



welt
hunger
hilfe

For a world without hunger



ANNUAL REPORT 2017

2,522 EMPLOYEES FROM

71 NATIONS WORKED IN

38 COUNTRIES AND

410 OVERSEAS PROGRAMMES IN 2017.
WITH

229.4 MILLION EUROS OF FUNDING
WE SUPPORTED

11.8 MILLION PEOPLE IN ORDER
TO ACHIEVE

1 GOAL :

WHAT WE WANT

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Daniel Pilar
A girl playing with a home-made kite in
the Kutupalong refugee camp in Cox's
Bazar (Bangladesh). Since August
2017, more than 688,000 members of
the Rohingya Muslim minority group
have fled to Bangladesh from the
violence erupting in Myanmar.

Photos

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The DZI donation
seal certifies
Welthungerhilfe's
efficient and
responsible
handling of the
funds entrusted
to it since 1992.





ZERO

“But a world without hunger is possible! Each and every one of us can help to build such a world—as individuals, as consumers, or by engaging in politics, business, science, religion, or civil society.”

German Federal Ministry for Economic Cooperation and Development, Special feature on the topic of hunger

HUNGER

The right to food is a human right.

“The sustainability goals present a unique chance for all of us to come together and begin working toward our common goal: A world, in which nobody needs to endure hunger or poverty and in which hope and opportunity are realised for everybody, whether in a developing or developed country.”

Ertharin Cousin, United States of America, Executive Director of the United Nations' World Food Programme (WFP) from 2012 to 2017

BY

“Hunger does not affect everyone equally; it hits children, those living in poverty, and those living in rural areas the hardest. It strikes the powerless. Welthungerhilfe is helping these people, in particular, to regain control over their own lives.”

German Federal President **Frank-Walter Steinmeier**, Speech in October 2017 to mark Welthungerhilfe Week

“‘No one left behind’—this principle underlies the entire Agenda 2030. We are determined to reach disadvantaged demographics that are discriminated against and to achieve sustainable improvements to their situation. Poverty and hunger in all their combinations and permutations must be eliminated throughout the world, and a dignified life must be made possible for all people.”

From “Der Zukunftsvertrag für die Welt. Die Agenda 2030 für nachhaltige Entwicklung” (“Contract for the World's Tomorrow: Agenda 2030 for Sustainable Development”), **Federal Ministry for Economic Cooperation and Development**

2030

“We can be the first generation to succeed in abolishing poverty, just as we could be the last to have a chance to save our planet.”

Ban Ki-moon, Secretary-General of the United Nations from 2007 to 2016



WE ARE REALISTIC OPTIMISTS

The past year has been marked by international conferences and initiatives regarding Africa and the continent's multifarious problems. President Bärbel Dieckmann and Chief Executive Officer Dr. Till Wahnbaeck share their take.

Are we on the right path to end hunger around the world?

Bärbel Dieckmann: Yes, it was significant that Africa was at the centre of many important debates and that important plans of actions were adopted in 2017. The fight against hunger and the future of a young generation must be our primary concerns. The focus shifted further and further in this direction due to migration patterns and to the displacement of nearly 70 million people. We had hoped that the fight against hunger and poverty would receive more attention at the G20 summit in Hamburg. However, we are glad that the federal government established the central role of development policy in the coalition agreement and intends to support smallholders as well as food production for regional markets.

Dr. Till Wahnbaeck: We cannot allow ourselves to see the world through rose-tinted glasses. However, we do recognise the enormous progress made in the fight against hunger in many developing countries. The figures of the past decades paint a clear picture and serve as an encouragement. Child mortality rates have fallen rapidly, and global rates of hunger have been reduced by half in the last 30 years. We also see great progress in other areas, including health and literacy. Despite all the problems, we are therefore realistic optimists. We are convinced that we can eliminate hunger within this generation if we pool all of our forces.

At the same time, we see wars and conflicts that have been going on for years. Are some regions lost causes?

Dieckmann: We are actually quite concerned about certain

Left:
Bärbel Dieckmann
visiting a school for
Syrian refugee children
in Mardin (Turkey).

Right:
Dr. Till Wahnbaeck
deep in conversation
with refugees in Kabul
(Afghanistan).



countries. In Syria, civil war has been raging for seven years; in Yemen, the situation for civilians is growing worse and worse; and in South Sudan, armed conflict continues with no end in sight. In these cases, we consistently provide humanitarian assistance and distribute food, soap, and clothing. We help people to survive, but a long-term peace requires political solutions on an international level. We are well aware that the effectiveness of aid organisations is limited in such areas. In war zones such as Syria and Yemen, there is often simply no access to the people in need, because the conflict parties employ hunger as a weapon and are not even willing to agree on humanitarian corridors.

Wahnbaeck: We are also faced with great challenges in other fragile countries. A weak state engenders corruption, a lack of trust in long-term help, and passivity among the population. In Congo, for example, we are forced to assume responsibilities in areas in which the state should actually be providing for the population, such as building basic infrastructure.

In the past year, East Africa suffered a great drought.

Wahnbaeck: In addition to wars and conflicts, climate change is a major cause of hunger across the globe. Kenya and Ethiopia suffered another long drought, which destroyed the livelihoods of stock breeders in particular (see also pp. 20-21). Many nomad families told me that they have exhausted their entire reserves and that such droughts are recurring in shorter and shorter intervals. It was therefore a positive sign that the federal president

Frank-Walter Steinmeier called for a one-time action of support for all charitable alliances in Germany. That really helped people locally, because we were able to implement additional programmes that show the population how to better deal with such natural disasters using long-term preventative measures.

Welthungerhilfe received especially many donations in the past year. What does this mean for you?

Dieckmann: Above all, it is a motivation to intensify our work even more and to continue the fight against hunger and poverty. Our donors trust us and know that we are succeeding in the various countries and improving daily life for more than 11.8 million people in the long term. In addition to continuing and expanding our work in severe crises, we are happy to also do so in countries that are not the subject of media attention and are even sometimes forgotten.

Wahnbaeck: However, our work does not depend exclusively on our donors but also on the thousands of volunteers that offer hands-on support year after year. This includes students helping to raise donations, people baking cakes for our benefit, and young people collecting paper cups at concerts. Each and every one contributes to the success of our work and to the fight against hunger.

In addition to money, is there also a need for new ideas and innovations within the aid organisations themselves?

Wahnbaeck: Welthungerhilfe has always accepted, developed, and implemented new and innovative ideas. In >>

this regard, Welthungerhilfe and our many employees have helped us advance in the fight against hunger. We are currently intensively testing ways to augment value creation chains, for example via social business concepts. To this end, we are bringing together a diverse group of experts from a variety of countries, just like in a laboratory. New technologies could also play a significant role, for example the introduction of an app that allows users to quickly measure the health of a child and begin appropriate treatment. We want to continue blazing new trails.

A Welthungerhilfe employee died in a terrorist attack during the past year. How difficult are working conditions for your employees?

Dieckmann: The death of Isidore Zonga in an attack in August 2017 was a dreadful loss for his family and for us. He was the country director for Burkina Faso and wanted to help his country progress to give the young generation a chance. Attacks on aid workers are unfortunately increasing worldwide. Many of our employees risk their lives on a daily basis, working in dangerous countries, living under threat, or being shot at in war zones. A normal life is often not possible in such places. I have enormous respect for our colleagues who support our projects and the people in need despite everything.

How does Welthungerhilfe ensure that donations arrive at their destination?

Wahnbaeck: Welthungerhilfe's operating principles are quality control, transparency, and accountability (see pp. 24-27). Welthungerhilfe must exhibit the same degree of transparency and accountability in all of its actions as it expects from other governmental and international actors such as institutional donors, national governments, etc. Our tools include comprehensive project monitoring and evaluation, our internal audits that verify the statutory use of funds, and Controlling, which assists with the strategic leadership of the organisation as a whole. ■

CALL FOR FEDERAL CONTRIBUTION TO ZERO HUNGER

Welthungerhilfe is advocating for the federal government to continue and expand its commitment to the fight against hunger. The focus is now on implementing the objectives established in the coalition agreement. Important areas of activity include:

MAKING TRADE AND INVESTMENT CONTINGENT ON HUMAN RIGHTS

A large proportion of raw materials for the agricultural and food industry in Europe originates in countries of the global south. Agricultural cultivation in these countries is often linked to human rights violations such as land grabs or exploitation. Agricultural imports and corporate trade along the value creation chain must be conditional on human rights standards. Statutory regulations are necessary in order to prevent land grabs and other human rights violations.



SUSTAINABLE DEVELOPMENT GOALS AS OPERATIONAL FRAMEWORK

The federal government has committed to the UN sustainability goals as per Agenda 2030. German sustainability strategy is now in need of further development and cohesive, inter-agency implementation. This means that all agencies must collaborate and assess the consequences of their political measures in order to ensure that the federal government's actions conform to principles of resource efficiency, social justice, inclusiveness, and sustainability.



FIGHTING HUNGER AND MALNUTRITION

German development cooperation continues to place significant emphasis on the fight against hunger and poverty. A large proportion of food in Africa and Asia is produced by smallholders. However, harvest yields and income are so low that many of them suffer from hunger and malnutrition. We will continue to monitor the quality and quantity of development cooperation to see whether they serve to uphold the right to food and to promote neglected rural regions.

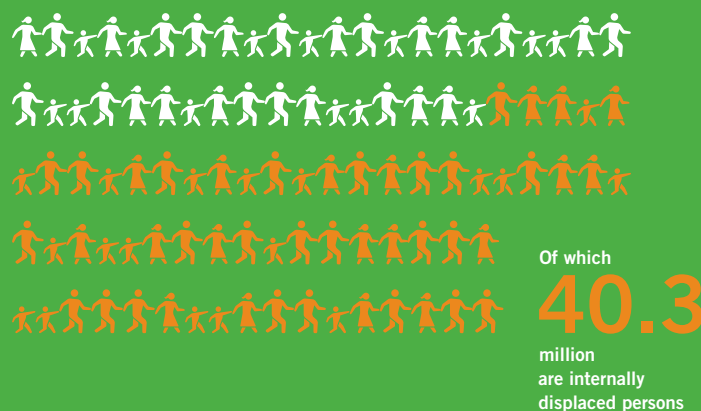


Source/graphics at: www.welthungerhilfe.de/hunger/

MORE SUPPORT FOR PEOPLE IN FORGOTTEN CRISIS REGIONS

According to the UN refugee agency (UNHCR), a total of 65.6 million people were living as refugees in 2017, of which 40.3 million (61 percent) were displaced internally. Forgotten crises, such as those in the Central African Republic or in South Sudan, must not be allowed to fade from political view. The priority here is to improve the people's framework and living conditions as well as their prospects to such an extent that they may freely choose to return home or to make a new home where they are.

A total of **65.6** million people have been displaced.

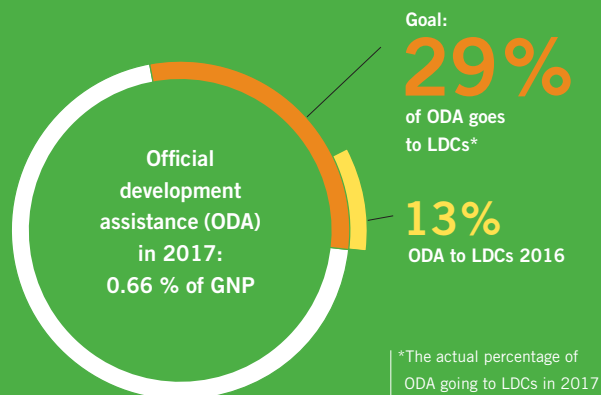


Source graphic: UNHCR Global Trends, iDMC's GRID, 2017

FOCUS ON THE POOREST COUNTRIES

We are not looking exclusively at official development assistance (ODA). That figure was recently just below the internationally-stipulated 0.7 percent of the gross national product (GNP). In the spirit of Agenda 2030's "Leave no one behind" principle, we take a critical look at where and how this money is spent. This applies especially to the portion of development aid going directly to the least-developed countries (LDCs). In response to pressure exerted by Welthungerhilfe, an increase in expenditures for LDCs to a total of 0.15 - 0.2 percent of GNP was established in the coalition agreement.

Welthungerhilfe demands: 0.7 percent GNP for official development assistance, of which 29 percent (0.2 percent GNP) is for LDCs.



Source graphic: Compass 2030 – Walk the Talk, 2017 report on the "Reality of German Development Policy"

STRENGTHENING CIVIL SOCIETY AND RIGHTS AND FREEDOMS

Civil society organisations are increasingly facing reprisals on the part of governments across the globe. We therefore demand that the federal government do more to advocate for the advancement of an active civil society and for the protection of non-governmental organisations. After all, local civil society actors are in the best position to demand accountability and transparency from their governments. The federal government should place greater emphasis on demanding the participation of civil society organisations when collaborating with partner countries.

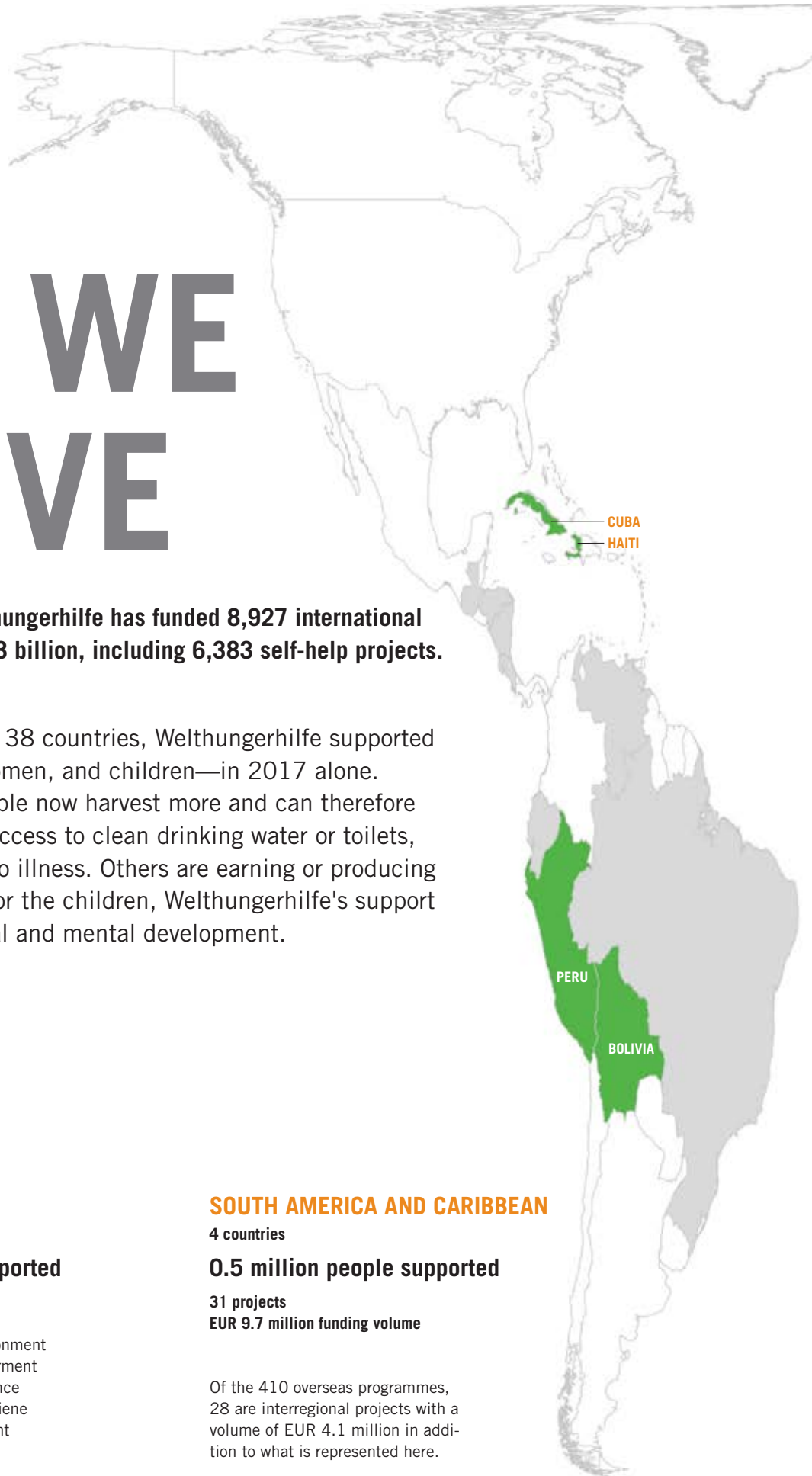


Source: Civicus

WHAT WE ACHIEVE

Since its establishment in 1962, Welthungerhilfe has funded 8,927 international projects to the tune of around EUR 3.53 billion, including 6,383 self-help projects.

Through its 410 overseas projects in 38 countries, Welthungerhilfe supported about 11.8 million people—men, women, and children—in 2017 alone. In real terms, that means: Many people now harvest more and can therefore improve their diets. They now have access to clean drinking water or toilets, which leaves them less susceptible to illness. Others are earning or producing more and can begin an education. For the children, Welthungerhilfe's support means a chance of improved physical and mental development.



GLOBAL SUPPORT

38 countries

11.8 million persons supported

410 projects

- 98 projects Nutrition
- 80 projects Agriculture and environment
- 54 projects Civil society, empowerment
- 45 projects Humanitarian assistance
- 31 projects Water, sanitation, hygiene
- 22 projects Economic development
- 80 projects Miscellaneous

SOUTH AMERICA AND CARIBBEAN

4 countries

0.5 million people supported

31 projects

EUR 9.7 million funding volume

Of the 410 overseas programmes, 28 are interregional projects with a volume of EUR 4.1 million in addition to what is represented here.

GERMANY

NORTH KOREA

TURKEY

TAJIKISTAN

AFGHANISTAN

SYRIA
LEBANON

IRAQ

PAKISTAN

NEPAL

INDIA

MYANMAR

LAOS

MALI

NIGER

SUDAN

YEMEN

BANGLADESH

CAMBODIA

SIERRA
LEONE
LIBERIA

CENTRAL
AFR.
REPUBLIC

SOUTH
SUDAN

ETHIOPIA

BURKINA FASO

DEM. REP.
CONGO

KENYA

SOMALIA

UGANDA

RWANDA

BURUNDI

MALAWI

MOZAMBIQUE

MADAGASCAR

ZIMBABWE

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

This map is a so-called Peters or Gall-Peters projection. In contrast to other maps, every country is represented proportionately in terms of area.

AFRICA

19 countries

7.7 million persons supported

203 projects

EUR 159.6 million funding volume

ASIA

15 countries

3.6 million persons supported

148 projects

EUR 52.3 million funding 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 political spheres and promoted active engagement.

22 projects

EUR 1.9 million project volume



READY TO SHARE EVERY LAST MORSEL

The farming families in the Congolese region of South Lubero are living on the breadline. Refugees from war zones regularly seek refuge here. Nonetheless, the local population is ready to share the little that they have.

HOW IT BEGAN The South Lubero region, located in the Democratic Republic of Congo's north-eastern sector, actually possesses the perfect conditions for agriculture. The climate is favourable, the soil is fertile, and the area is relatively peaceful. However, recurring conflicts between militia groups and the Congolese army in other parts of the country have driven tens of thousands of families here. In late 2017, the United Nations identified the Democratic Republic of the Congo as the country globally most affected by migration due to violence and conflicts. In South Lubero, local farmers are completely overwhelmed by the influx of tens of thousands of displaced families. Nonetheless, they are helping them as a matter of course. However, they are doing so at the expense of their own livelihoods, since the new arrivals require accommodations, water, and, above all, something to eat. As a result, their reserves and even their seeding material were exhausted long ago. The farmers cannot sow their fields and are thereby caught in a permanent poverty spiral, since they are losing their next harvests as well.

HOW WELTHUNGERHILFE IS HELPING Welthungerhilfe is helping 4,000 families in South Lubero to increase their harvests. To this end, it is also relying on collaboration with local partner organisations, which are informed of current political and social tensions and are able to accurately eval-



SAFETY FIRST

Muyisa Kambala, Welthungerhilfe project assistant in the province of North Kivu, describes what it means to work in a country with a tense security situation.

Our work here in North Kivu is not simple. Deadly clashes between militias are a regular occurrence. This naturally has an impact on our work as well, since everyone's safety is the priority. Our security policy is meant to minimise the danger. This includes security training for all employees, the latest communications equipment for all situations, and evacuation plans. In June, for example, we wanted to visit a remote project area. En route, our security manager informed us of an ongoing battle at our destination. As a result, the project visit had to be aborted. Unfor-

tunately, our work is frequently delayed by the local security situation. However, the best protection is acceptance. Welthungerhilfe works in close collaboration with the population and never without its consent. It is only in this way that we can move about relatively safely, even in high risk countries such as Congo. Projects can only be implemented successfully if they are developed in conjunction with the local population.



DEMOCRATIC REPUBLIC OF CONGO

Project focal points	Road building; food and nutrition security; agriculture; social integration; water, sanitation and hygiene programmes; emergency aid
Project locations	Masisi, Beni, Irumu, Bunia
Financial volume 2017	EUR 1.62 million
Current projects	8
Institutional donors	AA, BMZ, EC (ECHO), USAID
Persons supported	317,579

uate the security situation. If we receive a warning from our local colleagues, we suspend our activities for several hours or days. Nonetheless, the Welthungerhilfe team does everything in its power to help the people in South Lubero to improve their livelihoods. At the same time, we attempt to improve conditions for the refugees hosted here as well. A lot of fertile soil lies fallow due to a lack of materials. In order to help the farmers improve their harvest yields, Welthungerhilfe is therefore distributing high-quality seeding materials, wheelbarrows, and watering cans. Families are cultivating vegetables on community fields and are learning a lot about effective cultivation techniques and healthy nutrition.

THE RESULTS The Welthungerhilfe project has offered both farmers and refugees new prospects: Some of the seeding materials were spread on community fields, which are also cultivated by refugees. They benefit from the harvest twice: The families keep part of the harvest to feed themselves and sell the rest. They can then use the profit to buy additional seeds in order to plant and harvest more.

In addition to agricultural support, each family participating in the project receives the equivalent of EUR 24 per month for six months. This pays for school fees, additional groceries, and healthcare. After covering these expenses, they still have enough left over to develop small business ideas and to establish a foundation for when the payments end. ■



Find out more:

www.welthungerhilfe.org/our-work/countries/democratic-republic-of-congo/steady-incomes-promote-peace/



THE SUFFERING OF THE ROHINGYA

In 2017, Bangladesh became the scene of the fastest-growing refugee camp in the world. A total of more than 1.3 million people are dependent on humanitarian assistance.

THE HUMANITARIAN SITUATION Since August 2017, more than 688,000 members of the Rohingya Muslim minority group have crossed the border to Bangladesh, fleeing the violence erupting in Myanmar's Rakhine State. This figure only represents the peak of these refugee movements: The Rohingya have been fleeing violence and oppression in Myanmar in waves since 1991. Coordination of the necessary aid measures is impeded not only by the exponential increase of new arrivals within the space of a few months but also by their concentration in the region of Cox's Bazar. A large refugee camp is developing in the poorest region of one of the world's most densely-populated countries. There is limited space to build a settlement. Makeshift shacks made of bamboo and plastic sheeting are being erected on rice fields, hills, or by the roadside to serve as accommodations. There is not enough food or drinking water. Sanitation facilities and medical care are virtually non-existent. The situation represents an enormous challenge for the host communities. The refugees need room to live, but there is no room to be had. At the same time, income from tourism and agriculture is falling while prices are rising.

HOW WELTHUNGERHILFE IS HELPING Welthungerhilfe is working with two long-term local partner organisations and in close collaboration with other organisations to alleviate the greatest suffering. In late 2017, that meant providing people with food first. While the World Food Programme distributed rice, Welthungerhilfe handed out supplementary food packages containing lentils, oil, sugar and salt. Welthungerhilfe offers hygiene education in order to prevent the spread of diseases. The refugees also receive complementary hygiene sets with supplies including soap, detergent, and buckets. Other projects are being developed to provide support in the fields of nutrition, water, sanitation, and hygiene.

THE RESULTS Immediate support can be offered with the aid of Welthungerhilfe's quick-access Emergency Response Fund and additional donations: 12,540 people were provided with urgently-required food and hygiene supplies. A follow-up project in the field of water, sanitation, and hygiene has already commenced.

Find out more
www.welthungerhilfe.org/our-work/countries/bangladesh/



Project focal points	Nepal: Sustainable food and nutrition security and agriculture; rural development; water, sanitation and hygiene programmes; promoting democracy; reconstruction; disaster risk reduction Bangladesh: Promoting sustainable agriculture; adapting to climate change; food and nutrition security; water, sanitation, and hygiene programmes
Project locations	Nepal: Salyan, Dhading, Mugu, Bajura, Chitwan, Siraha, Rautahat, Saptari Bangladesh: Cox's Bazar, Netrokona, Sirajganj District
Financial volume 2017	Nepal: EUR 2.98 million Bangladesh: EUR 0.42 million
Current projects	Nepal: 15 Bangladesh: 6
Institutional donors	Nepal: BMZ, WFP, other Bangladesh: BMZ
Persons supported	Nepal: 208,684 Bangladesh: 27,725

“THEY JUST SHOT AT US”

Hamida is a member of the Rohingya minority group and is living in the Balu Khali refugee camp in Cox's Bazar with her three children. She had to flee with her family. Her husband died along the way.

“My husband and I lived in the city of Maungdaw in Myanmar with our three children. He was a maulvi, an Islamic scholar. We had a good life,” Hamida recounts, trying to suppress her tears. “The soldiers in Myanmar just shot at us. We ran for our lives. Suddenly, my husband was hit. He died before our eyes,” recalls Hamida. Ultimately, she ended up in the Balu Khali intake camp with her family. Hamida and her family

have to go a long way to get aid supplies. When the children cry, Hamida just says: “Look around. The others are also here because their homes are no longer safe.” Since Hamida is still suffering from shock and in grieving, Hamida's sister is caring for the family and supplying them with rice and lentils. The food supplies are financed by Welthungerhilfe and distributed by the local partner organisation Anando.



Hamida lives in a refugee camp in Cox's Bazar with her family.



FAST REACTION THANKS TO GOOD PREPARATION

In August 2017, heavy rainfall resulted in a flood in South East Asia that affected approximately 1.7 million people in 18 districts. Welthungerhilfe reacted quickly and provided people with basic necessities.

THE EFFECTS OF THE DISASTER The flooding hit Nepal particularly hard. Hundreds of people died, and thousands lost their homes, harvests, and supplies, thereby losing their livelihoods as well. Many places lack the infrastructure and resources to deal with the effects of flooding.

WHAT WELTHUNGERHILFE IS DOING When the self-help capacities of local communities have been exhausted, and people are asking for help, Welthungerhilfe and its local partners step up. Two years ago, after the 2015 earthquake, it was already clear that Nepal is dependent on outside aid

during large natural disasters. As a result, Welthungerhilfe prepared for future disasters and crises in conjunction with its Alliance2015 partner Concern Worldwide and Nepalese partner organisations. Together with employees, local experts, and partners, they developed an emergency preparedness plan and established a local emergency response team. The objective was to be able to react quickly, appropriately, and cohesively in the event of a disaster. In addition, Welthungerhilfe and Concern Worldwide stockpiled 3,000 construction sets for makeshift accommodations and hygiene packages for emergencies. Furthermore, Welthungerhilfe and a Nepalese bank agreed on terms for immediate and straightforward access to funds for initial emergency aid measures in the event of an emergency.

FAST HELP AFTER FLOODING Good preparation and coordination with its partners and the Nepalese authorities paid off after the flooding in the summer of 2017: Welthungerhilfe and its partners entered into action only eight days after the devastating rainfalls and subsequent flooding. In a feat of logistics, it distributed food to 75,000 people within a very short period of time. Since many—already scarce—sanitation facilities and toilets had been flooded, the threat of



Flooding in Nepal destroyed houses and flooded fields. 1.7 million people were affected. Welthungerhilfe and its partners entered into action only a few days after the flooding, distributing aid supplies and hygiene sets. In addition, 75,000 people received food supplies.

epidemics loomed. In order to prevent an epidemic, Welthungerhilfe distributed packages with water purification tables, soap, mosquito nets, and other hygiene articles to the people.

WHERE WE GO FROM HERE Welthungerhilfe will continue its activities here in order to better prepare residents of the flood-stricken areas for the future. After a regional situation analysis, projects for communal disaster risk reduction, nutritional counselling, and agriculture (subsistence, river-bed cultivation, harvest insurance) were started in the neediest regions. In addition, projects for water, sanitation, and hygiene; for strengthening civil rights; and for incorporating local planning processes are being prepared. ■

Find out more:
www.welthungerhilfe.org/our-work/countries/nepal/

HUMANITARIAN PARADIGM SHIFT

We learn from disasters and from this derive measures to strengthen the resilience of people.

Humanitarian Programming is part of the humanitarian paradigm shift at Welthungerhilfe. The underlying principle follows the idea that decisions regarding development interventions should be based on the risks and dangers to which people are exposed. The aim of Welthungerhilfe's development effort is to strengthen the population's resistance (**Resilience**) to these risks and dangers. Whichever risks remain will be countered with early warning systems and prevention and mitigation measures (**Anticipation, Early Warning & Early Action**).

However, one can rarely foresee the full extent of **Crises or Disasters**. In other words, despite the improved resilience of the people at risk, and the adoption of preventive measures, people can

find themselves in life-threatening, precarious situations (**Emergency Response Needs**). For these situations, it is particularly important to prepare and plan at an early stage so that one can react quickly and appropriately to a crisis situation if necessary (**Emergency Preparedness & Response Planning**).

This paradigm shift, away from a pure crisis response towards anticipatory humanitarian aid, which already becomes active when a crisis/disaster looms (i.e. the risk of which is significantly increased), is visualised in the graph below. This paradigm shift helps to reduce deaths, suffering and the loss of livelihoods (**Losses & Damages**), and also leads to a more efficient use of resources.

MORE EARLY ACTION AND EMERGENCY PREPAREDNESS LEADS TO FEWER LOSSES AND DAMAGES



A woman with short dark hair, smiling, stands in front of a blue door. She is wearing a vibrant, patterned dress with orange, blue, and black geometric designs. The background shows a wall with graffiti in red and black, including the words 'ESSING', 'RECY', 'CLING', and 'E'. The scene is lit with warm, natural light.

CREATING PROFESSIONAL PROSPECTS!

“Skill Up!”, Welthungerhilfe's professional education programme, provides young people from Sierra Leone, Uganda, Kenya, and Tajikistan with skills and creates networks that make it easier to find employment.

THIS IS WHERE WE STARTED According to the International Labour Organisation, 71 million youth between the ages of 15 and 24 are unemployed worldwide. In Africa alone, at least 150 million young men and women will be joining the labour market by 2030. This represents a great challenge for governments, the economy, and development cooperation.

Help is urgently needed in Sierra Leone: Ten years of civil war have destroyed its infrastructure and traumatised its population. 40 percent of Sierra Leone's six million inhabitants are under 14 years of age. Corrupt elites plunder natural resources and rob people of their land in order to cultivate cacao and palm oil. According to the 2017 Global Hunger Index (see pp. 28-29), Sierra Leone is the world's third most-affected country by hunger.

WHAT WELTHUNGERHILFE IS DOING The goal of Welthungerhilfe's "Skill Up!" programme is to impart practical skills aimed at the job market. Young people receive a chance to earn their own income. In addition to vocational skills, the training modules impart basic scientific knowledge and life skills. These social skills, in particular, strengthen the young people's confidence and help them to establish themselves on the job market. A network of companies, alliances, alumni, and social workers accompanies the graduates after their education in their first steps as employees or entrepreneurs. The "Skill Up!" programme looks different in each individual country. In Kenya and Uganda, training takes place in central training centres; in Uganda, this is supplemented by apprenticeships in local companies. In Tajikistan, seminars are held in state-run professional training centres and by mobile training units in remote mountain regions. All approaches, however, combine professional education with instruction in social skills.

In Sierra Leone, Welthungerhilfe has implemented a decentralised approach via mobile training teams in the areas of trades, solar energy, waste disposal, and irrigation. It has also interconnected this training initiative with other Welthungerhilfe projects in the country. Some 1,000 trainees and young entrepreneurs across the country are already benefiting from "Skill Up!". One of them is Lucy



SIERRA LEONE

Project focal points	Rural development; food and nutrition security; water, sanitation, and hygiene programmes; waste management; decentralised energy supply; vocational education; resources management; disaster risk reduction; democracy building
Project locations	Freetown, Waterloo, Makeni, Kenema, Kailahun, Kono, Bo
Financial volume 2017	EUR 4.83 million
Current projects	15
Institutional donors	BMZ, DFID, EC (DEVCO), FAO, GIZ, WFP, other
Persons supported	1,529,627

Sammoh (36): She transforms all sorts of waste into beautiful and practical items such as purses, jewellery, sandals, and accessories. She then sells these items in a small market stand. "I can finally afford better food for my three children and even send the oldest to university!" Lucy declares with pride. Promoting training and start-up initiatives connects "Skill Up!" with the Welthungerhilfe project "Waste Management Bo City," which intends to solve the waste problem plaguing the city of 200,000 with a functioning waste collection system and intelligent recycling. Under the supervision of training personnel, men and women create textiles or fashion jewellery from trash, remelt aluminium cans into cooking pots, or press molten plastic waste and sand into weather-proof cobblestones.

WHERE WE GO FROM HERE As is demonstrated by the successful example of Bo City and others: The way to financial independence for a self-sufficient and dignified life is closely connected to professional prospects. Welthungerhilfe is therefore planning to promote professional education even more intensively in the future via the "Skill Up!" programme. Many young people will be given the opportunity to establish a solid presence in the job market. ■

OCCUPATIONAL OUTLOOK FOR YOUNG PEOPLE

"Skill Up!" means: Get qualified! 15,000 young people in Sierra Leone, Uganda, Kenya, and Tajikistan are getting this chance. The multi-country programme offers young people professional prospects and thereby the opportunity to establish a livelihood in their home country. In this regard, education and training are key for development, independent income, and the way out of hunger and poverty.

➤ **Find out more**
www.welthungerhilfe.org/our-work/approaches/skill-up-training-programme/



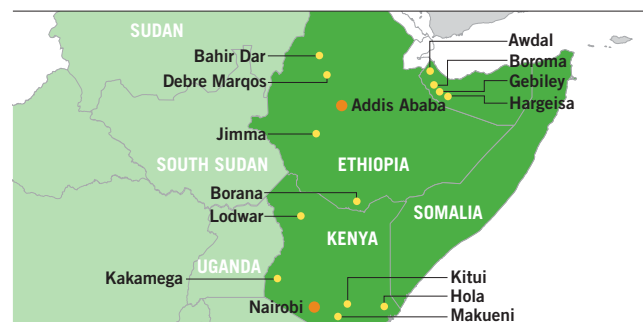
PREPARED FOR DROUGHT

The Horn of Africa is facing another severe drought due to climate change. 23 million people are at risk of starvation. This is one of Welthungerhilfe's greatest humanitarian challenges.

HOW IT BEGAN The Horn of Africa has been suffering from drought for years: After the great famine in 2011, it repeatedly failed to rain in various regions. According to the United Nations, more than 23 million people were affected in the Horn of Africa and in the Great Lakes region in 2017. Due to the long droughts, people and nature are left with barely enough time to recover. Even if it does rain, the parched ground can hardly absorb the water. However, many harvests are being destroyed not only by the lack of water but also by insect infestations. An armyworm infestation stripped the fields bare and led to enormous food shortages in East Africa. Thousands of livestock, especially cows and goats, died from infections or starvation. The livelihood of many people is in grave danger. Some 2.3 million people from Ethiopia, Kenya, Somalia, and Uganda have already left their homes in search of a stable livelihood.

HOW WELTHUNGERHILFE IS HELPING Welthungerhilfe is active in Ethiopia, Kenya, and Somalia with various projects to help the people affected by the drought. In Ethiopia, a project for sustainable resource management is in the works to improve access to pastures and water for livestock owners. In order to prevent more animals from dying, emergency feed and medicine are provided for the livestock. In Kenya, Welthungerhilfe is collaborating with regional authorities to improve the livelihood of the population as well as access to water. This should prevent illnesses such as Cholera and provide people with essential food and water supplies. In Somalia, internally displaced persons are receiving food or financial aid. In addition, the livestock of more than 12,000 internally displaced persons are receiving medical care. Water is being distributed by tankers to fight acute water shortages in various regions.

EFFECTIVE AID Welthungerhilfe is developing ways to better prepare for droughts in collaboration with the population. This will help the communities and nomadic herders to become more resilient. If the rainy season does not come, people no longer need to fear for their livelihoods. Training in improved cultivation methods, the provision of drought-resistant seeding material, and workshops that open up alternative sources of income help people to better deal with droughts and the effects of the same. In addition, water supply systems are built and the population learns how to maintain and repair them. This improved water supply is also a great relief for the livestock breeders: It gives them a way to water their animals sufficiently and in hygienic conditions during droughts. Maintaining close collaboration with the government's disaster prevention programme and establishing early warning systems will help to predict droughts and to limit their effects. Welthungerhilfe



ETHIOPIA, KENYA AND SOMALIA

Project focal points	Ethiopia, Kenya and Somalia: Water, sanitation, and hygiene programmes; food and nutrition security; agriculture; rural development and resource protection; resilience strengthening against droughts; emergency aid; drinking water supply; Economy promotion
Project locations	Ethiopia: Debre Marqos, Bahir Dar, Jimma, Borana Kenya: Kakamega, Lodwar, Makuani, Kitui Somalia: Hargeisa, Boroma, Gebiley, Awdal
Financial volume 2017	Ethiopia: EUR 8.78 million Kenya: EUR 7.52 million Somalia: EUR 3.52 million
Current projects	Ethiopia: 24 Kenya: 22 Somalia: 6
Institutional donors	Ethiopia: AA, BMZ, GIZ, DEZA, OCHA, other Kenya: AA, BMZ, DFIF, GIZ, UNICEF, USAID, WFP, other Somalia: BMZ
Persons supported	Ethiopia: 1,214,633 Kenya: 730,487 Somalia: 53,037

and its partners are utilising a multi-year, international programme to build the resilience of the herders, an especially vulnerable demographic. Together, they are creating alternative sources of income through improved agricultural and livestock production practices that have been adapted to account for the effects of climate change. ■

➤ **Learn more**
www.welthungerhilfe.org/our-work/countries/kenya/



SOLVING COMPLEX PROBLEMS

In 2017, Welthungerhilfe introduced its Sustainable Services Initiative (SSI). The intention of this initiative is to introduce a systems-strengthening approach to improve the sustainability of its WASH (Water, Sanitation and Hygiene) programmes.

SUSTAINABILITY: THE CORE PROBLEM OF WATER AND SANITATION

Sustainability tends to be a very complex issue. In the WASH (Water, Sanitation and Hygiene) sector, however, it often comes down to the simple question of whether the water supply and sanitation infrastructure is working or not. The rural consumers will simply ask: “Does the pump provide clean water or not?” Despite decades of all kinds of investments, water and sanitation services are still unreliable and substandard for far too many people in rural areas.

A lack of local management capacity, poor maintenance of infrastructure and inadequate financing mean that the initial gains of rural water and sanitation supply fall back to initial levels. Families, who once benefitted from a safe drinking water supply, now walk past broken hand-pumps or taps, on to their traditional, dirty water points. Despite its best intentions, development cooperation has actually contributed towards the problem in numerous ways.

WHAT IS GOING WRONG? By default, WASH development projects are designed in a variation of four steps: the construction or rehabilitation of the water and sanitation infrastructure, the promotion of “life-saving” hygiene practices, the training of water user committees and finally the handover to community management.

These projects have a relatively high risk of failure in the long term, because in this process, no one pays attention to eliminating the original cause of the problem: There is a solution for the technical problem (the pumps), and for the institutional ownership issue (the user committees and the management functions), but the larger WASH context is ignored. The pumps and committees are only components of a larger and more complex system that needs to interact and function together.

STRENGTHENING THE SYSTEMS Systems thinking has been around for a long time – in the health-, education- and ecological sectors, we are used to thinking in terms of systems. In the water and sanitation sector, this kind of thinking is still relatively new.

Whether a pump will work in the long run or not is the result of many different sectors and components working together within a complex system: An essential prerequisite for improving sustainability is a comprehensive analysis of these functional areas carried out in close cooperation with the local government i.e. the service authorities. This analysis is followed by joint planning to determine which building blocks are appropriate entry points for external support agencies to strengthen the WASH system at a district level.



A broken hand pump in Solo Town, Liberia. An estimated 30 percent of installed hand pumps in Africa are non-functional and another 40 percent are only partially working, on average, after three to five years of installation.

In practice, the systems approach leads to a shift in the focus from WASH projects only building infrastructure (pumps and latrines) to also supporting service authorities in the planning process. The approach also focuses on strengthening and using national systems instead of creating parallel ones, using only one monitoring and mutual accountability platform and thinking about sustainable financing strategies. Since no one organization can do all this alone, the systems approach also increases the potential for collaboration between external support agencies.

THE SUSTAINABLE SERVICES INITIATIVE OF WELTHUNGERHILFE

Through the Sustainable Services Initiative (SSI), sponsored by Viva Con Agua, Welthungerhilfe is currently implementing the systems-strengthening approach in Uganda, Ethiopia and Nepal. The country project teams are supported on-site by experts in the planning and implementation phase. At regular meetings, experiences are exchanged and further processed. More than 300,000 people will benefit permanently from improved water and sanitation through the SSI.

Given the linkage between WASH and nutrition, Welthungerhilfe extends the systems-strengthening approach beyond water supply to include sanitation and hygiene.

Our goal is to implement the SSI approach in other WASH priority countries from 2019 onwards and make an effective contribution to achieving the Water Sustainability Goal (SDG6). ■

TRANSPARENCY AND IMPACT

When it comes to honouring our claims to quality and transparency, we do not leave anything to chance: Welthungerhilfe ensures the quality of its work through internal standards and measures. In addition, various committees help us to safeguard the results achieved by our projects.



Throughout the duration of any project, including here in Uganda, it is important to assess whether we are on the right course.

ACCOUNTABILITY ON EQUAL FOOTING We have committed to accountability on equal footing with the local population. This means that we systematically involve the community in all important project stages in accordance with strict standards, which also reinforces local self-help mechanisms. To this end, we have been orienting our work according to the “Core Humanitarian Standard on Quality and Accountability” (CHS) through a higher-level project with the support of the Federal Foreign Office since 2012. The CHS is a set of rules for aid organisations, which has been adopted by 250 organisations to date. In 2017, we expanded our project to other countries, thereby implementing the CHS in a total of 19 out of 38 project countries. Our goal is to construct a global network of colleagues that share experiences, innovative approaches, and procedures with each other. This may occur on the regional level, for example between Welthungerhilfe employees from Iraq and Turkey, or interregionally, for example between employees from Burkina Faso and Tajikistan or Zimbabwe and India. This knowledge exchange allows us to learn from

one another how to further strengthen accountability to project participants.

INTERNAL AUDITING: PROTECTION FROM RISKS AND LOSSES

The objective of Welthungerhilfe’s Internal Auditing department (an independent unit) is to improve Welthungerhilfe’s work via risk-oriented and objective assessments, consultations and insights, and to protect the organisation from risks. It serves to ensure the statutory use of Welthungerhilfe’s financial resources, to identify risks, and to protect against losses. All Welthungerhilfe departments, organisation units, projects, and activities—both domestically and abroad—are subject to review.

COMPLIANCE: OBSERVANCE OF LEGISLATION AND VALUES

Integrity, transparency, and credibility are also of great importance for Welthungerhilfe’s work. The term compliance has come to describe a comprehensive culture of integrity. It refers to the observance of legislation and of ethical and moral values. Welthungerhilfe’s compliance culture is based on a comprehensive set of shared values. It extends from management putting these values into practice to the VENRO codex and other codes of conduct to the guidelines of institutional donors. Welthungerhilfe’s internal codes of conduct contain guidelines for avoiding conflicts of interest and corruption and for preventing the sexual abuse and exploitation of dependants in the course of project work. These guidelines are not only a binding component of all employment contracts but also apply to freelancers and partner organisations. In addition, all employees are obligated to report infractions of the rules. Welthungerhilfe guarantees that internal whistleblowers will be protected. Another important step taken in 2017 was the implementation of the Anti-Terrorism Policy, which is binding for employees, partner organisations, and contractors. Its purpose is to ensure that the funds and resources of Welthungerhilfe and its donors cannot be used to support terrorist activity directly or indirectly.

IMPACT-ORIENTED MONITORING AND EVALUATION Welthungerhilfe wants its work to have long-term positive effects for the population. For this reason, each project is begun with

a thorough problem and situation analysis. Based on this information, the respective project's objectives, performance potential, and feasibility are evaluated in consideration of available resources.

During the entire duration of the project, we are mindful of whether the project is on the correct course and whether the projected results are being achieved. The process begins with the collection of predefined information, either via a standardised survey or through qualitative methods. This includes, for example, participative observation, which can show if unforeseen changes are taking place in addition to the intended ones. If this is the case, we analyse the causes of these aberrations in collaboration with the local population and make adjustments as necessary. This impact-oriented monitoring approach gives us early indications of strengths, weaknesses, or problems in the project and has proven itself to be an indispensable foundation for successful management.

Selected Welthungerhilfe projects are also evaluated by external experts. An evaluation (also see Interview on p. 26) is a sociological-technical field study carried out over a relatively short period of time. It evaluates success according to recognised criteria such as relevance, effectiveness, efficiency, impact and sustainability. Recommendations for subsequent projects are derived from the results.

Impact-oriented monitoring and evaluation are also important for the learning processes of Welthungerhilfe and its partners. They permit conclusions to be drawn for project activities as a whole and offer points of departure for additional improvements, while providing accountability for the results.

MEASURING SUCCESS AT WELTHUNGERHILFE Welthungerhilfe wants to prove its effectiveness and success as an organisation to all significant sponsors and parties concerned. To this end, we have developed a list of key questions and corresponding indicators:

1. How many people are we reaching? Whom are we reaching? Are we reaching the right people?
2. How much has the population's situation improved? The following questions address this issue in detail: Are people receiving more nutritious food? Have water supply and sewage systems been improved? Has people's income increased? Are they in a position to help themselves?
3. Can these improvements be projected to last in the long term? Are we contributing to long-term change processes? Are we influencing public policy?
4. Are we an excellent partner to perform these services? ... for institutional donors? ... for private donors/the public? ... for our partners? ... for our employees? Are we efficient? Is our approach sustainable? Are we innovative? >>

COMPLAINTS MAY BE MADE AT ANY TIME

After the flooding in Nepal (see pp. 16-17), recipients of aid supplies were asked whether the aid had been administered correctly. That is accountability to the local population.



The survey was conducted immediately upon distribution of the aid supplies.

You are the Accountability Coordinator. What does that mean?

Batool Akhtar: It is my responsibility to ensure that accountability to the local population is guaranteed in Pakistan and Nepal, even for collaborative efforts with our partners. I provide information regarding existing procedures, standards (e.g. the CHS; see p. 24), and policies. I also make sure that there are functioning complaint and feedback systems. Anyone should be able to approach us at any time.

After the 2017 floods in Nepal, you interviewed victims of the flooding. What was your purpose?

Rabin Shrestha: The survey was conducted after we had distributed aid supplies in conjunction with our partner Concern Worldwide. We wanted to find out how people were using our assistance and what the quality of the distributed goods was. The survey focused on how to ensure the inclusion of the elderly, the disabled, and women during aid distribution efforts.

What were the findings of the survey?

Akhtar and Shrestha: People were satisfied with the quality and quantity of the food and hygiene

items that we had distributed. However, it turned out that we had been quite late in reaching some of the people in need. Accessing severely-destroyed areas was a very slow process.

How were people able to register their complaints?

Shrestha: There were three options: by calling a hotline, by leaving a message on a notice-board, or by approaching one of our employees. The hotline number was also printed on the distribution coupons.

How have the findings of the survey influenced Welthungerhilfe's future activities?

Akhtar and Shrestha: Welthungerhilfe has established a toll-free number and created a card with information about accountability in the language of the respective country. In addition, our experiences are being incorporated into new projects in the formerly-flooded area. We are also applying the findings in other countries.



Batool Akhtar is the Accountability Coordinator in Pakistan and was involved in the survey in Nepal.



Rabin Shrestha is the Project Coordinator in Nepal and is primarily responsible for issues of accountability.



Collaboration with the fisheries association was good from the very beginning.

BETTER WORK THANKS TO EVALUATIONS

An evaluation recently showed how well a project for improved millet and vegetable cultivation and for increased fishing incomes in north-eastern Sudan was going.

What are the evaluation's most significant findings?

Adi Schütt: The project participants' incomes rose by approximately 75 percent. This can cover school fees for the children or pay for clothing and food. The evaluation also revealed an unexpected and unintentional positive effect: Many displaced residents returned home because the economic prospects there had improved significantly.

Those sound like good results. How are they determined?

Schütt: This is why we perform evaluations. This particular evaluation was administered by a Sudanese team of eleven experts. They collected data by conducting interviews, going to the fields to inspect the millet and vegetable crops themselves, and comparing the yield increases with past measurements there.

What are the recommendations for action for follow-up projects?

Schütt: Regarding the fishers, for example, it turned out that collaborating with the fisheries association paid off. After in-depth analysis, deliberation

and training, we equipped the fishers, via the associations, with boots, motors, nets, and ice boxes customised for fishing. On the other hand, the farmers with whom we worked in the same region were not organised that well. There, too, improvements were made in terms of millet and vegetable cultivation thanks to irrigation and tillage techniques, but it was much more complicated to reach individuals.

How will these results influence future projects?

Schütt: Since the experiences were positive, we have begun a follow-up project in the region with financial support from the European Union. We now have access to twice the budget for twice as many people. Naturally, we will take the recommendations from the evaluation into consideration.



Head of Project **Adi Schütt** explains in an interview how important evaluations are for Welthungerhilfe.

We are implementing these indicators of success in our overseas programmes step-by-step. By the end of 2018, the indicators relevant in the respective context are projected to be integrated into all new projects in 80 percent of our programme countries.

ORGANISATIONAL DEVELOPMENT The framework conditions of our work are constantly changing and demand increasingly faster reactions. Successful changes within Welthungerhilfe can only happen quickly and sustainably if employees possess the necessary skills to design and implement change processes themselves. On the basis of a core competence model, the foundation for offering skill-based training services was laid. Furthermore, the optimisation of Welthungerhilfe's internal core processes began in 2017.

CONTROLLING The Supervisory Board and the Executive Board receive monthly analyses of all significant figures from Controlling. This team supports the Executive Board and management personnel domestically and abroad with the strategic and economic leadership of the organisation and with early risk detection via systematic risk controlling.

GOVERNANCE The full-time Executive Board leads and is responsible for the business of the organisation. The Supervisory Board and its committees supervise this activity and ensure adherence to the strategic guidelines. Once a year, the representatives of Welthungerhilfe's member organisations meet in the General Assembly to determine the business plan and to approve the annual financial statement. The voluntary Programme Advisory Committee advises Welthungerhilfe with regard to its conceptual orientation (see also pp. 32, 33). ■

 **Learn more**
www.welthungerhilfe.org/about-us/transparency-and-quality/

IMPACT IS ESSENTIAL

Welthungerhilfe is creating impact chains to ensure that projects have the desired impact. The depicted excerpt offers a simplified illustration of how enhancing soil fertility and introducing new, location-specific cultivation methods improved the food and nutrition situation and the income of the residents of Ayni (Tajikistan). The impact chain helps to ascertain whether the implemented measures are actually contributing to an improvement in local living conditions.

INDIRECT IMPACT

How are living conditions in the region changing?



Poverty was reduced, people are receiving better nutrition, and location-specific and resource-efficient cultivation methods improved soil conditions in northern Tajikistan.

DIRECT IMPACT

What is changing in people's lives because of the project?



Thanks to the introduction of innovative and location-specific cultivation methods adapted to local needs, smallholder enterprises were able to harvest more, soil fertility was improved, and additional income was earned by selling surpluses.

USE

How are people using these products/services?



Ten small cooperatives were able to raise their agricultural production by 20% through better cultivation methods.



More than 20 hectares of newly-reclaimed land are being cultivated. Having obtained land titles, 200 small enterprises can now safely cultivate their land.



New cultivation methods were introduced and implemented in more than 400 smallholder enterprises; six to eight new products were introduced and sold locally.

SERVICES

Which products/services were provided?



300 smallholder enterprises transitioned to soil-friendly cultivation practices suitable to their location, especially for potatoes, vegetables, and fruit.



Fallow land is being used, and land use titles were registered and awarded to 200 small enterprises.



Small businesses/marketers of agricultural products and equipment were formed, are available to provide services, and are familiar with the new products.

PROJECT ACTIVITIES

What was done?



Partner cooperatives, small enterprises, and needy households were selected. Training courses and accompanying agricultural consultations were conducted.



Degraded land areas were catalogued and analysed, and land was reclaimed and rehabilitated with suitable soil tilling and irrigation practices.



Market analyses and business plans were generated through partner organisations; rotary tractors for slopes, seeding materials, and fruit tree saplings were provided; drip irrigation was introduced.



HOLDING POLITICS ACCOUNTABLE

In 2017, Welthungerhilfe continued its political activism for a world without hunger or poverty. These efforts included publishing the Global Hunger Index and Compass 2030. In addition, it interviewed candidates for the Bundestag (the German federal parliament) and drafted recommendations for the new federal government.

HOW INEQUALITY CREATES HUNGER: THE 2017 GLOBAL HUNGER INDEX

Inequality contributes to hunger. Marginalised demographics such as women, social minorities, or small-holders are particularly vulnerable in terms of hunger, due to legal and socio-economic disadvantages. This was illustrated by the 2017 Global Hunger Index, which Welthungerhilfe has been publishing in conjunction with the International Food Policy Research Institute (IFPRI) and the Irish non-governmental organisation Concern Worldwide for more than ten years. The Global Hunger Index assesses the nutritional situation in 119 countries. Global hunger statistics have, on average, improved by more than a quarter since 2000.

In 14 countries, including Senegal, Brazil, and Peru, an improvement of at least 50 percent was achieved in comparison to values from 2000. On the other hand, high hungerrates in parts of Sub-Saharan Africa and South Asia remain unchanged. The eight countries most affected by hunger include Chad and Sierra Leone. Their situation is very serious. The famine in South Sudan and the impending catastrophic famines in Nigeria, Somalia and in Yemen highlight that progress in fighting hunger can be undone by violent conflicts and the effects of climate change. In many cases, poor governance contributes to the lack of progress in the fight against hunger. The Global Hunger Index was presented in eight countries in 2017 and featured in more than 400 media reports worldwide.

COMPASS 2030: THE REALITY OF DEVELOPMENT POLICY

The report on the “Reality of German Development Policy” was published in 2017 for the second time as Compass 2030 by Welthungerhilfe and terre des hommes. With the motto “Walk the Talk!”, a critical analysis of German development policy was conducted and policy recommendations were given. In concrete terms, it dealt with current developments in the field of development cooperation, the fight against poverty and hunger, and the campaign to strengthen children’s rights.

The report reveals that Germany has significantly expanded its commitment to the fight against hunger and poverty during the past years. However, development cooperation has been increasingly subordinated to interests of domestic politics—not least in connection with the fight against the causes of refugee movements.

Compass 2030 was presented to interested parties from federal ministries, parliamentary factions from the Bundestag, and both civilian and scientific think tanks. It also aroused great interest on the part of the press.

THE G7 AND THE G20 ARE RESPONSIBLE: DEMANDS TO THE FEDERAL GOVERNMENT

“The G20 must become part of the solu-

tion instead of remaining part of the problem”—this is how Welthungerhilfe formulated its demands to the G20 heads of government meeting in Hamburg. Welthungerhilfe also urged the G7 countries at the summit in the Italian city of Taormina to enter the fight for a world without hunger. Goals set in the past—in 2015 in Elmau, for example—should have been reinforced with financial commitments in Taormina. However, the outcome documents of both summits only contained memoranda of understanding and declarations, lacking concrete measures and assurances of support for the poorest of the poor. The new federal government must therefore assume even more responsibility and act more decisively. Welthungerhilfe made such demands of various political parties before the federal elections and interviewed candidates regarding their position on development cooperation. With an eye toward the coalition negotiations, Welthungerhilfe strongly campaigned for development cooperation and humanitarian assistance to be set on the right course for greater commitment to the fight against hunger and poverty. ■

➤ **Learn more**
www.welthungerhilfe.org/news/press-releases/global-hunger-index-2017/

The Global Hunger Index was presented in eight countries in 2017 and featured in more than 400 media reports worldwide.

“I AM FIGHTING TO END HUNGER AND POVERTY THROUGHOUT THE WORLD BECAUSE ...”



Olaf in der Beek, FDP

“... this is also a way to actively promote peace. Hunger and poverty have many causes, ranging from civil wars to failed states. Combating the causes of refugee movements also helps to secure peace.”



Eva-Maria Schreiber, Die Linke

“... I want everyone to be able to live a plentiful, peaceful, and prosperous life. We need fair development assistance, fair relations of production, and fair global trade.”



Uwe Kekeritz, Bündnis 90/Die Grünen

“... it is an outrage that there are still people going hungry in 2017. Only a fair world that implements climate goals, acts in an ecologically-responsible manner and effects social justice has a future.”



Sabine Weiss, CDU

“... it is a Christian humanitarian imperative to help people in need and to provide them with prospects for the future. This also helps to avoid crises, which is to our advantage as well.”



Dr. Sascha Raabe, SPD

“... it makes me furious that there are still 800 million people going hungry and that there are two billion people suffering from malnourishment, many of them children. We cannot and should not ever accept this. There is enough for everyone.”

FIGHTING FOR A JUST WORLD

Throughout Germany, numerous schools, associations, action groups, companies, foundations and individuals joined Welthungerhilfe in the fight for a world without hunger. They organised or participated in events and actions, gave donations, and raised awareness about us.

➤ Find out more
www.welthungerhilfe.org/get-involved/



HUSKIES, STARS, AND A SPECIAL DONATION

Exhausted but full of pride for “their” four-legged friends: That is how invited celebrities such as actress Anja Kling, Mariella Ahrens and Jutta Speidel felt after a dog sled race staged by actor Till Demtrøder on the island of Usedom in March. The objective of “Baltic Lights” was to win the title of race champion. Thanks to the audience, the company Cellagon and the celebrities’ open hearts and pockets, more than EUR 36,000 were collected for Welthungerhilfe.



SCHOOLS IN ETHIOPIA

In 2009, former travel entrepreneur Reiner Meutsch founded the foundation “Reiner Meutsch Stiftung FLY & HELP.” The primary goal of FLY & HELP is promoting formal education. The foundation has since supported the construction of almost 200 schools worldwide. In May 2017, Meutsch travelled to Ethiopia with a delegation to dedicate yet another school. By 2017, the foundation had facilitated more than 40 Welthungerhilfe school projects throughout the world with over two million euros.

AT THE STARTING LINE FOR ZERO HUNGER

Putting his hobby to good use is no problem for Achim Gutsche: For “Welthungerhilfe Week,” he announced that he was running a 100-km charity race. Online, he urged friends to donate one euro per kilometre. He promised: If you donate more, I will keep running until I match the donated amount in terms of kilometres. He ended up running 258 km! In 2018, Achim Gutsche will be making his way to the starting line for Zero Hunger again.



GOING TO SCHOOL WITH AN EMPTY STOMACH

How does it feel to sit in school with an empty stomach? Welthungerhilfe guest contributor Lamine Doumbia from Mali answered this and other questions for students at Seerosen School in Bavaria’s Poing. “They were supposed to get a concrete idea of whom and for what they were donating,” said coordinator Petra Weiss. The young people subsequently organised a donation campaign for Welthungerhilfe projects in Burundi.





ROCK AGAINST HUNGER

This year, fans of the unique Company-Band-Battle were able to experience rocking stages and rough sounds in places outside of Düsseldorf as well. For the first time, the best corporate bands of the city also rocked Hamburg, enrapturing not only the moderator Johanna von Coburg but also the celebrity jury and nearly 700 fans with their gigs. Revenues totalling EUR 38,000 went toward projects in Madagascar and Sierra Leone.



NEW APPROACH TO COLLECTING EMPTIES

Getting your bottle return receipt and donating it at the till? This innovative idea is the brainchild of a group of fifth-graders from the Oberschule am Goldbach, a school in Germany's Lower Saxony. Under the supervision of religion teacher Ms. Seebeck and in cooperation with Edeka and Sparkasse, they are urging people to donate their bottle return receipts rather than redeeming them at the till. The revenue from the collected receipts goes toward Welthungerhilfe's school feeding programme in Burundi.



DÜSSELDORF BENEFIT AUCTION

32 works of art, 180 guests, and proceeds amounting to EUR 168,000. With the last hammer blow and this record-breaking result, an exciting evening at the Langen Foundation came to an end; art connoisseurs and event organisers with the Düsseldorfer Freundeskreis and Artgate Consulting were visibly moved. With Ruff, Tröckel, Sieverding, and Meuser, the list of prominent artists, without whose art donations such an evening would have been impossible, is also long.



EXCITING DIALOGUE

The doctor, comedian, and author Dr. Eckart von Hirschhausen became involved in an exciting dialogue with Welthungerhilfe Chief Executive Officer Dr. Till Wahnbaeck in front of a large audience at the Frankfurt Book Fair. They discussed the awful effects of malnutrition. Von Hirschhausen is donating EUR 50,000 from the revenues from his book, "Wunder wirken Wunder" (Wonders Work Wonders), to Welthungerhilfe for the cultivation of healthy and nutritious vegetables in Zimbabwe.

1,700-FOLD "ZERO HUNGER BY 2030!"

An overwhelming 1,700 runners participated in the second #ZeroHunger-Run on 24 September in Bonn. Friendly race marshals, motivating Samba rhythms, energising refreshments, and bright sunshine ensured a great mood and an excellent donation intake of approximately EUR 40,000 for the either five- or ten-kilometre circuit. Child supervision, free circuit training, and culinary services rounded out the programme.



RIDING AGAINST HUNGER

This year again, the initiative "Riding Against Hunger" established by publisher Gudrun Bauer and entrepreneur Ullrich Kasselmann tirelessly collected donations. Whether due to the passionate efforts of the competition organisers, professionals such as Isabell Werth, social media actions, or the engagement of long-term supporter Julia Becker: With donations totalling over EUR 500,000, the initiative broke all records in 2017.

WELTHUNGERHILFE'S STRUCTURE

Dated: 10 April 2018

PATRON



Frank-Walter Steinmeier
Federal President

SUPERVISORY BOARD

The honorary Supervisory Board is elected by the General Assembly for a four-year term. It represents Welthungerhilfe externally, appoints the Executive Board and the members of the Programme Advisory Committee, and 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 nutrition security, development and trade, is Director of the Centre for Development Research (ZEF) at the University of Bonn as well as President of the Pontifical Academy of Sciences. He is Chair of the Programme Advisory Committee.



Amadou Diallo was appointed to the Supervisory Board in 2016 and is CEO DHL Global Forwarding Middle East & Africa as well as founder of the online platform Saloodo and the Banouna Ba Foundation for Girls in Senegal. In addition, he is Chair of the NGO Amref and member of the Executive Board of Schiller International University.



Norbert Geisler has been Treasurer of Welthungerhilfe since 2004. Formerly CEO of a waste management enterprise, he now works as a consultant. He is a certified economist by training and used to work as an auditor. He has served on the Supervisory Board as Chair of the Finance Committee since 2008.



Rita Lanius-Heck was appointed to the Supervisory Board in 2016. She serves on the Supervisory Board of the German LandFrauenverband, an organisation for women in rural areas, and is also president of the Rheinland-Nassau LandFrauenverband. She and her family manage an agricultural enterprise focusing on rural tourism in the Rhine-Hunsrück-Kreis.



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) at the University of Bonn.



Dr. Tobias Schulz-Isenbeck has been a member of 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, a market-leading firm in the healthcare sector, 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 regularly reports to the Supervisory Board.



Dr. Till Wahnbaeck has been Secretary General and Chair of the Board of Welthungerhilfe as well as Managing Director of the Welthungerhilfe Foundation since 01 May 2015. He has also been head of Marketing since October 2017. Before joining Welthungerhilfe, Dr. Wahnbaeck served as managing director at the Gräfe und Unzer publishing house. In addition, he founded a non-profit business consultancy, led a foundation, and supported AIDS victims in Tanzania.



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.



Christian Monning has been Welthungerhilfe's chief financial officer since February 2018. He is an economist by training who most recently worked as managing director and CFO for various American companies and has lived and worked abroad for over 15 years.

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, chairpersons of the parliamentary groups in the Bundestag, 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 representatives in brackets)

Deutscher Bundestag, President Wolfgang Schäuble, Member of German Parliament (MdB) (Dr. Ulrich Schöler, MdB)

CDU/CSU group, Chairperson Volker Kauder, MdB (Sabine Weiss, MdB)

FDP group, Chairperson Christian Lindner, MdB (Dr. Christoph Hoffmann, MdB)

SPD group, Chairperson Andrea Nahles, 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 (Eva-Maria Schreiber, 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 (Prelate Dr. Martin Dutzmann)

Association of Rural Youth in Germany (BDL), National Chairperson Nina Sehnke (Nina Sehnke)

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

Confederation of German Trade Unions, Chairperson, Reiner Hoffmann (Frank Zach)

Federal Association of German Industry, President Dieter Kempf (Matthias Wachter)

German Farmers' Association, President Joachim Rukwied (Bernhard Krüsen)

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

Federal Association of non-statutory Welfare, Oberkirchenrat Wolfgang Stadler (Rudi Frick)

German Red Cross, President Gerda Hasselfeldt (Christof Johnen)

DLG, President Carl-Albrecht Bartmer (Dr. Reinhard Grandke)

German Society for Nutrition (DGE), Prof. Dr. Ulrike Arens-Azevêdo (Prof. Dr. Michael Krawinkel)

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

German Association of Journalists, Chairperson Prof. Dr. Frank Überall (Frauke Ancker)

German Country Women's Association, President Brigitte Scherb (Rita Lanus-Heck)

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Board spokesperson Tanja Gönner (Karin Kortmann)

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 Helmut Dedy (Sabine Drees)

Federation of German Newspaper Publishers, President Dr. Mathias Döpfner (Dietmar Wolff)

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

WELTHUNGERHILFE'S 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 of Viva con Agua de St. Pauli

Dr. Thomas Bellut, Director ZDF

Dr. h. c. Eric Bettermann, chairperson of the Board of Trustee, former Director Deutsche Welle

Dr. Markus Conrad, Chairperson of the Board Tchibo GmbH

Gesine Cukrowski, actress

Christiane Dahrendorf, Psychotherapy and Coaching

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. Albert Otten, Family Business Entrepreneur

Marc Pfitzer, Managing Director Foundation Strategy Group

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

Stefan Raue, Director of Deutschlandradio

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 HUMBOLDT-VIADRINA Governance Platform gGmbH

Anna von Griesheim, fashion designer

Dieter von Holtzbrinck, Holtzbrinck Verlagsgruppe

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

PROGRAMME ADVISORY COMMITTEE

The Programme Advisory Committee is made up of 19 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.

MEMBERS OF THE PROGRAMME ADVISORY COMMITTEE

(Specialist areas in brackets)

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

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

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

Dr. Getachew Abate Kassa, Production and Resource Economics of Agricultural Enterprises, Technical University of Munich (East and Southern 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, politics)

Prof. Hartmut Gaese, former Director, Institut für Tropentechnologie, Technical University of Cologne (Asia, South America) (until february 2018)

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 (West and Central 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 (East and Southern Africa, MENA, public relations)

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

Prof. i.R. Dr. Michael B. Krawinkel, Institute of Nutritional Sciences, Justus Liebig University Giessen (Asia, South America)

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. Uwe Jens Nagel, former Vice President for Studies and International, Humboldt University Berlin (West and Central Africa, Caribbean, politics)

Ralf Otto, consultant and advisor in humanitarian assistance, Momologue, 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 (West and Central Africa, Caribbean)

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

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

BALANCE SHEET

as of 31 December 2017

ASSETS

	31/12/2017 EUR	Previous year EUR
A. FIXED ASSETS		
I. Intangible assets		
1. Purchased IT programmes	1,950,584.28	2,274,498.92
2. Advance payments	459,074.74	300,589.94
II. Tangible assets		
1. Land	308,700.00	308,700.00
2. Fixtures, fittings, and equipment	944,769.64	592,765.57
III. Financial assets		
1. Investments	500,000.00	0.00
2. Securities	44,445,253.21	44,438,255.88
	48,608,381.87	47,914,810.31
B. CURRENT ASSETS		
I. Receivables and other assets		
1. Grants receivable under approved project allocations	266,332,392.56	221,157,157.04
2. Assets from gifts and legacies	37,381.81	38,716.88
3. Other assets	2,166,076.83	2,696,300.97
II. Liquid assets	67,245,426.72	57,678,250.49
	335,781,277.92	281,570,425.38
C. ACCRUED INCOME	68,661.60	108,328.64
D. ACTIVE DIFFERENCE FROM ASSET OFFSETTING	80,094.64	0.00
	384,538,416.03	329,593,564.33
Trust accounts	1,545,460.27	1,443,122.92

LIABILITIES

	31/12/2017 EUR	Previous year EUR
A. LONG-TERM RESERVES		
I. Bequeathed funds reserve	15,162,000.00	14,200,000.00
II. Free reserves	13,033,000.00	12,380,000.00
	28,195,000.00	26,580,000.00
B. PROJECT FUNDS RESERVE	10,131,000.00	5,954,000.00
C. PROJECT FUNDING SPECIAL RESERVE	35,488,634.00	15,836,783.93
D. RESERVES		
Other reserves	6,974,500.00	6,116,300.00
E. LIABILITIES		
I. Grants from non-utilised designated co-financing funds		
1. Domestic	812,007.00	280,375.42
2. Overseas	282,110,729.00	232,328,082.01
II. Project liabilities	17,287,332.77	39,370,221.82
III. Trade liabilities	2,009,429.07	1,518,411.38
IV. Other liabilities		
1. Donor loans	53,196.93	54,196.93
2. Liabilities assumed in connection with gifts and legacies	15,198.37	16,872.38
3. Remaining liabilities	1,460,911.08	1,535,322.65
	303,748,804.22	275,103,482.59
F. DEFERRED INCOME	477.81	2,997.81
	384,538,416.03	329,593,564.33
Liabilities from trust accounts	1,545,460.27	1,443,122.92

GENERAL INFORMATION

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 § 264 et seqq. German Commercial Code (HGB). The financial statements have been adapted to the specific circumstances of the Organisation in accordance with § 265.5-6 German Commercial Code (HGB). The nature of expense format has been applied to the income and expenditure account. Value-added tax is included in the acquisition cost of fixed assets and in the expenses to the extent that the Organisation is not entitled to deduct input taxes. The previous year's figures are shown in brackets.

ACCOUNTING AND VALUATION POLICIES

Intangible and tangible assets are valued at the acquisition cost and, where depreciation occurs, less the scheduled depreciation over the respective usage period or the lower valuation in accordance with § 253.3.3 HGB.

Scheduled depreciation is applied on a straight-line basis unless a shorter usage period is necessary for a particular project. A usage period of five years was taken as a basis for the depreciation of intangible assets; for operating and business equipment, it was between three and ten years.

For assets with an acquisition value of between EUR 150 and EUR 1,000, a compound item depreciated over a period of five years was formed.

Fixed asset securities and investments 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.

Receivables and other assets as well as liquid assets are entered at the nominal value or, in the case of assets with a remaining term of more than one year, at the cash value determined by the market interest rate. Identifiable risks are accounted for by means of valuation adjustments. In the allocation of material resources, valuation is based on market prices.

Receivables in foreign currencies are valued at the spot exchange rate or, in the case of longer-term receivables, using the respective lower exchange rate on the transaction date or on the balance sheet date. Exchange gains are identified under other income, exchange losses under expenditure for project funding.

Reserves are formed, utilised, or dissolved in compliance with the respective statutory tax provisions.

Committed own funds for co-financed projects, for the improvement of external structures of Welthungerhilfe, and for non-co-financed, non-contractual projects are identified as extraordinary items for project funding. The own portion for co-financed overseas projects is set at 9.5 percent (3.1 percent) of the total project funds.

Reserves are formed for uncertain liabilities and identifiable risks to the amount of the predicted use (payment amount). Reserves with a residual term of more than one year are discounted in accordance with statutory regulations.

Liabilities are entered at the payment amount. Liabilities in foreign currencies are entered at the spot exchange rate, while the respective higher exchange rate on the transaction date or on the balance sheet date are taken as a basis in the case of longer-term liabilities. Donations identified in the income and expenditure account are received at the point of inflow; institutional grants are received at the point of granting of funds through the grant institution.

NOTES ON THE BALANCE SHEET

Assets

A. FIXED ASSETS

I. Intangible assets

This relates to purchased IT programmes to the amount of EUR 1,951k (EUR 2,274 k) that are depreciated on a scheduled basis and to advance payments for IT programmes to the amount of EUR 459 k (EUR 301 k).

II. Tangible assets

The tangible assets relate to bequeathed land totalling EUR 309 k (EUR 309 k), IT hardware depreciated on schedule totalling EUR 486 k (EUR 221 k), office and business equipment totalling EUR 287 k (EUR 238 k), and other assets totalling EUR 172 k (EUR 134 k). The project-financed tangible assets overseas are identified in the income and expenditure account directly as project-supported expenses.

III. Financial assets

1. Investments

Our investments encompass ten shares in Hivos Food & Lifestyle Fund B. V., Den Haag, Netherlands, valued at EUR 50 k each.

2. Securities

Based on a medium-term financial plan and the data generated from the same, securities to the amount of EUR 44.4 million (EUR 44.4 million) are identified under fixed assets. All of 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.

Valuation adjustments for securities of fixed assets had to be made during the financial year to the amount of EUR 314 k (EUR 64 k). As of the reporting date, the securities contained hidden reserves in the amount of EUR 2,475 k (EUR 2,079 k). In the previous year, this also encompassed hidden liabilities in the amount of EUR 110 k.

B. CURRENT ASSETS

I. Receivables and other assets

1. Grants receivable under approved project allocations

The receivables identified on the reporting date to the amount of EUR 266.3 million (EUR 221.2 million) relate predominantly to co-financed projects of the United Nations at EUR 90.6 million (EUR 62.0 million), the Federal Ministry for Economic Cooperation and Development at EUR 58.9 million (EUR 54.6 million), the European Union at EUR 38.2 million (EUR 28.1 million), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) at EUR 19.9 million (EUR 26.7 million), the Kreditanstalt für Wiederaufbau at EUR 16.5 million (EUR 6.5 million), the Federal Foreign Office (AA) at EUR 16.2 million (EUR 15.2 million), the Department for International Development (DFID) at EUR 7.2 million (EUR 9.8 million), the Ministry of Agriculture in Haiti at EUR 6.1 million (EUR 0 million) and the U.S. Agency for International Development (USAID) at EUR 2.2 million (EUR 2.8 million). After discounting, receivables with a residual period of more than one year were held in the amount of EUR 140.6 million (EUR 121.3 million).

2. Assets from gifts and legacies

This refers to a freehold apartment from a gift. Upon recognition, this real estate property was capitalised at the appraised market value plus the incidental acquisition cost incurred by the Organisation and is depreciated on a straight-line basis. The remaining assets refer to legacies recognised as assets at the memo value. Any additional gains on disposal of such assets are recorded as income from donations and bequests in the corresponding year.

3. Other assets

The other assets, which amount to EUR 2,166 k (EUR 2,696 k), mainly relate to creditors with project-related debit balances totalling EUR 929 k (EUR 1,592 k), to accounts receivable from Deutsche Welthungerhilfe Foundation totalling EUR 655 k (EUR 596 k), and to tax assets totalling EUR 190 k (EUR 102 k) from paid input tax.

II. Liquid assets

Funds assigned to current projects but not yet needed are invested as fixed-term deposits to generate a market rate of return through low-risk investment approaches. They are disbursed according to ongoing need and with consideration to financing plans. Foreign currency assets are valued at the spot exchange rate. Cash and cash equivalents increased by EUR 9.5 million to EUR 67.2 million (EUR 57.7 million) due to fluctuations around the balance sheet date. They comprise primarily credit in domestic instant-access savings and fixed-term deposit accounts for public donors (special accounts) at EUR 17.5 million (EUR 9.3 million), additional credit in domestic instant-access savings and fixed-term deposit accounts of EUR 16.8 million (EUR 28.7 million), and credits in international project accounts at EUR 15.8 million (EUR 14.7 million).

D. Active difference from asset offsetting

Securities are placed into a frozen deposit account to secure partial retirement claims. As of the balance sheet date, the fair value exceeds liabilities (EUR 867.3 k) by EUR 80.1 k.

Liabilities

A. LONG-TERM RESERVES

I. Bequeathed funds reserve

The bequeathed funds reserve secures funds at the long-term disposal of the Organisation.

II. Free reserves

The free reserve ensures the institutional capacity of Welthungerhilfe.

B. PROJECT FUNDS RESERVE

The project fund reserve amounts to EUR 10.1 million (EUR 6.0 million). Of this amount, EUR 2.1 million is allotted to non-utilised earmarked donations for hunger/Africa and EUR 1.6 million to non-utilised earmarked donations for the earthquake in Nepal, which are scheduled for use in aid projects in 2018 and 2019. During the reporting year, EUR 0.8 million were withdrawn from the reserve, primarily for aid projects in Pakistan and Nepal, and EUR 5.0 million were added to the reserve.

C. SPECIAL ITEM FOR PROJECT FUNDING

This special item, which amounts to EUR 35.5 million (EUR 15.8 million), is made up of Welthungerhilfe own funds for projects co-financed by public donors at EUR 27.0 million (EUR 7.3 million), further own funds for domestic and overseas projects implemented independently without public grants at EUR 5.2 million (EUR 7.7 million), and funds for the improvement of the external structures of Welthungerhilfe at EUR 3.3 million (EUR 0.8 million).

D. RESERVES

Other reserves

Reserves to the amount of EUR 6,975 k (EUR 6,116 k) have been formed predominantly for project risks with EUR 5,500 k (EUR 3,860 k), for redundancy payments legally required abroad for departing staff with EUR 910 k (EUR 1,040 k), as well as various amounts payable to staff with EUR 372 k (EUR 1,005 k). The reserve for project risks was created to balance interest to be paid, unforeseen ancillary project costs, subsequent reductions in grants from public donors, and increasing individual risks.

E. LIABILITIES

I. Grants from non-utilised earmarked co-financing funds

These are public funds used for projects that are implemented independently by Welthungerhilfe. Non-cash allocations are stated at market prices.

II. Project liabilities

These relate to obligations for projects carried out by Welthungerhilfe or under contract with other project carriers. Non-cash allocations are stated at market prices.

III. Trade liabilities

This item primarily refers to obligations from the IT and marketing area as well as to overseas projects that are processed via the Bonn head office.

IV. Other liabilities

Donor loans can be withdrawn within one week's time. The remaining liabilities pertain primarily to creditors and taxes. Of the remaining liabilities, EUR 238 k (EUR 256 k) are for taxes and EUR 20 k (EUR 75 k) for social security.

NOTES ON INCOME AND EXPENDITURE ACCOUNT

Income

DONATIONS AND GRANTS

Projects are financed exclusively by donations, the Foundation's income, grants from public and private institutions, and grants from cooperative partners.

Donations rose by EUR 16.3 million to EUR 63.8 million (EUR 47.5 million). They comprise cash donations at EUR 57.6 million (EUR 45.3 million), income from bequests at EUR 5.6 million (EUR 1.9 million), allocated fines of EUR 0.5 million (EUR 0.3 million), and donated items at EUR 0.1 million (EUR 0.0 million). Cash donations comprise EUR 2.4 million from philanthropic foundations, EUR 2.2 million from the collection by "Viva con Agua de St. Pauli," and EUR 0.7 million from the collection by "Bündnis – Entwicklung Hilft." Institutional grants declined by EUR 13.5 million to EUR 194.4 million (EUR 207.9 million), with the project grants from foundations and private aid organisations alone falling by EUR 5.4 million to EUR 0.1 million (EUR 5.5 million).

Public grants come primarily from the United Nations at EUR 67.8 million (EUR 58.2 million), the Federal Ministry for Economic Cooperation and Development (BMZ) at EUR 37.7 million (EUR 46.8 million), the European Union at EUR 25.3 million (EUR 29.2 million), the Federal Foreign Office (AA) at EUR 20.9 million (EUR 24.2 million), the Kreditanstalt für Wiederaufbau at EUR 17.4 million (EUR 0 million), and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) at EUR 11.2 million (EUR 36.4 million).

OTHER INCOME

Other income to the amount of EUR 2,433 k (EUR 1,106 k) is mainly the result of currency gains from foreign grants and project completions at EUR 1,167 k (EUR 733 k) and income from the disposal of capital investments at EUR 962 k (EUR 161 k).

Expenditures

PROJECT FUNDING

This item relates to commitments in the form of contractual and non-contractual obligations for approved projects in developing countries and for domestic projects in accordance with Welthungerhilfe statutes. Funding for overseas projects decreased correspondingly to the income side by EUR 12.2 million to EUR 214.8 million (EUR 227.0 million). Domestic project funding fell by EUR 0.8 million to EUR 1.3 million (EUR 2.1 million). Project support expenditure includes currency exchange losses to the amount of EUR 1.9 million (EUR 0.7 million).

LIABILITIES SCHEDULE

in thousands of EUR	31/12/2017	≤1 year	of which >1 year and ≤5 years	> 5 years
I. Grants from non-utilised earmarked co-financing funds	282,923	142,400	140,523	0
II. Project liabilities	17,287	14,066	3,221	0
III. Trade liabilities	2,010	2,010	0	0
IV. Other liabilities				
1. Donor loans	53	53	0	0
2. Liabilities assumed in connection with gifts and legacies	15	5	7	3
3. Remaining liabilities	1,461	1,461	0	0
	303,749	159,995	143,751	3

Total liabilities for the reporting year amounted to EUR 303,749 k (EUR 275,103 k), of which EUR 143,751 k (EUR 151,823 k) have a remaining term of more than one year and EUR 3 k (EUR 3 k) have a remaining term of more than five years. Long-term liabilities primarily included EUR 140,523 k (EUR 146,722 k) of grants from non-utilised earmarked co-financing funds and EUR 3,221 k (EUR 5,092 k) of project liabilities. For liability-related grants from non-utilised earmarked co-financing funds, sureties exist to the amount of EUR 5,831 k (EUR 6,984 k).

INCOME AND EXPENDITURE ACCOUNT

for the period of 01 January to 31 December 2017

	EUR	2017 EUR	Previous year EUR
1. DONATIONS AND GRANTS			
a) Donations, bequests, and allocated fines	63,789,995.50		47,464,684.94
b) Net income transferred from Welthungerhilfe Foundation	1,355,176.83		788,106.80
c) Institutional grants			
Public grants	194,392,408.35		207,881,706.37
Foundations and private charities	58,816.52		5,527,009.07
		259,596,397.20	261,661,507.18
2. OTHER INCOME		2,432,694.90	1,105,896.11
3. PROJECT FUNDING			
a) Overseas	-214,800,498.14		-226,979,155.53
b) Domestic	-1,312,171.86		-2,073,856.39
		-216,112,670.00	-229,053,011.92
4. PERSONNEL COSTS			
a) Salary and wages			
Domestic personnel	-11,711,332.35		-11,468,615.14
Overseas personnel	-13,821,878.37		-13,085,355.81
b) Social security, pensions, and other employee benefits			
Domestic personnel	-2,882,342.41		-2,801,975.99
Overseas personnel	-771,209.63		-861,441.90
		-29,186,762.76	-28,217,388.84
5. DEPRECIATIONS			
a) on non-current intangible assets and tangible assets	-717,976.63		-549,713.68
b) on assets from gifts and legacies	-1,335.07		-1,335.07
		-719,311.70	-551,048.75
6. OTHER EXPENDITURE		-10,244,682.43	-10,023,148.61
7. OTHER INTEREST AND SIMILAR INCOME		963,546.57	1,114,607.87
8. DEPRECIATIONS ON FIXED ASSET SECURITIES		-313,648.22	-64,116.81
9. INTEREST AND SIMILAR EXPENDITURE		-623,563.56	-393,296.23
10. REVENUE BEFORE CHANGES TO RESERVES		5,792,000.00	-4,420,000.00
11. WITHDRAWAL FROM FREE RESERVE		0.00	1,660,000.00
12. TRANSFER TO FREE RESERVE		-653,000.00	0.00
13. TRANSFER TO BEQUEATHED FUNDS RESERVE		-962,000.00	0.00
14. TRANSFER TO PROJECT FUNDS RESERVE		-5,018,700.00	-4,148,000.00
15. WITHDRAWAL FROM PROJECT FUNDS RESERVE		841,700.00	6,908,000.00
16. NET INCOME FOR YEAR		0.00	0.00

PERSONNEL COSTS

Personnel costs encompass the domestic project and administration areas as well as expatriate staff directly employed by the head office. The expenditure for wages and salaries of the domestic employees increased by EUR 0.2 million to EUR 11.7 million (EUR 11.5 million) and for overseas employees by EUR 0.7 million to EUR 13.8 million (EUR 13.1 million). Personnel costs include EUR 684 k (EUR 735 k) for pension provision. Local project staff with a local employment contract (2,118 employees) are accounted for under project funding expenditure.

OTHER EXPENDITURES

Other expenditures primarily comprise expenditure for public relations work at EUR 6,107 k (EUR 6,488 k), IT costs at EUR 1,242 k (EUR 949 k), and rent and premises costs at EUR 926 k (EUR 888 k). The increased IT costs can be attributed primarily to the operating and maintenance costs for new project software, which had to be paid in full for the first time.

OTHER INTEREST AND SIMILAR INCOME

Other interest and similar incomes includes interest on securities at EUR 572 k (EUR 945 k), income accumulation from long-term receivables at EUR 356 k (EUR 101 k), interest on fixed-term and direct access accounts at EUR 34 k (EUR 75 k), and interest from current accounts at EUR 1 k (EUR 7 k), reduced by accrued interest at EUR 0 (EUR 13 k).

DEPRECIATIONS ON FIXED ASSET SECURITIES

Extraordinary depreciations due to the expected long-term reduction in value have been applied to the amount of EUR 314 k (EUR 64 k).

INTEREST AND SIMILAR EXPENDITURE

An expenditure of EUR 622 k (EUR 356 k) arose through legally-required discounting for longer-term receivables from public grant providers, which do not affect payments. Depreciations of premiums totalled EUR 0 (EUR 37 k).

OTHER MANDATORY DISCLOSURES

Other financial liabilities

Based on the remaining terms of the respective contracts, costs owed for the upcoming years for rental contracts and leases amount to an annual average of EUR 510 k (EUR 497 k), of which EUR 463 k (EUR 463 k) is owed to the Welthungerhilfe Foundation (rental contract with a term ending 2024). Software maintenance contracts amount to EUR 640 k (EUR 477 k) annually. Other financial liabilities arising from the aforementioned contracts for the next five years amount to a total sum of EUR 5,753 k. For projects which have already been internally approved but for which only partial contracts have been concluded with project partners, the contracts to be concluded amount to EUR 0 (EUR 64 k).

Trusts

Welthungerhilfe holds an account at Commerzbank AG in Cologne with EUR 875 k (EUR 1,097 k) and an account at HSH Nordbank in Berlin with EUR 670 k (EUR 0) in trust for a foreign organisation. Said organisation is continuing a project formerly implemented by Welthungerhilfe after said project ended.

Audit fee

The audit fee for the 2017 annual financial statement amounts to EUR 55 k (EUR 52 k). Fees of EUR 65 k were incurred in the reporting year for consulting services provided by the auditor.

PERSONNEL

Average personnel figures throughout the year were as follows:

	2017	2016
Domestic personnel		
Open-ended contracts	171	171
Limited-term contracts	50	42
	221	213
Overseas personnel		
	203	191
	424	404

Remuneration structure for full-time employees

The gross income of full-time employees comprises the monthly wage, the annual special payment (13th monthly wage), as well as variable remuneration components. Executive Board and senior executives: up to EUR 163,800; Heads of Unit: from EUR 61,800 to EUR 80,500; Desk Officers: from EUR 47,500 to EUR 66,600; Specialists: from EUR 39,400 to EUR 50,800; Secretaries, assistants, and other support staff: from EUR 31,300 to EUR 42,500.

Total remuneration of the Executive Board in the reporting year amounted to EUR 436,000 (EUR 442,000).

The statutory employer contribution to social security and contributions to pension schemes are not included in the above list. An additional amount of EUR 90.00 per month is currently paid for dependent children up to the age of 14. For purposes of providing its employees' pensions, Welthungerhilfe became a member of Versorgungsverband bundes- und landesgeförderter Unternehmen e.V., Bad Godesberg (VBLU), to which it pays monthly insurance contributions for insured employees.

Organs of the Organisation

The following were elected as members of the volunteer Supervisory Board of the Organisation at the General Assembly: Bärbel Dieckmann (President); Prof. Dr. Joachim von Braun (Vice President); Norbert Geisler (Chair of the Finance Committee); Amadou Diallo; Rita Lanus-Heck; Prof. Dr. Conrad Justus Schetter; Dr. Tobias Schulz-Isenbeck.

Members of the Executive Board

Dr. Till Wahnbaeck (Chair of the Board/Secretary General)
Mathias Mogge (Executive Director Programmes)
Michael Hofmann (Executive Director Marketing) until October 31, 2017
Christian Monning (Chief Financial Officer) as of 01 February 2018

General Management

The Organisation's business operations are managed by the Executive Board.

Operating results

After withdrawals from the project fund reserve of the previous year, transfers to the free reserve and the bequeathed funds reserve, and transfers to the project fund reserve for 2017, the result was balanced.

Events after balance sheet reporting date

Between the end of the 2017 financial year and the date of the annual financial statement, there were no events of particular significance that could have a substantial influence on the overall situation in terms of assets, finances, or income.

Bonn, 15 May 2018



Dr. Till Wahnbaeck
Chief Executive Officer/Secretary General



Mathias Mogge
Executive Director Programmes



Christian Monning
Chief Financial Officer

STAMP OF AUDITOR

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 01 January to 31 December 2017. 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, of 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 proper 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 that affect the state of the assets, finances, and yield presented in the annual financial statement in accordance with the principles of proper 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 raise any concerns.

According to our assessment, which is based on the insights gained through the audit, the financial accounts of Deutsche Welthungerhilfe e. V., Bonn, comply with statutory provisions and present an accurate picture of the Organisation's assets, finances, and income in accordance with the principles of proper accounting. The management report is consistent with the financial statement statutory requirements and overall gives an accurate depiction of the Organisation's true situation and of the opportunities and risks of future development.

We have issued this Report regarding the audit of the annual financial statement and of the management report for the financial year of 01 January to 31 December 2017 for Deutsche Welthungerhilfe e. V., Bonn, in accordance with statutory regulations and the German principles of proper reporting with regard to audits.

Düsseldorf, 15 May 2018

BDO AG,
Audit Firm



sgd. Winkler
Auditor



sgd. Berndt
Auditor

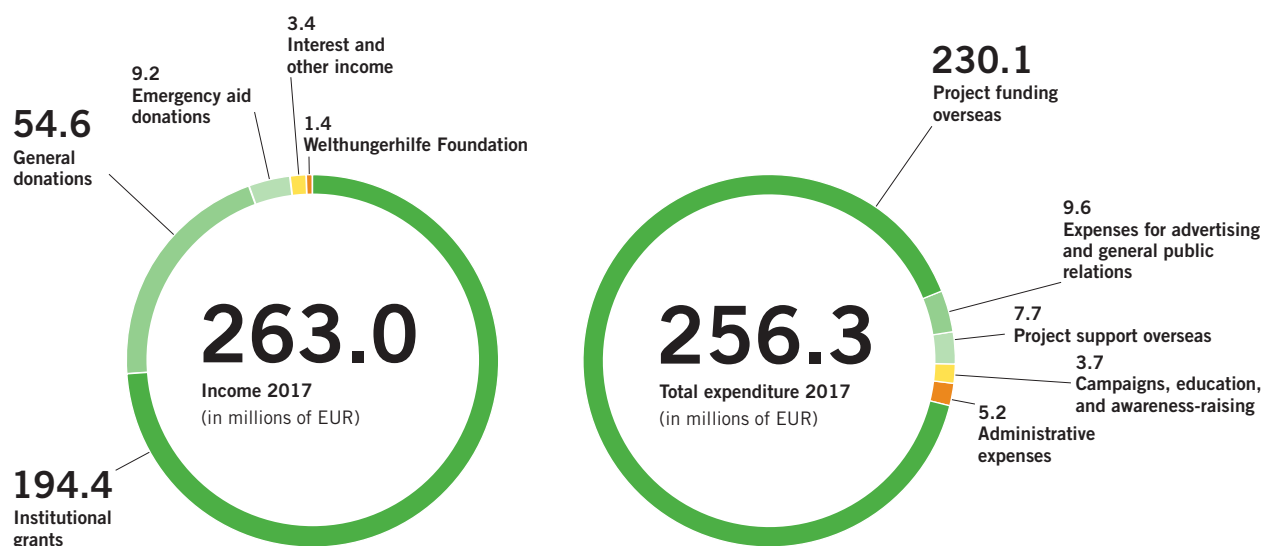
INCOME AND EXPENDITURE ACCOUNT

based on expense categories pursuant to DZI definition in EUR

	2017 Actual Total	Project funding overseas	Project support overseas	Campaigns, education, and awareness-raising	Expenses for advertising and general public relations	Administrative expenses
Project funding						
a) Overseas	214,800,498.14	214,800,498.14				
b) Domestic	1,312,171.86			1,312,171.86	0.00	
Personnel costs	29,186,762.76	15,189,286.38	6,040,946.55	1,624,028.64	2,773,450.26	3,559,050.93
Depreciations	719,311.70	29,386.19	297,753.90	80,047.20	136,701.36	175,423.05
Other expenditure						
Advertising and general public relations	6,107,011.06			84,406.56	6,022,604.50	
Material expenditure (rent, IT costs, etc.)	4,137,671.37	111,461.95	1,368,982.26	567,157.32	622,710.55	1,467,359.29
Interest and similar expenditure	0.00					
Total 2017*	256,263,426.89	230,130,632.66	7,707,682.71	3,667,811.58	9,555,466.67	5,201,833.27
in %	100.0	89.8	3.0	1.5	3.7	2.0
Statutory proportion (%)	100.0	94.3			5.7	
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 %		90.3	2.8	1.5	3.6	1.8
Statutory proportion (%)	100.0	94.6			5.4	
2015 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

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

*Advertising and administrative expenditures are determined based on an agreement with the German Central Institute for Social Issues (DZI) in Berlin. In accordance with said agreement, depreciations of securities to the amount of EUR 314 k and interest expenses from the discounting of long-term receivables (EUR 622 k) are not taken into account because there is an overall surplus from asset management. The expenditure transfer was conducted on 03 May 2016 in accordance with the agreement with DZI. The overseas project funding identified here is EUR 0.7 million higher than in the project list (see pp. 42/43) because additional expenses are included with the funds directly allotted to the projects.



WELTHUNGERHILFE IN NUMBERS

For several years, Welthungerhilfe has been recording an extraordinary financial development. Since 2014, institutional revenue has significantly exceeded EUR 150 million, and donations—especially individual ones—have steadily grown.

In 2017, Welthungerhilfe brought in a total of EUR 263.0 million, (nearly) matching the previous year's EUR 263.9 million. Total expenditures amounted to EUR 257.2 million (2016: EUR 268.3 million).

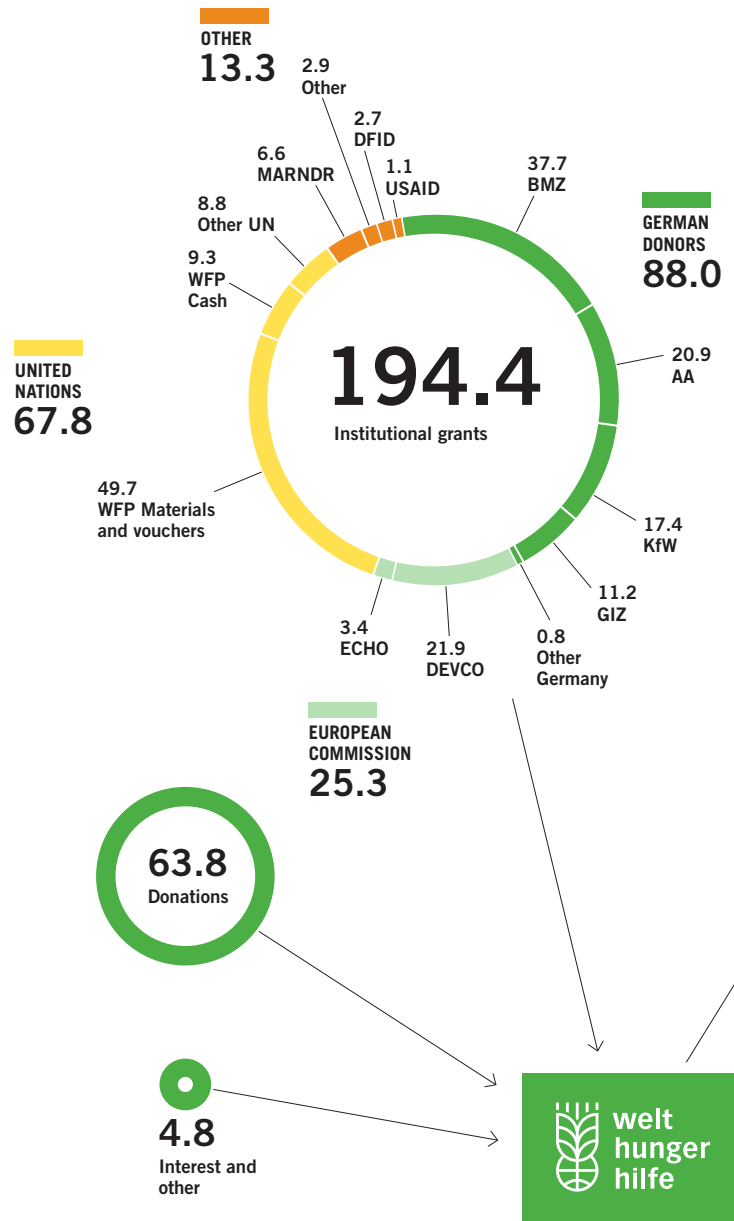
Revenue from donations, bequests, and allocated fines totalled EUR 63.8 million. There were two primary reasons for this extraordinary result: firstly, the EUR 9.2 million in "Hunger in Africa" emergency aid donations and, secondly, the extraordinary amount of individual donations—EUR 43.1 million in total. At EUR 194.4 million (2016: EUR 213.4 million), institutional grants continue to represent the largest proportion of Welthungerhilfe's total revenue, although their share fell from 80.9 percent in 2016 to 73.9 percent in 2017.

In 2017, regarding institutional funding, Welthungerhilfe achieved the second-best result in its history with EUR 194.4 million. Of this amount, EUR 105.7 million (54.4 percent) were allotted to South Sudan (EUR 44.6 million), Liberia (EUR 21.4 million), Syria (EUR 16.9 million), Mali (EUR 13.2 million), and Sudan (EUR 9.6 million).

The largest individual donor was the World Food Programme (WFP) with EUR 59.0 million (30.3 percent of the total), followed, as in the previous year, by the German Federal Ministry of Economic Cooperation and Development (BMZ) with EUR 37.7 million (19.4 percent). An analysis by donor group (German, European, United Nations, and "other") revealed that German institutional donors (includ-

REVENUE 2017: 263.0

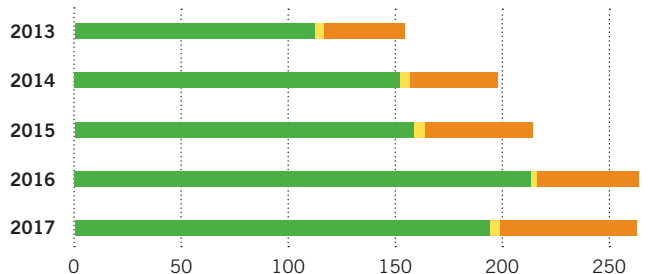
(in millions of EUR)



REVENUE DEVELOPMENT

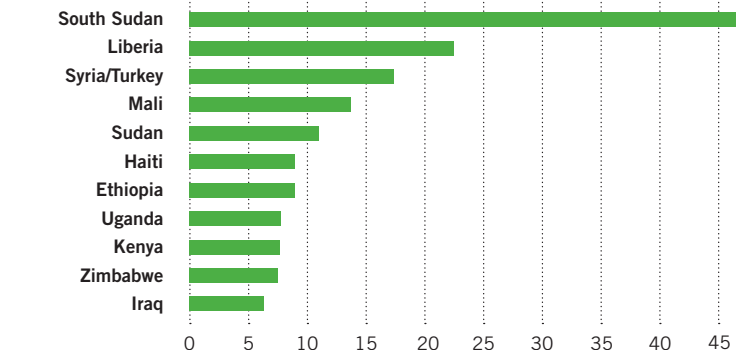
(in millions of EUR)

■ Institutional grants ■ Interest and other ■ Donations



COUNTRIES WITH GREATEST PROJECT FUNDING

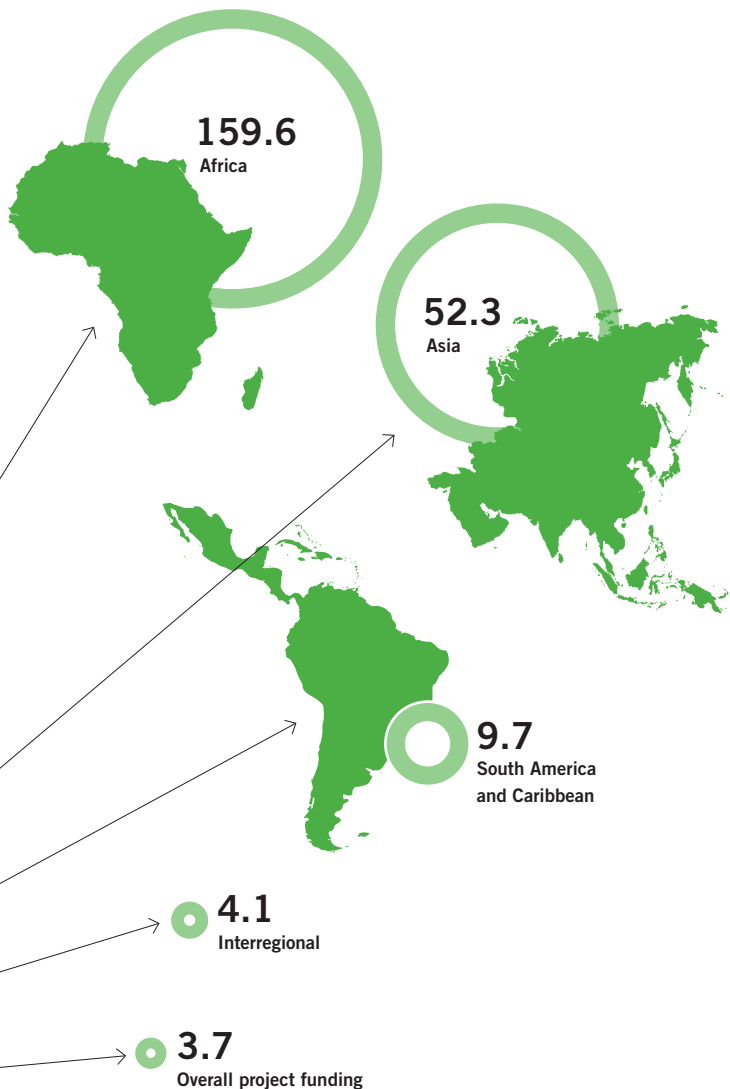
(in millions of EUR)



OVERSEAS PROJECT FUNDING 2017: 229.4

(in millions of EUR)

BY REGION



ing AA, BMZ, GIZ, and KfW) maintained their special significance for Welthungerhilfe and were responsible for EUR 88.0 million or 45.3 percent of institutional revenue. The second-largest donor group comprises the United Nations, which contributed EUR 67.8 million or 34.9 percent to total revenue. Financing from European sources in 2017 was high, as in the previous year: EUR 25.3 million, i.e. 13.0 percent. For several years, these three donor groups (Germany, EU, UN) have been contributing approximately 90 percent of institutional grants, reaching nearly 93.2 percent in 2017.

In 2017, Welthungerhilfe funded a total of 410 overseas projects in 38 countries with EUR 229.4 million altogether. Sectoral funding focussed on emergency aid (32.7 percent), followed by nutrition (21.4 percent), agriculture and environment (14.7 percent), and economic development (10.0 percent).

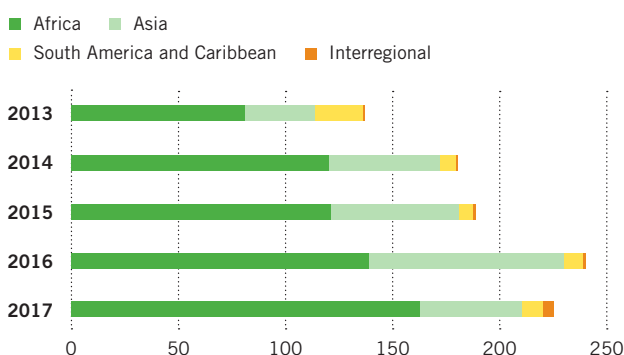
The focus of regional project funding is on Africa, with EUR 159.6 million or 69.6 percent, followed by Asia (EUR 52.3 million) and South America/Caribbean (EUR 9.7 million). ■

Abbreviations

AA – Auswärtiges Amt (Foreign Office); Alliance2015 – Partner organisations of Alliance2015; 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; DFID – Department for International Development UK; EC (DEVCO) – European Commission (Directorate-General for International Cooperation and Development); EC (ECHO) – European Commission (Directorate-General Humanitarian Aid and Civil Protection); FAO – Food and Agriculture Organization of the United Nations; GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit; KfW – Kreditanstalt für Wiederaufbau (Reconstruction Loan Corporation); MARNDR – Ministry for Agriculture, Environment, and Rural Development in Haiti; UNDP – United Nations Development Programme; UNICEF – United Nations Children’s Fund; USAID – United States Agency for International Development; WFP – United Nations World Food Programme

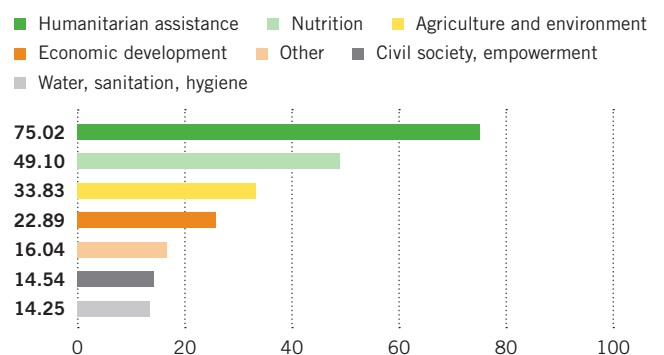
REGIONAL PROJECT FUNDING

(in millions of EUR)



SECTORAL PROJECT FUNDING

(in millions of EUR)



ALL WELTHUNGERHILFE PROJECTS IN 2017

AFRICA – OVERVIEW OF ALL PROJECTS, FINANCES, AND FINANCIAL DONORS

Projects in implementation		Funding in millions of EUR	Cofinancing	Project contents: Keywords	Beneficiaries
Ethiopia	24	8.78	AA, BMZ, GIZ, OCHA, DEZA, other	Water, sanitation, and hygiene programmes; food and nutrition security; agriculture; rural development and resources protection; resilience strengthening against droughts; emergency aid; social development inclusive children and young people	1,214,633
Burkina Faso	12	3.51	BMZ, DFID, other	Agricultural development; food and nutrition security; rural regional development; water, sanitation, and hygiene programmes; resilience strengthening against climate extremes; strengthening of civil society	110,718
Burundi	10	5.67	AA, BMZ, FAO, WFP	Adaptation to climate change; resources management; school construction; school meals; rural regional development; food and nutrition security; water, sanitation, and hygiene programmes; conflict management and peace education	214,537
Kenya	22	7.52	AA, BMZ, DFID, GIZ, UNICEF, USAID, WFP, other	Water, sanitation, and hygiene programmes; food and nutrition security; agriculture; rural development and resources protection; resilience strengthening against droughts; emergency aid; drinking water supply; promotion of disadvantaged children and young people; vocational education; promotion of the economy	730,487
Congo (Dem. Rep.)	8	1.62	AA, BMZ, EC (ECHO), USAID	Road construction; food and nutrition security; agriculture; social integration; water, sanitation, and hygiene programmes; emergency aid	317,579
Liberia	10	22.39	BMZ, EC (DEVCO, ECHO), GIZ, KfW, USAID	Food and nutrition security, adaptation to climate change, rehabilitation of rural infrastructure, healthcare provision, support for those affected by Ebola, social integration, strengthening of civil society	287,197
Madagascar	15	2.19	BMZ, EC (ECHO), UNDP, WFP	Waste management; water, sanitation, and hygiene programmes; sustainable food security; development of value creation chains; disaster risk reduction (DRR)	343,172
Malawi	9	6.26	BMZ, GIZ, EC (DEVCO)	Water, sanitation, and hygiene programmes; health and nutrition education; agriculture and irrigation; school nutrition programme; school infrastructure	274,167
Mali	10	13.69	AA, BMZ, FAO, GIZ, KfW, WFP, other	Agricultural development; food and nutrition security; strengthening of civil society; water, sanitation, and hygiene programmes	117,167
Mozambique	4	1.73	AA, Alliance2015, EC (ECHO), other	Emergency aid, food and nutrition, strengthening of disaster resilience, strengthening of civil society	82,006
Niger	2	2.38	AA, GIZ, other	Food and nutrition security, drinking water supply, emergency aid	115,139
Rwanda	4	0.13	BMZ, other	Agricultural development, resources protection, school construction	19,579
Sierra Leone	15	4.83	BMZ, DFID, FAO, EC (DEVCO), GIZ, WFP, other	Rural development; food and nutrition security; water, sanitation, and hygiene programmes; waste management; decentralised energy supply; vocational education; resources management; disaster risk reduction; democracy promotion	1,529,627
Zimbabwe	8	7.45	DFAT, DFID, FAO, EC (DEVCO), UNDP, UNICEF, other	Food and nutrition security; rural development; linking of smallholder agriculture to markets; training in adapted cultivation methods; water, sanitation, and hygiene programmes; emergency aid	1,260,373
Somalia	6	3.52	BMZ	Food and nutrition security, agricultural development and rehabilitation, emergency aid, drinking water supply, resilience strengthening and adaptation to climate change, creation of alternative income opportunities	53,037
Sudan	12	10.95	EC (DEVCO, ECHO), UNDP, WFP	Food security and assistance, agricultural development and rehabilitation, emergency aid, drinking water supply and building of wells, resilience strengthening and adaptation to climate change, creation of alternative income opportunities	297,353
South Sudan	9	46.16	AA, BMZ, FAO, GIZ, WFP	Emergency aid; food and nutrition security; strengthening of disaster resilience; water, sanitation, and hygiene programmes	463,884
Uganda	17	7.68	BMZ, EC (ECHO), USAID, other	Agricultural development; food and nutrition security; promotion of civil society; support for refugees from South Sudan; water, sanitation, and hygiene programmes; vocational education; linking of smallholder agriculture to markets	249,734
Central African Republic	6	3.20	BMZ, EC (ECHO), GIZ	Reconstruction assistance, food and nutrition security, rehabilitation of agricultural development centres, peace promotion	27,064
Africa overall	203	159.66			7,707,453

Abbreviations

AA – Auswärtiges Amt (Foreign Office); Alliance2015 – Partner organisations of Alliance2015; BMGF – Bill and Melinda Gates Foundation; BMEL – Bundesministerium für Ernährung und Landwirtschaft (Ministry of Food and Agriculture); 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 Humanitarian Aid and Civil Protection); 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; UN – United Nations; 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

Welthungerhilfe closely collaborates on its projects with numerous civil society partners.

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

** The list shows all projects in implementation up to 31/12/2017 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.

ASIA – OVERVIEW OF ALL PROJECTS, FINANCES, AND FINANCIAL DONORS

Projects in implementation	Funding in millions of EUR	Cofinancing	Project contents: Keywords	Beneficiaries	
Afghanistan	13	4.50	AA, BMZ, FAO, WFP	Rehabilitation of communal and rural infrastructure (drinking water, irrigation systems etc.), agriculture and food and nutrition security, strengthening of civil society, renewable energies and improvement of energy efficiency, disaster risk reduction	269,035
Bangladesh	6	0.42	BMZ	Promotion of sustainable agriculture; adaptation to climate change; food and nutrition security; water, sanitation, and hygiene programmes	27,725
India	43	5.95	BMZ, GIZ, EC (DEVCO)	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	1,277,531
Iraq	6	6.36	AA, Alliance2015, BMZ, GIZ, OCHA, WFP	Reconstruction of basic infrastructure; water, sanitation, and hygiene programmes; school education; disaster risk reduction; emergency aid; agriculture	314,635
Yemen	1	0.45	–	Acute emergency aid, supply of essential goods	28,563
Cambodia	6	1.10	BMZ	Food and nutrition security, land rights, human rights and civil society, food quality improvement	45,832
Laos	0	0.04	EC (DEVCO)	Strengthening farmers' organisations with regard to political dialogue about food security and nutrition, strengthening organisations' capacity to fight poverty	–
Lebanon	1	0.01	BMZ	Food and nutrition security; support of Syrian refugees; water, sanitation, and hygiene programmes	3,748
Myanmar	15	5.78	AA, BMZ, GIZ, EC (DEVCO), UN, other	Agriculture and sustainable food security, irrigation and basic infrastructure, support to the seed sector, humanitarian aid for internally displaced persons, promotion of civil society organisations	150,775
Nepal	15	2.98	BMZ, WFP, other	Sustainable food and nutrition security and agriculture; rural development; water, sanitation, and hygiene programmes; democracy building; reconstruction; disaster risk reduction	208,684
North Korea	5	1.32	AA, EC (DEVCO), other	Food and nutrition security, disaster risk reduction, sloping land management	89,203
Pakistan	14	4.53	AA, Alliance2015, BMZ, EC (DEVCO, ECHO), DEZA, other	Rural reconstruction and development with a focus on food and nutrition security, disaster risk reduction, strengthening of civil society	404,673
Syria/Turkey	13	17.35	AA, BMZ, EC (ECHO), FAO, GIZ, OCHA, UNICEF, other	Food and nutrition security, emergency aid for Syrian refugees, protection, shelter, winter relief, water supply, income-generating measures, community centres and education, agriculture	619,327
Tajikistan	10	1.47	BMZ, EC (DEVCO, ECHO), GIZ, WFP	Food and nutrition security, resources management, energy efficiency and renewable energies, promotion of sustainable agriculture, vocational education, disaster preparedness	120,042
Asia overall	148	52.26			3,559,773

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

Bolivia	2	0.05	–	Strengthening of civil society structures, democracy promotion, human rights, vocational education	1,280
Haiti	17	9.60	AA, BMZ, IFAD, EC (DEVCO), GIZ, WFP, other	Emergency aid, rural development, food and nutrition security, drinking water supply, rural infrastructure improvement, disaster risk reduction, strengthening of civil society	387,855
Cuba*	5	0.00	Alliance2015, BMZ, DEZA, other	Food and nutrition security, natural resources management, promotion of small enterprise in agriculture, promotion of partner organisations	142,235
Peru	5	0.59	EC (DEVCO, ECHO), other	Reinforcing advocacy processes for the right to food in Peru and Bolivia	1,500
Transnational projects Bolivia, Peru*	2	0.00	BMZ	Improved agricultural and resource management, promotion of civic engagement—more democratic participation through greater efficiency and transparency	
Subsequent savings**		-0.55			
Latin America/Caribbean overall	31	9.69			532,870

INTERREGIONAL PROJECTS

Interregional projects overall	28	4.06	AA, Alliance2015, BMGF, BMZ, other	Project supervision through head office, overall quality assurance of project work regarding content and in financial management	
Overall project funding		3.73			
Total funding overseas	410	229.40			11,800,096

EUROPE

	8	0.61		Mobilisation	
	12	1.06		Policy development	
	2	0.24		Public relations work	
Overall project funding		0.01			
Total funding Europe	22	1.92			
Total funding Germany and overseas	432	231.32			

FORGING AHEAD WITH THE FOUNDATION

The Welthungerhilfe Foundation, established in 1998, offers its donors an opportunity to make a lasting contribution and to become a long-term actor in the fight for a world without hunger. Dr. Albert Otten, CEO until mid-2017, and his successor, current CEO Katharina Wertenbruch, look into the past and into the future.

Interview with Dr. Albert Otten and Katharina Wertenbruch



Networking is an important component of their work. Katharina Wertenbruch shares her views during an event geared toward foundations.



Workers at a waste-sorting project in Madagascar hold Albert Otten's interest during his visit there.



The Foundation is now 20 years old. What were some major milestones?

Otten: My predecessor, former Secretary General Dr. Volker Hausmann, launched the Foundation and developed the first means for people to become active with Welthungerhilfe for the long term and in their own names, for example with a donation or through an endowment fund. In the course of the years, we made use of and expanded the synergies with Welthungerhilfe, with the goal of facilitating even greater individual engagement.

What method of donation was most popular in 2017?

Wertenbruch: Demand for our donor loans remains high. These are open-ended loans for a fixed amount extended to us by supporters; the interest from these loans is then used to directly fund Welthungerhilfe projects. 148 people are currently using this mechanism. However, the lenders remain flexible and can either convert the loan into a donation at a later point in time or retrieve it as necessary. In addition, 16 donors each established their own small foundation in the form of an endowment fund in the past year. I think it is great that more and more of them are announcing their involvement and, for example, actively call for support for their own endowment funds at events such as birthdays.

Continued growth despite low interest rates?

Wertenbruch: Thanks to our loyal "donor community," new donors and also bequests, our foundation capital is growing continuously. The Foundation's total assets increased

by more than three million euros in 2017, including reserves. As a result, the Foundation was able to support Welthungerhilfe projects with EUR 1,355,000 despite continued low interest rates. In this way, our donors are doing great things for the local population.

Should you create something lasting during your lifetime or through your testament?

Otten: That is entirely up to you. Many people start during their lifetimes and continue via their testaments. Others restrict their involvement to their testament in order to make a larger impact. However, more and more people are contacting us during their lifetimes in order to discuss various options. Welthungerhilfe received 72 bequests in the past year and ensured the smooth execution of the respective estate in four cases.

What is the best way to broach the sensitive subject of the testament?

Otten: Our testament events continue to enjoy great popularity with specialist solicitors and notaries. Five events with approximately 200 participants took place in the past year. Our free guide with additional information on making one's testament continues to be popular as well. Interested parties can find professional and trustworthy contacts among the colleagues in our team. I must emphasise that every amount counts—regardless of size. Even 1 percent of an estate can do great things for the people benefiting from our projects.

Innovative and individual—how will things continue on a personal level and with the Foundation?

Otten: The Foundation is well established, with great donors and a brilliant team. I am remaining connected to Welthungerhilfe through my own Foundation and as a member of Welthungerhilfe's Board of Trustees.

Wertenbruch: I would like to spread awareness of the Foundation's services to an even larger circle of supporters and interest them in joining us to shape the future together. They often want to combine direct donations with long-term philanthropic engagement. I believe that this opens up potential for innovative approaches. ■

 [Learn more
www.welthungerhilfe.org/about-us/welthungerhilfe-foundation/](http://www.welthungerhilfe.org/about-us/welthungerhilfe-foundation/)

“I was able to go and see the great impact of the Foundation's projects with my own eyes.”

Albert Otten, CEO until mid-2017

BALANCE SHEET DEUTSCHE WELTHUNGERHILFE FOUNDATION

as of 31 December 2017

ASSETS	31/12/2017 EUR	Previous year EUR
A. FIXED ASSETS		
I. Tangible assets	5,794,644.54	5,998,190.65
II. Financial assets	43,224,892.94	38,689,235.11
B. CURRENT ASSETS		
I. Other assets	288,432.37	307,124.45
II. Liquid assets	3,565,485.30	3,954,973.05
C. ACCRUED INCOME	9,060.37	8,667.46
	52,882,515.52	48,958,190.72
Assets of dependent foundations	8,020,008.16	7,374,050.82

LIABILITIES	31/12/2017 EUR	Previous year EUR
A. EQUITY CAPITAL		
I. Foundation capital	36,864,209.80	34,882,318.37
II. 1. Capital maintenance reserve	4,907,000.00	4,457,000.00
II. 2. Restructuring reserve	1,444,393.39	847,531.41
D. PROVISIONS	15,121.00	12,261.00
C. LIABILITIES	9,651,791.33	8,759,079.94
	52,882,515.52	48,958,190.72
Own capital of dependent foundations	8,020,008.16	7,374,050.82

ANNUAL FINANCIAL STATEMENT DEUTSCHE WELTHUNGERHILFE FOUNDATION 2017

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 was adapted to the particular circumstances of the Foundation in accordance with § 265.5-6 HGB.

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 § 253.3.5 HGB. Real estate and property from bequests and gifts are shown on the assets side at their appraised market value with a 30 percent deduction on the building share plus transaction costs incurred by the Foundation. Scheduled depreciation is linear. Fixed asset securities and cooperative shares are capitalised at acquisition cost and subsequently valued in accordance with the lower-of-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 mitigate the effects of asset restructuring on the Foundation's assets and income, a restructuring reserve was formed in the 2013 financial year by the Executive Board decision of 28 November 2013; the income from the reallocation of the assets corresponding to the Foundation's capital is transferred into this reserve.

NOTES ON THE BALANCE SHEET

Assets

FINANCIAL ASSETS

Financial assets include funds of EUR 40,456 k; fixed-interest securities of EUR 2,469 k; and credit balances at cooperatives in the amount of EUR 300 k. On the balance sheet closing day of 31 December 2017, the net sum from hidden reserves and hidden liabilities amounted to EUR 2,332 k.

OTHER ASSETS

Other assets primarily comprise EUR 121 k in accrued interest for securities and EUR 114 k in receivables from charitable foundations from the profit/loss transfer.

LIQUID ASSETS

Bank credit balances and the cash balance are shown.

ACCRUED INCOME

As in the previous year, prepayments and accrued income included a premium.

Liabilities

FOUNDATION CAPITAL

The increase in Foundation capital by EUR 1,982 k relates to donations. The Foundation assets corresponding to Foundation capital comprise tangible fixed assets EUR 5,795 k and the majority of the fixed-asset securities EUR 43,225 k.

REVENUE RESERVES

Reserves are established from the result of asset management pursuant to the provisions of § 62 AO (German Revenue Code).

RESTRUCTURING RESERVE

During the business year, income from restructuring in the amount of EUR 752 k and expenditure from restructuring in the amount of EUR 155 k were allocated to the restructuring reserve.

LIABILITIES TO DEUTSCHE WELTHUNGERHILFE E. V. FOR STATUTORY REASONS

The statement concerns the profit and loss transfer for 2017 after an interim dividend payment of EUR 700 k.

DONOR LOANS

This includes 148 donor loans.

OTHER LIABILITIES

Other liabilities primarily comprise liabilities of EUR 7 k in the matter of the Jung estate, tax liabilities of EUR 3 k, and social security liabilities of EUR 2 k.

CONTINGENT LIABILITIES

The donor loans are guaranteed by surety credit lines at the Bank im Bistum Essen to the amount of EUR 9,000 k, at Commerzbank AG Bonn to the amount of EUR 2,000 k and at the Sparkasse KölnBonn to the amount of EUR 1,500 k.

OTHER INFORMATION

MANAGEMENT OF FOUNDATION ASSETS

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

DEPENDENT FOUNDATIONS

A total of 26 charitable trusts were under management as of the balance sheet date.

EXECUTIVE BOARD

The Foundation's Executive Board is made up of the respective members of the Supervisory Board of Deutsche Welthungerhilfe e. V. This business year, it comprised the following people: Bärbel Dieckmann, Chairperson; Prof. Dr. Joachim von Braun, Deputy Chairperson; Norbert Geisler, Treasurer; Amadou Diallo; Rita Lanius-Heck; Prof. Dr. Conrad Justus Schetter; Dr. Tobias Schulz-Isenbeck.

PERSONNEL

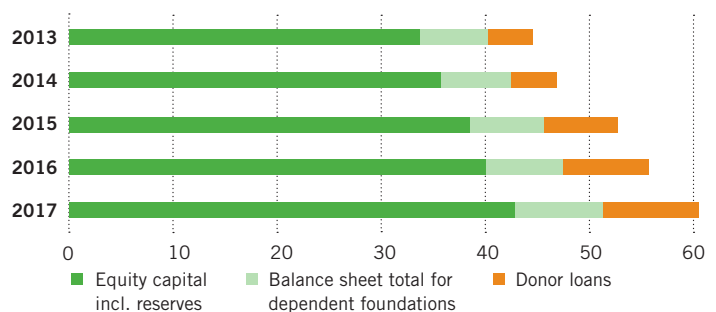
The Foundation employed on average five employees and one trainee.

GENERAL MANAGEMENT

In 2017, the following persons were appointed to general management: Dr. Till Wahnbaeck, Dr. Albert Otten (until 31 May 2017), Katharina Wertenbruch (from 28 June 2017), and Marc Herbeck (Deputy Chief Executive Officer from 13 February 2017).

CAPITAL DEVELOPMENT SINCE 2013

(in millions of EUR)



The own capital of the Foundation, including reserves, increased from EUR 34,112,889.49 in 2013 to EUR 43,215,603.19 at the end of 2017. This figure takes into account all donations to the Foundation from living donors and as bequests. The charitable trusts have also grown in the period of 2013 to 2017. Due to the establishment of new and the expansion of existing dependent foundations, their capital grew from EUR 6,428,565.79 to EUR 8,020,008.16. The loans given to the Foundation in accordance with the principle "Doing good with a money-back guarantee" continue to enjoy great popularity. The current volume amounts to EUR 8,979,000. Claims for recovery from cancelled or limited-time loan shave have already been accounted for.

KEY DATA FROM THE FOUNDATION'S INCOME AND EXPENDITURE ACCOUNT

	2017 EUR	Previous year EUR
Total income	3,259,135.64	1,848,185.12
Total expenditure	-578,698.15	-700,078.32
Income from ordinary business operations	2,680,437.49	1,148,106.80
Appreciation/depreciation of financial assets	-278,398.68	-33,664.54
Revenue before profit and loss	2,402,038.81	1,114,442.26
Expenses from profit and loss transfer for statutory purposes	-1,355,176.83	-788,106.80
Revenue before changes to reserves	1,046,861.98	326,335.46
Changes to reserves	-1,046,861.98	-326,335.46
Net income for year	0.00	0.00

The Foundation's good performance in 2017 despite low interest rates, totalling EUR 3,259,135.64, allowed it to support the work of Deutsche Welthungerhilfe e. V. with EUR 1,355,176.83 (2016: EUR 788,106.80). Several large donations to the dependent foundations increased the Welthungerhilfe Foundation's profit and loss result.

ZERO HUNGER NEEDS PARTNERS

We are a member of multiple national and international networks in order to do more for humanitarian assistance and development cooperation together, to join forces, and to optimise our resource utilisation. Achieving the big goal of Zero Hunger by 2030 will require collective, coordinated action.

HIGH EFFICIENCY

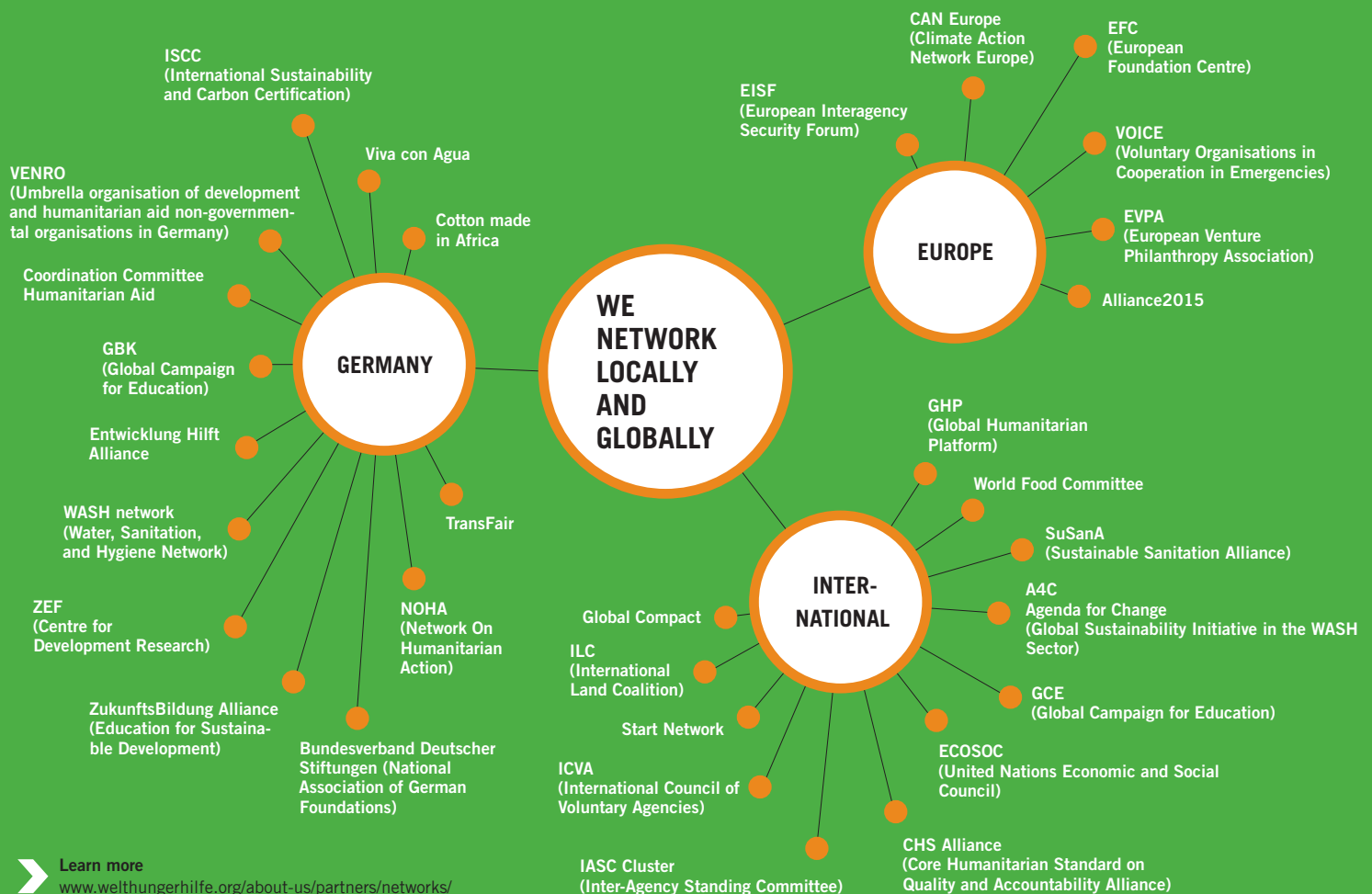
International coordination committees, known as clusters, ensure efficient collaboration during disasters. Within 72 hours, the participating UN, donor, and non-governmental organisations, in conjunction with the affected governments, decide whether to activate collective emergency aid and who does what, where, when, and how. This allows the funds and the respective actors' strengths to be better utilised to help the affected population as quickly and as effectively as possible. Welthungerhilfe is active in three of eleven clusters: in the logistics cluster; in the water, sanitation, and hygiene cluster (WASH); and in the food and nutrition security cluster (FSC).

A STRONG VOICE

Welthungerhilfe is participating in global policy development for Zero Hunger with the Committee on World Food Security in Rome. In Germany, we are representing our position at VENRO, the German umbrella organisation of development and humanitarian aid non-governmental organisations. Mathias Mogge, our Executive Director Programmes, is on the VENRO executive committee. Welthungerhilfe is also active in the European umbrella organisation VOICE. In the European Interagency Security Forum (EISF), we are participating in the development of risk minimisation approaches for employees in the partner countries. In the Federal Foreign Office's coordination committee for humanitarian assistance, we advocate for the continual improvement of German disaster relief.

RELIABLE PARTNERS

In Germany, we are one of eleven partners of the Entwicklung Hilft alliance. In the event of disasters we collect donations together, for example via appeals on the public television station ARD. We do this in order to alleviate acute need and to fight the structural causes of poverty, hunger, and conflict. On the European level, we—as a member of Alliance2015—cooperate with six other organisations from France, Ireland, Italy, the Netherlands, the Czech Republic, and Switzerland. We collaborate with them on local projects and implement joint campaigns. Internationally, we are the first German non-governmental organisation to be active in the START emergency aid network as of 2015. This network's objective is to quickly mobilise funds for acute emergencies and to network local actors.



TAPPING INTO POTENTIAL

Welthungerhilfe continues to face various challenges in 2018, including crises, wars, and climate change. As in every year, we are therefore conducting a critical analysis of our work and our environment and will be deciding how to proceed based on these insights.

OUR PROGRAMME ACTIVITY Conceptually, our programme activity remains focussed on rural development, food security, and the second sustainable development goal, “Zero Hunger” (SDG 2).

We are forced to assume that our local efforts—as in the past—will be affected by domestic conflicts and crises. This always entails a difficult and dangerous security situation for our employees on site. We must also assume that people in the project countries will continue to be directly affected by the effects of climate change in the future. Both droughts and flooding often force people to leave their homes, if only temporarily, making them dependent on support from emergency aid programmes.

As part of our “Strategy 2017-2020,” we are placing even more emphasis than before on integrating the people with whom we are working in the context of our programmes into regional, national, and even international business cycles. We are convinced that egalitarian relationships in business and commerce engender sus-

tainable development. In order to achieve this goal, we complement our programme activity with political activity.

OUR POLITICAL ACTIVITY German development policy is facing what may be its greatest test yet. On one hand, it is up against high expectations. The latest refugee and migration movements make it very clear that people urgently need political and economic prospects in their home countries as well. At the same time, the pressure of unsolved crises and conflicts is rising.

We will therefore continue to campaign for German, European, and international policy to systematically fight hunger and poverty. Agenda 2030's guiding principle is “Against poverty and for prosperity in a changing world.” Coherently implementing this principle—not least of all in industrial countries—offers the opportunity to usher in a sustainable economic system and a fairer, human rights-based model of globalisation.

RISKS AND OPPORTUNITIES For several years, Welthungerhilfe has been registering an extraordinary financial development. This period includes the highest donation intake (EUR 63.8 million in 2017) since the tsunami of December 2004 and the highest institutional donations (EUR 213.4 million in 2016).

We are particularly proud of the fact that our project funding (domestically and abroad) makes up approximately 90 percent of total expenditures, which means that we have added the growing revenue to our core mandate at a 1:1 ratio. Our medium-term business plan ensures that this remains this way.

However, we know that our financial performance is heavily dependent on external factors. We receive donations and institutional grants for humanitarian crises, which are, as a rule, caused by conflict and the effects of climate change. Although our financial performance is a reflection on the quality of our work, we do not consider it to be a success but rather an expression of the rising rates of hunger and enduring poverty in many parts of the world. As a non-governmental organisation that is also under eco-

“We are convinced that egalitarian relationships in business and commerce engender sustainable development.”

conomic constraints, we have defined the following risks to the implementation of our mandate:

Revenue risks: Currently, we cannot exclude that the cases of abuse in a very small number of aid organisations as publicised by the press might—at least temporarily—result in negative consequences for all aid organisations.

The conduct displayed by a few personnel contradicts all values which aid organisations represent and implement.

Compliance risks: Welthungerhilfe has been investing in processes, structures, and employee qualifications for years in order to minimise various compliance risks. The latest example is the regular screening of personnel against so-called sanctions/anti-terror lists.

Expenditure risks: The strong growth of programme funding throughout the past four years inevitably increases operational risks. This especially applies to an aid organi-

sation such as Welthungerhilfe, which frequently works under severe framework conditions. We counter these risks with quality assurance measures during programme planning and implementation phases and by establishing sufficiently high reserve funds.

Security: Our employees are directly exposed to personal risks in the course of conducting their duties. This has not changed. Such being the case, we have been preparing them thoroughly for years. We ensure that our employees are prepared and protected as well as possible, for example by providing systematic safety training and conducting regular testing of our security measures in the programme countries. However, we know that security cannot be guaranteed despite all efforts and expenditures. ■

MEDIUM-TERM BUSINESS PLAN

	2017 Actual (millions of EUR)	2018 Plan (millions of EUR)	2019 Plan (millions of EUR)	2020 Plan (millions of EUR)
Donations, bequests, allocated fines, Welthungerhilfe Foundation	65.2	49.2	51.6	54.1
Foundations and private charities	0.1	2.0	2.0	2.0
Public grants	194.3	168.0	178.0	188.0
Interest and other	3.4	2.5	2.5	2.5
Total income	263.0	221.7	234.1	246.6
Project funding overseas	229.4	197.7	207.4	218.2
Project funding Germany	1.9	0.9	1.0	1.0
Personnel expenditure Germany*	14.0	14.6	14.8	15.1
Depreciations	0.7	0.6	0.6	0.6
Material cost	4.1	4.0	3.7	3.7
Marketing	6.1	6.8	7.1	7.4
Interest expenditures, appreciation/depreciation of securities	1.0	0.0	0.0	0.0
Total expenditures	257.2	224.6	234.6	246.0
Result before withdrawal from reserves	5.8	-2.9	-0.5	0.6
Appropriations (-)/Withdrawals (+) free/testamentary reserve	-1.6	0.0	0.0	0.0
Appropriations (-)/Withdrawals (+) project funds reserve	-4.2	2.9	0.5	-0.6
Result after withdrawal from reserves	0.0	0.0	0.0	0.0

* Overseas personnel expenses are included in the item Project funding overseas.

THANK

YOU

Dear supporters,

TO

By having—once again—enabled us to help people effectively, you are providing millions of people with help for self-help.

EVERY-

All of you together make Welthungerhilfe's work possible in the first place. It is only thanks to the funds with which you entrust us that we can help.

ONE

We are fighting with all our strength for a world that gives everyone a chance to live a self-determined life with dignity and justice, free of hunger and poverty.

WHO

Zero Hunger cannot be allowed to remain an empty promise, and so we are hoping that you will continue to support us.

SUPPORTED US:

THIS IS HOW WE COLLECT DONATIONS ...

Welthungerhilfe is an independent, non-profit organisation. We cannot finance our work without donations, since even the public grants, which we apply for project after project require own resources.

VOLUNTEERING, MEDIA, AND PROFESSIONALS An important aspect of collecting donations and of informing the public about our work is the volunteer activity of our supporters, be they individuals, action groups, circles of friends, celebrities or companies. Media reports are often also combined with calls for donations, as is the case for the Entwicklung Hilft alliance, a coalition, which was co-founded by Welthungerhilfe and which comprises multiple organisations. These activities are supported by our full-time marketing team in conjunction with the following service providers: Arvato Bertelsmann, AZ Fundraising Services, Deutsche Post, Posterscope, Teledialog, Gute Botschafter, Spinax Civil Voices, i-gelb GmbH, Studio GOOD GbR, njoy online marketing GmbH, Zum Goldenen Hirschen.

We advertise through a variety of platforms, including: campaigns, events, presentations, publications, newsletters, our website, social media, letters to donors, online marketing, billboards, print advertisements and TV spots. We also thank our donors personally and gather feedback by telephone. When it comes to our service providers, we avoid purely performance-based contracts.

EFFECTIVENESS, INTEGRITY, EFFICIENCY All measures are geared toward effectiveness, integrity, and cost efficiency. We adhere to high ethical standards, especially those of DZI, the German Central Institute for Social Questions, and those of VENRO, the umbrella organisation of development and humanitarian aid non-governmental organisations in Germany.

Each measure yields multiples of the utilised funds. Print advertisements, TV spots, and billboards are often offered to us free of charge or at a significant social discount. All of our donors' and supporters' addresses are subject to statutory data protection laws. Anyone who does not wish to be contacted will not be approached. Corporate collaborations are subjected to an intensive review. The companies authorised to use our logo under precisely-defined circumstances include: Beeline Group, Goldeimer gGmbH, Madeleine Mode, Mestemacher-Gruppe, OBC Europe GmbH and Purefood GmbH. We regularly and transparently report our advertising costs, for example in this annual report or on our website, and we are proud to have received multiple transparency awards. ■

➤ **Learn more**
<http://venro.org/english>
<https://www.dzi.de/dzi-institut/german-central-institute-for-social-issues/>

... AND THIS IS HOW WE USE THEM

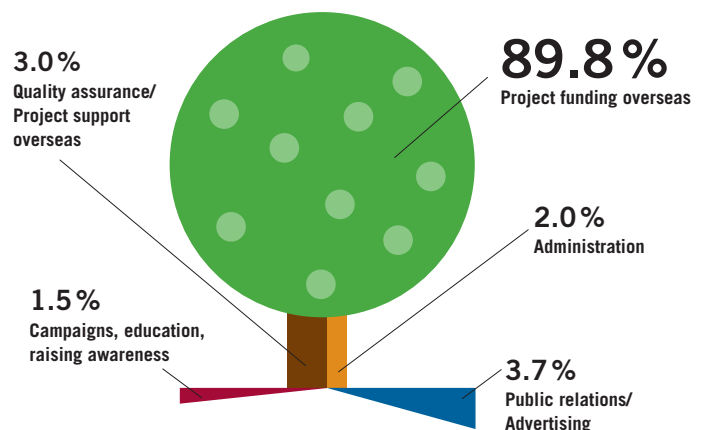
WE INCREASE THEM ...

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 Federal Foreign Office (AA), the European Union (EU), and the United Nations and to win them over with our project ideas. As a rule, this allows each donation to be quadrupled—EUR 100 of donations become EUR 400 of project funding.



➤ **Learn more**
www.welthungerhilfe.org/what-happens-with-your-donation

... 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.

OUR VISION

A world in which all people have the opportunity to exercise their right to a self-determined life in dignity and justice, free of hunger and poverty.

WHO WE ARE

Welthungerhilfe is one of the largest private aid organisations in Germany and enjoys both political and religious independence. It was founded in 1962 under the umbrella of the UN's Food and Agriculture Organisation (FAO). At that time, it was the German section of the 'Freedom from Hunger Campaign,' one of the first global initiatives for the fight against hunger.

WHAT WE DO

We provide help from a single source: from rapid disaster relief to reconstruction to long-term development cooperation projects with local partners. With 410 international projects in 2017, we were able to support people in 38 countries.

HOW WE WORK

Our goal is to sustainably improve living conditions for the long term. That is why we let the principle "help for self-help" guide us. In cooperation with local partner organisations, we are reinforcing structures from the bottom up and ensuring the long-term success of our project work. In addition, we are informing the public and influencing both national and international politics as consultants. In this manner, we are fighting to change the conditions that create hunger and poverty. We share a goal with many others active in development cooperation: That development cooperation will one day no longer be necessary, because the local population is fully independent of external support.

HOW WE ARE FINANCED

Private donors are foundational for our work. Their donations enable Welthungerhilfe to apply for additional funds from public donors such as the German federal government, the European Union, and the United Nations. In 2017, private donor revenue amounted to EUR 63.8 million and public donor grants to EUR 194.4 million.

295,335

PRIVATE DONORS

who committed in 2017 to a world without hunger and poverty.

3,608

PRIVATE PATRONS

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

156

COOPERATING FOUNDATIONS

that helped us to realise projects together.

1,294

ACTIVE SUPPORTERS,

who campaigned in their circles of friends, campaign groups, associations and schools or individually, for a world without hunger. They carried out 396 benefit events, such as the Run for Life, concerts, bazaars and collections.

470

BUSINESSES

that supported us especially generously.

72

PEOPLE

who included Welthungerhilfe in their testaments.

35

INSTITUTIONAL DONORS

who subsidise or finance our projects and who entrust us with big assignments—often with large grants—thereby confirming their trust in Welthungerhilfe's work. We would like to thank in particular all German, foreign, and international institutions that support us.

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

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Welthungerhilfe, IBAN DE15 3705 0198 0000 0011 15, BIC COLSDE33

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