

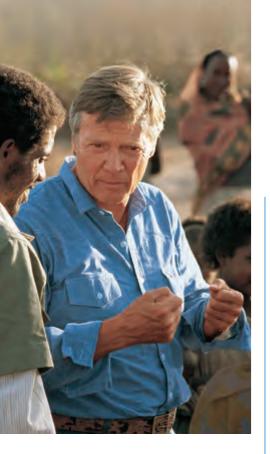
Karlheinz Böhms Äthiopienhilfe



WATER AT LAST Two small towns get a connection to the future > Page 16

**GROWING DEMAND A cooperative creates income** > Page 20

**FAMILY PLANNING It depends on the women** > Page 26



"I can't change the world, but I can change one person, that is, myself. It's useless to say, 'How terrible the world is'; it's only helpful when you do something about it!" *Karlheinz Böhm (1928–2014)* 

### MENSCHEN FÜR MENSCHEN

To create something that remains and keeps on working: that's what Karlheinz Böhm succeeded in doing with the founding of *Menschen für Menschen* in 1981. The famous actor laid the foundation stone with his legendary bet on the TV show "Wetten dass..?", which brought in 1.2 million marks for the hungry people of the Sahel zone. Since then, our organisation has been carrying out development cooperation on the basis of principles which today are key: working on an equal footing to support and accompany the people in rural Ethiopia as they effectively, autonomously and sustainably improve their living conditions. We also campaign for cooperation in the world which is based on partnership. We attach importance to political and denominational neutrality.

Today *Menschen für Menschen* is represented by independent organisations in Germany, Austria and Belgium. Our office in Addis Ababa, operated by *Menschen für Menschen* Germany, coordinates the projects on the ground and carries them out on behalf of, and with the financial support of, all the national organisations.

### **OUR VISION**

At a time when injustice and conflicts result in growing insecurity, we are convinced that each of us can change the world for the better. We imagine a world in which poverty has been eradicated and everyone has a fair opportunity to develop.

### **OUR MISSION**

*Menschen für Menschen* offers everyone who strives for a better world an opportunity to help the men, women and children in Ethiopia to shape their lives in the way they choose and through their own efforts. In our project regions we show that joint work with the population of Ethiopia leads to better living conditions on the long term. We will not give up until the people no longer need us.

In this report we present the work of the German foundation, as well as the projects carried out on behalf of the partner organisations in 2020 and document the use of the funds which have been entrusted to us.

We try to write in a way which does justice to both sexes. For the sake of readability, however, we dispense with always using both masculine and feminine pronouns. Pronouns in the generic masculine can of course be taken as referring to both genders.

### Dear Readers,

In many ways the international community was engrossed and monopolised in 2020 by the challenge of the pandemic. The coronavirus worked like an amplifier: not only did it reveal and accentuate social inequalities here at home, but also the dramatic disparity between living conditions in the industrialised countries and those of the global south. Whether in terms of healthcare, protection from infection and access to tests and vaccines, or social security in the face of loss of income or employment caused by the pandemic, or even access to food: in every area the people who already had fewer possibilities suffered disproportionately during the global crisis. That concerns us and underlines the need for our work. At the same time, it is our duty to carry on resolutely to overcome the poverty and inequality we encounter.

Quite apart from the pandemic, in 2020 Ethiopia was shaken by a series of crises: serious unrest and open military confrontations have cost lives and set the country back in its process of reform. Since the beginning of our activity in this ethnically diverse country we have lived through such critical phases again and again. In spite of this we have stayed with the people and have held up, knowing that new prospects and economic opportunities are the best way to prevent the appearance of radical thinking.

In the last four decades we have given hundreds of thousands of children in rural Ethiopia better prospects of attending school through constructing more than 450 new schools. Today we are increasingly concerned with the question of how the many young Ethiopians can get training, when they are full of ambition, but can barely find work in the country. Our Obsani animal feed business in Dano (pages 20–21) gives an example of the potential which lies in starting companies: they give young people back their self-confidence and at the same time retain the extra value in rural areas.

Our reports from Seyo and Ijaji (pages 16–19) illustrate the fundamental importance of clean water and sustainable water management for development across all areas of life. We are excited that in 2020, compared to the previous year, we could

FRONT AND BACK PAGES: Thanks to a good flow of orders the mood at the animal feed cooperative in Seyo is excellent > More on page 20

### EDITORIAL ANNUAL REPORT 2020



more than quadruple the area which we allocated as a protected region for reforestation. Among other things, these activities contribute to the stabilisation of the water table and prevent gulley erosion. Besides, water and hygiene play a significant role in combatting the pandemic: our social workers and development agents were engaged on a daily basis and have brought together rapid response with long-term prevention.

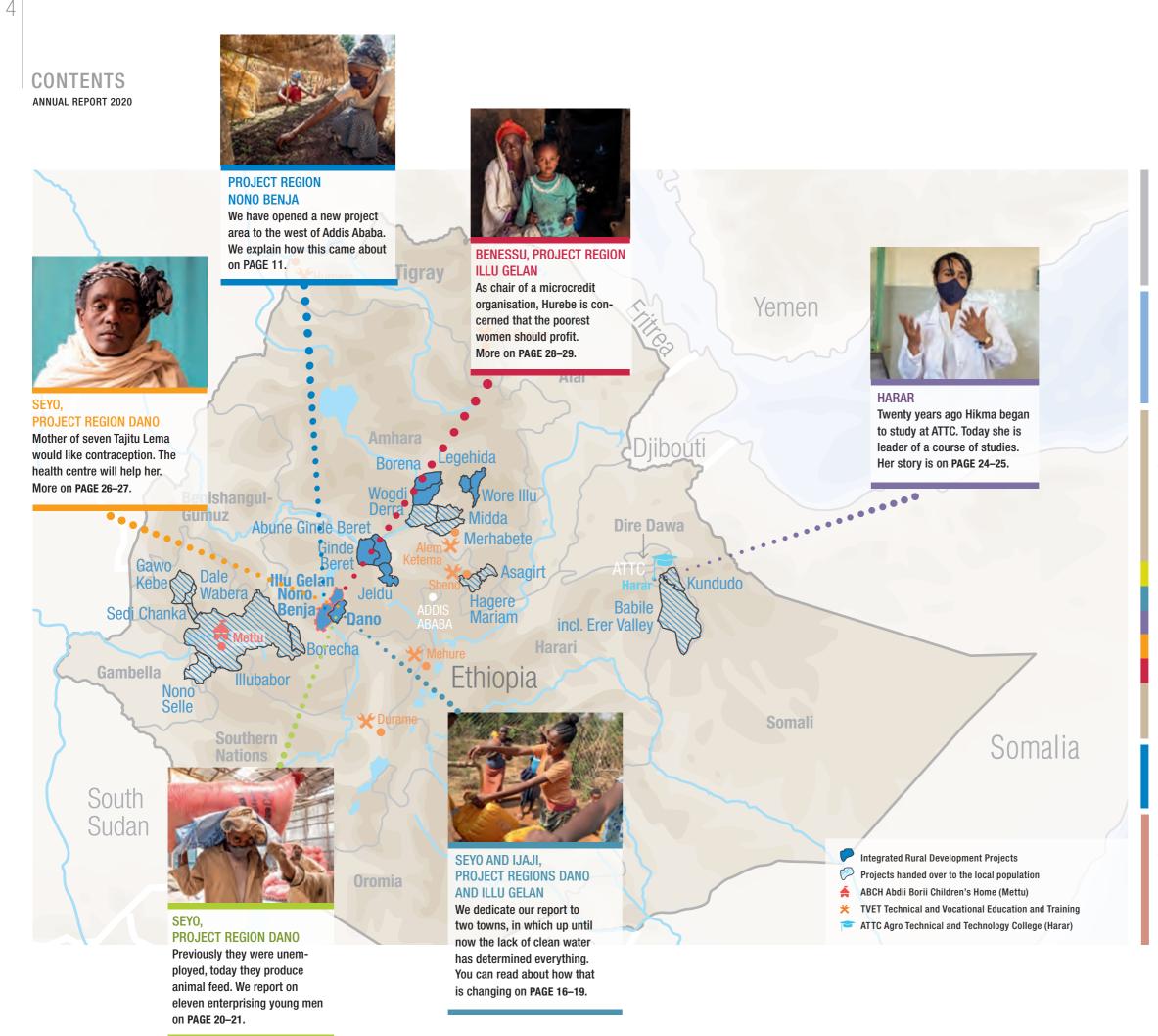
These daily successes are proof that every crisis hides within it an opportunity, and that courage and self-confidence are the best motivation. Today we find ourselves in the year of our fortieth birthday and can rejoice in all that we have achieved, thanks to the decisive contributions which you, our donors, have made. We owe you our sincere thanks.

The unshakable focus on the needs of each individual and the ability to push through have paid off – and give us the energy to take on new projects and new project regions. Let's get on with it. It works! Thank you for your faithfulness and stay connected with us.

With warmest wishes.

Dr. Sebastian Brandis (spokesman)

Benjamin Freiberg



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# Summary 2020

In our current integrated rural development projects alone, we supported nearly 1.3 million people in 2020. Through our work we are promoting 13 of the 17 UN Sustainable Development Goals. Here, through examples, we give an overview of what we have achieved during the reporting year in our five activity focus areas. You can find further key performance indicators and the stories behind them from page 14 onwards.

### HUMAN DEVELOPMENT



,254 jobs created for unemployed young men and women

÷

Also: • 693 women received a microcredit for the first time • 4,914 women took part in training in home economics (hygiene, health, vegetable growing)

### ΗΕΔΙΤΗ



Also: • voluntary HIV/AIDS tests and counselling for 28,196 people • 1 health centre built and equipped • 607 eye operations carried out



### SUSTAINABLE LAND MANAGEMENT + NUTRITION

hectares of area closure for reforestation that is 4.5 times as much as in the previous year

Also: • 115 million seedlings planted • 3,145 beehives distributed

# WASH (WATER,

**2** rural town water supply systems set up - a total of 13,800 people benefit from them

Also: • 89 spring developments and hand dug wells built • 2 water reservoirs built

## **EDUCATION**

11 schools for a total of pupils completed and equipped

Also: • 4,290 people took part in short agricultural training courses

### PERFORMANCE REVIEW ANNUAL REPORT 2020









# Strategy and goals

### **OUR ASPIRATION**

Our Foundation strives to enable the people of rural Ethiopia to improve their living conditions by their own efforts within a measurable timeframe. Our vision is that one day Ethiopia will no longer need outside assistance. At the same time, we want to raise awareness among Europeans of the critical situation of people in poor countries. We use the example of our Foundation's work in Ethiopia to create awareness of the requirements for sustainable development cooperation and illustrate how effective support can be

provided. Informative events, high-profile campaigns and media work are some of the key instruments.

### **OUR STRATEGY**

Because the problems in isolated parts of Ethiopia are closely interwoven, we take an overall approach, working according to the principle of integrated rural development. Alongside the local population, we take the necessary measures to promote sustainable development in five key areas and dovetail them with one another.



Development agent Yohannes Dejene explains the use of modern beehives.

### **OUR FOCUS AREAS**

SUSTAINABLE LAND MANAGEMENT AND NUTRITION Food security through improved agricultural and animal husbandry methods, in combination with erosion control, reforestation and conservation of resources.

- WATER, SANITATION AND HYGIENE Construction of wells, spring developments and supply systems for clean drinking water; awareness raising for improved hygiene.
- EDUCATION Building and equipping of schools and training centres: literacy courses to alleviate the educational crisis; operation of a college.
- **HEALTH** Building and equipping of health centres to alleviate the shortage of medical care; further development of health staff and awareness-raising campaigns to promote health.
- HUMAN DEVELOPMENT AND INCOME Promoting the professional integration of women, adolescents and young adults, microcredit programmes, advice for women in housekeeping and development of infrastructure to improve access to markets

In addition to our integrated rural development work we provide short-term emergency relief, for example in times of famine.

### SUSTAINABILITY AS A GUIDING PRINCIPLE

All our projects must be well founded, oriented to the long term, and continue to exist after our withdrawal. For this reason, we involve the local population in our projects right from the outset, placing an emphasis on participation and dialogue on an equal footing. Upon completion, we hand over infrastructure to the communities and so avoid dependency on outsiders.

# How we carry out development projects

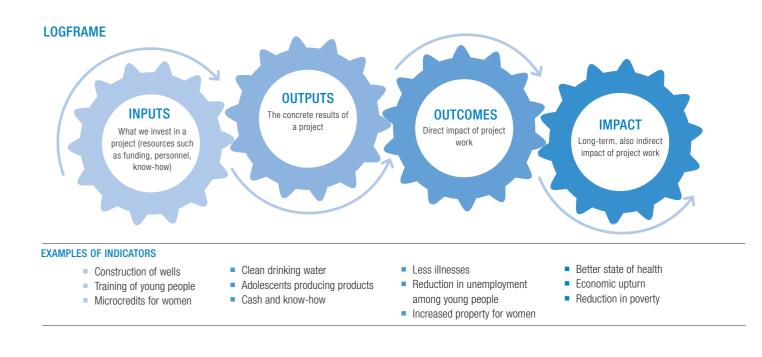
### PROJECT MANAGEMENT AND QUALITY ASSURANCE

We place great emphasis on the efficient and transparent use of money entrusted to us and strive to achieve our development goals with the optimum distribution of funds. To this end we have established a system of project management which ensures precise planning, control and, not least, onward development of our projects. The responsibility lies with our Project Coordination Office (PCO) in Addis Ababa. The majority of the staff works in the project areas.

Each of our integrated rural development projects is broken down into several stages to ensure an orderly workflow. In addition, we define project-specific goals and appropriate indicators with which we gauge whether we are on the right track as the project proceeds, and whether the outcomes meet our quality standards. In order to give more weight to this systematic monitoring of success, in 2012 we expanded our impact monitoring into an independent field of activity. In addition to monitoring and evaluation coordinators in the project regions, monitoring and evaluation experts in Munich and Addis Ababa are also responsible.



Planting in the Illu Gelan project area.



### **HOW WE WORK** ANNUAL REPORT 2020

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Above and beyond internal impact monitoring we have individual project phases and completed projects evaluated. For this we commission external, independent experts, and the Ethiopian authorities also carry out regular evaluations. The results of these analyses are an important part of the evaluation of our work. Together with the monitoring reports they are integrated into the programme planning and so serve the ongoing development of our proiects.

#### FINANCIAL CONTROL MECHANISMS

All expenditure of our Foundation is examined by several committees before it is approved. Besides the project managers, the country representative in Ethiopia, the local management team and the Executive Board also make regular visits to the project areas. In addition, our controlling-staff visit the project areas to check - among other things - the cash, inventories and fuel consumption, both physically on site and with IT-supported accounting. They also assess progress on the construction sites.

The department heads in the project areas report to the project managers, and these in turn submit detailed quarterly reports to the country representatives and the Ethiopian authorities. In this way the authorities check our work, as well as evaluating our projects on the ground.

In her controlling or advisory capacity, the compliance officer appointed by us (see page 33) is likewise instrumental in ensuring that the use of donations is transparent, and the work of our organisation is strictly in accordance with the law.

Every year we have our accounting examined by an independent auditor. The audit report (page 34 onwards) is submitted to the Executive Board and Supervisory Board. Once again, we received an unqualified audit certificate for the Annual Financial Statements in 2020. In addition, external Ethiopian auditors monitor expenditure in Ethiopia as well as the corresponding receipts, making random checks against work completed. They report their findings to the Ethiopian management, which in turn informs the Executive Board.

#### **IMPACT ANALYSIS**

- Measures and evaluates the changes in people and their environment as a result of our activities (quality, efficiency, sustainability)
- Directs attention to the logframe (chart page 9) with differing focus

| METHODS        |   |   |  |  |  |  |  |
|----------------|---|---|--|--|--|--|--|
|                | MONITORING  | EVALUATION  |  |  |  |  |  |
| RESPONSIBILITY | internal  | external  |  |  |  |  |  |
| FOCUS          | Inputs, outputs, in part outcomes<br>(how far have activities been carried<br>out; how does the use of funds relate<br>to results; what progress can<br>be measured?) | Outcomes, impact, but also<br>inputs, outputs<br>(what has been the sustainable impact<br>of the project; why were activities<br>successful or unsuccessful;<br>what could be done better?) |  |  |  |  |  |
| GOALS          | Determination of changes,<br>project management   | Comprehensive inventory at a specific point in time   |  |  |  |  |  |
| PROCEDURES     | Regular data collection<br>(project indicators), evaluation and<br>discussions with beneficiaries   | Evaluation of monitoring data,<br>additional qualitative and quantitative<br>surveys, for example, discussions<br>with various stakeholders   |  |  |  |  |  |
| TIME           | Ongoing throughout the project  | Completion of project phase,<br>phase-out   |  |  |  |  |  |

Menschen für Menschen notes that the law firm of one of the board members advises the Foundation on legal issues. This business relationship has been reviewed and expressly approved by the Supervisory Board.

### PRINCIPLES

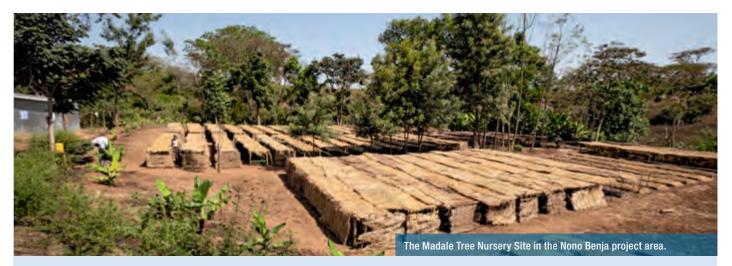
EMPLOYEES IN THE FIELD. About 600 well-trained Ethiopian employees are working for us in the project areas. They are familiar with specific local conditions and speak the regional dialect. This creates trust and promotes direct interaction with the people who benefit from our projects. As the need arises, we cooperate with other Ethiopian partners (e.g. in construction projects).

LOCAL NEEDS AS A STARTING POINT. To achieve the maximum impact with limited funds. Menschen für Menschen plans each project with the greatest of care. The starting points are always the concrete demand and the specific needs that we identify on the ground in a process of interaction with the local population. By virtue of our integrated approach, involvement of the affected people and our long-term commitment, we achieve a sustainable improvement of living conditions.

LONG-TERM ORIENTATION. Even after a project has been handed over to the population and the local authorities, we maintain contact with the people. Through systematic monitoring and evaluation (see table for impact analysis) we regularly check our activity. This enables us to constantly improve and ensure the long-term success of our work.

### MINIMUM STANDARDS FOR CONTRACTUAL

PARTNERS. Any partnership calls for fairness. That also applies to the use of daily labourers. Since 2014 we have required all contractors who build schools for us to pay temporary workers a fair minimum wage, regardless of whether they are male or female. In addition, protective clothing such as helmets and gloves must be provided for work that involves special risks.



## Opening of a new project area

Since 1981 Menschen für Menschen has supported men, women and children in 24 rural project areas. At the moment we are active in ten areas. Yet how would we make a decision about getting involved in a new region?

Alemayemu Ayele (pictured left) is community chair of a small town in the Nono Benja district, a rural region some 270 kilometres west of Addis Ababa. Along with other community and government representatives, the 60-year-old applied for *Menschen* für Menschen to get involved in his district. Nono Benja lies directly next to the

Dano project region. "When

we drove through the villages there, we saw what the local people and Menschen für Menschen were doing together," says Alemayemu. "We really hoped that we could go down that route here as well."

This is often the way in which cooperation, which will last many years, begins: people who live in a region come to the foundation. We then see whether the conditions for an integrated rural development project are present. In Nono Benja they were: some 107,000 people live in the district, mostly from crop growing and animal husbandry. questionnaires and information which is already The land is severely eroded and exhausted through methods. There is a lack of seed and animal fodder.

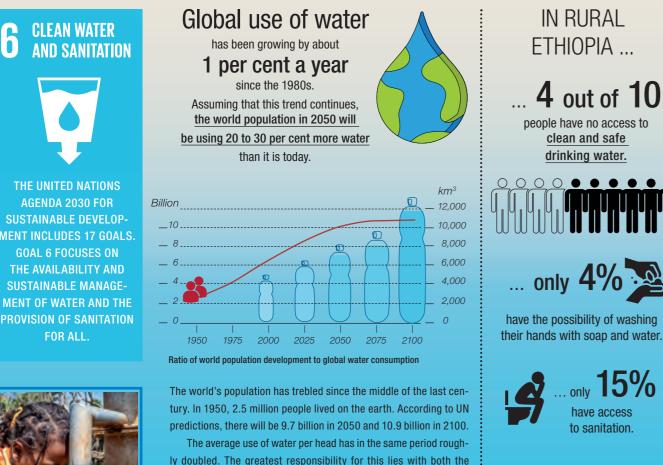
Only one in three peo- In talks with government representatives and comple has access to munity chairs, as well as interviews with farmers, staff try to establish how open the people are to drinkina clean water, and the working together. It is only when the people are people are con- willing to take on responsibility that the work is sucstantly suffering cessful on the long term. from stomach and In Nono Benja this was the case. Since the beintestinal illnesses. ginning of 2020 the foundation has been involved, "The poor medical care and has already established two tree nurseries remains a big concern," says Feyere there, equipped the health centres with important Wakuma (pictured right), chair of the Alga equipment, established five water points, and betown council. The nearest hospital is far away. gun to set up a water supply system for a small The few medical facilities are too small and rural town and build two schools. poorly equipped.

As for all regions which we consider getting VARIOUS PROJECT PHASES involved with, the foundation's team first of all gets Menschen für Menschen will be active in Nono its own impression and carries out a study to gain Benja for some ten to twelve years. Every integratan overview. "We want to find out what the greatest ed rural development project follows a set process, needs of the people in the area are, and what po- which presupposes the working out of a project tential there is to change something for the better plan and contractual agreements with the Ethiopian through our work," explains Addisu Assefa, who government. Quality assurance is served by intercoordinates such studies. Are there, for example, mediate, final and post-activity evaluations. There natural springs in the area? Can a variety of fruit are also fixed criteria for handing over the completand vegetables or coffee be grown here? Addisu ed project to the local people, so as to assure its and his colleagues gather benchmark data through sustainability. The Nono Benja project hasn't got that far yet. available from the local authorities: how many peo- But things are looking good: "In the last months the deforestation and overgrazing. In their fieldwork ple have access to clean drinking water? How ma- people have got to know the work of the foundation the farmers use outdated tools and cultivation ny boys and girls go to school? How many young and are very happy," says Feyere. "Everyone is people are unemployed? pitching in."

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# No life without water

Water is the most valuable resource on our blue planet. Without clean, drinkable water we can't live. Medical care and the prevention of infectious diseases are just as dependent on water as the availability of foodstuffs and the production of industrial goods and energy and, not least, the conservation of surrounding nature. Climate change has knocked the global housekeeping of water off balance. Sustainable and just water management on our earth therefore concerns everyone in some way.



direct and the indirect use of water in the industrialised countries. Admittedly the per head use of mains water in Germany has declined in recent years. Through the purchasing and consumption of goods, however, whose production demands a lot of water, the "water footprint" is growing (see right-hand side).

"We often speak about the lack of water and the threat of water conflicts, but too little about the fact that water is part of the solution to the climate crisis. Effective management of water contributes to climate protection and effective adaptation to climate change.

of primary schools

have access to drinking water.

Ulla Burchardt, board member of the German UNESCO Comr

### WATER FOOTPRINT **GROWS THROUGH** CONSUMPTION

The water footprint measures how : much water is directly or indirectly used by available to all. a person, a country or in the production of a product. The water footprint of a country is comprised of the use of domestic water resources and the use which is associated with imported goods. The water use associated with exported goods is subtracted.



### Germany: 117 billion cubic metres, of which some

69% is imported **Ethiopia:** 77 billion cubic metres. of which at least 2% is

imported (Total of direct and indirect use of water per year)

In 2010 Germany imported 103 billion cubic metres of water which was associated with agricultural products and foodstuffs. That roughly corresponds to twice the volume of water in the Lake of Constance (Bodensee).

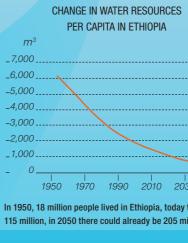
### Lack of water despite rich water resources

Ethiopia is not a country which is poor in water. But the water supplies are unevenly divided and not equally

- . Precipitation is very unevenly spread in terms of location and time (distinct wet and dry seasons; highlands rich in rainfall, dry lowlands).
- Infrastructure is poorly developed: in Addis Ababa 97 per cent of people have access to clean water, in rural areas only 38 per cent.
- Owing to rapid population growth the water resources available per capita are constantly declining (see diagram below).

Ethiopia is the "water tower" of Africa

of surface water flows into neighbouring countries, only 3% stays in the country.



### Menschen für Menschen's water management strategy



Promoting reforestation

to prevent erosion

and stabilise the water

regime



Expanding infrastructure through spring developments and hand dug wells of various depths as well as water supply systems for small towns

other things for agriculture

### WHAT WE DO ANNUAL REPORT 2020

| 1 I<br>2030 2050 |
|------------------|
| today there are  |

### FORESTS AR WATER RESERVO

The ground in forests is very absorbent, and even on steep slopes it can take in water well. It sinks into the earth and adds to the groundwater. Only a small part of precipitation flows away on the surface. Evaporation is also delayed in the forest. At the same time, plants take water out of the ground and release it over a long period - even outside the times of precipitation - into the air. This improves the local climate



### **Through clearance**

- water falls onto the ground without being slowed down by the leaf cover of the trees.
- less water seeps into the soil, and a large part
- flows away on the surface.
- erosion and floods are caused.
- the land dries out quickly, and there is less build-up of ground water.

Extreme weather events due to climate change such as droughts and heavy rains make these problems more acute.

which the majority of people depend for their living. But that is only 4% of the country's water resources.



Optimising the use of surface water, among



Involving and training the local population and authorities early on, to embed sustainable management structures



Setting up monitorin systems to establish a sustainable use of water

# Activities and outcomes 2020

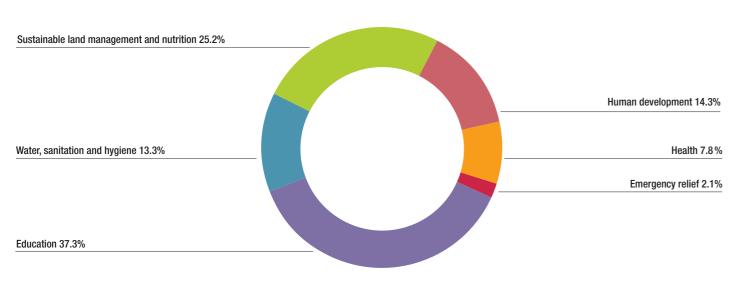
In Ethiopia 2020 was marked by a series of tensions. pandemic. Especially in the first half of 2020, some On the one hand, the political confrontation between the various regional parties became even more acute compared to the previous year. As a result of this, open military conflict broke out in the north of the building of waterschemes came to a halt. Because country in November 2020. On the other hand, the the local people help, for example, in digging out the covid pandemic reached Ethiopia in Spring 2020. Like the rest of the continent, the country was severely impacted due to its poorly equipped health system and as a result of the lockdown measures, including the closure of schools.

of the presentations and training sessions which we had planned were unable to take place due to the bans on public gatherings related to covid. Also, the well shafts, the risk of infection would have been too great. In the second half of the year, however, we were able to catch up with some of these activities.

After our work in the Dale Wabera and Sedi Chanka project regions had to be brought to an The work of our foundation has only in some end because of the inadequate security situation, places been adversely affected by the unrest and the Menschen für Menschen asked the authorities in the

Oromia regional state if it could fulfil the existing contractual obligations in two other project areas. In Spring 2020 therefore, we started work on two new integrated rural development projects in Nono Benja and Illu Gelan. They border the Dano district, where our organisation has been involved since 2013.

In 2020 Menschen für Menschen spent a total of 10.6 million euros (previous year 10.7 million euros) on project work in Ethiopia. With 8.7 million euros (previous year 8.7 million euros), the German foundation contributed the greater part of the funds.



#### CLARIFICATIONS TO THE TABLE ON PAGE 15

#### INTEGRATED RURAL DEVELOPMENT PROJECTS

Ginde Beret, Abune Ginde Beret, Jedu and Derra: the projects have been, or are being, financed by the Austrian association and carried out on its behalf.

#### INFRASTRUCTURE PROJECTS

In some areas Menschen für Menschen has carried out individual or multiple infrastructurerelated activities outside the project areas. These include, for example, road building, health stations, water points and educational institutions. The activities were organised by the adjoining project areas and the central office in Addis Ababa.

#### ACCOMPANYING PROJECTS

The Project Coordination Office in Addis Ababa, the development staff and the procurement section in Munich are primarily responsible for accompanying projects. The Austrian association accompanies projects in the Austrian project areas.

| Project areas  | Size in square<br>kilometres | Project duration | Staff<br>employed | Population supported | Spending in euros<br>in 2020 |
|--|------------------------------|------------------|-------------------|----------------------|------------------------------|
| PROJECT SPENDING   |                              |                  |                   |                      |                              |
| Integrated rural development projects  |                              |                  |                   |                      |                              |
| Borena   | 980                          | 2011             | 45                | 187,915              | 759,346                      |
| Ginde Beret  | 1,200                        | 2011             | 32                | 136,798              | 377,085                      |
| Abune Ginde Beret  | 1,360                        | 2012             | 29                | 139,922              | 474,619                      |
| Wogdi  | 1,122                        | 2013             | 38                | 158,897              | 740,077                      |
| Dano   | 659                          | 2013             | 82                | 125,759              | 1,745,165                    |
| Legehida, von Wore Illu verwaltet  | 429                          | 2014             | 0                 | 78,764               | 184,968                      |
| Wore Illu  | 683                          | 2014             | 36                | 132,960              | 363,191                      |
| Jeldu  | 750                          | 2017             | 30                | 99,992               | 554,893                      |
| Illu Gelan, managed by Dano  | 424                          | 2020             | 0                 | 86,006               | 95,216                       |
| Nono Benja   | 784                          | 2020             | 32                | 106,754              | 528,712                      |
| Integrated rural development projects (closed)   |                              |                  |                   |                      |                              |
| Illubabor  | 32,000                       | 1985–2013        | 0                 | 1,363,150            | 0                            |
| Merhabete  | 1,210                        | 1992-2009        | 0                 | 137,570              | 0                            |
| Derra  | 1,500                        | 1997–2010        | 0                 | 209,575              | 5,508                        |
| Midda  | 900                          | 2000–2013        | 0                 | 101,233              | 8,312                        |
| Babile (Erer Valley 1981–2002)   | 3,502                        | 2002–2013        | 0                 | 108,068              | 0                            |
| Nono Selle   | 2,000                        | 2007–2012        | 0                 | 26,416               | 0                            |
| Asagirt  | 437                          | 2007–2015        | 0                 | 53,845               | 0                            |
| Hagere Mariam  | 752                          | 2008–2015        | 0                 | 60,055               | 0                            |
| Borecha  | 961                          | 2007–2017        | 3                 | 94,676               | 14,769                       |
| Kundudo (2012–2015, exclusively reforestation project)   | 144                          | 2012–2017        | 2                 | 54,821               | 22,790                       |
| Dale Wabera*   | 697                          | 2013-2019        | 4                 | 80,496               | 65,071                       |
| Sedi Chanka  | 708                          | 2013–2019        | 0                 | 61,148               | 0                            |
| Gawo Kebe  | 975                          | 2016-2019        | 3                 | 31,000               | 19,272                       |
| Number of additional people who have benefitted from the results of based on the World Bank's average population growth rate of 2.6% Infrastructure projects | the project since it was ha  | anded over,      |                   | 485,637              |                              |
| including Tigray, Harari, Gursum and Jarso, Jimma Zone, Kembata,<br>Jamma, Girar Jarso, Degem, Moretna Jiru and Ensaro                                       |                              | 1992–2012        | 0                 | 1,889,772            | 865,296                      |
| Individual projects  |                              |                  |                   |                      |                              |
| Abdii Borii Children's Home (ABCH) (103 children in the home,<br>295 in training or already independent)   |                              | 1996             | 55                | 398                  | 364,481                      |
| Agro Technical and Technology College (ATTC)   |                              | 1992             | 139               | 3,844                | 1,215,777                    |
| Arsi Job Creation Project in partnership with<br>German Society for International Cooperation (GIZ)  |                              | 2019             | 22                | 500                  | 253,296                      |
| Emergency relief   |                              |                  |                   |                      | 190,041                      |
| Project Coordination Office (PCO) and central warehouse  |                              |                  | 55                |                      | 1,749,971                    |
| TOTAL NUMBER OF PEOPLE SUPPORTED   |                              |                  |                   | 6,015,971            |                              |
| TOTAL PROJECT SPENDING   |                              |                  |                   |                      | 10,597,856                   |
| OF WHICH PROJECT SPENDING OF THE AUSTRIAN ASSOCIATION  |                              |                  |                   |                      | 1,842,091**                  |

| including Tigray, Harari, Gursum and Jarso, Jimma Zone, Kembata, |
|--|
| Jamma, Girar Jarso, Degem, Moretna Jiru and Ensaro               |

| Project areas  | Size in square<br>kilometres | Project duration | Staff<br>employed | Population supported | Spending in euros<br>in 2020 |
|--|------------------------------|------------------|-------------------|----------------------|------------------------------|
| PROJECT SPENDING   |                              |                  |                   |                      |                              |
| Integrated rural development projects  |                              |                  |                   |                      |                              |
| Borena   | 980                          | 2011             | 45                | 187,915              | 759,346                      |
| Ginde Beret  | 1,200                        | 2011             | 32                | 136,798              | 377,085                      |
| Abune Ginde Beret  | 1,360                        | 2012             | 29                | 139,922              | 474,619                      |
| Wogdi  | 1,122                        | 2013             | 38                | 158,897              | 740,077                      |
| Dano   | 659                          | 2013             | 82                | 125,759              | 1,745,165                    |
| Legehida, von Wore Illu verwaltet  | 429                          | 2014             | 0                 | 78,764               | 184,968                      |
| Wore IIIu  | 683                          | 2014             | 36                | 132,960              | 363,191                      |
| Jeldu  | 750                          | 2017             | 30                | 99,992               | 554,893                      |
| Illu Gelan, managed by Dano  | 424                          | 2020             | 0                 | 86,006               | 95,216                       |
| Nono Benja   | 784                          | 2020             | 32                | 106,754              | 528,712                      |
| Integrated rural development projects (closed)   |                              |                  |                   |                      |                              |
| Illubabor  | 32,000                       | 1985–2013        | 0                 | 1,363,150            | 0                            |
| Merhabete  | 1,210                        | 1992–2009        | 0                 | 137,570              | 0                            |
| Derra  | 1,500                        | 1997–2010        | 0                 | 209,575              | 5,508                        |
| Midda  | 900                          | 2000–2013        | 0                 | 101,233              | 8,312                        |
| Babile (Erer Valley 1981–2002)   | 3,502                        | 2002–2013        | 0                 | 108,068              | 0                            |
| Nono Selle   | 2,000                        | 2007–2012        | 0                 | 26,416               | 0                            |
| Asagirt  | 437                          | 2007–2015        | 0                 | 53,845               | 0                            |
| Hagere Mariam  | 752                          | 2008–2015        | 0                 | 60,055               | 0                            |
| Borecha  | 961                          | 2007–2017        | 3                 | 94,676               | 14,769                       |
| Kundudo (2012–2015, exclusively reforestation project)   | 144                          | 2012-2017        | 2                 | 54,821               | 22,790                       |
| Dale Wabera <sup>*</sup>   | 697                          | 2013-2019        | 4                 | 80,496               | 65,071                       |
| Sedi Chanka  | 708                          | 2013-2019        | 0                 | 61,148               | 0                            |
| Gawo Kebe  | 975                          | 2016-2019        | 3                 | 31,000               | 19,272                       |
| Number of additional people who have benefitted from the results of based on the World Bank's average population growth rate of 2.6% Infrastructure projects | the project since it was ha  | anded over,      |                   | 485,637              |                              |
| including Tigray, Harari, Gursum and Jarso, Jimma Zone, Kembata,<br>Jamma, Girar Jarso, Degem, Moretna Jiru and Ensaro                                       |                              | 1992–2012        | 0                 | 1,889,772            | 865,296                      |
| Individual projects  |                              |                  |                   |                      |                              |
| Abdii Borii Children's Home (ABCH) (103 children in the home,<br>295 in training or already independent)   |                              | 1996             | 55                | 398                  | 364,481                      |
| Agro Technical and Technology College (ATTC)   |                              | 1992             | 139               | 3,844                | 1,215,777                    |
| Arsi Job Creation Project in partnership with<br>German Society for International Cooperation (GIZ)  |                              | 2019             | 22                | 500                  | 253,296                      |
| Emergency relief   |                              |                  |                   |                      | 190,041                      |
| Project Coordination Office (PCO) and central warehouse  |                              |                  | 55                |                      | 1,749,971                    |
| TOTAL NUMBER OF PEOPLE SUPPORTED   |                              |                  |                   | 6,015,971            |                              |
| TOTAL PROJECT SPENDING   |                              |                  |                   |                      | 10,597,856                   |
| OF WHICH PROJECT SPENDING OF THE AUSTRIAN ASSOCIATION  |                              | _                |                   |                      | 1,842,091**                  |

\* since 2018 Dale Wabera has been divided into the two districts of Dale Wabera and Sedi Chanka.

\*\* Spending by the Austrian Association for projects which were only finalised in 2021 (for example, purchase of deep drilling equipment - see page 43) are not included in this figure and will be accounted for in the following year.

### Project spending in Ethiopia by focus area

WHAT WE DO

ANNUAL REPORT 2020

# Connection to the future

Up until now, the lack of clean water in Seyo and Ijaji was the all-consuming daily question – the more people moved into the small towns, the more pressing it became. The supply system which our foundation set up in Seyo has in the meantime noticeably eased the situation. Now the construction in liaji is beginning.

If you ask the nearly 50-year-old Dinke Argasa what has made her life most difficult, she doesn't cite for instance the separation from her husband, her financial problems or wondering whether she will manage to bring up seven children on her own. "My biggest concern is around drinking water, where I get it and if I will have enough the next day," she says.

sible for collecting water, stroll with jerrycans to the supply point. Between 2017 and 2020 Menschen für Menschen, together with the local people and with support from the Federal Ministry for Economic Cooperation and Developement, created a local supply system for Seyo. It pumps groundwater from two boreholes outside

Until a year ago there were only two water points in Seyo for about 10,000 people, who lived in the small town at that time. Dinke, who makes a living as a cook at celebrations, had to daily walk more than half an hour to a government spring development outside the town. There was such a crowd there, that often it would be a case of standing around for two or three hours. "Each family was only allowed to fill one jerry can per day," she reports. Sometimes she returned empty-handed and tried again after nightfall. "With a bit of luck, I could then secretly fill even two jerrycans."

The journey back heavy laden be-

women kept hurting themselves when they tripped and fell in the

darkness. Hyenas lurked in the bushes, sometimes men as well,

who would grab their jerrycans or worse. "I know women who were

ing, cooking and the most essential washing up. "If it was used up,

we were left sitting high and dry until the next day." To wash them-

selves or their clothes, the family had to go to the River Waji, which

Today it takes Dinke only five minutes to get to the nearest water

point. Once she arrives, she greets some neighbours who are filling

their jerrycans at the taps. Children run squealing over the sandy

square and even men, who traditionally in Ethiopia are not respon-

The water which they lugged back was hardly enough for drink-

came a torment. And dangerous at night:

was even further away than the spring.

**CLEAN WATER AROUND THE CORNER** 

raped," says Dinke.

for the people in Seyo.

Running water - a milestone

across the town. Two public shower blocks were also built. Dinke takes the opportunity to draw deeply from the source. "I can fill as many jerrycans as I will need the next day," she declares. She has

to, because the available water is not yet enough

the town and pipes it to thirty waterpoints

for the whole city at the same time. The town water committee has therefore divided Seyo into several zones, which are provided for alternately. Dinke and her neighbours get their turn once a week. If their water runs out in the meantime, they go to the spring development as before. Yet because of the new water supply, the crowd there has dropped off a lot. "I no longer have to wait as long as I did before."

Menschen für Menschen worked out that

about 15 litres of water per second needed to be drawn from the boreholes for the growing population of the small town. "We're currently managing to supply about half," says

Bezabih Alem, who is responsible for the water sector at the foundation's main office in Addis Ababa. "Extracting groundwater is expensive and complicated," he says. "It can happen that after we have created a borehole the quality turns out not to be good enough, or the available water is less than expected." That was the case with the first borehole in Seyo. Thus, it was necessary to switch to an extraction area ten kilometres outside the town, and the pipes to Seyo now cross





Dinke (front right) at the new water point, which is only five minutes' walk from her home. Now men also draw water here.

several villages. Their inhabitants likewise want to benefit from the water. "You can understand it," says Bezabih. To respond to the demand, the foundation built three additional withdrawal points outside the town. Admittedly that means a bit less for each person, but on the other hand more people benefit.

### A HEALTHIER LIFE FOR ALL

Abebech Bedada lives with her husband Alemu and three children in Dinke's neighbourhood. Thanks to the new water supply system, her life has also become a bit easier, and above all less burdened by care.

Although the parents made sure that the children in particular drank cleaner water, two years ago Abebech's youngest daughter Weyini became seriously ill. She had diarrhoea and vomiting and became weaker and weaker. "I could hardly bare to look on," says

> her mother. The parents brought the then two-year-old girl to the health centre just in time. The medicines took effect and after seven days she was healthy again. They were told that contaminated water had been the cause. When her husband heard that a

water supply system was being set up in Seyo, he insisted on having his own connection, although he had to pay extra for it. "I didn't understand why we had to pay extra money for it," remembers Abebech. After all, the water point was just around the corner. But her husband didn't want to see her lugging heavy jerrycans back to the house anymore. The couple began to make savings all over the place. Alemu signed on as a day labourer until they had got together the connection costs of 3,500 Birr, about 70 euros.

For the last two months a water pipe with a tap has poked out of the ground in their narrow garden. When Alemu comes home from work or their son Samuel comes in from school, they wash the dirt of the day from their hands and faces. Abebech gives everyone a glass of water. "The connection is a great relief!" she says. "I'm almost a bit ashamed that we argued about it."

Up until now there has been a continuous flow of water from the family's pipe. To share it fairly, the water committee has decided that at least for a while that will change. Like everyone else, Abebech and Alemu will get their water on a shift system.

"We were a town without water," says the mayor, Mekonnen Asefa. "Things are much better for us now, but we're not yet completely without shortages." He tries to explain this to the citizens of Seyo. He draws hope from the fact that this year Menschen für Menschen will create another borehole to at last feed sufficient water into the system. "Perhaps we will then get our own hospital. Businesses and hotels will open. The people will be able to grow vegetables in their gardens, and we will possibly start a fish farm." he dreams

### WITHOUT WATER THE RESTAURANT IS CLOSED

About 30 kilometres away in Ijaji, the capital of the neighbouring project area Illu Gelan, the lack of water is likewise limiting development. Business at the Jatani restaurant, which on market days is bursting at the seams, is also suffering as a result. "Everything here depends on water," says Belachew Tesfaye, as he lets his eyes sweep over the fully occupied tables.

He also owns another restaurant and a butcher's shop in Ijaji. Whether for slaughtering or cleaning, washing up or customer toi-

Abebech and her husband are happy about the private water connection in their own garden in Seyo. Below: water merchants from Jiaji cross the River Washemo.





Left: a birth assistant washes his hands in the delivery room of the health centre in Ijaji. Centre: businessman Belachew in front of one of his restaurants. Right: the hand-washing station for the restaurant's guests is filled up.

lets, or the twelve members of staff who live in the annex - for everything and everyone water must flow.

Belachew's restaurants are connected to the town's old water system, which was laid out for 10,000 people. But now probably three times as many people live in the town and its suburbs. "If we're lucky, a bit of water flows out of the pipe roughly every two weeks," says the entrepreneur. When and how many of his 200-litre barrels then get filled up, he doesn't know. "Our water tap is simply left on all the time."

To keep his business going, he commissions merchants, who fill up with water for him at springs or the river. They get well paid for it: 350 Birr, or a little over seven euros, is what they receive for a full barrel. Five times as much as for the same amount of water from the tap. In spite of this, he runs out of water several times a month. Then there is nothing left for him to do but shut the restaurant. Because of afternoons like this he loses up to 15 per cent of his profits. "But I have a reputation to protect," he says. "Clean crockery and good hygiene for my staff are indispensable." He has often felt like giving up. "But this is my life. I can't do anything else." Water is also lacking at the liaji health centre, in the consulting rooms, the emergency unit and the laboratory. The big tank on the site, where clinic staff collect water with their jerrycans, should be filled up once a week. "But that is very unreliable," says Zerihun Girma, the District Health Officer.

The spring at the entrance to the clinic only flows during the summer wet season. In dry months the staff have to make do with less than a thousand litres a week. Hardly enough for a clinic which has 45,000 people living in its catchment area. For comparison. the average German uses around 125 litres a day. Many of the staff at the centre were concerned about their health even before the



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covid outbreak. "Before we help sick people, we must at least be able to wash our hands thoroughly," emphasises Zerihun.

### **NEW WELLS ARE NOT ENOUGH**

To ease the situation in Ijaji, Menschen für Menschen has created six hand dug wells in the town and its suburbs, which supply water even in the dry season (more on pages 22/23). Whereas previously just less than one in five people in the town had access to clean

water, now that figure has doubled. Yet the wells don't end the water problem. In partnership with the Viva con Agua de Sankt Pauli Association, Menschen für Menschen will set up a water supply system like the one in Seyo, with several water points and public showers. The schools have also been connected. Three kilometres from the town centre a drilling company came across sufficient water about 180 metres down. In the coming months it will become clear where the pipes will be laid, and in a year's time everything should be completed.

"It will work wonders," says Asfaw Naame, leader of the Illu Gelan District Council. In previous years entrepreneurs came forward who wanted to build hotels and open private schools and kindergartens. But they pulled back when they heard how bad the water supply in the town was. "That is going to change. A brilliant future awaits the inhabitants of Ijaji," says Asfaw with conviction. In Seyo, Dinka Argasa is similarly optimistic. She looks towards her granddaughter Kena, who is playing with the neighbouring children. "I've suffered my whole life long from lack of water, just like my daughter, Kena's mother," says Dinka. "But the little one won't have to anymore. She is the lucky one."

"We were a town without water. Things are much better for us now, but we're not yet completely without shortages."

Mekonnen Asefa, mayor of Seyo

## (\*) Sustainable land management and nutrition

Up until now, 70 per cent of people in Ethiopia have lived off agriculture. Because of the lopsided cultivation of the fields much of the land is now exhausted. There is a lack of seed and insufficient irrigation. Bare surfaces and slopes are threatened by gulley erosion and are further worn out by grazing cattle. We are supporting farmers so that their agriculture becomes at the same time more productive and more sustainable. They are getting to know about new kinds of fruit and vegetables and effective cultivation methods, but also about new possibilities for agricultural income - such as the production of animal feed.



There is plenty to do: Ayela Tsegaye (centre) surrounded by her colleagues.



10.000 kilograms of animal feed is needed to fulfil the latest order



machines

ouna people produce/ animal feed

### PROJECT EXAMPLE Sacks of success

The workers in the animal feed plant on the edge of the town of Seyo have a lot to do. Four of them heave a 50-kilogram sack off the ground and lift it onto the shoulders of a colleague. He lugs it to the other side of the production shed and drops it onto a wooden pallet. 10,000 kilograms of animal feed must be mixed and bagged up to prepare it for transport. The order from an agricultural research centre in Bako, some 70 kilometres away, came in just yesterday. "The quality of our feed is being talked about," says Chalichisa Aduguna and grins proudly. He is the spokesman for the cooperative, which was founded in 2015 with the support of Menschen für Menschen.

"Green innovation centres" is the name of the programme of the German Society for International Cooperation (GIZ) which the foundation is carrying out in the Dano project area. Its goal: to create

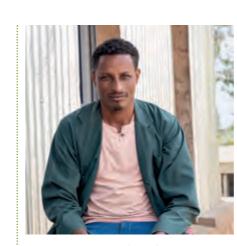
local value chains by founding agricultural marketing associations. Niger seed, maize and soya beans thrive in the area. Yet up until now the commodities have hardly been processed and not much cattle feed has been produced here. In the shed directly next door other young entrepreneurs are producing cooking oil from the Niger seed, and still others are bottling honey. This is delivered by beekeepers who have learned in the foundation's training sessions how to multiply their honey harvest.

As with many founders, the animal feed producers found that the first months were the hardest. "Nobody was familiar with the feed," says Chalichisa. Menschen für Menschen helped them to do a tour of the markets in the surrounding area. They extolled the novelty over loudspeakers. The first farmers dared to buy a few sacks from them.

They were satisfied and told others about their discoverv

Today the businesses are going well, and the customer base has grown. To create the feed Chalichisa and his ten colleagues chop and crush the waste from the maize and soyabean harvests which they buy off the farmers. To this they add the remains of the Niger seeds from their start-up neighbours as well as additions from the market, such as salt and the protein-rich press cakes, which are left over from the production of peanuts. They have three types on offer, mixed from up to 20 ingredients: for chicken, for milk cows, and for fattening cattle.

These rapidly put on weight. After just a few months they can be sold at a good price. "Previously the small farmers let their cattle graze on their smallholdings, in the meadows and on the slopes of



'The land parcels of the farmers are becoming small and smaller. So meadowland is lacking and they can hardly grow feed for their cattle. Our products help them."

Chalichisa Adunga, spokesman for the Obsani animal feed plant

the surrounding area," says Demere Anno, leader of the Dano project area. "Or they cut grass and pulled up plant roots and dried them to feed them like hay." This put more strain on land which was already bare and removed the last protection from the earth. With the new animal feed, the farmers can give up these practices. It thus also contributes to the protection of natural resources and reduces the demand for land.

Like Chalichisa, Ayela Tsegaye has been there since the beginning of the cooperative. For her it has been the fulfilment of a dream. "I felt useless without a job," says the 22-year-old. After finishing school, she opened a small street café, but it didn't go particularly well. When she discovered that staff were wanted for the founding of the animal feed plant, she applied straightaway. She and other new starters, who before were getting by with casual work, went through a series of training sessions - in using machinery, in putting together the feed and in

## **PROJECT WORK IN ETHIOPIA**

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### FUNDS SPENT IN 2020 2,219,953 euros

### THE MOST IMPORTANT SUCCESSES:

- 38 new tree nurseries opened
- 15 million seedlings planted
- 3,145 beehives distributed
- agricultural training offered to 4,290 participants



book-keeping. Today Ayela earns 1,200 Birr - roughly 25 euros – a month. Admittedly that is not much, but it gives her a regular income. In addition, she receives once a year a part of the overall profits. In 2020 that was about 600 euros.

Soon the group is going to start using a new machine, financed by Menschen für Menschen and GIZ, which presses the powdered feed into pellets. "I'm going to do everything I can to make the business even more successful," says Ayela and goes back into the work shed. The order is waiting.

### WHAT DOES IT COST TO SUPPORT THE YOUNG ENTREPRENEURS?\*

- 5-day training on animal fattening: about 190 euros (for 10 people)
- Start-up capital for an animal fattening business: 500 euros per person

WHAT WE DO ANNUAL REPORT 2020

## Water, sanitation and hygiene

Clean water is still not something to be taken for granted in rural Ethiopia: four out of ten people lack drinking water. The water they draw from ponds, streams and rivers is contaminated with bacteria and parasites. Life-threatening illnesses are the consequence. Together with the local people, we are therefore building hand dug wells and spring To run these facilities in a sustainable way, it's essential that the people feel responsible for them. That is why the foundation supports the creation of water committees and trains their members.



her house.

saving a lot of money," says the youngster happily

and ties the full jerrycan onto her back. On this morning the water point is quite quiet. Until a few months ago that was hardly imaginable: water merchants, who supply businesses, restaurants and private houses in Ijaji with the valuable resource were likewise using the water from the well. Each morning they filled up their many jerrycans in Michael Gora, loaded them onto donkey carts, came back a short while later and drew water again. Like everyone the merchants paid the fee for using the well, and then sold the water in Ijaji at many times the cost.

"It could get really crowded," says Asna. And uncomfortable. The merchants and the local people ended up arguing and wrangling. "It was a fight for the best place in the queue," remembers Chala Gutama. He is the well's guard and a member of the water committee, which ultimately decided to raise the fee for the merchants. Since then, they have kept their distance from the well and today the local people can draw from it in peace and without having to wait

At seven o'clock each morning Chala opens the gate to the well for them, and it is then open until half past eleven and between three and six o'clock in the afternoon. He also collects the fees for using it. These pay for replacement parts for smaller repairs, which members of the water committee can carry out themselves, as well as for the workmen who are called in for more complicated problems. Chala's small salary, a little less than six euros a month, is likewise covered by the fees. For the 30-year-old it's just a way of reimbursing his expenses. He shares the job at the well with his wife; he is also a doorman at the local branch of the bank. "At the well I work for

## PROJECT EXAMPLE A well right nearby

Asna Nasir stands on tiptoe and leans powerfully on the handle of the pump with the whole of her upper body. After a few pumps clear water shoots into a jerrycan, which the dainty 12-year-old has placed under the well's metal pipe. She lives in Michael Gora, a suburb of the small town of Ijaji in the Illu Gelan project area. The water point, which Menschen für Menschen together with the local people set up in 2018, is only a few steps from Asna's house, at the end of a sandy street. Twice a day, in the morning and evening, the girl draws water for herself, her parents and her five sibalings, of which the youngest is only a few months old. When Asna has to do her schoolwork, her mother fills up the jerrycan.

The family uses the water from the well for drinking, cooking and washing up. If Asna wants to wash her clothes, she goes to the nearby Alenga River. Even if she arrived there thirsty, she would never

drink from its waters. "My mother warned me when I was just a small girl that the river water could make me ill," says Asna. People wash their clothes and bodies there, clean their dirty cars and motorbikes. Animals quench their thirst.

The schoolgirl is therefore careful to only drink clean water. For lessons she fills up with half a litre of well water from home and willingly shares it with her fellow pupils. But she doesn't drink other people's water: "I don't know where it comes from." she savs

Before the foundation set up the water point in her neighbourhood, Asna's parents bought drinking water for the family in Ijaji. Some inhabitants whose houses are connected to the pipe of the old water supply system drew off the water and sold it for two Birr per bottle. That is many times that price that Asna and her mother pay for the well water. "We're



"It makes me very proud, that the neighbourhood chose me as guard for the well. I'm happy to get involved for the community!"

Chala Gutama, member of the water committee and guard of the well in Michael Gora

the community," says Chala. That fits in with the recommendation of the water committee, to use what is left over from the fees collected to support the poorest families in the neighbourhood. "We want to get school uniforms and books for their children."

In the future a new project of the foundation will make further improvements to the water supply in ljaji (more on pages 18-19).

### WHAT DOES CLEAN WATER COST?\*

- Building a hand dug well: about 2,500 euros
- Training a water committee: about 80 euros
- Building a water supply system for a small rural town: 350.00 to 600.000 euros

### WHAT WE DO ANNUAL REPORT 2020

## Education

In many places in Ethiopia an economic upturn is being sought for many big infrastructure projects Yet there is shortage of professionals. At the same time there is high unemployment among young Ethiopians. To fill these gaps and create possibilities, we are building and equipping technical 1992 we have been running our own technical college in the shape of ATTC. Formation is the key to development – for the younger generation just as for the country.



Instruction and close interaction with the students are especially important to her: Hikma Tadesse (centre) in her element



Two electronics students concentrating on the task at hand.

INPUTS

Educational institutions which promote equal rights More young women in continuing education

### PROJECT EXAMPLE From student to lecturer

The person who has inspired Hikma Tadesse most is her father. After her mother died when she was five years old, he brought up Hikma and her three siblings on his own. He worked as a teacher of electronics at a technical school in Dire Dawa, a town in the east of Ethiopia. To earn extra money, he repaired electronic gadgets in the evenings and at weekends. Little Hikma helped. She cleared up the workroom, tidied up the tools, and finally began to solder herself. She had a good look at every piece of equipment. "I wanted to understand how it worked," remembers the now 38-year-old. To help his daughter progress, the father enrolled her in his school. "I even took courses with him," says Hikma and smiles.

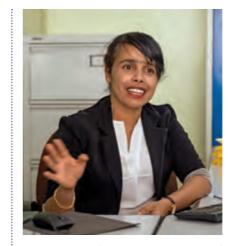
After finishing school, she learned that a course was beginning at the Agro Technical and Technology College (ATTC), some 50 kilometres away in Harar. It was in electricity and electronics. Hikma took the entrance test and passed. "My father was so proud!" she said. At that time, she was one of only three women among the students in that subject. After three years the day came for her final exam. As soon as she had presented her final project, the head of the course called her into his office. Hikma knew that an assistant's post was vacant in the team. "But I didn't dare believe that he would ask me."

But that is just what happened. After the summer holidays Hikma returned to ATTC. She worked for six years as a technical assistant before she decided that, alongside this work, she would herself once again study at ATTC. So it was that she gained alongside her first qualification a bachelor's degree. She also took her Masters as she continued

to work. To do it she spent the summer holidays for four years in the far-off University of Bahir Dar. Her investment has paid off: in August last year, more than two decades after her first day at college, she was promoted to head of the electricity and electronics department.

Beyond the creative possibilities, Hikma is enjoying the new challenge of being responsible for eleven members of staff and more than 230 students. But the key thing for her is that in her new position she can teach. "That's what I love," she says.

It's Friday afternoon. Two dozen of her students are sitting in small groups around the seminar room, looking at computer screens and jotting down numbers. Hikma walks up to one of the tables. "What are your biggest problems?" she asks. "We can't all back up, there isn't enough room on the memory



"When I myself was a student at ATTC, I had no idea how lucky I was. Now I know that it's one of the best formation centres in the whole country." Hikma Tadesse, head of the electricity and electronics department at ATTC

card," answers one. Together with his fellow students he wants to develop a system for charging private individuals for their water use more accurately and automatically settling the bill.

The young men and women should have already finished their studies months ago, but like all universities and schools in Ethiopia, ATTC closed for nine months because of the pandemic. When it reopened, only final-year students were allowed to return at first. "I'm so happy that they are finally there again," says Hikma, who in the past months used a messenger service to stay in touch with her students and send lesson material.

For Hikma building up a close relationship with her students is just as important as passing on her knowledge. "At the end of every lesson we take five minutes to talk about things which have got nothing to do with the study material," she says. When it turns out that someone is not doing well and that

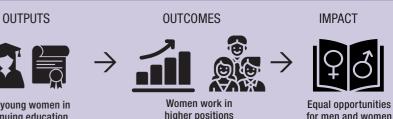
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### FUNDS SPENT IN 2020

## 3,284,706 euros

### THE MOST IMPORTANT SUCCESSES:

- 8 schools (years 1 to 8) and three schools (years 9 and 10) built and equipped
- Building begun on 15 schools



marks are getting worse, she looks into it and also finds out information from other lecturers at the college.

She learned this empathy and care from her great role model: "My father often told us about his pupils. If it wasn't going well for them, he was concerned. If they were happy, he was, too," remembers Hikma. "He was more than a teacher to them, he was a mentor." Just like she is today.

### WHAT DOES TECHNICAL FORMATION COST?\*

- A year's study for a student of electricity and electronics: about 1,265 euros
- One year's work material for a student in this subject: about 60 euros

### WHAT WE DO ANNUAL REPORT 2020

## **6** Health

It often takes several days for people in rural Ethiopia to walk to the nearest doctor or hospital. Everywhere there is a shortage of primary health care and trained staff. We renovate the often poorly equipped health centres in rural areas and supply them with materials. In addition, we teach medical personnel, organise vaccination campaigns and make operations possible, for example, for cataracts. Education about questions of family planning plays an important role, as getting pregnant too early and too often threatens the health of mother and child and brings an added risk of poverty.



Not without fear, but knowing you are in the right place: Tajitu Lema during the treatment.



The patient Tajitu waits in front of the health centre in Seyo.





Advice on family planning distribution of contraceptives to contraceptives

### PROJECT EXAMPLE

## Family planning

Tajitu Lema stares at the ceiling of the treatment room. You can see fear in her eyes, but also the knowledge that she is in the right place. It took her an hour and a half this morning to walk from her home to the health centre in Seyo. "It just pricks for a moment," says Gelane Beyene. The nurse inserts the needle into the inside of Tajitu's upper arm and so numbs the area where she will soon put a narrow contraceptive stick under the skin.

The implant will prevent the 30-year-old from having further pregnancies for the next three years. She had her oldest son twelve years ago when she was only 18. A further six children followed. One of her sons died in an accident and another in a fire. Heavy blows of fate for Tajitu.

Most of her children were born at home. Only for

the last two deliveries did she come to the health centre. "My neighbours brought me here because I was weak and would hardly have managed the birth on my own," she says.

The hard life and the many pregnancies have taken their toll on Tajitu's body - she is drained and her face is deeply lined with care. She and her husband cultivate the field of a farmer and share the maize harvest with him, for their own use and to sell. In a good year the couple earn about 10,000 Birr, roughly 200 euros. Much too little for the seven-member family. It hardly helps that Tajitu now and then gathers firewood and sells that as well. None of her children have ever been to school. "We can't afford it." says Tajitu. Although in Ethiopia there are no school fees, the pupils need textbooks and exercise books,



"Awareness of family planning has grown a lot, not just among women. Today even couples come to us and aet advice."

Gelane Beyene, nurse at the health centre in Seyo

pencils and uniforms. "If we'd had less children, going to school might have been possible," says Tajitu.

In 2019 the average woman in Ethiopia had four children. Considerably less than at the turn of the century: at that time more than six children per mother was normal. But there are still big differences between the city and the countryside. In the countryside, where there is more poverty and less access to education, health care and advice about health, the birth figures are considerably higher. Offspring should help in the fields and around the house, and later take care of the old people. In addition, there is often a lack of knowledge about contraceptive methods.

Menschen für Menschen is therefore concerned about education in the project areas. Information-sharing sessions take place in the villages, and social workers seek to have a personal relationship with the families. The foundation introduces contraceptives and educates the women and their husbands about why they should leave more space between the pregnancies and how with less children they can take care of them better.

On top of this, Menschen für Menschen takes care of getting hold of contraceptives, trains nurses and ensures better and safer working conditions in the health facilities. The foundation has also renovated the health centre in Seyo, built a toilet and fitted out the rooms with new shelves, tables and chairs. There is also a new birthing stool and a solarpowered fridge for vaccines.

Nurse Gelane has been working here for two years, as one of 35 members of staff. During this time the 27-year-old has taken two further professional development courses, which Menschen für Menschen organised and paid for: one in preventing malnutrition in children, and the other in computer-

### FUNDS SPENT IN 2020 684,994 euros

### THE MOST IMPORTANT SUCCESSES:

- A health centre renovated
- 14,779 mothers tested for HIV/AIDS
- 49,342 women supplied with contraceptives

based health management. But family planning remains the focus of her work in the station.

"If there is severe bleeding between periods, or if it goes badly in the next few days, please come straight back," she instructs her patient Tajitu and gives her a piece of paper with a check-up appointment in a year's time. Tajitu nods. The tension has gone from her face, and she smiles cautiously. "I love all my children," she says. "In spite of that, I would have wanted to have dared to take this step earlier."

### WHAT DOES BETTER HEALTHCARE COST?\*

- 15-day further training for health worker staff: 255 euros
- Contraceptive implants: just under 10 euros

## Human development and income

In Ethiopia women are disadvantaged in many ways. In rural areas they do the heaviest work. They lug firewood and jerrycans of water, cook and bring up the children. Only rarely do they have their own income, and their opinion hardly counts in the communities. To improve their living conditions, strengthen their role in the community and give them possibilities for the future, we offer training courses in handicrafts and microcredit programmes for women. In this way we promote both development and social cohesion.



Hurebe Kebede with her granddaughter Ayamtu. As president of the microcredit association, she looks towards the future with optimism



Hurebe hopes that she will soon be able to move out of her temporary but and make it possible for the four-year-old Ayamtu to have a lovely home



Microcredits and training for womer

Cash and know-how about how to run a business

**OUTPUTS** 

### PROJECT EXAMPLE

## For the poorest of the poor

A year ago, during the rainy season, Hurebe Kebede lost everything. The storm took off the roof of her hut and caused it to cave in. Torrents of rain took her belongings with them. "Thank God I wasn't at home," she says.

The woman in her forties sits on a stool in a small structure which her sons knocked together as an emergency solution after the storm. A little bit of light falls into the dark room through the narrow entrance. The walls, made from tree trunks, branches and clay, are gappy. They hardly provide protection from the dust and the noise of the main street, which runs right in front through the village of Benesso.

Since her husband died 15 years ago in a car accident, Hurebe has battled through on her own. She brought up six children. Today her little grand-

daughter Ayamtu lives with her. Her mother died three year earlier from a heart condition. As Ayamtu's father is a soldier stationed in the west of the country, Hurebe looks after the four-year-old.

Hurebe owns farmland, but at less than a hectare it is very small and also unfruitful. "Without fertiliser, nothing grows there," she says. Hurebe allows a farmer to cultivate the field. She pays for the maize and teff seed, and he pays for the fertiliser. They share the harvest. Hurebe uses it to feed Ayamtu and herself.

To earn money, she buys sprouted maize seed and hops in the vicinity of her village. In Ethiopia they are used to produce grain brandy and traditional beer. Hurebe travels with her wares regularly to Ambo, a student town some 90 kilometres away, to

sell them there at a profit at the bigger market. Up until now she has earned between 400 and 500 Birr, seven to ten euros, on each such trip.

In the future it will be more. So far, she has got the hops on a commission basis. She has sold them at the market, using the income to pay her debts to the farmers. "I didn't have enough cash to pay up front," she says. Because of this the farmers put up the price of the hops.

Today she has enough cash. Since last December Hurebe has belonged to a new microcredit group, which was founded in the Illu Gelan region on the initiative of Menschen für Menschen. 97 women got together and received training all about setting up a business, book-keeping and instalments. Each one then received 6,000 Birr, just short of 150 euros,



"When I begin to work with families, I have to explain everything several times. With Hurebe it's different. She puts everything I tell her straight into practice."

Zertihun Belachew, social worker in the Illu Gelan project area

as start-up capital. As well as hops and maize, Hurebe bought a sheep. She's got an acquaintance to look after it. When it has lambs, Hurebe receives half of the money which they get from the sale.

Hurebe is confident that with her trading and having the sheep she can pay back her loan and the interest. Then she would like to take out another one. She is the chair of the credit association. The other women voted for her out of gratitude for her dedication. For when it became known that Menschen für Menschen was going to set up the credit association in the region, Hurebe was determined that the money would benefit the poorest of the poor. She visited the local development agency, which decides who would be involved in the programme, and spoke with the people responsible. A brave and unusual step, as up until now women in rural Ethiopia have had little involvement in decision-making. "I find that impressive," says Zertihun Belachew, who as a social

ANNUAL REPORT 2020

## FUNDS SPENT IN 2020 1,258,752 euros

### THE MOST IMPORTANT SUCCESSES:

- 693 women have received a microcredit for the first time
- 45 women have learned a handicraft
- 4,914 families have had their houses adapted to make them more hygienic (separation of living area from stall, building a latrine)



worker for Menschen für Menschen supports Hurebe from day to day. "She always puts others first."

For herself personally, Hurebe wants to be able to move with her little granddaughter. She wants her sons to help her to build a bigger and more stable hut to live in. "Ayamtu should have a lovely home again," says Hurebe and strokes the cheek of the girl, who is cuddling up to her. "It's she who gives me hope every day." Hope for a better future.

### WHAT DOES A MICROCREDIT PROJECT FOR WOMEN COST?\*

- 4-day training in book-keeping: about 250 euros for 15 participants
- Initial credit for one woman:
- 150-190 euros
- 3-day further training for social workers: about 560 euros

# Educational and public relations work

Development work is not a one-way street but is based on exchange and the readiness to learn from each other. We therefore link our development work in Ethiopia with systematic education and public relations work in Germany. Through this we not only want to open people's eves to the difficult living conditions in the east African country. It's also important to us to show the people's potential and the diversity of the country, and to make clear that on this planet we have to walk together if we are going to create a just future for people and the environment.

We organise our communications activities so that we reach various target groups through appropriate media and formats. Our volunteers, donors and funding agencies are for us important stakeholders. They have a right to know how we use the money which has been entrusted to us. Our newsletter, the guarterly NAGAYA MAG-AZINE, and our annual report with its integral finance report contribute to that.

Our youth initiative HIGH FIVE 4 LIFE is aimed at adolescents and young adults. It provides young people with an insight into the east African country and challenges them to contribute through their own commitment to improving the living conditions of people in rural Ethiopia. The portal www.highfive4life.de supplies age-appropriate information and gives tips about how to get involved.

We reach a broad public with our website www.menschenfuermenschen.de where alongside current information about our project work, press releases and our publications are downloadable. Since its launch in March 2020, our digital covid diary has had about 22,000 visitors. Our Facebook page (www.facebook.com/ menschenfuermenschen), through which we invite people to have a conversation and report on the latest important events and activities, had 9,200 subscribers at the end of the year – that's at least 1,600 more than in the previous year.

Due to covid we were unable to offer any press trips to our project areas in Ethiopia in 2020. Instead, we supplied journalists in writing and personally with current information. Likewise, we are inviting, among others, media representatives to new formats like "NAGAYA - The Talk" (see right). Because of the pandemic we also had to forgo live events, school visits and information stands. Only the reading with Sara Nuru (see right) was able to take place just before the lockdown.

### A COFFEE WITH SARA NURU

Sara Nuru became well known as the winner of Germany's Next Topmodel competition. and today is successful as the leader of a social enterprise and an author. In March 2020, Menschen für Menschen invited her to read from her book "Roots – how I found my roots and how coffee changed my life" at the German Museum in Munich. The reading was accompanied by a traditional Ethiopian coffee ceremony and tours around the special Kosmos Coffee exhibition

Around 200 guests allowed themselves to be taken on a reading journey through the life of Sara Nuru, who has already been involved for several years with Menschen für Menschen. Her commitment to the foundation eventually led her to Ethiopia, the homeland



of her parents. It was there that she decided to found the nuru-Women association as well as the nuruCoffee start-up, which she today leads with her sister Sali.

Autograph desired: Sara Nuru with fans at the reading

### FEDERAL CROSS OF MERIT FOR BERHANU NEGUSSIE

He was Karlheinz Böhm's first member of staff, became his friend and confidant and for 18 years has been Country Representative of the Menschen für Menschen foundation in Ethiopia. Now Berhanu Negussie has been honoured for his decades-long commitment with the German Federal Cross of Merit with ribbon.

On behalf of the Federal President Frank-Walter Steinmeier, Ambassador Brita Wagener presented the decoration in the German embassy in Addis Ababa to honour Negussie's work. "Your support and your

courage make you a genuine model for Menschen für Menschen in Ethiopia and worldwide '

Berhanu Negussie Woldemikael was born in 1955 in Audiodio near Harar in the east of Ethiopia and grew up in a farming family. He studied social work and got to know Karl-

heinz Böhm when he was working at a leper station in the Erer Valley. At that time Böhm was looking for a translator, and as such Negussie quickly became indispensable and later took on various functions in the foundation until he became Country Representative in 2002.

### NEW ONLINE FORMAT: NAGAYA – THE TALK

In December 2020 our new interactive format "NAGAYA - The Talk" had its premiere. Using a video conference platform, the foundation's chairman Dr Sebastian Brandis discussed the "Generation of Founders" with NAGAYA's editor Rike Uhlenkamp, along with Magnus Schmid, head of the Green Innovation Centres programme in Ethiopia, and Yilma Taye, Director of Projects at Menschen für *Menschen*. They talked about how employment prospects for young people could be improved in rural Ethiopia. The online format, which has been born out of the pandemic, holds potential for the future, since it allows us, without geographical limitations, to get directly into contact with our donors, the media and other interested parties and inform them about our work. The virtual rounds of talks are to take place two or three times a year and tackle relevant themes and questions from the NAGAYA magazine.



#### **CRAZY RUNNERS COLLECT A RECORD SUM – COVID SAFE**

For 25 years in the Spring, volunteer supporters and the Kronach gymnasts have got people involved in a charity run for Menschen für Menschen around the Ködel Reservoir in Frankenwald. In 2020 it looked at first as if covid would see to an interruption of the tradition for the first time. The organiser Kevin Wunder (pictured) and the Crazy Runners teams didn't want to accept that

and called online for the first virtual Crazy Run as an alternative. That entailed everything which makes for a professional run, including signing up and getting a running number. But it all took place in a way which was completely in line with covid regulations. Each runner ran for themselves along a route which they had chosen. More than 200 people eventually joined in the action and posted selfies of their run in the Crazy Runners WhatsApp group together with the donation. They handed over a record sum of 4,257 euros to our foundation. Many thanks to them!





### EDUCATIONAL AND PUBLIC RELATIONS WORK ANNUAL REPORT 2020



**NEW CAMPAIGN "ACT. IMPACT!"** The success of Menschen für Menschen's work rests essentially on the men and women in the project areas who have the courage to change something and to do something themselves. Their progress turns them into role models and causes many of their neighbours to imitate them. That wouldn't be possible were it not for active and committed people in Germany who simply get on with it, take action for our foundation, support it with donations and invest in our work. We stand for putting things into practice rather than just looking on and talking, and have experienced countless times how situations change for the better. Therefore, we offer the evidence daily: "Act. Impact!" To introduce this new claim, we started a new

advertising campaign in 2020 which we have developed ourselves. The protagonists for the campaign are people from Ethiopia like Itataku and Yimen. Their examples illustrate the fact that donations really have an impact and that together we can create new life prospects - in small things as well as great ones.



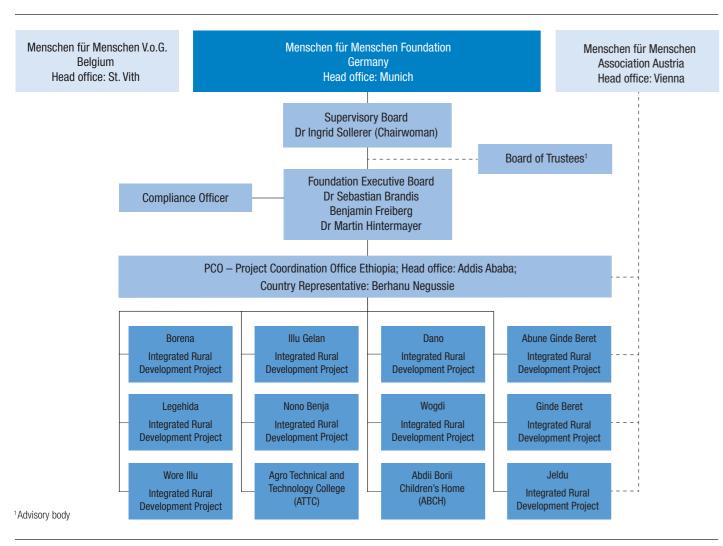


### CHRISTMAS GREETING WITH A WORLD PREMIERE

At the end of a challenging year in 2020 the foundation's team felt that they had to say thank you for the encouraging words, the donations, the trust and the solidarity. The chairman Dr Sebastian Brandis spontaneously got together with four colleagues in the sound studio and played a musical greeting to all supporters. "Stand by me" is downloadable using the QR Code.

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# The foundation in 2020



### LOCATIONS AND STRUCTURE

Menschen für Menschen is politically and denominationally neutral and economically independent. The Menschen für Menschen Foundation Germany works with the legally independent country organisations in Austria and Belgium. Funds from all three countries flow into the project work in Ethiopia. The central Project Coordination Office (PCO) in Addis Ababa organises all the activities in the project regions, carries them out and monitors them in consultation with partner organisations. The Ethiopian organisation is officially a branch of the German foundation. The Austrian association takes on an additional controlling function for the project areas which it finances.

The Head Office of the German foundation is in Munich. In 2020 an average of 27 full-time and parttime staff\* were working in the Executive Office, Press, Fundraising and Communications, Donor Support, Development Cooperation, Procurement and Logistics, Finance and IT. In Ethiopia the foundation employed an average of 616 people, of which only two were not from Ethiopia. In Germany, in addition, roughly 400 volunteers have supported our activities in various places. That means that with a small expenditure on administration and fundraising we can achieve a maximum of help for people in Ethiopia.

### Managing Directors were in post:

**BOARDS AND PEOPLE** 

Supervisory Board.

The corporate bodies of the Menschen für Menschen

Foundation Germany are the Executive Board and the

THE EXECUTIVE BOARD consists of a maximum of

seven members. Up to three members of the Board

are Managing Directors within the meaning of Sec-

tion 26 of the German Civil Code (BGB) and are paid

for their work on the basis of written contracts

of employment. As of 31 December 2020, three

- Dr Sebastian Brandis
- Benjamin Freiberg
- Dr Martin Hintermayer

THE SUPERVISORY BOARD approves the budget, appoints the Executive Board, advises the latter on key issues and monitors its activity, making sure especially that it adheres to the will of the founder. It consists of at least two, and at most seven members. On 31 December 2020 the Supervisory Board consisted of the following:

- Dr Ingrid Sollerer (chair)
- Dr Annette Bhagwati (deputy chair)
- Dr Peter Hanser-Strecker
- Dietmar Krieger



deputy Dr Annette Bhagwati as guests at a school opening

THE BOARD OF TRUSTEES has a purely advisory function for the Executive and the Supervisory Board. It consists of at least six and at most 15 members.

On 31 December 2020 it comprised the following: Ralf Bos, Gunther Beger, Dirk Kasten (chair), Dr Claas Dieter Knoop, Harald Spiegel (deputy chair), Joachim Gröger, Wolfgang Tiefensee and Helga Weygandt.

THE COMPLIANCE OFFICER ensures that the foundation always carries out its activities in accordance with the law and preserves high ethical standards in all areas. Regina Sieh, senior magistrate of the Public Prosecution Office in Munich. has held this office since 30 June 2017. She succeeded Karl Peter Puszkajler, presiding judge at the Munich regional court, who continues to support Regina Sieh in her work in the coordination office in Addis Ababa and in the project areas in Ethiopia



Chairman of the Executive Board, Dr Sebastian Brandis, looks at the reservoir of the new town water supply system of Seyo.

THE DATA PROTECTION OFFICER advises the foundation, and its staff and volunteers, on questions of data protection and ensures that statutory regulations are adhered to. Since 13 July 2017 Dr Georg Schröder has acted as our Data Protection Officer. The members of the Supervisory Board and the Board of Trustees, as well as the Compliance Officer. work on a voluntary basis.

### FUNDRAISING SEAL OF APPROVAL **CONSISTENTLY SINCE 1993**

Each year Menschen für Menschen submits itself to an examination by the Central Ger-771 man Institute for Social Affairs (DZI). In 2020 DZI once again awarded the foundation its seal to confirm that the organisation has been diligent and responsible with the funds which have been entrusted to it. Menschen für *Menschen* has won the award consistently since 1993.



Transparente Zivilgesellschaft

\*Including two members of staff on maternity leave

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### **CLEAR PRINCIPLES. BINDING RULES**

Binding principles and rules apply to the behaviour of Menschen für Menschen's staff. They are laid out in a series of guidelines.

- Our Code of Conduct on the prevention and handling of corruption requires our staff to carry out tasks in a way which fulfils their duties in accordance with the law, points out typical conflicts of interest and makes clear the consequences of corrupt behaviour. It is complemented by putting into action the internal complaints procedure.
- Our Procurement Guidelines establish principles, procedures and prerequisites for the awarding of all contracts.
- Our Travel Expenses Regulations lay out the rules by which reimbursement is provided to members of staff, of the Supervisory Board, the Executive Board and the Board of Trustees.
- Our Investment Guidelines describe the principles by which Menschen für Menschen invests on the financial market
- Our Guidelines on Awareness Raising and Public Relations define the contents and means of public relations work, and the rules of partnership with companies, service providers, agencies and ambassadors.
- Our Guidelines on Signatory Authority establish signatory authorisation and rules on delegated authority for internal decisions and interactions with external partners.

On the initiative of Transparency International Germany, actors from civil society and science have defined ten points, which every charitable organisation should make accessible to the public. Menschen für Menschen is a signatory of the initiative.

# Annual financial statement 2020

In 2020 we continued the positive financial trend of 2019. Income from donations and grants rose by nearly ten per cent from 13.7 to 15 million euros. With public grants and legacies, the growth was even higher. On the other hand, we were unable to increase our spending in Ethiopia, and it remained the same as the previous year at 10.6 million euros. That can be traced back to the covid situation and the resulting fact that planned activities such as training and workshops could only take place on a reduced scale. The inflow of liquidity from operations was once again clearly positive. There have not been significant changes in the balance sheet.

The 2020 year-end report has been taken word for word from the auditor's report.

## Annex for the fiscal year 2020

### **GENERAL INFORMATION**

Pursuant to Section 16 (1) of the Bavarian Foundation Act (BayStG) the Menschen für Menschen Foundation - Karlheinz Böhm's charity, Munich, is obliged to maintain proper accounting records and prepare an annual statement of accounts showing assets and liabilities. The Bavarian Foundation Act does not prescribe a specific form of accounting.

The balance sheet and income statement are structured in accordance with the provisions applicable to stock corporations pursuant to Sections 266 and 275 (3) of the German Commercial Code (HGB). The special characteristics of the foundation are taken into account in further sub-categories. Insofar as deviations from commercial organisations and companies. law arise, this will be pointed out.

Accruals from legacies are recorded in the balance sheet and income statement The accounting and valuation principles of the foundation have essentially as and when their value has been clearly established. This is often only the case when remained unchanged compared to the previous year. the money has been received. The potential claim at the time of death of the testator is not entered into the balance sheet at the current value, due to uncertainties in the carrying out of the bequest.

### **BALANCE SHEET AS OF 31 DECEMBER 2020**

| A. FIXED ASSETS   | 31.12.2020 in € | 31.12.2019 in € |
|---|-----------------|-----------------|
| I. Intangible assets  |                 |                 |
| Software  | 22,099.19       | 60,376.41       |
| II. Tangible assets   |                 |                 |
| 1. Land, leasehold rights and buildings, including structures on third-party land             | 2,981,757.93    | 3,283,705.10    |
| 2. Technical equipment and machinery  | 12,111.00       | 14,313.00       |
| 3. Other installations, operational and office equipment                                      | 775,908.71      | 783,626.96      |
| <ol><li>Advance payments and buildings under construction</li></ol>                           | 38,069.65       | 0.00            |
|   | 3,807,847.29    | 4,081,645.06    |
| III. Financial assets   |                 |                 |
| Investment securities   | 8,113,932.84    | 5,761,530.98    |
| . CURRENT ASSETS  | 11,943,879.32   | 9,903,552.45    |
| . CORRENT ASSETS  |                 |                 |
| I. Inventories  |                 |                 |
| 1. Raw materials and supplies   | 1,953,277.40    | 2,130,506.52    |
| 2. Advance payments   | 2,554.42        | 65,123.59       |
|   | 1,955,831.82    | 2,195,630.11    |
| II. Amounts receivable and other assets<br>Other assets                                       | 651 200 25      | 450 150 00      |
| - thereof with a residual term of more than one year: € 25,308.03 (previous year € 25,257.67) | 651,300.25      | 459,156.99      |
| III. Cash in hand, bank deposits  | 18,568,646.18   | 19,984,786.63   |
|   | 21,175,778.25   | 22,639,573.73   |
| . DEFERRED INCOME   | 84,045.95       | 9,992,96        |
|   | 33,203,703.52   | 32,553,119.14   |

### LIABILTIES

A. NET EQUITY I. Foundation capital

> II. Revenue reserves 1. Capital maintenance reserves

2. Other revenue reserves

**B. PROVISIONS** Other provisions

### C. LIABILITIES

1. Supplies and services payable

- thereof with a residual term of up to one year: € 88,763.69 (previous year € 88

- Miscellaneous liabilities
  - thereof with a residual term of up to one year: € 1,330,343.44 (previous year €
  - thereof with a residual term of more than one year: € 216,524.02 (previous yea
  - thereof from taxes: € 120,875.54 (previous year € 58,934.81)
  - thereof in the area of social security: € 37,179.77 (previous year € 21,187.01)

### FINANCE REPORT ANNUAL REPORT 2020

### ACCOUNTING AND VALUATION METHODS

Since 2015, fixed and current assets in Ethiopia have been capitalised in the balance sheet based on the right of ownership of the assets. The basis of the accounting is formed by the legal opinions of 17 September 2015 and 17 October 2018, according to which the foundation has ownership rights in the assets. The ownership rights are subject to a number of restrictions, as specified in particular in the Ethiopian "Charities and Societies Proclamation" and downstream legislation. These restrictions include, for example, conditions pertaining to the exercise of ownership rights or requirements for the consent and approval of Ethiopian authorities for charitable

|                                  | 31.12.2020 in € | 31.12.2019 in € |
|----------------------------------|-----------------|-----------------|
|                                  | 1,634,732.92    | 1,576,407.92    |
|                                  | 370,000.00      | 345,000.00      |
|                                  | 29,362,433.48   | 29,027,698.15   |
|                                  | 29,732,433.48   | 29,372,698.15   |
|                                  | 31,367,166.40   | 30,949,106.07   |
|                                  | 200,905.97      | 179,351.52      |
| 025.31)                          | 88,763.69       | 88,025.31       |
| 1,122,126.93)<br>r € 214,509.31) | 1,546,867.46    | 1,336,636.24    |
|                                  | 1,635,631.15    | 1,424,661.55    |
|                                  | 33,203,703.52   | 32,553,119.14   |

### **FINANCE REPORT**

**ANNUAL REPORT 2020** 

Intangible and fixed assets are listed at their acquisition costs less depreciation. Freely acquired assets that must be capitalised are listed at notional costs according to a carefully calculated estimate of fair value.

Expired stock was subject to scheduled depreciation. Intangible assets acquired were depreciated by the straight-line method, as were accruals to fixed assets. Securities listed under financial assets were recorded at acquisition cost at the time of purchase and free accruals at notional cost. Notional costs are according to market value on the date of acquisition. Extraordinary depreciation of financial assets was calculated to achieve a better picture of the organisation's net assets, financial position and revenue in anticipation of a decline in value which was only temporary.

A detailed breakdown of the development of fixed assets in the financial year 2020 is included as an appendix.1

Inventories were valued on the principle of lowest cost.

Receivables and other assets are listed at their nominal value, or at their fair value in the case that this is lower than the nominal value.

Cash holdings and bank balances are recorded at their nominal value. Cash holdings and bank balances in Ethiopian currency were calculated by the cut-off date method at the mean spot exchange rate on the balance sheet date.

Deferred items include disbursements representing expenditure for a specific period after the balance sheet date. On the balance sheet date these were for the main part advertising costs, and support and maintenance costs for Sextant.

Earmarked reserves (Project funding reserves I) were created pursuant to Section 62 (1) No. 1 AO for approved projects that had not been completed by the balance sheet date, and for special programmes from public funding (BMZ, GIZ and the Bavarian State Chancellery). Furthermore, additional earmarked reserves (Project funding reserves II) were created in 2015. Capital from the revaluation or the initial entry of fixed assets and inventories in the balance sheet of the Ethiopian branch office as of 1 January 2015, and cash holdings and bank balances assumed by the sister organisations in Austria and Belgium were transferred to Project funding reserves II. The reserves are earmarked by the foundation for purposes set out in the charter.

Provisions are carried as liabilities at a value set by sound business judgement. They 

Dr Martin Hintermayer take into account all recognisable risks and contingent liabilities.

Accounts payable are carried as liabilities at their settlement amounts.

All assets and debts were converted at the respective mean spot exchange rate on the balance sheet date. Expenses and revenues were converted at the monthly average rates.

### NOTES ON THE BALANCE SHEET AS OF 31 DECEMBER 2020

All receivables and other assets are due within a year, with the exception of security 

Dr Annette Bhagwati (Deputy Chair from 24.09.2020) deposits totalling € 25,000 (previous year: € 25,000).

In accordance with the current charter, core assets as of 31 December 2014 amounted to € 1.222.157.82. Due to donations, the core assets on the balance sheet date increased to € 1,634,732.92. To secure the core assets the sum of € 25,000 was transferred to the capital maintenance reserve in the reporting period.

Other accruals pertain to leave entitlements, costs of the annual audit, the repayment claim of a former cooperation partner, and expenses for the safekeeping of records. Other liabilities totalling € 1,546,000 (previous year: € 1,337,000) include liabilities from earmarked donations amounting to € 427.000 (previous vear: € 266.000) and liabilities from public subsidies totalling € 911,000 (previous year: € 981,000).

Liabilities generally have a lifetime of one year. Exceptions are earmarked donations and public subsidies, the residual terms of which may be one to five years. This being the case, liabilities at the balance sheet date with residual terms of more than a year are included in other liabilities, with a value of € 217,000 (previous year € 215,000).

### NOTES ON THE PROFIT & LOSS ACCOUNT 2020

The legacies section shows income which the foundation has received during the fiscal year. For reasons of caution, money which is expected from legacies where probate is still incomplete is not included.

In 2018 the foundation began a cooperation with its Austrian sister organisation which involves annual project agreements. Under its provisions the foundation carries out project work in Ethiopia for its Austrian sister organisation and receives the appropriate remuneration from the latter. This amount is shown under donations and other contributions. Contributions from Austria in 2020 amounted to € 2,808,000. Contributions of € 90,000 were received from Belgium.

Other income includes specifically income from the conversion of currency (€ 253,000), proceeds from sponsorship (€ 136,000), receipts from cost sharing (€ 98,000), proceeds from the appreciation of financial assets (€ 34,000), proceeds from the sale of securities (€ 3,000) and other proceeds (€ 16,000).

#### EVENTS SINCE THE BALANCE SHEET DATE

The current portfolio of stocks and funds was acquired at a price of € 8 million and constitutes 12% of the balance sheet total. Volatility on the stock market will therefore have a maximum effect of 2% on the balance sheet total.

### OTHER INFORMATION

In the financial year 2020 the Executive Board consisted of three managing members:

- Dr Sebastian Brandis (spokesman)
- Klaus Peter Renner (until 30 June 2020)
- Benjamin Freiberg (from 1 July 2020)
- Remuneration paid to Board members in the financial year 2020 amounted to € 300,000.

In the financial year 2020 the Supervisory Board was composed of the following members:

- Christian Ude (Chair of the Supervisory Board until 30.6.2020)
- Dr Ingrid Sollerer (Chair of the Supervisory Board from 24.09.2020)
- Dr Hans Peter Lankes (Deputy Chair until 25.05.2020)
- Dr Peter Hanser-Strecker
- Dietmar Krieger

Total lease commitments for the office building in Brienner Strasse and the warehouse in Reichenhallerstrasse in Munich, based on the currently valid lease contracts amounted to € 575,000. The tenancy agreement for the office building runs until 30 July 2024 (rear building) or until 30 July 2029 (front building). The lease for the warehouse is due to expire on 30 June 2021.

In Ethiopia, agreements were drawn up with government bodies that commit Menschen für Menschen to the implementation of projects. Obligations arising from these amounted to approximately € 34 million on the balance sheet date.

### PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR FROM 1.1.

### 1. Donations and other contributions

- a) Donations
- b) Legacies c) Fines
- d) Public grants
- e) Contributions from sponsoring associations
- f) Contributions from partner organisations
- (Contribution from Austria: € 2,808,000; contribution from Belgium: € 90,000)
- 2. Other operating income

- thereof from foreign currently exchange € 252,740.41 (previous year € 13,118.82)

- 3. Material costs a) Expenses for raw materials, supplies and related goods b) Expenses for services
- 4. Staff costs a) Wages and salaries b) Social security contributions, pensions and benefits
- 5. Depreciation on intangible assets and fixed assets
- 6. Other operating expenses - thereof from currency exchange € 341,565.61 (previous year € 225,136.52)
- 7. Income from other securities and lending out financial assets
- 8. Other interest and similar income
- 9. Depreciation on financial assets
- 10. Tax on income and proceeds
- 11. Revenue after tax
- 12. Other taxes
- 13. Annual surplus (previous year: annual deficit)
- 14. Additions to capital maintenance reserve
- 15. Withdrawals from miscellaneous revenue reserves
- 16. Year-end result

\*Adjustment of the account classification between spending on materials and other operational expenses.

Purchase commitments relating to fixed assets come to € 1,046,000 and will be covered entirely by cash transactions in the 2021 fiscal year.

Remuneration totalling € 55,000 (excluding VAT) paid to the auditor for the financial year, calculated or to be calculated, consists of € 36,000 for the audit of the annual financial statement and € 19,000 for tax advisory services.

### NUMBER OF STAFF

On a yearly average the foundation employed 27 members of staff in Germany. In Ethiopia on average 616 full-time employees were engaged in carrying out the tasks of the foundation, of which only two were not from Ethiopia.

### FINANCE REPORT

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| 1.131.12.2019 in €*        | 1.131.12.2020 in €           |
|----------------------------|------------------------------|
| 9,404,072.01<br>601,086.64 | 8,301,023.52<br>1,547,981.68 |
| 3,830.00<br>1,362,771.28   | 11,695.00<br>1,935,393.64    |
| 144,500.00<br>2,141,194.18 | 138,500.00<br>2,897,885.60   |
| 13,657,454.11              | 14,832,479.44                |
| 787,111.06                 | 540,197.79                   |
|                            |                              |
| -3,230,235.59              | -2,944,274.27                |
| -2,559,226.67              | -2,403,753.56                |
| -5,789,462.26              | -5,348,027.83                |
| -4,406,828.03              | -4,872,516.57                |
| -565,072.36                | -540,242.02                  |
| -4,971,900.39              | -5,412,758.59                |
| -433,622.91                | -414,613.32                  |
| -3,563,173.90              | -3,943,325.98                |
| 170,578.93                 | 146,728.68                   |
| 55.24                      | 19,243.09                    |
| -36,934.75                 | -59,739.73                   |
| -5,299.22                  | 0.00                         |
| -185,194.09                | 360,183.55                   |
| -2,241.76                  | -448.22                      |
| -187,435.85                | 359,735.33                   |
| -25,000.00                 | -25,000.00                   |
| 212,435.85                 | -334,735.33                  |
| 0.0                        | 0.00                         |

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### DEVELOPMENT OF FIXED ASSETS IN THE FINANCIAL YEAR 2020 IN €

|  | COSTS OF ACQUISITION AND PRODUCTION |              |              |               | ACCRUED DEPRECIATION |            |           |             | NET CARRYING AMOUNT |               |              |
|--|-------------------------------------|--------------|--------------|---------------|----------------------|------------|-----------|-------------|---------------------|---------------|--------------|
|  | 1 Jan 2020                          | ACCRUALS     | RETIREMENTS  | 31 Dec 2020   | 1 Jan 2020           | ACCRUALS   | WRITE-UPS | RETIREMENTS | 31 Dec 2020         | 31 Dec 2020   | 31 Dec 2019  |
| I. INTANGIBLE ASSETS   |                                     |              |              |               |                      |            |           |             |                     |               |              |
| Software   | 833,609.03                          | 0.00         | 0.00         | 833,609.03    | 773,232.62           | 38,277.22  | 0.00      | 0.00        | 811,509.84          | 22,099.19     | 60,376.41    |
| II. FIXED ASSETS   |                                     |              |              |               |                      |            |           |             |                     |               |              |
| <ol> <li>Land, land rights and buildings, including buildings<br/>on third-party land</li> </ol> | 4,072,487.21                        | 0.00         | 150,216.77   | 3,922,270.44  | 788,782.11           | 151,730.40 | 0.00      | 0.00        | 940,512.51          | 2,981,757.93  | 3,283,705.10 |
| 2. Technical equipment and machinery   | 80,329.89                           | 0.00         | 0.00         | 80,329.89     | 66,016.89            | 2,202.00   | 0.00      | 0.00        | 68,218.89           | 12,111.00     | 14,313.00    |
| 3. Other property, plant & equipment   |                                     |              |              |               |                      |            |           |             |                     |               |              |
| a. Equipping of workplaces and workshops   | 2,145,883.22                        | 207,638.76   | 0.00         | 2,353,521.98  | 1,362,256.26         | 215,357.01 | 0.00      | 0.00        | 1,577,613.27        | 775,908.71    | 783,626.96   |
| b. Low-value assets  | 0.00                                | 7,046.69     | 0.00         | 7,046.69      | 0.00                 | 7,046.69   | 0.00      | 0.00        | 7,046.69            | 0.00          | 0.00         |
|  | 2,145,883.22                        | 214,685.45   | 0.00         | 2,360,568.67  | 1,362,256.26         | 222,403.70 | 0.00      | 0.00        | 1.584,659.96        | 775,908.71    | 783,626.96   |
| 4. Advance payments and buildings under construction   | 0.00                                | 38,069.65    | 0.00         | 38,069.65     | 0.00                 | 0.00       | 0.00      | 0.00        | 0.00                | 38,069.65     | 0.00         |
|  | 6,298,700.32                        | 252,755.10   | 150,216.77   | 6,401,238.65  | 2,217,055.26         | 376,336.10 | 0.00      | 0.00        | 2,593,391.36        | 3,807,847.29  | 4,081,645.06 |
| III. FINANCIAL ASSETS  |                                     |              |              |               |                      |            |           |             |                     |               |              |
| Investment securities  | 5,902,732.32                        | 3,317,705.29 | 964,909.82   | 8,255,527.79  | 141,201.34           | 25,949.82  | 0.00      | 25,556.21   | 141,594.95          | 8,113,932.84  | 5,761,530.98 |
|  | 13,035,041.67                       | 3,570,460.39 | 1,115,126.59 | 15,490,375.47 | 3,131,489.22         | 440,563.14 | 0.00      | 25,556.21   | 3,546,496.15        | 11,943,879.32 | 9,903,552.45 |
| Munich, 11 June 2021 Dr Sebastian Brandis Benjamin Freiberg                                      | - + Dr Martin Hint                  | termayer     |              |               |                      |            |           |             |                     |               |              |

Munich, 11 June 2021

Dr Martin Hintermayer

**INDEPENDENT AUDITOR'S REPORT** 

To the Menschen für Menschen Foundation, Karlheinz Böhm's charity, Munich NOTES ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

#### Audit opinion

We have examined the Annual Financial Statements of the Menschen für Menschen Foundation - Karlheinz Böhm's charity, Munich - consisting of the balance sheet as of 31 December 2020, the profit and loss account for the financial year ending 31 December 2020 and the appendix, including the presentation of the accounting and evaluation methods

In our opinion, based on the knowledge gained in the course of the audit, the enclosed Annual Financial Statements comply in all material respects with German commercial regulations, as applicable to all businessmen, and convey, in observance of German principles of proper accounting, an accurate impression of the current assets and financial situation of the foundation as of 31 December 2020 and its earnings situation for the financial year from 1 January 2020 to 31 December 2020.

In observance of Section 322 (3) (1) of Germany's Commercial Code (HGB) we confirm that our audit has not resulted in any objections as to the correctness of the Annual Financial Statements.

#### Basis for the audit opinion

We conducted our audit of the Annual Financial Statements pursuant to Section 317 HGB in observance of the German principles of proper auditing of the Institute of Auditors (IDW). Our responsibility according to these regulations and principles is described in more detail in the section "Responsibility of the auditor for examining the Annual Financial Statements" of our audit opinion. We are independent of the foundation in compliance with the German commercial and professional regulations and have fulfilled our German professional obligations in observance of these requirements. We are of the opinion that the audit evidence obtained by us is sufficient and suitable as a basis for our audit opinion on the Annual Financial Statements.

Responsibility of the legal representatives and Supervisory Board for the Annual Financial Statements

The legal representatives are responsible for the preparation of the Annual Financial Statements in observance in all material respects of the regulations under German commercial law as applicable to all businessmen, and for ensuring that the Annual Financial Statements, in accordance with the German principles of proper accounting, give an accurate picture of the net assets, financial and earnings situation of the foundation. Furthermore, the legal representatives are responsible for the internal controls that they have determined to be necessary in observance of the German principles of proper accounting to enable the preparation of Annual Financial Statements to be free of any material misrepresentations, whether intended or unintended

In the preparation of the Annual Financial Statements the legal representatives are responsible for assessing the ability of the foundation to continue its business activities. Furthermore, they have the responsibility to share information which is relevant to the continuation of these business activities. They are also responsible, on the basis of accounting principles, to produce a financial evaluation for the continuation of business activities, insofar as this is not prevented by actual or legal circumstances

The Supervisory Board is responsible for supervising the accounting process of the foundation in the preparation of the Annual Financial Statements.

#### Responsibility of the auditor for examining the Annual Financial Statements

Our aim is to obtain reasonable certainty that the Annual Financial Statements as a whole are free from material misrepresentations - intended or unintended - and to issue a certificate that contains our audit opinion of the Annual Financial Statements. Sufficient certainty is a high degree of certainty but is not a guarantee that an audit performed in conformance with Section 317 HGB in compliance with the principles of proper auditing of the German Institute of Auditors (IDW) will always reveal a material misrepresentation. Misrepresentations may result from violations or errors and are seen as material if it could be reasonably expected that they, individually or as a whole, would influence the economic decisions of recipients taken on the basis of these Annual Financial Statements. In the course of the audit, we exercise our professional judgement and take a critical approach. In addition:

- · we identify and assess the risks of material misrepresentations intended or unintended - in the Annual Financial Statements, plan and perform audit procedures in response to these risks and obtain evidence that is adequate and suitable as a basis for our audit opinion. The risk that material misrepresentations are not discovered is greater in the case of violations than of inaccuracies, as violations may involve fraudulent collaboration, falsifications, intentional incompleteness, misleading representations or the suspension of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the Annual Financial Statements in order to plan auditing procedures which are appro-

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priate to the given circumstances, but not with the aim of submitting an audit opinion as to the efficacy of the foundation's systems.

· we assess the suitability of the accounting methods used by the legal representatives and to what degree the figures and related information they have provided are iustifiable

we draw conclusions concerning the adequacy of the accounting principles used by the legal representatives for the continuation of business activities, as well as on the basis of the audit evidence acquired - whether substantial uncertainty exists in connection with events or circumstances that could cast significant doubt on the ability of the foundation to continue business activities. In the event that we come to the conclusion that a substantial uncertainty exists, we are obliged to draw attention, in the audit opinion, to the relevant information in the Annual Financial Statements or, if this information is inappropriate, to modify our audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit certificate. Future events or circumstances may, however, result in the foundation being unable to continue its business activities.

we assess the overall presentation, structure and contents of the Annual Financial Statements, including the additional information, and whether the Annual Financial Statements portray the underlying transactions and events in such a way that, in observance of the German principles of proper accounting, they convey a true picture of the foundation's assets, financial position and revenue.

With those responsible for supervision we discuss, among other things, the planned extent and scheduling of the audit, together with significant audit findings, including any defects in the internal control system detected in the course of our audit.

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#### Other legal and regulatory requirements

NOTE ON THE EXPANSION OF THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS PERSUANT TO SECTION 16 (3) OF BAYSTG.

We have examined the preservation of the core assets as of the balance sheet date, 31 December 2020, and the proper use of its revenue and donations intended for allocation in the financial year from 1 January 2020 to 31 December 2020.

Our goal is to obtain reasonable assurance that as of the balance sheet date the core assets have been preserved in all material respects and that their revenue, and donations intended for allocation in financial year, were used for the purpose intended, and to issue a statement that includes our audit opinion pertaining to the preservation of the core assets and the proper use of their revenue, and donations intended for allocation. In the course of the audit, we exercised our professional judgement and maintained a critical stance.

In our opinion, as of the balance sheet date 31 December 2020, the core assets were preserved in all material respects and the revenue and donations intended for allocation in the financial year ending 31 December 2020 were used for the purpose intended.

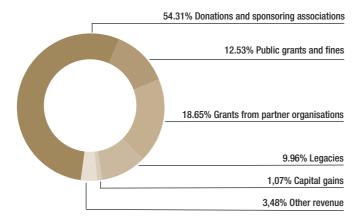
We conducted our audit on the basis of Section 16 (3) BayStG in observance of the International Standard on Assurance Engagements (ISAE) 3000 (revised). Accordingly, we as an auditing company apply the IDW quality assurance standards in auditing practice (IDW QS 1). We have fulfilled our professional obligations pursuant to the German Auditor's Regulations and professional code for auditors and certified accountants including the requirements pertaining to independence. Our responsibility pursuant to these regulations and principles is described in detail below. We are of the opinion that the auditing evidence obtained by us is sufficient and suitable to serve as a basis for our audit opinion.

The legal representatives are responsible for the preservation of core assets and the proper use of their revenue, for donations intended for allocation, and for the precautions and measures (systems) they have deemed necessary.

Munich, 11 June 2021

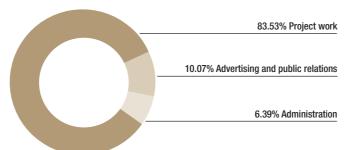


### WHERE THE FUNDS CAME FROM Source of funds 2020

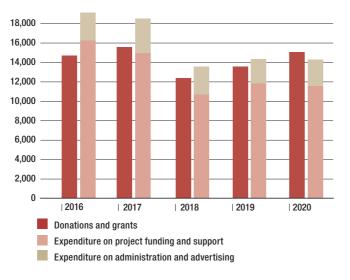


### WHERE THE FUNDS WENT





### DEVELOPMENT OF DONATIONS AND EXPENDITURE 2016 TO 2020 IN '000s of €



In order to ensure comparability, all donations and expenditure were recalculated according to the criteria of the DZI.

### **DZI BREAKDOWN 2020**

| EXPENDITURE<br>IN €   | TOTAL COSTS   | PROGRAMME<br>WORK                             | ADVERTISING<br>AND PUBLIC RELATIONS                | ADMINISTRATION                                 |
|---|---|---|--|--|
| Communications work<br>Press work<br>Donor care and finance<br>Committees, IT, purchasing | 1,364,461.38<br>53,198.07<br>254,632.38<br>811,307.16 | 320,016.24<br>26,446.64<br>0.00<br>650,400.99 | 1,012,099.23<br>26,446.64<br>6,481.25<br>68,491.58 | 32,345.91<br>304.79<br>248,151.13<br>92,414.59 |
| Subtotal  | 2,483,598.99  | 996,863.87                                    | 1,113,518.70                                       | 373,216.42                                     |
| Cost of office space<br>Other general expenses (e.g. office supplies)                     | 127,397.77<br>103,715.02                              | 57,800.37<br>46,722.34                        | 26,638.87<br>24,112.06                             | 42,958.53<br>32,880.62                         |
| Subtotal of other operating expenses  | 2,714,711.78  | 1,101,386.57                                  | 1,164,269.63                                       | 449,055.57                                     |
| Staff costs in Germany  | 1,646,456.79  | 796,435.19                                    | 342,619.82   | 507,401.78                                     |
| Total expenditure Germany   | 4,361,168.57  | 1,897,821.76                                  | 1,506,889.45                                       | 956,457.36                                     |
| Project work in Ethiopia  | 6,831,554.77  |   |  |  |
| Staff costs in Ethiopia   | 3,766,301.80  |   |  |  |
| Total expenditure Ethiopia  | 10,597,856.57   | 10,597,856.57                                 | 0.00   | 0.00   |
| TOTAL EXPENDITURE GERMANY AND ETHIOPIA  | 14,959,025.14   | 12,495,678.33                                 | 1,506,889.45                                       | 956,457.36                                     |
| Breakdown by percentage according to DZI criteria   | 100%  | 83.53%  | 10.07%   | 6.39%  |

### ADDITIONAL NOTES ON EXPENDITURE

#### PROGRAMME WORK: PROJECT FUNDING AND PROJECT SUPPORTING

Programme work covers all tasks related to integrated rural development in Ethiopia, as The foundation calculates its administration and advertising costs in accordance with presented in detail on pages 14 to 29. This encompasses staff and procurement costs, the guidelines of the German Central Institute for Social Affairs (DZI). Administration as well as the running costs for the Agro Technical and Technology College (ATTC) and accordingly includes finance, IT support, human resources, and expenses for executive the Abdii Borii Children's Home. Also included are training and further development management. costs and compensation paid to the local population in return for their support in the STAFF COSTS AND REMUNERATION various kinds of project work. Programme work also includes supporting projects, with expenditure on choosing appropriate projects and overseeing them through appropriate In 2020 the annual remuneration of the Executive Board came to a total of € 300,000. controlling, monitoring and evaluation and the project-related educational and public For data protection reasons the individual salaries are not published. Among the small relations work prescribed by our constitution. The international procurement of goods number of staff working in Germany three basic levels of salary can be distinguished. that are locally unavailable or not of adequate quality is likewise included. Staff salaries depend upon the level of responsibility assumed, competence and achievement, professional experience and the duration of employment within the organ-ADVERTISING AND PUBLIC RELATIONS isation. In the following table salaries are calculated according to one-twelfth of the To increase public awareness about the situation in Ethiopia and the work of the founannual payment:

dation, we run campaigns and put on or support various events, for example in schools or in the context of adult education. The aim is to give a picture of Africa at eye level and to raise awareness of the people's living situation. This section also includes expenses for fundraising over the various platforms through which we speak to donors (compare also pages 30-31).

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### ADMINISTRATION

| dministrator (Junior/Senior) | 1,500 bis 3,000 |
|------------------------------|-----------------|
| Expert (Junior/Senior)       | 3,000 bis 6,000 |
| Senior manager               | 6,000 bis 9,300 |

**FINANCE REPORT** ANNUAL REPORT 2020

# Planning 2021

In 2021, we will be carrying on our project work initially in ten project regions and in the two individual projects, the Agro Technical and Technology College (ATTC) and the Abdii Borii Children's Home (ABCH). In the Spring we will add an integrated development project in the Chobi district, which is being financed by our Austrian sister organisation. In June, we will additionally begin work in Ankober, a new project area in the Amhara Region, which will be financed by Menschen für Menschen in Germany.

In 2021 in the area of sustainable land management and nutrition, we want to lay 965 kilometres of terracing, which will conserve both soil and water, to stabilise 30 kilometres of erosion gullies and to create 30,000 micro basins to catch water. In the two big reforestation areas in Borena alone, we should see 350 hectares of protected area coming into being during the year. We want to start off regeneration here with hundreds of thousands of seedlings. We will distribute nearly 1,300 kilograms of seed for vegetable cultivation as well as growing 217,000 fruit tree seedlings and 2,47 million coffee seedlings. The foundation's social workers will show the women how the newly grown vegetables can be carefully prepared. Beyond that we are planning to build five agricultural irrigation schemes and to distribute 4,600 hens with higher yield of eggs and 1,850 beehives, which have a higher yield than the traditional ones. In Dano the three-year project to create a coffee cooperative enters its second year in September 2021.

In the area of WaSH (water, sanitation and hygiene), we have on our agenda the further building of 24 hand dug wells, 23 shallow wells, 42 spring developments and five rural town water supply systems. To ensure the sustainability of the water points which we set up, we will train local committees in maintenance and repair work and provide the tools. In 2021 we want to train about 600 members of water committees.

In the area of education, we are carrying on with the building of 20 schools and the Technical and Vocational Training Center (TVET) in Jamma. Construction begins on a further eight schools in 2021. After a few years' pause, the literacy course in Borena will be up and running again; we want to reach 1,500 adults with it.



Davit Demisse, model farmer in Ebicha, shows off her harvest.

In the area of health, we are planning to renovate and enlarge a health centre. 23 health facilities should receive important medical materials such as disinfectants, needles, bandages, cotton wool and disposable gloves. In addition, we are planning 2,500 eye operations (cataracts and trichiasis) and the vaccination of more than 38,000 children against the ten most common illnesses. As a foundation we will take care of the distribution of the vaccines and the setting up of the cool chains. More than 100.000 school children should receive de-worming tablets and more than 140,000 women will be supplied with contraceptives. Alongside that we will carry out 50,000 voluntary HIV/AIDS tests. Our staff will accompany all activities with advice about basic health questions. In 2021 we also want to take up again our educational work about harmful traditional practices such as female circumcision, early marriage and eyelid scarring. In addition, and after a trial phase in Wore Illu and Legehida, we are planning to introduce so-called menstruation management into all project regions.

In the area of human development and income, 6,900 improved stoves should be distributed. In addition, we want to make it possible for 690 women to take out a microcredit. We are continuing the project in Dano in partnership with the German Society for International Cooperation (GIZ), which should open the way to professional independence for a total of 800 unemployed young men and women. That applies also to our project for creating workplaces in Arsi and the new project "Rural Transformation" which extends across six districts in the South Wollo Zone.

The Abdii Borii Children's Home will continue to offer places for up to 150 children. 730 students will be studying at the ATTC in Harar.

### **OPPORTUNITIES AND RISKS**

If anything, the external risks for the foundation's work grew in 2020 owing to the worsening political situation in Ethiopia. Road closures and checkpoints hindered our day-to-day work, and war-related destruction led to a shortage of raw materials such as cement. The stronger ethnic identification of individual groups allowed tension and fear to grow in all regions, which made it increasingly difficult to work without friction in this multi-ethnic country. In addition, there were border conflicts with neighbouring states. Since there is so far no foreseeable solution. we have to factor in obstacles to our operations in 2021 as well - even though there is no threat of our organisation becoming the target of the warring parties, thanks its political, ethnic and religious neutrality.

Although Ethiopia's official covid statistics for infections and deaths are relatively low compared to other countries, the lack of both the opportunity and the willingness to get tested means that the real figures are presumably much higher. It is hard to foresee the long-term consequences for the country of, among other things, the months-long school closures and the loss of trade. Although our foundation is not directly affected, it is possible that things such as the shortage of raw materials or the suspension of training and educational events will affect the sustainability and impact of our work.

Climate change is also affecting our project work in Ethiopia: the traditionally predictable rains are delayed, times of drought are becoming more common, and we are constantly having to drill deeper in the search for groundwater for wells. As people in rural areas increasingly move into the villages and towns, we are becoming more concerned about village developments and are setting up, for example, complete water supply systems for rural towns. These are bigger investment schemes which, on the other hand, make for a more sustainable supply. Menschen für Menschen has therefore decided to invest in deep drilling equipment, which is being funded by the Austrian sister organisation. This means that we can significantly reduce our drilling costs for further wells, and also support other organisations with drilling, which widens the impact of our work and generates additional income.

Precisely when the situation in the country is so difficult, the people are putting a lot of hope in our work. That offers opportunities, especially as the people on the ground have a big part in the success in our work. In our latest initiatives to create workplaces in rural areas many young people see the possibility of building up their own lives. For the future, we hope to be able to carry out such projects

with other partners such as the EU and private donors, as we have done with GIZ

### **DEVELOPING DONATIONS** AND SPEAKING TO DONORS

Even though in the crisis year 2020 the income of our foundation was basically pleasing, structural risks remain for us. These include an aging donor base and generally unsteady pattern of giving which is related to the global crisis. Furthermore, development cooperation has continued to become less interesting as a goal for donors. As budgets become consolidated due to the pandemic, we can additionally expect cuts in public funding. Considering the significance of this funding for the work of the foundation, this constitutes a heightened risk. This makes it all the more important to highlight the connection between global climate change and removing poverty in Sub-Saharan Africa in our communication. New connecting points are appearing through CO<sub>2</sub> compensation projects (such as through reforestation in Ethiopia) and the growing awareness about sustainable and fair supply chains. For private donors and businesses an important additional motivation for financial involvement lies in the recognition that the work of non-



Farmers in the Dano project region also benefit from the new animal feed cooperative.

profit organisations like Menschen für Menschen is important for the long-term survival of the donor countries

A special occasion to address our donors in 2021 lies in the 40th birthday of our foundation. For autumn 2021 we have planned a big campaign with 40 actions and prominent actors, which will culminate in a concluding event at the end of November. The aim is to reach a new, younger public and to win new donors, supporters and partners.

### CONCLUSION

It is still impossible to foresee the consequences of the covid pandemic, either for the people in Ethiopia or for the work and the income potential of our foundation. It is therefore all the more important for us to sustainably strengthen the Menschen für Menschen brand, to acquire new donors and hold onto existing partners. Appropriate starting points can be found in global themes around the future which move people in Germany. At the same time, we are putting everything into our project work so as to absorb the negative consequences of the covid crisis for the people of Ethiopia and create life prospects which eliminate the breeding ground for radicalisation.

| FINANCIAL PLANNING 2021                 |            |
|---|------------|
|   | '000s of € |
| GRANTS AND DONATIONS                    |            |
| - From Germany                          | 13,546     |
| - From Austria                          | 1,888      |
| - From Belgium                          | 50         |
| - Other revenue                         | 300        |
| TOTAL INCOME                            | 15,784     |
| PROJECT FUNDING                         |            |
| Education                               | -4,973     |
| Sustainable land management & nutrition | n -3,361   |
| Water, sanitation & hygiene             | -1,775     |
| Human development & income              | -1,906     |
| Health                                  | -1,325     |
| Project support & educational work      | -1,744     |
| TOTAL PROGRAMME WORK                    | -15,083    |
| Advertising and public relations work   | -2,223     |
| Administration                          | -1,413     |
| TOTAL OPERATING EXPENSES                | -18,719    |
| EXCESS OPERATING EXPENSES               | -2,935     |
| REDUCTION IN RESERVES                   | 2,935      |
| YEAR-END RESULT                         | 0          |



Karlheinz Böhms Äthiopienhilfe

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