gíz

# **GIZ's Sustainability Guidelines**

### **GIZ'S UNDERSTANDING OF SUSTAINABILITY**

Sustainability is GIZ's guiding principle and forms the basis for its contributions shaping a society that is fit for the future.

These guidelines are applicable since they were adopted in 2016 and describe GIZ's understanding of sustainability and how it should be implemented by its staff.

### Global level: the 2030 Agenda

In September 2015, the 2030 Agenda created a new international framework for global sustainable development and international cooperation. At the United Nations Sustainable Development Summit 2015, which was held in New York, all signatory states jointly adopted 17 Sustainable Development Goals (SDGs) with 169 targets. The strength of the 2030 Agenda lies in the interdependency of its targets, which link the economic, social and environmental dimensions of sustainable development. The 2030 Agenda combines poverty eradication with sustainability, and places special emphasis on protecting global public goods and including the poorest and weakest population groups based on the principle of 'leaving no one behind'. With its integrative and transformative approach to sustainable development, the 2030 Agenda is universally valid and applies to industrialised, developing and emerging countries alike.

## National level: Germany's National Sustainable Development Strategy

The German Government has also embraced sustainable development as a fundamental principle in line with the 2030 Agenda. Having committed to implementing the Agenda, it overhauled its Sustainable Development Strategy in 2016, and developed a management strategy with measures, targets and national indicators. The aim is 'a world in which economic prosperity for all goes hand in hand with social cohesion and the protection of natural resources – a world which recognises a commitment to intergenerational equity and the peaceful coexistence of peoples'.

The contributions of policymakers alone will not be enough to achieve this goal. Private sector, government and civil society stakeholders will have to work together in a coordinated fashion at all levels.

### Sustainability is GIZ's guiding principle

GIZ and its staff believe that only by combining *economic capability*, *social responsibility* and *ecological balance* will current and future generations be able to lead secure and dignified lives – especially in times when decisions and actions need to be taken increasingly quickly. GIZ sees political participation – which is still included as a fourth dimension in the Sustainability Programme 2016-2020 – as a basic prerequisite for enabling sustainable development in the other three dimensions. This reflects the importance of cooperation and co-determination in its work. In reality, the goals in the various dimensions often lead to conflicting objectives, and solutions must be found in negotiation processes between all stakeholders, taking into account all sustainability dimensions. Professional management of these processes is a key area of activity for GIZ and an important precondition for sustainable development.

giz

### **Corporate sustainability management**

GIZ aspires to meet its sustainability objectives at two levels: at the corporate level and in the implementation of commissioned projects.

Within GIZ, the Chair of the Management Board is responsible for corporate sustainability. She is also Chair of the *Sustainability Board*, the body in charge of strategic advice and the further development of sustainability within the company. The Director Corporate Sustainability and the Sustainability Office are responsible for the further development of corporate sustainability management and act as the contacts for sustainability matters both within and outside the company.

GIZ has set itself sustainability targets such as the reduction of greenhouse gas emissions, sustainable procurement, gender equality, fair employment conditions and the introduction of a compliance management system.

Targeted incentives are designed to make its work as climate-friendly as possible. In addition, the greenhouse gas emissions produced at GIZ's German locations have been offset through the purchase and cancellation of climate certificates since 2014.

GIZ also has a binding company-wide Gender Strategy that defines the framework for the comprehensive promotion of gender equality across the company – in Germany and in the field structure, within projects and within the company itself.

GIZ's <u>Sustainability Programme</u> provides a systematic framework for the activities the company has decided to initiate in order to implement its sustainability objectives in line with the sustainability dimensions. The objectives are underpinned by indicators that measure the extent to which objectives have been achieved within a defined period.

GIZ promotes sustainability management at locations outside Germany through its own sustainability instrument, the <u>Corporate Sustainability Handprint</u>®. Key aspects of the Sustainability Programme are also embedded in GIZ's Corporate Strategy. This ensures that sustainability aspects are integrated into day-to-day operations both in Germany and in the field.

GIZ has been committed to the Ten Principles of the United Nations *Global Compact* in the areas of labour, environment, human rights and anti-corruption since 2004, and to the seven *Women's Empowerment Principles* since 2015. GIZ informs its stakeholders, commissioning parties and the general public of any progress made in these areas as part of its annual Progress Report on Sustainability and in its Integrated Company Report.

In implementing its commissions, GIZ advises and supports its commissioning parties and partners around the world with the aim of championing sustainable development together. In project design and implementation, international, national and internal agreements and requirements are key.<sup>1</sup>

<sup>1</sup> These include the international markers defined by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC) and the national markers of the German Federal Ministry for Economic Cooperation and Development (BMZ).

giz

### Safeguards + Gender Management System

GIZ also uses a Safeguards + Gender Management System at every stage of commission management – in initial preparation, offer preparation, project implementation and project completion. The management system is considered to be a binding minimum standard for all GIZ business areas and commissioning parties.

In the areas of environment, climate, conflict and context sensitivity, human rights and gender, all projects are therefore assessed to identify possible external risks that may arise from the project context or environment and any unintended negative impacts that projects could have on people or other resources.

Depending on the commissioning party's requirements, the assessment involves a one-step or a multi-step procedure; assessments of potential are also carried out subject to requirement. This enables GIZ to provide specific technical advice for projects and to avoid or at least mitigate possible risks in implementation while promoting potential.

With regard to gender, GIZ conducts a risk analysis and assesses the potential for promoting gender equality in projects from all commissioning parties. This means that, in order to comprehensively foster gender equality and the consistent integration of the gender dimension, assessments consider not only risks and unintended negative impacts, but also potential for promoting gender issues and overcoming gender-based discrimination and disadvantages.

In the assessment findings, projects are assigned to one of four Safeguards risk categories, with a view to adequately defining responsibilities.

**Environment** is a safeguard because the quality, availability and services of natural resources form the basis for sustainable development. Development objectives such as food security, access to clean water and health cannot be achieved without an intact environment.

**Climate** is a safeguard because the effects of climate change can restrict development potential or even reverse progress that has already been made. Facilitating development despite climate change requires ambitious emission reductions and climate change adaptation measures.

The **conflict and context sensitivity** safeguard aims to minimise or prevent possible unintended negative impacts on fragile contexts or those characterised by conflict and violence. Around two thirds of GIZ's partner countries are affected by conflict, fragility, violence or acute crises.

**Human rights** are a safeguard because development measures must not have or exacerbate negative impacts on the realisation of human rights. Human rights guarantee all people a self-determined life in which they can enjoy freedom, equality and dignity, irrespective of their sex, age, ethnicity, religion, disability, sexual orientation, gender identity or any other social status.

**Gender equality** is an essential condition for achieving positive and sustainable results.

The Safeguards + Gender Management System has the following objectives:

- 1. To identify risks of unintended impacts and external risks for all safeguards as well as potential for gender equality at an early stage, and address these through targeted measures in project design.
- 2. To monitor identified risks across the entire project cycle. Based on this, appropriate action can be taken quickly and corrective measures initiated where necessary.
- 3. To improve the general quality and sustainability of GIZ's projects.
- 4. In this way, to combine and standardise the existing processes and requirements of both GIZ and its commissioning parties in a single management system.

The Safeguards + Gender Management System also applies to International Services (InS) commissions, partnerships with the private sector and all German public sector clients as well as GIZ self-initiated measures. The value threshold is EUR 1 million, or EUR 200,000 for partnerships with the private sector.

When GIZ bids for a project that has already been designed and assessed by the commissioning party in accordance with comparable criteria, the requirements of the Safeguards + Gender Management System are deemed to have been fulfilled, and the project does not have to repeat the assessment procedure. Requirements of commissioning parties that go beyond those of GIZ must also be met. In financing agreements, the requirements of the Safeguards + Gender Management System are passed on to the contractual partners.

GIZ has set up a Safeguards + Gender Desk, which is tasked with assessing all new and follow-on projects against the Safeguards + Gender Management System criteria and providing advice on implementation. The Desk has a right to intervene in and veto the risk categorisation of projects.

Project managers are responsible for applying the system and this is monitored by their line managers.

Status as of July 2019