Our organisation

Welthungerhilfe was founded in 1962 as part of the pioneering global “Freedom from Hunger Campaign” under the umbrella of the United Nations’ Food and Agricultural Organisation (FAO). Today our organisation is one of the largest non-governmental aid organisations in Germany, independent and with a broad basis in German society through our members’ organisations, donors and supporters. Welthungerhilfe stands for courage, joy de vivre and humanity in fulfilling our mission.

Our goals

We campaign for food security for people everywhere, for rural development and the conservation of natural resources. We are convinced of the power of dreams, which motivate people and are powerful political instruments both for improving living conditions for the poor and malnourished, and for securing our joint future. This motivates us to link partners in Germany and our project countries in a dynamic global network, so development cooperation becomes a shared experience.

Our vision

ALL THE PEOPLE OF THIS WORLD LEADING THEIR LIVES AUTONOMOUSLY IN DIGNITY AND JUSTICE – FREE FROM HUNGER AND POVERTY.

Our work

We enable people in developing countries to take control of their own lives now and in the future. Our years of international experience as a large German aid organisation have resulted in success stories in Africa, Asia and Latin America. We are also politically active in campaigning for changing the conditions which lead to hunger and poverty. We mobilise people in Germany for our vision.

Our approach

Our holistic concept is quality-focused and outcome- and impact-oriented. Our activities range from rapid response to disasters through reconstruction to long-term development projects. We work as equal partners with the people affected; we are competent, reliable and transparent. We support partner organisations in our project countries, ensuring that structures are strengthened from the ground up and guaranteeing the long-term success of our projects.

Everything at a glance at www.welthungerhilfe.de

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In 2009, 314 projects were carried out in the following sectors:

- 5 health and HIV/AIDS projects
- 25 projects classified as “other measures”
- 4,201 self-help projects

In Germany, public involvement on behalf of Welthungerhilfe externally, it convenes the board of directors and the members of the Program Advisory Committee, responsible for electing the Supervisory Board, passing the financial plan and approving the members of Welthungerhilfe’s affairs in compliance with its statutes and the decisions of the General Assembly of the German Association of Welthungerhilfe. The general assembly is also responsible for electing the Supervisory Board, the Executive Director Programmes and the Executive Director Marketing. It runs Welthungerhilfe’s networks such as circles of friends or business partners and ensures Welthungerhilfe’s networks such as circles of friends or business partners and ensures access to public and private funds. The committee consists of important figures in public life. It comprises a maximum of 25 members.

For many years, the German Development Ministry has supported Welthungerhilfe, which, together with the World Food Programme, is the biggest provider of food assistance in the world. The German Development Ministry has supported Welthungerhilfe via the Federal Ministry for Economic Cooperation and Development since 1964.

Trustees

Fritz Raff, Director of Saarland Radio and Deputy Chairman of ARD

Wolfgang Kroh, former board member of KfW Bank

Peter Hesse, Chairperson of the Peter Hesse Foundation

Dieter Thomas Heck, show host and producer

The most important sources of public funds were:

- The Commission of the European Union with €32.0 M
- The World Food Programme with €17.6 M
- The German Development Ministry with €17.5 M
- The Federal Ministry for Economic Cooperation and Development with €17.4 M
- The Foundation of the Saarland with €14.8 M
- The World Bank with €14.6 M
- The Ministry of Economic Development and Cooperation and Development with €14.2 M
- The Federal Ministry of Finance within the framework of the Federal Government to support the German Reconstruction Program with €14.1 M

Krebber (28), Kropke (11), Lohnes (12), Ludwig (14), Ohlenbostel (19), Schmitt (23), Schürmann (27), Schlüter (30), Steck (34), Wieland (37)

Production: Carsten Blum

Tel. +49(0) 228 22 88-0
In 2009, 314 projects were carried out in the

By the end of 2009 Welthungerhilfe has supported

19 emergency aid projects
28 projects in the area of “social integration and
andal

58 projects to restore basic infrastructure

1.000 emergency aid programmes in

4.201 self-help projects

70 countries

In Germany, public involvement on behalf of Welthunger-

relations 5.4%.

38,000 children and young people in 170 “run for

Emergency aid project in Zimbabwe: The fight against cholera

Pressing ahead with our partners

Interview: The future is green

Protecting nature is protecting people

Work abroad

Millennium villages: On the way to the future

10

12

4

and Bärbel Dieckmann, President of Welthungerhilfe

Dr. Wolfgang Jamann, Secretary General and Chief Executive Board

Welthungerhilfe’s affairs in compliance with its statutes and the decisions of the General

and the members of the Program Adviso-

in addition, in accordance with the wishes of the General

and the members of the Program Adviso-

in addition, in accordance with the wishes of the General

In addition, in their role as central points

tutes. By this means, independent external expertise from science and practical technology

the Supervisory Board represents Welthungerhilfe externally, it convenes the board of directors and the members of the Program Adviso-

administration manages accounts for 1.8 % of total expenditure, costs of administration and general

80 gifts and WELs projects

Expertise in the field of agriculture, development economics, rural development

Research in the field of natural resources management and environmental protection

Research in the field of water resources management and institutional development

Research in the field of regional developments in Latin America

Management of the Welthungerhilfe’s foundation

Chairperson: Thomas Kräutter

Secretary General: Dr. Wolfgang Jamann

Executive Director Programs: Carsten Blum

Executive Director Marketing: Fritz Kuhn, Member of Parliament

Chairperson: Renate Künast, Member of Parliament and Chairperson of the German Parliament

Chairperson: Frank-Walter Steinmeier, Member of Parliament

Chairperson: Sibylle Pfeiffer, Member of Parliament

Chairperson: Sibylle Laurischk, Member of Parliament

President of the German Parliament Dr. Norbert Lammert, Member of Parliament

Chairperson: Thomas Voigt, Director of Economic Politics and Communication, Otto Group, Hamburg

Chairperson: Stephan Schmidt, Independent Consultant, author of specialist books, mediator

Chairperson: Jochen Kenneweg, former Head of Division for India, Nepal, Sri Lanka in the Federal Ministry for Economic Cooperation and Development

Chairperson: Prof. Dr. Dr. h.c. Walter Schug, former Professor of Agrarian Politics, Market Research Humboldt University, Berlin

Chairperson: Prof. Dr. Hartmut Gaese, Institute for Tropical Technology, Cologne University of Applied Sciences

Chairperson: Herbert Sahlmann, former Development Officer in the Federal Ministry for Economic Cooperation and Development

Chairperson: Dr. Volkert Klaucke, entrepreneur

Chairperson: Elke Schneider, Vice-President of the Federal German Senate

Chairperson: Brian Willson, Director of the Greenpeace International Peace programme

Chairperson: Dr. Beatrice Fihn, nuclear disarmament activist, former President of the International Physicians for the Prevention of Nuclear War

Chairperson: Dr. h.c. Volker Faigle, superior member of church council

Chairperson: Rudi Frick, former President of the Zentraler Evangelischer Kirchenrat

Chairperson: Schenck zu Schweinsberg

Chairperson: (Prof. Dr. Friedrich H. Esser)

Chairperson: (Jürgen Dorsch)

Chairperson: (Dr. Beate Wilhelm)

Chairperson: (Klaus Wiesehügel)

Chairperson: Dr. Thomas Schirrmacher, President of the German Christian Community

Chairperson: (Thomas Kräutter)

Chairperson: (Dr. Beate Wilhelm)

Chairperson: (Frank-Walter Steinmeier)

Chairperson: (Sibylle Laurischk, Member of Parliament)

Chairperson: (Prof. Dr. Klaus Töpfer)

Chairperson: (public relations)

Chairperson: (Latin America, politics)

Chairperson: (Latin America)

Chairperson: (Africa)

Chairperson: (Asia)

Chairperson: (Europe)

Chairperson: (Dr. h.c. Volker Faigle, superior member of church council)

Chairperson: (public relations)

Chairperson: (Latin America)

Chairperson: (public relations, Latin America)
The Global Hunger Index published by Welthungerhilfe and the International Food Policy Research Institute in October 2009 shows that hunger is at its worst where women are particularly disadvantaged. Strengthening the position of women is therefore at the core of our fight against hunger and poverty. We ensure that all our projects promote gender equality and educational opportunities for women and girls in particular. All the signs point to the fact that improving gender equality benefits the entire community.

Thanks to your support, € 31.9 million in donations were available for our work in fighting poverty. In addition, we received € 101.1 million in public grants, including from the German Government, the European Commission, the Federal Foreign Office and the World Food Programme, enabling us to support 299 projects in Africa, Asia and Latin America with a total of € 120.6 million in 2009. This support encourages us not to retreat in the battle against hunger, poverty and marginalisation.

In these times of financial crisis, we are particularly conscious of our obligation to be transparent in our reporting of how the money entrusted to us has been spent, demonstrating accountability to private donors, public sponsors and the people in our project countries. We are extremely proud that our efforts were rewarded with first place in the PricewaterhouseCoopers transparency award for charity organisations.

2009 also brought changes to Welthungerhilfe itself. After the new appointments to the Supervisory Board and the structural reforms in 2008, elections to the Executive Board took place in 2009. Dr. Wolfgang Jamann’s election as new Secretary General followed Martina Dase taking over the position of Executive Director Marketing. The sudden death of Manfred Hochwald, Executive Director Programs, at the end of the year was a tragic loss; popular both as a very committed colleague and friend, he is very much missed. He has been succeeded by Mathias Mogge, who has worked for Welthungerhilfe for many years, most recently as head of the Knowledge - Innovation – Consultancy group.

We are most grateful to all of you, our supporters and would like to thank you for your trust. Your donations are an ongoing contribution to reducing need and suffering and giving people positive future prospects.

Our aim is to continue to work with you to support people in developing countries in fulfilling their wish to lead their lives autonomously, in dignity and justice, free from hunger and poverty.

Bärbel Dieckmann
President

Dr. Wolfgang Jamann
Secretary General
Chief Executive Board
Africa country information 2009

- Total number of project countries in Africa: 21
- Total number of projects in Africa: 121
- Total value of projects in Africa: €81.0 million

In 2009, project funding in Africa was as follows:

- 9 emergency aid projects totalling €34.0 M (2008: 16 projects, €28.4 M)
- 25 basic infrastructure projects totalling €21.9 M (2008: 24 projects, €15.6 M)
- 56 rural and regional development projects totalling €16.8 M (2008: 45 projects, €24.3 M)
- 13 social integration and education projects totalling €5.6 M (2008: 10 projects, €2.8 M)
- 3 projects to promote structures in civil society totalling €0.0* M (2008: 2 projects, €1.6 M)
- 5 health and HIV/AIDS projects totalling €0.1 M (2008: 5 projects, €1.2 M)
- 10 other projects totalling €2.6 M (2008: 11 projects, €2.1 M)

* Funds from previous years were available for these projects.

The country

The past decade has seen the collapse of basic public services and infrastructure in Zimbabwe, including hospitals, schools, water supply and waste water systems. At the start of the rainy season each year, the danger of a cholera outbreak increases. Serious deficiencies in water hygiene were behind a nationwide cholera epidemic in 55 of Zimbabwe’s 63 districts in 2008 and 2009, tragically resulting in 98,531 cases and 4,282 deaths from cholera.

The challenges

Welthungerhilfe has been active in Zimbabwe since 1980. In recent years, it has focussed its work mainly on the water sector and agriculture. This meant that Welthungerhilfe was well prepared for the situation. By the summer 2008, experts were already aware of the threat of a cholera epidemic in the next rainy season, so an emergency water team was set up, financed by the Directorate General for Humanitarian Aid – ECHO – of the European Union.

The successes

Contaminated water was one of the biggest problems during the cholera epidemic. This was the starting point for Welthungerhilfe’s activity and it was able to achieve a great deal. In consultation with local authorities, streets were cleared of rubbish and blocked sewers cleaned. Over 310,000 people were supplied with drinking water, soap, water purification pills and canisters for safe water transport. As well as providing clean water, it was also essential to explain how cholera is caused and what to do when someone falls ill. A theatre campaign was organised to reach as many people as possible and local volunteers were trained. They visited the families at home and provided the necessary information.

Equally important were the diagnosis and initial treatment centres set up by Welthungerhilfe at several locations, because the hospitals could not cope with the flood of patients. Patients at the centres were given an oral solution of glucose and salts. Severe cases were referred immediately to the nearest cholera centre. Altogether, Welthungerhilfe made a significant contribution to the recovery of many cholera patients in Zimbabwe and helped prevent the further spread of the epidemic.

The future

The successes in fighting the cholera epidemic must not blind us to the fact the many of the factors which caused it still exist: lack of clean drinking water, poor water supply and waste water systems and the unhygienic handling of water in households. Welthungerhilfe will therefore continue to provide drinking water in urban and rural areas and to offer hygiene training.

www.welthungerhilfe.de/hilfsprojekt-simbabwe.html
Ms. Imbayago, what happened in Vheremu last year?
Kerona Imbayago: There was an outbreak of cholera. Many people fell ill in Vheremu and the surrounding villages. Two neighbours even died of the disease.

What did Welthungerhilfe do?
Many things have happened. For example, Welthungerhilfe built a safe water supply point in the village, as well as four washing places, two toilets and a septic tank. We were also given water purification tablets during the epidemic, so we could purify the water before taking it home. Village volunteers trained by Welthungerhilfe came to visit us and explained how cholera spreads and what we can do to prevent it.

What changes have there been in the village?
We are very thankful for the support we’ve received. We used to use the same water source as our animals, but now we have built a fence around the well. The animals have their own waterhole. We sometimes used to have to fetch water from a gully and carry it home on our heads. That was very dangerous in the rainy season and accidents often happened. And it was much further away. Thanks to the purification tablets, there have been no more cases of cholera. The washing places and toilets are innovations which make life much more pleasant. “Zvinhu Zvatinakira veduwee” – things have now taken a turn for the better.

What are the next steps?
We have set up a committee to look after the drinking water point and make sure the well continues to function.

What do you think Welthungerhilfe should do in future?
I don’t think we need help any more, but they are always welcome to visit us (Kerona Imbayago laughs).

Emergency aid – ensuring survival in acute situations

Emergency aid is short-term immediate relief and survival aid for victims of natural disasters or violent conflicts. The cholera outbreak in Zimbabwe is an example of an emergency aid project. The focus is on immediate relief of the victims’ suffering. Emergency aid is offered on the basis of the principles of impartiality, independence and neutrality; it avoids one-sided favouring of a single group and makes no effort to reconcile conflicts or remove the causes, aiming to ensure that all sides of a conflict permit aid, as they are obliged to do under the Geneva Convention.
The country

Tajikistan is the poorest of the Central Asian republics. More than 90% of the land area is mountainous. After the demise of the Soviet Union, Tajikistan gained independence in 1991, followed by a civil war lasting five years in which over 50,000 people died. In the Soviet era, everything was highly organised and most farmers were employed on large collective farms; however, all this changed with independence and farmers had to start taking responsibility themselves. Land ownership disputes and wrong use of the land led to overgrazing and deforestation, further reducing the already small area of fertile land. Recurrent natural disasters, including torrential rainfall, extremely heavy snowfall or earthquakes make the situation even worse; they cause landslides or mudslides on the bare slopes, which bury everything in their path.

The challenges

Disaster prevention is one aspect of Welthungerhilfe’s work in Tajikistan. Karategin and Zerfashan, two large mountain valleys, have suffered lasting damage in the storms and avalanches of recent years, especially to roads, drinking water supplies, irrigation systems and cultivated land. Welthungerhilfe carried out three disaster management projects in these areas last year. The reconstruction of damaged roads, houses and water pipes was the first priority, underpinned by measures to stabilise riverbanks and mountain slopes, so that the newly repaired infrastructure would not be destroyed again by the next mudslide. Welthungerhilfe also focussed on developing emergency plans to prevent and cope with natural disasters, informing the local population and setting up regional emergency services groups, which are trained for emergencies and equipped with communications devices and early warning systems.

The successes

Central Tajikistan suffered torrential rainfalls in May 2009, which caused massive mud and stone slides. Whole slopes collapsed, severely damaging the infrastructure. By the end of the year Welthungerhilfe, together with Tajik initiative groups, was able to construct new drinking water supply systems for around 15,000 people in eleven villages which had been particularly hard hit by the storms. Hygiene courses were also held, in collaboration with local health services.

In Karategin valley in central Tajikistan, groups in 18 villages were trained and equipped with rescue apparatuses last year. Risk analyses were carried out in the villages and appropriate protective measures constructed. Bridges were repaired to enable rescue groups to reach the villages safely and facilitate the evacuation of the population if necessary. Six weather stations and river level measurement stations were also repaired; these are part of the early warning system. Weather stations can monitor approaching storms, rainfall and snowfall, giving people adequate warning so they can prepare themselves.

The future

Welthungerhilfe has now set up several action groups in central Tajikistan. Welthungerhilfe members will carry out on-the-spot training in 2010 as in previous years, working closely with the national government, local authorities and other international organisations. The intention is to familiarise local people with the concepts and plans, so that they can carry them out autonomously in future. Rescue groups are to be trained and equipped in the north of the country as well, and protective measures such as walls and slope stabilising structures are to be built with local involvement.

www.welthungerhilfe.de/tadschikistan-katastrophenschutz.html

Training exercises prepare helpers for actual emergencies
Dr. Saidmirso Stomurtazoev is a senior physician at the only hospital in Nurobod, central Tajikistan. Torrential rainfall caused severe damage throughout the whole region in May 2009. The hospital’s water supply was destroyed, among other things. Dr. Saidmirso Stomurtazoev gives his account of Welthungerhilfe’s work in Nurobod and the situation after the disaster.

**Dr. Saidmirso Stomurtazoev, what happened last year?**
Dr. Saidmirso Stomurtazoev: Welthungerhilfe has been working here in the Rasht valley in central Tajikistan for many years and has helped us in all sorts of ways. In May 2009, it rained very hard and there were terrible landslides. Welthungerhilfe helped repair the damaged drinking water pipes and rebuild bridges, for example. That was very important, particularly for the hospital.

**How many beds does the hospital have?**
We have five departments where we can treat a total of 100 patients.

**What problems did you have after the drinking water supply was destroyed?**
The hospital had no drinking water supply, which caused serious problems. It is a disaster for a hospital in particular when it does not have clean water. But the inhabitants of Nurobod were also badly affected.

**How did you cope with the lack of water?**
We received bottled drinking water as an emergency measure. We had to fetch water for washing from a well which is one and a half kilometres away.

**How did people obtain drinking water?**
After the pipelines had been destroyed, the people of Nurobod were forced to fetch water from nearby wells or rivers. Many women had to go several times a day, to supply their families’ needs. And the water was contaminated, so there was a lot of disease. We had a marked increase in infections and diarrhoea, especially among children.

**How have things changed since the water pipes were repaired?**
Now there is more water of much better quality and it’s available to everybody. The water quality is tested regularly, so there is less illness in the area. That is a very good development.

**Do you have to pay for the water?**
Yes, the hospital pays an annual charge of about 400 Somoni (around € 68) to the city water authorities. The inhabitants also have to pay, but that is a much smaller amount, paid monthly. The money is used to maintain the pipes.

**There have been training sessions on hygiene and water use. Is the training useful?**
Yes, very useful. I took part myself and I think there is a real need for it on the part of the population. It is very important to raise people’s awareness on this subject. I know that a lot of the women would like to find out more. As well as hygiene, there is a need for information about other subjects such as family planning. But a lot has happened in Nurobod which we are very thankful for.

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**Reconstruction – a prerequisite for development**

Reconstruction or rehabilitation means repairing the most urgent damage caused by natural disasters or violent conflicts. It is the next stage after emergency aid. The main focus is on restoring people’s own livelihoods, so they can support themselves again. The reconstruction phase is intended to restore social and economic stability after crises and disasters. However, it is also important to prepare people for future disasters, so that they can protect themselves. That is why disaster management such as that carried out in Tajikistan is so important.
The country
In Cuba, Nicaragua and the Dominican Republic there are many nature conservation areas with a huge variety of animals and plants. Yet in the shadow of these conservation areas, thousands of people live in abject poverty. They are forced to live in difficult conditions with very little education, minimal health care and in most cases, inadequate supplies of clean water. Agriculture and animal husbandry are essential to their survival – yet these activities endanger the flora and fauna of the conservation areas. The natural environment is at risk from animal husbandry, illegal tree-felling, slash-and-burn agriculture and the resulting erosion and soil degradation. Agriculture and overpopulation endanger water quality and illegal hunting is jeopardising many species. These people’s poverty and lack of knowledge makes it impossible for them to live in harmony with nature.

The challenges
Welthungerhilfe has been involved in the three countries since 2007 in a regional programme to protect biodiversity and to support 16,000 people living in the vicinity of the national parks and conservation areas. Welthungerhilfe is collaborating with five local partner organisations in 122 communities bordering on the national parks Alejandro de Humboldt (Cuba), José Armando Bermúdez (Dominican Republic) and the Miraflor-Moropotente conservation area (Nicaragua). The German tropical forest foundation Oro Verde is also providing funding. Intensive training in environmental protection for the local population forms the basis for the project. Topics covered range from improvements to living conditions and the introduction of gardens through adapted small animal husbandry, advice and materials for environmentally friendly cultivation methods and support for controlled forest animal husbandry, and reforestation programmes.

The successes
The foundations for long-term nature conservation have been laid. 200 local volunteers are informing people about the importance of environmental protection; they also monitor the national park. Many people have already developed more awareness for the environment and actively support the programme. 195 private gardens with a total area of 22,300 square metres improve the families’ diets and 530 smallholder farmers produce far more vegetables, fruit and meat for the population than before. These families’ incomes have increased considerably thanks to improved production methods. 350 farmers’ cattle, pigs and chickens are now accommodated in stables and graze in controlled areas instead of grazing freely in the forest and causing damage as in the past. And 89,000 seedling trees are cultivated and planted each year.

The future
The extension of the programme for a further four years is currently being planned, to ensure that the achievements are sustained. Disaster prevention will be included in all three countries in the future. Reforestation will also play a bigger part and there will be even more support for the marketing of organic produce in the project’s second phase.

www.welthungerhilfe.de/hilfsprojekte.html
What are the biggest problems faced by the people living in the project area?

German Ramirez Gutierrez: Poverty is the biggest problem. 50 percent of the population in Nicaragua is extremely poor. Their land is barren and they have no access to water. Many of them are forced to work as day labourers, in most cases without social security. Poverty causes many environmental problems such as illegal tree felling, slash-and-burn agriculture, settlements in protected areas or poaching.

What are the project's goals?

We aim to raise people’s awareness and give them access to education. We are also helping them to increase their harvests. There are various measures to achieve this such as technical advice, fencing grazing areas, constructing stables, gardens and irrigation systems. We also provide livestock and seeds.

How have people's living conditions improved?

I have seen one major change: all the children in the 44 communities now go to school. Reforestation has increased markedly. And we have observed the return of many wild animals which we have only rarely seen in recent years. The available food is increasingly varied and the population’s health has improved considerably. For example, new wells and pipelines have meant that there is much less diarrhoea.

Foro Miraflor in northern Nicaragua is one of Welt hungerhilfe’s partner organisations. Its president, German Ramirez Gutierrez, gives his account of the large-scale joint project which, by protecting the unique ecosystem, helps to reduce poverty and provide food security for the people of Nicaragua.

How has people's attitude to nature changed in the nature conservation area Miraflor-Moropotente?

Agricultural production is much more environmentally friendly. We are moving away from resource-intensive cultivation methods towards eco-friendly controlled forest grazing. Deforestation and slash-and-burn agriculture are on the decline. People are beginning to understand that protecting nature also means protecting themselves.

Is there anything the people in the conservation area are particularly proud of?

People here live in a rural society and show an exceptional level of solidarity. In the era of globalisation, they have succeeded in preserving their own culture and strengthening social cohesion.

Development cooperation – achieving long-term changes

Development cooperation is the cooperation between industrial and developing countries, to improve the social, economic and ecological conditions in developing countries. Unlike emergency aid and reconstruction after wars and disasters, it is a long-term approach with the goal of fighting poverty. Welthungerhilfe’s basic principle is help towards self-help. Success means that people are able to improve their situation in the long term and to solve future problems autonomously. The project described here shows how the people living in the vicinity of national parks are able to use their new knowledge and abilities to improve their lives. This is reflected in the considerable improvements to the food and income situations. At the same time, people take more care of natural resources and so protect their livelihoods.
In September 2010, government representatives from around the world will come together at a UN high level meeting in New York to once again assess progress towards the Millennium Goals 2015. The achievements so far will not be greeted with enthusiasm; in the last two years, the number of people without enough to eat has been rising again as the negative effects of the global financial crisis are gradually revealed. The poor are particularly vulnerable in that they have no reserves to cushion the effects of the crisis.

Meeting at the turn of the millennium
Despite all the difficulties, the meeting of 189 state and government heads at the turn of the millennium was a positive step. The result was a joint Millennium Declaration and verifiable goals for the global fight against poverty. Essential points such as primary education, combating transmissible diseases such as HIV/AIDS and malaria, the reduction of child mortality or safeguarding environmental sustainability were uniformly defined by means of targets and indicators, so developments can be measured and compared.

Welthungerhilfe took up the challenge and decided in late 2005 to set up the Millennium Village initiative. On the basis of many years’ of practical experience in the fight against poverty and hunger in rural areas, the organisation has been advising and supporting the inhabitants of the millennium villages in Africa, Asia and Latin America for the last five years. All the villages are located in remote regions, for example Mabote in Mozambique, Kanat Toch in Cambodia, Sarwan and Gandhiji Songha in India, Cañadón Peñas in Bolivia and Veshab in Tajikistan. The basic principle is to help the villagers to take the initiative and help themselves.

Everywhere, the lack of adequate food supplies, opportunities to earn money, educational and health facilities and access to clean drinking water was a big problem. Now the nutrition situation has improved in all the villages, but the solution is different in each case. For example, Bolivian smallholder farmers in Cañadón Peñas now produce sufficient milk to be able to sell cheese at the market. In Veshab, Tajikistan, defective irrigation canals had to be repaired before fruit trees and improved potato seeds could be planted. The sale of dried apricots provides additional income in this region. And in Base Kiryango valley in Rwanda, rice, manioc, sorghum and even geraniums to make scented oil are being cultivated on 250 hectares of newly terraced land and 350 hectares of recently drained marshland.

When the committee meets
Once a year, the millennium village committee meets in each village: up to 20 representatives from all social groups are elected by the villagers. They are responsible for monitoring progress. When the project started, they decided jointly which Millennium Goals had priority for their village’s development. Progress is discussed regularly and family surveys are also carried out. The committee representatives not only have to take regular stock of the progress of their village’s development; they have also learnt that the Millennium Goals are being globally applied. They are a good instrument when demanding accountability from their government. Our Indian partner organisations Kalyan and Pravah are pioneers in this area. They collaborate with India’s national millennium campaign Wada Na Todo to organise events with politicians, where the voices from millennium villages can be heard.

Further information on the Millennium Villages initiative can be found at: www.welthungerhilfe.de/millenniumsdoerfer.html
**MILLENNIUM VILLAGE ANOSIKELY IN MADAGASCAR**

**The country**
Madagascar is one of the poorest countries in the world. The lives of the inhabitants of millennium village Anosikely on the southeast coast were dominated by hunger and poverty for many years. People had very little to eat because of the sandy, barren coastal soil, while fishing with simple nets and wooden boats did not bring in sufficient food. Contaminated water led to a rapid rise in diarrhoeal diseases, resulting in a horrifying child mortality rate. Children also had to help in the fields instead of going to school, so only about one tenth of the population could read and write.

**The challenges**
With support from Welthungerhilfe’s Millennium Village initiative, the men and women of the village set out a plan of how they could improve their lives. The most important fields for them are nutrition, water, health and education. Training in improved cultivation techniques was carried out; now the local diet has been enriched with pulses and vegetables. Other important measures were the improvement of the drinking water supply, an irrigation system for 600 hectares of rice and the construction of a footbridge over a 30 metre-wide river to enable the children to get to school safely, without any more accidents. The primary school was extended and furnished. Adult literacy courses and the setting up of a small library were effective projects, as were midwife training and courses for the fishermen in net making and repair and the building of simple wooden boats.

**The successes**
Several hundred farmers have taken part in the training courses. They now harvest twice as much rice as before. To make sure that this success continues even when Welthungerhilfe is no longer on location, 20 interest groups have been set up. Well water is sold for a small sum, for example, so maintenance and repair works can be carried out in the future. The interest groups have the task of looking after the money. Almost all the village’s 350 children now go to school. The parents were motivated to send their children by the distribution of free school materials, but also in particular by the hot meal provided daily in the school canteen. 17 new wells and ongoing hygiene training have brought considerable improvements to the villagers’ health, as have further training for the traditional midwives and vaccination programmes. All mothers and babies have survived the home births during the last year, and over 85% of the children in Anosikely have been vaccinated against meningitis – far more than the national average.

**The future**
Although much has already been achieved, the situation in Anosikely must be improved further. One target is to increase the income from fishing. The construction of three new boats is planned, and fishermen are receiving further training. To increase rice production further, the canals in the irrigation area below the new dam must be extended. And although the 13 village midwives have learnt a great deal, they still want to learn more. They would like additional training, for example on early recognition of infant diseases or mother and child nutrition.

www.welthungerhilfe.de/madagaskar-anosikely-millenniumsdorf.html
Land grabbing makes people homeless
Pictures of food riots in South American, African and Asian countries reached even the German media in 2008: all over the world, people took to the streets to protest against rising food prices. The demand for basic foods far exceeded the supply on the global market and providing affordable food for the home market became an important issue, not just in developing countries but also in emerging and even in industrialised countries.

But how can access to food be guaranteed at a time when natural resources are in increasingly short supply? The answer is through increasing investment in agriculture and rural areas, which until now have often been neglected, particularly in developing countries. However, it is essential that this investment should also contribute to poverty reduction. Welthungerhilfe published a paper in April 2009, drawing attention to a crucial issue which has become known as “land grabbing”: state actors and private investors from industrial and emerging countries secure large agricultural areas in developing countries by means of long-term rental or purchase agreements, intending to use the land to cultivate food or energy crops for export. This is often very popular with local elites, who are very interested in such lucrative deals; tackling poverty and hunger, however, are not a priority.

This development is a particular threat to smallholder farmers, who often have no documentation to prove ownership of the land they have been cultivating or using as grazing for generations. Because they lack influence, they have little chance of defending themselves against the loss of the supposedly “unused” land. Welthungerhilfe is supporting organisations in developing countries which defend the rights of smallholder farmers.

One billion hungry people
As the food price crisis seemed to be easing, the next drama hit the headlines: the economic downturn and financial crisis. Due to the global recession, suddenly a further 100 million people no longer had enough to eat. In 2009, for the first time in human history, the number of malnourished people passed one billion. The massive scale of the hunger crisis brought the subject of food security to the world’s attention in a new way. In the L’Aquila statement, the leaders of the G8 nations pledged to provide US$ 20 billion in the next three years to support agriculture and tackle hunger in developing countries. At the World Food Summit in October 2009, which Welthungerhilfe followed critically, the international community confirmed its commitment to tackling hunger and for nutrition as a human right.

The recently elected German Federal Government also has obligations to fulfil. Welthungerhilfe held a parliamentary breakfast in November 2009, to inform newly elected members of parliament about the influence their political actions have on the nutrition situation of the people in the South. The motto of the breakfast was “policies which satisfy hunger” and politicians were challenged to review their policies. For example, trade policies which promote agricultural export subsidies undermine the sales of local products in developing markets in the South, thus infringing people’s right to nutrition. Climate protection measures must also be brought into line with the fight against hunger; excessive biofuel programmes can quickly turn into a threat to food security for millions. Welthungerhilfe intends to pay particular attention in the future to the lack of coordination between various political fields. Additional funding for development cooperation can only be effectively used when the political will to tackle hunger is present across all departments.

www.welthungerhilfe.de/themen.html
To be a rock star – to have one warm meal a day – to have a good harvest – we all have our dreams which inspire and encourage us. This is just as true of our personal dreams as of the dream of a better world; for helpers and for those who need help. If we join together to harness the power of our dreams, we can do more and even achieve great things. And that is the key to the vision of a world without hunger or poverty – it is a task for humanity as a whole.

“Dreams unite” – this is Welthungerhilfe’s new mission statement, formulated in 2009. It hopes to mobilise the power of personal dreams to motivate even more people to unite in the fight against poverty in a globalised world. Supporters and those being supported will come closer together; there will be more dialogue between them. Development cooperation will gain a new dimension in which personal encounters, experiences, and shared creation will be at the core. Welthungerhilfe also relies more than ever on mobilising its ever-growing network rooted in all areas of German society.

In this way Welthungerhilfe is facing up to the current challenges which came sharply into focus in the crisis year 2009. The economic downturn and financial crisis; increasing pressure on public and private budgets; turning away from distant “neighbours”; questioning the legitimacy of development cooperation – all these issues arose at a moment when the people of the South needed our support more than ever before.

Women in particular require support; this was reflected in the motto for this year’s Welthungerhilfe Week: “It all depends on the women”. The Week was opened in the traditional way by Horst Köhler, then Federal President of Germany and patron of Welthungerhilfe, with a televised speech. Volunteers had organised a range of activities in many cities to support projects to benefit women – a key task in the fight against hunger. Our new advertising campaign, featuring German TV presenters Gabi Bauer and Katrin Müller-Hohenstein and Swiss actress Charlotte Schwab, draws fresh attention to this. The three well-known women are presented on equal terms with Liz Quinde, Sor Poung and Margaret Atieno Dulo, three women in our projects. They all know that “you can’t plant autonomy, but you can certainly harvest it”. For the poorest people in the world, most of them farmers of arid land, that is particularly true.

There was also one positive fact making 2009 a memorable year: unlike in previous years, there were fewer natural disasters in the countries where Welthungerhilfe is active – apart from the severe drought in Kenya. The main focus in 2009 was therefore to secure the flow of donations even in economically difficult times, in order to be able to continue the project work.

Many people reduced their expenditure last year and Welthungerhilfe was also affected, experiencing a slight reduction in donations of 2%. Private supporters and especially companies were initially very cautious in view of the economic downturn. However, by the second half of the year the income was almost back up to the levels of the previous year and the income from long-term donors increased – figures which reflect the faithfulness of Welthungerhilfe donors.

Welthungerhilfe would like to thank all its supporters and invite them to get even more involved in the future – not just as donors, but as part of a new movement to fight against hunger and poverty. Let us combine our dreams with those of the poor, making an investment in the future. For as Victor Hugo said, “There’s nothing like a dream to create the future”.

www.welthungerhilfe.de/themen.html
OVERVIEW OF 2009

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1. Berlin’s Lord Mayor, Klaus Wowereit (photo), set a fine example by cycling for a good cause at the Green Week agricultural and horticultural fair which was held on 16-25 January 2009. He jumped on the bike at the Federation of German Food and Drink Industries (BE) stand, followed by 1,600 other visitors who clocked up a total of 51,000 kilometres. BVE had pledged a donation for each kilometre to the Welthungerhilfe project at Manigri in Benin, West Africa; by the end of the week, €21,000 had been raised in this way. The greater part of the sum was in fact raised by Berlin school pupils, who cycled several hundred kilometres for the project.

2. Welthungerhilfe opened its Millennium exhibition “15 villages. 8 goals. 1 world” in the style of a cookery programme at the Museum of Bread Culture, Ulm. Ivo Gönner, Mayor of Ulm (left in photo) and Heinz Peters, Welthungerhilfe’s Desk officer for India (right), prepared Indian dips while talking to local TV presenter Annette Krause (centre) about Welthungerhilfe’s Millennium Village initiative and Ulm’s involvement. During the opening event, the mayor as the city’s representative pledged to set up a partnership with one of the Indian millennium villages. In future, Ulm will support Gandhiji Songha.

3. Over 100 young designers from ten German fashion schools and students of Peru’s fashion institute CEAM took part in the fashion competition “World Robes 2009/2010”. Their designs were presented to an international jury at the Palais am Funkturm in Berlin at a gala on 27 March; they ranged from lavish party dresses to everyday leisure wear, using textiles from Welthungerhilfe project countries Mali, India and Peru. The World Robes initiative is not just intended to support the creativity of young designers. As Bärbel Dieckmann stated, the aim is to promote better understanding between cultures.

4. The name says everything; Glanztat (shining deed) is the name of a new fashion collection which, since April 2009, enables customers of the fashion mail order firm Otto to do a good deed. For each item sold from the Glanztat collection, Otto has pledged five euros for a project for street children in Cambodia. The young fashion collection features brightly printed T-shirts, jeans in striking designs and fashion accessories, presented on a double-page spread by rock singer and model Mimi Müller-Westerhagen, daughter of Marius Müller-Westerhagen, a well-known German rock singer. The funds raised by the collection support houses for young people in the Cambodian capital Phnom Penh, giving street children the opportunity to start vocational training. The young women in the photo, for example, are learning to sew.

5. The Association of Rural German Youth (BDL) got involved in a Welthungerhilfe youth project. In a nationwide activity with the motto “Wir fürs Land” (we support the countryside), members collected donations for Rwanda between 15-17 May, thus cementing the existing partnership with young people in our Rwandan millennium village.

The North Rhine-Westphalia state capital Düsseldorf joined Welthungerhilfe at a gala in Düsseldorf’s Maritime Hotel on 22 May to thank all those who had been active in supporting their partnership. Lord Mayor Dirk Elbers and Martina Dase, member of Welthungerhilfe Executive Board (from left in photo), expressed gratitude for the many activities in support of the millennium village Kongoussi in Burkina Faso.

6. Welthungerhilfe’s outgoing Secretary General Dr Hans-Joachim Preuß (left in photo), experts from national and international organisations and representatives from business and society met under the title “How to feed the world tomorrow”, to discuss an approach to future global nutrition. They focussed on the core issue of how to increase agricultural production to enable the world to provide healthy food for over nine billion people in 2050, while also protecting the environment. At the symposium and the subsequent reception in the World Conference Center, Bonn, Dr Hans-Joachim Preuß took his leave after seven years as Welthungerhilfe’s Secretary General, a position he held from 2003 until 2009.
### July

7 About 300 cyclists accepted the challenge of cycling 760 kilometres in eight days, setting off on 26 June in Hachenburg on the 11th Tour d’Europe. The first stage via Bonn to Cologne was accompanied by a 14-person Welthungerhilfe team. The route passed through south-west Germany and into neighbouring countries; the destination of the charity tour was Trier. During the tour week, several Runs for Life also took place. The funds raised by all these activities are destined for the village school at Rwingwe in Base Kiryango valley, Rwanda. Five new classrooms are to be built and equipped; a cistern and latrines are also planned.

### August

7 Welthungerhilfe was a partner in the 2009 World Championships in Athletics, held in Berlin, for two events: first, a Run for Life in the KulturStadion® at the Brandenburg Gate on 17 August, where 400 kilometres were run. The second event was the 10 km Champion’s Run on 22 August, where about 8,000 runners took part. Two euros per starter were donated to Welthungerhilfe.

During the Düsseldorf Olympic Adventures Camp on 11 August, Bärbel Dieckmann, Düsseldorf’s Lord Mayor Dirk Ebers and former professional footballer Benny Adrion (right in photo) fired the starter’s gun for the Run for Life for the millennium village in Burkina Faso. Basketball player Matthias Goddeck and football player Marcel Gauss were also present.

### September

9 The German Countrywoman’s Association has been a strong partner for Welthungerhilfe for over 30 years under the motto “Countrywomen for Countrywomen”. The members once more proved their commitment in 2009, fund-raising by selling fresh-pressed fruit juices during the annual Schorsenbimmel street festival in Hanover. Maria Vogel, managing director of the Lower Saxony branch of the association, was enthusiastic about the excellent fruit harvest in 2009. The juice sales were highly successful and the money raised will go to a women’s project in Rwanda, East Africa, which develops alternative economic projects for women farmers.

### October

10 To empower women is to strengthen the whole community, as Horst Köhler, then Federal President and patron of Welthungerhilfe, stated in his TV opening speech for Welthungerhilfe Week 2009. The motto for the Week was “It all depends on women”. The Global Hunger Index 2009, presented by Welthungerhilfe and the International Food Policy Research Institute (IFPRI) on 16 October, claims that where women are disadvantaged, more people go hungry. Welthungerhilfe and its action groups nationwide drew attention to the situation of women in developing countries with a variety of colourful sporting and political events from 11 to 18 October: panel discussions, Runs for Life, fund-raising activities and concerts.

### November

11 A large number of VIPs took part in the television quiz Gut zu wissen (Good to Know) on 18 November. Dr Wolfgang Jamann, Welthungerhilfe Secretary General, President Bärbel Dieckmann and presenter Markus Lanz (from the left in the photo) were delighted with the sum of € 1.5 million raised.

“Are companies better at development aid?” This was the question put to economic and development cooperation experts on 24 November during the Godesberg Talks series. François Traoré, President of the African Cotton Producers’ Association and Torsten Stau, Head of the Strategic Buying Department Textiles at Rewe Group, were the guests.

12 Welthungerhilfe and the aid organisation Islamic Relief agree that more cooperation between Islamic and non-Islamic organisations could help overcome misunderstandings. This was the result of the two-day conference on “Development Cooperation and Humanitarian Aid in the Context of Islam” which took place on 7 and 8 December in Bonn. Dr Hany El-Banna, President of Islamic Relief Germany, emphasised that, “we are looking forward to direct cooperation on the spot, because we are convinced that humanitarian aid can be more successful if we work together.” The conference agreed to closer cooperation between the two organisations, both in Germany and in the Islamic project countries.

[www.welthungerhilfe.de/kalender.html](http://www.welthungerhilfe.de/kalender.html)
HOW WELTHUNGERHILFE ENSURES QUALITY AND TRANSPARENCY

For Welthungerhilfe, quality means that our projects are effective in the long term. We aim to give people the strength to shape their lives when Welthungerhilfe’s support ends. For Welthungerhilfe, transparency means that the money given by donors, partners and public donors is well invested. We provide ongoing evidence of how the money is used; our supporters have the right to know.

Areas of responsibility are clearly set out: the Executive Board of Directors leads and is responsible for running the organisation; the Supervisory Board supervises and monitors their activities and ensures that strategic guidelines are complied with. Once a year, Welthungerhilfe’s member organisations assemble to agree on the economic plan and approve the annual financial accounts.

The honorary Program Advisory Committee advises Welthungerhilfe on programmes abroad and on its political and public relations work in Germany. It consists of independent experts in various fields, providing expertise timely as projects are designed.

The internal auditing department ensures that donations and public funding are used in accordance with the statutes and that all guidelines are complied with, for example the anti-corruption guideline. The internal auditing department monitors all areas and activities of the organisation. It has unlimited access to all departments and can demand information and documents.

Development aid - does it actually achieve anything? The answer is “Yes”! Independent experts have confirmed that Welthungerhilfe projects are effective. Intensive planning and training have ensured that we have sufficient data to give evidence of successes. Improved harvests, functioning management systems on the spot – these are the hallmarks of effective, long-term development aid.

The evaluation unit regularly monitors the quality of our work in Germany and abroad, calling on recognised experts in various fields. An independent inspection by the German Federal Ministry for Economic Cooperation and Development confirmed the evaluation unit’s independence, quality and practical relevance. Their work makes an ongoing contribution to project improvement.

As guardian of the figures, the controlling unit has all the important figures at its fingertips. It can supply data on donations and public grants received, income and expenditure, and other important information to the Executive Board, to enable them to run the organisation in line with the strategic goals.
Welthungerhilfe has introduced a quality management system based on the model of the European Foundation for Quality Management, which has now issued a specific version for development cooperation, EFQM-EZ. Trained employees of the organisation will help to ensure optimum process management and the development of standards, so work is not unnecessarily delayed or duplicated.

Welthungerhilfe has clear rules for responsibilities and signing authorities. Rules for awarding contracts have been in place for many years now, which set out, among other things, the procedures for awarding contracts and the second-set-of-eyes principle. Public donors of Welthungerhilfe, such as the German Federal Government, the European Union and the World Bank, which monitor the proper use of their funds both in the project countries and at our head office, have certified Welthungerhilfe’s high standards.

Welthungerhilfe achieved first place in the PricewaterhouseCoopers transparency award for 2009. Göttingen University’s team of analysts stated that Welthungerhilfe’s information policy towards its donors is exemplary. The prize is confirmation of Welthungerhilfe’s aim of reporting as fully as possible on its activities and how money is used. The German Institute for Social Issues (DZI) seal certifies that Welthungerhilfe’s public relations and administration costs are in the “low” category. Welthungerhilfe, together with Kindernothilfe, is one of the initiators of the Association of German Development Non-Governmental Organisations (VENRO)’s Code of Behaviour on “Transparency, Organisational Management and Control”.

Quality management

Clear rules and inspections

Signed and sealed
HOW WE HELP WORLDWIDE

In 2009 Welthungerhilfe carried out 299 overseas projects in 44 countries.

The main focus of our project funding was once more, as expected, in Africa, where 5 of the 10 countries receiving the highest levels of support are located. As in the past few years, Sudan is the country with the biggest project value. Hundreds of thousands of people there are still suffering the effects of civil war. As the overview shows, Welthungerhilfe was already very active in Haiti well before the earthquake struck.

Voices from the millennium villages

Maria Toapanta (35), millennium village San Andrés/Ecuador

“Three years ago there was just grass growing on the land where I now grow my raspberries. In the training course on organic cultivation, I learnt how to make the fertilizer for my fields myself. Work in the fields is hard, but our lives have improved now that we have land. In the past, we often didn’t have enough food for ourselves and our four children. Luckily that has changed now.”

Abigail Colque Quispe (28), millennium village Cañadón Peñas/Bolivia

“Now that we’ve learnt to make cheese in larger quantities and sell it on the market, we young people are no longer forced to move to the cities. I am so glad that I can bring up my son here in Peñas valley, thanks to the new economic opportunities. Life is much more pleasant and healthier here than in Oruro city.”
“My life has improved in lots of ways. Instead of just growing one kind of pulses, I now cultivate different types of crops, such as wheat, teff and chickpeas. The new strains are much better than the old ones, too. For example, the chickpeas are sweeter and more aromatic - they taste almost like biscuits. Thanks to the improved cultivation methods we’ve learnt, we get bigger harvests. My family and I don’t go hungry anymore and there’s even some left over to sell at the market.”

“Welthungerhilfe has built and equipped schools so that more children in Kongoussi can go to school. Access to education gives the people of Kongoussi the chance of equality, because education gives both men and women the opportunity to develop their abilities and to make a useful contribution to society, regardless of their origins and social status. For us, education is an essential instrument for development.”

“There have been many changes in our village and the other villages. My life and that of my family have changed too. Our wheat harvest was very good last year. Now I can send both my children, my son and my daughter, to school. I’m pleased about that, because it means that my children may have the chance to study later. I want them to be able to achieve something in life.”

“Everyone’s lives have improved since Welthungerhilfe built the well in our village. Now we can water our vegetable gardens, so we have vitamins to eat in the dry season too. The training has taught us a lot about correct nutrition. The well makes our lives much easier. The women used to make the half-hour walk to the river three times a day, trudging back with a load of 20 litres. Now we don’t have to do that anymore.”
# LIST OF PROJECTS

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<td>agriculture and resource management, promoting environmental awareness</td>
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<tr>
<td>Somalia/Somaliland</td>
<td>2</td>
<td>500,837.23</td>
<td>BMZ, EC, other</td>
<td>food security, rural development, resource management, support for cocoa and coffee production</td>
</tr>
<tr>
<td>South Africa</td>
<td>2</td>
<td>37,283.54</td>
<td></td>
<td>support of a facility for the care of people with HIV/AIDS</td>
</tr>
<tr>
<td>Sudan</td>
<td>8</td>
<td>29,904,132.03</td>
<td>BMZ, EC, FAO, WFP, USAID, other</td>
<td>food security, flood protection, food supplements for children in refugee camps, protection of natural resources, support of social infrastructure, restoration of schools for victims of civil war</td>
</tr>
<tr>
<td>Tanzania</td>
<td>1</td>
<td>76,930.00</td>
<td></td>
<td>food security, conflict prevention</td>
</tr>
<tr>
<td>Uganda</td>
<td>5</td>
<td>1,939,879.29</td>
<td>BMZ, Alliance2015</td>
<td>irrigation, rainwater harvesting, support for health facilities, crisis prevention</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>12</td>
<td>7,761,515.73</td>
<td>BMZ, EC, World Bank, other</td>
<td></td>
</tr>
<tr>
<td>Africa total</td>
<td>121</td>
<td>81,000,010.50</td>
<td></td>
<td>34</td>
</tr>
</tbody>
</table>

**Note:** The number of partner organisations varies depending on the specific project and its funding. The table includes projects in Latin America/Caribbean and Africa, with detailed funding, organisations, content of projects, and number of partner organisations.
<table>
<thead>
<tr>
<th>Country</th>
<th>Projects in implementation</th>
<th>Project funding in €</th>
<th>Funding organisations</th>
<th>Content of projects – key words</th>
<th>Number of partner organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td></td>
<td></td>
<td>AA, BMZ, EC, GTZ, Alliance2015, World Bank, other</td>
<td>community development, protection of water catchment areas, drinking water, emergency aid for drought victims, rose oil production</td>
<td>0</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>13</td>
<td>7,248,331.84</td>
<td>AA, BMZ, EC, GTZ, Alliance2015, World Bank, other</td>
<td>community development, protection of water catchment areas, drinking water, emergency aid for drought victims, rose oil production</td>
<td>0</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>0</td>
<td></td>
<td>BMZ</td>
<td>support for self-help structures</td>
<td>1</td>
</tr>
<tr>
<td>Cambodia</td>
<td>9</td>
<td>1,618,791.89</td>
<td>BMZ, EC, Alliance2015, other</td>
<td>Millennium Village, food security, agricultural advice, support for the victims of human rights violations, support for training centres</td>
<td>4</td>
</tr>
<tr>
<td>India</td>
<td>39</td>
<td>2,622,617.97</td>
<td>BMZ, EC, Alliance2015, other</td>
<td>2 Millennium Villages, strengthening of self-help groups, abolition of child labour, rural and agricultural development, emergency aid, disaster prevention, construction of schools, support for orphans, support for handicapped people</td>
<td>37</td>
</tr>
<tr>
<td>Indonesia</td>
<td>8</td>
<td>988,863.49</td>
<td>BMZ, Alliance2015, other</td>
<td>reconstruction of social infrastructure following the tsunami disaster (schools, houses, wells etc.)</td>
<td>0</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>1</td>
<td>13,217.36</td>
<td>TACIS, Alliance2015, other</td>
<td>the fight against poverty, support for sustainable agriculture</td>
<td>0</td>
</tr>
<tr>
<td>Laos</td>
<td>6</td>
<td>1,839,171.77</td>
<td>EC, BMZ, WFP, other</td>
<td>rural development, agricultural extension</td>
<td>0</td>
</tr>
<tr>
<td>Myanmar</td>
<td>16</td>
<td>4,911,540.83</td>
<td>AA, BMZ, DFID, EC, FAO, WFP, UNHCR, USAID, Alliance2015, other</td>
<td>food security, drinking water and hygiene measures, construction of schools, emergency aid for victims of natural disasters</td>
<td>4</td>
</tr>
<tr>
<td>Nepal</td>
<td>1</td>
<td>605,595.29</td>
<td>BMZ</td>
<td>food security, reconstruction aid</td>
<td>1</td>
</tr>
<tr>
<td>Pakistan</td>
<td>6</td>
<td>768,500.00</td>
<td>BMZ, EC, other</td>
<td>drinking water and hygiene measures, seed processing, improvements in fruit growing, funding for greenhouses</td>
<td>1</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>1</td>
<td>271,888.12</td>
<td>AA, Alliance2015</td>
<td>reconstruction following the earthquake, trauma management programme, agricultural extension, disaster prevention, drinking water supply</td>
<td>0</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>1</td>
<td>2,889,101.22</td>
<td>BMZ, AA, EC, Alliance2015</td>
<td>peace-keeping, supporting social structures, food security, emergency aid for internally displaced persons, construction of schools</td>
<td>0</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>12</td>
<td>1,483,929.17</td>
<td>BMZ, EC, GTZ, TACIS, Weltbank, other</td>
<td>Millennium Village, support for eco-tourism, rural development, support for self-help groups, disaster prevention, emergency aid, food security</td>
<td>1</td>
</tr>
<tr>
<td>Vietnam</td>
<td>1</td>
<td>-4,536.28*</td>
<td>other</td>
<td>agricultural development</td>
<td>1</td>
</tr>
<tr>
<td>Regional</td>
<td>1</td>
<td>52,391.96*</td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Asia total</td>
<td>123</td>
<td>25,204,620.71</td>
<td></td>
<td></td>
<td>52</td>
</tr>
<tr>
<td>Pan-regional projects</td>
<td>6</td>
<td>920,072.42</td>
<td>GTZ</td>
<td>Project management by head office, comprehensive quality control of project work both as regards content and financial management</td>
<td>0</td>
</tr>
<tr>
<td>Pan-regional total</td>
<td>6</td>
<td>920,072.42</td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>299</td>
<td>120,570,671.67</td>
<td></td>
<td></td>
<td>124</td>
</tr>
<tr>
<td>Domestic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>15</td>
<td>954,406.38</td>
<td>BMZ, BMELV, EC, Alliance2015, other</td>
<td>information services, lobbying, public relations</td>
<td></td>
</tr>
<tr>
<td>Total domestic</td>
<td>15</td>
<td>954,406.38</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>314</td>
<td>121,525,078.05</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Countries with regional offices are shown in bold

Abbreviations used: AA – Federal Foreign Office; Alliance2015 – Alliance2015 partner organisations; BMZ – Federal Ministry for Economic Cooperation and Development; BMELV – Federal Ministry of Food, Agriculture and Consumer Protection; DFID – (UK) Department For International Development; EC – European Commission; FAO – Food and Agriculture Organization (UN); GTZ – Gesellschaft für Technische Zusammenarbeit (German Society for Technical Cooperation); UNHCR – Office for the Coordination of Humanitarian Affairs (UN); USAID – United States Agency for International Development; World Bank – World Bank; WFP – World Food Programme (UN)

* The list shows those projects which were underway as at 31.12.2009. Countries in which projects were carried out and completed before 31.12.2009 are also listed. Savings in other projects are to be understood as “return flows” of funds which had been provided but were not required.
FINANCES

GENERAL INFORMATION

The annual financial statements of Welthungerhilfe are prepared in accordance with the German Commercial Code (HGB), with voluntary application of supplementary rules for large corporate entities as set out in sections 264 ff., HGB.

Value-added tax (VAT) is included in the costs of fixed assets and in expenses except where the organisation is able to deduct VAT.

Accounting policies

Tangible fixed assets are stated at cost less any depreciation, which is charged in accordance with German tax law, and less any impairment charges recognised under section 2, page 3 of section 253 (2) HGB. Depreciation is charged on a straight-line basis except where a shorter estimated useful life is considered appropriate in the context of a specific project.

For assets with a cost price of between € 150 and € 1,000, a compound item was created which is depreciated over 5 years. Securities forming part of the financial assets are valued in accordance with the moderate lower-of-cost-or-market principle. Hidden reserves are included for an amount of € 791,000.

Accounts receivable and other assets as well as cash are stated at face value. Identifiable risks are appropriately taken into account by means of value adjustments.

Foreign-currency accounts receivable are translated at the buying rate, using the lower of the rate at the inception date of the receivable or the balance sheet date. Reserves are built up, used and dissolved in accordance with the statutory requirements and the Welthungerhilfe statutes. Welthungerhilfe funds designated for co-financed projects, for improvements to Welthungerhilfe’s external structures and for non-co-financed projects not subject to contractual agreement are accounted for in the project funding special reserve. The organisation’s own funds account for 74.3 percent of total project funds for co-financed domestic projects and 18 percent for co-financed foreign projects. Provisions are built up for uncertain liabilities and identifiable risks. The amount built up is the estimated amount required to settle the obligation.

Accounts payable are stated at their settlement amount. Foreign-currency accounts payable are translated at the selling rate, using the higher of the rate at the inception date of the payable or the balance sheet date.

BALANCE SHEET AT 31 DECEMBER 2009

<table>
<thead>
<tr>
<th>Assets</th>
<th>31.12.2009</th>
<th>Previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>EUR</td>
<td></td>
</tr>
<tr>
<td>A. Fixed Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Software</td>
<td>654,431.80</td>
<td>694,619.11</td>
</tr>
<tr>
<td>2. Deposits paid</td>
<td>26,055.00</td>
<td>41,547.96</td>
</tr>
<tr>
<td>II. Tangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixtures, fittings and equipment</td>
<td>738,125.25</td>
<td>653,936.67</td>
</tr>
<tr>
<td>III. Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Participating interests</td>
<td>256,054.97</td>
<td>256,054.97</td>
</tr>
<tr>
<td>2. Securities and loan notes</td>
<td>19,005,992.27</td>
<td>24,584,131.92</td>
</tr>
<tr>
<td></td>
<td>20,680,659.29</td>
<td>26,230,290.63</td>
</tr>
<tr>
<td>B. Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Accounts receivable and other assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Grants receivable under approved project allocations</td>
<td>123,061,196.43</td>
<td>124,597,652.90</td>
</tr>
<tr>
<td>2. Assets from gifts and legacies</td>
<td>90,652.52</td>
<td>93,270.85</td>
</tr>
<tr>
<td>3. Other assets</td>
<td>1,883,916.19</td>
<td>1,112,617.01</td>
</tr>
<tr>
<td>II. Liquid resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>31,035,887.06</td>
<td>35,985,772.12</td>
</tr>
<tr>
<td></td>
<td>156,071,652.20</td>
<td>161,789,312.88</td>
</tr>
<tr>
<td>C. Accrued income</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>56,301.22</td>
<td>48,745.76</td>
</tr>
<tr>
<td></td>
<td>176,808,612.71</td>
<td>188,068,349.27</td>
</tr>
</tbody>
</table>
### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>31.12.2009</th>
<th>Previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Bequeathed funds reserve</td>
<td>13,300,000.00</td>
<td>13,300,000.00</td>
</tr>
<tr>
<td>II. Project funds reserve</td>
<td>1,921,000.00</td>
<td>3,597,000.00</td>
</tr>
<tr>
<td>III. Non-designated funds reserve</td>
<td>11,300,000.00</td>
<td>10,853,000.00</td>
</tr>
<tr>
<td></td>
<td>26,521,000.00</td>
<td>27,750,000.00</td>
</tr>
<tr>
<td><strong>B. Project funding special reserve</strong></td>
<td>26,228,568.66</td>
<td>30,247,324.70</td>
</tr>
<tr>
<td><strong>C. Provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other provisions</td>
<td>2,858,600.00</td>
<td>3,891,800.00</td>
</tr>
<tr>
<td><strong>D. Payables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Earmarked grants received from co-funders but unspent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Domestic</td>
<td>473,302.56</td>
<td>767,253.24</td>
</tr>
<tr>
<td>2. Foreign</td>
<td>96,998,550.74</td>
<td>92,696,163.56</td>
</tr>
<tr>
<td>II. Project accounts payable</td>
<td>21,697,894.08</td>
<td>30,463,558.11</td>
</tr>
<tr>
<td>III. Trade accounts payable</td>
<td>1,537,689.19</td>
<td>1,590,203.83</td>
</tr>
<tr>
<td>IV. Other accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Donor loans</td>
<td>61,196.93</td>
<td>69,696.93</td>
</tr>
<tr>
<td>2. Obligations assumed in connection with gifts and legacies</td>
<td>139,298.72</td>
<td>0.00</td>
</tr>
<tr>
<td>accounts payable</td>
<td>291,694.02</td>
<td>591,871.09</td>
</tr>
<tr>
<td>3. Sundry other accounts payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>121,199,626.24</td>
<td>126,178,746.76</td>
</tr>
<tr>
<td>E. Accrued expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>817.81</td>
<td>477.81</td>
</tr>
<tr>
<td></td>
<td>176,808,612.71</td>
<td>188,068,349.27</td>
</tr>
</tbody>
</table>

### Notes to the Balance Sheet

The previous year’s figures are given in brackets.

#### Assets

**A. Fixed assets**

I. Intangible assets

These consist of purchased and depreciated software or software for which a deposit has been paid in the amount of € 680,000 (€ 736,000).

II. Tangible assets

These consist of € 428,000 (€ 339,000) in depreciated IT hardware, € 210,000 (€ 222,000) in office fixtures, fittings and equipment and € 100,000 (€ 93,000) in other assets. Project-funded tangible fixed assets abroad are accounted in the projects.

#### B. Current assets

I. Accounts receivable and other assets

1. Grants receivable under approved project allocations

Most of the € 123.1 million (€ 124.6 million) in grants receivable at the balance sheet date relates to co-financed projects as follows: European Union € 42.4 million (€ 44.6 million), United Nations € 36.5 million (€ 31.7 million), the Federal Foreign Office € 10.6 million (€ 0.0 million), the Federal Ministry for Economic Cooperation and Development € 10.0 million (€ 17.6 million), USAID € 8.8 million (€ 5.3 million), and Kreditanstalt für Wiederaufbau (KfW) € 5.4 million (€ 10.4 million). Non-cash grants are stated at market prices.
2. Assets from gifts and legacies
These primarily relate to two apartments originating from a gift, recognised as assets at appraised market value plus transaction costs and depreciated on a straight-line basis in accordance with section 7 (4) of the German Income Tax Act (EStG). The remaining assets in this item relate to legacies recognised as assets at a nominal amount. Any gain on disposal of such assets is recognised in the corresponding year as income from donations and bequests.

3. Other assets
The € 1,884,000 (€ 1,113,000) figure for other assets mainly consists of € 802,000 (€ 214,000) amounts receivable from the tax authorities, € 555,000 (€ 249,000) amounts receivable from the Welthungerhilfe Foundation and € 123,000 (€ 232,000) in interest accruals for securities, time deposits and current accounts. The amounts receivable from the tax authorities mainly consist of recovery claims for export turnover tax in relation to a large-scale project in Congo.

II. Liquid resources
Welthungerhilfe funds assigned to current projects but not yet needed are invested as time deposits to obtain a market rate of return with low exposure to risk. Such funds are paid out to meet current needs as budgeted. Foreign-currency holdings are stated at weighted average transfer exchange rates and advance payments are calculated at the same rates.

The decrease in cash to € 31.0 million (€ 36.0 million) is due to the decrease in donations in 2009. The cash total includes € 18.0 million (€ 10.4 million) in domestic time deposits, € 9.7 million (€ 12.7 million) in foreign project accounts and € 3.3 million (€ 12.9 million) in special accounts for public donors.

Liabilities

A. Reserves
I. Bequeathed funds reserve
The bequeathed funds reserve consists of funds available to the organisation on a long-term basis.
II. Project funds reserve
This reserve was created for projects started in 2010.
III. Non-designated funds reserve
€ 447,000 was credited to the non-designated funds reserve to safeguard Welthungerhilfe’s institutional operating capacity.

B. Project funding special reserve
The special reserve amounting to € 26.2 million (€ 30.3 million) is made up as follows: € 21.3 million (€ 21.1 million) Welthungerhilfe own funds for projects co-financed by public donors; € 1.6 million (€ 1.5 million) Welthungerhilfe own funds for improvements to external structures; and € 3.3 million (€ 7.7 million) for domestic and foreign projects carried out autonomously without outside grants.

C. Provisions
Other Provisions
The provisions amounting to € 2,859 million (€ 3,892 million) are mainly formed for project risks € 1.278 million (€ 1.278 million) (to offset possible exchange rate losses); € 756,000 (€ 891,000) redundancy payments legally required abroad for staff that leaves the organisation; and various amounts payable to staff € 739,000 (€ 774,000).

D. Accounts payable
I. Earmarked grants received from co-funders but unspent
These relate to public funds used for projects carried out autonomously by Welthungerhilfe. Non-cash grants are stated at market prices.
II. Project accounts payable
These relate to obligations for projects carried out by Welthungerhilfe or under contract with other project holders. Non-cash grants are stated at market prices.
III. Trade accounts payable
These mainly consist of accounts payable for supplies to foreign projects, settled within their due dates in the new year. The amount varies according to the size and nature of projects currently in progress.
IV. Other accounts payable
Donor loans can be withdrawn at one week’s notice. The sundry other accounts payable mainly relate to travel expenses and fees still to be settled and VAT.

Analysis of accounts payable (€ thousand) 31.12.2009 < 1 year >1 year > 5 years
I. Earmarked grants received from co-funders but unspent 97,472 75,560 21,912 0
II. Project accounts payable 21,698 12,203 9,495 0
III. Trade accounts payable 1,538 1,538 0 0
IV. Sundry other accounts payable 1. Donor loans 61 61 0 0
2. Obligations assumed in connection with legacies and gifts; accounts payable 139 139
3. Sundry other accounts payable 292 292 0 0

121,200 89,793 31,407 0
For earmarked grants received from co-funders but unspent there exist sureties for the value of € 777,800.
### Income and Expenditure Account for the Year to 31 December 2009

<table>
<thead>
<tr>
<th>Description</th>
<th>2009 EUR</th>
<th>Previous Year EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Donations and Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Donations, bequests and allocated fines</td>
<td>31,914,529.73</td>
<td>37,055,177.90</td>
</tr>
<tr>
<td>b) Net income transferred from Welthungerhilfe Foundation</td>
<td>578,401.99</td>
<td>257,658.50</td>
</tr>
<tr>
<td><strong>c) Institutional Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public grants</td>
<td>101,068,629.80</td>
<td>101,852,727.40</td>
</tr>
<tr>
<td>Foundations and private charities</td>
<td>3,521,779.97</td>
<td>3,105,824.54</td>
</tr>
<tr>
<td>d) Grants from cooperation partners</td>
<td>0.00</td>
<td>111,326.42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>137,083,341.49</td>
<td>142,382,714.76</td>
</tr>
<tr>
<td><strong>2. Other Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,186,725.46</td>
<td>805,679.74</td>
</tr>
<tr>
<td><strong>3. Project Funding</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Foreign</td>
<td>-109,382,951.12</td>
<td>-108,655,123.26</td>
</tr>
<tr>
<td>- Domestic</td>
<td>-804,582.85</td>
<td>-2,411,222.74</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-110,187,533.97</td>
<td>-111,066,346.00</td>
</tr>
<tr>
<td><strong>4. Staff Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Wages and salaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic staff</td>
<td>-8,509,964.05</td>
<td>-8,275,495.13</td>
</tr>
<tr>
<td>Foreign staff</td>
<td>-10,850,262.00</td>
<td>-10,451,782.37</td>
</tr>
<tr>
<td>b) Social security, pensions and other employee benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic staff</td>
<td>-1,991,159.14</td>
<td>-1,907,870.61</td>
</tr>
<tr>
<td>Foreign staff</td>
<td>-1,562,585.53</td>
<td>-1,434,521.90</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-22,913,970.72</td>
<td>-22,069,670.01</td>
</tr>
<tr>
<td><strong>5. Depreciation, Amortisation and Impairments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) On non-current intangible assets and tangible assets</td>
<td>-573,160.10</td>
<td>-511,553.33</td>
</tr>
<tr>
<td>b) Assets from gifts and legacies</td>
<td>-2,618.33</td>
<td>-2,618.33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-575,778.43</td>
<td>-514,171.66</td>
</tr>
<tr>
<td><strong>6. Other Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7. Income from Participating Interests and Sponsoring</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8. Other Interest and Similar Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>9. Write-downs on Securities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>10. Interest and Similar Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>11. Net Income Before Changes to Reserves</strong></td>
<td>-1,229,000.00</td>
<td>1,897,000.00</td>
</tr>
<tr>
<td><strong>12. Transfer to Non-designated Funds Reserve</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>13. Transfer to Project Funds Reserve</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>14. Transfer from Project Funds Reserve</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>15. Net Income for the Year</strong></td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### Notes to the Income and Expenditure Account

**Income**

Donations and grants

Project activities are funded entirely from donations, net income transferred from Welthungerhilfe Foundation, public and private institutional grants and grants from cooperation partners.

Donations decreased by €5.2 million to €31.9 million (€37.1 million); however, last year the donations for the flood disaster in Myanmar contributed to the higher level of donations. The total is made up of €30.4 million (€35.6 million) in cash donations; €1.1 million (€1.1 million) in income from bequests and €0.4 million (€0.3 million) in fines. €43.6 million from the collection of „Bündnis – Entwicklung hilft“ is included in the cash donations. Public grants have decreased slightly by €0.8 million to €101.1 million (€101.9 million). Project grants from foundations and private charities have increased by €0.4 million to €3.5 million (€3.1 million).

**Other Income**

The other income of €1,187,000 (€806,000) mostly consists of €379,000 (€355,000) in exchange rate gains on foreign grants and projects, €365,000 (€110,000) from the dissolving of provisions and payables, €204,000 (€124,000) in income from disposals of securities and €157,000 (€118,000) sponsoring and licensing income.

Income from participating interests and sponsorship

The income from participating interests results from the sponsorship fees and the organisation’s share of net income from the DW shop for the 2008/2009 financial year.

**Other Interest and Similar Income**

Other interest and similar income mainly consists of €841,000 (€1,135,000) in interest on securities and €106,000 (€139,000) in interest on time deposits, less accrued interest of €0.00 (€73,000). The reduction in interest on securities is due to the reduction in securities investment and lower levels of interest.

**Expenditure**

Project funding

This item relates to commitments in the form of contractual and non-contractual obligations entered into for approved projects in developing countries, and for domestic projects in accordance with the Welthungerhilfe statutes. Funding for foreign projects increased by €0.7 million to €109.4 million (€108.7 million).

Domestic project funding decreased by approx. €1.6 million because certain formats of domestic work are currently undergoing evaluation and are not being funded at present.
Wages and salaries
These include the domestic project and administration areas as well as expatriate staff who are employed directly by head office. Domestic staff previously funded by projects is now listed under domestic staff costs. The previous year’s figures have been adjusted accordingly. Wages and salaries expenditure for foreign staff increased by € 0.4 million to € 10.9 million (€ 10.5 million). Local project staff with local employment contracts is accounted for in project funding expenditure. Staff costs include € 475,000 for pension provision.

Other expenditure
Other expenditure mainly consists of € 4,561,000 (€ 5,090,000) for public relations, € 845,000 (€ 692,000) for rent and premises and € 725,000 (€ 656,000) for IT. The decrease in expenditure on public relations is due to reduced spending on advertising and fund-raising.

Other mandatory disclosures
Other financial obligations
Based on the remaining terms of the contracts involved, amounts owed under rental contracts and leases for the years to 2019 amount to an annual average of € 565,000 (€ 514,000), of which € 482,000 (€ 399,000) is owed to the Welthungerhilfe Foundation. Contracts worth up to € 1,193,000 (€ 2,506,000) are still to be entered into for projects which have already been approved internally but for which only partial contracts have so far been signed with project partners. The figure for contracts still to be entered into was thus reduced by € 1,313,000 in 2009. Software maintenance agreements amount to € 233,000 (€ 136,000) annually.

Audit fee
The audit fee for the annual financial statement 2009 is € 66,000.

Other workforce
Domestic workforce
- Unlimited-term contracts: 122 (121)
- Limited-term contracts: 66 (55)
Expatriate workforce
- 188 (176)
Total workforce
- 374 (355)

Pay scales for full-time staff
The gross annual pay of full-time staff is made up of a monthly salary, an annual bonus (13th month’s salary) and employer’s contributions to a pension plan.

Gross annual pay
- Directors: up to € 150,000
- Group heads: from € 55,000 to € 72,000
- Desk officers: from € 42,000 to € 59,000
- Administrations: from € 30,000 to € 45,000
- Supporting staff: from € 28,000 to € 41,000

The above figures do not include employer’s statutory social insurance contributions. An additional amount of € 90 per month is currently paid for dependent children up to age 14.

Association governing bodies
The general assembly elected the following as members of the honorary Supervisory Board on 27 November 2008:

- Bärbel Dieckmann (President)
- Prof. Dr. Klaus Tripfer (Vice-President)
- Norbert Geisler (Director of the Finance Committee)
- Prof. Dr. Hartwig de Haen
- Dr. Stephan Reimers
- Dr. Evelyn Schmidtke
- Dr. Tobias Schulz-Isenbeck

Members of the Executive Board:
- Dr. Wolfgang Jamann (Chief Executive Board/Secretary General), from 01 August 2009
- Dr. Hans-Joachim Preuß (Chief Executive Board/Secretary General), until 31 July 2009
- Mathias Mogge (Executive Director Programmes), from 01 March 2010
- Manfred Hochwald (Executive Director Programmes), until 17 October 2009
- Martina Dase (Executive Director Marketing), from 01 April 2009

Management
The business of the association was managed in 2009 by the Executive Board.

Proposal for the appropriation of net income
The Executive Board proposes that the net income amount of € 447,000 remaining after the reversal of the project funds reserve from the previous year should be transferred to the non-designated funds reserve.

Bonn, 26 April 2010

Dr. Wolfgang Jamann
Chief Executive Board
Mathias Mogge
Executive Director Programmes
Martina Dase
Executive Director Marketing

Auditors’ Report
Welthungerhilfe’s balance sheet and income and expenditure account are prepared in accordance with the principles of sections 288 to 286 of the German Commercial Code (HGB) (company for all businesses); the notes to the financial statements are prepared with voluntary application of the supplementary rules for large corporate entities as set out in sections 284 to 288 HGB and the management report in accordance with section 289 HGB.

We have issued the annual financial statement (balance sheet, income and expenditure account and notes to the financial statement) and the management report of Welthungerhilfe for the financial year from 01 January 2009 to 31 December 2009. In the form appended to this report as Appendix I (annual financial statement) and II (management report), with an unqualified auditors’ report signed on 26 April 2010 in Düsseldorf, as follows:

AUDITORS’ REPORT BY THE BALANCE SHEET AUDITORS
To Deutsche Welthungerhilfe e.V.

We have audited Welthungerhilfe’s financial accounts – comprising the balance sheet, income and expenditure account, and notes to the financial statement – including the accounting and the management report for the financial year from 01 January 2009 to 31 December 2009. The organisation’s legal representatives are responsible for the accounting and the preparation of the annual financial statement and management report in accordance with the German commercial code and supplementary provisions in the statutes. It is our task to give a judgement of the annual financial statement including the accounting and of the management report, on the basis of our audit.

We carried out our final audit in accordance with section 317 HGB, taking into account the principles of correct auditing as laid down by the Institute of Public Auditors in Germany (IDW). Here it is laid down that the audit is to be planned and carried out in such a way that inaccuracies and irregularities, which affect the image of the state of the assets, finances and yield presented in the annual financial statement in accordance with the principles of correct accounting and the management report, can be recognised with reasonable certainty. The decision on the audit activities takes into account information about the organisation’s business activity, the economic and legal environment and possible mistakes anticipated. In the course of the audit, the effectiveness of the internal control system in relation to accounting as well as evidence for the figures in the accounting, annual financial statement and management report are assessed, mainly by means of spot checks. The audit includes the assessment of the accounting principles applied and the main estimates of the legal representatives as well as appraisal of the overall presentation of the financial statement. We are of the opinion that our audit is a sufficiently reliable basis for our evaluation.

Our audit has led to no objections.

According to our assessment, based on what we saw in the audit, the financial statement complies with statutory provisions and the supplementary provisions in the statutes and gives an accurate picture of the organisation’s assets, finances and income in accordance with the principles of correct accounting. The management report is consistent with the financial statement and gives overall an accurate picture of the organisation’s true situation and of the chances and risks of future development.

Without qualifying this assessment, we would point out that the yield from donations of co-financers in the approval period according to the statement and the expenditure for project funding in the period when funds are internally committed are shown by Welthungerhilfe.

We have made this report on the audit of Welthungerhilfe’s annual financial statement (balance sheet, income and expenditure account and notes to the financial statement) and the management report for the financial year from 01 January 2009 to 31 December 2009 in accordance with the statutory provisions and the principles of correct reporting of audits.
The calculation of fund-raising and administrative expenditure is based on an agreement with the German Institute for Social Issues (DZI) in Berlin. In accordance with this agreement, €84,061 in write-downs on securities were not included, because the asset management activities generated an overall surplus.

### Income 2005 to 2009

In 2009 donations amounted to €31.9 million, showing a significant decrease compared to the previous year. Donations for emergency aid decreased by €3.9 million to €2.2 million compared to the previous year.

Institutional grants in 2009 amounted to €104.6 million (previous year €105.0 million). The leap in income for the years 2005 and 2006 was a result of special factors, in particular the tsunami and the situation in Sudan.

### Expenditure 2009

€141.1 M

- €7.7 M (5.4 %) Fundraising and general public relations
- €2.5 M (1.8 %) Campaigns and education work
- €6.9 M (4.9 %) Project support abroad
- €121.5 M (86.1 %) Campaigns and educational work
- €2.5 M (1.8 %) Administration

### Income and Changes in Reserves 2009

€143.5 M

- €2.8 M (2.0 %) Interest and other income
- €3.5 M (2.5 %) Grants from foundations, private charities and cooperation partners
- €0.6 M (0.4 %) Weltungerhilfe Foundation
- €3.6 M (2.5 %) Dissolving of reserves
- €31.9 M (22.2 %) Donations
- €101.1 M (70.4 %) Public grants
To alleviate hunger and poverty on a sustainable basis, Welthungerhilfe concentrates its project funding on a limited number of countries. Project funding is also restricted to measures for which Welthungerhilfe and its partner organisations demonstrably possess a high level of expertise. This approach ensures that donations and public grants are used efficiently and projects are carried out successfully.

Each year, Welthungerhilfe acquires institutional grants from various public donors, including the European Commission, the Federal Ministry for Economic Cooperation and Development and the Federal Foreign Office. The size of these grants is extremely significant for Welthungerhilfe’s project funding and we are delighted that the high level of 2008 could be maintained in 2009.

However, private grants and donations are the essential basis for Welthungerhilfe’s project funding. They are vital for the organisation’s independence and are the basis for the acquisition of public grants. Project work can only be carried out on the current scale due to a combination of donations and public grants.

When the tsunami devastated the coastal regions of many Southeast Asian countries in December 2004, the scale of international aid was enormous. This was reflected in the particularly high levels of public grants to Welthungerhilfe in 2005 and 2006. Another factor behind this development was the beginning of the Darfur conflict. The level of grants decreased in 2007 after the tsunami relief effort, but since then a steady increase has again been achieved. The level has stabilised at a high point of over € 100 m in the last two years.

Looking more closely at the grants from various donors, it is clear that reductions by one donor were compensated by increases from another. The particularly large grant from the Federal Foreign Office in 2009 was due to a large-scale project in the town of Goma, Democratic Republic of Congo.

As an organisation, we do not rest on our laurels; both our partners and Welthungerhilfe regularly analyse the efficiency and effectiveness of their work. Welthungerhilfe sees it as an obligation to maintain the high quality of its project work, ensuring it is sustainable in the long term, and where possible to improve it. The organisation owes this to the people in the project countries as well as to both donors and institutional funding providers. The careful checking and additional external controls by auditors and evaluators guarantees that funds are used correctly and that Welthungerhilfe’s work can be continuously improved.

### Institutional grants (in € M)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
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<td>1.4</td>
<td>1.7</td>
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<td>0.0</td>
<td>0.0</td>
<td>1.1</td>
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<tr>
<td>ADB</td>
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<tr>
<td>Alliance2015</td>
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<td>2.4</td>
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<tr>
<td>BMZ</td>
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<td>16.6</td>
<td>23.2</td>
<td>17.6</td>
</tr>
<tr>
<td>- GTZ</td>
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<td>0.2</td>
<td>1.0</td>
<td>0.7</td>
<td>1.5</td>
</tr>
<tr>
<td>- KfW</td>
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<td>0.0</td>
<td>6.5</td>
<td>0.0</td>
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<tr>
<td>DFID</td>
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<td>0.6</td>
<td>0.0</td>
<td>1.9</td>
<td>0.0</td>
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<td>EC</td>
<td>24.8</td>
<td>19.7</td>
<td>22.4</td>
<td>15.0</td>
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<tr>
<td>- ECHO</td>
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<td>12.2</td>
<td>8.5</td>
<td>12.0</td>
<td>8.4</td>
</tr>
<tr>
<td>- Tacis</td>
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<td>1.0</td>
<td>1.1</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Netherlands Government</td>
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<td>0.0</td>
<td>8.9</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>USAID</td>
<td>3.5</td>
<td>1.7</td>
<td>3.5</td>
<td>2.7</td>
<td>5.2</td>
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<td>World Bank</td>
<td>1.5</td>
<td>3.4</td>
<td>1.1</td>
<td>0.4</td>
<td>0.2</td>
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<td>WFP</td>
<td>46.8</td>
<td>64.4</td>
<td>25.0</td>
<td>32.4</td>
<td>32.0</td>
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<tr>
<td>Other</td>
<td>3.0</td>
<td>4.2</td>
<td>4.2</td>
<td>2.9</td>
<td>4.8</td>
</tr>
<tr>
<td>Grants – total</td>
<td>140.9</td>
<td>130.2</td>
<td>97.3</td>
<td>105.0</td>
<td>104.6</td>
</tr>
</tbody>
</table>

The Southeast Asian tsunami in late 2004 resulted in a considerable increase in both the value and numbers of projects in 2005 and 2006. However, apart from these two exceptional years, project development has been steady in recent years, in terms of both the total number of projects and their distribution over the continents.

Welthungerhilfe has traditionally focussed on Africa, where the project value is greatest. It is active in 21 African countries, followed by Asia with 14 countries and Latin America/Caribbean with 9. Regional funding distribution corresponds to Welthungerhilfe’s funding strategy: 50 % of the donations available for project funding are used in Africa, 30 % in Asia and 20 % in Latin America/Caribbean.

Over one billion people worldwide are malnourished, most of them in rural areas. To counteract this situation, Welthungerhilfe has been focussing for years on “rural and regional development” (for example improved rice cultivation) and “basic infrastructure” (for example building wells). These are Welthungerhilfe’s core competences. Projects of this kind support farmers and enable them to provide for themselves again.

There were many crises and disasters in 2009 too, which often did not reach the headlines. For example, Kenya suffered one of the worst droughts in years and a devastating cholera epidemic hit Zimbabwe (see pages 4/5). In Sudan, too, hundreds of thousands of people are still suffering the effects of the civil war. These people often need emergency aid just to survive. This is why emergency aid is the biggest item in Welthungerhilfe’s budget in 2009. However, this is not the case every year. Crises and disasters cannot be predicted, so project funding in this area varies greatly from year to year.

In addition to these main areas, but on a much smaller scale, projects are carried out in the fields of “health, HIV/AIDS” (for example, providing information about HIV and Aids), “support for civil society structures” (for example, setting up self-help groups) and “social integration and education” (for example, reintegrating former soldiers in the community). Projects classified as “other measures” serve to guarantee the quality of programme work.

Detailed information about individual project work can be found on pages 20/21 of this report and at www.welthungerhilfe.de/hilfsprojekte.html.
The Welthungerhilfe Foundation was founded in 1998 and aims to provide long-term, continuous support for Welthungerhilfe’s projects. Its supporters can choose to get involved in a variety of ways ranging from loans to individual trusteeship foundations. All these forms of support have the same goal: to maintain the amassed capital and to use the yields to support Welthungerhilfe’s project work. Supporters can continue to contribute even after their death, in the form of bequests for a good cause.

**Growth for people in need**

Thanks to its many supporters, the foundation continued to grow last year. The foundation’s capital including reserves reached a total of € 24.9 million by the end of 2009, an increase of € 1.6 million compared to the previous year. Five new earmarked foundation funds were set up, making 21 in total. Two supporters set up trusteeship foundations under the Welthungerhilfe foundation umbrella, so that it now currently administers 19 such funds. Loans to the foundation also make a significant contribution to its work. Over ninety lenders let their money “work” for people in developing countries, making a total of € 3.3 million. The results are impressive: the loans yielded € 0.6 million for Welthungerhilfe projects.

**EcoHuman – a model for future involvement**

The EcoHuman foundation fund proves that humanitarian aid and environmental protection can go hand in hand. The foundation fund was initiated in 2007 by a private supporter and grew in 2009 to over € 700,000. Over 250 people have now contributed to this great success. The first project supported was the reforestation of mangrove forest in the Indian Gulf of Mannar; an additional project is to be supported in 2010, the emphasis again being on providing focussed aid for the local population at the same time as saving the world’s important ecosystems.

**Good reasons for writing a will**

Twelve events were held throughout Germany to provide information about important aspects to consider when writing a will. These events attracted over 1,100 supporters. The same number of events will be held in 2010, with independent lawyers offering free advice. Information about dates and locations will be made available in Welthungerhilfe’s publications.

**Partner for your social involvement**

We are in the process of concentrating, extending and thus improving our offers for our supporters, in order to respond even more flexibly to their personal wishes. Private supporters, initiators of private foundations and cooperating foundations will be even better looked after in the future. Our aim is to provide exactly the support our donors need in getting involved in attaining their goal of a world without hunger.

**Explanation of the diagram**

The foundation has grown continuously in recent years. Its own capital including reserves increased from € 22,661,076.03 in 2007 to € 24,922,419.28 by the end of 2009. This figure includes all donations to the foundation from living donors and bequests. Numbers of trusteeship foundations under the Welthungerhilfe Foundation umbrella have increased continually between 2007 and 2009. The capital in the dependent foundations increased from € 831,029.31 to € 1,838,016.02 as new foundations were set up and existing ones topped up.

The opportunity for private individuals to lend money to the Foundation on the principle of “doing good with a money-back guarantee” continued to be very popular. The volume increased over the last two years from € 2,608,696.67 to € 3,320,196.67. Claims for recovery from cancelled loans or loans with a time limit have already been taken into account.

Albert Otten, Welthungerhilfe foundation manager, visits a tree nursery in Ethiopia
## WELTHUNGERHILFE FOUNDATION: BALANCE SHEET AT 31 DECEMBER 2009

### Assets

<table>
<thead>
<tr>
<th>EUR</th>
<th>31.12.2009</th>
<th>Previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Fixed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Intangible assets</td>
<td>0.00</td>
<td>239.73</td>
</tr>
<tr>
<td>II. Tangible assets</td>
<td>7,004,490.33</td>
<td>6,855,544.14</td>
</tr>
<tr>
<td>III. Financial assets</td>
<td>20,403,246.85</td>
<td>17,540,976.94</td>
</tr>
<tr>
<td>B. Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Other assets</td>
<td>200,181.86</td>
<td>188,061.08</td>
</tr>
<tr>
<td>II. Cash balance, bank credit balances</td>
<td>1,213,361.36</td>
<td>2,405,768.95</td>
</tr>
<tr>
<td>C. Accrued income</td>
<td>30,552.34</td>
<td>14,801.53</td>
</tr>
<tr>
<td>Dependent foundations</td>
<td>1,838,016.02</td>
<td>1,157,230.59</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>EUR</th>
<th>31.12.2009</th>
<th>Previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Own capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Foundation capital</td>
<td>23,101,799.28</td>
<td>21,853,024.79</td>
</tr>
<tr>
<td>II. Yield reserves</td>
<td>1,820,620.00</td>
<td>1,448,600.00</td>
</tr>
<tr>
<td>B. Provisions</td>
<td>13,132.00</td>
<td>10,640.00</td>
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<tr>
<td>C. Payables</td>
<td>3,916,281.46</td>
<td>3,693,127.58</td>
</tr>
<tr>
<td>Dependent foundations</td>
<td>1,838,016.02</td>
<td>1,157,230.59</td>
</tr>
</tbody>
</table>

### General information

The annual financial statement of the foundation is prepared in accordance with the German Commercial Code (HGB). Value added tax (VAT) is included in the cost of fixed assets and in expenses except where the foundation is able to deduct input VAT.

### Accounting policies

Tangible fixed assets are stated at cost less any depreciation, which is charged in accordance with German tax law, and less any impairment charges recognised under the third sentence of section 253 (2) HGB. Real estate and landed property from bequests and gifts are shown on the assets side at appraised market value with 30 % deduction on the buildings share plus transaction costs. Depreciation is charged on a straight-line basis. Securities forming part of the financial assets were valued in accordance with the moderate lower of cost or market principle, as last year. Hidden reserves are included for an amount of € 776,000. Long-term debts are depreciated with accruals and debentures over term. Write-offs have not been made from 2008 onwards. Accounts receivable, other assets and cash are stated at face value. Identifiable risks are taken into account by means of value adjustments. Provisions are built up for uncertain liabilities and identifiable risks. The amount built up is the estimated amount required to settle the obligation. Accounts payable are stated at their settlement amount.

### Notes to the balance sheet

Assets
Tangible assets
The additions to the tangible assets refer to the capitalisation of the new wood pellet heating system and the alterations to the building at Friedrich-Ebert-Str. 3 and 5 (formerly Koblenzer Str. 93).
Financial assets
The financial assets include funds to the amount of €10,330,000, fixed interest securities to the amount of € 6,473,000, a loan note to the amount of € 2,600,000 and a savings certificate to the amount of € 1,000,000. No adjustments for depreciation for financial investments were necessary in 2009.
Other assets
The other assets consist mainly of deferred interest for securities and time deposits. The remaining term of the accounts receivable is less than one year.
Cash
Bank credit balances are shown.
Accrued income
The income and accrued income includes invoices paid in advance and debts from 5 securities. The depreciation of the debts amounted to €11,000 and are shown under the item Interest and similar expenditure.

### Liabilities

Foundation capital
The increase of the foundation capital by € 1,249,000 comprises donations.
Yield reserves
A reserve was built up in accordance with section 58 no. 7 AO (German Fiscal Code).
Payables
The payables are made up of € 3,320,000 for 95 foundation loans, € 552,000 payables to Welthungerhilfe and € 44,000 other payables. Of the other payables, € 20,464 have a remaining term of more than one year. All other payables have a remaining term of up to one year.
Liability
To secure the foundation loans, there are surety credit lines at the Commerzbank AG Bonn to the amount of € 3,000,000 and at the Sparkasse KlnBonn to the amount of € 700,000.
Other information
Management of the foundation assets
The foundation’s assets are managed by Welthungerhilfe in accordance with the Assets Management contract agreed on 10 February 2009.
Dependent foundations
19 trusteehip foundations altogether are managed.
Board of Directors
The following are members of the Foundation’s Board of Directors:
Barbel Dieckmann, Chairperson
Prof. Dr. Klaus Töpfer, vice-chairperson
Norbert Geisler, Treasurer
Prof. Dr. Hartwig de Haen
Dr. Stephan Reiners
Dr. Evelyn Schmittke
Dr. Tobias Schulz-Isenbeck
Staff
The Foundation employed one honorary manager and four employees on the balance sheet date.
Management
Dr. Hans-Joachim Preuß (until 31 July 2009), Dr. Wolfgang Jamann (from 01 August 2009) and Dr. Albert Otten were appointed managers in 2009

### Key data from the Foundation Welthungerhilfe income and expenditure account (€)

<table>
<thead>
<tr>
<th>2009</th>
<th>Previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income</td>
<td>1,435,475.03</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>485,053.04</td>
</tr>
<tr>
<td>Income from ordinary business activity</td>
<td>950,421.99</td>
</tr>
<tr>
<td>Depreciation of financial investments</td>
<td>0.00</td>
</tr>
<tr>
<td>Net income before payment</td>
<td>950,421.99</td>
</tr>
<tr>
<td>Expenditure from payment for activities in accordance with the statutes</td>
<td>-578,401.99</td>
</tr>
<tr>
<td>Net income before changes in reserves</td>
<td>372,020.00</td>
</tr>
<tr>
<td>Changes in reserves</td>
<td>-372,020.00</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Due to the crisis in the financial markets, the Foundation Welthungerhilfe had to undertake total value adjustments in the annual accounts 2008 at the amount of € 1,096,968.61. However, the overall financial results were positive. A project reserve built up in previous years was dissolved, so that the Foundation could again transfer the sum of € 257,658.50 to Welthungerhilfe. In 2009, the Foundation’s very positive development with a total income of € 1,435,475.03 enabled it to support Welthungerhilfe’s work with the amount of € 578,401.99.
OUTLOOK FOR 2010

Strengthening our partners, delegating responsibility to the project countries, cushioning the effects of climate change, raising our voice critically in the debate on development policy and inspiring more and more people with a vision of a world without hunger and poverty: Welthungerhilfe is continuing to tackle great challenges in 2010.

Strengthening our partners
Welthungerhilfe is convinced that only the people in developing countries themselves can shape their future. Successful project work means ensuring that Welthungerhilfe is no longer needed. This is why Welthungerhilfe has always worked with partner organisations, such as Zood Noma in Burkina Faso. Zood Noma’s charismatic leader Oscar Sawadogo and his colleagues know exactly what people in the drought-plagued Sahel region need. So structures are strengthened from the grassroots up and real development can take place.

The challenge of climate change
Climate change is a huge challenge, particularly for the people in developing countries and our partner organisations. Welthungerhilfe can contribute its comprehensive experience in sustainable agriculture to support small farmers in adapting to difficult climatic conditions. We also have years of experience in disaster protection and prevention in rural areas. Welthungerhilfe will develop effective solutions for new challenges in the work abroad, in fields such as rainwater harvesting, management of conservation areas or buffer zones, solar energy, coastal protection, dykes and erosion protection.

Election time in many African countries
Central Africa: Elections are due in the Democratic Republic of Congo in the autumn of 2010. They will last into 2011. Welthungerhilfe’s work in DRC is focussed on extending roads in rural areas to serve as “arteries” in one of Africa’s most fertile regions. Where roads are built, refugees start to settle, new fields are made and markets flourish.

A hurricane devastated Myanmar in 2008. We are now starting to restore agricultural production in the Irrawady delta so that the population can feed itself again. Conditions in North Korea
have improved so much that people can again grow enough to eat, thanks to new seed varieties and agricultural extension.

**The focus in Latin America**

After the devastating earthquake in Haiti, Welthungerhilfe initiated a five-year-plan combining emergency aid and long-term development projects. We will focus on the earthquake-hit area in the south as well as the existing project areas in the north, where hundreds of thousands of refugees from Port-au-Prince have moved.

Innovative approaches characterise the work in the countries of the Andes. The large rainforest conservation areas in low-lying regions could help reduce greenhouse gases, so our aim is to encourage people to maintain the forest and manage it in an environmentally friendly way, instead of felling tropical trees and selling them for a short-term profit (see pages 8/9).

**A competent partner in discussions**

Welthungerhilfe is continuing to expand its expertise as a competent partner in discussions on global issues and makes well-founded, discerning statements on current issues of development policy. These include climate change, genetic engineering for agriculture and the right to food. It also focuses on ways of adequately approaching the particular challenges of working in states in crisis.

**Decentralisation**

Welthungerhilfe is in the midst of an ongoing decentralisation process; that is, giving our staff abroad more responsibility and decision-making authority to plan and carry out projects. This also strengthens local competence, because over 2,000 local experts work alongside nearly 200 Welthungerhilfe staff in the project countries. At the Bonn head office expertise accessed by staff abroad is systematised and pooled. Modern networking technology has made these processes much easier: many of our offices abroad are able to access the Welthungerhilfe intranet directly, and thanks to internet telephony, they can call the head office free of charge.

**A strong brand**

Welthungerhilfe combines tradition and years of experience with innovation and openness to the future. Participation is not just an empty word: people in our projects work with Welthungerhilfe’s support to fulfil their dreams, large and small. Our partners in Germany are part of this global movement for a world without hunger and poverty, which has been Welthungerhilfe’s aim since it was founded in 1962. Before our anniversary in 2012, we aim to mobilise even more people for this vision.

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**Outlook economic planning (in € M)**

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations and grants, bequests, fines, Welthungerhilfe Foundation</td>
<td>35.6</td>
<td>36.0</td>
<td>37.8</td>
</tr>
<tr>
<td>Foundations and private charities</td>
<td>2.6</td>
<td>2.0</td>
<td>2.1</td>
</tr>
<tr>
<td>Public grants</td>
<td>87.1</td>
<td>88.0</td>
<td>92.4</td>
</tr>
<tr>
<td>Interest and similar income</td>
<td>2.5</td>
<td>2.0</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td><strong>127.8</strong></td>
<td><strong>128.0</strong></td>
<td><strong>134.4</strong></td>
</tr>
<tr>
<td>Project funding abroad</td>
<td>104.2</td>
<td>108.9</td>
<td>109.6</td>
</tr>
<tr>
<td>Domestic project funding</td>
<td>2.4</td>
<td>2.2</td>
<td>2.3</td>
</tr>
<tr>
<td>Staff costs</td>
<td>10.8</td>
<td>11.2</td>
<td>11.6</td>
</tr>
<tr>
<td>Depreciation</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Material expenditure</td>
<td>3.1</td>
<td>3.1</td>
<td>3.3</td>
</tr>
<tr>
<td>Marketing expenses</td>
<td>5.9</td>
<td>5.9</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>127.0</strong></td>
<td><strong>131.9</strong></td>
<td><strong>133.6</strong></td>
</tr>
<tr>
<td>Net income before changes to reserves</td>
<td>0.8</td>
<td>-3.9</td>
<td>0.8</td>
</tr>
<tr>
<td>Transfer to / from reserve</td>
<td>-0.8</td>
<td>3.9</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>Net income after changes to reserves</strong></td>
<td><strong>0.0</strong></td>
<td><strong>0.0</strong></td>
<td><strong>0.0</strong></td>
</tr>
</tbody>
</table>

**Outlook**

Because of the reduced income from donations in 2009, the Welthungerhilfe General Assembly agreed to the transfer of up to € 3.9 m from the reserves in line with the economic plan for 2010. This sum is to be used for projects in order to maintain project funding at the level of previous years.

The organisation’s development in the early part of 2010 has been dominated by the earthquake disaster in Haiti, which resulted in donations of around € 19.0 M in the first three months alone. Currently planning is being completed for Welthungerhilfe’s involvement in Haiti over the next few years to deal with the aftermath. This also entails an estimate of how donations will be used and fundraising for public grants. As soon as these figures are available, the current economic plan for 2010 and 2011 will be adjusted.
THE ORGANISATION

THE EXECUTIVE BOARD

Dr. Wolfgang Jamann became Welthungerhilfe’s Secretary General and Chief Executive Board as well as manager of the Foundation Welthungerhilfe in August 2009. Dr. Jamann is a development sociologist with over 20 years of experience in development cooperation and humanitarian aid. His previous position was managing director of CARE Deutschland-Luxemburg, and he is also chairperson of the charity Gemeinsam für Afrika (Together for Africa) e.V.

Martina Dase became Welthungerhilfe’s Executive Director Marketing in April 2009. She had previously implemented Greenpeace International’s new global marketing strategy. A journalist and film-maker, she was responsible for reorganising Greenpeace Germany’s communication department; as project head, she managed the climate protection campaign “Rettet unsere Erde” (Save our Earth).

Mathias Mogge has been Executive Director Programmes since March 2010. He is an agricultural engineer and environmental scientist (MSc) and has been working for Welthungerhilfe for 12 years. Previously he was acting head of the Programmes and Projects department. Mogge has worked for Welthungerhilfe as programme manager for Sudan, Uganda and Ethiopia, regional coordinator for West Africa and head of the Knowledge – Innovation – Consultancy group.

WELTHUNGERHILFE ORGANISATION CHART

Members of Deutsche Welthungerhilfe e.V.

Programme Advisory Committee

Supervisory Board

Board of Trustees

Foundation Welthungerhilfe

The Supervisory Board

1. Bärbel Dieckmann was elected Welthungerhilfe’s president in 2008. She was mayor of Bonn from 1994 to 2009. She is a member of the SPD and was on the party’s executive committee until 2009. She was chairperson of the World Mayors’ Council on Climate Change and president of the German Section of the Council of European Municipalities and Regions until 2009. Since 2009 she has been a member of the Development and Peace Foundation Board of Trustees.

2. Prof. Dr. Klaus Töpfer has been Vice President of Welthungerhilfe since 2008. He was Executive Director of the UN Environmental Programme from 1998 to 2006. As a CDU politician, he was Federal Minister for the Environment, Nature Conservancy and Reactor Safety, and subsequently Federal Minister for Town and Country Planning, Construction and Urbanisation between 1987 and 1994. On the Supervisory Board he is chairperson of the programme committee.

3. Norbert Geisler has been Welthungerhilfe’s treasurer since 2004. He is a former managing director of a waste disposal company who now works as a professional consultant. He is an academically qualified economist who has previously worked as an auditor. He is chairperson of the finance committee within the Supervisory Board which was elected in 2008.

4. Prof. Dr. Hartwig de Haen was the appointed General Director of the United Nations World Food Organisation (FAO) in Rome from 1990 to 2005. He was previously professor of agrarian economics at Göttingen University. Although retired, he continues to work at the Department for Agrarian Economics and Rural Development. He has been a member of the Supervisory Board since 2008.

5. Prelate Dr. Stephan Reimers founded the “Hinz und Kunzt” newspaper for the homeless in Hamburg and helped set up the Hamburg “Tafel”, a centre providing food for the homeless. He was appointed to Welthungerhilfe’s Supervisory Board in 2008. Since 1999 he has been the authorised representative of the council of the German Evangelical Church (EKD) for the Federal Republic of Germany and the European Union.

6. Dr. Evelyn Schmidtke has been a member of Welthungerhilfe’s board of directors since 2007. She is a political scientist and was appointed to the new Supervisory Board in 2008. She is the Managing Director of the German Countrywomen’s Association (dlv) in Berlin.

7. Dr. Tobias Schulz-Ilsenbeck previously served on Welthungerhilfe’s former board of directors in an honorary capacity. He has a postgraduate degree in commercial studies and business administration and was appointed to the new Supervisory Board in 2009. He is spokesman for the management of the Handelsblatt publishing group based in Düsseldorf.
In 2009, 314 projects were carried out. By the end of 2009 Welthungerhilfe has supported 6 pan-regional projects, 25 projects classified as “other measures”, and 140 projects for rural and regional development.

The most important sources of public funds were: The World Food Programme with €32.0 M in donations and €31.9 M in contributions, 250,600 private donors, Development with €17.6 M, and the German Federal Ministry of Economic Development and Cooperation with €12.9 M.

Preface

Over 50 years ago our founder Father Dietrich Bonhoeffer, consecrated his life to the fight against hunger – a fight that he believed should be waged in a spirit of love. In recent years the relentless daily fight against hunger and poverty has reached a new level of intensity.

Climate protection is a special focus of our projects. We go beyond merely feeding people – we are also working to reduce our “ecological footprint.” We believe that the most effective way of protecting the earth is through sustainable development. This means ensuring that the population, under the guidance of sustainable development, can achieve sufficient food security while simultaneously reducing local and global greenhouse gas emissions. This is the most important task of our age. It is a task that the United Nations Climate Conference in Copenhagen in 2009 inadequately addressed. As industrialized countries – those primarily responsible – failed to act. We need a strong and determined response if we are to prevent climate change from becoming a complete disaster. For our future is green.

The framework for the 6th replenishment of the World Food Programme, the largest and most important program for food aid worldwide, is at the heart of our 2009 Annual Report. We show the huge potential for a more efficient and sustainable use of food aid. The World Food Programme, however, is unable to meet the needs of the hungry alone. That is why we are also involved in the local support of small-scale farmers, as we believe that Africa, which is very poor but has large populations, can ensure food production in the future. We support climate adaptation projects (e.g., in the flooding-prone areas of Senegal) and projects for water and sanitation (e.g., in Ethiopia). Communities that are integrated into the local economy are better able to provide for themselves. The programs that we have carried out in the last year show that hunger is a political and economic problem, and one that is no longer restricted to the developing world. It is a global problem and requires a global solution.

The principles that we strive for and the activities that we are involved in are described in detail in the Annual Report. To order your copy, please visit the Welthungerhilfe website. We are also happy to send you the report on request.
Our organisation

Welthungerhilfe was founded in 1962 as part of the pioneering global “Freedom from Hunger Campaign” under the umbrella of the United Nations’ Food and Agricultural Organisation (FAO). Today our organisation is one of the largest non-governmental aid organisations in Germany, independent and with a broad basis in German society through our members’ organisations, donors and supporters. We work for change, justice and humanity in fulfilling our mission.

Our goals

We campaign for food security for people everywhere, for rural development and the conservation of natural resources. We are convinced of the power of dreams, which motivate people and are powerful political instruments both for improving living conditions for the poor and malnourished, and for securing our joint future. This motivates us to establish dynamic global networks to make development cooperation a shared experience.

Everything at a glance at www.welthungerhilfe.de

Our work

We enable people in developing countries to take control of their lives now and in the future. Our years of international experience as a large German aid organisation have resulted in success stories in Africa, Asia and Latin America. We are also politically active in campaigning for changing the conditions which lead to hunger and poverty. We mobilise people in Germany for our vision.

Our approach

Our holistic concept is quality-focused and outcome- and impact-oriented. Our activities range from rapid response to disasters through reconstruction to long-term development projects. We work as equal partners with the people affected; we are competent, reliable and transparent. We support partner organisations in our project countries, ensuring that structures are strengthened from the ground up and guaranteeing the long-term success of our projects.

Our vision: All the people of this world leading their lives autonomously in dignity and justice – free from hunger and poverty.

Mukeshimana Clarisse (22) from Ruhango (Rwanda) harvests geraniums for oil production.

Mama Zemzem Shita (40) and the other women in Logo settlement (Ethiopia) are delighted with the new well.