GFA companies, offices and subsidiaries worldwide.

Since 1982, GFA Consulting Group has a sound track record of providing effective solutions to the challenges in the ever-changing global consulting market. The company has implemented complex projects and studies in over 130 countries since 1982.

Today, leading development agencies, ministries and public clients entrust GFA with helping them to manage ODA projects financed through bilateral and multilateral funds. Working in cooperation with stakeholders in government, the private sector, NGOs and citizens' groups, GFA balances innovation and reliability to meet local needs. The German GIZ and KfW, the European Union EU, the European Investment Bank EIB, the European Bank for Reconstruction and Development EBRD, the Asian Development Bank ADB, the Swiss Agency

for Development and Cooperation SDC and the US Government Millennium Challenge Corporation MCC as well as private companies are amongst the regular GFA clients. Currently, GFA offers services related to the nine business areas Private Sector Development, Financial Systems Development, Public Sector & Fund Management, Labor Markets & Human Resources Development, Agriculture & Rural Development, Climate Change & Energy, Natural Resources & Certification, Health & HIV/AIDS and Water & Sanitation. To achieve outstanding results, new services are continuously integrated into the existing GFA portfolio. Such services are often multi-disciplinary in nature so that related concepts are elaborated by teams from various GFA departments who bring in a variety of competences and expertise.

The focus of GFA's corporate strategy is founded on three decades of success in official development assistance ODA. Gradually, the company has started to offer resulting know-how to private and public customers beyond ODA. Regular market research helps GFA define its position and focus on critical trends. The company tackles change through systemic learning processes where knowledge management has a decisive role to play. In perennial planning cycles, GFA adapts the corporate strategy to product and market decisions, leading to the successive expansion of specialized units, local offices, subsidiaries and independent firms. Members of staff feed this iterative process with ideas which the management team translates into action. GFA's executive board sets priorities and mobilizes the resources necessary for innovations which



The headquarters of the GFA Consulting Group are located in the Hamburg suburb Volksdorf. The employees are spread across multiple office buildings located within walking distance. In the spring of 2013, another building will be ready (see page 31).

sustain the company's outstanding technical expertise, high value services and distinctive customer orientation.

Since 2008, GFA Consulting Group and GFA's executive board are led by the three long-time employees and now managing directors Klaus Altemeier, Christoph Schaefer-Kehnert and Heiko Weißleder. Over the years, they have implemented a decentralized organizational structure across all disciplines and regions and have established state-of-the-art methods and instruments to manage technical assistance projects and to advise clients.

Internally, the top specialists working with GFA in Hamburg as consultants and managers are assigned to four regional departments Asia, Africa, EMENA (Europe, Middle East & North Africa) and Latin America & Caribbean as well as the technical departments Financial Systems Development, Forest & Wood Certification, Health and HIV/AIDS, Labor Markets & Human Resources Development and Water & Sanitation. Additionally, the current portfolio of services is completed by GFA units C³ Training, GFA Optimist and Forest Investment. GFA SysCom GmbH based in Hamburg supports GFA headquarters with up-to-date IT solutions for its office management.

In Berlin, GFA Consulting Group is represented by two outlets. GFA's Berlin office provides services almost exclusively for the Bilateral Cooperation Program of the Ministry of Agriculture (Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz, BMELV). GFA has been the general agent of the ministry for international pro-

jects since 1992 and developed the concepts, commissioned implementation and carried out the technical and financial monitoring. GFA Public, also based in Berlin, is specializing on solutions for the German public sector

administration and issues related to labour markets, education and the role of NGOs.

GFA B.I.S., based in Bonn, is an IT company that specializes in consulting and implementation of business management software adapted to the needs of international development projects. GFA B.I.S. excels in customizing professional standard software to clients' needs. A team of experienced and dynamic managers and IT experts takes care of the GFA B.I.S. portfolio of projects funded by major ODA agencies. In addition, the company offers resulting know-how to private and public customers beyond ODA.

In 2012, GFA Consulting Group is represented by offices in Bangladesh, Vietnam, China and Indonesia. In Morocco, the GFA subsidiary THALYS Conseil s.a.r.l. provides a fully fledged and broad range of consultancy services in the sectors of agriculture and rural development, management of natural resources, decentralization and local development, as well as training and capacity building. In 2013, GFA Certification will become an independent firm and an outlet in Serbia will be opened. ❖

Joachim Gromotka will never forget one of the weirdest noises that ever happened to him during his career as a staff member at GFA: “There was this strange rustling, this fanfare of early food aid. When you went to the ports in Dakar or Cotonou in the 1980s and inspected the food aid on board the ships, you could hear it. You only needed to put your ear to the corn or rice bags and you’d know – the shipment was alive. The bugs had taken it over again.”

Joachim Gromotka, one of the first GFA members of staff (see page 12), now heads the GFA MEDICA Department. The economist worked in Senegal from 1986 and assisted in improving the formerly adventurous food security services in the Sahel over many years. “Food aid for emergency situations still exists

From famine relief to AIDS/HIV prevention

The GFA MEDICA Department is managing various health projects in Europe, Asia and Africa. Few people remember that many of these projects arose from food aid in Africa.

today and it continues to be justified and important. However, the time of unseaworthy ships with waste grain that would then rot in overflowing storage facilities and no longer be available when it was actually needed is long gone. We took care of that back then.”

Gromotka explains the process using the example of Niger, a country in which GFA has been working on projects for two decades. In addition to buying local crops, particularly millet and sorghum from Niger or the neighboring grain basket of Nigeria, market information was gathered and broadcasted to farmers and traders via radio. “Weekly prices of crops across the country, transparency on the market. These were fundamentally important steps in reducing the extreme price fluctuations,” explains Gromotka. “It enabled local social marketing advisers to get involved in the market and stabilize supplies.”

From the early 1990s, the large-scale food security programs were wound down and alternative mechanisms created. GFA remained in Sahel – in other projects, which were based upon the market information systems which also yielded other answers. For instance, when is harvest time and where are local workers still concentrated regionally according to this? When must labor-intensive infrastructural measures, such as road-building and detention reservoirs for irrigation, be tackled there?

Joachim Gromotka says: “We supported water management and the protection of resources in this way, and paid particular attention to generating local income as well as slowing down migration into the cities and abroad as much as possible. Doing this naturally involved developing adapted projects such as healthcare services on the initial basis of our market information and food security early warning systems. For example, we had a reasonably accurate idea of how high the immunization rate was and where nomadic families were experiencing problems.”

Currently, his department is involved in projects in 20 countries, including Bangladesh and Vietnam in Asia, as well as Turkey, Burundi and Mozambique. The focus of these projects lies on developing the healthcare services and, as always, HIV/AIDS, including in Niger. Today, in 2012, Niger has a population of over 16 million people, a figure that has doubled since 1990. The fertility rate of over 7.10 births per woman is among the highest in the world. “Making HIV/AIDS prevention the focus of a health project obviously

also involves the ulterior motive that condoms can help with family planning,” says Joachim Gromotka.

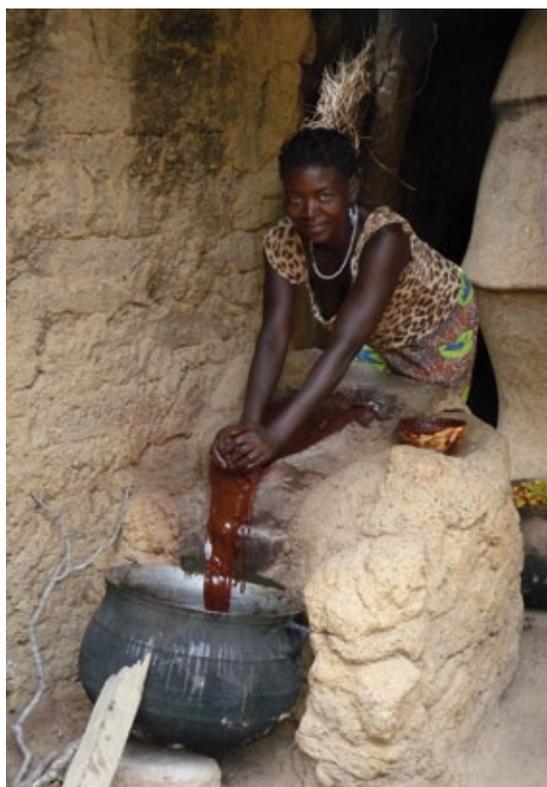
The challenge is that around 95 per cent of Nigeriens are Muslims. In the 1990s, any advertising for contraceptives and condoms was massively criticized by fundamentalist forces. Posters were torn down from walls and billboards were destroyed, the justification being that no one should tell Nigeriens how many children they should have. The increasing number of HIV/AIDS infections and a clever marketing strategy finally marked the turning point in the discussion at the end of the decade.

More and more politicians, artists and sportspeople publicly backed the prevention campaigns. “When you have Balla Harouna, one of the most famous wrestlers, on your side and the President’s wife has her picture taken with a pack of condoms, even the most conservative imams can no longer ignore the topic,” says Gromotka smilingly.

Since 2003, GFA has been supporting the program initiated by the Nigerian Health Ministry and the KfW and the founding of a non-governmental social marketing organization called ANIMASSUTURA. Its task includes marketing of condoms and other contraceptives socially acceptable that they are available at low prices at kiosks day and night – even in the most remote places and specifically on the twofoldly dangerous truck routes through the country.

The advertising posters show the traditional “foula” hat, which reliably protects Nigeriens from the blistering sun – the ideal metaphor for protection during sexual intercourse. The current campaign slogan, “Passe-moi un balla!”, yet again uses the popularity of the national sport of wrestling – and the good reputation of champion Balla Harouna, whose first name is now used to mean a condom.

“That sounds really cute at first, but there is a very successful project behind it which can also be used as a model for other areas in development cooperation,” believes Gromotka. “We have managed to develop national structures which work efficiently and highly focused with a local steering committee at the helm.” ANIMASSUTURA has since been continuously expanding its product range, which it promotes across the country: in addition to condoms, the range now also includes the contraceptive pill, monthly injections and tablets for water treatment. ❖



In Niger, famous wrestlers are backing the prevention campaigns initiated by ANIMASSUTURA and GFA.

FACTS 2012

GFA MEDICA DEPARTMENT

Countries	20
Projects	19
Studies	11
GFA Staff abroad	18



Today, the African farmer must see himself as an player on highly competitive local markets.

The farmer as an entrepreneur

There have been successful project approaches for supporting both agriculture and the private sector in Africa before. Now the two aspects are to come together for a project in Mozambique.

Since 2011, Jan Sass has been head of the Africa department at GFA. When he started with the company in 1998 as a consultant, development work on the African continent was significantly characterized by food security and irrigation projects. For decades animal husbandry and irrigation meant helping farmers and smallholders gain as much water as possible through technical assistance

and infrastructure, allowing them to maintain subsistence farming.

“Speaking in very simple terms, two or three decades ago we would go there and say: ‘You’ve got the water for your corn, your millet and your cattle. Now use governmental extension services and secure your family’s food supply’,” remembers Sass, who has been doing development work in Africa, Asia and the Middle East for more than 20 years. This approach has long been outstripped by time and the development of African countries: the population figures in many countries have increased rapidly; many fertile areas are no longer productive due to environmental damage. Water is no longer a free, unrestricted resource.

“It simply won’t work any other way: the African farmer that we advise today is not a recipient of aid; he must see himself as a small entrepreneur in an economic-agricultural context in which key sections of the corresponding value creation chains now need to

be ensured locally to a much greater extent. He needs to invest and get to grips with concepts like water-saving irrigation methods and agricultural production inputs, with modern market information systems and things like contract growing, quality management and sales logistics,” says Sass. “He essentially needs a plan, a business concept: he competes on the market and needs to recover his costs and investments, getting corresponding market values for his products.”

A project that works on exactly this basis is being supported by GFA in Mozambique on behalf of the Swiss Development Cooperation. As part of the “Income Generation through Micro Irrigation” project, advisory services regarding modern irrigation management that is adapted to match the economic capacities of the farmer is combined with advisory services for the farmer as an entrepreneur.

“In my opinion it’s one of the most exciting projects that we’re currently involved in,” says Jan Sass. “It combines many of GFA’s key competencies. In the past, we have worked on topics such as irrigation, management and agricultural extension services. Other areas of focus have been private sector production and enhancing value creation in production chains. We are still doing this, for example in Kenya and Burkina Faso. But in our project in Mozambique these areas of experience are being brought together in a very logical way. This includes considerable input of knowledge and experience from different contexts, including experiences from Brazil.”

GFA will be working on the project until 2017 on site in the province of Nampula with regional professional organizations, associations of farmers, universities and the knowledge platform Local Economic Development for Africa (LEDNA). By opening up new routes for bringing products to market and refining projects, Sass believes that two things should be achieved in the medium term that are of central importance: local value creation and expanded market access, particularly for small land holders that have previously been marginalized. The small-scale producers will be integrated into the very dynamic economic development process of the region.

Jan Sass is convinced of the opportunities that the new professionally and organizationally multi-discipline project approach will bring: “The fact that the topics of developmental cooperation are increasingly gaining weight in a cyclical manner has its advantages. We can do lots of things better and use the lessons learnt from the past.” ❖

FACTS 2012

AFRICA DEPARTMENT

Countries	19
Projects	29
Studies	2
GFA Staff abroad	35

one of us

CORNELIUS VON FÜRSTENBERG

Team Leader, Salvador de Bahia, Brazil

Ecological Corridors Project – Central corridor of the Atlantic Forest in the federal states of Bahia and Espirito Santo

I work as forestry expert for GFA since 1995 and have been deployed on several continents. I started out in Kalimantan, Indonesia and later went on short term assignments to the Cape Verde Islands and Costa Rica. Since 1998 I have been engaged in various nature conservation projects in Brazil in Curitiba/Parana, in Belo Horizonte/Minas Gerais and, since 2007, here in Bahia – most recently on an intermittent basis.

The Mata Atlântica coastal rain forest in Brazil, with its vast extension from north to south including a number of different altitudes and climate zones, offers a diverse range of habitats and is home to an extremely large number of plant and animal species. The forest is now heavily strained and very fragmented as a result of human settlement over the last 500 years.

We are working at two project locations, one in Vitoria and one in Salvador, with about a dozen employees. The core task for the project is to assist the Brazilian authorities to strengthen the designated state conservation areas as central zones through investment and personnel training and to work with local NGOs to protect forest lands under private ownership and so preserve or re-establish the biological corridors. The populations of rare plants and animals can only survive if genetic interchange between them is guaranteed. To support this, the local population has to participate in form of tangible benefits from conservation.



ANGELA ENGELHARDT

Copy Shop staff, Hamburg

I have been working in the Copy Shop at GFA for 16 years. When I started, there were fewer than 40 staff in the building and there was not that much work every day. Today there is a total of 200 people; so you can imagine how busy it sometimes gets here. In addition, the store and stock issue department is also located here.

The printers and other devices have become more modern over time, of course. In the past, colleagues used to come to the Copy Shop with their master copies. Now they send us an e-mail or access the printer directly via the internal network.

The content comes from the regional and technical departments; we then make an attractive GFA product out of it with our printers, coversheets, binding machines and spiral binders.

I guess there is no offer, no GFA project that has not come through here or been duplicated here in one form or another. And the quantities that we handle here are enormous: our standard copier paper, which of course has the FSC® seal, is delivered on pallets. We have calculated that we currently use about 150,000 sheets a month.

SILJA OSTERMANN

Junior Long Term Expert, Dhaka, Bangladesh

EU-Bangladesh Trade Policy Support Programme

I started as a Young Professional in the Latin America and Caribbean Department at GFA HQ. My first long term assignment was in Afghanistan. In Bangladesh, I work closely with the Bangladesh Foreign Trade Institute and the Export Promotion Bureau and am responsible for the project's communication and visibility.

My experience in Afghanistan where I conducted and organised training sessions is very helpful to me in Bangladesh. I also learned to stay calm when things don't turn out as planned or are simply organised more spontaneously.



Colorful Bangladesh, its great people and the Bangla language fascinate me. I suppose that this genuine interest contributes to our team's good image. I enjoy hearing our counterparts' opinion, planning activities together and sharing information. I have a passion for creative work and am therefore happy with my communication and visibility tasks.

One of the most pleasant days at work was when I went into a meeting with the Director General of the Export Promotion Bureau and found a huge photo poster of colleagues, including myself, on the wall. It was a bit strange to look at my own face but good to realize that he apparently appreciates the cooperation.



FACTS

Almost **900 million people cannot read or write.** In more than 20 countries, illiteracy rates amongst women exceed 70 per cent. Throughout the world, children are denied education because they are forced to work or because their parents cannot afford the costs of schooling. Approximately 30 million children miss primary education as a result of armed conflicts.

WHAT WE THINK!

Education is a fundamental human right. It is an essential building block for individual, community and national development and the cornerstone for economic and social development. The first challenge is to **increase opportunities for people at all stages of their lives.** The second is to improve the relevance and quality of education and training provision through curriculum reform, teacher training and the effective use of modern technology.



education



Paul van der Poel joined GFA in 1993 and worked in Vietnam for six years. He has been the head of the Asia Department since 2001.

Many countries in Asia have paid a high price for their economic upswing.

Living spaces have been destroyed. Forests have been cleared for profit. And the results have been fatal. Déjà vu for experienced experts like Paul van der Poel: **the current climate protection programs are building on the forestry projects of the 90s.**

? Paul, you have been with GFA for two decades now and have spent almost all of your time in Asia. When you joined the company in 1993, the focus was mostly on projects in Africa and Latin America. Looking back: how did GFA's involvement in Asia become so strong?

This can be attributed to personal, professional and historical reasons. The company founders and the initial staff at GFA mostly came from an agricultural background and had many years of experience working in projects primarily based in Africa. They had close contacts, networks and clients there and that was where the major projects for securing food supplies, which were the main focal point in development cooperation in the 80s, were located. It was where the agricultural experts felt at home.

In the mid-80s GFA conducted its first studies in Indonesia and we began establishing good connections there. For example, Johannes Lagemann met Klaus Altemeier and Ernst Küster there, both of whom transferred to GFA and were a major part of its development.

In 1990 the Social Forestry Development Project (SFD), the first major project in Indonesia, was launched in West Kalimantan, Indonesia with GFA at the lead. The significant increase in calls for tender for forestry projects with social and economic components in the Philippines, Indonesia and Vietnam in the mid-80s marked GFA's entrance in Asia. At the same time the proportion of forest economists, economists and project management specialists in GFA's staff saw a massive increase.

? In the mid-90s GFA had more than a dozen forestry projects in Vietnam, some of which still live on in follow-up projects today. A simple coincidence or the result of clever business strategies?

A little of both. GFA developed a very good reputation in Asia – which it still has to this day – in the course of conducting its first forestry projects there and was awarded projects by all major donors, such as the Asian Development Bank (ADB), the EU, and Germany's KfW and GTZ (today's GIZ) thanks to its qualifications and specific know-how. So it wasn't a coincidence.

On the other hand, after the reunification in Germany countless Vietnamese citizens who had received excellent training in forestry in East Germany returned to Hanoi and Saigon. We were able to recruit many of them as

project team members. There were also many civil servants in the government ministries who had been trained in East Germany. We recruited the initial staff for our office that was opened in Hanoi in 1996 from this pool.

🔍 What has changed in recent years and what became of the forestry projects in the past?

Over the past several years we have increased our efforts in other projects. But when it comes to forests we can say: there have been a lot of positive changes over the years thanks to the projects on site, but the big picture remains very problematic. A lot of areas are still senselessly destroyed and the eternal conflict between economic interests from abroad, the domestic population pressure, and the local inhabitants remains unresolved. But the sizes of the forests and the success of reforestation efforts are increasing in some countries.

The forestry projects continue to be important, but many are now linked to other efforts like forest management, financial and budget planning, taxation and the development of value chains. In other words, forestry projects are no longer looked at solely as projects for the forest, but are part of greater measures involving sector development, forest and water management and, above all, climate protection. Examples of this are seen in the Forest & Climate Protection Program in Indonesia and the Watershed Management Project in Laos. We are supporting the government in Jakarta at the ministerial level in formulating, implementing and monitoring measures for the introduction of the Reducing Emissions from Deforestation and Forest Degradation (REDD) mechanism. In Laos, GFA has been supporting the pilot watershed management project in the Lower Mekong Basin, which is co-financed by the KfW. Embedded in the “Lao National Water Resources Policy and Strategy”, 43 villages are receiving assistance in establishing and executing sustainable land use planning to improve their livelihood. The land registration of all areas is the key feature in this project.

🔍 Back to the other Asian projects you just mentioned. Could you briefly describe some of them?

For nearly 30 years we have seen strong economic growth rates in Asia. This should, in general, be welcomed, but unfortunately it has come at a price. Hard-won victories in the quality of life and the future growth potential for national economies are endangered by the

overexploitation of natural resources. Pollution has also reached alarming levels.

The question of how individual countries and the region as a whole can shape their future in an ecologically sustainable manner is moving closer and closer to the center point of the debate. GFA will provide consultation at the behest of the EU through the “Sustainable Consumption and Production (SCP)” project for the governments in Malaysia and Indonesia until 2015 and in the Philippines until 2016. The basic conditions and concrete measures for modifying production structures and changing the behavior patterns of consumers to promote increased sustainability will be planned and implemented during this project.

We are supporting another important approach with projects in Nepal and Indonesia, for example, where we are supporting regional governments and municipalities representatives in improving their financial management at the behest of the GIZ. The citizens in Asia are making demands to their states, and rightly so. They want improved services, reliable social provisions, compliance with the

law and improved conditions for economic investments. It is becoming increasingly clear that the reason why these state services are not offered in Asia cannot be attributed to a lack of money, but rather to a lack of good governance and transparency. We helped reform the process behind basic tax revenues in the Philippines in a pilot project. As a result there is now more transparency and the revenues have increased many times over. And the increased revenue isn't lost in the government agency, but is used to benefit the citizens. ✦

FACTS 2012

ASIA DEPARTMENT

Countries	13
Projects	36
Studies	3
GFA Staff abroad	27



FACTS: THE HANOI OFFICE

In the mid-90s, when GFA got involved into over a dozen forestry projects in Vietnam, the company decided to establish a permanent representation in the capital. The official GFA representative office opened in 1996 in Hanoi.

Since then, the staff and the acting head of the office, Dinh The Dung, take care of the regular tasks like assisting the implementation of eleven on-going projects in Vietnam and maintaining and developing the necessary relationships with ministries, institutions and organizations in Vietnam. Additionally, arrangements and support for project staff and fact-finding missions as well as consultation with possible partners to enlarge GFA business in different sectors are on the office agenda.

Maintaining a representation and “being in the Hanoi loop” for over 17 years now certainly has paid off for GFA. The experience gained with national and international biddings for ODA projects and implementations in the fields of agriculture, forestry, water, environment, health and education is a priceless asset.

GFA is active in eleven countries in North Africa and the Middle East, from Mauritania and Morocco in the West to Iraq and Yemen in the East. The working conditions in the region have changed since the Arab Spring began. Some projects have even been placed on hold. For Daniel Wahby, the head of the EMENA Department, these times are both challenging and exciting.

**Yes,
we
stay**



In early January 2011, a young vegetable dealer named Mohamed Bouazzi died in a hospital in Tunis. No one could have imagined that his self-inflicted burns would completely change the political landscape of North Africa and the Middle East. But this is exactly what happened: the governments in Tunisia, Libya and Egypt fell; a civil war is being waged in Syria.

Libya had been cut off from international development cooperation for years. In most other countries, in which the Arab Revolution has since begun, GFA was primarily involved in projects for rural development and food security; for strengthening public administrations and services; for promoting the development of private sector and trade; and to set-up demand-driven vocational training and education systems. Most of the projects continued during and after the revolutions, but some were put on ice.

For example, take Syria: “The EU-financed Trade Enhancement Project was still running there in the beginning of 2011,” says Daniel Wahby, the Regional Director for Europe, the Middle East and North Africa (EMENA) at GFA. “The project, under the lead of the Ministry of Trade, focused on improving the institutional and legal framework for Syria’s import and export economy. The first reforms within the ministry were just coming about when the project was suspended as part of the EU sanctions against the government in Damascus.”

The contracts with the employees had to be dissolved. “We were still in contact with some of the Syrian employees and colleagues up until a few weeks ago, but all contact has since been lost.” The foreign experts who were working in Damascus were called back and flown out of the country before the situation got out of control. “Of course, we follow the instructions of our donors. They are the ones who decide if a project goes on or not,” says Wahby. “However, in case of doubt, the final responsibility for the assessment of risks and for the safety of our experts and employees remains with us.”

The transition of power in Tunisia and Egypt was less dramatic – at least in terms of its effect on international cooperation. Since 2008, GFA has supported the development of seven so-called Enterprise Training Partnerships in five different sectors (construction, tourism, leather, chemistry and print media) along the Nile as part of Egypt’s EU-funded project „Reform of the Tech- ➔

FACTS 2012

EMENA DEPARTMENT

Countries	20
Projects	30
Studies	6
GFA Staff abroad	11

nical and Vocational Education and Training System". These public-private partnerships ensure that the vocational education and training in Egypt is driven by the actual demands of the industry. The aim is to provide the industry with the urgently needed skilled labor force and to ensure the employability of the graduates at the same time, a real win-win solution. During the Arab Spring, the project's future was not clear for several weeks, but fortunately, it never came to a complete stop and picked-up speed again shortly thereafter.

"There were, of course, some changes in top positions of Cairo's ministries but at the project level, our people are still working with their counterparts and the local experts," says Wahby in assessing the development. "We have to be prepared that there might also be some changes at the working level within the ministries, but overall we are optimistic that the cooperation will continue in a good way."

Regardless of the political and religious affiliation of our counterparts, the projects' challenges will not change significantly: at their core, they are all about strengthening the economic power of these countries and involving their people in the economic and social development. For this reason, the key areas for cooperation remain capacity building in public administration and in civil society organizations, education and employment, trade and improved market access to Europe. With regards to the latter, the alignment with European standards and regulations becomes more and more important. However, many countries are already on the right track.

According to Wahby, this positive development requires not just changes in the traditional development cooperation, but also within the consulting firms that are involved: "We need experts who are very close to the relevant topics and the latest know-how in Europe and we need structures that allow us to react flexibly to the fact that projects are increasingly also tendered locally. For GFA itself, this could mean to cooperate even more with local partners or even with own subsidiaries to be established in these countries: "assuming, of course, that the security situation remains OK."

This is exactly the focus in the recently launched EU-funded project with the Ministry of Interior (MoI) in Iraq, where GFA supports the MoI's "Higher Institute for Security and Administrative Development" in improving the training of higher police officers through "training of trainers" and management capacity building at the institute. ❖

YEMEN: REMOTE CRISIS MANAGEMENT

FEBRUARY 2011. Motivated by the "Arab Spring" in North Africa, the Yemeni people are also rising up against their longtime ruler Ali Abdullah Al Saleh. From my hotel window in Tahrir Square in Sana'a, I am able to observe how government forces still have a firm hold on the capital's central square. I don't know yet that this will be my last visit to my former adopted country for now.

Just four weeks later, in March 2011, the increasingly violent suppression of mass protests prompted the German Federal Government to withdraw all foreign advisers. The food security project which GFA has run on behalf of GIZ since 2009, has also been affected by the evacuation and has been put on hold until further notice. In June, President Saleh was seriously injured during an attack and left the country. Until his official resignation in November 2011, the political situation remained unclear.

The Federal Ministry of Economic Cooperation and Development (BMZ) has indicated during the early stages of the crisis that cooperation with Yemen should continue where possible, respecting strict security measures required by the Ministry of Foreign Affairs, in order to send a signal of support to the destitute population, even in a political crisis. Accordingly, the project was reinstated, focusing on the needs of target groups and with a direct impact on the poorest of the poor. What began as a political consultation project at the highest government level, has turned into a practical "emergency-like" project at target group level during the course of the crisis.

These days, our local team implements so-called "cash for work" programs right in the poorest regions of the Yemen, from which poor families benefit directly by getting paid for their work. The programs are also chosen with the aim of achieving long-term improvements to the region's infrastructure which will help stimulate the local economy. The project supports such efforts as the construction of rural access roads, the rehabilitation of irrigation channels and sand dunes stabilization to prevent desertification.

The project has only survived 2011 because of the winning spirit and motivation of our local team. Time and again, our Yemeni colleagues have managed to convince us of the feasibility of their proposals. Our co-workers have planned and carried out complex logistical projects with a high level of local participation – and have also diplomatically resolved violent local conflicts.

Managing such an unusual project from afar was a real adventure for me too. Little is predictable in a crisis and processes are never "standard". A lot of communication, improvisation and diplomacy is required. While sustainable long-term development cooperation is temporarily with no doubt less realistic, short-term, targeted and on-the-spot assistance becomes even more important.

In November, I will once again be able to travel to Yemen for one week, in order to plan a continuation of the measures in 2013. I'm already looking forward to the new proposals of our Yemeni team!

Catrin Schreiber is the team leader of the GIZ "Yemen Sustainable Food Security Programme". She is managing the project remotely from GFA's Hamburg office.

REGINA TROJAHN

Head of Project Accounting, Hamburg

I am head of a department with a total of 24 staff; we have commercial executives, business specialists and economists, a social economist, a political scientist and a tax specialist here in project accounting.

One of our many tasks is instructing project staff in the proper financial management of projects. We also monitor spending and documentation for projects, compile invoices that go out to our clients, take responsibility for budget calculations and participate in the preparation of the annual accounts.

Our day-to-day work also includes supplying the projects with money, i.e. at regular intervals the projects send us a request that states clearly how much money they will need over the coming weeks and for what purposes. We check it and say: "Stop!" or "OK, that's in the contract and has been provided for." Purchasing and spending is then carried out locally.

Of course, when I started at GFA in 1990 things were very different. We had to improvise a lot more back then. For example, tires and spare parts for project vehicles were bought in Hamburg and sent to Africa by the most circuitous routes.



EDDA MEINHEIT

Head of Personnel Recruitment, Hamburg

I took over management of the recruitment department from Maria Lagemann in April of 2008. Since then, our database of experts has grown to 20,000 names.

Basically, it's a network built up over the past thirty years of reliable contacts, personal recommendations and targeted search results for people with special qualifications. Naturally, the most important duties are maintaining the contacts and keeping their quality high.

When setting up project teams, we work closely with the regional and technical departments. The departments handle the technical offer, while we bear full and primary responsibility for HR. We're happy to work closely with them, of course, if they have any proposals or potential candidates in mind for team leaders, experts or short-term staff. Having the right personnel on hand is becoming increasingly the most important part in securing contracts.

In the search for suitable staff, we also explore many channels far beyond our own sources. We are highly active on the Internet and also recruit through public platforms like LinkedIn or Xing. They are becoming ever more vital.



HA VAN HUNG, *Assistant to Chief Technical Advisor ACTA, Hanoi, Vietnam*
Forest Development in Hoa Binh and Son La provinces, KfW7 – Vietnam

I studied forestry at the Technical University of Dresden. After I returned to Vietnam, I started to work as an interpreter and assistant for the data collection and market survey for GFA in 1994. At that time, the company started to implement the first KfW project in Vietnam (KfW1 – Afforestation in Bac Giang and Lang Son provinces).

I met and worked together with a lot of the current GFA department managers like Paul van der Poel and Klaus Altemeier when GFA entered the Vietnamese market in the mid-nineties.

In the current project, I assist the team leader with coordinating all activities of the consulting office and with maintaining a closer cooperation with our Vietnamese counterparts – the so-called National Project Management Unit (NPMU). We also assist with elaborating on the annual plan of operation (APO) and the quarterly and monthly breakdowns.

The main project objectives are the rehabilitation and sustainable management of ca. 30,000 ha of permanent mixed forest in Hoa Binh and Son La according to FSC certification criteria, and with the sustainable management of biodiversity protection areas.

It's as if GFA Consulting Group was predestined to work on forest management and sustainable forestry projects: the group has experience in this field in 130 countries across the world. Since the beginning of the 1990s, GFA has successfully implemented forestry projects from Latin America to Asia.

"GFA has proven expertise when it comes to gaging the benefits of sustainable management of forests and timber plantations," says

can be difficult for investors to assess. There we have the necessary contacts and experience to deliver the data required for evaluation, risk analysis and sound due diligence."

And the GFA Forest Investment Unit's services don't stop with project development and coordination – they also include ensuring smooth management on site. "Our task doesn't just end with the purchase of the forest, because then the work on site is only just beginning. We need to ensure that the business model that we have developed works far away from our investors' offices and over many years." At the end of 2011 the Forest Investment Unit obtained a teak plantation for an institutional German investor and is still involved in management planning and specialist monitoring on site, even now that the transaction is complete.

"Naturally, we look in both directions. It can happen that an investor on the hunt for a certain investment opportunity approaches us, but we are also able to identify an interesting project and offer it to our clients. Forest investment is a growing and very promising market. When I came to GFA a good two years ago, my previous company had already invested over a billion US dollars. And counting," says Nils von Schmidt.

The Unit has found another, at first unexpected, partner in leading Swabian model-making company Graupner. For almost ninety years Graupner has been supplying top quality automobile, ship and airplane models made from balsa wood, which is native to Ecuador, to specialist retailers. Alongside model-making, a new field of application for balsa wood has appeared in recent years: large quantities are being used in the rotor blades for wind farms.

Graupner runs its own balsa-producing plantation in Ecuador and has had its own processing facilities on site for several decades. Following a feasibility study for balsa wood investments carried out in Ecuador in 2011, the Forest Investment Unit is now planning the expansion of the plantation area together with Graupner and private investors in order to provide Graupner with balsa for wind farms.

Timber from sustainably managed plantations for generating wind energy. Nils von Schmidt is delighted that the GFA Forest Investment Unit is taking a leading role in this combination: "It's a green investment from start to finish. Investing in a forest and using the sustainably generated timber in plants designed to generate renewable energy? Now that's hard to top." ❖

"It's a green investment from start to finish."

The GFA Forest Investment Unit develops projects for investors that want to run forests and plantations sustainably in emerging markets.



Massive wings with Ecuadorian balsa wood inside

Nils von Schmidt: "We are able to quickly evaluate almost any forest in any country and find out whether management according to both economic and socio-ecological criteria would be logical. If it is, we can develop and realize the corresponding project concepts."

Forestry economist Nils von Schmidt has been managing the GFA Forest Investment Unit, which offers these specialized services as well as project development to private business partners and investors within an international context, since 2011. "Forest investments are long-term monetary investments in forests and plantations that usually run for around 10 years, but occasionally last even longer," says von Schmidt. "These time frames are interesting for what we call institutional investors, such as insurers, pension funds and family offices."

Before capital-intensive investments, which can often be in the millions, are considered, the GFA Forest Investment Unit assesses the framework conditions of the project for the partner. "Our strength is our experience on the ground," says von Schmidt. "Especially in what we call the emerging markets, which

Social projects from Bolivia to Laos

As an expression of its personnel's social commitment, GFA Bridges has been fostering small projects abroad.

Since 2010, GFA staff and related parties had proposed a variety of eligible projects. A limited number of these projects have been selected and financed by GFA. The six selected projects for 2011 are located in Africa, Asia, Europe and Latin America.

In Kenya, Bridges supports the "Give IT to Kids project" that helps schools in slums to set up IT infrastructure for teaching. Poor children in Kenya often remain computer illiterate as their schools do not have the means to offer computer training.

In Laos, ten volunteer youth from Sweden together with students and their parents in Ban Na Luang have constructed a class room for children of three ethnic minorities. GFA contributed € 3,000 to the new school.

For many years, the Rotaract Club of Butwal has been supporting the Shree Bayas Primary School of Sunkauda, Nepal where 85 children of poor laborers are educated. GFA Bridges contributed more than € 3,700 to build a functional toilet, water supply, a library and to buy school books and furniture.

Sixteen years after the war, children in Bosnia and Herzegovina broadcast their own Youth Radio and create their own program assisted by a € 3,540 contribution of Bridges.

When the wooden house of an Outdoor Kindergarten in Hamburg-Volksdorf was burned down by arsonists, the whole kindergarten was in jeopardy. Even though playing in the open all year round, the children need housing for shelter and storage. GFA Bridges contributed to the rebuilding by financing construction materials and a new swing.

In Bella Vista, near Cochabamba in Bolivia, thanks to GFA Bridges financial support an old container left behind in front of an vocational boarding school has been converted into a Creative Box. Handicrafts, games and music will be staged soon. ❖



Geothermal energy for new corporate headquarters

In the design of the new corporate building in Volksdorf, GFA is opting for renewables that come from the ground.

The headquarters of the GFA Consulting Group in Hamburg-Volksdorf will include another building in 2013. In addition to the existing three buildings, a new office building at Fossredder 12a will be opened in April 2013. The topping out ceremony took place on September 28, 2012.

The building has been designed by the Hamburg architects LA'KET. An extraordinary office building will be created covering around 850 square meters and with at least 50 new workspaces; on completion it will fit in nicely with its architectural surroundings. The enclosed areas of the facade are being covered in red facade panels; the transparent areas are mostly fitted with triple glazing.

In accordance with the wishes of the future tenants, GFA Consulting Group, construction is being completed with ecological building materials and to the latest standards of energy efficiency. The main energy source for the new building is geothermal and it will also be used to cool the floors in summer.

Before the actual construction work began, holes were drilled to a depth of approx-

imately ninety meters and plastic tubes were inserted into the foundations of the new building. A fluid mixture consisting of water and anti-freeze at a temperature of about six degrees circulates through these tubes and, as it passes through the earth, picks up four to five degrees of heat. On its way to the heat pump, the refrigerant heats up and changes state from fluid to gas. This process is increased by the pressure in the heat pump compressor. As a result of this compression, the temperatures increase to such an extent that they can be used for heating. Both the heating and hot water systems are run in this way.

Eighty per cent of the energy required to cool and heat the building in Fossredder is obtained by this method. The electricity required in the new building comes from a provider who uses renewable sources.

The decision to develop the Volksdorf site of GFA Consulting Group was made in conjunction with the building owner, GbR Fossredder 12. GbR Fossredder 12 is a group of investors that feels a strong affinity with the Hamburg "Walddörfer". ❖



good gov



FACTS

In 2010, Official Development Assistance (ODA) worldwide amounted to \$ 131 billion. It is estimated that **nearly \$ 1 trillion worldwide transactions are tainted by corruption.** The Africa Commission on Human and Peoples' Rights states: "Unless there are improvements in capacity, accountability, and reducing corruption, other reforms will have only limited impact."

WHAT WE THINK!

Good Governance is the foundation of a state's ability to serve its citizens. Without the political will to serve, to manage resources in a sustainable way, and to set up transparent and inclusive procedures for decision-making, the path to democracy is vulnerable and uncertain. We are here to support those who wish to raise awareness about the rights and duties of both citizens and governments and to increase their capacities to fulfill them. **It is a uphill, but valuable battle to overcome fatigue, nepotism and corruption.**

overnance

Over € 120 billion is spent every year on development aid. But this has certainly not managed to eliminate poverty and misery from the world. Ongoing discussions of whether this money is actually doing any good at all, or if it is even doing more harm than good, are controversial.

Critics like economist James Shikwati are demanding an outright ban on development aid. In their current form, Shikwati maintains, these funds only serve the interests of the wealthy North: a means of political control and donations to prop up corrupt regimes.

Seasoned pragmatists like Dr Christoph Beier from GIZ see both grounds for criticism, but argue that aid has changed drastically in recent decades. Today, Beier claims, aid takes the form of development cooperation and partnership on equal footing. Reasonable strategies for combating poverty have been developed collectively and precisely the right programs have been put in place to support reform efforts.

We have asked James Shikwati and Christoph Beier to provide some thoughts and commentary to “think!”.



by **JAMES SHIKWATI**

Africa is a burden to the World! This erroneous attitude prevailing in Western countries is sustained by Official Development Assistance (ODA) in its current form. Aid, whether for development or humanitarian purposes, that diminishes the human abilities of the recipient must not be tolerated.

The surge in intra-African investments in the construction, banking, retail, education and hospitality sectors as well as the focus of emerging economies on intra-Africa infrastructure and efficient border customs services is an indicator that Western driven ODA as we know it has no future. The reign of ODA from the 1940s yielded a corrupted African mindset that failed to utilize Africans’ capabilities and resources to advance their socio-economic wellbeing.

Though founded on the principle of expressing solidarity with fellow human beings around the world, ODA has equally corrupted the mindset of donors, causing them to adopt a “know-it-all” attitude. Western donor countries consequently hear only what they want to hear, and invest in Africans who mirror their ideas. The quest to work with Africans who mirror donor interests overruns the efforts of recipient countries to determine their own agenda. ODA has a dark history of propping up and sustaining dictators in the Cold War era through military coups, as was the case in Congo under Mobutu Sese Seko. In the modern era, ODA is used to reinforce regime change in countries whose leadership is not favored by donors, as was the case in Libya.

The ODA platform initiates and sustains corruption in Africa as each donor country strives to make returns from its aid by promoting its

The Kenyan economist James Shikwati is the founder and director of the Inter Region Economic Network and CEO of The African Executive Online Magazine.

own business activities (especially in lucrative natural resource mining deals) in recipient countries. The ODA architecture compromises the continent's food security systems by robbing Africans of self-driven strategies to feed themselves. Its warped architecture further robs Africans of the ability to determine and participate effectively in their own governance systems. A country with over 50 per cent of its recurrent budget supported by donors cannot be said to have adequate sovereignty and effective participation of the populace in governance processes. ODA's promotion of the solution-giver narrative in Africa sustains the erroneous belief that only outsiders can fix the continent's challenges.

The looming irrelevance of ODA is informed by the fact that forward-looking nations such as China, India, and Brazil do not view Africa and other poor nations as a burden to be fixed with donor money, but rather as frontiers of investment and growth. Africans in partnership with such nations are demanding a greater presence in global decision making mechanisms through calls for reform at the World Bank, International Monetary Fund, International financial systems, and a demand for a permanent seat at the United Nations Security Council.

Countries originally thought to be poor due to exclusion from the global market order are increasingly realizing that money is the result of economic achievement, and not a precondition. In 2011, Africa launched a free trade area from Cape to Cairo targeting over 500 million people in 26 countries with over \$ 1 trillion of economic output. Overreliance on ODA indirectly caused African governments to evolve stark borders among themselves as they individually mirrored and mimicked the donor countries' protectionist stance. According to the United Nations Economic Commission for Africa, intra-Africa trade barriers cost the continent losses of an estimated \$ 25 billion per year in intra-regional trade potential.

Africa ought to mainstream its policy framework to put wind in the sails of their economic activities. The ODA donor countries should formulate policies that identify their own contribution to hindering the improvement of living standards in Africa, namely: the United States of America's Global Food Security Act, which drives the American agro industry at the expense of agribusiness potential in African nations; the European Union Common Agricultural Policy, whose subsidies impact on farmers in Africa and whose tariff regimes escalate exports of raw materials from Africa as opposed to value added products. ODA donor nations ought "...not teach grass how to grow, but simply remove the stones from the lawn and let the grass grow."

To tap and dominate market forces for their own use, ODA-providing countries employ the provision of aid to sustain systems that work against African aspirations. Aid simply corrupts the African mindset, causing it to fail to adequately tap in its own potential. Africans must urgently query the role of ODA in sustaining education systems that do not address the continent's priorities, but that instead breed inferiority; governance systems that elevate elitist interests at the expense of the interests of the citizens and the warped global market system that relegates the continent so that its primary production is that of raw goods for export.

**FOR
GOD'S
SAKE,
PLEASE**

**STOP
THE AID!**

The old paradigm that surrenders the molding of market forces and opportunities in Africa to ODA-providing countries must be stopped. With a collective GDP projected to hit \$ 2.6 trillion in 2020 and consumer spending of \$ 1.4 trillion, Africans must harness their own market forces. The Africa Development Bank's report that the continent's middle class has risen to 313 million people urgently calls for a culture of investment. Lift the stones off the grass and push for intra-Africa investments and trade to spur productivity. ❖

**» ... do not teach grass
how to grow, but simply
remove the stone from
the lawn.**

WE LONG MOVED BEYOND AN ISOLATED PROJECT APPROACH



by **DR CHRISTOPH BEIER**

The media still often use the term ‘aid’ when reporting on BMZ, on KfW and GIZ, or on consulting companies such as GFA. All three institutions and the German consulting sector, on the other hand, have been using the term ‘development cooperation’ for a long time to emphasise the fact that partnership is much more important than transfers.

Partnership is a fundamental feature of German development cooperation work. It is true that this work still sometimes involves transfers of funds and know-how, particularly to support development in low-income countries. Nonetheless, the salient element of German development work is cooperation in partnership and with joint responsibility that seeks to deliver joint responses to national, regional and global challenges.

Against this background, sharing responsibility with our partners for achieving the agreed objectives and results is characteristic of GIZ’s understanding of cooperation. Agreeing on and jointly implementing the measures that are designed to operationalise our partners’ overarching strategies, policies and programmes strengthens partner ownership. We complement our cooperation with state partners by working together with private sector and civil society actors. This is essential in order to ensure the political legitimacy and technical implementation of reforms and improvements. In many cases, GIZ supports processes of negotiation between different interests in this context.

Over the last couple of decades, German development cooperation has undergone an intensive learning process to increase the effectiveness of its work. This has included developing individual projects into integrated programmes, managing for development results, multi-level approaches that link activities at the micro, meso and macro levels, linking

up financial and technical cooperation in joint programme proposals, and harmonising closely with other donors and the partner as part of programme-based approaches. Ownership, alignment, harmonisation, managing for results and mutual accountability have been important principles of GIZ's everyday practice even before the Paris Declaration has been signed.

In response to global trends and challenges, since the last decade, German and international development cooperation has been stepped up in areas such as climate change, biodiversity loss, resource scarcity, security and conflict, fragility and migration. The focus on the 'traditional' themes of development cooperation such as poverty reduction, health, education and rural development had already been broadened in the 90s to include numerous activities in the field of good governance. The development community had recognised that financial and advisory services for social infrastructure needed to be complemented with advice and support for reforms to improve governance – e.g. in public financial management to reduce inefficiency and corruption. And economic policy advisory services and the strengthening of the private sector in partner countries have also become more important in German development cooperation.

This broadening of development cooperation into international cooperation – which is also reflected in GIZ's name – significantly changed the nature of our cooperation relations with partners around the world once again. The global challenges and crises that require joint efforts with partners from developing countries, emerging economies and industrialised nations are starting point for this kind of cooperation. Against the background of global power shifts and the rise of major emerging economies as new donors, new forms of cooperation are developing, such as knowledge sharing that goes beyond the one-sided transfer of knowledge and funds. This was the subject of intensive discussion at Busan – chiefly in the context of South-South and triangular cooperation.

Within the global partnership, German development cooperation has working relationships with both state and private sector partners. Through develoPPP, its programme for development partnerships with the private sector, German development cooperation supports German and European businesses whose activities in our partner countries make a contribution to sustainable development – which is German development cooperation's overarching goal. GIZ also cooperates with international foundations such as the Bill & Melinda Gates Foundation, e.g. to develop and facilitate the Alliance for Financial Inclusion (AFI). AFI is a global network of central banks, ministries of finance and other regulatory authorities from at present around 80 developing countries and emerging economies. It aims to improve access to formal financial services for sections of the population that have hitherto not been reached using approaches mainly developed in the South.

Against this background, German development cooperation has long moved beyond an isolated project approach, which aims to deliver aid from the North to the South in a paternalistic manner. Searching for and implementing joint responses

Dr Christoph Beier has been appointed Vice-Chair of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Management Board in January 2011. He studied geography, politics, ethnology and agriculture at the Technical University in Munich.

» ... offer demand-driven, tailor-made and effective services for sustainable development.

to national, regional and global challenges, the German development cooperation is using a variety of approaches, modalities and methods. KfW and GIZ are cooperating with consulting companies such as GFA to offer demand-driven, tailor-made and effective services for sustainable development.

There are many exogenous and endogenous factors that affect partner country development. Development policymakers are therefore well advised not to fall into the 'omnipotence trap'. They should rather bear in mind that the climate change, trade, economic, agricultural and security policies of industrialised countries also affect people's lives in developing and emerging countries. The same applies to the development orientation of governments, opportunities for democratic participation, the degree of social inequality and the economic development in partner countries. Against this background, partner governments are being advised and supported with their structural reforms. At the same time, efforts are being boosted to develop greater policy coherence, to ensure that development-policy endeavours are not counteracted by activities in other policy fields. Initial results in German development policy here include for instance the removal of agricultural export subsidies.

Since many factors affect development in partner countries, it is not easy to make general and sweeping statements concerning the success of international development policy in general, or German development cooperation in particular. KfW and GIZ publish comprehensive evaluation reports on the results of their measures at regular intervals (about every two years). The reports contain a cross-cutting analysis of numerous projects based on evaluations conducted by internal and external experts. Around 80 per cent of KfW measures, and around 89 per cent of GIZ measures, have been rated as successful. Many of these German development cooperation projects and programmes have achieved impressive results. These include GIZ's Energising Development programme, which was commissioned by BMZ and is being cofinanced by the Dutch and Norwegian governments. By the end of 2011, this programme had provided no less than 8.5 million people with access to energy in numerous countries.

The statement contained in the UN MDG Report 2012 that the first target for MDG 1 (halving the proportion of people living in extreme poverty) had already been achieved in 2010 – five years ahead of the finishing line in 2015 – made international headlines. This report further stated that the internationally agreed targets for access to water and equal schooling opportunities for girls and boys had also been achieved. These success stories are not, however, attributable solely to the many successful development cooperation projects. They are also down to a number of other factors. The progress on poverty reduction, for instance, would not have been achieved without economic growth in China.

Without our partner countries' own efforts and policy coherence in the donor countries, German development cooperation would without a doubt be stretched to its limits. Nonetheless – its contribution to change processes in developing countries and emerging economies, and to overcoming global challenges, is clear to see. ❖

In 30 years, a small company driven by its own entrepreneurial spirit has grown into an owner-operated consulting firm and a leading name in international cooperation.

This accomplishment was only possible because throughout all of this growth, both the management and the staff felt that common values were obligatory. To this day, their long-term decisions and day-to-day work are still determined by these values: commitment, respect, fairness, and responsibility.

These basic values have shaped our business and collaborations; within the company, in contacts with clients and in project work onsite. And successfully so: for our clients, GFA has become synonymous with reliable partner, fair service provider and advocate for equitable rules in collaboration.

GFA is proud to not only know the “Ten Principles of UN Global Compact’s in the areas of human rights, labor, the environment and anti-corruption” but to actively pursue them.

Nevertheless, over the decades, some of the values and models that guided our work have also changed. Societal and political shifts have called long-held truths into question, and years of practical experience, technical achievements and scientific research have changed our priorities.

Environmental and climate-related issues have grown in importance: three decades ago, “sustainability” was a concept that had yet to establish its role

in project planning and execution.

It was precisely sustainability – and in our case corporate social responsibility as well – that played a decisive role in GFA’s history and philosophy from the very beginning. Sustainability means that, for GFA as a company, it is not quick and easy profits, but rather long-term economic viability that guides our business decisions.

In order to survive, even successful companies need a sound strategy. GFA’s objectives are to minimize risk on the development aid market, to continue to become more independent of the traditional, institutional clients and typical areas of activity, and to develop a broader base of support.

This has already been an amazing success: forestry certification, for instance, is enjoying economically successful partnerships with over 850 private clients and has opened up doors to new types of clientele. Even if an experiment, such as developing foreign markets, is not yet producing the expected results in all regards, what has been achieved motivates us to engage in more targeted activities and investments – all within the framework of sustainability, which in this case entails entrepreneurial persistence.

Corporate values have no substance without employees to live them out. That is why GFA also expresses its values throughout the organization by creating the most attractive jobs and working conditions possible. Our conviction is that a business lives off the

quality, knowledge and motivation of its employees. Therefore, it must do everything it can to inspire long-term loyalty in good employees.

GFA helps men and women in becoming reinstated after parental leave, for instance, and in many cases also provides special contributions for day care. GFA is constantly developing its educational and training opportunities, which are tailored both to the personal needs of the staff and to the ever-changing markets.

It is ultimately all about these entrepreneurial markets; GFA must persist with these markets through integrity, and must continue ensure future success and jobs by means of a sustainable strategy.

by GFA MANAGEMENT

VALUES CREATE VALUE

MILESTONES

1982 Johannes Lagemann and Hans Jahnke establish GFA (Gesellschaft für Agrarprojekte in Übersee) with the first office in Hamburg-Duvenstedt.

1985 First contract for a long-term project with the EU in Upper Volta (now Burkina Faso); first projects carried out in Mauritania and Senegal for the German Agency for Technical Cooperation (GTZ). Ⓞ Bernhard Riggers – today the chairman of the supervisory board – joins the company as director of finance.

1986 Christoph Schaefer-Kehnert, today a managing director of the company, goes on his first short-term mission for GFA Agrar in Sudan.

1988 GFA Agrar moves to new offices in Hamburg-Volksdorf.

1989 GFA's official name is shortened to "Gesellschaft für Agrarprojekte".

1990 GFA LUB is founded in the spring of 1990. The Social Forestry Development Project (SFDP) is launched in West Kalimantan, Indonesia; it continues until late 2002. Ⓞ GFA Agritec is founded in Frankfurt, Main. GFA International Management Consulting is founded.

1992 GFA Infrastruktur und Umweltschutz is founded in Bonn in 1992. GFA International Management Consulting moves into new offices in Hamburg-Volksdorf. Ⓞ On its tenth year anniversary the GFA Group consists of: GFA Agrar, GFA LUB, GFA Agritec, GFA International Management Consulting and GFA Umwelt.

1993 The GFA Bonn office is opened by Günter Schmidt. GFA becomes the general agent of the German Federal Ministry of Food, Agriculture and Forestry (BML) for technical cooperation in the agricultural sector in the countries of Central and Eastern Europe and the CIS. Ⓞ The future manager of GFA Consulting Group, Klaus Altemeier, takes over management of GFA International Management Consulting. Ⓞ A first long-term project is started in Vietnam, and an office is opened in Jakarta.

1996 GFA Mitarbeiter Beteiligungsgesellschaft (employees' shareholder company) is founded and purchases a ten-per cent share in GFA Agrar. It currently holds over six per cent in GFA Holding AG. Ⓞ The GFA office in Hanoi is opened.

1997 GFA MEDICA International Health Consulting is founded in Munich.

1998 GFA LUB becomes GFA Holding GmbH and later in the same year GFA Holding AG.

2000 Company founder Johannes Lagemann withdraws from operational management and becomes chairman of GFA Holding AG. GFA SysCom is founded. GFA Holding AG merges with Luso Consult, Hamburg. Ⓞ The new company headquarters in Hamburg-Volksdorf are completed. The workspace accommodates around 120 employees of GFA Holding, GFA Terra Systems, GFA Management, GFA MEDICA and GFA SysCom.

2001 At the end of the year, GFA demerges from GFA Umwelt, headquartered in Bonn. The remaining shareholders rename the company GFI.

2002 B.I.S. Business Intelligence Systems, today GFA B.I.S., is founded with headquarters in Bonn.

2005 GFA Terra Systems, GFA Management and GFA MEDICA are merged into GFA Consulting Group as regional and technical departments. GFA Consulting Group is managed by Klaus Altemeier, Johannes Lagemann, Christoph Schaefer-Kehnert and Günter Schmidt.

2006 GFA Envest is founded.

2007 GFA Consulting Group celebrates its 25th anniversary with a record turnover of € 53 million.

2008 Heiko Weißleder becomes managing director along with Klaus Altemeier and Christoph Schaefer-Kehnert. Ⓞ Günter Schmidt retires from the company. Ⓞ Founder Johannes Lagemann and Ms Maria Lagemann withdraw from day-to-day business. Ⓞ GFA moves its Bonn office to Berlin.

2009 GFA Public is founded with headquarters in Berlin.

2011 Global Forest Asset Management GFAM is founded.

2012 The Consulting Group's turnover reaches € 76 million. Ⓞ New office space is scheduled for April 2013 to accommodate 250 employees.



Tomas Keilbach is the head of the GFA Latin America & Caribbean Department.

Since the countries of Latin America began a process of reform and continued to consistently follow this path, many of the emerging markets south of the equator have become reliable political and economic partners.

But there have also been setbacks: **some states in the region are suffering from the pressure of violence and the influence of drug cartels.**

GFA is working on site also in these problematic places.

FACTS 2012

LATIN AMERICA & CARIBBEAN DEPARTMENT

Countries	12
Projects	25
Studies	4
GFA Staff abroad	27

📍 Tomas, GFA is involved in Latin America in projects from Nicaragua down to Brazil and Argentina. There must be very different conditions and needs at the various project regions.

Yes, that's right. In Latin America we're working on an enormous double continent with two different aspects: South America extends south of Panama, where the majority of countries have been in quite an advanced, self-controlled process of reform since the major crises of the 80s and 90s. There are well developed civil societies, efficient administrations, political parties, local associations, and – despite the coups and military governments of the past – a firm democratic tradition.

We have free elections, a developed party system, democratic processes, a strongly inte-

grative neighbor association and societal elites that base their development on critical observation of Europe and North America. There is also economic progress being made. South America's important trading partners include China as well as the USA and Europe. There are powerful multinationals in Latin America – for example Vale – who are important actors in fields relevant for development cooperation like environmental protection and biodiversity.

📍 Why is it still necessary to have development cooperation in commercial powerhouses such as Brazil, which can deal with a Football World Cup and the Olympics within two years? And what is the concrete situation?

Because development cooperation is necessary

to strengthen the structures that are developing in emerging markets and because both sides can benefit from this mutual support.

Firstly, there is simple sector budget aid, such as a fixed amount for budgetary soundness, whereby the countries implement the measures themselves and consultants like GFA merely provide support during planning and then carry out efficiency monitoring. The second area of strength is trade and trade development: in the past Latin American countries' exports have been primarily agricultural. In order to be able to also import industrial products into the EU and thus achieve considerably better value creation, there must be compliance with trading norms and various standards. For this you need state and private structures, corporate consulting, test labs, etc. We are currently conducting such a project in Guatemala, where we are supporting the Secretariat for Central American Economic Integration SIECA.

The third area in which we are active is one that I would call good governance and decentralization. There have always been strong local and regional administrations in South and Central America. What is missing in many countries is the structural link between the state and the regional, local administrations – this can be referred to as the federal moment, and it is working very well in Brazil and Mexico with the governments at federal state level.

There are therefore many projects that center around providing consulting on these missing links and guiding and answering simple but important questions: who is responsible? Who gets the final say? Who will take care of health issues? Protection of the environment and resources – who is responsible for these? The local people, a provincial government? Or will everything be decided centrally in a ministry in the capital?

🔍 Protecting resources is a key concept. What role is this playing in the current Latin American projects?

The protection of resources is still important, from Mexico to the Caribbean and down into the Tierra del Fuego. Projects now concentrate on protecting biodiversity through good governance and aim to develop and strengthen the responsible administrations. In practical terms this means that in the coastal rainforest of Brazil or in Nicaragua our people are on site working on countermeasures in protected areas. There is often a conflict between outside

economic interests and the needs of the local population that essentially needs to be solved at administration level. But there are often practical decisions to be made that will have a long-term impact if our people implement the various tools and approaches like municipal land management, for example, with their counterparts. This is all part of a considerably larger task as these projects contribute to the ongoing process of state reform which includes responsibility beyond the country's boundaries. The countries of Latin America have all signed international conventions – and now they have to actively implement them.

🔍 So it sounds as though all the countries in your region are on a good political and economic path.

You could say that about South America; for Central America this is unfortunately not yet the case. The main problems there are violence and drugs. In Honduras kidnappings, murders and attacks by rival drug cartels are part of everyday life.

We have even had instances of death among partner authorities and in the families of our partners. Our employees go there without their families. In statistical terms, with its number of deaths per year the capital Tegucigalpa is considerably more dangerous than Baghdad or Kabul.

In Honduras extensive, functioning administrations are quite precarious. Like Haiti, Honduras is in danger of becoming a failing state. This is an everyday reality among all of the positive signs in Latin America. ❖

one of us

HANS JÖRG KRÄUTER

Chief Technical Advisor, Managua, Nicaragua

GIZ MASRENACE Regional Planning Component – Nicaragua

In Nicaragua, we support local governments and indigenous territories in the BOSAWAS Biosphere Reserve in the implementation of strategic development plans, promoting socio-economic development, implementing land use zoning while conserving natural resources and biodiversity.

It is a highly physically and mentally demanding job to try to resolve the underlying causes of rainforest destruction, especially when you realize that the short term thinking of important economic actors outside the Biosphere Reserve are sometimes the driving forces of biodiversity loss and not so much the local stakeholders and especially indigenous communities.

The indigenous groups we support are represented by natural leaders who have to fight for their daily survival in order to feed their families. On the other hand, they defend their traditional

communal lands from colonist farmers who try to occupy their land for cattle ranching and crop production but without any sustainable focus.

Unfortunately, the time in the field is far too short. But to be out there in the rainforest, sleeping in hammocks, traveling in wooden canoes on the river, seeing wildlife, birds, and monkeys is the reward for the challenging tasks and problems we are supposed to solve.







FACTS

About 3.5 million Bangladeshis work in the garment industry, which accounts for 80 per cent of the country's exports. They produce for international companies like Wal-Mart, H&M, Levi Strauss and Tommy Hilfiger. In 2011, the minimum wage for a Bangladeshi garment worker was about \$ 43 a month. For a typical sportswear garment, **doubling wages would increase retail price by roughly 1 to 3 per cent.**

WHAT WE THINK!

Trade, services and production of goods are globalized intensively. This process may further boost job creation and create additional income-generating opportunities but will not necessarily achieve a pro-poor, broad-based and sustainable growth. Economic growth needs a human face. Common standards of **working conditions and fair wages must be enforced worldwide.** Growth must provide access to a better living for millions of workers in the garment and other industries.

income

INGE GAERKE

Office Manager, GFA Office Berlin

By training, I am an agricultural economist. I started at GFA in 1997; for the first three years, I was permanently based in Hamburg. Then came six years as a freelance consultant, mainly in Macedonia, Bosnia and Montenegro, but also in Russia, Central Asia, the Caucasus and North Africa. From 2006 to 2010, I was head of the Europe department at GFA. Since 2011, I have been in charge of the Program Office in Berlin, which works as a general agent for the Bilateral Cooperation Programme of the Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz (BMELV).

I have always found working in eastern Europe exciting. As a result of the political and economic opening, there was a very clear orientation and a stable basis for cooperation: many of these countries wanted to join the EU, or at least carry out more trade with the EU, and to develop the expertise required to do so.

Today the Berlin office works almost exclusively for the Bilateral Cooperation Programme of the BMELV. Up to 2007, there was a strong emphasis on central and eastern Europe; now the BMELV is working on projects throughout the world.

GFA has been the general agent of the ministry for these international projects without interruption since 1992; we develop the concepts, commission implementation and carry out the technical and financial monitoring. Thus far, the regular calls for tender have always resulted in us winning this contract.



CLARISSA HARRE

*Portfolio Manager Public Finance,
Hamburg*

I have been with GFA since 1998. Prior to joining GFA, I worked with the German Federal Statistical Office and PricewaterhouseCoopers (at that time still Coopers & Lybrand).

I chose Russian/Slavic studies in addition to economics – which was an excellent combination in the 90s with the post-communist countries opening up to the free market.

In my portfolio we focus on funds management, public finance management (PFM) and external aid management. We have been the fiscal agent for the Millennium Challenge Cooperation (MCC) in several countries since 2006 and are responsible for the financial management of the MCC fund, which means compliance checks, treasury, etc. Within GFA, I coordinate the MCC work group, which is organized inter-divisionally.

Public finance management is a relatively new subject for GFA, and it is also very complex.

I consider PFM a very exciting field of activities especially in my focus regions (Central and Eastern Europe, North Africa and Maghreb), given that potential EU member countries and EU neighbors are adapting their public finances to be more in line with the EU standards.

PHILIP SANTENS

*Team Leader, Chisinau, Moldova
TA to Budget Sector Support –
Economic Stimulation in Rural Area
(ESRA) – Republic of Moldova*

I am from Belgium; a commercial engineer leading a team of ten long-term experts. We are managing a highly complex project here in Chisinau involving seven ministries among which, the primary three are the Ministry of Economy (lead beneficiary), the Ministry of Agriculture and Food Industries and the Ministry of Finance.

A failure to achieve the budget indicators would lead to a reduction of adjudicated funds from the EU to the governmental budget of Moldova. Moldova would lose real money.

My working days and weeks are quite recurrent. A lot of meetings with my core staff, who are working directly with their Ministries, long briefings sessions and ever longer afternoons spent seeing either the Minister of Economy or his deputy to brief him on the attainment of the BSP indicators.

Tuesday and Wednesday are usually spent meeting the other ministerial beneficiaries and going through their individual indicators, especially in the event that they are falling behind. We have to come up jointly with feasible solutions that make a real impact – so in essence it is an administrative and contractual job of putting out fires.

But it's funny at any rate, when you have seven Ministers pushing for their own agenda and the Government is made up of numerous diverging parties.

The power of investing in people

Education is an universal human right, an essential building block for individual, community and national development and a cornerstone for economic growth. Therefore, providing better education for all has become this decade's focus.

Teaching children is a must, this goes without saying. But education or learning is not restricted to any specific age or profession. A competent workforce is one of the most important preconditions for productivity and international competitiveness. Human resources with professional knowledge and well developed skills are essential for employment, sustainable socio-economic development and social cohesion.

GFA assists national and regional governments as well as private stakeholders to reform and strengthen their human resources and skills development systems. GFA's experts have professional knowledge and experience in providing assistance to align national policies and strategies with international good practice and developments.

Productive employment is an explicit target under the Millennium Development Goal 1, aiming at the eradication of extreme poverty and hunger. Employment and the creation of more and better jobs is also one of the main EU development goals for its member and accession countries.

GFA's specialized Labor Markets & Human Resources Department applies a systemic approach to address these Millennium and EU goals. The department offers support in developing systems and tools making it easier for potential employees and employers to match in an efficient and effective manner. The department works with clients to design the strategies and programs that equip job seekers with skills, competencies and the flexibility needed in today's labor markets.

Today, education is viewed in the context of lifelong learning in which the individual is ever capable of further progress – given a con-

ducive supporting environment. One example of GFA's approach of lifelong learning is the European Union's "Post and Undergraduate Studies" project in Eritrea in the years 2009 until 2011.

The project has been positioned within the framework of the Government of Eritrea's overall education system reform and was part of the "Support to the Education Sector Programme" funded by the European Commission. The objective of the project has been to support the Eritrean Ministry of Education in Asmara in qualifying its managerial staff at headquarters and at regional level.

The project has been expected to improve efficiency and to improve quality of services at national and regional levels. Based on the ana-

lysis of their educational background a tailor-made study program for 170 participants was delivered, applying the distance learning approach. To meet the learning needs, a blended learning approach has been introduced, based on self study, contact sessions and supervised assessments. Participants did earn credit points according to the European Credit Transfer System (ECTS). The University of Kaiserslautern delivered the study material and has been responsible for the overall academic quality management. The project represents an important element of the Ministry of Education's reform process to introduce principles of Life Long Learning (LLL) into the ongoing process of professional upgrading of educational managers. ❖

GFA B.I.S. CELEBRATES TEN YEARS OF SUCCESSFUL SERVICE

Founded in 2002, GFA B.I.S. celebrated its tenth anniversary on September 14, 2012 in Bonn together with its shareholders, the GFA Consulting Group management, colleagues and friends. Over the past decade, the company has successfully extended GFA's portfolio in the ODA sector by IT-related services.

The company thrives on tailoring professional standard software to individual customer's needs and demands in order to increase efficiency, transparency and sustainability. This ambition has been achieved in more than 50 projects worldwide. Starting with financial management and fund management, GFA B.I.S. developed additional ODA-specific software tools such as management information systems (MIS) and open source based systems.

Aside from software development and implementation, IT consulting is of growing importance within the range of services of GFA B.I.S. While the company has its focus on international cooperation, it is also cooperating with the private and the NGO sector.

Financing Development

Access to affordable lending and financing is a prerequisite for economic advancement. GFA provides support and solutions.



In developing countries and emerging markets, economic growth strongly depends on the performance of an efficient financial sector. Only effective financial institutions providing reliable services create a sound and sustainable environment for a country's economic development.

In projects worldwide, GFA experts aim at developing the financial sector, empowering financially self-sustainable institutions and continuously improving their performance. In these projects, GFA's specialized Financial Systems Development (FSD) Department promotes sound banking routines and operations according to best industry practices and international standards.

Microfinance & Rural Finance

GFA promotes the development of sustainable microfinance institutions which specialize in

offering low-income populations a broad range of affordable financial services. We recognize the complexities of rural finance related to higher transaction costs and a special risk profile. In different projects GFA provided training to farmers and entrepreneurs on how to increase their access to finance as well as to the financial institutions on how to design and provide adequate financial products, including value chain finance.

SME Finance

Our experts follow a comprehensive approach to SME finance. It comprises the set-up of specialized SME units, product development, credit scoring, capacity building and MIS. The development of a high quality SME loan portfolio is the key condition for project success. Based on GFA's longstanding experience implementing SME lending projects worldwide,

FSD has developed a set of field-proven tools and methodologies, which ensure the application of best practices regarding e.g. marketing, project identification and portfolio development.

In Morocco GFA provides technical assistance to selected commercial banks in order to increase access to adequate financial services, particularly for SMEs, by means of down-scaling. Our scope of services covers, among others market studies MIS, product development, credit scoring/rating, training and coaching.

Sustainable Energy Finance

GFA's Financial Systems Development Department supports local partner financial institutions in the launching and marketing of renewable energy (RE) and energy efficiency (EE) finance schemes and assists in the development of EE/RE lending as a sustainable banking business. Furthermore, GFA supports companies in the conduction of energy efficiency assessments and in the identification of technical solutions. We have gained considerable experience in implementing sustainable energy finance projects on behalf of the EBRD, KfW or EIB in Russia, Kazakhstan, Turkey, South Africa as well as in Eastern Europe and the Western Balkans.

One project in this sector is the "Sustainable Energy Financing Facility" in Russia which is financed by the European Bank for Reconstruction and Development (EBRD) which started in 2008 and which will run until the end of 2015.

The facility offers \$ 300 million for on-lending to industrial enterprises and SMEs through partner banks, and a technical assistance package to support partner banks in marketing and project development. The GFA team and its engineering partners provide marketing assistance, conduct energy assessments, support the identification of suitable technical solutions and suppliers, calculate financial benefits, and help prepare bankable projects.

Banking Advisory Services

The GFA approach starts with bank re-engineering and reforming of financial institutions. This includes strategy and business planning, risk management and human resource development. Our support is not limited to financial institutions, but includes also institutions such as banks, bank trainings institutions and credit guarantee funds. ❖

one of us

FRANK FRANCIS

Fiscal Agent Manager, Ulaanbaatar, Mongolia

Fiscal Agent Services to Millennium Challenge Account Mongolia

I have been living overseas for past over 10 years now, have worked in seven countries on long term assignments, and have travelled in over 40 countries for work and pleasure.

Prior to joining GFA, I worked for humanitarian aid/relief agencies including Relief International, Mercy Corps and World Vision in different programs overseas including two war zones; Afghanistan and Iraq.

In October 2007 an agreement was signed between the Mongolian and US governments for a five-year, nearly \$ 285 million-dollar 'Compact' Program to reduce poverty through economic growth. Acting as a Fiscal Agent, GFA provides overall financial management to MCA Mongolia.

I particularly like the "energy efficient stoves" project, which aims to mitigate winter air pollution in Ulaanbaatar; apparently the coldest and the most polluted capital in the world. 90 per cent of air pollution comes from lower income areas, where raw coal is burned in inefficient stoves.

Working with my colleagues is fun – I manage a team of six female colleagues, whom I jokingly call "Fiscal Angels". I do hear the occasional response – "Yes, Charlie". Five of them are Mongolians, and one is a Chinese-American, who was born in Hong Kong.

DAO THI PHUONG

Office Manager, Buon Ma Thuot, Dak Lak Province, Vietnam

Forests for Livelihood Improvement in the Central Highlands (FLITCH) – Vietnam

Office management in Buon Ma Thuot is my first assignment for GFA; the job started in 2008. We are working in six provinces.

Our project is very special and important. We are attempting to reduce poverty and generate income for villagers in remote areas in the Central Highlands of Vietnam through better management and utilization of forest and forestland. I think it's all about the ability to improve the management capacity and production skills of the local communities and households.

Additionally, we have to address essential infrastructure needs such as the construction of access roads, drinking water supply, health stations and schools.

As an office manager, you have your routines like managing the project funds in terms of accounting, arranging payments to suppliers, handing out petty cash, as well as monthly financial reporting to GFA in Hamburg.

But then again, you need to be a jack-of-all-trades. One minute, you are an accountant, and the next, you may be a translator. People walk into the project office, and when they walk out, there is a new job on your desk. Sometimes, everyone is asking for a multi-tasking wizard, but this is why I like my job.



CHRISTIAN RAKE

Team Leader, Beirut, Lebanon

Appui au Développement local dans le Nord du Liban (ADELNORD)

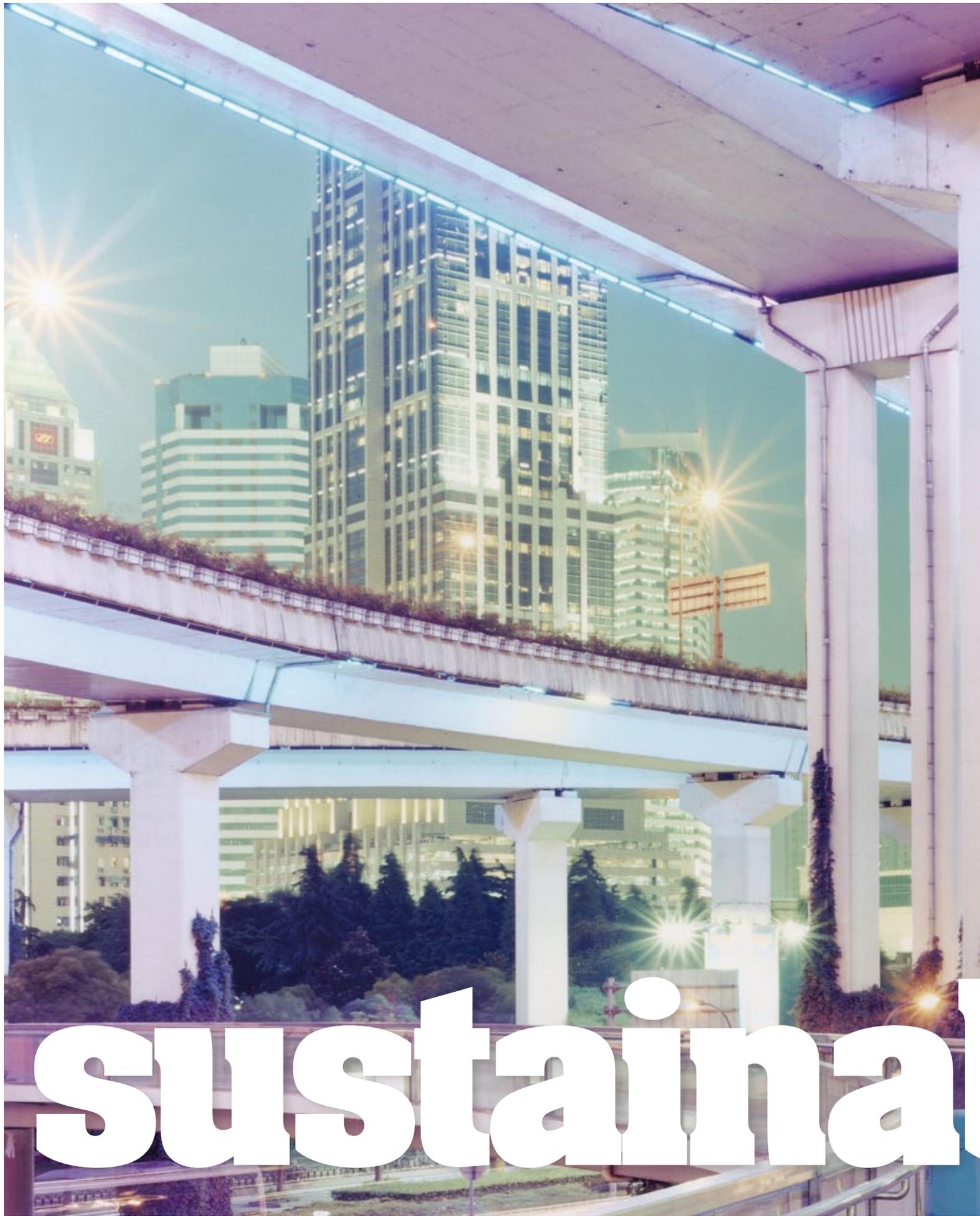
I am glad to have been able to share and contribute to two thirds of GFA's history over the last 20 years of my career at GFA. In 1992, I was given employee number 019 and assigned to GFA's Asia Department, where there were three of us at the HQ. By the end of '94 our department's HQ staff had already doubled; 100 per cent growth in just over two years.

Later, I was assigned to contribute build up the Maghreb Department. However, North-African eagerness does not easily compare to East-Asian one, so we could not repeat the same rate of growth, but we did manage to steadily acquire new contracts. Starting in autumn 1995, I had the chance to lead the implementation of our first long-term project in Morocco.

Today, after several expat assignments and various studies in most of our regional departments, I'm managing an agricultural and local development project in Northern Lebanon with an additional focus on environmental issues as well as the creation of a national park.

Although we have to deal with security issues in the zone bordering Syria, there's plenty of fun and excitement, such as when we went to the highlands looking for irrigation schemes to be rehabilitated and found ourselves in the middle of hundreds of hectares of cannabis. We had a hard time declining the hospitality of the farmers, whose custom it is to offer visitors samples of whatever they are growing in their fields.





sustainable



ability

FACTS

By 2030, almost 60 per cent of the world's population will live in urban areas. Today, **828 million people live in urban slums** and the number keeps rising. One third of the world's armed conflicts of recent years have involved a struggle for vanishing natural resources. They took a heavy toll on natural habitats on the brink of extinction.

WHAT WE THINK!

We learn the hard way, but we learn. The awareness for environmental and climate protection is growing worldwide. However, we have to cope with the rising demand for land, goods and services. Emerging and developing countries in particular need further support to decouple the needs of growing populations and the use of natural resources. We have learned: **for a future, growth must be defined differently and must follow a sustainable path.**



Katrin Brübach is head of GFA Water & Sanitation Department and with the company since 2007.

Water is an essential resource for sustaining life. Governments and donors make it a priority to deliver adequate quantities of safe

drinking water. **Still, over 1.5 billion people do not have access to clean, safe water.**

This is where GFA Water & Sanitation and Department Head Katrin Brübach come in. We talked to her about projects in Yemen and Vietnam, about large scale infrastructure and German soft skills.

FACTS 2012

WATER & SANITATION DEPARTMENT

Countries	11
Projects	7
Studies	3
GFA Staff abroad	10

Q Katrin, water projects have changed drastically over the past years. What are the main trends that you've observed on the German consulting market?

Our clients' focus has shifted. In addition to funding for infrastructure measures, we are seeing increasing numbers of tenders for what are known as 'accompanying measures', concentrating on development of capacities on the part of our partners.

Whereas a great deal of money has been invested in infrastructure over the past 30 years, today support is increasingly being concentrated on our partner countries and organizations in the areas of sector reform, including commercialization and regulation, as well as on capacity development at all levels. Whereas engineering firms and construction companies used to handle water sector projects almost exclusively, today's market is much more diversified. Firms like GFA are playing an increasingly significant role.

The sector and especially clients have had to learn the hard way. It's not enough to build infrastructure to provide the under-served populace with access to clean drinking water and sanitary facilities. Systems must be operated sustainably. Capacity must be developed. Moreover, institutions and legal frameworks must not only enable, but also promote a sustainable and specifically poverty-oriented water supply and sewer system. This is particularly true in Sub-Saharan Africa.

❓ So water supply is more than just technology.

Of course. Infrastructure only functions as part of the whole. You need to have a legal and institutional framework. You need to have a supply design and a business model for selling water. You need the know-how to operate the systems. You need to know how to get the water to the people, including the lower-income levels of the population, and you need access to that knowledge onsite at all times. That is why we have seen a shift in focus in recent years to the concept of capacity development.

❓ What does this mean for German consultants, and for your department?

As a German firm, we play a special role. Germany is one of the few countries in the world with clearly defined occupational categories like water technician or sewage treatment technician below the university level. These are experiences that we successfully apply, for instance, in training and education activities in projects in countries such as Yemen or Vietnam.

❓ What exactly are you doing in Yemen and Vietnam?

In Yemen, awareness about the impact of inappropriate sanitation behavior is particularly low among women. GFA has supported literacy classes among women and trained mediators as an initial trust-building measure. These change agents later rolled out various sanitation awareness campaigns and designs for innovative technologies such as urine diversion toilets have been promoted and constructed in pilot villages. So we are working in a very down-to-earth manner in Yemen.

On the other hand, in Vietnam GFA provides advisory services at the ministerial and utility company levels. The project focuses on the reform of national legislation, technical training, asset and financial management as well as customer relations management in six provincial sewerage companies.

❓ Katrin, back to a basic question asked by an observer about another one of your projects in Kenya: once the fresh water supply reaches individual households, how are the residents supposed to pay for this water if they have no income?

It is our job to design a sustainable supply concept that also includes poor families with very limited incomes. These designs include innovative funding schemes as well as cost-effective infrastructure.

In Nairobi, some 70 per cent of the population lives in low-income areas. A supply design that assumes universal installation of home connections for these areas will not be successful. Very few families can afford \$ 200 for a home connection. So you have to draft modified supply and sewer designs incorporating fixtures such as public tap connections or toilets.

❓ To stick to a practical example: do these water kiosks work?

They do. Thanks to water kiosks, millions of people in Kenya and Zambia have access to clean drinking water. In addition to these constructional aspects, we've spent a great deal of time embedding these kiosks in the public water company's supply concept and developing mechanisms for funding. Unlike large-scale systems, water kiosks do not require any great feats of engineering. Getting and keeping them up and running, i.e. their operation, is a social, cultural and political challenge that we take on in our work. ❖



FACTS: SANITATION FOR THE URBAN POOR IN KENYA

Since the beginning of 2012, GFA on behalf of GIZ has supported the implementation of Up-Scaling Basic Sanitation for the Urban Poor Program (UBSUP) that is co-funded by the Bill & Melinda Gates Foundation and the German and Kenyan governments. The objective is to scale up sustainable sanitation services for up to 800,000 residents in low-income urban areas in Kenya.

GFA supports the elaboration of an up-scaling concept for household and plot-level sanitation as part of the Urban Project Connect (UPC) of the Water Services Trust Fund (WSTF). This includes the design of innovative low-cost solutions (like water kiosks and dry toilets), the elaboration of a tool kit for implementers, implementing pilot projects together with commercialized water service providers and the set-up of a monitoring system linked to existing sector information systems.

Water kiosks are outlets through which formal water service providers deliver safe and reliable water at affordable prices to large numbers of residents of low-income urban areas. The water kiosks are owned by the water utilities which are fully responsible for construction and operation. The program will adopt innovative approaches for up-scaling addressing the entire sanitation chain. This is exceptional since only a few examples of up-scaling sanitation interventions exist in Africa.



A seal of reliability

Consumers are critical: today timber and paper products need a reliable seal of origin. GFA Certification provides this – after very careful inspection.

Consumers' environmental awareness has increased sharply in recent decades; today purchase decisions are dependent not least on whether a product has a "green seal".

Public and private businesses in the forestry and timber sector as well as large manufacturers and retail chains have reacted to this – in some cases because of commitment and in others because of the pressure of the

market: generally speaking, today a "good" timber or pulp product will have a certificate guaranteeing reliable environmental responsibility, social compatibility and economically sound forest management.

"A business that would like to put itself to the test of the FSC standards can consult a trusted certifying body," says Carsten Huljus, who has been managing GFA Certification since 2002. "And the figures clearly indicate that the customers value us." In the dozen years since GFA Certification got its accreditation from the umbrella association, the Forest Stewardship Council® (FSC® A00511), it has become the market leader on the German FSC certification market.

GFA Certification has granted more than 850 FSC certificates by mid-2012; the customers come from a wide spectrum including forestry businesses, large retailers, simple carpenters and printing houses. The certified forest operations cover state-owned forestry businesses as well as municipal forests and privately-owned forests of varying sizes: customers include Hamburg's municipal forest with approx. 5,500 hectares, as well as a Russian concessionaire that manages approx. 5,2 million hectares.

"The certification procedures for customers that aim at chain of custody (CoC) certification are the same world-wide, even though



our customers are very individual and differ from branch to branch,” says Huljus. “We certify small woodwork businesses, pulp handlers, garden furniture producers and tongue and groove flooring manufacturers, but we also certify large printing houses, publishers such as Gruner+Jahr and large retailers like Otto, Tchibo and Hornbach.”

The time that the certification of a forestry business takes depends on the size, the distribution of the forest area and the complexity of operations and products. Generally the certification process is completed within half a year. The certification process consists of an independent assessment by GFA Certification of the forest management and takes place on the basis of a national catalog of indicators. This is based on ten internationally applicable principles, binding together environmental responsibility, social compatibility and economically sound forest management. A CoC certification, on the other hand, usually lasts no longer than four to eight weeks, whereby the focus is primarily on material flows as it is just the certified material itself that is to be dealt with and it must be ensured that there is no mixing with non-certified materials.

In order to meet the increasing certification demand for proof of origin GFA Certification has been offering not only certification services according to FSC standards but also

Three quarters of GFA Certification customers come from Germany. So far just under ninety forestry businesses have been certified; the rest are chain of custody certifications, for example for sawmills, printing houses or wholesalers.

combined CoC certification according to the standards of FSC and PEFC.

GFA Certification operates via an international network of partner companies, associations, research institutes, auditors and forestry experts, therefore being able to offer customers in more than 30 countries – including Germany, Austria, Switzerland, China, Vietnam, Russia, Ecuador, Costa Rica and Chile – cost-efficient certifications at short notice. In order to meet the demand for certifications and service more than 850 customers worldwide, GFA Certification depends on a large, competent team: with a ten-person team in Hamburg, seven employees abroad and 45 freelance employees, around a thousand audits per year are carried out.

“A certified business is generally audited once a year, but that doesn’t necessarily mean one audit. A certificate scope can be spread across several areas in the forest, meaning that several audits and travel are necessary,” explains Carsten Huljus.

“And if, for example, you are checking a building supplies store chain like Hornbach, then you have 15 or more branches that you need to assess at random. The certification business therefore entails a relatively large administrative effort. But it pays off for everyone: the customers, the consumers, us at GFA and not least the forest.” ❖

FACTS 2012

CERTIFICATION DEPARTMENT

Certification Team	17
Auditors	45+
Clients	850+
Countries	32



☪ GFA will achieve a turnover of € 76 million in 2012. The firm has enjoyed years of continuous growth. Is there a secret to your success?

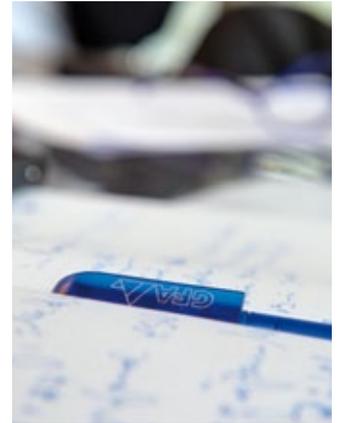
WEISSLEDER: There are a number of factors, for sure, but most importantly we have had and continue to have the right mix of employees. This has been one of GFA's keys to success from the beginning. We rely on the diversity of personalities in our workforce: not on a uniform corporate mindset, but rather on individual types.

For “think!”, the three Managing Directors Heiko Weißleder, Christoph Schaefer-Kehnert and Klaus Altemeier got together to talk about their experiences in thirty years of development cooperation and ventured to give their takes on the future of the GFA Consulting Group.



The desire
to do
something
meaningful
is at the core
of GFA

SCHAEFER-KEHNERT: After thirty years of continuous growth in the company, we can rightly be self-confident and proud, especially of our people. Compared to other consulting firms, we are recognized for our excellent core competencies and qualifications. All our employees have the technical knowledge, the necessary analytical skills and the sociocultural understanding to work successfully in the most difficult of countries. But what really distinguishes them is that they're all optimists, across the board, which you need to take on the tough jobs – because that's typically what you're dealing with in development cooperation.



WEISSELEDER: This positive approach is also something that has set GFA apart from the start. The founder Johannes Lagemann has been setting an example personally in this regard for years – along with the clear credo that GFA is a firm striving for the top, and anyone who takes part will enjoy excellent opportunities. Anyone who pitched in and took on the associated responsibilities was soon running his own company. That happened to me, running GFA MEDICA GmbH along with Christoph Heuschkel.

ALTEMEIER: For me personally, the decision was clear back at the start of the nineties. I came to GFA because I was looking not only for quality, but also for financial growth and a management position. It wasn't long at all before I became the director of GFA International Management Consulting GmbH.

The situation is still essentially the same today: we are an attractive employer to performance-oriented people who enjoy taking on responsibility. Our Young Professional Program, offering development opportunities for recent graduates, set us far apart from our competitors. We try to integrate people into work onsite as quickly as possible after graduation. With us, they can dive right in – and of course they have to start swimming too.

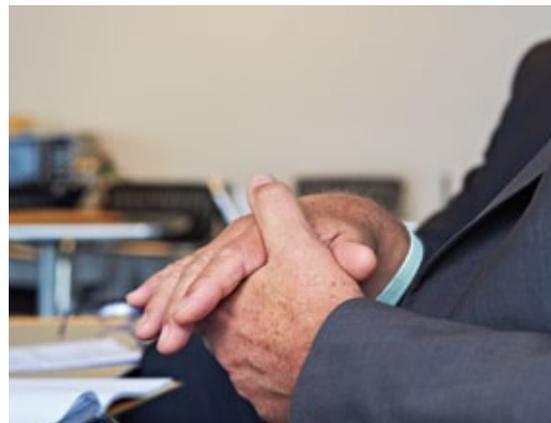
WEISSELEDER: Delegation of responsibilities – it's a common thread running through the history of GFA. Even today, with over 200 employees in Hamburg, this fundamental principle still shines through: we do have clear hierarchies, but we live in small groups with highly individualized management.

This structure starts with the Board and goes on down through the department heads to the teams and the portfolio managers. Ultimately, at this level, each unit functions as a small specialist firm within a department. One portfolio, one manager, two or three consultants, plus a young professional and an assistant: we had this same successful setup on the level of GFA departments when I started here sixteen years ago.

🔗 Compared to the past, it's not just GFA but development policy as well that has changed drastically.

SCHAEFER-KEHNERT: True. In the 60s, emergency aid and hunger were the central themes; in the seventies came the green revolution, and in the eighties this prompted the entire development cooperation sector (DC) to focus intensively on agriculture, health, education and protection of natural resources. The next turning point came with the opening up of the East and the development of the private sector before, in

» The future will not just be traditional development cooperation in exotic, out-of-the-way places. The challenges have now settled right in our own backyards: in our neighboring EU countries and in the southern Mediterranean.



» **All our employees have the technical knowledge, the necessary analytical skills and the sociocultural understanding to work successfully in the most difficult of countries.**

the new millennium, IC, or International Cooperation, replaced the traditional development cooperation. Now it's about more than just development. It's also about partnerships with emerging nations whose populations have exploded.

ALTEMEIER: We are certainly in the middle of a major shift. One example: in the past, you did DC with China or India. Today, in addition to exporting to these countries, the European Union must also import from them. This means that you have both to create the right structures and stimuli and to clarify the respective standards on both sides of the economy. Consultation on these issues was lacking, and professional organizations that previously had only worked in the area of development started to become active in this area. At GFA, we also have the expertise for these emerging markets.

WEISSELEDER: You can only enter this new business successfully if the timing is right. Using forestry for cap & trade in climate mitigation as GFA Invest tried, we were too early. In other areas, such as in certification, we were right on time. Through intelligent positioning we were able to conquer a market outside of traditional DC in Germany.

? So over the coming decades things will be moving towards international economic consultancy and private clients. What does that mean for GFA?

SCHAEFER-KEHNERT: Well, consultancy with an economic focus will become more important, but it will only be a part of our work. What is certain is that the world is getting more colorful and more diverse, but more turbulent too. We will need more emergency aid in many places, and poverty reduction will be a major theme. We'll have to work more on climate and discuss environmental standards with emerging nations. At the same time, we'll see more and more post-conflict situations and violent conflicts over dwindling resources, which we'll have to deal with. We also see from project feedback and our own daily

work that new themes and challenges are looming up on the horizon, and we'll have to find and formulate modified approaches to them. One example out of many is Kazakhstan. We haven't seen any traditional development aid projects there for a long time, because economic cooperation and issues involving exports to Europe have been under discussion for many years.

The future will not just be traditional development cooperation in exotic, out-of-the-way places. The challenges have now settled right in our own backyards: in our neighboring EU countries and in the southern Mediterranean. With a country like Egypt, with its untapped economic potential on the one hand and a 50 per cent unemployment rate among youth on the other, you have to cooperate at an entirely different level than before.

Similarly, you have to be realistic about the fact that development cooperation cannot substitute for developing a country. We are the consultants, and guides at best. The steering wheel has to be taken over by the countries themselves. We can only provide an impetus or stimulus to do something different and better. Yet, of course, anything new and untested always comes hand-in-hand with a risk of failure.

? Big challenges, but also major hurdles. What does a GFA employee need to bring to the table in order to take these on?

ALTEMEIER: Of course, today's GFA employee is entirely different from back in the early days. In the 90s, economists were highly favored. Applications from political scientists, sociologists or public administration specialists were shoved aside. Today our employees have different and much more specialized qualifications, even in terms of their studies.

SCHAEFER-KEHNERT: And yet at the basic level not a lot has changed. The desire to help and do something meaningful is still in the company. It lives on, and our people live it. This basic mindset, along with the other qualities that are decisive for GFA's success, will carry on into tomorrow. ❖

CONTACT US!

GFA Offices in Germany

GFA HEADQUARTERS

Eulenkrogstraße 82
22359 Hamburg
P: +49 (0) 40 603 06 0
F: +49 (0) 40 603 06 199
info@gfa-group.de
www.gfa-group.de

GFA SYSCOM GMBH

Eulenkrogstraße 82
22359 Hamburg
P: +49 (0) 40 603 066 00
F: +49 (0) 40 603 066 99
info@gfa-syscom.de
www.gfa-syscom.de

GFA ENVEST GMBH

Eulenkrogstraße 82
22359 Hamburg
P: +49 (0) 40 603 068 01
F: +49 (0) 40 603 068 99
info@gfa-invest.com
www.gfa-invest.com

GFA B.I.S. GMBH

Königswintererstraße 827
53227 Bonn
P: +49 (0) 228 28 03 52 0
F: +49 (0) 228 28 03 52 18
info@gfa-bis.de
www.gfa-bis.de

GFA PUBLIC GMBH

Schwedter Straße 9A
10119 Berlin
P: +49 (0) 30 398 205 30 0
F: +49 (0) 30 398 205 30 9
kontakt@gfa-public.de
www.gfa-public.de

GFA BERLIN

BMELV Bilateral
Co-operation Programme
Schönhauser Allee 120
10437 Berlin
P: +49 (0) 30 44 32 20 40
F: +49 (0) 30 44 32 22 55
buero-berlin@gfa-group.de
www.bmelv-kooperationsprogramm.de

GFA Subsidiaries Abroad

GFA CHILE CONSULTORES

Avda. Manuel Montt 526, Providencia
Santiago de Chile
Chile
P: +56 272 464 28
gfachile@gmail.com

THALYS CONSEIL SARL

45, Avenue des Alaouyithes, Hassan
10000 Rabat
Morocco
P: +212 37 70 30 59
F: +212 37 70 30 59
thalys@menara.ma

GFA Representative Offices

GFA OFFICE DHAKA

Apt. #2D, House 88,
Rd 17/A, Block E, Banani
Dhaka 1213
Bangladesh
P: +880 288 36 382
info@gfa-bangladesh.com

GFA OFFICE BEIJING

Nan Building No. 27, Beisanli Shequ,
Sanlitun, Chaoyang District
Beijing 100027
P.R. China
P: +86 10 641 31 684
gfabeijing@yahoo.com

GFA OFFICE JAKARTA

c/o Swisscontact Services AG
Jl. Terusan Hang Lekir II/15,
Kebayoran Lama
Jakarta 12220
Indonesia
P: +62 21 739 40 41
F: +62 21 739 40 39
coof@swisscontact.or.id

GFA OFFICE HANOI

54, Le Van Huu Street
Hanoi
Vietnam
P: +84 4 394 30 752
F: +84 4 394 32 502
gfahanoi@hn.vnn.vn

IMPRINT think! Magazine is published by GFA Consulting Group, Hamburg/Germany. All rights reserved © 2012.

📍 Responsible for content: Klaus Altemeier, GFA Hamburg 📍 Edited by Jochen Vorfelder, sustainable-media.de & Natascha Malik, GFA Hamburg
📍 Artwork and Design: Jürgen Kaffer 📍 Artwork on image p. 59 Carsten Friedrichsen 📍 Translations: tolingo.com 📍 Printed by Zertani, Bremen
📍 Photo Credits: Panos Pictures/Visum (title), Frank Stenmanns (p. 2 right), GFA (p. 2, 14, 15, 17, 21, 25, 41, 47, 52, 53), Sandor Jackal/Fotolia (p. 2), Sabine Vielmo (p. 3, 12, 24, 29, 44, 50, 54-57, 59), Ed Kashi (p. 4/5), Ulla Törnroos (p. 6/7), Udo Thomas/Garp (p. 8/9), Bernhard Riggers (p. 10), Uwe Schweifer (p. 11), Johannes Lagemann (p. 13), Fred Dott (p. 16, 40), Jeremy Ferguson (p. 19), Lennart Woltering (p. 20), Cenk Unver/istockphoto (p. 22/23), Markus Kirchgessner/laif (p. 27), Cello Armstrong/Fotolia (p. 30), LA'KET (p. 31), Ed on/NYT/Redux/laif (p. 32/33), James Shikwati (p. 34), GIZ (p. 36), Jens Grossmann/laif (p. 42/43), Marret Schadwinkel (p. 46), LOOK (p. 48/49), Water Services Trust Fund (p. 51), Oli_ok/Fotolia (p. 53)



**CHRISTINE JEULIN &
HELLA LASCANO**
*Assistants in the Asia Department,
Hamburg*

My name is Christine (at left). I've been working at GFA since 1998 and my colleague Hella has been with the company since 2001. We are a good example of how job sharing can work. We've been working as a team in the Asia department for five years: Hella does 20 hours a week, and I do 25. We each handle a portfolio of around six to eight projects. We fill in for each other when one of us is absent.

I'm part of the team in the Private Sector Development (PSD) strategic business area, and Christine handles our decentralization projects. Aside from typical back-office duties, we also support the project team here in-house in the areas of acquisition, project monitoring and administration. But we maintain contact onsite for these projects.

I have two children and Christine has one. Despite this, we also sometimes work late into the evening, and we get overtime fairly regularly. But thanks to the option to fill in for each other and our team's acceptance of part-time work, we have both job and family under a single roof.

We can provide the flexibility that GFA wants as an employer because our supervisor gives us the freedom to organize our work on our own. Personally, we find that very satisfying.



AGRICULTURE & RURAL DEVELOPMENT
CLIMATE
LABOR MARKETS & HUMAN RESOURCES
CHANGE
FUND MANAGEMENT
PROCUREMENT
FUND
WATER & SANITATION
MANAGEMENT
TRAINING STATE REFORM
HEALTH | HIV/AIDS
SECTOR DEVELOPMENT
PUBLIC
PRIVATE
NATURAL RESOURCES & CERTIFICATION
FINANCIAL SYSTEMS
DEVELOPMENT

