

Factsheet

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Development partnerships with the private sector

How do partnerships between GTZ and the private sector work?

In Programme **develoPPP.de** PPP stands for public-private partnership. Within such partnerships GTZ cooperates with businesses and business associations in developing and transition countries:

- The development partnerships programme of the German Federal Ministry for Economic Cooperation and Development (BMZ) combines the respective strengths of public and private partners. Development partnerships projects are planned, financed and implemented jointly.
- In development partnerships projects, each partner contributes what it does best: GTZ supplies know-how and contacts, provides support for concept development, financing and the coordination of various measures, and networks with other key decision-makers – also supra-regionally. For their part, private companies contribute technology, capital and expertise and are usually responsible for carrying out the projects on site. The partners share the costs and risks equally.
- The private companies benefit from the contacts, experience and global network of GTZ experts. At the same time, private sector involvement helps achieve development policy objectives by creating jobs, introducing technological innovations to partner countries and improving production processes. Furthermore, by investing in people and the environment, businesses also ensure their own commercial success.

Development partnerships projects combine business interests with development policy objectives, for example in vocational training or environmental protection.

What instruments are there?

develoPPP.de (ideas competitions and development partnerships alliances)

- Ideas competitions are announced several times a year and publicised throughout the private sector in Germany and Europe. Co-financing of up to EUR 193,000 can be made available to the conceptually strongest and most efficient approaches. There are two competition categories: The first category, **develoPPP.topic**, covers selected topics for which the German Federal Ministry for Economic Cooperation and Development (BMZ) specifically provides support. The current topics are listed on the website. The second category, **develoPPP.innovation**, is open to proposals from all sectors and focuses particularly on the innovative nature of the proposals. The ideas competitions are aimed at German and European companies as well as their subsidiaries in partner countries.
- Especially groundbreaking development partnerships involving several partners, countries and/or larger investments, can also be agreed separately from the ideas competition. The development partnerships instrument **develoPPP.alliance** addresses structural improvements in partner countries that are beyond the scope of one single company. As strategic development partnerships alliances place great demands on project planning and management, a higher level of support is available from BMZ here.

Development partnerships with regional development programmes

- These development partnerships are agreed between multinational, regional or local companies and a GTZ project. They combine private sector services with regional development cooperation programmes and projects. At the outset of a project, during initial assessment and planning, consideration should be given to which services could better be supplied or delivered more sustainably and cost-effectively by the private sector. In ongoing dialogue with local partners, ways of integrating companies into regional development programmes that would create a win-win situation for all parties are reviewed. Development partnerships can thereby become an integral component of GTZ projects at the design stage and contribute directly to achieving their objectives.

Development partnerships in Georgia

Development of recultivation concepts with a German cement manufacturer (develoPPP.innovation)

Private sector partner: HeidelbergCement AG
Status: Ongoing until September 2012
TC project: Sustainable management of biodiversity in the South Caucasus
Volume: € 180,000 private contribution

Georgia is renowned for the exceptional diversity of its flora and fauna. In such a region, the non-metallic minerals industry has a particular responsibility where the exploitation of natural resources is concerned. The objective of the measure is to restore and maintain biodiversity in all mining and quarrying sites operated by HeidelbergCement Group in Georgia, and to improve acceptance, knowledge and the exchange of information on modern recultivation methods among the institutions and population in Georgia. In contrast to recultivation practices common in Eastern Europe, the aim here is to create many different habitats that are in keeping with the natural surroundings.

Foundation of a technical school of construction to improve vocational training (develoPPP.innovation)

Private sector partner: JVG Vastgoed Groep B.V.
Status: Ongoing until September 2012
TC project Private sector promotion programme, Georgia
Volume: € 244,000 private contribution

The large number of old buildings in Georgia means there is also a considerable need for renovation and redevelopment. Private companies in the Georgian construction industry are not in a position to meet this need on account of a lack of qualified skilled workers. The Construction Competence Centre Tbilisi is intended to help put in place improved training for skilled workers in the Georgian construction industry as a result of theoretical and practical training oriented towards the labour market. In order to achieve this objective an educational facility is to be set up offering 10th and 12th-grade school leavers as well as craftsmen and returning migrants practical training and training.

Erosion protection with support from a local tree nursery (Development partnerships with regional development programmes)

Private sector partner: Forest Basic Nursery Sartichala EpL
Status: Ongoing until November 2010
TC project: Sustainable management of biodiversity in the South Caucasus
Volume: € 210,000 private contribution

The Georgian tree nursery Sartichala is collaborating with GTZ to rehabilitate degraded landscapes in eastern Georgia. The common goal is to grow native varieties of trees to create windbreaks that prevent soil erosion. Thanks to the introduction of modern techniques and technologies, Sartichala is now capable of establishing a broader business basis and is in a position to ensure the long-term supply of high-quality saplings of native tree varieties, such that imports of forest plants will no longer be required. These efforts are boosting company sales figures while at the same time contributing to environmental and resource protection in the region.

Development of a training centre for the sustainable management of wild herbs (Development partnerships with regional development programmes)

Private sector partner: Caucasian Ltd.
Status: Ongoing until November 2010
TC project: Sustainable management of biodiversity in the South Caucasus
Volume: € 80,000 private contribution

The German umbrella organisation Caucasian trains small producers to collect, cultivate, process and sell natural products. The objective of the measure is to develop a national training centre for the sustainable management of wild herbs, where training will be provided for local groups of collectors on how to adopt a more sensitive approach to herbs, fruits, roots, wild mushrooms and plant bulbs, and on efficient techniques for using and processing wild herbs. The project focuses on the valorisation of biodiversity. This includes the certification of collections from the wild, the creation of value chains for local, exportable products, technology transfer and the institutional promotion of production communities.

Do you require further information?
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Status: April 2010

gtz Regional Office
South Caucasus

commissioned by
 Federal Ministry
for Economic Cooperation
and Development

develoPPP.de

