Dear Reader,

for the last 2 years, GIZ focused its cooperation with the private sector in Africa in 5 countries: Cameroon, Ghana, Kenya, South Africa, and Tanzania. In this and the following newsletters we will present country profiles and our achievements in strengthening the collaboration between public and private sector as well as civil society in these countries.

Today we focus on Kenya – the giant of East Africa.

A second topic in focus is ‘Fighting Corruption’ – collective action towards transparency and more ethics in business. It is our aim to establish Initiatives together with the private sector against corruption in each of our focus countries. In this issue we present existing development partnerships with the private sector in Malawi, Kenya and South Africa, including best practices and tools.

In addition you will find further news, a number of cooperation examples, book recommendations, and hints on competitions, events and links from the whole spectrum of cooperation with the private sector in Africa.

Best regards
Ellen Kallinowsky

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GIZ EAST AFRICA's GIANT

An overview of cooperation with the private sector in Kenya

Economically, Kenya is the most important country in Eastern Africa. With a GDP of about USD 32 billion (2010), Kenya’s economy is as big as that of the other EAC members (Tanzania, Uganda, Burundi and Rwanda) together. But Kenya is facing many challenges, including

- heavy dependence on agricultural production, which is also subject to the risk of increasing droughts as a result of climate change,
- a very high HIV/AIDS infection rate and a health system which is unable to provide the rapidly growing population adequately with health services,
- widespread corruption.

Cooperation with the private sector in Kenya is tackling these challenges.

In Focus

Country Report Kenya

Fighting Corruption

How do Development Partnerships work?
Our Approach:
Read more about "Ideas Competitions", "Strategic Alliances, "Integrated Development Partnerships", and the “Africa Facility”

Events / Delegations

21 June 2011
Business Day Mauretanien
Berlin, Germany
...an information day on the current economic development in Mauritania, organised by the German-African Business Association.
www.afrikaveren.de [in German]

19 - 24 July 2011
International Trade Fair FILDA, Luanda
The Challenges of Attracting Investment: Strategy, Legislation, Institutions, Infrastructure and Human Resources
www.fil-angola.co.ao/

20 – 22 July 2011
Mine Entra 2011
Bulawayo, Zimbabwe
...is focused on the mining, engineering and transportation sectors. The German-African Business Association and the Southern African-German Chamber of Commerce and Industry will have a joint Pavilion.
Brochure [pdf 407kb]

14-16 November 2011
The Business of Social and Environmental Innovation
Trying to gain a better understanding of the role of business in developing innovative responses to complex social and environmental problems is becoming more urgent and more popular. In this conference we will seek to connect and cross-
Priority sectors in cooperation are health (46%) and agriculture (32%). Strengthening cooperation between the state, private sector and civil society – in close cooperation with the bilateral GIZ projects and programmes – is a key to success.

FIGHTING CORRUPTION

GIZ, Kenya

National Corruption Prevention Pact

Kenya is ranked as one of the most corrupt countries in East Africa, according to 2010 Corruption Perception Index survey by Transparency International. The joint project of Kenya Association of Manufacturers, Kenya Private Sector Alliance and GIZ will implement the 10th Principle of the UN Global Compact using a multi-stakeholder approach. This will expedite the development of a National Corruption Prevention Pact between the public and private sectors in Kenya which will be used to address systemic corruption. It will be an arrangement between the private and public sector that shall be based on principles of transparency, accountability, integrity, fair business conduct and zero tolerance to corruption with the aim of ensuring fair and transparent bidding in public procurement with an independent monitoring to oversee compliance.

GIZ, Juergen-Matthias Seeler

Business Action Against Corruption in Malawi

Private Sector Inclusion in Development Cooperation

Partnerships between development aid and the private sector are increasingly important in development cooperation. The fight against corruption is one of the areas which can be appropriately addressed by collaborative approaches. Business Action Against Corruption in Malawi (BAAC) can be seen as a success-story for development cooperation with the private sector. The partnership aims at promoting good governance, business ethics and anti-corruption. BAAC was set up by private businesses in Malawi, the African Institute of Corporate Citizenship (Johannesburg and Lilongwe), and key donor agencies (mainly DFID and GIZ). From 2008, GIZ provided financial resources for training (former GTZ) and seconded an adviser (former DED) as programme manager to the BAAC.

GIZ, Congo

Business Code of Conduct launched in DRC

On 25th May the Business Code of Conduct for the Private Sector in the D.R. of Congo was launched by the Minister of Justice in Kinshasa. Integrity, good governance, respect, and transparency are the core values of the Code of Conduct which was elaborated by the companies themselves. In 2008, leading companies together with GIZ formed the Responsible Business Initiative (RBI) with the aim to enhance the competitiveness of the Democratic Republic of Congo (DRC) and to engage in Corporate Social Responsibility (CSR) and public private partnerships. Corruption affects all areas of business and is seen as the main problem in the DRC. Therefore, the companies chose to focus on anti-corruption as a starting point. The signatories can chose on different levels of compliance, like 1.) accept the code, 2.) integrate the code into the business, or 3.) comply with the code and be externally audited.

Companies have publicly agreed to integrate the code, but a common plan of action for implementation and dissemination is not yet compiled. Further discussions with selected companies will be held in due time, and we hope to proceed with collective action on CSR and anti-corruption with few independent and highly motivated companies.

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GIZ, South Africa
Trash or treasure?

Development partnership with Africa’s leading mobile phone provider

‘In large areas of Africa that didn’t even have telephones two decades ago, the mobile phone is the undisputed king of communications today. Network coverage is now good, even in most rural areas, and almost everyone who has access to an electrical socket somewhere uses a mobile phone. The number of mobile phone users in Africa rose from just 4,000 in 1989 to over 100 million in 2006 and 330 million in 2010, and is continuing to grow at the same astounding rate,’ as the Africa correspondent of the Berlin newspaper tageszeitung reports in his new book ‘Afrika vor dem großen Sprung’ [Africa and the great leap forward]. He notes that this trend is changing Africa not only economically but also socially, uniting the continent in a way which no other technology has managed.

A development partnership between GIZ and the leading African mobile phone provider MTN is now looking at the ecological impacts of the new technology, as the dynamically growing mobile phone sector is producing electronic waste in the medium term. more >>

GIZ, SAP
Building critical ICT and business skills

Launch of erp4school programme

Sub-Saharan Africa (SSA) is a rapidly growing emerging market region and faces many challenges with regard to higher education and the need for IT skills development and further training.

The launch of the innovative erp4schools project on 20 April 2011, in Cape Town, South Africa therefore came at just the right time. The project is being run by the SAP University Alliance Program and GIZ on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and in cooperation with the Cape Peninsula University of Technology (CPUT). more >>

GIZ Senegal, Inensus
Let there be light

Twin awards for the cooperation project “Microenergy industry” for private sector electrification of rural settlements

A village electricity plant for some 70 households (around 700 people), based on power generation by wind and solar energy and a diesel generator, was started up in February 2010 under a development cooperation partnership with the private sector between the Goslar company INENSUS GmbH and GIZ – and has attracted international attention. INENSUS implemented its own in-house operator model for the microenergy industry for the first time here. more >>

GIZ, Botswana
SADC – PPPs promise to close Africa’s large and growing ‘infrastructure gap’

USD 31 billion – according to a recent World Bank-initiated study, this annual amount alone is required to close the investment gap in Africa. The lack of investment in public services such as education, health services, energy, ICT, water and transport systems is holding African countries back from reaching their potential for economic growth and poverty reduction.

Private investments through development partnerships with the private sector (PPP) present a promising resource for reducing this investment gap. more >>
Current Ideas Competitions

In terms of content, the ideas competitions cover two complementary aspects. First, they treat important development related problems by identifying sector-specific issues beforehand. The topics of the current ideas competition are:

- Agribusiness and Biodiversity
- Water / Wastewater
- Innovative ideas from the private sector

Further emphasis is placed on calling on the business world to bring in its own ideas in open innovation competitions – independently of specific topics.

Deadline 15.5.11 - 30.6.2011

www.developpp.de/en/current_ideas_competitions.html

MENA Responsible Business Conduct Forum

Good Practice Competition on Responsible Business Conduct

Good Practice Competition on Responsible Business Conduct

"The Egyptian Corporate Responsibility Center (ECRC), GIZ, the World Bank Institute (WBI) and the United Nations Global Compact (UNGC), on behalf of the MENA Responsible Business Conduct Forum (MENA-RBCF), have the pleasure to announce the 2011 "Good Practice Competition on Responsible Business Conduct". This competition aims to showcase good examples of responsible business practices in the Middle East and North Africa region and encourage knowledge sharing to help contribute to sustainable economic and social development."

www.mena-rbcf.org

GIZ, Liberia

Delegation of Liberian companies is offering business cooperation

In 2010 representatives of a German association and individual contractors visited Liberia for the first time. This time a group of 15 representatives of Liberian companies went to Germany. Head of the delegation was Mr. Monie Captan, President of the Liberian Chamber of Commerce. "The visit gave us an insight on how German SMEs operate and the opportunity for joint ventures, programs of GIZ, sourcing of used machinery and equipment, and very important discussions with Chambers of Commerce", said Monie Captan.

The tight schedule in Germany contained visits of German companies, construction sites, the USETEC fair for used machinery and equipment as well as meetings with German chambers, BGV, a German Association and GIZ. The quality of interest and ownership was high.

“The Liberian chamber of commerce will accompany Liberian-German business cooperation in the area of building up Liberia’s infrastructure. We are happy to support the initiative.”, explained Claudia Hermes, director of the GIZ program „Capacity development for the transport sector in Liberia“, which established the contacts to German road construction companies.

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Cooperation Examples

GIZ, Madagascar

Mining Wealth at Work

Making local communities benefit from extractive industries

The Anosy Region at the South-East tip of Madagascar is one of the poorest and most isolated regions of Madagascar. Yet it is home to mineral-bearing and deposits containing valuable ilmenite and zircon.

The private partner Rio Tinto and its business units worldwide expressly support the EITI and QMM, applying its principles, aims at fostering local good governance and economic diversification in its Anosy mining area.

factsheet [pdf, 215 kb]
Preparing for the Post-Oil Future

Shell Gabon and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), have launched a development partnership to contribute to the local economic diversification process by empowering the local population through building the capacity of public and private sector institutions. factsheet [pdf, 340 kb]

Tackling the digital divide between African and other emerging nations

As part of the project’s aim to improve ICT skills and graduate employability in sub-Saharan Africa, German software company SAP AG is training employees and recent graduates in the field of enterprise resource planning (ERP). ERP skills are especially important to development in ICT because ERP systems are total business solutions: they integrate internal and external information and enable information flow within and between all of the business functions and departments of an entire organisation. factsheet [pdf, 260 kb]

Climate Change Adaptation and Mitigation in the Kenyan Coffee Sector

Climate change is affecting the weather patterns in many East African countries. Climate impact models predict that Kenya will suffer severe consequences from a warming of temperatures such as prolonged drought periods. Sangana Commodities Ltd., the Kenyan coffee exporter of the ECOM Group, has joined forces with GIZ as they were already feeling the effects of climate change on their coffee supply chains with negative impacts on quantity and quality. The aim is to support coffee producers to adapt their production to the changing climate and to create and use synergies between adaptation and mitigation means. factsheet [pdf, 410 kb]

Documents

by David Gleason, Derick de Jongh and Stella Nkomo

Courageous Conversations

This book by South African captains of industry is a fearless exposition of real-life leadership through a series of candid and often brutal interviews with leaders such as Maria Ramos, Mark Lambert, Sizwe Nxasana and Bobby Godsell. 14 CEO’s talk openly and honestly about their lives, their careers, the mistakes they made and the challenges facing future South African leaders. For each interview there is one analysis written by David Gleason, a well-known financial journalist and columnist, and a second, academic analysis provided by Professor Stella Nkomo, with contributions from Professor Derick de Jongh.

Video with David Gleason at ABN
Artikel about the book launch The book