Germany – DCED Member Update
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Dr. Thomas Cieslik
BMZ - Current Priorities
Private Sector Development (PSD)

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Private Sector Development - annual budget 2016-2018 (mio. €)

- Economic Policy: 168.2, 146.7, 168.1
- PSD: 306.1, 336.9, 347.8
- FSD: 165, 221.8, 271.7
- TVET: 220, 157.3, 321.7
- Total: 859.3, 862.7, 1109.3

Private Sector Engagement - annual budget since 2009 (mio. €)

- 2009: 48
- 2011: 60
- 2013: 80
- 2015: 92
- 2017: 133
- 2019: 178

PSD = Private Sector Development
FSD = Financial System Development
TVET = Technical and Vocational Training
German Initiatives to support Business Environment & Investment Climate Reforms in Africa

- Aims at creating a favourable business environment and supporting private investment.
- Creating enough jobs to provide prospects for a rapidly growing youth in Africa.
- Supporting investment of European Companies and African SMEs
Reform Partnerships

- Within G20 “Compact with Africa” (CwA)
- Started in 2017, open end
- 100 Mio. per country, running budget 800 Mio.
- Support to countries that show initiative to improve their investment climate
- Focus: Improving investment framework conditions, supporting specific sectors
Special Initiative Training and Job Creation Africa

Main objective: Increase local and international investments

- Fosters the attractiveness of business locations and industries
- Mobilizes investments by European and African companies
- Promotes an “African Mittelstand”
Current status of the Special Initiative

Morocco
Cluster: Automotive, Agribusiness
Business & Invest: 200 German companies*

Senegal
Status: Programme preparation
Cluster: ICT, Agribusiness

Côte d’Ivoire
Status: Programme preparation
Cluster: tbd

Ghana
Status: Programme preparation
Cluster: in examination

Tunisia
Cluster: Automotive and aircraft construction
Business & Invest: 270 German companies*

Egypt
Status: Analysis of potential

Ethiopia
Cluster: Textile & Agribusiness
Business & Invest: 20 German companies*

Rwanda
Status: Analysis of potential

* Based on initial analysis.
Development Investment Fund

Entwicklungs-investitionsfond

AfricaConnect
Supporting European companies to invest in Africa (CwA*-countries)

Target group
• European companies

AfricaGrow
Providing growth capital for African SMEs

Target group
• African SMEs and Startups mainly in CwA-countries

Business Network for Africa
Entering African growth markets

Target group
• German companies

* CwA-countries: Egypt, Ethiopia, Benin, Burkina Faso, Ivory Coast, Ghana, Guinea, Morocco, Rwanda, Senegal, Togo, Tunisia
Textile Label „Grüner Knopf“

- Objective: Meta label for sustainably produced textiles
- Companies can participate voluntarily
- Builds on existing credible certification systems including UN Guiding Principles for Business and Human Rights
- Criteria for the social and ecological sustainability of products
- Due diligence and transparency requirements for companies
- Launch: Summer/Fall 2019
Further Priority Topics (Sector Project)

- Social Entrepreneurship / Inclusive Business
- Business Environment and Investment Climate Reform in Africa, Investment Promotion, Industrial Parks, Special Economic Zones
- EU and BMZ funded Technical Assistance Facility for Improving the Business Environment and wider Investment Climate through a structured dialogue – jointly implemented by GIZ, SNV, Expertise France, British Council
- Private Sector Development in the context of digitalization
Discussion Points

- How do we communicate Private Sector Engagement and Private Sector Development to the public?
- How can we create awareness and embed SDGs in business strategies?
- How can we strengthen joint advocacy on Private Sector Development and Private Sector Engagement via the DCED in international processes?
- Globalisation – and how do new political realities in Europe and Northern America affect Development Cooperation in the area of Private Sector Development?
Upcoming Events 2019 and 2020

- **Poverty Reduction, Equity and Growth Conference**
  9 – 10th Sep 2019 in Bonn/Germany: Promoting social & economic development through social protection
  https://www.pegnet.ifw-kiel.de/

- **Entrepreneurship Conference** 15 – 16th Oct 2019 in Berlin / Germany – BMZ/GIZ jointly with ILO, IFC, EBRD, SwissContact; Call for Proposal still open
  https://registrierung-veranstaltung.de/beyondtheknown-callforproposals

- **EU Presidency 2/2020 Germany**: amongst others Private Sector Development and Private Sector for SDGs