



welt
hunger
hilfe

For a world without hunger

ANNUAL REPORT 2016

2,523 EMPLOYEES

407 INTERNATIONAL PROJECTS

39 COUNTRIES

239.8 MIO. EURO PROJECT VOLUME

8.4 MIO. PERSONS SUPPORTED

1 GOAL

ZERO

“Between now and 2030, we resolve to end poverty and hunger everywhere; to combat inequalities within and among countries ...”

From the preamble of the **Agenda 2030 for Sustainable Development**, which was adopted unanimously on 25.9.2015 by the 193 member states of the United Nations.

HUNGER

The right to food is a human right.

“This Agenda is a plan of action for people, planet and prosperity ... All countries and all stakeholders, acting in collaborative partnership, will implement this plan ... As we embark on this collective journey, we pledge that no one will be left behind.”

From the preamble of the **Agenda 2030 for Sustainable Development**, which was adopted unanimously on 25.9.2015 by the 193 member states of the United Nations.

BY

“Of course, population pressure cannot be denied. And yet there is an abundance of food. It is the structures, the structural violence, that deny the poor access. And the institutions of rich countries continue to make it worse.”

Jean Ziegler, Switzerland, author and UN special rapporteur for the Right to Food from 2000 to 2008

“Massive poverty and obscene inequality are such terrible scourges of our times - times in which the world boasts breathtaking advances in science, technology, industry and wealth accumulation - that they have to rank alongside slavery and apartheid as social evils.”

Nelson Mandela, South Africa, 2005

2030

“40 years ago, barely anyone was talking about environmental protection, nowadays every provincial governor has to have a conservation plan. The same thing needs to happen with the hunger issue.”

Martín Caparrós, Argentina, author of the 2014 book 'El Hambre' ('Hunger')

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Title image
Jens Grossmann
The photo is from 2016. It shows
children in the Afar region in Ethiopia.
Like the Amhara region, it was badly
affected in 2016 by the extreme
drought caused by the El Niño weather
phenomenon. Over ten million people
were no longer able survive under their
own means. Welthungerhilfe has been
active in both regions for a long time.

It promptly extended its engagement in
2016 with additional emergency aid.

Photos
Office of the Federal President (30),
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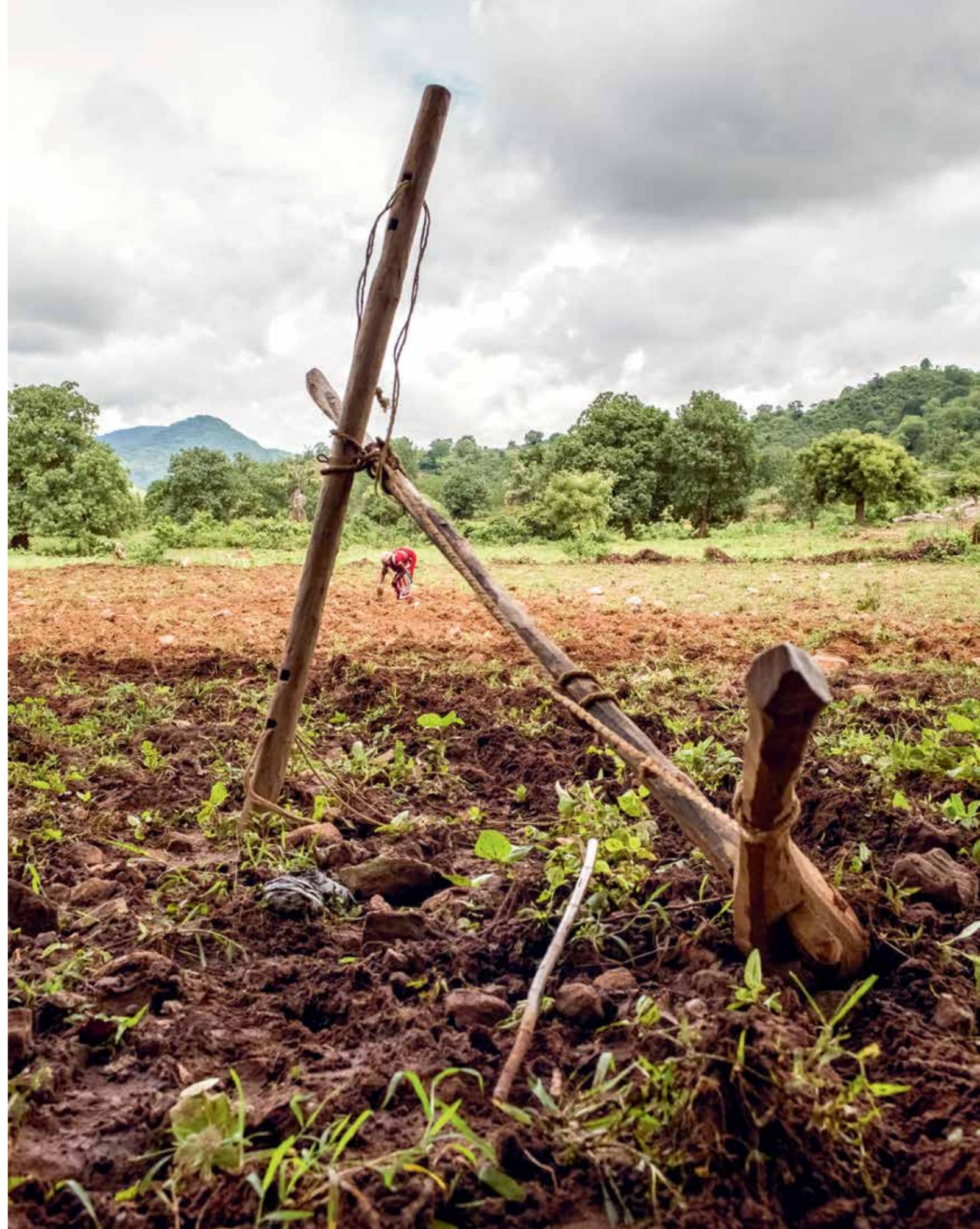
The 'tree graphic for NGO expenses' of
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The DZI donation seal certifies Welthungerhilfe's efficient and responsible handling of the funds entrusted to it since 1992.



In order to ensure better legibility of the texts, only the male pronoun is used in this annual report. This naturally also includes the female form.



AN AMBITIOUS BUT ACHIEVABLE GOAL

In the countries where Welthungerhilfe works, the plan is to eradicate hunger by 2030. In this interview, Bärbel Dieckmann and Dr. Till Wahnbaeck explain how to achieve this.

Hunger abolished in all project countries - that would be fantastic news. Is it realistic?

Bärbel Dieckmann: A world without hunger is neither wishful thinking nor a mere vision. It is a human right that we can actually realise. In recent years many developing countries have been able to achieve considerable successes: According to the Global Hunger Index, hunger has reduced by 29 percent since the year 2000, and the fight against hunger is making progress in every region. Some countries, such as Rwanda, Ghana and Senegal, where there is strong economic growth and progress in health services, have been able to lower their values by up to 50 percent in the last six years. So we are heading in the right direction, but we need to increase our efforts.

But the current drought and impending famines in Africa must be a step backwards?

Dieckmann: The food situation in countries such as South Sudan, Somalia, Ethiopia and Kenya is indeed very alarming. Without humanitarian assistance, many families would not be able to survive, as long as the structural challenges continue to exist. But, at the same time, catastrophic famines with more than a million dead are a thing of the past. Early warning systems and better coordination are taking effect and saving human lives.

Dr. Till Wahnbaeck: And the countries affected have also learnt. In Ethiopia, the government introduced a permanent social safety net for the poorest of the poor, which helps to alleviate the disastrous consequences of crises, such as droughts. But many areas are in a permanent state of emergency, where one crisis follows another. People have no chance to recover and no resources to fall back on.



Bärbel Dieckmann, Welthungerhilfe President, and Dr. Till Wahnbaeck, Chief Executive Officer (CEO) of Welthungerhilfe, on a joint project visit at the Turkish-Syrian border.

Climate change contributes to hunger in the world, doesn't it?

Dieckmann: Climate change, which is caused by the industrial nations, also has a big impact on the food situation. In future, we have to invest even more in prevention and resilience, so that people are prepared and can cope with heavy flooding or a lack of rainfall. This also includes new mechanisms, like climate risk insurance. And ultimately we have to stop climate change itself.

What are the biggest obstacles in the fight against hunger?

Wahnbaeck: Wars and armed conflicts are the biggest driving forces of hunger. For example, South Sudan is fertile, has vast natural resources and could feed its population very well. Due to the civil war, millions of people have been displaced from their villages and live as refugees in camps or in neighbouring countries like Uganda. But we also need a change in the political framework conditions, in order to defeat hunger and poverty. This includes, for example, land rights for 2.5 billion smallholders and members of indigenous populations, as only ten percent of all farmers possess a formal tenure. At the same time, we need to strengthen local and regional economic cycles, so that raw materials can be processed locally and jobs created.

Does it not also need new concepts and initiatives?

Dieckmann: The Agenda 2030 includes a 'future contract', an agreement of the international community on ambitious goals such as the eradication of hunger and poverty. Now we ensure countries do their homework and keep to

“A world without hunger is neither wishful thinking nor a mere vision. It is a human right that we can actually realise.”

Bärbel Dieckmann, Welthungerhilfe President

“The more we focus on our goal, the better our work will be.”

Dr. Till Wahnbaeck, CEO of Welthungerhilfe

the commitments they have made. For the first time in history, the eradication of hunger is within reach. But it is a huge task, and everyone needs to make the effort.

Wahnbaeck: Innovation plays an important role in our projects. Together with our local partners we want to keep improving our local solutions. It's not about the perfect idea, but about the best possible approach for the immediate problem. In Sierra Leone, for example, after the outbreak of the Ebola epidemic, we had to move our previous training measures for smallholders onto a digital platform, as meetings of larger groups of people were prohibited. The training module we developed at the time has now been successfully transferred to other countries.

There are conflicts, however, such as the war in Syria, where aid organisations are often helpless.

Dieckmann: We carry out our work as best we can there, but without a viable political solution that also includes neighbouring states, there will be no lasting peace. It is a scandal that we often cannot even reach people in need, because it is too dangerous for the aid workers or because whole villages have been taken hostage by one party. Humanitarian assistance can never replace political solutions. Even if humanitarian assistance does arrive in the country, we can only partially alleviate the suffering of the population.

Which regions are encouraging? Where has there been substantial progress?

Wahnbaeck: We see great progress in Latin America. We have substantially changed our work in the countries there, because the food situation has significantly improved. Acute hunger has largely been eradicated. It is only in Haiti that we are working on projects for nutritional improvement and, if necessary, on emergency aid projects, >>

such as after Hurricane Matthew in October last year. In all other countries, we have now taken on a different role and are supporting civil society to claim fundamental civil rights with their respective governments. We believe that land rights issues and duty of care for minorities play an important role in leading an independent life.

The eradication of hunger will be a strategic focus in all project countries until 2030. Does such a focus make sense?

Wahnbaeck: While there is hunger, there is no prosperity, no equality, no dignity. We are therefore convinced that it is right to focus on the fight against hunger. And combating hunger is never just a matter of food. In order to successfully fight hunger, we have to look at political participation, vocational training, equal rights, hygiene and much more. The more we focus on our goal, the better our work will be. And the more attractive we will become for our supporters.

Don't governments in the Global South also need to make more effort to improve the situation of their populations?

Dieckmann: Of course governments locally bear a high degree of responsibility, and they must be held to account. For many years, investment in agriculture has been neglected, and fertile soils in many countries are being used for agricultural exports, rather than to secure nutrition within the country itself. And the rights of smallholders must be protected with regard to the issue of land grabbing, too. We support our local partners in all of these areas to remind governments of their obligations and ensure they act. In India, the government has adopted a new community-based training approach from us into some of its current programmes. The approach connects agricultural production with income-generating measures and the protection of resources. That is a success. ■

ZERO HUNGER REQUIRES POLITICAL STEPS

Zero Hunger by 2030 is only possible if the political framework conditions that foster hunger and poverty change. Some important areas of activity are:

CREATING FAIR MARKET OPPORTUNITIES FOR SMALLHOLDERS AND LOCAL ECONOMY

Smallholder structures in developing countries do not stand a chance against the highly-subsidised agro-industries. Trade and agricultural policy instrumentalise developing countries as suppliers of cheap raw materials and markets for surplus goods. Welthungerhilfe promotes the establishment of local and regional economic cycles, the processing of raw materials locally and the creation of better market opportunities for smallholders.



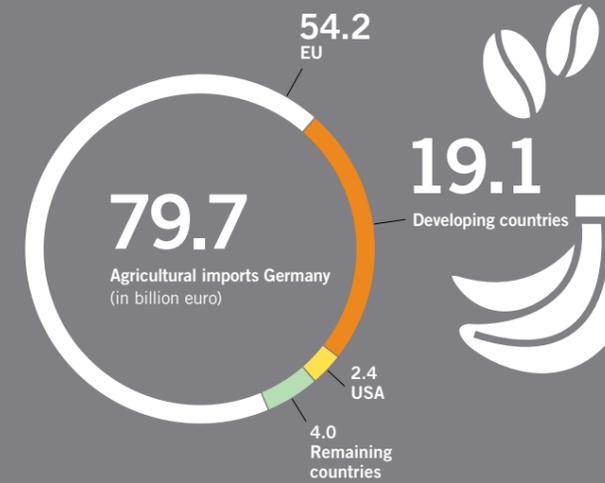
HUMANITARIAN ASSISTANCE: INCREASED AND PREVENTATIVE MEASURES AND NO EXPLOITATION

Despite record expenditure by the United Nations (UN), the 2015 and 2016 crisis appeals for humanitarian assistance remain unfunded. This year, international assistance for the crises in the Lake Chad region and East Africa will be underfinanced and will arrive much too late. Governments politicize and instrumentalise development assistance and emergency aid for their migration management. The scandal, however, is not that people are fleeing to Europe, but that they are starving in their own countries.



SUPPORTING SMALLHOLDERS AND ALIGNING AGRICULTURAL IMPORTS TO STANDARDS

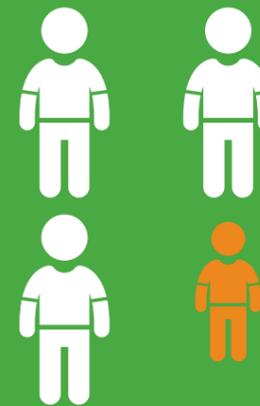
For decades, the promotion of smallholders and rural development has been progressing at a snail's pace. Welthungerhilfe is calling for its acceleration and to link agricultural exports from famine countries to the human right to food. Together with the Center for Development Research (ZEF) Welthungerhilfe has produced a Food Security Standard.



Source: German Federal Statistical Office

ERADICATING MALNUTRITION WITH LOCAL PULSES, FRUIT AND VEGETABLES

In developing countries, one in four children are stunted in their physical and mental development as a result of vitamin and mineral deficiencies. Welthungerhilfe is campaigning for the governments of these countries and international donors to promote the cultivation of micronutrient-rich fruit, vegetable and pulse varieties.



One child in **4** suffers developmental delays caused by malnutrition.

INCREASING GOVERNMENT DEVELOPMENT COOPERATION TO A GENUINE 0.7 PERCENT

In 2016, German government development assistance rose to 0.7 percent of the gross national income. However, one-quarter of this was spent on supporting refugees in Germany. Welthungerhilfe welcomes the increase and the commitment to refugees, but criticises the 'false labelling' and is calling for an increase to a 'genuine' 0.7 percent - without deduction of the expenditures for refugees in Germany.



Source: Official Development Assistance/OECD

SECURING LAND RIGHTS FOR FARMERS AND INDIGENOUS PEOPLES

The land rights of 2.5 billion farmers and indigenous peoples are threatened. Millions of people have lost their land due to foreign investors and influential ruling powers. Welthungerhilfe supports victims of land grabbing and organisations that campaign within their countries for the protection of land rights. It is calling for clarification and recognition of the rights of land owners before the start of any investment projects.

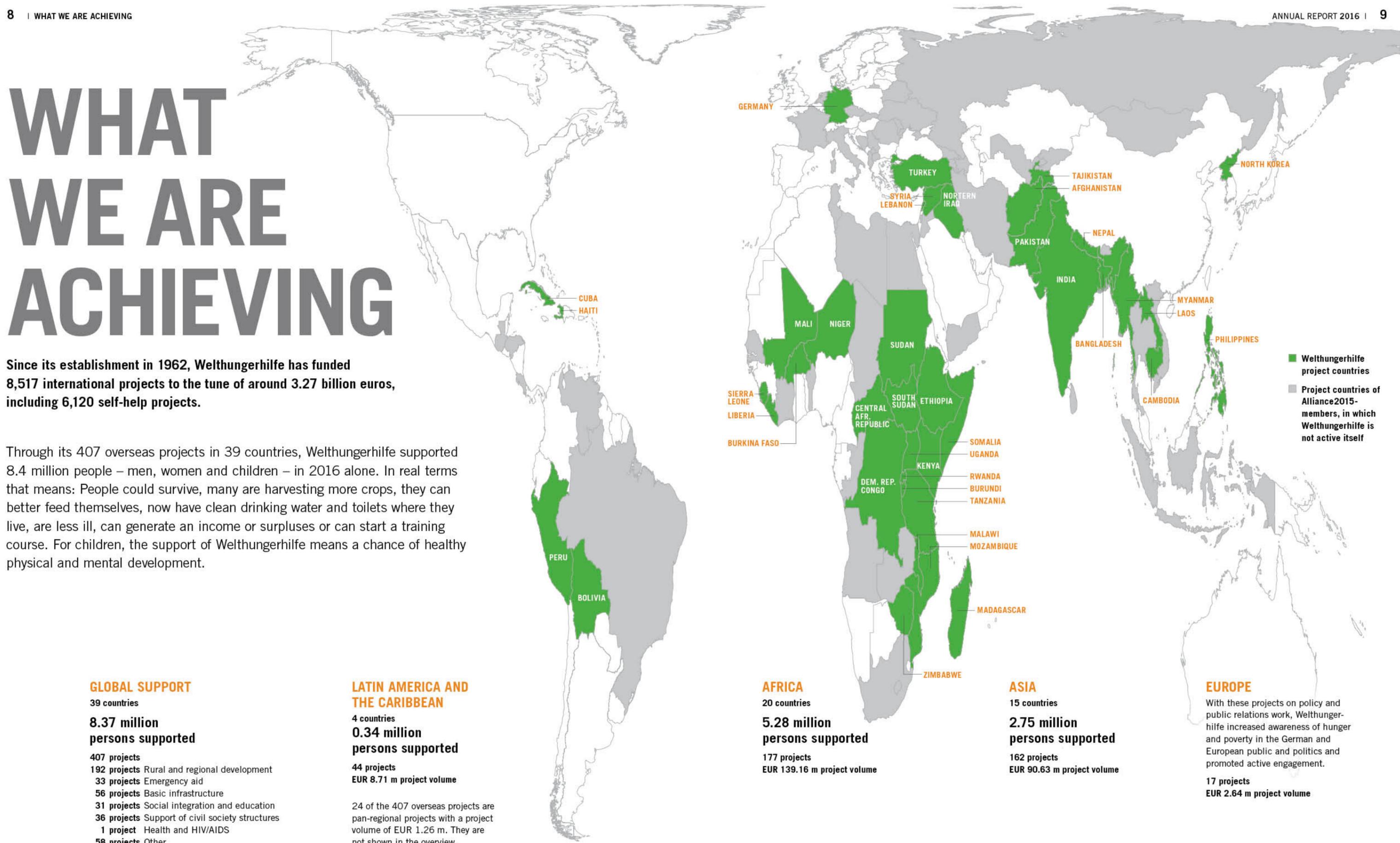


Approx. **1/3** of the world's population (2.5 billion people) have no secure land rights.

WHAT WE ARE ACHIEVING

Since its establishment in 1962, Welthungerhilfe has funded 8,517 international projects to the tune of around 3.27 billion euros, including 6,120 self-help projects.

Through its 407 overseas projects in 39 countries, Welthungerhilfe supported 8.4 million people – men, women and children – in 2016 alone. In real terms that means: People could survive, many are harvesting more crops, they can better feed themselves, now have clean drinking water and toilets where they live, are less ill, can generate an income or surpluses or can start a training course. For children, the support of Welthungerhilfe means a chance of healthy physical and mental development.



■ Welthungerhilfe project countries
 ■ Project countries of Alliance2015-members, in which Welthungerhilfe is not active itself

GLOBAL SUPPORT

39 countries

8.37 million persons supported

- 407 projects
- 192 projects Rural and regional development
- 33 projects Emergency aid
- 56 projects Basic infrastructure
- 31 projects Social integration and education
- 36 projects Support of civil society structures
- 1 project Health and HIV/AIDS
- 58 projects Other

LATIN AMERICA AND THE CARIBBEAN

4 countries

0.34 million persons supported

44 projects
 EUR 8.71 m project volume

24 of the 407 overseas projects are pan-regional projects with a project volume of EUR 1.26 m. They are not shown in the overview.

AFRICA

20 countries

5.28 million persons supported

177 projects
 EUR 139.16 m project volume

ASIA

15 countries

2.75 million persons supported

162 projects
 EUR 90.63 m project volume

EUROPE

With these projects on policy and public relations work, Welthungerhilfe increased awareness of hunger and poverty in the German and European public and politics and promoted active engagement.

17 projects
 EUR 2.64 m project volume



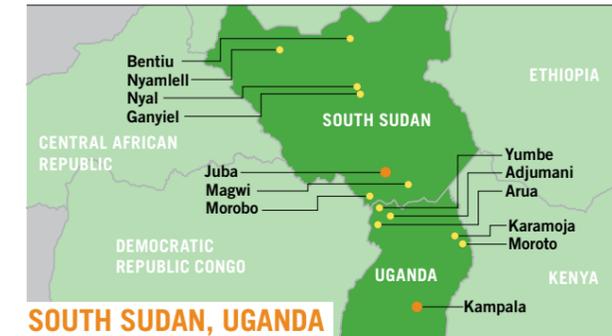
HUNGER AS A WEAPON OF WAR

Millions of people are starving in South Sudan as a result of cynical war policy. Welthungerhilfe is saving lives, conscious of the outstanding political solution. In the places where it works, the organisation has been able to avert famine.

HUNGER FACTS | HUNGER CAUSES South Sudan is fertile, rich in natural resources and could easily feed its population; but the country has become a synonym for violence and hunger. Since the outbreak of the civil war in 2013, 1.8 million people have fled abroad and 1.9 million are displaced within the country - many in camps, where they are dependent on food aid. With the renewed outbreak of fighting in July 2016 the emergency intensified dramatically. Even in regions that were considered stable and part of the bread basket, the displacement of people meant that neither sowing nor harvesting was possible. According to United Nations (UN) data, in February 2017 more than 5.5 million South Sudanese were no longer able to provide food for themselves, and a famine was declared for 100,000 people in two provinces of Unity State.

HOW WE ARE COMBATING HUNGER In July 2016, Welthungerhilfe temporarily evacuated all employees - only the team in the UN-protected camp for internally displaced persons (IDPs) in Bentiu, Unity State stayed on the ground. As it remained calm in Northern Bahr el Ghazal state, we were able to quickly resume our agricultural support there. In contrast, in Morobo and Magwi in the south, we have had to suspend an agriculture and literacy project for security reasons, a project that was bringing urgently needed prospects. The situation is, and was, worst in Unity State: In Ganyiel and Nyal - marshland areas without infrastructure that only helicopters can reach - we were forced to interrupt the provision of over 142,000 IDPs for approximately one month. For over 190,000 people in Bentiu it was still possible. There, we are providing 60 percent of people's food needs. They provide the rest themselves, either by trading within the camp, growing their food or by catching fish in the Nile.

We have been able to avert famine in the places where we work. As one of the largest partners of the World Food Programme, we distribute food in the country to around 370,000 people in two states. However, in many areas the government blocks access to people in need. Cynical warlords use hunger as a weapon of war. Welthungerhilfe is urging a political solution and continuing its humanitarian assistance. "We cannot end the war, but we can save lives. The poorest of the poor bear the least responsibility in the battle for power and raw materials but are the ones who suffer the most as a result," explained Welthungerhilfe CEO, Dr. Till Wahnbaeck during his visit in October.



Project focal points	South Sudan: Emergency aid, food and nutrition security, WASH
	Uganda: Agricultural development, food and nutrition security, civil society promotion, support of refugees from South Sudan, WASH, vocational training
Project locations	South Sudan: Nyamlell, Bentiu, Nyal, Ganyiel, Magwi, Morobo
	Uganda: Arua, Adjumani, Yumbe, Karamoja, Moroto
Financial volume 2016	South Sudan: EUR 26.50 m
	Uganda: EUR 5.04 m
Current projects	South Sudan: 8
	Uganda: 9
Institutional donors	South Sudan: AA, BMZ, GIZ, WFP
	Uganda: BMZ, EC (ECHO), USAID, Other
Persons supported	South Sudan: 429,071
	Uganda: 231,520

“The poorest of the poor bear the least responsibility in the battle for power and raw materials but are the ones who suffer the most.”

Dr. Till Wahnbaeck, Welthungerhilfe CEO



VISITING THE SECOND LARGEST REFUGEE CAMP IN THE WORLD

Mathias Mogge, Welthungerhilfe Executive Director Programmes, witnessed the local situation. He wrote this report:

At the start of December, I travelled to the Bidibidi refugee camp. With the support of the development ministry (BMZ) and the European Union, Welthungerhilfe, as one of the first organisations on site, began to improve the drinking water supply in the refugee settlements. To supply so many people requires a coordinated approach between many organisations led by the Ugandan government. "Emergency aid is certainly important," our project manager Peter Jander tells me, "but even in this situation we want to offer people prospects." Welthungerhilfe has begun to establish a well-received education centre in the middle of the camp. The provision is offered expressly both to people in the host community and the refugees.* There

are courses in carpentry, gastronomy, metal and construction. In addition, all trainees learn the fundamentals of agriculture. The young people graduate the courses with a nationally-recognised certificate. They can then go on to apply for jobs with companies. It is a glimmer of hope in an area where young people have few options. The young people I meet are enthusiastic about the offer of training. Jennifer, the training manager for gastronomy, proudly explains to me that the first graduates have already found well-paid jobs in hotels in the provincial capital Arua. (...)

* The Ugandan government stipulates that relief organisations use up to one-third of their resources for measures that benefit host communities, in order to encourage their willingness for integration. So almost half of the trainees participating in the 90 Farmer Field Schools for agricultural education are Ugandans.

THOUSANDS OF REFUGEES EVERY DAY

Uganda is well-known for its generous refugee policy. Refugees receive a work permit and a piece of land to cultivate.

HUNGER FACTS | HUNGER CAUSES In the districts of Arua, Yumbe and Adjumani in northern Uganda, around 40 percent of people live below the poverty line and a further 45 percent are at risk of hunger and poverty. Undernourishment and malnutrition are widespread. The main reasons for hunger are poverty, a lack of rainfall year after year, crumbling infrastructure, poor educational opportunities and inadequate health care. In 2016 Uganda became the African country with the largest refugee population. Around 800,000 South Sudanese alone have fled since 2013, mainly to Arua, Yumbe and Adjumani. From July 2016, up to 3,000 South Sudanese crossed the border daily. Since the beginning of 2017 this has increased up to 5,000. The majority are settled here in the region. It needs substantial help – both for the refugees and the local population.

HOW WE ARE COMBATING HUNGER ... Welthungerhilfe has been supporting South Sudanese refugees and the host communities in Arua and Adjumani since February 2013.



Small fry? Hellen Achola fled from South Sudan and lives with her husband and six children in the refugee village Odobu II in Arua. In March 2016 she joined a savings and credit group. She invested her first loan into small fish, a national delicacy, which she sold on at a small profit. She did the same with four sacks of sorghum and other foodstuffs. From her modest profits she can pay back her credit with ten percent interest and keep something leftover for her family.

The organisation has helped with the building and equipping of classrooms, construction of wells and latrines, small animal husbandry as well as agricultural and vocational training. In July, it immediately expanded its engagement to the district of Yumbe. It was there that the refugee settlement Bidibidi developed - within weeks it would become the second largest refugee camp in the world; it is currently home to 270,000 people. As one of the first relief organisations on the ground, Welthungerhilfe promptly supplied people with drinking water through its own emergency aid fund. At the same time, the organisation successfully appealed to institutional donors and supporters to invest in the construction of 40 wells and thousands of latrines to provide for over 30,000 people.

... AND ACHIEVING SUCCESS An online campaign brought 7,000 euros in donations, financing one of the 40 wells. By October, ten wells were already finished, including three for the local population. We also built toilets and held hygiene training courses. In around 90 Farmer Field Schools, each with 30 members, our specialists train refugees who have been assigned land from the host community. They train both refugees and Ugandans in how to cultivate their land as productively as possible, in order to improve nutrition and income. Where necessary, we hand out simple equipment such as foot pumps for irrigation. Savings and credit groups are established in parallel. ■

429,071

South Sudanese were supported by Welthungerhilfe in 2016. It increased its assistance in 2017 and is currently supporting 539,000 people.

11,000

households in two South Sudanese states receive grain seeds, 3,500 households receive fishing kits.

2,700

South Sudanese refugees and local Ugandans learn optimised cultivation methods in 90 Farmer Field Schools.

IS SOMETHING WRONG?

Welthungerhilfe is committed to accountability to the local people. One mechanism is to allow complaints.



Grace Karisa is our officer for nutrition in Kenya and contact person for complaints. She writes:

"Why is the development of the water pipelines in our project delayed?" "Why doesn't the pump work properly?" "Can we discuss project topics in our traditional community forum?" These are the sort of questions our office in Kenya has received since we introduced a complaints system in 2014. We have to accept that we don't always get everything right. The people in our projects have the right to raise problems and to complain. It is only in this way that we can react quickly. We regularly explain this to the village residents, just like our other commitments to them according to the Core Humanitarian Standard on Quality and Accountability (CHS)*. This is a set of rules for

* CHS stands for: The Core Humanitarian Standard on Quality and Accountability

aid organisations, which Welthungerhilfe integrates into its work in Kenya and 13 other countries. If someone has an issue, they can come to us in the office. We offer regular consultation hours during our community visits, and have set up complaint boxes and a hotline. In Uganda we distributed footballs to the partner organisations, which were printed with the hotline number. Here in Kenya, we spread the word with posters, brochures and business cards. The population still holds back with complaints - this may have a cultural basis, and we need to ask ourselves how we can build greater trust. But the first feedback has had an impact: The pump has been repaired and the development of the water pipeline accelerated. We review whether the community forums are representative and democratic. In this way, people gradually make the project their own. We have also been able to improve cooperation with other organisations and the government through the CHS.

EMERGENCY AID FUND - BECAUSE EVERY HOUR COUNTS

In natural disasters and wars, just a few hours can make a difference to people's chances of survival. The emergency aid fund allows immediate action.

Precious time can often be lost waiting for donation appeals and public funds. In contrast, the money in the emergency aid fund is accessible immediately. With their donations, individuals, companies and foundations ensure that at the start of every year the fund holds a minimum

of 500,000 euros and is continuously topped up. Thanks to this fund, in 2016 Welthungerhilfe was able to provide emergency aid during the drought in India (see pages 24 - 26) and in Ethiopia (see page 18). At the start of August it used resources from the fund to send tankers to Bidibidi. For 31 days, Welthungerhilfe provided drinking water to over 30,000 people with 75,000 litres per day - until the first wells were built.



AID AFTER TRAUMA, FLIGHT, DESTRUCTION

Welthungerhilfe has been supporting people in Syria since 2012, as well as Syrian refugees in Turkey and since June 2016 also in Lebanon. In northern Iraq, it is rebuilding a region that the IS has destroyed.

HUMANITARIAN CRISIS The war in Syria displaced 6.5 million people within their own country and a further five million fled abroad. The majority found refuge in neighbouring countries, 2.8 million in Turkey alone, and more than one million in Lebanon, which itself has only four million inhabitants. Many are lacking even the most basic things to survive. According to United Nations figures, 34 percent of Syrian refugee households in Turkey suffer from food insecurity, 66 percent are at risk of it and 24 percent of children under five are malnourished.

WHAT WE ARE DOING AND ACHIEVING For security reasons we are not working directly in Syria at the moment. Through our Syrian partners we are distributing bread and food vouchers to over 190,000 malnourished local residents and displaced people in the provinces of Aleppo and Idlib. With the restoration of destroyed water networks we are securing the water supply for 39,000 people. After an attack on the Baylun hospital in Idlib province, in September 2016 we had to stop the support of short medical courses, each attended by 125 Syrians.

In Turkey, we are giving electronic Cash-Cards to the neediest people, charged with a monthly amount of 23 euros per family member. Syrian families can then buy food and everyday necessities in selected shops. In winter 2016/2017 the families received an additional amount on their card - for warm clothes, stoves and kerosene. "Aid packages often contain things we don't need at all. With the Cash-Cards we can buy what we are lacking for our homes," explains Khaled. The 30-year-old fled Idlib to Kahramanmaras and has to provide for eleven family members. Like most others, his family needs food above all. We made it possible for around 2,000 Syrian children to attend school in 2016, because we financed bus transport and school materials for five schools.

In order to promote a peaceful coexistence between Turks and Syrians, we are supporting social centres in Istanbul, Gaziantep and Mardin province, which are managed by Turkish organisations. Here, both Syrians and locals find a wide range of services - from joint leisure activities to training courses in computing and different trades, enabling people to earn a little money. Among other things, we promote Turkish language courses for Syrians and offer psycho-social, medical and legal consultation for refugees who are traumatised or in need. An expansion of the consultation services is planned. For 32-year-old Asimah the most important thing was to "get an ID card, in order to receive medical care. This is essential (...), because I have cancer." Our legal advice service was able to help her.

In Lebanon, together with our Alliance2015 partner Concern Worldwide from Ireland, we have been supporting



SYRIA, TURKEY, LEBANON, IRAQ

Project focal points	Syria, Turkey, Lebanon: Food and nutrition security, emergency aid, protection, shelter, winter relief, water supply, income-generating measures, community centres, education Iraq: Reconstruction of basic infrastructure, WASH, school education, disaster risk reduction, emergency aid Mosul
Project locations	Syria: Aleppo and Idlib provinces Turkey: Gaziantep, Mardin, Istanbul, Kilis, Kahramanmaras, Hatay provinces Iraq: Erbil, Sulaymaniyah, Dohuk and Nineveh provinces, emergency aid Mosul
Financial volume 2016	Syria, Turkey: EUR 18.47 m Lebanon: EUR 1.7 m Iraq: EUR 36.52 m
Current projects	Syria, Turkey: 12 Lebanon: 1 Iraq: 7
Institutional donors	Syria, Turkey: AA, BMZ, GIZ, EC (ECHO), OCHA, UNICEF, Other Iraq: AA, Alliance2015, BMZ, GIZ, OCHA
Persons supported	Syria, Turkey: 301,280 Lebanon: 33,725 Iraq: 87,360

Syrians and especially the Lebanese host community in the border province Akkar. Since August 2016, we have been providing agricultural assistance and have been helping with the reconstruction of the urgently needed hydro infrastructure. As the Syrian war is leading to an increase in social tensions, violence and child labour here too, we are offering training sessions on trauma and stress management, non-violent communication and on the issue of violence against women.

In order to protect their identities, we refrain from revealing the surnames of the people we report about on pages 15 and 16.

PROSPECTS AFTER LIBERATION FROM IS

Welthungerhilfe has been in Iraq since 2014, a country marked by wars and the terror of so-called Islamic State (IS).

HUMANITARIAN CRISIS In 2014 IS had conquered wide swathes of the country. Since 2015, Kurdish and Iraqi forces with international support have succeeded in recapturing many areas. This has been accompanied by huge refugee movements, as in Mosul. There are around 3.2 million Iraqis displaced within the country, as well as more than 250,000 Syrian refugees. In 2016 over 10.5 million people in Iraq needed humanitarian assistance.

WHAT WE ARE DOING The military offensive that began in October 2016, to liberate the city of Mosul from IS, forced hundreds of thousands of people to flee. Along with other aid organisations, Welthungerhilfe had made preparations well in advance to provide them with assistance. It is repairing local water networks in the liberated areas and distributing water and aid packages with blankets, mattresses, drinking water containers, cooking and eating utensils, detergent, hygiene articles, a kerosene stove and a lamp. Families with children receive 'baby kits'. "Finally, I can take care of my family's needs. Everything is useful. In the more than two years under IS I never had even a ten-dollar note in my pocket," reports father-of-five Imram at a distribution east of Mosul.

In the north of Nineveh province, which was liberated from IS at the end of 2015, we are supporting the reconstruction of destroyed water networks and the optimisation of waste management. They are both important for agricul-

ture, which is the primary livelihood in this region. Likewise, in the north of Nineveh in the regions of Wana, Zummar, Rabia and Sinun, we began an ambitious large-scale reconstruction of public services programme. Together with the Danish Refugee Council, we started this infrastructure programme in June 2016. By the end of 2018, members of 26,000 families from all population groups in 150 communities will have the chance to work on the repairs in return for payment. For work that requires professional expertise, we will hire local companies. We are providing cash payments to 6,500 particularly needy families with disabled, elderly or sick members.

WHAT WE ARE ACHIEVING Nisan registered for the paid construction work in her home town of Sinuni. In the team of 21 men and women she repairs the buildings and gardens of the cultural centre of the town. Her brothers are in the military, her sisters too young to work. The Yezidi family returned because it could not bear life in the refugee camp. "You can't live like that forever," explains the 20-year-old with determination. Even if her dream of studying lies far out of reach - her family has survived, her house miraculously withstood being captured by IS. Around a third of the once 25,000 residents have returned to Sinuni, the first streets are again starting to bustle and allow hope that the future will be brighter. One challenge is the peaceful coexistence between the different population groups, cultures and religions that traditionally live in Nineveh. After the 2014 conflict, social harmony is constantly under threat. There is, for example, distrust among the Kurdish Yezidis towards their Arab neighbours, because they assume some of them betrayed them to IS. As a consequence, Welthungerhilfe must also bear in mind the promotion of social cohesion in its reconstruction projects. Alongside targeted measures such as workshops in schools, this means that all groups from the returned local population, the internally displaced Iraqis and the Syrian refugees, must be given equal consideration. So we involve representatives of all groups in the planning about which streets, schools, medical facilities and parks should be rebuilt, as well as in the allocation of the paid reconstruction work. 18-year-old Ahmad, who fled from IS to Syria in 2014 and later escaped the fighting there to return to Iraq, reported after a workshop: "I was pleased that we were asked about our ideas. We have waited for a long time for an organisation like Welthungerhilfe to come and to include our needs in its work. We want to live together peacefully in our community and have more rights for women." ■

60,000	Syrian refugees in Turkey receive Cash-Cards to buy necessary items for living.
32,500	people in Iraq are supported by us with Cash for Work measures and cash assistance.
301,280	people are supported by us in Syria and Turkey.
33,725	Lebanese citizens and Syrian refugees benefit from our work in Lebanon.

ZERO HUNGER NEEDS PARTNERS

We are a member of several national and international networks, so that we can achieve more in humanitarian assistance and development work by working together, joining forces and saving resources. The ambitious goal of Zero Hunger by 2030 requires joint, coordinated action.

HIGH EFFICIENCY

International coordination committees - so-called Clusters - provide for efficient coordination during disasters. Within 72 hours, the participating UN, donor and non-governmental organisations decide with the affected governments whether joint emergency aid will be activated and who will do what, how, where and when. In this way, both funds and the respective strengths of the actors can be better utilised to achieve the quickest and best possible support for the affected population. Welthungerhilfe is active at a global level in three of the eleven Clusters: in the Logistics Cluster, in the Water, Sanitation and Hygiene (WASH) Cluster and in the Food Security Cluster (FSC). A Welthungerhilfe expert financed by the Federal Foreign Office is represented in the FSC, which is led jointly by the World Food Programme (WFP) and the Food and Agriculture Organization (FAO) in Rome.

STRONG VOICE

Welthungerhilfe is participating in the global policy development on Zero Hunger within the framework of the Committee on World Food Security in Rome. In Germany, we are introducing our positions through the umbrella organisation of German non-governmental organisations on development policy and humanitarian assistance (VENRO). Mathias Mogge, our Executive Director Programmes, is a member of the VENRO executive committee. We are also active in the European umbrella organisation VOICE. In the European Interagency Security Forum (EISF) we cooperate on risk minimisation approaches for employees in partner countries. In the humanitarian aid coordination committee of the Federal Foreign Office we campaign for constant improvement in German disaster relief.

RELIABLE PARTNERS

In Germany, together with seven partners we form Bündnis Entwicklung Hilft. In the event of disasters, we collect donations jointly, for example, via appeals on ARD (a German public television station), in order to alleviate acute need and to combat the structural causes of poverty, hunger and conflicts. On a European level, we are a member of Alliance2015 with six other organisations from France, Ireland, Italy, the Netherlands, Czech Republic and Switzerland. We cooperate with them on local projects and launch joint campaigns to increase awareness in Europe of development policy themes. Internationally, we have been active since 2015 as the first German non-governmental organisation in the Start Network. It aims to quickly mobilise resources for acute emergency situations and to connect actors working on the ground.



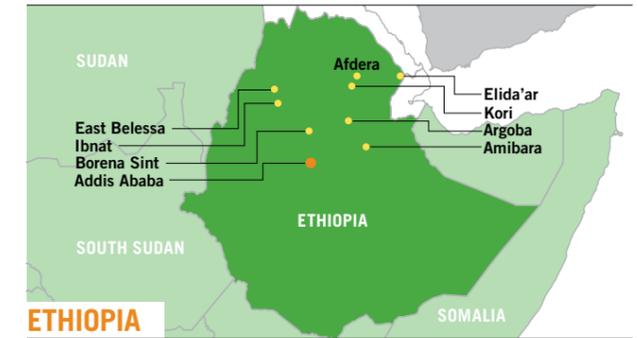


WHEN THE RAINS STAY AWAY

In 2016, an extreme drought caused by the weather phenomenon El Niño brought immense suffering to over ten million Ethiopians in the Afar and Amhara regions. Welthungerhilfe provided emergency aid for 80,000 people.

HUNGER FACTS | HUNGER CAUSES Despite the economic growth of recent years, the Global Hunger Index 2016 classifies the food insecurity in Ethiopia as 'serious'. The low-yield agriculture cannot feed the country's 100-million population. In Afar and Amhara, people and animals were already weakened by two failed rains when months of severe El Niño drought dried up water sources and caused grazing lands and harvests to wither. Tens of thousands of goats - the life source of the pastoralists - perished, and at the same time the grain and food prices rose dramatically. In addition to the food programme that the government provided for millions of needy Ethiopians, it had learnt from the past and also made 340 million euros available. As the resources were not sufficient to deal with the emergency, the government asked for help.

HOW WE ARE COMBATING HUNGER ... From March onwards, Welthungerhilfe supported 80,000 people in Afar and Amhara with additional emergency aid, such as food supplements for children and pregnant women, water supplies, fodder and health checks for the animals. In Afar, health workers and hundreds of female volunteers were trained in courses on health, nutrition and hygiene. Well-prepared, they went from house to house checking the nutritional situation, particularly of children, pregnant women and breastfeeding mothers. In the event of acute malnutrition,



ETHIOPIA	
Project focal points	Food and nutrition security, agriculture, rural development, drought resilience strengthening, WASH, social development including children and young people, basic health care
Project locations	Amhara region: Ibnat, East Belessa, Argoba, Borana Afar region: Kori, Afdera, Elida'ar and Amibara
Financial volume 2016	EUR 8.39 m
Current projects	20
Institutional donors	AA, BMZ, GIZ, OCHA, DEZA, Other
Persons supported	1,057,668

they gave ready-to-use therapeutic food, milk powder and medicines. Children whose lives were in danger due to undernourishment were treated in stabilisation centres.

As the harvests were destroyed and the seeds used up, we distributed strong laying hens and in Amhara alone 2,881 quintals of drought-resistant seed to 20,688 households. We paid thousands of Ethiopians to repair roads and build rain collection tanks and smaller irrigation plants. We are also continuing our work on sanitation and hygiene, as well as health care provision for mothers and children before and after birth.

... AND ACHIEVING SUCCESS Thanks to our work in previous years, many pastoralists were better able to withstand the extreme drought. In 2015, through our partner APDA in Afar, we treated or vaccinated over 510,000 cattle, camels, sheep and goats against illness, to strengthen them. For many years we have been supporting the building of underground rainwater storage tanks made of cement, known as 'birkat'. "During the El Niño drought our water supply measures were able to make the difference between life and death for communities in Afar," explains Yusuf Abdu from the partner organisation APDA. In 2015 alone, five birkats were repaired, eight new ones were constructed and five new reservoirs built. Even with little rain, the pools and birkats, which we replenished during the worst droughts using water trucks, filled up. Pastoralist Zhara Ali Mohammed lost the majority of her herd, there was barely enough food for her and her children, but they had water. "Without the birkat I would have to walk for ten hours to collect water at the nearest source." ■



TAKING CARE OF THE GOATS SAVES FAMILIES

Wase Gubena is a member of Welthungerhilfe's project staff in Ethiopia. He reports on how a family of pastoralists survived El Niño

At the end of 2014 Mohamed and Hawa Huseen and their eight children fled the drought from Akule to a village near Manda. Of their 65 goats and two camels only ten goats survived the 2015/16 drought. The three youngest children were undernourished and had to receive treatment. When the last goats became ill in May 2016, they despaired. The wheat that the government handed out was not enough for even just the family. The older children were too weak from lack of food to walk the seven kilometres to school. In June, health workers selected Mohamed's family as one

of the neediest, because their three-year-old child was once again severely undernourished. For the goats, which were producing a maximum of 40 millilitres of milk when checked, the family received 200 grams of fodder daily and medical care. It helped. In August, the goats were already producing 800 millilitres of milk, and three were pregnant. The youngest child recovered and Mohamed looked confidently to the future: The family would survive, the children would go to school again, because they had milk once more - enough so that Hawa could even make butter and sell it.

VEGETABLE SEED AGAINST HUNGER

In northern Burundi, Welthungerhilfe is supporting farmers with their own production of drought-resistant, high-quality seed and the adaptation of their cultivation methods to climate change.

HUNGER FACTS Burundi is one of the poorest countries on earth. For years the small Central African state has been one of the lowest ranking countries on the Global Hunger Index. The hunger situation is 'serious', and periods of famine occur again and again. One in three of the eleven million Burundians suffers from malnutrition, two-thirds of children under five years are chronically undernourished. Nearly every twelfth child dies before his or her fifth birthday. Life expectancy is less than 60 years.

HUNGER CAUSES Most Burundians live from agriculture, but their smallholder cultivation methods are extremely outdated and unproductive. The fields are far too small to keep up with the rapid population growth. There is a lack of modern knowledge and technologies. The lean harvests are also a consequence of the poor seed quality - which worsens every year, because it is not adequately selected and propagated. In addition, extreme droughts or heavy rains caused by climate change have a big impact. The prices for staple foods rose by around 20 to 30 per cent during 2016. President Nkurunziza's pursuit of a third, unconstitutional, term of office plummeted Burundi into a deep political crisis. The autocrat turned the optimistic beginnings of a new constitution, which came into force in 2005 as a work of reconciliation after the brutal civil war, into the opposite and eliminated constitutional structures, opposition and the press. In light of the repressions, multilateral and bilateral donors such as Germany, suspended their development cooperation and limited themselves to emergency aid. As such, non-governmental organisations like Welthungerhilfe became indispensable advocates for the suffering population. The economy lay in ruins. Without assistance from outside, the people have no prospects.

HOW WE ARE COMBATING HUNGER ... Welthungerhilfe is increasing its engagement in the small country. In particular, it is supporting sustainable agriculture, the production of high-quality seed and the protection of natural resources. Other components of its national programme are the promotion of peace and reconciliation, drinking water and sanitation, infrastructure and hygiene measures as well as adaptation to the effects of climate change. In four villages in the project area in Ngozi province, it is promoting the protection of endangered hillsides and agricultural land from erosion and the intensification of agricultural production. Seed propagation centres are being constructed in small warehouses. Inside, the propagation of high-quality plants and seed for fruit, vegetable, root crops and grain varieties is taking place. Quality seed with a short sprouting time and high resilience to difficult climatic conditions is being made available to needy families in the region, as well as to the >>



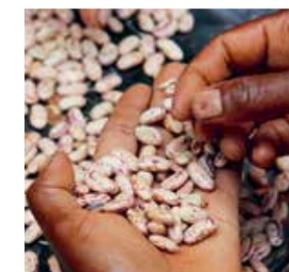
BURUNDI

Project focal points	Adaptation to climate change, school meals, improvement of living conditions for women and primary school children, food, nutrition security, conflict management and peace education
Project locations	Ngozi, Kirundu
Financial volume 2016	EUR 4.49 m
Current projects	11
Institutional donors	BMZ, WFP
Persons supported	193,297

VEGETABLES NOW GROWING YEAR-ROUND

Weeding, harvesting ripe vegetables, planting young plants - that is the daily work of Melchurie Mukeshimana. The 29-year-old belongs to a women's group, which manages vegetable fields in her municipality of Ruhororo.

"I am very grateful for the seed from Welthungerhilfe," she says. "It has significantly improved our nutrition. We now have vegetables the whole year round." Welthungerhilfe has taught them everything about cultivation methods. "The vegetable cultivation stations are especially practical," explains Melchurie. The small surfaces sheltered with dried banana leaves stand on the fields and protect the seed against too much rain and sun. "As soon as the seedlings have grown a little and are strong enough, we plant them out in the fields. This increases our yields." Melchurie is proud of the results: "We produce more than we need and sell the surplus on the market. It means we can pay the school fees for our children and even save a little for emergencies." She has attended cooking courses and learnt how to prepare nutrient-rich meals and the importance of handwashing and other hygiene measures.



A rich vegetable harvest is only possible with high-quality seeds.

"I became a mother recently and am breastfeeding my child. The knowledge that he can only be healthy if I eat well myself and am careful with hygiene has changed my life." Melchurie makes sure that each meal contains enough protein, carbohydrates, fat, vitamins and minerals. So she enriches her favourite meal of beans, cabbage and cassava with a spoonful of oil and some lemon.

IMPACT ON TRIAL

The quality of our projects is periodically assessed through impact-oriented monitoring and evaluations. The interim evaluation and permanent monitoring in Ngozi has shown:

#1

MORE FOOD

The implementation of the six-year project, which started in 2013, is on schedule. We can show that the communities have more food, quality seed and better food storage.

#2

EROSION PROTECTION

1,150,000 eucalyptus trees were planted on endangered hillsides by the end of 2015 alone. They protect 525 hectares of land effectively against further erosion.

#3

CASH FOR WORK

Particularly needy people were paid to carry out the reforestation work. 1,811 families thereby received a total of 38,000 euros.

#4

GOOD GROWTH

On average, 88 percent of the growing plants take root.

#5

CASH FOR FOOD

850 kilometres of erosion protection ditches were dug by participants from 1,042 households. Each family received a monthly ration of healthy food as a wage.

#6

REVISION

Until 2016 the population were paid from project funds for digging the erosion protection ditches. As a new law means that the population can only carry out unpaid erosion protection measures, the newly available project funds are being used to increase reforestation surface areas and seed quantities.

#7

WAREHOUSES

On the basis of an evaluation recommendation, two seed propagation centres were repaired in 2016 and two warehouses with more durable building materials were erected.

#8

TRAINING

Training on technical and organisational themes has strengthened the capacities of the project partners. Families from the project passed on their knowledge to other provinces.

#9

MONITORING

In 2015 and 2016 the seed centres received additional equipment and advice. A 'value creation chain of seed production' was simulated and discussed with all propagation enterprises, and awareness-raising about quality seeds and diversified cultivation was intensified. The evaluation had identified a need for action here.

municipal administration and the agricultural authorities for further distribution. The growing of vegetables ensures a supply of vital vitamins and minerals throughout the year. Together with Welthungerhilfe experts, the smallholders achieved good success with potatoes, runner beans, soya and yams. The cultivation of vitamin-rich products such as cabbage, onions, citrus fruits and avocado enriches the nutrition. Two new warehouses protect seed and harvests from animals and mould.

... AND ACHIEVING SUCCESS Viola Hakizimana, president of the seed centre in the Marangara community, explains: "A big problem is that the seed in Burundi is not graded and propagated adequately. It is a bad quality seed, which becomes worse every year. Here, we are producing a good quality seed. It is resistant to drought and parasites and brings high yields." To protect their fields from erosion, the smallholder families have dug kilometre-long ditches, established nurseries and planted 2.2 million trees of the Calliantra and Grevillea variety along the ditches. They have also planted over 900,000 saplings on endangered hillsides to protect against erosion. They received money and food in exchange for their labour. The agro-forestry trees improve the soil quality and will enable the farmers to have an additional income source in future. The project partners are constantly improving their knowledge in modern technologies like adapted soil fertility strategies or innovative irrigation methods such as drip irrigation, which they pass on in turn to the local people. With the sales of their harvest surplus they earn a small income. The intensive cooperation promotes constructive negotiation in the communities - a local economic cycle has developed. ■

320	kilogrammes of soya seed were received by the centres for propagation.
1,347	kilogrammes of quality seed for beans were produced in 2016.
38,000	euros in wages were received in total by 1,811 particularly needy families for reforestation work.
120,000	people in Ngozi province could feed themselves healthily for the whole year and sell their first surpluses.



'Skill up!' supported the young entrepreneurs Raheem Kagbendi and Samuka Jaward from Sierra Leone. They convert carpentry waste into briquettes.

JOB OPPORTUNITIES FOR 45,000 YOUNG PEOPLE IN FIVE COUNTRIES

With the transnational programme 'Skill up!' Welthungerhilfe is enabling young people to receive an education or set up a business - a key to development, economic growth and a way out of hunger and poverty. The Bauer family (Bauer Media Group) finances the initiatives in Sierra Leone, Uganda, Kenya and Tajikistan for 15,000 young people, investing five million euros. The Federal Ministry for Economic Cooperation and Development (BMZ) finances the 'Green Colleges' in India. They are taking on an advisory role in the programme, as 30,000 young people have already been successfully trained there.

Interview with Professor Dr. Michael Fremerey

Professor Fremerey, you visited 'Skill up!' in Sierra Leone, Uganda and India. What is the connecting programme idea?

Prof. Fremerey: The idea is to create life-, job- and income prospects for young people, to take them away from their precarious social and economic situation. With the provision of training and advice, tailored to each specific local situation, they can join the labour market or become active as entrepreneurs. In all countries the projects are linked with both private businesses in the respective region and with the relevant state services. This ensures the greatest possible integration of the programme into

the public training and certification system and the long-term existence of the initiatives, independent of external assistance.

What are the particular programme approaches in the different countries?

Prof. Fremerey: 'Skill up!' integrates a wide variety of approaches. The project in Sierra Leone definitely uses a decentralised approach, and mobile teams offer training locally in the villages. In Uganda, a locally-adapted variant is practised connecting dual training with central education facilities and decentralised elements. With its centre-oriented approach, the project in Kenya takes the slum situation into account. In Tajikistan, efforts are being made to bring innovative approaches into a still relatively rigid national system of vocational training. And the Green Colleges in India enrich the spectrum with their extremely successful environmental education and advisory approach.

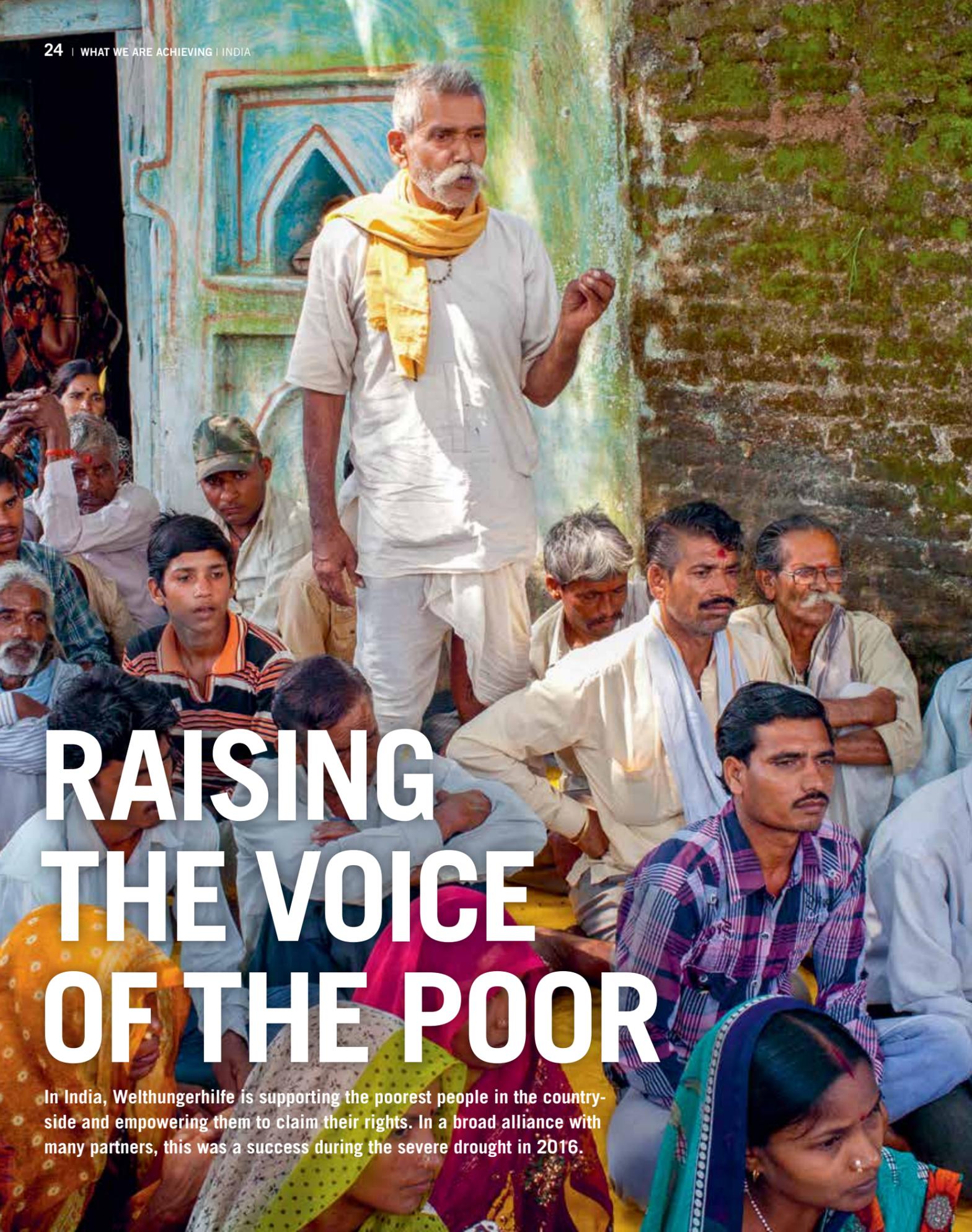
Which is the special potential of 'Skill up!'?

Prof. Fremerey: The diversity of the approaches in combination with the full range of strategies, which are necessary during skill development training. Welthungerhilfe can contribute to the model development of this important future sector. The 'Skill up!' requirements are interesting: In each country the target is for 50 percent of trainees to be women; all trainees commit to making a contribution, whether financial or in-kind, and young enterprises are supported in the medium and long-term.

What can "Skill up!" contribute to the eradication of hunger in the project regions?

Prof. Fremerey: The programme offers personal prospects to 45,000 young people and stands for the development of Best Practices in how life and work perspectives can be created for young people from precarious circumstances. It depends on ensuring that the countries continue the approaches and that, at the same time, political steps are taken to see that labour markets in the Global South have a chance. The programme 'Skill up!' opens up a great opportunity for the eradication of poverty and hunger. However, as long as subsidised surplus from Europe destroys the markets, and thus the job and income opportunities, the impact will remain limited. ■

Professor Dr. Michael Fremerey is an honorary consultant with Welthungerhilfe (see page 31) and member of the 'Skill up!' advisory committee.



RAISING THE VOICE OF THE POOR

In India, Welthungerhilfe is supporting the poorest people in the countryside and empowering them to claim their rights. In a broad alliance with many partners, this was a success during the severe drought in 2016.

HUNGER FACTS | HUNGER CAUSES India, the second biggest food producer in the world, has made significant progress in the fight against hunger and undernutrition in recent decades. Still, the country has the second highest global number of undernourished people. There is enough food for everyone, but many people are too poor to buy it. 22 percent of Indians live below the poverty line, while at the same time India is home to 84 billionaires. Just one percent of the population owns over 50 percent of the country's fortune. The year 2016 and the third drought in succession brought great suffering to 18 million Indians. In the state of Madhya Pradesh, where more than a quarter of children are undernourished, the consequences were especially devastating.

HOW WE ARE COMBATING HUNGER ... As hunger in India is primarily a consequence of glaring inequality, its eradication needs approaches that combat the destitution and poverty in the countryside while also holding the government to account. As such, it is important that our Indian partners not only campaign to strengthen an economically viable smallholder agriculture system, but for good governance as well. In rural areas in particular, the involvement of government representatives can lead to success.

... AND ACHIEVING SUCCESS Emergency aid: Thanks to its emergency aid fund and donors from Germany and the EU, during the 2016 drought, Welthungerhilfe was able to provide drinking water to 30,000 people in 45 remote villages. Its Indian partners set up a water hotline, through which the responsible authorities could immediately send out a water tanker, which needed a maximum of four hours to reach even the remotest village. 23 additional water trucks were financed, and health camps set up for extreme cases of dehydration. Through Food for Work projects, the village residents built ponds and repaired barriers of small stones to retain water. Animal feed stores enabled the survival of 7,000 animals.

SUSTAINABLE AGRICULTURE In recent years Welthungerhilfe and its Indian partners have demonstrated the path to success with improved drought resistance: Innovative, ecological cultivation methods, high-quality seed, integrated water management, drip irrigation and water recycling techniques have all proved their worth. This also includes the regeneration of traditional water storage systems like the 'chandela tanks' - filling stations for dried-up wells. Rainwater from rivers, waterways, ponds, lakes (chandela) is directed to the wells via concrete or clay channels, which then re-fill the aquifers with filtered water. During the drought, Welthungerhilfe programme coordinator Philippe



INDIA

Project focal points	Promotion of sustainable agricultural systems for improvement of smallholder incomes, agricultural training centres, food and nutrition security, WASH, vocational training, promotion of democracy, support of women
Project locations	Various locations in the different states: Madhya Pradesh, Manipur, Rajasthan, Jharkhand, Odisha, West Bengal, Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu and Bihar
Financial volume 2016	EUR 1.98 m
Current projects	53
Institutional donors	BMZ, GIZ, EC (DEVCO), Other
Persons supported	1,160,182

Dresrüsse came upon green fields in the middle of a bone-dry environment, like those of Rajendra Prasad. He is one of 7,890 smallholders in Madhya Pradesh, who received training and funding through us and our partner Parmarth until 2015. As well as export products like wheat and soya, he also grows fruit and vegetables. Despite the third drought in succession he can say: "I will be able to cope." He sells papaya, tomatoes, onions, chillies, okra and cucumbers on the market at a "very good price."

SUCCESSFUL ADVOCACY Local administration measures for the promotion of groundwater formation, rainwater storage and reforestation in drought-plagued villages, proved to be good models of successful advocacy work. Through our partners we support people in holding their local government representatives to account. The result: Government funds were invested in the regeneration of traditional water systems and thus in a resilient water supply with simple, adapted methods in the villages. ■



BREAKING THE SILENCE

Disha Uppal, Communications Officer in New Delhi, describes the events of 2016

END OF MARCH

Blazing sun, brutal heat. Withered wasteland and starving people as far as the eye can see. No monsoons for the third year in a row brought the worst drought in recent history to 18 million Indians.



APRIL

Almost all water sources, rivers and lakes dry up. The harvest is completely destroyed. People flee to the cities, hundreds take their own lives in despair. Thousands of animals die. Welthungerhilfe, its partners, well-known activists and civil society organisations unite to bring the crisis to public attention. First emergency aid is prepared. The drought becomes a topic in local and English newspapers, in international and social media. The partners use press conferences to keep the media constantly informed.

24 – 26 APRIL

A delegation from the development ministry (BMZ) and the German Society for International Cooperation (GIZ) visits the Welthungerhilfe project area. It awards funding for a water storage pilot project in four villages.



MAY

The Welthungerhilfe emergency aid fund and EU funds make it possible to deliver drinking water in tankers to the worst-affected villages. Remote areas are reached with carts. Community kitchens are set up, food packages are distributed.

5 MAY

At peaceful demonstrations in New Delhi, thousands of desperate smallholders call for the government to act.

6 MAY

The government calls on the population to conserve water to prevent the drought. At the same time Welthungerhilfe and its partners increase public awareness through campaigns and meetings.

21 – 31 MAY

The Jal Hal Yatra march increases the pressure.



22 MAY

Prime Minister Modi makes a radio appeal for people to catch every drop of rain during the monsoon.

JUNE

High-speed emergency aid from Welthungerhilfe: Animal feed is provided, over 400 people dig out ponds, wells, dams and rivers and receive grain in return. They create 67 new or restored water sources.

As a result of persistent pressure from Welthungerhilfe and its partners, the government of Uttar Pradesh state rehabilitates nearly 140 water sources.

POLITICAL CALLS TO ACTION FOR ZERO HUNGER

Whether international think tanks, the annual Global Hunger Index (GHI) or the first 'Compass 2030', 2016 was another year in which Welthungerhilfe made recommendations for political action for a world without hunger.

GLOBAL HUNGER INDEX - INTERNATIONALLY RESPECTED INSTRUMENT FOR ZERO HUNGER

The GHI, which we published in 2016 for the eleventh time, together with the International Food Policy Research Institute (IFPRI) in Washington D.C. and our Irish partner Concern Worldwide, gave clear messages: There has been significant progress in the eradication of hunger since 2000 and no region has stagnated, but efforts must be substantially increased, in order to achieve Zero Hunger by 2030. With the GHI we evaluate annual successes and setbacks in the eradication of hunger in all countries where data is available to us. We take a look at the regions and countries with the greatest need for action and successfully generate pressure to act.

Every year the country rankings are picked up by media around the globe. Delegates and representatives of civil society use the index to demand greater accountability and stronger commitment from their governments. In Zambia - one of the five countries ranked as 'serious' in the Hunger Index in 2016 - parliament held the government accountable for the poor ranking position, likewise in India. Confronted with poor index values, the government there has been under pressure for years. The European Commission and the German government also use the GHI ranking to decide how much money countries will receive for food security programmes.

Through discussion panels at the annual publication of the report, and through cooperation with newspapers, social media and school textbook publishers, we raise public awareness of the subject of hunger and present courses of action for politics and citizens.

COMPASS 2030 - KEEPING AN EYE ON THE GOVERNMENT

Development policy should be efficient and effective, and keep any promises that the Federal Government makes in international agreements. With its commitment to the Agenda 2030 and its 17 sustainable development goals,

* The GHI judges the hunger situation in a country on the basis of four indicators:
1. Undernutrition of the overall population, 2. Chronic and 3. Acute malnutrition in children and 4. Infant mortality.

the government has agreed to ambitious development efforts, which it must not ruin by wrong policies on trade, agriculture or finance.

Therefore, we are carefully observing the direction, financial arrangements and implementation of German development policy. We are doing this with a view to the Agenda 2030 goal of eradicating hunger by 2030, and the promise of leaving nobody behind. Together with terre des hommes, we published the first edition of 'Compass 2030' - a continuation of the report series 'The reality of development policy.' In this report, we summarised the results in an easily understandable way, and established demands to ministries and government based on it.

Our 'Compass 2030' recommendations for the improvement of the government initiative 'A World without Hunger' are not falling on deaf ears: Transparent reporting - including in the financial sector - as well as external evaluation is to take place now - a small, but important step in the commitment against hunger!

'THINK TANK' ON MIGRATION MATTERS

Worldwide, migrants transfer more than double the global development aid budgets into their countries of origin. Migration therefore brings opportunities for the development of these countries. Immigrants discussed the better use of these opportunities at the Welthungerhilfe 'Denkfabrik' ('Think Tank') in November in Berlin. Welthungerhilfe is working to create conditions in their countries that enable them to stay there. ■

The Global Hunger Index receives wide international media coverage every year. Parliamentarians use it to hold their governments accountable.

QUALITY, TRANSPARENCY, VALUES

How Welthungerhilfe ensures quality and transparency as well as adherence to the law and to the values of the organisation.

#1

INTERNAL AUDIT

The duties of the internal auditing department are financial safeguarding, risk recognition and protection from loss. Its employees follow the Code of Conduct of the German Institute for Internal Auditing and the principles of responsibility, discretion, objectivity and integrity.

The department has a clear audit mandate for all Welthungerhilfe departments and activities. It reviews statutory funding use and compliance and thus forms part of the financial accountability towards institutional and private donors.

#2

COMPLIANCE

Adherence to laws, donor regulations and our own values is a commitment - by the organisation, all employees and partners. In 2016 the auditing department continued to develop its compliance management system. The goal is to prevent damage and regulation violations and ensure adherence to our values, such as transparency, credibility and integrity.

Reinforced measures for the prevention of corruption were important steps in 2016. The Compliance Guidelines were updated, training for employees expanded and all binding regulations summarised in a 'Code of Ethics'.

Possibilities to place a complaint were extended in Germany and abroad and the complaints register was continued. In general, complaints are received about programmes and projects and about incorrect behaviour by employees, partner organisations and consultants. All complaints are treated confidentially and in accordance with data security laws.

#3

CONTROLLING

The Supervisory Board and Executive Board receive a monthly analysis of all key indicators from Controlling. This team supports the Executive Board and management team in Germany and abroad. Systematic risk control helps to manage the economic and strategic controlling of the organisation and helps to recognize risks early.

COMMITMENT TO A FAIRER WORLD

Together with Welthungerhilfe, numerous schools, associations, campaigning groups, businesses, foundations and individuals in Germany committed to a world without hunger. They organised or participated in meetings and campaigns, donated and raised awareness of our work.



THREE STRONG WOMEN

Three of Germany's most popular actresses went full speed ahead to bring the work of Welthungerhilfe to public awareness: Michaela May campaigns for women in Madagascar. In 2016 she saw for herself how farmers who have to feed themselves and several children are now harvesting more with our start-up help. Gesine Cukrowski (pictured on the right) brought an avalanche of attention for our goat project in Ugandan Karamoja, and Janina Hartwig reported on her visit to Sierra Leone, which has been impacted by the long-term effects of the civil war and Ebola. Together they helped to raise several hundred thousand euros in 2016. And what's best: They're not stopping!



SCHOOLS IN EAST AFRICA

In 2013, together with his wife, Jürgen Höller established the 'Jürgen Höller Foundation'. Its objective is to support the building of schools in East Africa, which connect lessons with health and nutrition training, as well as the creation of school gardens, sanitary facilities and training centres. The idea came to Höller when he visited the Kibera slum during a trip to Kenya. By 2016 the Foundation had made seven Welthungerhilfe projects in Kenya and Uganda possible with almost 800,000 euros.



DELICIOUS MEALS FROM SURPLUS FOOD

During the 2016 Welthungerhilfe Week, under the slogan 'Rudi rescues leftovers!', over 300 Bonn residents including singer Lucy Diakovska and actress Liz Baffoe wielded their serving spoons against food waste at a 'Running Dinner'. Cooperation partner rudirockt.de organised three-course food rescue meals across the city. Foodsharing provided the food and chefkoch.de offered a selection of recipes. To be continued.



ROCKING STAGES

At the fourth 'Rock Against Hunger' battle on 10 November 2016, eight business cover bands stepped out on stage for a good cause in front of 600 enthusiastic guests. They raised 28,000 euros for the work of Welthungerhilfe in Madagascar. The 'Rock Partners' from management consultant firm Goetzpartners walked away with the trophy. Also taking part were 'Public Re', 'Die 1. Instanz' (a band of judges), 'La Bänd' (L'Oréal) and 'Stick Together' (3M).



BEHIND THE SCENES

Wars, dramatic natural events and famines are on the rise globally. In order to provide immediate assistance, Welthungerhilfe cooperates closely with the Disaster Response Team of the Deutsche Post DHL Group. Business partners and private supporters learnt about what is needed in that kind of extreme situation at the event 'Emergency Aid - A look behind the scenes' on 28 September 2016 at Frankfurt/Main airport.

THE KEY SUPPORT OF ACTION GROUPS

Again in 2016 many members of the different Welthungerhilfe action groups were active across the country. With street collections, flea markets, sponsored runs, lectures, storytimes, readings, benefit concerts and many other activities, they spread the word about the work of Welthungerhilfe and gathered donations. Many action groups have been campaigning for Welthungerhilfe for decades. In February, representatives of the volunteer groups met at the annual volunteer seminar to plan their activities.



ALL FOR WATER - WATER FOR ALL

The association Viva con Agua celebrated its first big anniversary in 2016. In its ten years it has used unorthodox formats to collect over five million euros for Welthungerhilfe. It has been able to support projects for the improvement of drinking water supply, sanitary facilities and hygiene in several countries. In October, active supporters saw for themselves the improvement in living conditions in the Chitwan region of Nepal and brought happiness with guitars, football and finger-painting.



#ZEROHUNGERRUN

The premiere was a great success. On 9 October 2016, over 1,330 runners came to the Rheinaue Park in Bonn for the first #ZeroHungerRun. After actress Gesine Cukrowski gave the starting signal, they put their best feet forward for the goal 'Zero Hunger by 2030' and between them they raised over 23,000 euros. Singer Lucy Diakovska, TV presenter Florian Ambrosius and Bonn-born long distance running champion Joe Körbs were some of the famous faces on the start line.



ALMOST A POPULAR MOVEMENT

The Run4Life campaign celebrated its 20th anniversary in 2016. Welthungerhilfe developed this sponsored run format to inspire young people to become socially engaged. The success has proved it right. By the end of 2016 more than 1,250 schools, associations and institutions had taken part, around 620,000 'Runners 4 Life' were involved. Over the 20 years they have raised almost 7.2 million euros for Welthungerhilfe. Schools are particular fans of the run.



COFFEE CULT - FAIR AND DELICIOUS

Enjoying coffee sustainably - that's the motto of Berlin enterprise Coffee Circle. Its customers not only promote the cult of coffee drinking, but also fair trade. Every year, the founders travel to coffee cooperatives in the Jimma region of Ethiopia, and 2016 was no different. There they selected the best coffees and maintained a close exchange with the people. By purchasing directly, Coffee Circle can guarantee fair prices for the coffee farmers, enabling them to improve their living situation independently. The cooperation with Welthungerhilfe began in 2014.

STRUCTURE OF WELTHUNGERHILFE

As of: 21 June 2017

PATRON



Frank-Walter Steinmeier
Federal President



Joachim Gauck Federal President and patron until 18 March 2017

SUPERVISORY BOARD

The General Assembly elects the honorary Supervisory Board for a four-year term. It represents Welthungerhilfe externally, appoints the Executive Board and the members of the Programme Advisory Committee, monitors and advises the Executive Board. It also decides on the development policy positions and strategies as well as the principles of the project support. The Supervisory Board is statutorily identical to the Executive Board of the Foundation.



Bärbel Dieckmann has been President of Welthungerhilfe since 2008. She was Mayor of Bonn from 1994 to 2009 and a member of the SPD executive committee, Chair of the World Mayors' Council on Climate Change and President of the German Section of the Council of European Municipalities and Regions until 2009.



Prof. Dr. Joachim von Braun has been Vice President of Welthungerhilfe since November 2012. The agricultural economist, an acknowledged expert in food and nutrition security, development and trade, is director of the Centre for Development Research (ZEF) at the University of Bonn. He is Chair of the Programme Advisory Committee.



Amadou Diallo is CEO of Saloodo GmbH. He is also Chair of the non-governmental organisation Amref Health Africa, on the board of directors of African Risk Capacity Ltd. and founder of the Banouna Ba Foundation for Girls Education in Senegal. On 24 November 2016 he was appointed to the Supervisory Board of Welthungerhilfe.



Norbert Geisler has been Treasurer of Welthungerhilfe since 2004. He is the former Managing Director of a waste disposal company and now works as a consultant. Previously, the qualified economist worked as an auditor. He has served on the Supervisory Board as Chair of the Finance Committee since 2008.



Prof. Dr. Hartwig de Haen was the appointed General Director in Rome of the United Nations Food and Agriculture Organization (FAO) from 1990 to 2005. Prior to that, he held a professorship in agricultural economics at the University of Göttingen. He resigned from the Welthungerhilfe Supervisory Board on 24 November 2016.



Rosa Karcher has been a Supervisory Board member of the German Countrywomen's Association since 2011 and President of the South Baden Countrywomen's Association since 2009. She manages a full-time agricultural enterprise and resigned from the Welthungerhilfe Supervisory Board on 24 November 2016 after five years.



Rita Lanius-Heck is a member of the Supervisory Board of the German Countrywomen's Association and President of the Rheinland Nassau Countrywomen's Association. She and her family manage an agricultural enterprise focusing on rural tourism in the Rhine-Hunsrück-Kreis. She has been on the Supervisory Board since 24 November 2016.



Dr. Stephan Reimers, Chair of Aktion Sühnezeichen Friedensdienste e. V., was the authorised representative of the Councils of Evangelical Churches in Germany from 1999 to 2009. He founded the Hamburg homeless newspaper and the Donor Association. He resigned from the Supervisory Board on 24 November 2016 after eight years.



Prof. Dr. habil. Conrad Justus Schetter, on the Supervisory Board since 24 November 2016, is a professor of conflict and peace research at the University of Bonn and Director of Research at the Bonn International Center for Conversion. He was previously Acting Director of the Center for Development Research (ZEF) of the University of Bonn.



Dr. Tobias Schulz-Isenbeck has been on the Supervisory Board since 2004. Following management positions at the publishing group Handelsblatt, group management of Ringier AG, and as Managing Director of the Blücher group, he has been a member of the board of Limbach Gruppe SE since April 2016.

EXECUTIVE BOARD

The full-time Executive Board leads the operations of Welthungerhilfe in accordance with its statutes, the decisions of the general members' assembly and the Supervisory Board. It reports regularly to the Supervisory Board.



Dr. Till Wahnbaeck has been Chief Executive Officer of Welthungerhilfe since May 2015, as well as Managing Director of the Welthungerhilfe Foundation. Before joining Welthungerhilfe, he was the Managing Director at Gräfe and Unzer Publishers. In addition, he founded a non-profit business consultancy, led a foundation and supported AIDS victims in Tanzania.



Michael Hofmann has been full-time Executive Director Marketing since March 2012. Born in 1959 in Cuba, the business graduate began his career at the German Investment Corporation and the Friedrich-Ebert Foundation. Afterwards, his career path led him to management positions at various multinational companies, most recently at Nokia, where he managed various global departments.



Mathias Mogge has been full-time Executive Director Programmes since March 2010. The agricultural engineer and environmental scientist (MSc) has worked for Welthungerhilfe since 1998, including as Programme Manager for Sudan, Uganda and Ethiopia, as Regional Director for West Africa and head of the Knowledge, Innovation and Consulting unit. He is responsible for the overseas programmes and projects.

COMMERCIAL MANAGEMENT



Klaus Ritsche has been Director of Finances and Administration and Chief Representative of Welthungerhilfe since 2009. The agricultural economist has been with Welthungerhilfe since 1995 and previously worked in development cooperation projects in Zambia, Rwanda and Cameroon.

THE GENERAL ASSEMBLY

The General Assembly determines the guidelines for the activities of Welthungerhilfe. It elects the Supervisory Board, agrees the business plan and approves the annual financial statement on the basis of the audit report. Members of Deutsche Welthungerhilfe e.V. include the President of the German parliament, the leaders of the parliamentary groups, as well as churches, associations and other organisations. They send representatives to the General Assembly, which meets once a year.

MEMBERS OF THE ORGANISATION

(permanent representative in brackets)

Deutscher Bundestag, President Prof. Dr. Norbert Lammert, Member of German Parliament (MdB) (Dr. Ulrich Schöler)

CDU/CSU group, Chairperson Volker Kauder, MdB (Helmut Heiderich, MdB)

SPD group, Chairperson Thomas Oppermann, MdB (Dr. Sascha Raabe, MdB)

Bündnis 90/Die Grünen group, Chairperson Katrin Göring-Eckardt, MdB, and Chairperson Anton Hofreiter, MdB (Uwe Kekeritz, MdB)

Die Linke group, Chairperson Dr. Sahra Wagenknecht MdB, and Dr. Dietmar Bartsch, MdB (Heike Hänsel, MdB)

Kommissariat der deutschen Bischöfe/Katholisches Büro Berlin, Leader, Prelate Dr. Karl Jüsten (Dr. Martin Bröckelmann-Simon)

Council of Evangelical Churches in Germany, Representative Prelate Dr. Martin Dutzmann (Nele Allenberg)

Association of Rural Youth in Germany (BDL), National Chairperson Kathrin Funk (Kathrin Funk)

Federal Association of Wholesale, Foreign Trade and Services, President Anton F. Börner (Sebastian Werren)

Confederation of German Trade Unions, Chairperson, Reiner Hoffmann (Dr. Bianca Kühl)

Federal Association of German Industry, President Ulrich Grillo (Matthias Wachter)

German Farmers' Association, President Joachim Rukwied (Willi Kampmann)

German Cooperative and Raiffeisen Federation, President Uwe Fröhlich (Dr. Andreas Wieg)

Federal Association of non-statutory Welfare (BAGFW), Member of the High Consistory, Wolfgang Stadler (Rudi Frick)

German Red Cross, President Dr. h. c. Rudolf Seiters (Christof Johnen)

DLG, President Carl-Albrecht Bartmer (Karl-Martin Lüth)

German Society for Nutrition (DGE), Prof. Dr. Helmut Heseke (Prof. Dr. Michael Krawinkel)

Bauen-Agrar-Umwelt Trade Union, National Chairperson Robert Feiger (Robert Feiger)

German Association of Journalists, Chairperson Michael Konken (Frauke Ancker)

German Country Women's Association, President Brigitte Scherb (Rosa Karcher)

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Board spokesperson Tanja Gönner (Elke Winter)

Supporters of Deutsche Welthungerhilfe e. V., Kaspar Portz (Friedhelm Henkst)

Central Association of German Trade, President Hans Peter Wollseifer (Dr. Peter Weiss)

Confederation of German Employers' Associations, President Ingo Kramer (Ulrich Hüttenbach)

Association of German Cities, Executive Member Dr. Stephan Articus (Sabine Drees)

Federation of German Newspaper Publishers, President Helmut Heinen (Dietmar Wolff)

German Insurance Association, Managing Director Dr. Jörg Freiherr Frank von Fürstenwerth (Thomas Kräutter)

THE WELTHUNGERHILFE BOARD OF TRUSTEES

The Board of Trustees is composed of public figures who use their good reputation for the benefit of Welthungerhilfe. They support Welthungerhilfe through their own voluntary activities or through their networks and by providing advice. The members are appointed by the Supervisory Board.

MEMBERS OF THE BOARD OF TRUSTEES

Benny Adrion, founder and Director Viva con Agua de St. Pauli

Gudrun Bauer, Bauer Media Group

Dr. Thomas Bellut, Director ZDF

Dr. h. c. Erik Bettermann, former Director Deutsche Welle

Dr. Markus Conrad, Chairman of the Board Tchibo GmbH

Gesine Cukrowski, actress

Prof. Dr. Ulrike Detmers, Managing Partner Mestemacher Gruppe

Dr. Monika Griefahn, Director for Environment and Social Responsibility at cruise ship company AIDA, former Environment Minister

Dieter Thomas Heck, host and producer

Nia Künzer, former German footballer

Dr. Gerd Leipold, former Director of Greenpeace International

Carl Ferdinand Oetker, Managing Partner FO Holding GmbH

Dr. Hans-Joachim Preuß, member of the board of the German Society for International Cooperation (GIZ) GmbH

Dagmar Reim, Director of Rundfunk Berlin-Brandenburg (RBB)

Hajo Riesenbeck, Riesenbeck-IC GmbH, Investment & Consulting

Michael Schindhelm, cultural advisor and author

Prof. Dr. Gesine Schwan, President HUMBOLDTVIADRINA Governance Platform gGmbH

Dr. Willi Steul, Director Deutschlandradio

Anna von Griesheim, fashion designer

Dieter von Holtzbrinck, Holtzbrinck-Verlagsgruppe

Dr. jur. Christian O. Zschocke, Manager of the Frankfurt law firm Morgan, Lewis & Bockius

THE PROGRAMME ADVISORY COMMITTEE

The Programme Advisory Committee is made up of 20 honorary members. It advises the Executive Board of Welthungerhilfe in matters of programme policy and the funding merits of programmes and projects in Germany and abroad, in accordance with the statutes. As such, the independent external expertise from both science and practice contributes to ensuring the quality of project work. In addition, in their roles as points of contact for regions, sectors, policy areas or measures of development policy public relations work, the advisors comment on individual projects in the form of expert reports.

THE MEMBERS OF THE PROGRAMME ADVISORY COMMITTEE

(Specialist area in brackets)

Dr. Günter Schmidt, former Director, GFA Consulting Group, Hamburg (Asia, Latin America, public relations), Chairperson

Dr. Guido Ashoff, former Department Head, Bilateral and Multilateral Development Policy, Deutsches Institut für Entwicklungspolitik (West and Central Africa, Caribbean, policy), 1st Deputy Chairperson

Prof. Dr. Barbara Thomaß, Institute for Media Studies, Ruhr-Universität Bochum (public relations), 2nd Deputy Chairperson

Dr. Getachew Abate Kassa, Production and Resource Economics of Agricultural Enterprises, Technical University of Munich (Africa, MENA)

Prof. em. Dr. Ludwig Ellenberg, former professor, Geographisches Institut, Humboldt University Berlin (West and Central Africa, Caribbean)

Prof. Dr. Michael Fremerey, former professor, University of Kassel, Adjunct Professor (Universitas Indonesia) (Asia, South America, policy)

Prof. Dr. Hartmut Gaese, former Director, Institut für Tropentechnologie, Technical University of Cologne (Asia, South America)

Prof. Dr. Hartwig de Haen, former appointed General Director in Rome of the United Nations Food and Agriculture Organization (FAO), previously held a professorship in agricultural economics at the University of Göttingen (Africa, Caribbean)

Prof. Dr. Lars Harden, professor in the Communication and Society department at Osnabrück University of Applied Sciences and Managing Director of aserto GmbH & Co. KG UA (public relations)

Prof. Dr. Claudia Hensel, professor of international marketing, University of Applied Sciences, Mainz (public relations)

Jochen Kenneweg, former Head of Division at the Federal Ministry for Economic Cooperation and Development (Asia, South America, policy)

Prof. i.R. Dr. Michael B. Krawinkel, Institute of Nutritional Sciences, Justus Liebig University Giessen

Klaus von Mitzlaff, former Country Director and Programme Head of GIZ in Southern and East Africa (country programme management, energy technology) (East and Southern Africa, MENA)

Prof. em. Dr. Dr. h. c. Uwe Jens Nagel, former Vice President for Studies and International, Humboldt University Berlin (West and Central Africa, Caribbean, policy)

Ralf Otto, consultant and advisor in humanitarian assistance, Mornologue, Brussels (East and Southern Africa, MENA)

Dr. Susanne Pecher, independent management consultant (international cooperation and organisational development) (East and Southern Africa, MENA)

Prof. Dr. Katrin Radtke, Institute for International Law of Peace and Armed Conflict (IFHV), Ruhr University Bochum (Africa, Caribbean)

Dr. Paul-Theodor Schütz, Senior Adviser on Agriculture, GIZ (Africa, MENA)

Prof. Dr. Meike Wollni, Department for Agricultural Economics and Rural Development, Georg-August-Universität Göttingen (Asia, South America)



Clean water for several hundred people in Kenya thanks to solar-powered pumps. Dr. Albert Otten, who holds a doctorate in economics, is the honorary Managing Director of the Welthungerhilfe Foundation since 2007. Here, he sees the project progress with his own eyes.

LONG-TERM SUPPORT

Anyone wishing to campaign long-term for a world without hunger and poverty can find suitable options for engagement with the independent Welthungerhilfe Foundation, established in 1998. Managing Director Dr. Albert Otten reports on the 2016 foundation year.

Interview with Managing Director Dr. Albert Otten

Are foundations still in demand?

Dr. Albert Otten: Absolutely! The foundation funds that can be set up with us are immensely popular. Seven new funds were established in 2016. Supporters can decide on both the name and the funding purpose. So far, this positive trend has continued into 2017.

What do benefactors need to bring to a foundation?

Otten: First and foremost, they must have the desire to engage on a long-term basis and give people in developing countries prospects for an independent life. Our Philanthropy team provides advice for interested benefactors to find the right foundation solution for their ideas and

actively supports them in setting it up. It doesn't require a great fortune to set up a foundation. With 5,000 euros, for example, you can establish your own foundation fund.

What types of foundations are there?

Otten: As well as a straightforward donation to our foundation capital and the foundation funds mentioned above, a trust foundation can be established under the umbrella of the Welthungerhilfe Foundation. With these, our team supports benefactors and takes on both the founding formalities and the administration of the foundation. With a trust loan, people can lend us money for a set period of time and

receive it back when required. 141 benefactors are currently using this form of engagement.

Can the capital from a foundation be directly invested for a good cause as well?

Otten: In general, benefactors should be aiming for a long-term commitment. However, in addition to trust loans, there is also the limited life foundation. Here, for example, a trust foundation is established for a period of at least ten years. During this period the foundation capital can also be used for the project funding. In this way the impact is increased, even in times of low interest.

Donating in difficult times?

Otten: Low interest doesn't automatically mean low impact for the people in our project countries. With the income from a 5,000 euro trust foundation, for example, five children in Malawi can receive school meals for a year. In 2016 the foundation assets increased by a total of two million euros including the accrued reserves. The Foundation gave 788,107 euros to support Welthungerhilfe projects. Our benefactors are thus making a big impact on the ground.

What is the role of bequests?

Otten: More and more people are thinking about including charitable organisations in their will. And increasingly, these supporters are contacting us during their lifetime and asking for advice. Our bequests advisor and our information events are therefore very popular. In the last year, 72 supporters included Welthungerhilfe in their will - whether as heir or with a bequest.

Change and continuity in the Welthungerhilfe Foundation?

Otten: Even when I step down in mid-2017 after ten years as an active managing director, nothing will change for our benefactors. My colleague Mark Herbeck as acting managing director is also a competent contact for our faithful benefactors. He is ready to provide advice and assistance to potential donors looking for the right foundation to commit to. And I will stay connected to the Welthungerhilfe Foundation in future through my own WASH trust foundation. ■

Christoph Kraus, founder
MKZ Lichtblick foundation fund



"The opportunity to have your own foundation fund is compelling! The capital remains for the long-term, and with the interest generated I support projects in the WASH sector - water, sanitation and hygiene provision. I have received transparent information about both yields and use since the foundation fund's establishment in 2012. It gives me a good feeling of having done the right thing."

BALANCE SHEET DEUTSCHE WELTHUNGERHILFE FOUNDATION

as of 31 December 2016

ASSETS	31 Dec. 2016 EUR	Previous year EUR
A. FIXED ASSETS		
I. Tangible assets	5,998,190.65	6,149,470.37
II. Financial assets	38,689,235.11	36,382,932.94
B. CURRENT ASSETS		
I. Other assets	307,124.45	499,579.56
II. Liquid assets	3,954,973.05	3,748,342.02
C. ACCRUED INCOME	8,667.46	6,814.41
	48,958,190.72	46,787,139.30
Assets dependent foundations	7,374,050.82	7,140,205.67

LIABILITIES	31 Dec. 2016 EUR	Previous year EUR
A. OWN CAPITAL FUNDS		
I. Foundation capital	34,882,318.37	33,233,638.29
II. 1. Capital maintenance reserve	4,457,000.00	4,097,000.00
II. 2. Restructuring reserve	847,531.41	881,195.95
B. PROVISIONS	12,261.00	15,931.00
C. LIABILITIES	8,759,079.94	8,559,374.06
	48,958,190.72	46,787,139.30
Own capital of dependent foundations	7,374,050.82	7,140,205.67

ANNUAL FINANCIAL STATEMENT DEUTSCHE WELTHUNGERHILFE FOUNDATION 2016

GENERAL INFORMATION

The annual financial statement of the Foundation is prepared in accordance with the German Commercial Code (HGB) and the supplementary provisions for small corporations. The annual financial statement has been adapted to the particularities of the Foundation pursuant to section 265 sub-sections 5 and 6 HGB. The relief provisions for small corporations were utilised. Sales tax (VAT) is included in the costs of the fixed assets and in expenses insofar as the Foundation is not eligible to deduct input taxes.

ACCOUNTING AND VALUATION METHODS

Tangible fixed assets are valued at cost and, where depreciable, less scheduled depreciations over the customary useful life or at the lower value rate pursuant to section 253 sub-section 3 clause 3 HGB. Property and land from bequests and gifts are shown on the assets side at the appraised market values with the 30% deduction on the building share plus transaction costs incurred by the Foundation. Scheduled depreciation takes place on a straight-line basis. Depreciation of buildings was based on a usage period of 40 years after procurement, and of five to 13 years for operational and business equipment. Fixed asset securities and other loans and cooperative shares are capitalised at acquisition cost and valued in accordance with the lower-cost-or-market principle. Premiums are depreciated over the applicable term via the deferred income. These items are disclosed under interest expenditure. Other assets and liquid assets are entered at the nominal value. Identifiable risks are accounted for by means of valuation adjustments. In order to reduce the effects of asset regroupings on Foundation assets and Foundation results, according to the Executive Board decision of 28 November 2013 a regrouping has been formed since the 2013 financial year, in which the results from the reallocation of the respective Foundation assets to the Foundation capital have been adjusted. Reserves are formed for uncertain liabilities and identifiable risks to the amount of the predicted use (payment amount). Liabilities are entered at the payment amount.

NOTES ON THE BALANCE SHEET

Assets

FINANCIAL ASSETS

Financial assets include funds of EUR 35,382K, fixed-interest securities of EUR 3,004K, credit balances at cooperatives to the amount of EUR 300K, as well as shares to the value of EUR 3K. On the balance sheet closing day of 31 December 2016, the net sum from hidden reserves and hidden burdens amounted to EUR 1.910K.

OTHER ASSETS

Other assets primarily consist of EUR 216K in receivables from charitable foundations from the profit/loss transfer, as well as accrued interest for securities of EUR 41K.

LIQUID ASSETS

Bank credit balances are shown.

ACCRUED INCOME

As in the previous year, the active deferred income includes premiums.

Liabilities

FOUNDATION CAPITAL

The increase in Foundation capital by EUR 1,649K relates to donations. The Foundation capital is made up of tangible fixed assets (EUR 5,998K) and the majority of the fixed asset securities (EUR 38,689K). The results of the restructuring of these assets are shown in the restructuring reserve.

REVENUE RESERVES

Reserves are established from the result of asset management pursuant to the provisions of section 62 AO.

RESTRUCTURING RESERVE

During the business year, expenditure from restructuring to the amount of EUR 34K was withdrawn from the restructuring reserve.

LIABILITIES

The liabilities relate to 141 benefactor loans at EUR 8,149K, liabilities to Deutsche Welthungerhilfe e. V. at EUR 596K, trade liabilities at EUR 8K, as well as other liabilities at EUR 6K. As in the previous year, all liabilities have residual term of up to one year.

CONTINGENT LIABILITIES

For the security of foundation loans, there are surety credit lines at the Bank im Bistum Essen to the amount of EUR 7,500K, at Commerzbank AG Bonn to the amount of EUR 2,000K and at the Sparkasse KölnBonn to the amount of EUR 1,500K.

OTHER INFORMATION

MANAGEMENT OF FOUNDATION ASSETS

The Foundation's assets are managed by Deutsche Welthungerhilfe e. V. in accordance with the assets management contract agreed on 10 February 2009.

DEPENDENT FOUNDATIONS

A total of 26 charitable foundations were managed as of the balance sheet date.

EXECUTIVE BOARD

The Foundation's Executive Board is made up of the following members: Bärbel Dieckmann, Chairperson; Prof. Dr. Joachim von Braun, Deputy Chairperson; Norbert Geisler, Treasurer; Prof. Dr. Hartwig de Haen (until 24 November 2016); Amadou Diallo (from 24 November 2016); Rosa Karcher (until 24 November 2016); Rita Lanius-Heck (from 24 November 2016); Dr. Stephan Reimers (until 24 November 2016); Prof. Dr. Conrad Justus Schetter (from 24 November 2016); Dr. Tobias Schulz-Isenbeck.

PERSONNEL

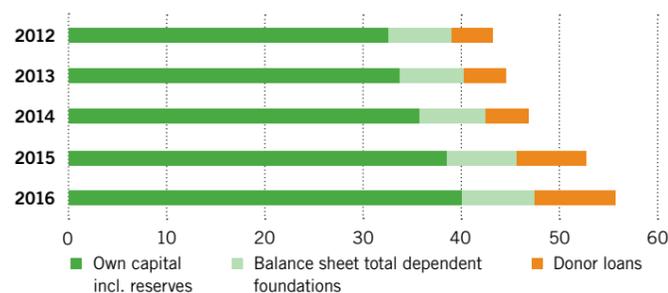
The Foundation employed on average five employees and one trainee.

MANAGEMENT

The following were appointed managers without remuneration in 2016: Dr. Till Wahnbaeck and Dr. Albert Otten.

CAPITAL DEVELOPMENT SINCE 2012

(in EUR m)



The own capital of the Foundation, including reserves, increased from EUR 32,436,292.68 in 2012 to EUR 40,186,849.78 at the end of 2016. This figure takes into account all donations to the Foundation from living donors and as bequests. The trust foundations have also grown in the period 2012 to 2016. As a result of new foundations or additions to existing dependent foundations, their capital grew from EUR 6,600,169.64 to EUR 7,374,050.82. Loans given by private individuals to the Foundation on the basis of the principle, 'Doing good with a money-back guarantee', have remained popular. The current volume amounts to EUR 8,149,129.19. Claims for recovery from cancelled loans or time-limited loans have already been accounted for.

KEY DATA FROM THE FOUNDATION INCOME AND EXPENDITURE ACCOUNT

	2016 EUR	Prior year EUR
Total income	1,848,185.12	2,082,376.05
Total expenditure	-700,078.32	618,961.72
Income from ordinary business operations	1,148,106.80	1,463,414.33
Appreciation/depreciation of financial assets	-33,664.54	-21,183.90
Revenue before profit and loss	1,114,442.26	1,442,230.43
Expenses from profit/loss for purposes in accordance with statutes	-788,106.80	-825,655.37
Revenue before changes to reserves	326,335.46	616,575.06
Changes to reserves	-326,335.46	-616,575.06
Net income for year	0.00	0.00

Despite the continuing low interest rates, the good performance of the Foundation in 2016 with a total income of EUR 1,848,185.12 meant that it was able to support the work of Deutsche Welthungerhilfe e. V. with EUR 788,106.80 (2015: EUR 825,655.37).

BALANCE SHEET

as of 31 December 2016

ASSETS

	31 Dec. 2016 EUR	Prior year EUR
A. FIXED ASSETS		
I. Intangible assets		
1. EDP programmes acquired for a consideration	2,274,498.92	865,270.41
2. Prepayments	300,589.94	1,036,952.98
II. Property, plant and equipment		
1. Land	308,700.00	308,700.00
2. Operating and office equipment	592,765.57	480,173.51
III. Investment and other financial assets		
Securities	44,438,255.88	44,412,202.44
	47,914,810.31	47,103,299.34
B. CURRENT ASSETS		
I. Receivables and other assets		
1. Allocations receivable on account of approved projects	221,157,157.04	189,879,183.65
2. Assets related to testamentary and other gifts	38,716.88	40,051.95
3. Other assets	2,696,300.97	2,501,435.04
II. Cash and cash equivalents	57,678,250.49	51,613,599.59
	281,570,425.38	244,034,270.23
C. PREPAID EXPENSES	108,328.64	150,891.28
	329,593,564.33	291,288,460.85
Trust accounts	1,443,122.92	1,171,417.73

LIABILITIES

	31 Dec. 2016 EUR	Prior year EUR
A. NON CURRENT RESERVES		
I. Bequeathed funds reserve	14,200,000.00	14,200,000.00
II. Non-designated funds reserve	12,380,000.00	14,040,000.00
	26,580,000.00	28,240,000.00
B. PROJECT FUNDS RESERVE	5,954,000.00	8,714,000.00
C. SPECIAL ITEM FOR PROJECT FUNDING	15,836,783.93	24,049,103.59
D. PROVISIONS		
Other provisions	6,116,300.00	5,529,946.00
E. LIABILITIES		
I. Restricted allocations received from co-funders not yet appropriated		
1. Domestic	280,375.42	100,916.83
2. Foreign	232,328,082.01	170,231,722.99
II. Project liabilities	39,370,221.82	51,473,434.18
III. Trade payables	1,518,411.38	1,824,826.84
IV. Other liabilities		
1. Donor loans	54,196.93	55,196.93
2. Liabilities assumed in connection with testamentary and other gifts	16,872.38	31,760.49
3. Sundry liabilities	1,535,322.65	1,027,973.19
	275,103,482.59	224,745,831.45
F. DEFERRED INCOME	2,997.81	9,579.81
	329,593,564.33	291,288,460.85
Liabilities in connection with trust accounts	1,443,122.92	1,171,417.73

GENERAL NOTES

The financial statements of Deutsche Welthungerhilfe e.V., Bonn/Germany (hereafter referred to as “Welthungerhilfe”) (local district court Bonn, VR 3810) have been prepared in accordance with the general regulations under the German Commercial Code (HGB), with voluntary application of supplementary rules applicable for large firms organised in a corporate form as defined under Sec. 264 et seq. German Commercial Code (HGB). The financial statements have been adapted to the special features of the Association in accordance with Sec. 265 (5) and (6) German Commercial Code (HGB). The nature of expense format has been applied to the income statement. Value added tax is included in acquisition cost of fixed assets and in expenses to the extent that the Association is not entitled to deduct input taxes. Previous year’s figures are shown in brackets.

ACCOUNTING AND VALUATION METHODS

In the reporting year the new regulations of the German Commercial Law (BilRUG) were fully implemented.

Intangible assets and property, plant and equipment have been measured at the lower of acquisition cost less amortisation and depreciation of amortisable and depreciable assets, respectively, over the respective estimated useful life or the values recognised under Sec. 253 (3) Sentence 3 German Commercial Code (HGB).

The assets are depreciated or amortised, respectively, on a straight-line basis except where a shorter estimated useful life is considered appropriate for specific project-related reasons. For the amortisation of intangible assets, a useful life of five years was assumed and useful lives of three to ten years were assumed for operating and office equipment.

Assets with acquisition cost between EUR 150.00 and EUR 1,000.00 were recognised in a pool item, which is depreciated over five years. Long-term securities are capitalised at acquisition cost and, subsequent to initial recognition, according to the modified lower of cost or market principle. Premiums are amortised over their terms and reported under prepaid expenses / deferred income. These write-downs are reported under interest expenses.

Receivables and other assets as well as cash and cash equivalents are stated at the nominal value. If these items have residual terms of more than one year, they are stated at the present value calculated on the basis of a market interest rate. Appropriate allowances are made for risks identifiable as at the balance sheet date. Non-cash allocations are measured at market prices.

Assets denominated in foreign currency are recognised at the middle spot rate, using the lower of the rate at the transaction date or the balance sheet date for non-current assets. Exchange gains and exchange losses are included in other project funding income and expenses, respectively.

Reserves are recognised, appropriated and released in accordance with the relevant regulations under German tax law.

Restricted own funds for co-financed projects, for improving the outside structures of Welthungerhilfe and for non-contractual projects that are not co-financed are disclosed as a special item for project funding. The own share in co-financed foreign projects is fixed at 3.1% (prior year: 7.1%) of the entire project funding.

Provisions are made for contingent liabilities and risks identifiable as at the balance sheet date and cover the amount of anticipated payments (settlement value). Provisions with a residual term of more than one year are discounted according to legal requirements. Liabilities are recognised at settlement value. Liabilities denominated in foreign currency are measured at the middle spot rate, using the higher of the rate at the transaction date or the balance sheet date for non-current liabilities. Donations reported in the income statement are realised at the time of inflow and institutional grants at the time of approval of related funds by the allocating institution.

NOTES TO THE BALANCE SHEET

Assets

A. FIXED ASSETS

I. Intangible assets

This item relates to acquired and amortised EDP programmes in the amount of kEUR 2,274 (kEUR 865) as well as to payments made on account of EDP programmes under development in the amount of kEUR 301 (kEUR 1,037).

II. Property, plant and equipment

Property, plant and equipment relate to legacy land totalling kEUR 309 (kEUR 309), depreciated operating and office equipment totalling kEUR 238 (kEUR 247), EDP hardware totalling kEUR 221 (kEUR 108) and other assets totalling kEUR 134 (kEUR 125). Project-funded foreign property, plant and equipment are recognised as incurred in project funding expense in the income statement.

III. Investments and other financial assets

Securities

Based on a medium-term budget and resulting information, securities totalling mEUR 44.4 (mEUR 44.4) are shown under fixed assets. All these instruments are held to maturity. Investments in fixed-interest securities and investment funds are made according to the principle of obtaining an appropriate market rate of return despite low exposure to risk. Write-downs totalling kEUR 64 (kEUR 51) had to be made on long-term securities in the reporting year. As at the balance sheet date, the securities included offset hidden reserves of kEUR 2,079 (kEUR 1,674). Investments and other financial assets comprise financial instruments, which are recognised above fair value, because they were not written down in accordance with Sec. 253 (3) Sentence 4 German Commercial Code (HGB). These instruments are long-term securities with a book value of kEUR 10,170 and a fair value of kEUR 10,057. These instruments were not written down, because a reversal was identifiable between the reporting date and the date of preparing the financial statements or because a sustainable medium- to long-term reversal is expected.

B. CURRENT ASSETS

I. Receivables and other assets

1. Allocations receivable on account of approved projects

The receivables totalling mEUR 221.2 disclosed as at the balance sheet date (mEUR 189.9) mainly relate to projects co-financed by the United Nations totalling mEUR 62.0 (mEUR 61.0), by the German ministry for economic cooperation and development totalling mEUR 54.6 (mEUR 35.7), by the European Union totalling mEUR 28.1 (mEUR 25.2), by the German International Cooperation Company (GIZ) totalling mEUR 26.7 (mEUR 19.6), by the German department for foreign affairs (AA) totalling mEUR 15.2 (mEUR 8.4), by the Department for International Development (DFID) totalling mEUR 9.8 (mEUR 10.4), by the KfW Development Bank totalling mEUR 6.5 (mEUR 15.7), by the U.S. Agency for International Development (USAID) totalling mEUR 2.8 (mEUR 4.2). After discounting, this item includes receivables totalling mEUR 121.3 (mEUR 115.5) with a residual term of more than one year.

2. Assets related to testamentary and other gifts

This item relates to a gift in the form of a freehold flat. At the time of initial recognition, this real property was capitalised at market value based on an appraisal, plus incidental acquisition cost incurred by the Association, and is depreciated on a straight-line basis according to Sec. 7 (4) German Income Tax Act (ESTG). The sundry assets relate to legacies capitalised at pro mem figure. Any additional gains on disposal of such assets are recognised in income from donations and bequests in the corresponding year.

3. Other assets

The other assets, which amount to kEUR 2,696 (kEUR 2,501), mainly relate to creditors with project-related debit balances totalling kEUR 1,592 (kEUR 469), to accounts receivable from Deutsche Welthungerhilfe Foundation totalling kEUR 596 (kEUR 830), from interest deferred on securities, time deposits and current accounts totalling kEUR 172 (kEUR 176) and to tax assets totalling kEUR 102 (kEUR 353) resulting from input tax paid over.

II. Cash and cash equivalents

During project implementation, own funds not yet needed are invested as time deposits in such a way that a market rate of return is realised through low-risk investment. These funds are paid out to meet current requirements, taking into account financial budgets. Portfolios denominated in foreign currency are measured using the middle spot rate.

Cash and cash equivalents increased by mEUR 6.1 to mEUR 57.7 (mEUR 51.6) due to fluctuations around the balance sheet date. They primarily comprise credit balances in domestic overnight money and time deposit accounts totalling mEUR 20.7 (mEUR 13.3), credit balances in foreign project accounts totalling mEUR 14.7 (mEUR 15.7) and special accounts established for public donors totalling mEUR 9.3 (mEUR 16.8).

Liabilities

A. NON-CURRENT RESERVES

I. Bequeathed funds reserve

The bequeathed funds reserve includes funds available to the Association on a non-current basis.

II. Non-designated funds reserve

The non-designated funds reserve serves for securing the institutional capability of Welthungerhilfe.

B. PROJECT FUNDS RESERVE

The project funds reserve amounts to mEUR 6.0 (mEUR 8.7), of which mEUR 2.4 relate to restricted donations not yet appropriated for Nepal earthquake victims, which will be appropriated as scheduled for assistance projects in 2017 and 2018. In the reporting year mEUR 6.9 were withdrawn and largely appropriated for assistance projects in Haiti, Pakistan, East Africa and Nepal and additions amounted to mEUR 4.1.

C. SPECIAL ITEM FOR PROJECT FUNDING

This special item, which totals mEUR 15.8 (mEUR 24.0), is composed of own funds of Welthungerhilfe for projects co-financed by public donors totalling mEUR 7.7 (mEUR 12.9) and of further own funds for domestic and foreign projects autonomously implemented without public allocation and for improving the outside structures of Welthungerhilfe totalling mEUR 7.3 (mEUR 9.9) and mEUR 0.8 (mEUR 1.2), respectively.

D. PROVISIONS

Other provisions

The major provisions, which total kEUR 6,116 (kEUR 5,530), were made for project risks totalling kEUR 3,860 (kEUR 3,724), for redundancy payments to retiring employees required to be made under foreign law totalling kEUR 1,040 (kEUR 998) and for various staff-related commitments totalling kEUR 1,005 (kEUR 594). The provision for project risks was made to cover interest to be reimbursed, unforeseeable incidental project costs, subsequent reductions in allocations of donors and increasing specific risks.

E. LIABILITIES

I. Restricted allocations received from co-funders not yet appropriated

These relate to public funds which are appropriated for projects autonomously implemented by Welthungerhilfe. Non-cash allocations are stated at market prices.

II. Project liabilities

This item relates to commitments for own projects and for projects contractually entered into with other project sponsors. Non-cash allocations are stated at market prices.

III. Trade payables

This item predominantly relates to EDP- and marketing-related commitments and to commitments for foreign projects which are implemented via the headquarters in Bonn/Germany.

ANALYSIS OF LIABILITIES

in kEUR	31 Dec. 2016	≤1 year	Of which >1 year	
			and ≤5 years	>5 years
I. Restricted allocations received from co funders not yet appropriated	232,609	85,887	146,722	0
II. Project liabilities	39,370	34,278	5,092	0
III. Trade payables	1,518	1,518	0	0
IV. Other liabilities				
1. Donor loans	54	54	0	0
2. Liabilities assumed in connection with testamentary and other gifts	17	5	9	3
3. Sundry liabilities	1,535	1,535	0	0
	275,103	123,277	151,823	3

In the reporting year, liabilities had totalled kEUR 275,103 (kEUR 224,746), of which total amounts of kEUR 151,823 (kEUR 132,702) and kEUR 3 (kEUR 8) with residual terms of more than one year and of more than five years, respectively. The related non-current liabilities totalling kEUR 146,722 (kEUR 115,487) and kEUR 5,092 (kEUR 17,195) related to restricted allocations received from co-funders not yet appropriated and to project liabilities, respectively. Guarantees totalling kEUR 6,984 (kEUR 6,984) have been furnished for liabilities related to restricted funds received from co-funders not yet appropriated.

IV. Other liabilities

Donor loans can be withdrawn at one week’s notice. The predominant part of sundry liabilities comprise debtors with credit balances and taxes. Sundry liabilities include tax liabilities and social security costs totalling kEUR 256 (kEUR 193) and kEUR 75 (kEUR 69), respectively.

NOTES TO THE INCOME STATEMENT

Income

DONATIONS AND OTHER ALLOCATIONS

The project segment is solely financed through donations, profits transferred by the Foundation, public and private institutional allocations as well as allocations from co-operation partners.

Donations decreased by mEUR 2.7 to mEUR 47.5 (mEUR50.2). They comprise cash donations of mEUR 45.3 (mEUR 46.9), income from bequests of mEUR 1.9 (mEUR 2.8) and allocated fines of mEUR 0.3 (mEUR 0.5). Cash donations include mEUR 2.4 donated by foundations, mEUR 1.5 that relate to funds raised by “Viva con Agua de St. Pauli” and mEUR 0.6 that relate to funds raised by “Bündnis - Entwicklung hilft”. Public allocations increased by mEUR 51.4 to mEUR 207.9 (mEUR 156.5). Project grants from foundations and private charities increased by mEUR 3.1 to mEUR 5.5 (mEUR 2.4).

Public allocations increased by mEUR 51.4 to mEUR 207.9 (mEUR 156.5). They essentially relate to the United Nations by mEUR 58.2 (mEUR 55.1), to the German ministry for economic cooperation and development by mEUR 46.8 (mEUR 29.5), to the German International Cooperation Company (GIZ) by mEUR 36.4 (mEUR 23.7), to the European Union by mEUR 29.2 (mEUR 6.1) and to the German department for foreign affairs (AA) by mEUR 24.2 (mEUR 19.5).

OTHER INCOME

Other income, which totals kEUR 1,106 (kEUR 3,251), predominantly relates to exchange gains resulting from foreign allocations and project completion and to gains on disposal of financial investments totalling kEUR 733 (kEUR 2,293) and kEUR 161 (kEUR 293), respectively.

Expenses

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 projects of domestic work in accordance with the Society Rules. Funding for foreign projects grew in line with income by mEUR 47.4 to mEUR 227.0 (mEUR 179.6). Domestic project funding increased by mEUR 1.3 to mEUR 2.1 (mEUR 0.8). Project funding expenses include exchange losses totalling mEUR 0.7 (mEUR 1.8).

EMPLOYEE BENEFIT EXPENSE

The employee benefit expense includes the domestic project and administrative segment and expatriate staff directly employed by the head office. Wages and salaries paid to staff in Germany and expatriate staff increased by mEUR 0.7 to mEUR 11.5 (mEUR 10.8) and by mEUR 1.2 to mEUR 13.1 (mEUR 11.9), respectively. The

INCOME AND EXPENDITURE ACCOUNT

for the period 1 January to 31 December 2016

	EUR	2016 EUR	Pior year EUR
1. DONATIONS AND OTHER GRANTS			
a) Donations, bequests and allocated fines	47,464,684.94		50,178,201.71
b) Net income transferred from Welthungerhilfe Foundation	788,106.80		825,655.37
c) Institutional grants			
Public grants	207,881,706.37		156,514,342.85
Foundations and private charities	5,527,009.07		2,392,919.92
		261,661,507.18	209,911,119.85
2. OTHER INCOME		1,105,896.11	3,251,095.19
3. PROJECT FUNDING			
a) Overseas	-226,979,155.53		-179,619,208.23
b) Domestic	-2,073,856.39		-848,368.16
		-229,053,011.92	-180,467,576.39
4. PERSONNEL COSTS			
a) Wages and salaries			
Domestic personnel	-11,468,615.14		-10,792,897.66
Overseas personnel	-13,085,355.81		-11,885,950.67
b) Social security, pensions and other employee benefits			
Domestic personnel	-2,801,975.99		-2,641,990.15
Overseas personnel	-861,441.90		-917,177.11
		-28,217,388.84	-26,238,015.59
5. DEPRECIATIONS			
a) on non-current intangible assets and tangible assets	-549,713.68		-477,588.48
b) on assets from gifts and legacies	-1,335.07		-1,335.07
		-551,048.75	-478,923.55
6. OTHER EXPENDITURE		-10,023,148.61	-10,028,943.89
7. INCOME FROM INVESTMENTS		0.00	25,564.59
8. OTHER INTEREST AND SIMILAR INCOME		1,114,607.87	1,154,174.61
9. APPRECIATIONS ON FIXED ASSET SECURITIES		0.00	39,684.60
10. DEPRECIATIONS ON FIXED ASSET SECURITIES		-64,116.81	-51,300.85
11. INTEREST AND SIMILAR EXPENDITURE		-393,296.23	-165,878.57
12. NET INCOME BEFORE CHANGES TO RESERVES		-4,420,000.00	-3,049,000.00
13. WITHDRAWAL FROM FREE RESERVES		1,660,000.00	0.00
14. TRANSFER TO PROJECT FUNDS RESERVE		-4,148,000.00	-4,812,000.00
15. WITHDRAWAL FROM PROJECT FUNDS RESERVE		6,908,000.00	7,861,000.00
16. NET INCOME FOR YEAR		0.00	0.00

employee benefit expense includes retirement benefits totalling kEUR 735 (kEUR 698). Expense related to local project staff with a local employment contract (2,056 employees) is reported within project funding expense.

OTHER EXPENSES

Other expenses primarily include PR costs totalling kEUR 6,488 (kEUR 6,144), EDP costs totalling kEUR 949 (kEUR 901) and rent and cost of floor space totalling kEUR 888 (kEUR 876). The increase in PR costs is due to expanded canvassing for new donors, which also included market research and test measures.

OTHER INTEREST AND SIMILAR INCOME

Other interest and similar income include interest on securities of kEUR 945 (kEUR 917), accumulation of long-term receivables of kEUR 101 (kEUR 150), interest on daily and fixed-term deposits of kEUR 75 (kEUR 89) and interest on current accounts kEUR 7 (kEUR 15), reduced by accrued interest in an amount of kEUR 13 (kEUR 18).

WRITE-DOWNS ON LONG-TERM SECURITIES

The write-downs on account of expected permanent impairment totalled kEUR 64 (kEUR 51).

INTEREST AND SIMILAR EXPENSES

These expenses include an expense totalling kEUR 356 (kEUR 101) which results from non-cash discounting of long-term public allocations receivable required to be made under the law. Write-downs of premiums amounted to kEUR 37 (kEUR 64).

OTHER REQUIRED DISCLOSURES

Other financial commitments

Based on the remaining terms of the respective contracts, the average annual payment commitments under tenancy agreements and leases for the next few years add up to kEUR 497 (kEUR 472), of which kEUR 463 (kEUR 463) payable to Deutsche Welt-

hungerhilfe Foundation (tenancy agreement with a term until 2024). The existing annual commitments under software maintenance agreements amount to kEUR 477 (kEUR 372). The total computational amount of other financial commitments under the above agreements for the next five years is kEUR 4,872.

The commitments under agreements to be concluded for projects which have already internally been approved, but for which only part contracts have been concluded with project partners to date total up to kEUR 64 (kEUR 179).

Deed of trust

Welthungerhilfe holds an account at Commerzbank AG, Cologne, (kEUR 1,097) in trust for a foreign company. This company continues a project, formerly conducted by Welthungerhilfe, after completion.

Furthermore Welthungerhilfe holds two accounts in Pakistan at the Allied Bank in Islamabad (kEUR 346) for the Pakistan Humanitarian Forum (PHF), whose member Welthungerhilfe is. Beneficiary of this account is PHF. These accounts have been set up for the administration of the member contributions of the 48 member organizations and will be managed by these alternately.

Fees paid to the auditors

The fees paid for the audit of the financial statements for the year ended 31 December 2016 total kEUR 52 (kEUR 52). The fees paid for other assurance services provided by the auditors in the reporting year totalled kEUR 61.

NUMBER OF EMPLOYEES

The average number of employees in the financial year can be analysed as follows:

	2016	2015
Domestic staff		
Permanent employment relationships	171	163
Fixed-term employment relationships	42	33
	213	196
Expatriate staff	191	169
	404	365

Remuneration structure for full-time staff

The gross income of full-time staff is composed of the monthly salary, a one-off annual payment (13th month salary) as well as variable remuneration components.

Board members and executives: up to EUR 163,800; Group managers: between EUR 60,300 and EUR 78,600; Consultants: between EUR 46,300 and EUR 65,000; Personal assistants: between EUR 38,400 and EUR 49,600; Secretaries, assistants and other support staff: between EUR 30,600 and EUR 41,500.

The total emoluments paid to the Board in the reporting year amounted to kEUR 442 (kEUR 405).

Statutory employer contributions for social security and contributions to the company pension scheme are not included in the above list. An additional amount of EUR 90.00 per month is presently paid for dependent children up to the age of 14. To provide for retirement benefits of its staff, Welthungerhilfe has become a member of Versorgungsverband bundes- und landesgeförderter Unternehmen e.V., Bad Godesberg/Germany (VBLU), which is paid monthly insurance premiums for its insured staff.

Executive bodies of the Association

The members of the honorary Presidential Committee of the Association are elected by the general meeting of members: Bärbel Dieckmann, President; Prof. Dr. Joachim von Braun, Vice President; Norbert Geisler, Chairman of the Finance Committee; Prof. Dr. Hartwig de Haen (until 24 November 2016); Amadou Diallo (from 24 November 2016); Rosa Karcher (until 24 November 2016); Rita Lanius-Heck (from 24 November 2016); Dr. Stephan Reimers (until 24 November 2016); Prof. Dr. Conrad Justus Schetter (from 24 November 2016); Dr. Tobias Schulz-Isenbeck.

Members of the Board

Dr. Till Wahnbaeck (Chief Executive Officer)
Mathias Mogge (Executive Director Programmes)
Michael Hofmann (Executive Director Marketing)

Conduct of affairs

The affairs of the Association are conducted by the Board.

Appropriation of result

After release of the non-designated funds reserve and prior year's project funds reserve and allocation to the 2016 project funds reserve the result is balanced.

Supplementary report

After the end of the 2016 financial year until the date of the preparation of the financial statements no events of particular significance occurred which could have a material effect on the net assets, financial position or results of operations.

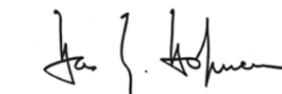
Bonn/Germany, 10 May 2017



Dr. Till Wahnbaeck
Chief Executive Officer



Mathias Mogge
Executive Director Programmes



Michael Hofmann
Executive Director Marketing

AUDITOR STAMP

To Deutsche Welthungerhilfe e. V., Bonn

We have audited the annual financial accounts – consisting of balance sheet, income and expenditure account and annexes – taking into consideration the accounts and management report of Deutsche Welthungerhilfe e. V., Bonn, for the financial year from 1 January to 31 December 2016. The accounts and the preparation of the annual financial statement and management report are the responsibility of the legal representative of the organisation, in accordance with German commercial law regulations. Our task is to make an assessment, based on our audit, about the annual financial statement, taking into account the management report and accounts.

We performed our annual financial statement audit in accordance with § 317 HGB, taking into account the principles of correct auditing as set out 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 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 of the organisation and expectations regarding possible errors. Within the framework of the audit, the effectiveness of the internal control system as well as evidence for the accounting data, annual financial statement and management report are assessed predominantly on the basis of random spot checks. The audit includes the assessment of applied accounting principles and the main estimates of the legal representatives, as well as an appraisal of the overall presentation of the annual financial statement and management report. We are of the opinion that our audit is a sufficiently reliable basis for our assessment. Our audit did not lead to any reservations.

According to our assessment, which is based on the insights gained during the audit, the financial accounts comply with the statutory provisions and present 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 overall gives an accurate depiction of the organisation's true situation and of the opportunities and risks of future development.

We have made our report on the audit of the annual financial accounts and the management report of Deutsche Welthungerhilfe e. V., Bonn for the financial year from 1 January to 31 December 2016 in accordance with the statutory provisions and the German principles of proper reporting for audits.

Düsseldorf, 10 May 2017

BDO AG,

Auditors

Winkler

Auditor

Berndt

Auditor

WELTHUNGERHILFE IN NUMBERS

After large increases in both 2014 and 2015, Welthungerhilfe was again able to raise its income in 2016. At EUR 263.9 m, the income was around EUR 49.5 m above that of 2015, institutional grants increased by 34%.

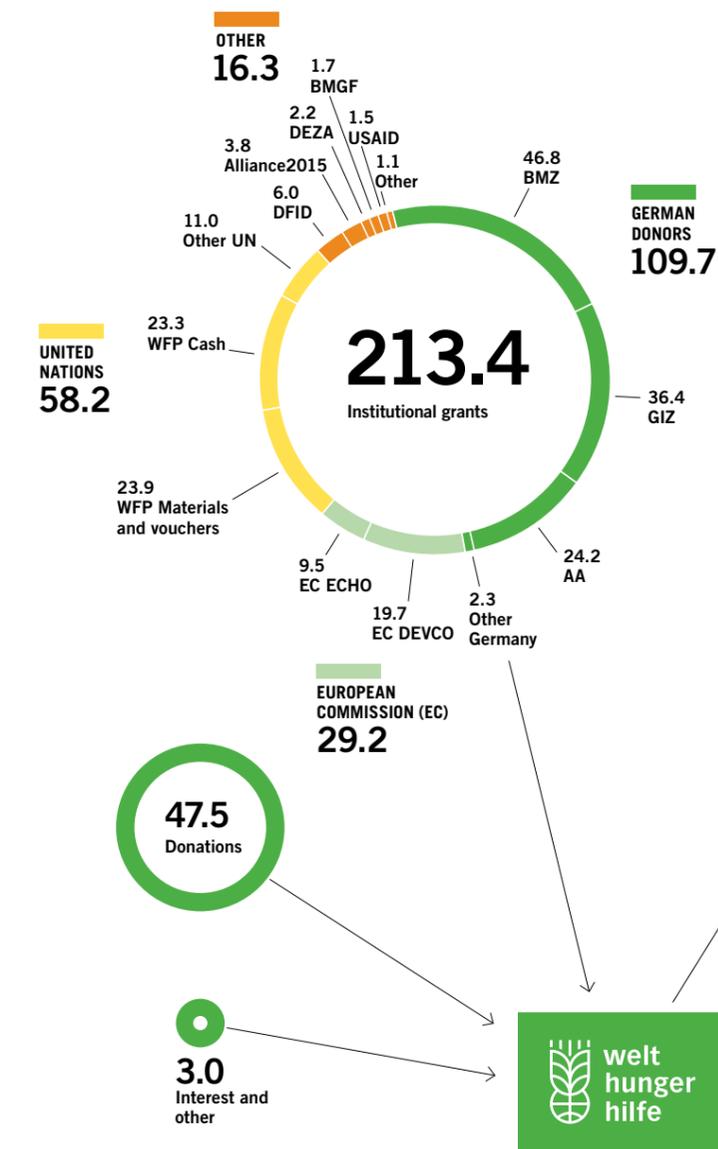
At EUR 263.9 m, Welthungerhilfe's 2016 income increased by EUR 49.5 m compared to 2015. As well as EUR 213.4 m of institutional grants, it received EUR 47.5 m in donations, bequests and fines. In 2015, donations amounted to EUR 50.2 m, as approximately EUR 7.2 m was received in emergency assistance donations after the earthquake in Nepal. If these special donations are excluded from the comparison of donations in 2015 and 2016, there was a donation increase of EUR 4.5 m in 2016. Interest and remaining income amounted to EUR 2.2 m, the profit transfer of the Welthungerhilfe Foundation was EUR 0.8 m.

Institutional donors gave EUR 213.4 m, 34% more funding than in 2015. The biggest donor group is German donors with EUR 109.7 m: the BMZ increased its grants to EUR 46.8 m, GIZ to EUR 36.4 m and the AA to EUR 24.2 m. The second largest donor group is the UN, in first place the WFP with EUR 47.2 m, followed by the FAO, IFAD, OCHA, UNDP and UNICEF. The cooperation with the European Union was expanded: DEVCO gave EUR 19.7 m for development projects, ECHO gave EUR 9.5 m for humanitarian assistance. Cooperation with partners from Great Britain (DFID), the USA (USAID) and Switzerland (DEZA) as well as with Alliance2015 was continued in 2016.

Iraq, South Sudan, Sudan, Sierra Leone and Syria/Turkey received the highest project funding. In Iraq Welthungerhilfe is supporting the reconstruction of basic infrastructure

INCOME 2016: 263.9

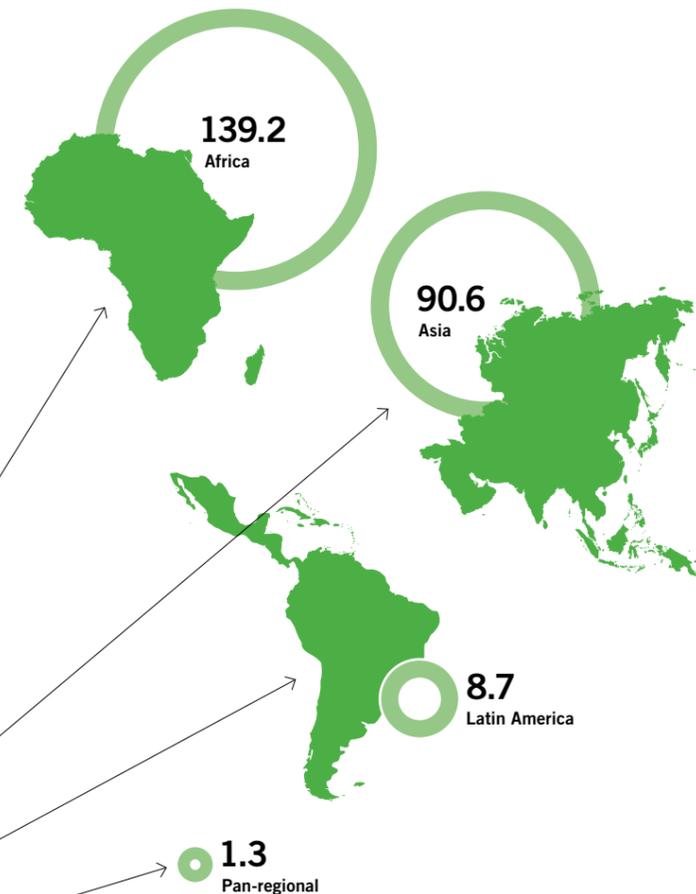
(in million EUR)



PROJECT FUNDING OVERSEAS 2016: 239.8

(in million EUR)

REGIONAL PROJECTS



MAIN SECTORS

- 92.8 Rural and regional development
- 69.9 Emergency aid
- 47.7 Basic infrastructure
- 29.4 Other

in areas liberated from IS. In South Sudan and Sudan food distributions are a central component of the assistance, as people are severely threatened by hunger as a result of the armed conflicts. For Syria and neighbouring states more money was made available for survival security and integration, and in Sierra Leone large projects were implemented in food and nutrition security and rural development.

As in the past, the regional funding focus was Africa with EUR 139.2 m. Due to the crises in the Syria/Turkey/Iraq region, the support in Asia increased to EUR 90.6 m. The funding of EUR 8.7 m for Latin America and the Caribbean was the lowest, as in 2015. EUR 1.3 m flowed into pan-regional projects.

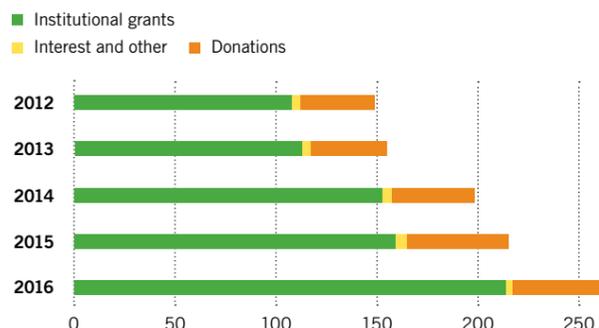
The funding of basic infrastructure was more than doubled compared to 2015, with EUR 47.7 m. The reasons for this are the extensive rehabilitation projects in northern Iraq and the improvement of food and nutrition security, including in Sudan and South Sudan. At EUR 69.9 m, the emergency assistance share decreased slightly compared to 2015. With the exception of the year 2015, rural and regional development has been the most significant funding sector for many years, and at EUR 92.8 m is once again a stronger focus. With EUR 29.4 m, investment was strengthened in social integration and education, strengthening of civil society, health promotion and other projects. ■

Abbreviations

AA – Federal Foreign Office; Alliance2015 – Partner organisations of Alliance2015; BMGF – Bill and Melinda Gates Foundation; BMZ – Federal Ministry for Economic Cooperation and Development; DEZA – Swiss Agency for Development and Cooperation, Federal Department of Foreign Affairs; DFID – Department for International Development UK; EC (ECHO) – European Commission (Directorate-General for European Civil Protection and Humanitarian Aid Operations); EC (DEVCO) – European Commission (Directorate-General for International Cooperation and Development); FAO – Food and Agriculture Organization of the United Nations; GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit; KfW – Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation); OCHA – United Nations Office for the Coordination of Humanitarian Affairs; UNDP – United Nations Development Programme; UNICEF – United Nations Children's Fund; USAID – United States Agency for International Development; WFP – United Nations World Food Programme

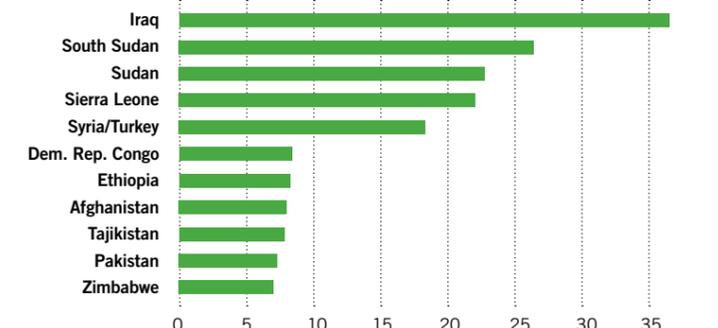
INCOME DEVELOPMENT

(in million EUR)



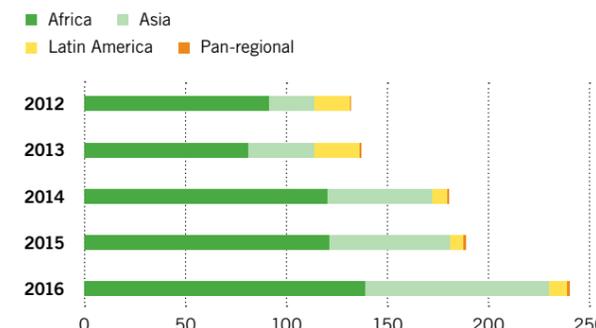
COUNTRIES WITH THE HIGHEST PROJECT FUNDING

(in million EUR)



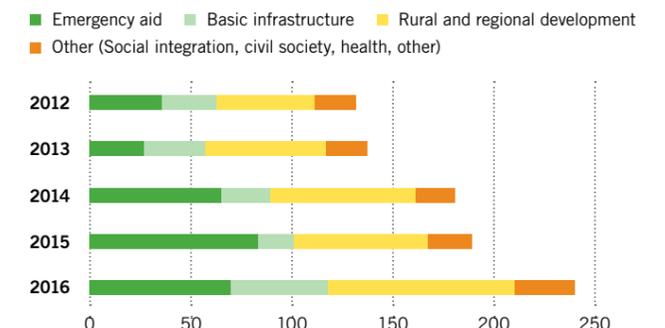
REGIONAL PROJECT FUNDING

(in million EUR)



SECTORAL PROJECT FUNDING

(in million EUR)



INCOME AND EXPENDITURE ACCOUNT

based on expense categories pursuant to DZI definition, in EUR

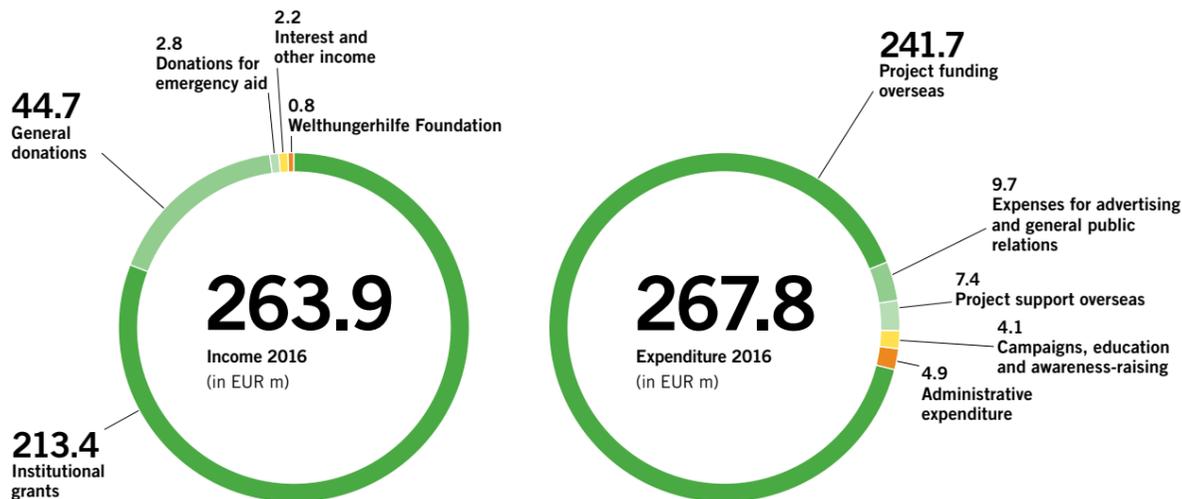
	Actual 2016 Total	Project funding overseas	Project support overseas	Campaigns, education and awareness-raising	Expenses for advertising and general public relations	Administrative expenditure
Project funding						
a) Overseas	226,979,155.53	226,979,155.53				
b) Domestic	2,073,856.39			2,073,856.39		
Personnel costs	28,217,388.84	14,640,548.31	5,960,071.61	1,347,609.45	2,706,848.81	3,562,310.66
Depreciations	551,048.75	26,788.69	230,143.94	52,036.98	104,523.04	137,556.10
Other expenditure						
Advertising and general public relations	6,487,916.58			108,734.38	6,379,182.20	
Material expenditure (rents, IT costs, etc.)	3,535,232.63	113,306.06	1,183,526.08	524,952.90	504,046.42	1,209,400.57
Interest and similar expenditure	192.21					192.21
Total 2016*	267,844,790.33	241,759,798.59	7,373,741.63	4,107,190.10	9,694,600.47	4,909,459.54
in %	100.0	90.3	2.8	1.5	3.6	1.8
in %	100.0		94.6		5.4	

* Not included: Depreciations on securities, interest expenses from the discounting of long-term receivables and from the disposal of premiums to the amount of EUR 457,221.

Total 2015	217,213,491.29	193,084,232.44	7,281,108.53	2,844,073.67	9,277,119.78	4,726,956.87
in %		88.9	3.3	1.3	4.3	2.2
in %	100.0		93.5		6.5	
2014 in %	100.0		94.0		6.0	
2013 in %	100.0		92.9		7.1	
2012 in %	100.0		92.1		7.9	
2011 in %	100.0		90.7		9.3	

In line with internal numerical accuracy, the presentation of rounded figures also includes numerals that are not shown, so rounding differences may occur.

Determination of advertising and administrative expenditure is based on an agreement with the German Central Institute for Social Issues (DZI) in Berlin. According to this, depreciations of securities to the amount of EUR 64K, as well as interest expenses from the discounting of long-term receivables (EUR 356K) and from the depreciation of premiums (EUR 37K) are not taken into account, as there is an overall surplus from the asset management. The expenditure allocation was undertaken in accordance with the agreement with the DZI of 3 May 2016. The project funding overseas identified here is at EUR 2.0 m higher than in the project list (p. 44-45), as extra expenses were assigned to the funds directly provided for the project.



See detailed management report for more information
www.welthungerhilfe.de/en/about-us/managementreport-2016.html

HOW WE COLLECT DONATIONS ...

Welthungerhilfe is a completely independent charitable organisation. Donations are vital to the financing of our work. The project-based public grants that we apply for, which as a rule multiply those contributions at a ratio of 1:4, assume donations as own resources.

VOLUNTARY ENGAGEMENT, MEDIA AND PROFESSIONALS An important pillar in bringing in vital donations and informing the public of our work is the voluntary engagement of our supporters, whether individuals, action groups, friends, celebrities or businesses. The print media often link reports with donation appeals for us and so does Bündnis Entwicklung Hilft, an alliance of eight German Nongovernmental Organizations of which we are a founding member.

Our full-time marketing team supports and enhances our activities and works together with the following specialist providers in particular: Advidera, Arvato Bertelsmann, AZ Fundraising Services, Deutsche Post, Deutscher Spendenhilfsdienst, Google, Gute Botschafter, Media Company, Pepperminds, Posterscope, Spinax Civil Voices and Zum Goldenen Hirschen.

Our various forms of advertising include: campaigns, events, lectures, publications, newsletters, our website, social media, letters to donors, online marketing, poster advertising, print ads and TV commercials. We talk to people in the street only to attract them as potential funding partners for long-term donations. When making direct contact, our main priority is to inform interested people, to receive their suggestions and to avoid anything that could be felt as pressure. We also use telephone calls to personally thank our donors and to gather direct feedback. With our service providers we avoid contracts that rely purely on performance-based remuneration.

EFFECTIVENESS, INTEGRITY, EFFICIENCY All measures aim at effectiveness, integrity and cost-efficiency. We submit to high ethical standards, particularly those of the German Central Institute for Social Issues, DZI, and those of the umbrella association of non-governmental development policy and humanitarian assistance organisations, VENRO.

Every measure returns the invested funds many times over, many reach an audience of millions. We are often able to place print ads, TV commercials or posters at no cost or at very high social discounts. All addresses of our donors and supporters are subject to data protection laws. Anyone who does not want to receive letters or phone calls will not receive them.

Cooperation with businesses goes through an intensive auditing process. Some of the businesses that support us with advertising campaigns and are permitted to use our logo in this context within a strictly defined scope include: Arko, Beeline Group, Fynch-Hatton, Budnikowsky, Madeleine Mode, Mestemacher and Purefood. We report regularly and transparently on our advertising expenses, for example in this annual report or on our website, and we are proud to have received several transparency awards. ■

Find out more
www.venro.org/venro/venro-kodizes

... AND HOW WE USE THEM

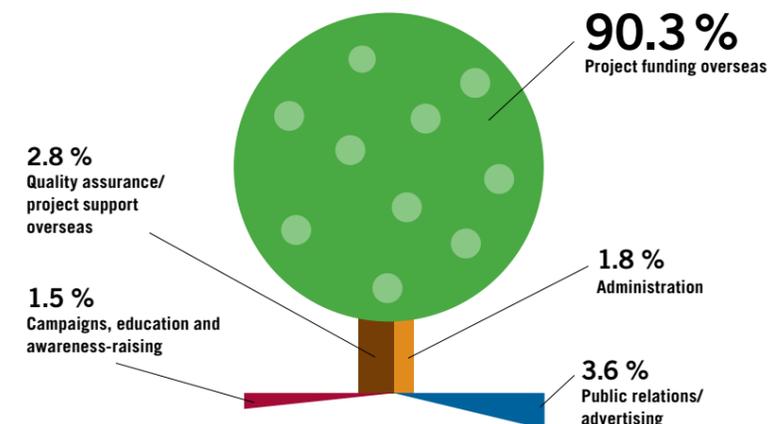
WE INCREASE THEM ...

With your donations we are in the position to apply for further funds from public grant providers, such as the Federal Ministry for Economic Cooperation and Development (BMZ), the European Union (EU) or the United Nations, and to convince them of our good project ideas. Usually each donation quadruples itself - 100 euros in donations becomes 400 euros of project funding.



Find out more
<https://youtu.be/AFSzh4wUoA>

... AND MAXIMISE THEIR IMPACT.*



* Based on expense categories pursuant to the definition of the German Central Institute for Social Issues (DZI), in percent. Welthungerhilfe regularly undergoes an audit by the DZI.

ALL WELTHUNGERHILFE PROJECTS IN 2016

AFRICA – OVERVIEW OF ALL PROJECTS, FINANCES AND FINANCIAL DONORS

Projects in implementation	Funding in EUR m	Cofinancing	Project contents - Keywords	Beneficiaries
Ethiopia	20	8.39	AA, BMZ, GIZ, OCHA, DEZA, Other	1,057,668
Burkina Faso	10	2.64	BMZ, DFID	74,381
Burundi	11	4.49	BMZ, WFP	193,297
Kenya	21	5.17	BMZ, DFID, GIZ, WFP, Other	208,472
Congo (Dem. Rep.)	12	8.55	AA, BMZ, EC (ECHO), USAID	336,576
Liberia	6	4.72	BMZ, EC (DEVCO), ECHO, GIZ, KfW, USAID	257,067
Madagascar	9	3.16	BMZ, EC (ECHO), WFP	398,728
Malawi	7	5.22	BMZ, GIZ, EC (DEVCO)	160,269
Mali	9	5.03	BMZ, GIZ, WFP	76,175
Mozambique	4	2.38	AA, Alliance2015, EC (ECHO)	102,714
Niger	2	1.10	AA, GIZ, Other	28,491
Rwanda	4	0.21	BMZ, Other	20,724
Sierra Leone	13	22.20	AA, BMZ, DFID, EC (DEVCO), FAO, WFP, Other	371,151
Zimbabwe	12	7.17	DFAT, EC (DEVCO), FAO, UNDP, UNICEF, Other	416,122
Somalia	3	0.13	BMZ	19,664
Sudan	10	22.96	EC (DEVCO), ECHO, UNDP, WFP	867,097
South Sudan	8	26.50	AA, BMZ, GIZ, WFP	429,071
Tanzania	1	0		2,782
Uganda	9	5.04	BMZ, EC (ECHO), USAID, Other	231,520
Central African Republic	6	4.10	BMZ, EC (ECHO), GIZ	26,800
Africa overall	177	139.16		5,278,769

ASIA – OVERVIEW OF ALL PROJECTS, FINANCES AND FINANCIAL DONORS

Projects in implementation	Funding in EUR m	Cofinancing	Project contents - Keywords	Beneficiaries
Afghanistan	12	8.16	AA, BMZ, UNHCR	326,098
Bangladesh	6	0.01	BMZ	15,164

Abbreviations

AA – Auswärtiges Amt (Foreign Office); Alliance2015 – Partner organisations of Alliance2015; BMEL – Bundesministerium für Ernährung und Landwirtschaft (Ministry of Food and Agriculture); BMGF – Bill and Melinda Gates Foundation; BMZ – Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Ministry for Economic Cooperation and Development); DEZA – Swiss Agency for Development and Cooperation, Federal Department of Foreign Affairs, Switzerland; DFAT – Australian Government; DFID – Department for International Development UK; EC (DEVCO) – European Commission (Directorate-General for International Cooperation and Development); EC (ECHO) – European Commission (Directorate-General for European Civil Protection and Humanitarian Aid Operations); FAO – Food and Agriculture Organization of the United Nations; GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit; IFAD – International Fund for Agricultural Development; KfW – Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation); LIFT – Livelihoods and Food Security Trust; OCHA – United Nations Office for the Coordination of Humanitarian Affairs; UNDP – United Nations Development Programme; UNHCR – United Nations High Commissioner for Refugees; UNICEF – United Nations Children's Fund; USAID – United States Agency for International Development; WFP – United Nations World Food Programme

India	53	1.98	BMZ, EC (DEVCO), GIZ, Other	Water, sanitation and hygiene programmes, promotion of sustainable agricultural systems for the improvement of smallholder incomes, agricultural training centres, food and nutrition security, vocational education, democracy promotion, support of women	1,160,182
Iraq	7	36.52	AA, Alliance2015, BMZ, GIZ, OCHA	Reconstruction of basic infrastructure, water, sanitation and hygiene programmes, school education, disaster risk reduction, support of emergency aid Mosul	87,360
Cambodia	7	1.56	BMZ	Food and nutrition security, resources management, land rights, human rights and civil society, food quality improvement	41,903
Laos	3	0	EC (DEVCO)	Integrated rural development, promotion of partner work	21,785
Lebanon	1	1.70	BMZ	Food and nutrition security, support of Syrian refugees	33,725
Myanmar	13	3.46	AA, BMZ, GIZ, EC (DEVCO), LIFT/UN, Other	Food and nutrition security and poverty reduction, water supply, basic infrastructure and food aid, humanitarian assistance for IDPs, resilience strengthening, education, school building	154,705
Nepal	15	1.36	WFP	Reconstruction, school building, social infrastructure, food and nutrition security, rural development, water, sanitation and hygiene programmes, civil protection	113,703
North Korea	7	2.02	AA, EC (DEVCO)	Food and nutrition security, disaster risk reduction, erosion protection, reforestation, hillside management	65,038
Pakistan	14	7.52	AA, Alliance2015, BMZ, DEZA, EC (ECHO), Other	Rural reconstruction and development with focus on food and nutrition security, disaster risk reduction, strengthening of civil society, strengthening of partner organisations	372,742
The Philippines	1	0		Reconstruction (houses, schools) after Typhoon Haiyan (Dec. 2016), disaster risk reduction	0
Syria/Turkey	12	18.47	AA, BMZ, EC (ECHO), GIZ, OCHA, UNICEF, Other	Food and nutrition security, emergency aid, protection, shelter, winter relief, water supply, income-generating measures, community centres and education	301,280
Tajikistan	11	8.01	BMZ, EC (DEVCO), ECHO, GIZ	Food and nutrition security, resources management, energy efficiency and renewable energies, vocational education, disaster preparedness	54,090
Subsequent savings**		-0.14			
Asia overall	162	90.63			2,747,775

LATIN AMERICA/CARIBBEAN – OVERVIEW OF ALL PROJECTS, FINANCES AND FINANCIAL DONORS

Bolivia	3	0.40	BMZ, Other	Strengthening of civil society structures, democracy promotion, human rights, vocational education	42,056
Haiti	20	4.86	AA, BMZ, EC (DEVCO), IFAD, WFP, Other	Emergency aid, rural development, food and nutrition security, drinking water, rural infrastructure improvement, disaster risk reduction, strengthening civil society	152,201
Cuba	11	3.02	Alliance2015, BMZ, DEZA, Other	Food and nutrition security in rural and peri-urban areas, natural resources management, promotion of small enterprise in agriculture, promotion of partner organisations	143,097
Peru	5	0.33	BMZ, EC (DEVCO), ECHO, Other	Strengthening of civil society structures, democracy promotion and human rights, social integration and education	6,375
Cross-country projects Bolivia, Peru	5	0.23		Civil society promotion	
Subsequent savings**		-0.13			
Latin America/Caribbean overall	44	8.71			343,729

PAN-REGIONAL PROJECTS

Pan-regional projects overall	24	1.26	AA, Other	Project monitoring through head office, overall quality assurance of project work regarding content and in financial management	
Total funding overseas	407	239.75			8,370,273

GERMANY/DOMESTIC

	11	0.58	BMZ	Mobilisation	
	5	2.06	BMGF	Policy work	
	1	0*	BMEL	Public relations work	
Total funding Germany	17	2.64			
Total funding Germany and overseas	424	242.40			

In most countries Welthungerhilfe cooperates with local partner organisations, usually non-governmental organisations, which implement a large part of the projects. The organisation works with around 200 partners globally.

The following applies to the financial report and other statistical information: Rounding differences may appear in the percentage figures and numbers given.

* Financing took place in previous years

** Subsequent savings (-) /subsequently increased project expenditure (+): The list shows all projects in implementation up to 31.12.2016, as well as projects that were completed before the year end. Savings from these projects are to be understood as returns from funds that were earmarked but are no longer required from countries and projects.

CONSOLIDATING STRENGTHS, NEW VENTURES

A world without hunger is possible. The Global Hunger Index shows progress in many countries. The Agenda 2030 gives us confidence that humanity can solve this task. However, there are still 795 million too many people going hungry. Our strategy for 2017 to 2020 shows how we want to achieve our goal of Zero Hunger. It has an even greater focus on impact, accountability and results.

WHAT WE ARE DOING Our core theme remains sustainable food and nutrition security for the weakest people in the world. We will continue to focus on strengthening rural families and on promoting their local and regional economic cycles. Because climate change, natural disasters, weak governance and armed conflicts increasingly require our humanitarian deployment, we focus equally on both areas. Whenever possible, we connect emergency aid with reconstruction and sustainable development programmes.

An important step towards Zero Hunger is the development of new business models. The Agenda 2030 calls for new partnerships with the private sector. We are already seeing many positive examples in our projects, such as provision of services by local private businesses, which bene-

fits the poor. We want to strengthen this area and develop it as an additional pillar at Welthungerhilfe. We believe that businesses can be a force for good - assuming that their actions are consistent with human rights, the fight against poverty and contribute to economic development.

As a leading voice in the work against hunger, we also have to fight its causes, which are often connected to structural and poverty issues. Our advocacy work takes place on two levels: Here at our head office we concentrate on influencing political decisions in Germany and the European Union. And we have shown what this kind of work can look like in our project countries with our report about India on pages 24 to 26.

In order to avoid financial risks and dependencies, we will continue to diversify and internationalise our institutional donors and supporters. Even our current solid financing basis, which originates predominantly in Germany, must be developed and secured.

HOW WE ARE DOING IT We are committed to using each donated euro efficiently and obtaining its greatest possible impact. That requires clear decisions, which we make with an 80/20 basic approach: Knowing that often 20 percent of the investment brings 80 percent of the return, we concentrate on the biggest impact levers of our work and will stop any activities that do not deliver. And we concentrate on results rather than activities. So we set ambitious and measurable goals and take responsibility for programme participants, supporters, institutional and private donors. We define success as the answers to four questions: Who are we reaching? How has their situation improved? Do the improvements remain after we are gone? And: Are we the best possible partner?

We want to constantly improve our impact through innovation and research and to invest more heavily in this.

We maintain a culture that promotes courage and curiosity, that encourages the trialling of new approaches and tolerates mistakes. We are always looking for a better way and regularly test our assumptions. We can only achieve our goal of eradicating hunger if we work together with our partners, in particular with civil society. The success will depend on our ability to learn and work together, and on the exchange with our different stakeholders. We can only achieve long-term changes with the cooperation of people and leaders in our project countries. At the same time we must encourage the potential of all our employees. No matter in which country and at which level - we train on a needs and competency basis, promote talent and develop management skills.

OUTLOOK FOR 2017 Our work is not risk-free. Private donations such as grants from institutional donors depend greatly on whether crises and disasters reach public attention via the media. As a result of geopolitical changes, for example in the USA, in the EU, but also between the EU and Turkey, 2017 looks 'particularly' uncertain. It is also not possible to predict how the discussion on immigration and development cooperation will evolve during the federal parliamentary election campaign.

Our employees are exposed to direct risks, particularly in fragile regions. Welthungerhilfe prepares them intensively and ensures regular 'time outs' with active welfare and prevention. Systematic safety training and regular reviews of the safety precautions in the programme countries ensure that we can post our employees to many countries. We know that, despite this, there can never be a complete guarantee of safety.

In the last three years, Welthungerhilfe has achieved an exceptional growth in its engagement. The organisational framework for this was created by the systematic restructuring in 2014 and 2015. But we know that this growth has pushed both the organisation and our employees to the limit. In terms of careful management, we must be aware of potential risks, without missing opportunities. The strategy for 2017 to 2020 helps us to take up opportunities and shape them sensibly. ■

Find out more
www.welthungerhilfe.de/en/about-us/who-we-are/our-vision.html

MEDIUM-TERM BUSINESS PLAN

	2016 Actual (EUR m)	2017 Plan (EUR m)	2018 Plan (EUR m)	2019 Plan (EUR m)
Donations, testamentary orders, penalties, Foundation Welthungerhilfe	48.3	43.6	45.2	46.7
Foundations and private charities	5.5	2.0	2.0	2.0
Public grants	207.9	158.0	162.7	167.6
Interest and other	2.2	2.5	2.5	2.5
Total income	263.9	206.1	212.4	218.8
Project funding overseas*	240.9	182.4	187.1	192.9
Project funding Germany	2.6	0.9	0.9	0.9
Personnel expenditure Germany	13.7	13.6	13.5	13.9
Depreciations	0.6	0.6	0.6	0.6
Material expenditure	3.5	4.2	3.5	3.6
Marketing	6.5	6.7	6.8	6.9
Interest expenditures, appreciations/depreciations on securities	0.5	0.0	0.0	0.0
Total expenditures	268.3	208.4	212.4	218.8
Result after reserves withdrawal	-4.4	-2.3	0.0	0.0
Allocation to (+) / withdrawal from (-) free reserve	1.7	0.6	0.0	0.0
Allocation to (+) / withdrawal from (-) project reserve	2.7	1.7	0.0	0.0
Result after reserves withdrawal	0.0	0.0	0.0	0.0

By mid-2016 it was already becoming clear that after the successes of 2014 and 2015 another economically outstanding year was likely. Correspondingly, the identified target figures for 2017 et seq. now significantly exceed previous assumptions. In 2015 during the medium-term planning for 2017, a total income of EUR 167 m was assumed. Over the course of the economic planning for 2017 the income expectation was then raised to EUR 206.1 m and expenditure planning to EUR 208.4 m (instead of the original EUR 166.7 m). The same applies to the medium-term planning for the years 2018 and 2019. As planned, from 2017 onwards there will be no more project reserves available from the disasters in previous years that attracted particularly high donation incomes.

* Overseas personnel expenses and other project funding (EUR 1.1 m) are included in the overseas project funding item.

“There are still 795 million too many hungry people. The newly enhanced Welthungerhilfe Strategy 2017 – 2020 shows how we want to achieve our goal of Zero Hunger.”

THANK

Dear supporters,

YOU TO

Once again, you have made it possible for us to help effectively. You are enabling millions of people to help themselves.

EVERY-

Together, you all make the work of Welthungerhilfe a reality. It is only thanks to the funds you entrust to us that we are able to help!

ONE

We are campaigning with all our strength for a world that offers every person the chance to live independently, with dignity and justice, free from hunger and poverty.

WHO

Zero Hunger cannot remain an empty promise. So we hope that you will continue to support us.

SUPPORTS

US:

240,000

PRIVATE DONORS,
who in 2016 committed to a world without hunger and poverty.

1,858

PRIVATE FUNDRAISERS,
who selflessly thought of others on the occasions of birthdays, weddings, anniversaries and funerals and collected for us.

130

COOPERATING FOUNDATIONS,
that helped us to realise projects together.

1,155

ACTIVE SUPPORTERS,
who campaigned with their friends, action groups, associations or individually for a world without hunger, and who carried out 350 charity events, such as the Run4Life, concerts, bazaars and fundraisers.

354

BUSINESSES,
that supported us in a particularly generous way.

72

PEOPLE,
who thought of Welthungerhilfe in their will.

39

INSTITUTIONAL DONORS,
that subsidise or finance our projects, that often give us large funding amounts and delegate big tasks to us, thereby confirming their confidence in the work of Welthungerhilfe.

 Download the annual report at
www.welthungerhilfe.de/en/annual-report.html

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