



Finanzgruppe

Sparkassenstiftung für
internationale Kooperation

Annual Report 2010



International Cooperation

Projects and Partners

2010

Finanzgruppe 2010

429 Sparkassen (Savings Banks)

Balance sheet total	1,084 billion €
Customer deposits	768 billion €
Loans to customers	660 billion €
Employees	248,137

9 Landesbanken/Girozentralen¹ (Regional Banks/Central Savings Banks)

Balance sheet total ²	1,546 billion €
Deposits by customers and financial institutions ³	735 billion €
Debts evidenced by certificates ⁴	344 billion €
Loans to customers and financial institutions ³	909 billion €
Employees	48,925

10 Landesbausparkassen (Central Building Societies)

Balance sheet total	54 billion €
New contracts	34.6 billion €
Capital outpayments	8.6 billion €
10.9 million contracts with aggregate contractual savings volume	264.6 billion €
Employees	9,004

DekaBank⁴

Fund's assets	181 billion €
Balance sheet total	130 billion €
Employees	3,683

11 Regional Insurance Companies

Gross premium income	19.7 billion €
Employees	30,000

¹ Not including DekaBank

² Including foreign branches as well as domestic and foreign consolidated Landesbank subsidiaries (excluding building Landesbausparkassen)

³ Not including foreign branches nor domestic and foreign consolidated Landesbanken subsidiaries (excluding Landesbausparkassen)

⁴ Figures for the given group

International Cooperation, Projects and Partners Annual Report 2010

Sparkassenstiftung für
internationale Kooperation
(Savings Banks Foundation for
International Cooperation)

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Foreword



Heinrich Haasis
Chairman of the Board of Trustees and President of
the Deutscher Sparkassen- und Giroverband
(German Savings Banks Association)

The impacts of the global financial crisis are still reverberating the world over. And industrialised states are continuing to seek the right balance between free markets and regulation. Just how free to act should and must banks be? And precisely how much state regulation is permissible and necessary?

It was the irresponsible mortgage lending practices in the USA – the sub-prime loans – that set off the global financial crisis. However, the same scenario can be seen elsewhere. In India, for example, the microfinance sector in the federal state of Andhra Pradesh experienced its own sub-prime crisis in 2010. Here (micro) finance institutions engaged in large-scale lending without applying sufficient prudence and foresight, creating a highly dramatic aftermath that caused some microfinance institutions in India to cease operating.

The subprime fiasco in the USA has led to a global confidence crisis in the finance sector; the problems in Andhra Pradesh have ignited a microfinance crisis. In both cases, rebuilding

confidence will require regulation, and this task falls to the state.

In many developing countries and emerging nations microfinance is an important part of the financial sector, one that serves many millions of customers. And it is the state's inherent duty to protect these people from unfair practices and excessive debt. At the same time, it is incumbent on the state to ensure fair competition amongst financial service providers. Regulation has to be well balanced – too much regulation can be just as harmful as too little.

The German concept of a social free-market economy gives us something to go by here. Alexander Rüstow summed it up aptly when he said 'a free economy, a strong state', meaning that in principle market players, and this includes the banks, can operate freely, but the state has to keep a tight rein on things through a regulatory framework.

Sparkassenstiftung is applying its many years' experience in a substantial number of countries to help improve regulatory systems for microfinance. At the same time, it is assisting its project partners in their capacity as formal microfinance institutions to comply with national regulations. Against this backdrop, a very pleasing development occurred in Vietnam in 2010. The TYM Fund, which Sparkassenstiftung has been supporting for the past five years, is now the first facility in Vietnam to be licensed as a microfinance institution. Today, the TYM Fund is a profitable bank with a clear social mission modelled on Germany's Sparkassen.

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Overview



Dr. Holger Berndt
Chairman of the Board

Sparkassenstiftung, a public-benefit development organisation belonging to the German Sparkassen-Finanzgruppe (Savings Banks Finance Group), had operations ongoing in some 25 different countries in 2010 – more than ever before in its 18-year history. In the year under review, Sparkassenstiftung was engaged in a total of 30 projects with an overall volume of more than EUR 10 million. As at end 2010, Sparkassenstiftung had more than 150 employees, 24 of whom were based at its Head Office in Bonn. Sparkassenstiftung's other employees were spread across 17 countries, whereby most of them were located in Mexico and Azerbaijan. In addition to these permanent staff members, more than 70 experts from the Sparkassen-Finanzgruppe and external specialists conducted short-term assignments to Sparkassenstiftung projects for a number of weeks at a time. This makes Sparkassenstiftung one of the largest private development-aid organisations in Germany.

Sparkassenstiftung's specialist inputs are based on the experience and know-how of Germany's Sparkassen. As such, the focus of our work in developing countries and emerging nations is on traditional savings banks issues, i.e. savings and lending, access to financial services in urban and rural areas, efficient organisation of

banking operations and marrying economic sustainability with a public and/or social mandate.

The need to operate profitably without neglecting their social mandate constitutes a major everyday challenge for many microfinance institutions (MFIs). If they continually operate at a loss, then they have to close down. However, if they are 'only' geared to making the highest possible profit and fail to comply with the role assigned to them as part of the social development process, then they also forfeit their right to exist.

We firmly believe that only those institutions that operate on an economically sustainable and concomitantly socially oriented basis have the right to call themselves microfinance institutions. The willingness to comply with this 'double bottom line' principle is thus the yardstick we apply when selecting project partners in developing and emerging nations.

Achieving economic sustainability takes efficient procedures, demand-oriented products, well-trained staff, in-depth knowledge of the market along with a good many other factors, too. Size is not enough on its own to ensure MFI profitability. However, smaller MFIs do find it considerably more difficult to meet their fixed overheads, e.g. for IT or management staff. This is why MFIs frequently pursue growth strategies or engage in mergers in order to get bigger faster. Unfortunately, this often leads to problems when management capacity is lacking or if the institutions lose sight of their clients.

An alternative to rapid growth is cooperation with other MFIs. By sharing resources and working together to develop products or conduct training, individual MFIs or banks can considerably reduce their cost burden. This kind of cooperation is something that Germany's Sparkassen (savings banks) have been practising for years. Individual Sparkassen are legally autonomous, have their own management staff



Niclaus Bergmann
Managing Director

and make their own decisions in line with the situation on site. This independence is fostered and facilitated through close cooperation that is promoted and organised by regional and national level associations.

For microfinance institutions in developing countries and emerging nations, the cooperation model is both new and innovative. They wish to retain their independence and, at the same time, optimise their cost structures. For this reason, Sparkassenstiftung receives a great many requests for assistance from countries wishing to establish corresponding networks or associations. In 2010 Sparkassenstiftung launched new partnership projects for the regional development banks (BPDs) in Indonesia, for the credit unions in Ghana and for microfinance institutions in Colombia. In each case, support targets the national association. Sparkassenstiftung is also conducting similar projects in other countries. In each scenario, the association has to provide cost-efficient services for its member institutions.

Sparkassenstiftung promotes a large number of partner institutions. Most of them are located in Mexico where it is engaged in a project funded by the World Bank and the Mexican government assisting more than 50 local savings banks to

expand their operations in rural areas. Thanks to these measures, more than 125,000 new customers now have access to savings and credit products. Owing to its resounding success, this project has been extended beyond 2010.

In Azerbaijan, Sparkassenstiftung is executing a KfW and EBRD commission to help 14 banks and other financial institutions roll out and build up their SME lending operations. Through these activities, approximately 85,000 loans with a total volume of EUR 250 million were disbursed through to end 2010.

Sparkassenstiftung's development over the past ten years can largely be attributed to the work of our Board Member and CEO, Dr. Peter Langkamp, who passed away in September 2010 after a long illness. We will always be grateful to him for his tireless commitment and vision and for the road he mapped out for Sparkassenstiftung's future.

Transferring and aligning tried-and-tested approaches by German Sparkassen to the situations of different financial institutions in developing countries and emerging nations – this way forward by Sparkassenstiftung has since proved its worth in more than 150 projects around the globe. Assistance is delivered by practitioners who not only have state-of-the-art expertise but who are able to perceive what is feasible and what is needed in the given context. Adherence to these principles has made 2010 into yet another successful year for us and our partners around the globe.

We wish to thank the institutions and staff that make up the German Sparkassen-Finanzgruppe for their ongoing commitment as well as our national and international sponsors for placing their confidence in us and for assisting us with their financial support.

Mobilising savings capital – an essential cornerstone of sustainable development



Dr. h.c. Helmut Geiger
Former President of the Deutscher Sparkassen- und Giroverband and former Chairman of the Board of Sparkassenstiftung für internationale Kooperation

Through to the mid-80s, financial-system development did not play much of a role in Germany or in international development cooperation. It was not until the debt crisis engulfed a swathe of developing nations that the absence of savings across broad sections of the population was identified as a seriously critical factor. Thus, the role and function that financial systems play in achieving optimum resource allocation was not recognised until quite late. The World Bank's 1989 World Development Report was the first time that the importance of the financial system for a country's economic development was made known to a wider public. Without a functional financial system as a catalyst, it is not possible to generate a free-market system and to strengthen private-sector structures.

Savings institutions are an infrastructural necessity

Most developing countries now accept that an efficient banking system that is accessible to all population groups and regarded as a funda-

mental part of the infrastructure is essential to their well-balanced development. For this reason, a lot of countries have been working to build up their financial infrastructure and to create operational financial markets. They have also started to improve framework conditions and establish efficient banking supervision. Their efforts aim to mobilise savings and to direct them into investments that will help combat poverty through economic development.

Savings banks and other savings institutions – vital elements of a financial system of this kind – have a key role to play, because of their pro-poor orientation. It is their task to motivate and encourage people to save and to mobilise financial resources by collecting even the smallest amounts which, with the least possible input, i.e. low information and transaction costs, they can then immediately redirect as loans to companies in various branches of the economy (agriculture, trade, small-scale business and industry).

Thus savings institutions also help create and expand local goods markets and, in this way, foster greater demand and employment.

This makes the circular flow of income more dynamic and, in turn, enables people to save more and build up their capital resources, essentially kick-starting a self-perpetuating development process.

Fighting poverty by saving

Private savings also help secure people's own livelihoods and constitute a key self-help instrument in the fight against poverty. The lack of capital in developing countries cannot be redressed by importing capital. Thus, mobilising savings capital within a country is of fundamental economic importance; a point the recent financial crises have made very clear yet again. Capital imports of public and private

funds must only be used to build up production capital and the infrastructure that goes with it. Ongoing capital requirements have to be met by resources generated within the country. Otherwise countries risk becoming chronically over-indebted – a scenario that not only takes developing countries to the brink.

Since the 1980s, Germany's Sparkassen-Finanzgruppe has helped to promote this process in many developing countries through hands-on project activities. With the Sparkassenstiftung für internationale Kooperation, it created an organisational platform capable of guaranteeing a professional approach. The Sparkassen-Finanzgruppe's motivation here was a wish to embrace international cooperation by expanding the public-benefit approach it advocated in Germany, along with its many different cultural, social, charitable and sporting activities. And the projects conducted to date have succeeded in doing this.

The objective: helping people

For this reason, we welcome the German Government's efforts to focus its development cooperation more on direct assistance for the people and to scale back its bigger projects. Whilst activities initially concentrated on promoting suitable financial institutions – particularly savings banks and similar institutions – support for microfinance institutions has since become another priority area of activity. In all of our projects, our focus – based on our success in Germany – has been on ensuring a calibrated and rurally inclusive regional balance. Locally embedded savings banks or, in the case of national institutions, at least a regional structure with delegated responsibility is the best way forward.

Basic economic know-how is absolutely vital

In many projects, however, people's poor grasp of economics and a lack of rational economic behaviour are proving a real set-back. For this

reason, Sparkassenstiftung is working to promote the Financial Literacy of broad sections of the population. In these targeted project measures, Sparkassenstiftung makes use of its experience in Germany. Here the Sparkassen school service, for example, is engaged in communicating basic economic know-how to children as young as primary school age. With its advisory service, 'Geld und Haushalt' (Money and Private Households), it provides assistance for the rational management of household budgets, with a view to helping people side-step excessive debt.

In several projects the aim now is to transfer this experience to developing countries, whereby regional cooperation amongst several countries is the order of the day, e.g. as in the case of Mexico, Peru and El Salvador. The central banks of these countries have recognised that efforts of this kind are an important basis for sound economic development. Other central banks are working with Sparkassenstiftung to develop comprehensive strategies for mobilising savings. This is currently the case in Uzbekistan, for example, where the objective is to generate institutional framework conditions that will offer consumers protection and suitable savings products. But people will only be willing to deposit their money in the bank instead of under their mattress if they have confidence in the banking system. Longer-term savings deposits are only feasible if suitable savings products are designed and made attractive enough, where necessary with state support. And they have to be marketed by well-trained bank personnel who are able to give customers the banking expertise they need.

A stable currency – no better savings incentive

The best incentive there is for long-term saving is a stable currency. Monetary stability is the best way of mobilising savings and building up an adequate national capital stock. Many developing countries now also recognise that

combating inflation constitutes an important part of a national growth strategy. Whilst international institutions and key central banks were for a time solely intent on promoting growth, the recent debt and financial crises have again taught us that the success this kind of policy generates is only short-lived and actually undermines sound and sustainable development.

SME lending in Azerbaijan



Javanshir Abdullayev
Director of Azerbaijan Bank Training Centre (ABTC)

Small and medium-sized enterprises (SME) are the leading force for economic development in every country – they are the main providers of employment thus helping people to sustain their families, but also the main taxpayers and an invaluable source for innovations. For all these reasons the Azerbaijanian government, as well as most other governments, supports the development of SME. In addition, Azerbaijan faces the challenge of balancing rapid growth in the oil industry with an appropriate development of the non-oil sector.

Today, there are more than 140 lending institutions (banks and non-bank financial intermediaries) in Azerbaijan that serve different fields of the economy; SME and the public are in the focus of most lending institutions in Azerbaijan.

Nowadays, there are a number of different sources for funding SME. Below is the list of them:

- Own funds (equity and deposits) of lending institutions

- World Bank's (WB) line of credits for financing agriculture
- Credit line for lending institutions opened by the European Bank for Reconstruction and Development (EBRD)
- Credit line opened by the German-Azerbaijani Fund (GAF) – funds stem from the German Bank for Reconstruction KfW, acting on behalf of the German Government
- Direct investments and credit lines to lending institutions by the International Financial Corporation (IFC)
- Long-run subsidies via lending institutions from the National Fund for Entrepreneurship Support
- Credit lines and investments of different foreign funds and lending institutions

All sources listed above, except the National Fund for Entrepreneurship Support, support SME based on market rules. The National Fund for Entrepreneurship Support has been created in 1993, but became active only in 2002 to support the Azerbaijanian government's non-oil sector development policy providing funds to realize the governments regional and non-oil sector development program based on identified priorities.

The bulk of SME lending in Azerbaijan is done according to market rules – lending institutions, be it banks, and be it non-bank financial intermediaries, engage in lending to SME as they have understood that it is a good and robust business, also in terms of profitability. It has allowed Azerbaijanian lending institutions to successfully increase their business activities in the regions. Many institutions have also ventured into lending to agricultural businesses. Every second Azerbaijani is working in agriculture – so far they contribute less than 10% of the GDP and both Sparkassenstiftung and Azerbaijan Bank Training Center (ABTC) help lending institutions to fully exploit this potential.

Azerbaijani lending institutions mostly finance SME from the non-oil sector. The main reason is that contractors in the oil sectors are mostly huge companies requiring long-term loans and the capital base of most banks simply does not allow for this.

Nowadays, we can state that Azerbaijani lending institutions have accumulated decisive experience in SME financing. Most of the financial techniques used by lending institutions today are somehow based on the successfully implemented GAF project by Sparkassenstiftung and ABTC in 2002–2006 and later just by Sparkassenstiftung on behalf of EBRD. Albeit technical assistance within the GAF project has initially only been provided to four and finally to six partner banks – other lending institutions have successfully applied this experience. The most appropriate tools which have been extracted from the GAF project for Azerbaijani lending institutions are listed below:

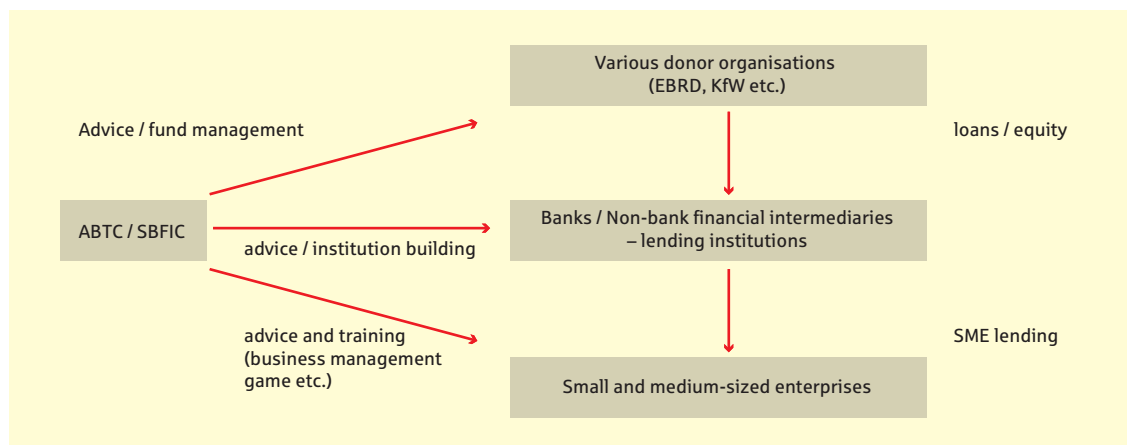
- Credit committee regulation
- Lending procedures
- Selection and preparation of lending staff
- Bonus system for credit business

ABTC plays a significant role in projects dedicated to finance SME businesses and to improve

the partnership between loan institutions. ABTC which was established within an EU-TACIS program in 2000 (supported by a consortium in which Sparkassenstiftung was one of the partners) in 2004–2006 implemented an “SME business development services” project in cooperation with IFC and the BP-Azerbaijan Oil Company. Based on that experience ABTC, as a leader in providing training and consultancy services to the financial industry in Azerbaijan, also started to venture into the provision of training and consultancy services for SME. Thus, ABTC became the bridge between SMEs and banks.

Since banks evaluate SME loan applications on the basis of criteria they learned at ABTC, it makes perfect sense to teach SMEs from the same source. This approach helps both banks and SMEs to “speak the same language”, as both have received their professional knowledge from the same centre.

Today, ABTC provides courses on more than 60 topics to credit institutions, and more than 50 topics to SMEs. It also delivers consultancy services for the institutional development of SMEs and lending institutions and their clear understanding of each other.



The global financial crisis also had a decisive impact on the Azerbaijanian financial industry. As every field of banking, including the SME lending system, had to be revised, new products and technologies should be implemented. We at ABTC believe that lending institutions in our country should give attention to the following fields:

1. Lending structure and review of lending technology: Instead of “investing money by any expense” lending institutions should prefer to create a well diversified portfolio. Quality and efficiency: Lending can largely be increased by improving on loan analysis and monitoring, by creating an internal credit register, credit rating and by clearly identifying tasks in front and back offices.
2. To succeed in business, well trained and motivated staff is decisive. Employees must not only be able to cope with current challenges, but have to be prepared for market fluctuations. Moreover, employees have to be able to actually implement new financial services (to SME and others) created by financial institutions. This is what Sparkassenstiftung has been doing in the past and it is at the heart of ABTC’s activities.
3. Increase the population’s financial capability to fight over-indebtedness: Today many lending institutions increasingly face problems serving SME, as the latter tend to take out loans at several institutions and do not always repay all institutions in time. Besides the creation of a credit register we believe that it is vital to improve on financial capability in particular of SME owners and managers. Supported by the German Federal Ministry for Economic Cooperation and Development, a symposium on “Financial Literacy” will be held in 2011. ABTC plans to implement further measures in this field, such as the preparation of loan officers as

well as the creation of a “loan manager club”, initiating a regular dialogue.

ABTC, staying loyal to its mission “to bring to Azerbaijan up-to-date knowledge and technologies on financial services and business management, add their value by adaptation to local conditions” from the first day of establishment, and constantly supporting changes, as the closest partner of lending institutions and SME will continue to strengthen SME in Azerbaijan.



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Credit Guarantee Fund

23 **Azerbaijan and Georgia**
Mobilising savings, Financial Literacy

24 **Ghana**
Better offers of training and support for Ghanaian credit cooperatives

25 **Madagascar**
Building institutional capacity and promoting development at the Caisse d'Epargne de Madagascar

26 **Rwanda**
Making microfinance more professional

27 **Tanzania**
Doubling the number of savings accounts

28 **China**
Building up SME credit operations at the Bank of Weifang

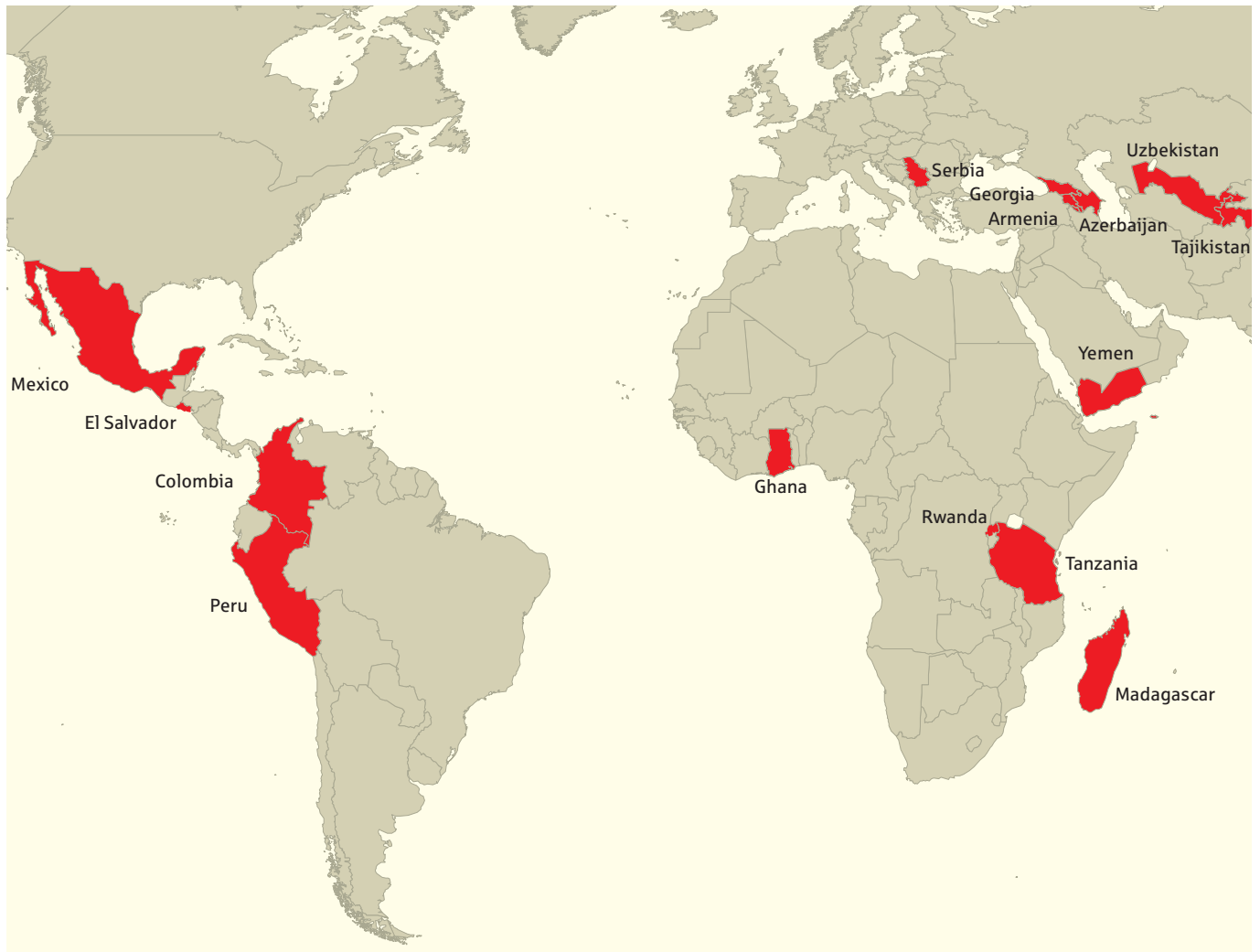
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The Armenian currency is the dram. The dram first made an appearance as a means of payment in Armenia in the period from 1199 to 1375, when silver 'dram' coins were issued. The modern-day dram became legal tender on 22 November 1993, when it replaced the Russian rouble. The 100-dram coin was introduced in 2003 and consists of nickel-plated steel. The reverse bears the coin's nominal value. The obverse shows the coat of arms of the Republic of Armenia. 100 dram (approx. EUR 0.18) buys a loaf of bread or two tickets for the underground.

Armenia

German-Armenian Fund – Renewable Energy (GAF-RE)

Armenia essentially derives its energy supplies from Russian natural gas and petroleum and from a nuclear power plant. To reduce dependency on these imports and to lower the economic and environmental cost of power supplies in the medium term, it is intended to make greater use of renewable sources of energy. Armenia is essentially pinning its hopes on existing, small-scale hydropower plants which are to be repaired and/or made more efficient with KfW support.

The first phase, which was completed at the end of 2009, concerned the provision of a KfW credit line amounting to EUR 6 million for selected partner banks in Armenia.

In the first phase, Sparkassenstiftung helped local partner banks to develop procedures for assessing energy-sector projects (generally infrastructure projects). Furthermore, loan officers were given intensive training, both in seminars and on the job. Loan extension procedures were also adapted to accommodate the extension of long-term large-scale loans.

A comprehensive project manual summarises the key aspects of the project, enabling the Project Management Unit located at Armenia's central bank to steer project activities. Technical consultancy for the owners of small-scale hydropower plants has proved to be yet another key success factor. Minimum technical standards are now in place and the operators have been supported in all relevant areas. Fifteen of the 90 small-scale hydropower plants currently in existence in Armenia were promoted through this credit line (construction of new hydropower plants and extensive rehabilitation of existing ones).

The project has been such a success that a second phase has been scheduled for mid-2011. To be able to extend loans swiftly, the project's commissioning party, KfW, agreed on a transition phase with Sparkassenstiftung. During this time, companies can be analysed financially and projects can undergo a pre-selection process. Furthermore, the phase under review was also used to forge initial contacts with other partner banks.

Country data Armenia

Population	3.1 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	4,714 €	
Real changes in GDP	2008	6.9 %
	2009	-14.2 %
	2010	4.7 %
Average gross monthly wage in local currency (Dram AMD) in Euro	97,919	
	210	
Annual inflation rate	2008	9.0 %
	2009	4.2 %
	2010	6.9 %

* PPP-adjusted

The Azerbaijanian currency is the manat. 1 manat (approx. EUR 0.87) subdivides into 100 kopeks (gapik). The 10-kopek coin corresponds to the 10-cent coin in the Eurozone. The steel coin gets its golden colour from its brass plating. Here we see a helmet which symbolises the act of seizing power. On the 20-manat banknote this theme is elaborated on further still through the addition of a sword and shield. As with all the coins and banknotes in the country, the 10-kopek coin serves to highlight the territorial integrity of an independent Azerbaijan.



Azerbaijan

German-Azerbaijani Fund (GAF)

The German Government (represented by KfW) is helping Azerbaijan to build up free-market structures by extending loans to small and medium-sized enterprises via the German-Azerbaijani Fund (GAF). To date, some EUR 8.7 million has been made available for this purpose, with Sparkassenstiftung in charge of administration. Interest-related income and good management mean that today more than EUR 11.4 million are available for loan disbursement. The project is based on a contract between KfW, the Azerbaijanian Ministry of Finance and Sparkassenstiftung.

Azerbaijan's economy has experienced some very dynamic growth since 2002. However, this has been fuelled rather one-sidedly by the oil and gas industry. The global financial and economic crisis slowed growth down noticeably. In Azerbaijan, too, a lot of banks came under pressure and had to curtail their lending activities. The crisis thus revealed the partner banks' weaknesses, particularly in the field of risk control and risk management.

Against this backdrop, project activities focused on the following areas:

- Quality assurance for the credit portfolio
- Securing consistency in loan disbursement
- More intensive monitoring of the six partner banks involved
- Extensive training of loan officers and management-level staff in the partner banks through special seminars and on-the-job training
- Creating and heightening awareness of the risks involved in lending

Over 27,000 loans worth more than EUR 105 million were disbursed through to end 2010. A team of local experts specially trained by Sparkassenstiftung and coordinated by two German long-term experts working on site is responsible for implementing the various measures. A 3-language website provides information about the fund's activities www.gaf.az.

Country data Azerbaijan

Population	8.8 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	8,941 €	
Real changes in GDP	2008	10.8 %
	2009	9.3 %
	2010	3.7 %
Average gross monthly wage in local currency (Manat AZN) in Euro	324	
	328	
Annual inflation rate	2008	20.8 %
	2009	1.5 %
	2010	5.1 %

* PPP-adjusted



The 50-kopek coin (approx. EUR 0.43) is a bimetallic coin with a copper-nickel edge and a brass core. The reverse side shown here depicts a sun and two oil-drilling towers. This coin is dedicated to the Azerbaijani economy and its development, whose cornerstones are well known to be oil and other natural resources. As far back as the early Middle Ages, petroleum, which was used to make 'Greek fire', proved a major export product in the region around the Abşeron peninsula in Azerbaijan.

Azerbaijan

Credit line for small and micro enterprises

In analogy to KfW, EBRD has set itself the goal of promoting small and micro entrepreneurs and strengthening the Azerbaijani financial sector. But in contrast to KfW, EBRD can arrange direct credit contracts with individual partner institutions. At the moment, EBRD has credit relationships with eight banks and a total of six non-bank financial intermediaries (NBFIs).

The EBRD programme is primarily geared to the microenterprise sector. At the heart of the EBRD project lies the introduction of adequate credit extension procedures (in particular in the regions), as well as intensive human resource training. Rolling out successful credit lines to small and micro entrepreneurs necessitates some very extensive institution-building measures in some places – depending on the needs of the individual partner institutions.

Besides having a positive impact on the partner institutions' performance capacity, the programme has done a great deal to secure jobs in small and medium-sized companies. In all, nearly 58,000 loans worth more than EUR 105 million have been granted. In the long-term this has created or secured more than 110,000 jobs. Partner institutions have also invested a considerable volume of their own funds in the application of Sparkassenstiftung's technology to extend loans to the target group, thus highlighting the fact that this business sector has become an integral component of their strategy. A website now keeps people regularly informed about EBRD programme activities (www.msba.az).

The consultancy measures are currently focusing on preparing the partner institutions for the 'post- EBRD' period. Priorities here include:

- Creating internal training capacity (train-the-trainer)
- Strengthening capacity to design products and roll them out without external assistance
- Extensive introduction of agricultural loans
- Creating internal management capacities and strengthening internal control structures
- Strengthening and/or building up internal auditing divisions

The last two activities have proved pivotal for the NBFIs involved in the project – many of which lack supervision, leaving them wide open to fraudulent activities.

A key role thus falls to a special software loan administration module. This system makes it possible to comply with the different donors' varying reporting specifications whilst promoting simplified decision-making procedures (scoring).

The Azerbaijanian 3-kopek (gapik) coin corresponds in size and appearance to the 2-cent coin in the Eurozone. Like all Azerbaijanian coins, the front gives the unit of currency, along with a relief map of Azerbaijan and the wording: Republic of Azerbaijan. The reverse shown here features two books, one lying on top of the other, with a feather below. Designed under the motto 'Independent Azerbaijan', this 3-kopek coin is dedicated to Azerbaijan's contribution to world literature.



Azerbaijan

Expanding credit operations in rural areas

In many countries, agriculture constitutes one of the major economic engines. In Azerbaijan around 40% of the working population is employed in this sector – however, it only generates 7% of national value added. A key factor holding back development in this sector is the banks' reluctance to offer financial services coupled with their lack of credit know-how.

To expand access to financial services in the long term for the still impoverished rural population, and to thus sustainably improve their living conditions, KfW provided financial resources for loan extension. Bank Respublika was chosen to pilot the project. This bank has a relatively wide-spread branch network and has already successfully rolled out SME credit operations through its participation in the German-Azerbaijani Fund (GAF) and in the EBRD project. Project activities were successfully concluded in May 2010.

Sparkassenstiftung's mission was to develop a credit technology that is aligned with agri-business lending needs and that takes particular account of the heavy seasonal fluctuations in income experienced in this sector. Furthermore, Sparkassenstiftung supported the partner bank with special seminars and with on-the-job training for branch managers and loan officers. Consultancy inputs also covered the roll-out of risk management methods for agri-credit products and the development of additional financial products for rural regions. At the start of the project, Bank Respublika only extended group loans to agri-businesses: In the meantime, it is now able to meet the high demand for individual loans in this sector.

Bank Respublika has thus been able to successfully position itself as a financial service provider in rural areas.



Georgia's currency is called 'lari'. Lari is an ancient Greek wording meaning treasure or property. 'Tetri' is an old Georgian term for money dating back to the 13th century and is used to describe the hundredth subdivision of a lari (around EUR 0.42). This 10-tetri coin depicts Saint George riding a lion. The design is based on an 11th-century gold-plated silver plate from the Gelati monastery. The monastery situated in the west of Georgia is a UNESCO World Heritage Site.

Armenia, Azerbaijan and Georgia

Credit Guarantee Fund

The project provided a payment guarantee mechanism for selected banks in the three countries of Armenia, Azerbaijan and Georgia. KfW guaranteed international banks that the partner banks in the Caucasus would meet their credit obligations. For their part, local banks undertook to use the credit lines given to them by the international institutions to extend loans to small and medium-sized enterprises (SME).

Sparkassenstiftung's mission was to select and monitor local partner banks, organise international lenders, support partner banks with their SME lending activities and organise trans-boundary seminars. Thus, this project also served to network and therefore, indirectly, to improve relations between the countries concerned in this traditionally conflict-laden region.

Launched at the end of 2003, the project went on to identify three partner banks respectively in Armenia and Georgia that, together, received EUR 16 million in credit from international banks. Besides monitoring partner banks and assisting with loan extension, the project focus was on creating the structures needed to

administer the credit guarantee fund once the project reached full term.

In Armenia, activities were successfully completed at the end of 2006 following the hand-over to an administrative unit at the Central Bank.

In Georgia, Sparkassenstiftung had a local team of experts monitoring partner banks and their lending activities. This team was also responsible for reporting to the project's stakeholders. On 31 December 2010 this project reached its contractually agreed completion point following repayment of the final credit amount by the last remaining partner bank.

In Azerbaijan, KfW did identify a potential Azerbaijanian partner bank. However, negotiations concerning the provision of a credit line were not successful.

The project was funded by KfW resources. Activities were essentially implemented by local experts with the support of Sparkassenstiftung's staff.

Country data Georgia

Population	4.3 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	3,902 €	
Real changes in GDP	2008	2.3 %
	2009	-3.9 %
	2010	4.3 %
Average gross monthly wage in local currency (Lari GEL) in Euro	376	
	171	
Annual inflation rate	2008	10.0 %
	2009	1.5 %
	2010	5.7 %

* PPP-adjusted

The name tetri ('white') is the term that was used for gold, silver or copper coins in ancient and medieval Georgia. This 20-tetri coin showing a red deer from a painting by the famous Georgian artist Niko Pirosmanashvili (Pirosmani) was issued in 1993 and is found throughout Georgia today. The official exchange rate puts 20 tetri at EUR 0.84. In Georgia, 20 tetri buys a ballpoint pen, two pencils or two cigarettes.



Azerbaijan and Georgia

Mobilising savings, Financial Literacy

This capacity-building project targets savings mobilisation in Azerbaijan and Georgia. Activities are geared both to the supply and the demand side.

Savings are an essential source of refinancing for financial institutions – one that is not dependent on international donors. The project is designed to help financial institutions building up a large range of different savings products, geared primarily to low and middle-income earners.

On the demand side, the project targets Financial Literacy measures and aims at bringing more transparency to the financial sector. This is intended to strengthen consumers' capacity to save and to identify those products that are right for them. Furthermore, both countries are implementing various measures to help people improve the way they handle their own financial resources.

The project partners in both countries are the central banks as well as bank associations and their training institutions.

The following inputs are scheduled as part of this project:

- Establish a permanent task force with representatives of the financial sector to work on the theme of savings mobilisation and on regulatory matters relating to consumer protection
- Put together training materials on budget planning and borrowing risks
- Conduct a survey into people's savings behaviour in Azerbaijan and Georgia – the findings are to be used in a subsequent

project phase as the basis for the development of demand-oriented savings products

- Conduct business management games with micro and small entrepreneurs
- Run IT-backed business management games to identify and resolve problems that financial institutions encounter when setting up and expanding branch networks and marketing assets and, in particular, deposit products in various regions of a country

The project is funded by Germany's Federal Ministry for Economic Cooperation and Development (BMZ).



This 20-pesewas coin bears an open cocoa bean. Alongside Côte d'Ivoire, Ghana is one of the most important suppliers of cocoa in the world. 100 pesewas are equivalent to one new Ghana cedi (GHS). The new Ghana cedi was introduced in 2007 (10,000 old cedis = 1 new cedi). The term 'cedi' goes back to a rare type of shell formerly used in the region as a means of payment. 20 pesewas will buy, say, 4 bags of drinking water or a 5-km ride with the local minibus ('tro-tro').

Ghana

Better offers of training and support for Ghanaian credit cooperatives

Together with the savings banks academy 'Rheinische Sparkassenakademie', Sparkassenstiftung is currently supporting the Ghana Cooperative Credit Unions Association (CUA).

This support aims to strengthen the role these credit unions play in the delivery of financial services to developmentally relevant target groups. In spite of Ghana's ongoing positive economic development and its consolidated democracy, the majority of people are without access to financial services.

Next to social (family) networks, savings are the only form of social security many people have. Increasingly, however, these networks are being eroded. This is because a lot of Ghanaians are moving to economic centres in search of work. As a result, payment mechanisms and banking services are becoming more and more important in rural areas. Against this backdrop, the CUA network offers a good infrastructure. It currently has some 350 members with another 150 or so cooperatives lined up for membership.

In this project, support for the credit cooperative focuses on upgrading the CUA academy which is located close to the capital of Accra. Having set up their own academy, the association and its members are no longer reliant on the expensive conference halls and rooms in the capital's hotels. In terms of content and organisation, establishing an appropriate offer of training for the credit unions (CU) requires substantial support. Any offer of training has to meet the needs of large, efficient cooperatives but also those of their rudimentary rural cousins. While basic courses are being offered to a great many staff members across the country, specialised events target experts and innovative CUs.

Given the cost pressure, it is planned to set up a faculty of qualified trainers, both full-time and part-time, as well as multipliers. Within the scope of an exposure visit, the Rheinischer Sparkassen- und Giroverband and CUA signed a project agreement. The savings banks academy 'Rheinische Sparkassenakademie' is a key knowledge broker in this BMZ-backed project.

Country data Ghana

Population	23.8 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	1,301 €	
Real changes in GDP	2008	7.3 %
	2009	4.1 %
	2010	4.7 %
Average gross monthly wage in local currency (Cedi GHS)	82	
	in Euro	
	47	
Annual inflation rate	2008	16.5 %
	2009	19.3 %
	2010	10.9 %

* PPP-adjusted

There are only two countries in the world that have not decimalised their currencies, namely Mauretania and Madagascar. The Malagasy ariary gets its name from the Arabian riyal coins that were customary in the region before the arrival of the Europeans. Since Madagascar started issuing its own coins and banknotes in 1965, two names have been commonly used: ariary and Malagasy franc. Ariary became the official currency designation in 2005. Hardly any coins are still in circulation. The value of this 50-ariary coin is about EUR 0.017.



Madagascar

Building institutional capacity and promoting development at the Caisse d'Epargne de Madagascar

With over one million customers, the Caisse d'Epargne de Madagascar (CEM) is the most important provider of basic savings products geared to the needs of the general public in Madagascar. Founded in 1918, CEM is also the oldest financial institution in the country. Akin to Germany's Sparkassen, CEM also fulfils a social mandate.

Together with Hamburger Sparkasse, Sparkassenstiftung has been supporting CEM since mid-2006 within the scope of a partnership project that aims to help CEM evolve into a universal bank capable of providing loans to micro and small entrepreneurs, particularly in rural and small-town Madagascar. In 2010, and with intensive support from Sparkassenstiftung, CEM applied for a banking license. This request is currently being reviewed by the bank supervisory authorities.

Also in 2010, a dual training course for bank clerks was introduced first in the capital city of Antananarivo and then in Tamatave, a key port city. This means that around 40 trainees in Antananarivo and more than 20 trainees in Tamatave are currently benefiting from the practice-oriented training developed jointly by the Hamburg and Malagasy Chambers of Commerce together with Sparkassenstiftung.

This training course is designed to end the lack of expertise in the financial sector and thus constitutes a key force driving its further development.

Furthermore, Sparkassenstiftung organised an internal advanced training course for all CEM staff members to prepare them for the launch of lending activities and to make them more familiar with the tasks of a modern bank.

Also in the year under review, experts from Sparkassenstiftung conducted various assignments on the themes of 'organisational development' and 'basic and further training'.

The project is funded by resources provided by the German Federal Ministry for Economic Cooperation and Development (BMZ).

Country data Madagascar

Population	19.6 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	813 €	
Real changes in GDP	2008	7.0 %
	2009	-1.0 %
	2010	1.5 %
Average gross monthly wage in local currency (Ariary MGA) in Euro	72,134	
	28	
Annual inflation rate	2008	9.2 %
	2009	9.0 %
	2010	8.1 %

* PPP-adjusted



The 100-Rwanda franc coin depicts a hand-made raffia basket and a coffee plant – two typical Rwandan products. Raffia baskets can be bought everywhere and Rwandan coffee is considered to be one of the best in the world. RWF 100 corresponds to about EUR 0.12. In Rwanda, this buys three small bananas, for example, or a mango. This coin is used a lot in everyday Rwandan life. On average, a Rwandan has to work half an hour to earn RWF 100. By way of comparison, in Germany, an average employee works just 45 seconds for the same amount.

Rwanda

Making microfinance more professional

Working together with the Sparkassenverband Rheinland-Pfalz – the savings banks association representing the federal German state of Rhineland-Palatinate – Sparkassenstiftung is promoting a partnership project in Rwanda that aims to make the country's microfinance sector more professional.

A key project partner is the Rwandan central bank which is responsible for supervising the countries' microfinance institutions (MFIs). The project remit is to provide further training for inspectors and to promote the ongoing development of the auditing system. Amongst other measures, a database has been introduced to document individual MFIs and their compliance with microfinance regulations, thus facilitating extensive transparency in this sector.

In the year under review, the Association of Microfinance Institutions in Rwanda (AMIR) was supported in two fields. On the one hand, this young association, which was founded as recently as 2007, was given extensive institution-building support, focusing inter alia on further training for staff members, measures to

stabilise association funding and the development of instruments that would enable AMIR to improve cooperation with its members.

In a second parallel move, Sparkassenstiftung and AMIR developed and rolled out services for AMIR's members (Rwandan microfinance institutions). All of the MFIs were visited in the course of the year and supplied with materials about savings mobilisation. This means they are now able to visit schools and hand out information to pupils who will act as multipliers, carrying the information back to their families.

Furthermore, staff training measures were also supported. Local Rwandan trainers were assigned to do this task since they are able to establish a good rapport with the staff members, especially in rural MFIs.

Germany's Federal Ministry for Economic Cooperation and Development (BMZ) has approved the project's extension as of November 2010.

Country data Rwanda

Population	10.0 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	849 €	
Real changes in GDP	2008	11.2 %
	2009	4.5 %
	2010	6.0 %
Average gross monthly wage in local currency (Franc RWF)	21,739	
	in Euro	
	31	
Annual inflation rate	2008	15.4 %
	2009	10.4 %
	2010	6.4 %

* PPP-adjusted

This Tanzanian 200-shilling coin shows Sheikh Abeid Amani Karume (1905 – 1972), the first President of Zanzibar. After successfully overthrowing the last sultan in January 1964, Karume became President. On 26 April 1964, Tanganyika and the People's Republic of Zanzibar and Pemba joined together to form the United Republic of Tanzania. Zanzibar was given a semi-autonomous status along with its own President, parliament and judiciary. Karume remained the President of Zanzibar until he was murdered in April 1972. Two hundred shillings are the equivalent of around EUR 0.10 in the Eurozone and would buy, say, an egg on the local weekend market.



Tanzania

Tanzania Postal Bank: doubling the number of savings accounts

Funded by the Bill and Melinda Gates Foundation, the World Savings Banks Institute (WSBI) is supporting a total of ten member banks with the aim of doubling their volume of savings accounts. The banks chosen to participate are essentially supported with investment aid.

On behalf of WSBI, Sparkassenstiftung has seconded a total of three advisors to the Tanzania Postal Bank (TPB). In addition to assisting with project design, their mandate is to support the development and procurement of a technical solution that will enable the introduction of card-based bank accounts. Their commission also extends to developing corresponding marketing concepts.

So-called point-of-sale (POS) terminals will enable customers to access their accounts much more easily in TPB branch offices, post offices and at external agents. The major increase in locations at which customers can pay in or withdraw cash thanks to POS is intended to make savings accounts an attractive option for large sections of the population. At the same time, automation is to reduce the price of transactions.

In the first phase, Tanzania Postal Bank aims to focus on a range of transaction offers. The key themes here are paying bills, topping up mobile phones and accessing cash.

This will help promote wider acceptance of card-based accounts and thus, in the course of time, foster longer-term savings.

In total, the Sparkassenstiftung advisors are to spend seven weeks on site. To build up local capacity, Sparkassenstiftung has also arranged for a German senior expert for the Tanzania Postal Bank.

Country data Tanzania

Population	43.7 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	1,219 €	
Real changes in GDP	2008	7.4 %
	2009	6.0 %
	2010	6.4 %
Average gross monthly wage in local currency (Shilling TZS) in Euro	58,546	
	34	
Annual inflation rate	2008	10.3 %
	2009	12.1 %
	2010	7.2 %

* PPP-adjusted



Today a great many new coins are being issued in the PR China. Their many different motifs make them very popular amongst coin collectors. Numismatists are also delighted that demand for Chinese collectors' coins is constantly rising, since this increases their value, too. This coin shows the Forbidden City of Beijing. Until the revolution in 1911, the emperors of the Ming and Qing dynasties inhabited the 9,999-½ rooms in the palaces and pavilions located there. It was the emperor's belief that only heaven should have a palace with 10,000 rooms.

China

Building up SME credit operations at the Bank of Weifang

In early 2009, Sparkassenstiftung received a request for assistance from the Bank of Weifang concerning the establishment of credit operations for micro, small and medium-sized companies. The Bank of Weifang is a medium-sized City Commercial Bank (CCB) located in the East Chinese Province of Shandong. In many respects, the Chinese City Commercial Banks resemble German Sparkassen (savings banks). The Bank of Weifang has around 1,400 employees and some 46 branch offices.

At the end of 2009, the Bank of Weifang and Sparkassenstiftung signed a consultancy agreement, thus creating a basis for a project team from Sparkassenstiftung to support the Bank of Weifang in 2010. Specifically, project work in the year under review involved:

- Setting up an organisational unit for small credit operations
- Developing procedures for this unit
- Developing a credit manual
- Selecting and training new staff members
- Developing products for small credit customers

- Introducing and marketing products
- Assisting with the credit extension process

More than 50 young staff members were recruited to work in this new line of business. Basic training for customer advisors (in seminar form) was completed; the first two groups were also given on-the-job coaching. The bank is most satisfied with the way the new business sector is developing. The number and volume of graduates is in line with expectations. And there have been no defaults in credit operations in the first months.

A bank branch office specialising in microfinance was opened at the end of May 2010. The project director from Sparkassenstiftung and the German expert on site were all present at the celebrations. The project is extended through to February 2011 at Bank of Weifang's request.

A group of experts and managers from Bank of Weifang came to Germany in autumn 2010. Here they engaged in exchanges of experience with the following savings banks and one savings banks academy: Kreissparkasse Ahrweiler, Kreissparkasse Köln, Kreissparkasse Limburg, Nassauische Sparkasse and the Sparkassenakademie Hessen-Thüringen. This exposure visit gave our Chinese guests a good insight into the workings of Germany's Sparkassen. Scheduled for completion in February 2011, the project will subsequently receive back-up support through to end 2011.

Country data China

Population	1,331.5 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	6,015 €	
Real changes in GDP	2008	9.0 %
	2009	9.1 %
	2010	10.1 %
Average gross monthly wage in local currency (Yuan CNY)	2,057	
	in Euro	
	245	
Annual inflation rate	2008	5.9 %
	2009	-0.7 %
	2010	5.0 %

* PPP-adjusted

China's history of coinage dates back some 2,000 years, having already started under the rule of the first emperor of China, Qin Shihuangdi, who not only standardised weights and measures and introduced a uniform script for writing Chinese characters but, in 221 B.C., issued uniform coins. This particular coin shows a soldier from the terracotta army close to Xi'an. These warriors made Qin Shihuangdi's mausoleum famous throughout the world.



China

CCB networking

In many respects China's City Commercial Banks (CCBs) are similar to Germany's Sparkassen. They operate regionally and their focus is on urban population groups and small and medium-sized enterprises. With a good 100 of them throughout China, CCBs currently command a 6-% share of the market.

Project activities by Sparkassenstiftung with CCBs in Shandong and Sichuan Provinces were designed to set up joint training or IT centres, with a view to helping CCBs raise their efficiency and reduce costs. Furthermore, activities helped improve cooperation between CCBs and enhance their position in the market. The Chinese partners in this project contributed their own resources to fund project activities.

The priority areas of activity included:

- Setting up a joint computing centre for CCBs in Shandong
- Developing a core banking system
- IT audit on the theme of 'Safe IT Operations'
- Credit management (seminar work)
- Microfinance (seminar work)
- Basic and further training for bank employees

CCB managers engaged in discussions with colleagues from German Sparkassen and Finanz Informatik (FI) on the occasion of two exposure trips focusing on the following topics:

- HR development
- Assessing credit applications and
- Managing a joint computing centre

In its capacity as a joint CCB facility in Shandong Province, the Shandong City Commercial Banks Alliance Co. & Ltd. (SCCBA)

set up an IT centre for local CCBs and a bank software.

By end 2010, three banks were linked to the customised core banking system; more are scheduled to follow in early 2011.

In Sichuan Province, the City Commercial Bank Leshan was chosen to pilot the establishment of a systematic training structure. Five seminars on bank-specific topics were held there in 2010. Consultancy was also provided on the establishment of a CCB training centre in Sichuan.

The project was funded by Germany's Federal Ministry for Economic Cooperation and Development (BMZ) through to end 2010. The German partner institution was a savings banks association, namely, the Rheinischer Sparkassen- und Giroverband (RSGV). The following institutions exchanged experience with the Chinese delegation as part of the exposure trip: the Deutsche Sparkassenakademie, the Stadtsparkasse Düsseldorf, the Rheinische Sparkassenakademie, the FI and Sparkasse Pforzheim Calw. Furthermore, the Sparkasse in Bremen and the Sparkasse Tauberfranken also seconded experts to work on the project.



All Indonesian coins, with the exception of the 1,000-rupiah coin that was brought out in 2010, are made of aluminium and depict the national coat of arms that represents the five pillars of “Pancasila” set in front of the mythical Garuda eagle. The five pillars, which give the 240-million-strong state a unifying identity, symbolise the principles of ‘Belief in One God’, humanism/internationalism, Indonesian national unity, democracy and social justice. Given their very small value, coins are not used much in Indonesia.

Indonesia

Cooperation with ASBANDA

In mid-2010, Sparkassenstiftung started a new partnership project with ASBANDA, the national association representing Indonesia’s 26 development banks. Through ASBANDA, the project aims to assist regional development banks – BPDs – to provide financial services for the public at large as well as for micro and small enterprises in their respective business areas, with a view to promoting economic development.

Sparkassenstiftung is also helping to introduce improvements in individual BPDs. At present, for example, a credit product is being rolled out in North Sumatra. At the same time, however, it is necessary to empower ASBANDA to support its members with its own resources. Corresponding capacity-building measures have thus been mainstreamed into the project to enable ASBANDA to set up a needs-oriented offer of consultancy and training without external assistance. To this end, a study was conducted for the BPDs to identify the benefit, possible design and investments needed for joint education inputs.

ASBANDA itself is receiving advice on its own set-up and internal organisation structures. The substantial differences between the individual members and their scope for action, as well as between the various areas of operation, must all be taken into equal account in this process.

Whilst BPDs in certain provinces are experiencing strong competition, in others they are practically the only providers of reliable financial services. Cooperation with ASBANDA is based on the successful implementation of a totally new loan product for micro and small entrepreneurs in Aceh Province. A partnership project had already existed between the savings banks association ‘Rheinischer Sparkassen-Giroverband’ and Sparkassenstiftung with ASBANDA’s predecessor association, but this had to be abandoned at the end of the ‘90s due to the Asian banking crisis.

As part of an exposure visit, ASBANDA and BPD representatives as well as delegates from the Indonesian Central Bank and the Ministry of the Interior came to see the Sparkassen-Finanzgruppe. In visits to German savings banks, their associations and academies, namely the Deutscher Sparkassen- und Giroverband, the Ostdeutsche Sparkassenakademie and the Ostdeutscher Sparkassenverband as well as to the Sparkasse Märkisch-Oderland, a whole range of themes, these decentrally organised groups have in common, were discussed.

An experienced employee from the Sparkassen-Finanzgruppe and an Indonesian banking expert are working on site in Jakarta. Both of them have already advised BPD Aceh within the scope of the Sparkassen Reconstruction Fund.

Country data Indonesia

Population	230.0 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	3,495 €	
Real changes in GDP	2008	6.0 %
	2009	4.5 %
	2010	6.0 %
Average gross monthly wage in local currency (Rupiah IDR) in Euro	1,723,872	
	151	
Annual inflation rate	2008	9.9 %
	2009	4.8 %
	2010	5.2 %

* PPP-adjusted

The 20-rial coin is similar to our EUR 2 coin – gold on the inside and silver in colour on the outside. On the front, the coin bears the wording 'Central Bank of Yemen' in both Arabic and in English along with the denomination. On the reverse the coin depicts the 'dragon's blood tree' (*Dracaena cinnabari*) which is the symbol of the Yemeni island of Socotra. 20 rials, which is around EUR 0.07, does not go far in Yemen either. Even a short bus ride in the capital city of Sana'a costs 30 rials.



Yemen

Financial services for small and medium-sized enterprises

Sparkassenstiftung has been cooperating with the Small Enterprise Development Trust (SEDF) in Yemen since mid-2007.

Yemen's financial sector is still underdeveloped and thus unable to fulfil its role as a catalyst and thus drive forward economic growth and promote employment.

The project is designed to build up SEDF's institutional capacity and to give small and medium-sized enterprises better access to financial services.

Project activities to date have shown that SEDF does not have much room to develop further owing to the sharply delimited refinancing options. Given that SEDF does not have a bank license, Yemen law prohibits it from launching any deposit-taking activities. Accessing refinancing through financial resources or credit lines supplied by international investors is also very difficult.

For this reason, a feasibility study was conducted in 2010 to assess whether or not it would be expedient for SEDF to make the transition to a bank for small and medium-sized enterprises. The study's findings were submitted for a discussion with the Supervisory Board and the political authorities and presented to decision-makers in Yemen's capital city of Sana'a.

The proposals concerning SEDF's further development met with a very positive response.

The project is financed by the Deutsche Gesellschaft für Technische Zusammenarbeit, GTZ (now: Deutsche Gesellschaft für interna-

tionale Zusammenarbeit, GIZ). In its project activities with SEDF, Sparkassenstiftung relies on experienced, international experts who have been involved in project operations from the outset.

Country data Yemen

Population	23.6 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	2,113 €	
Real changes in GDP	2008	3.2 %
	2009	3.8 %
	2010	5.2 %
Average gross monthly wage in local currency (Rial YER)	19,875	
	in Euro	
	72	
Annual inflation rate	2008	19.0 %
	2009	5.4 %
	2010	12.2 %

* PPP-adjusted



The ngultrum has been the currency of the Kingdom of Bhutan since the currency reform of 1974 and is pegged to the Indian rupee at a rate of 1:1. On the reverse of the 1-ngultrum coin there are eight Buddhist symbols of happiness. The centre square gives the Tibetan year in which the coin was struck. This is written in Dzongkha (official language of Bhutan). The 1-ngultrum coin is however only seldom seen, as 1-ngultrum banknotes are more common. 1 ngultrum corresponds to about EUR 0.016.

Nepal and Bhutan

Exploratory study targeting the launch and consolidation of microfinance

Experts from Sparkassenstiftung took part in an exploratory study that looked at the microfinance sector in Nepal and Bhutan. Their objective was to identify concrete options for cooperation.

The visit to Nepal came about as a result of a request by a Nepalese parliamentary delegation which, in 2009, had been invited by the Konrad-Adenauer Foundation to take part in an exposure visit to the German federal state of Baden-Württemberg to find out more about local self-governance. Once there, the delegation showed a keen interest in the work by the local Sparkassen. Furthermore, Bhutan's Queen Mother also asked German discussion partners to support her country's microfinance sector.

During a two-week visit on site, a group of experts from Sparkassenstiftung reviewed various options for building up decentralised financial institutions for micro and small enterprises (MSME financing) in Nepal and Bhutan. On top of this, the experts identified potential project partners. The focus here was on responsible client orientation and the

overarching goal of integrating more people from Nepal and Bhutan in the financial sector.

The fact-finding trip took place in September 2010. Both countries are now planning to implement a partnership project in the medium term.

The exploratory study was financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

Country data Bhutan

Population	0.7 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	4,064 €	
Real changes in GDP	2008	2.7 %
	2009	5.7 %
	2010	6.8 %
Average gross monthly wage in local currency (Ngultrum BTN)	7,812	
	in Euro	
	137	
Annual inflation rate	2008	4.9 %
	2009	4.9 %
	2010	7.0 %

* PPP-adjusted

The currency used in the Philippines is the Philippine peso. One peso is made up of 100 centavos or sentimos, and one euro corresponds to approx. 60 pesos. The Spanish word 'peso' means weight. All coins bear the inscription of the central bank (Bangko sentral ng Pilipinas) which is displayed in a circle on the reverse. Furthermore, this particular coin also depicts the central bank's old logo which was in use from 1993 – 2010.



Philippines

Establishing a bank for small and medium-sized enterprises

The Philippines-based Center for Agriculture and Rural Development Inc. (CARD) is a long-term partner of Sparkassenstiftung. Together with Sparkasse Essen, Sparkassenstiftung helped CARD evolve from a small, informal NGO into an officially recognised and licensed microfinance bank. Today, CARD has 1.4 million customers and more than 1,200 branch offices, making it the largest microfinance institution in the country.

To enable its customers to access its financial services once they have developed into successful small and medium-sized companies, CARD has purchased a small regional bank that it is now converting into a bank for small and medium-sized enterprises (SMEs). This SME bank, whose product range has been expanded to fit its purpose, is geared to CARD's existing customer base, but is also open to other customers, too.

CARD has asked Sparkassenstiftung to assist the development of CARD SME Bank by providing expert assignments to deliver consultancy and training.

The partnership project has two key objectives:

- SMEs are strengthened and given long-term access to financial services
- CARD SME Bank is structured and organised professionally and efficiently, enabling it to support its customers – and here women entrepreneurs in particular – on a sustainable basis

In 2010 Sparkasse Essen seconded short-term advisors to work on site who, in the past, had

already advised CARD Rural Bank on its development process. The key focus of the project phase through to end 2011 is risk management, product development and HR management. In 2010 executive staff from CARD travelled to Sparkassenstiftung's partner in Georgia to learn more about small business customers and about how to process lending more efficiently.

As of January 2011, specialist support for the project will be provided by Sparkasse Rothenburg ob der Tauber.

The German Federal Ministry for Economic Cooperation and Development (BMZ) is funding project activities.

Country data Philippines

Population	92.0 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	2,845 €	
Real changes in GDP	2008	3.7 %
	2009	1.1 %
	2010	6.7 %
Average gross monthly wage in local currency (Peso PHP) in Euro	6,880	
	121	
Annual inflation rate	2008	9.3 %
	2009	3.2 %
	2010	4.2 %

* PPP-adjusted



Two Sri-Lankan rupees are equal in value to about EUR 0.013. Through to 1979, Sri Lanka used to issue banknotes for this amount. After this date, the central bank brought out a coin; initially a copper nickel alloy, but as of 2005 it switched to a more reasonably priced nickel-plated steel coin. The coin shown here depicts – as indeed do all Sri Lankan coins – the country's national emblem, namely a walking lion on a circular base. The lion is from the banner of the last king of Kandy, Sri Lanka's most holy city.

Sri Lanka and Indonesia

Sparkassen Reconstruction Fund for South Asia

In response to the Christmas-2004 tsunami, the Sparkassen-Finanzgruppe set up the 'Sparkassen Reconstruction Fund for South Asia'. This fund enabled a total of four financial institutions to extend loans to micro and small entrepreneurs in a bid to help them recover their livelihoods. In all, this measure led to assistance for more than 8,400 companies.

Sparkassenstiftung also provided the partner institutions with intensive consultancy and administered EUR 9 million in refinancing funds for the Sparkassen-Finanzgruppe. Together with the partners' own resources, loans amounting to almost EUR 13 million were disbursed.

Having successfully reached its objective, consultancy was wound up at the end of 2007 in Sri Lanka and end 2009 in Indonesia. Repayment of the refinancing funds was already underway in Indonesia by the end of 2007/end 2008. Customer loans were then refinanced from the partners' own funds. Through to the complete repayment of refinancing funds in 2012, Sparkassenstiftung will continue to manage the partner contracts. As at

the end of 2010, approximately EUR 1 million was still outstanding.

To successfully assist such a large number of entrepreneurs, their families and employees, Sparkassenstiftung had to choose its partners with great care. And indeed, all of them have complied in full with their payment obligations and other commitments laid down in the contractual arrangements.

The way refinancing was structured also contributed to project success. Initially, for example, the funds were made available without any interest; later a moderate interest rate was charged. The Sparkassen-Finanzgruppe weathered the currency crisis by agreeing to repayment in local currency. The long-term character of the refinancing agreement (2005 to 2012) helped the partner institutions to extend long-term customer loans in line with customer needs.

In addition to the Indonesian bank BPD Aceh, three banks from Sri Lanka are partnering the project:

- Hatton National Bank, one of the largest commercial banks in the country
- the Ruhuna Development Bank, a regional development bank operating in the badly affected southern areas of Sri Lanka and
- the non-governmental organisation SEEDS, the largest microfinance institution in the country

Country data Sri Lanka

Population	20.3 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	3,983 €	
Real changes in GDP	2008	6.0 %
	2009	3.5 %
	2010	6.9 %
Average gross monthly wage in local currency (Sri Lanka Rupie LKR) in Euro	18,850	
	135	
Annual inflation rate	2008	22.6 %
	2009	3.0 %
	2010	5.6 %

* PPP-adjusted

The som as it now looks has been the official currency of the Republic of Uzbekistan since 1994. In the Uzbek language, the word 'som' means 'pure', as in 'pure gold'. This 50-som coin with the stylised depiction of the country of Uzbekistan was issued in 2001 to mark the 10th anniversary of Uzbek independence. 50 som are equivalent to approximately EUR 0.02.



Uzbekistan

Partnership project with Xalq Banki

Sparkassenstiftung's support for the partnership project between the Uzbek savings bank (Xalq Banki) and the German savings banks in Bitterfeld and Halle (Saale) started in April 2003 and was successfully concluded at the end of 2010. The objective of the project was to boost the development of an economy dominated by medium-sized businesses, and so help Uzbekistan achieve economic and political stability. Xalq Banki was thus empowered to sustainably deliver market-oriented financial services, and loans in particular, to the general population and to small and medium-sized companies. Better supplies of financial services to the population together with the expansion and consolidation of service offers for SME helped secure existing workplaces and generate new ones, especially in the private sector.

A total of more than 6,500 new jobs were created or secured in the long term. The average loan life was 31 months. There were no defaults on loans or delays in repayment at any point in the project term. Furthermore, the Women's Committee in Nukus was able to allocate resources from a rotating credit fund to 20 women entrepreneurs via the specially created Women's Credit Centre at Xalq Banki. In all, some five mobile branch offices were operated in rural areas and 38 pilot branch offices and 19 model offices established. Office equipment has essentially been funded through donations from the Sparkassen-Finanzgruppe, in particular by Saalesparkasse and Kreissparkasse Anhalt-Bitterfeld. Hands-on support also came from local craftspeople who have taken out loans at the bank. Extensive training and consultancy measures were thus the hallmark of this project. To ensure sustainability, the bank developed its new 5-year strategy in

cooperation with Xalq Banki's management board in December 2010. The focus is now on expanding bank services to meet the needs of the population at large and those of micro, small and medium-sized companies.

Other key project components included the generation of three regional training centres that will now continue to provide training for the bank's 12,000 staff members without any external assistance.

The project was financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

Country data Uzbekistan

Population	27.8 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	2,520 €	
Real changes in GDP	2008	9.0 %
	2009	8.1 %
	2010	8.2 %
Average gross monthly wage in local currency (Som UZS) in Euro	145,040	
	75	
Annual inflation rate	2008	14.0 %
	2009	14.1 %
	2010	15.0 %

* PPP-adjusted



25 Uzbek som are roughly equivalent to EUR 0.01. The country's bazaars do not generally set prices below the 100-som mark. This means that coins are very scarce on the market – nowadays change is more commonly given in the form of matchboxes and the like. The personage depicted on the coin is Jalal ad-Din Manguberdi, the last shah from the Anush Tigin Gharchai dynasty (1077 – 1231), by far the most important and famous dynasty in the region at that time.

Uzbekistan

Partnership project with the Women's Committee and three partner banks in the Republic of Uzbekistan

In September 2010, Sparkassenstiftung started supporting a partnership project between the Women's Committee of the Republic of Uzbekistan and the German savings banks in Bitterfeld and Halle (Saale). Founded in 1991, the (non-governmental) Uzbek Women's Committee boasts a large membership – more than three million in fact – with a sub-organizational outreach to the furthest-flung village.

The project objective is to promote MSMEs and to actively integrate them into Uzbekistan's economic development. It further aims to establish a microinsurance company. The project will give both existing companies and start-ups in five selected regions in the country access to business and financial consultancy. To this end, consultancy centres were set up in five regions of Uzbekistan in 2010. These consultancy centres are open to (potential) entrepreneurs of both genders. Having the Uzbek Women's Committee as lead executing agency, however, is intended to ensure a direct focus on women entrepreneurs (current and prospective company owners). The consultancy centres offer nonbank-specific business and financial consultancy along with training for entrepreneurs. They also provide assistance with credit applications. For many MSMEs, accessing loans often constitutes a critical linchpin in terms of their business development. To make this market segment more attractive to banks, the project set up a rotating credit fund totalling EUR 250,000 for three banks to facilitate 50-% loan refinancing for start-ups and MSMEs. The creation of this rotating credit fund and the close support it is being given, specifically through consultancy on the analysis of start-up

financing, aim to train and thus empower staff at the participating banks to continue to offer and market this particular form of financing as an independent product even after the project has finished.

By establishing an Uzbek microinsurance scheme it will be possible to roll out microinsurance products nationwide. This will go a long way towards modernising financial services. These microinsurance products are intended to insure MSMEs and start-ups against economic risks and to offer insurance cover to private individuals. Partnering these project components is the insurance company currently being promoted by the Uzbek savings bank (Xalq Banki).

Saalesparkasse in Halle and Kreissparkasse Anhalt-Bitterfeld rank among Sparkassenstiftung's experienced project partners. Both of them have been assisting projects in Uzbekistan for a great number of years, not only through the assignment of specialist personnel and short-term experts, but also through material and financial support.

Germany's Federal Ministry for Economic Cooperation and Development (BMZ) is funding project activities.

This Uzbek 50-som coin worth around EUR 0.02 shows the ruins of the vast and famous summer palace of Ak Saray and also the monument to the national hero Amir Timur (1336 – 1405) in the city of Shahrisabz (Shaxrisabz), Timur's birthplace. The coin was issued in 2002. According to calculations by UNESCO, this makes the city of Shahrisabz some 2,700 years old.



Uzbekistan

Partnership project for mobilising savings in the Republic of Uzbekistan

Sparkassenstiftung has been supporting partnership projects between the central bank of the Republic of Uzbekistan and the German savings banks in Bitterfeld and Halle (Saale) since September 2010. The project aims to develop a national strategy for mobilising local savings potential in Uzbekistan. It further aims to set the stage for improving the Uzbek people's living conditions by enhancing their capacity to save money and by raising their acceptance and understanding of the need to save. At the same time, mobilising local savings potential will help to strengthen the financial sector. This will then reduce local financial institutions' dependence on external economic forces and help boost local economic cycles.

Project activities are geared directly to the Uzbek central bank. The beneficiaries are the population at large as well as micro and small entrepreneurs (MSMEs and start-ups), whereby the focus is on rural regions. Other project target groups include financial sector institutions (banks, microfinance institutions and insurance firms), as these can, inter alia, serve as multipliers and thus promote savings by raising acceptance levels and giving people a better understanding of why they should save.

The partner institutions Saalesparkasse in Halle and Kreissparkasse Anhalt-Bitterfeld are experienced project partners in Uzbekistan. Both have already supported the longstanding project with Xalq Banki.

Experts from Saalesparkasse in Halle and Kreissparkasse Westerwald have a key role to play in the savings mobilisation project in Uzbekistan.

The project is designing a comprehensive strategy for mobilising savings that it will make available to the central bank, which is also actively involved in the design process. In the medium term, this strategy paper is to be made available to the Uzbek government.

Project funding is supplied by Germany's Federal Ministry for Economic Cooperation and Development (BMZ).



The dong has been the official currency of the reunified state of Vietnam since 1978. It was introduced in North Vietnam in 1946 and in South Vietnam in 1953. At the start of the eighties, Vietnam ceased producing coins following several currency devaluations. The central bank resumed coin production in 2003 to enable people to buy goods from vending machines. The 5,000-dong coin (approx. EUR 0.16) is a copper alloy that shows the One Pillar Pagoda, the landmark of the capital city of Hanoi.

Vietnam, Laos and Cambodia

Regional microfinance network

Building on individual partnership projects from previous years, support for a total of seven cooperation partners from Vietnam, Laos and Cambodia was pooled in November 2009 to make a regional project. The objective here was to craft a sustainable regional network of microfinance institutions which would allow individual partners to learn from and strengthen each other whilst benefiting from international experience. With this move, Sparkassenstiftung produced precisely the kind of organised platform all project partners had been wishing for in order to be able to exchange experience in the region. At the same time, Sparkassenstiftung is now able to disseminate project results widely throughout South East Asia and can generate synergy effects thanks to better coordination of expert assignments and joint activities by the cooperation partners.

The following institutions are involved in this regional cooperation project:

Vietnam

- Vietnam Women's Union / TYM Fund

Laos

- Lao Women's Union (LWU) / Women & Family Development Fund (WFDF)
- Ekpatthana Microfinance Institution (EMI)
- Microfinance Center (MFC)
- Microfinance Working Group Laos (as of May 2010)

Cambodia

- Seilanithih Ltd.
- SAMIC Ltd.

The project's most important feature is the extensive consultancy provided by the project partners Sparkasse Essen and CARD Rural Bank, a highly successful microfinance institution based in the Philippines that was itself promoted by Sparkassenstiftung and Sparkasse Essen in the period between 1996 and 2004. On top of this, the partner institutions engage in regular mutual training visits. Staff from Vietnam, Laos and Cambodia also visit the Sparkassen-Finanzgruppe in Germany.

The central task of the TYM Fund is to issue microloans, in particular to start up or expand economic livelihoods by women subsisting below the poverty line. Since the project first started, the number of customers has almost trebled to more than 55,000 today. TYM has increased the number of branch offices from 30 to 45 and upped its staff contingent to 264. At less than 0.1%, defaults on loans are extremely low. Furthermore, TYM Fund covers its operation costs. The project's priorities for the ongoing phase through to end 2011 include the expansion of its branch network and more staff training. TYM Fund also aims to become more operationally efficient and wishes to design and roll out new savings products. In August 2010, the TYM Fund became the first microfinance

Country data Vietnam

Population	87.3 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	2,520 €	
Real changes in GDP	2008	6.3 %
	2009	5.3 %
	2010	6.8 %
Average gross monthly wage in local currency (Dong VND) in Euro	1,560,618	
	68	
Annual inflation rate	2008	23.0 %
	2009	7.0 %
	2010	11.1 %

* PPP-adjusted

The currency in Laos is called the kip. Besides the kip, the Thai baht and US dollar are also often used as a means of payment. This coin is a silver commemorative coin in honour of the friendship bridge across the Mekong River linking Laos and Thailand close to Vientiane, the capital of Laos. The emblem of Laos – in the centre of the coin – shows the national shrine of Pha That Luang, a large Buddhist stupa in the capital of Vientiane.



institution in the history of Vietnam to be licensed by the bank supervisory authority.

Founded in mid-2009, the Women & Family Development Fund (WFDF) – a locally adapted replication of Vietnam’s TYM Fund – represents an initial move by the Lao Women’s Union (LWU) to restructure its microfinance operations and to put them on a more professional footing. The first branch office opened in October 2010 and is now engaged in deposit-taking operations. The first loans were extended in February 2010; a second branch office was opened mid-2010. At present, there are 25 centres with around 1,000 customers. To date no one has yet defaulted on their loan. At the end of the year, Laos’ central bank officially registered the WFDF.

The three project partners – EMI, Seilanithih and SAMIC – have been operating as microfinance institutions for a number of years already and have also been licensed by their respective supervisory authorities. Today they are receiving targeted consultancy and support from a rotating credit fund. Further support is provided by the Microfinance Center (MFC) which offers training and consultancy inputs for the entire microfinance sector in Laos. Given the great demand for training, MFC plans to evolve into a professional provider of appropriate and client-oriented basic and further training services in Laos.

In May 2010, the regional project launched consultancy inputs for the Microfinance Working Group (MFWG). Initial activities focused on elaborating recommendations for action for this informal working group to help it strengthen the microfinance sector in Laos overall.

The regional project, which is scheduled to run from November 2009 through to December 2011, has the following objectives:

- Institutions engaged in this regional network of local MFIs from former Indochina find it a mutually strengthening experience
- The partner institutions’ organisational structures are made more professional and are thus operationally more efficient
- Low-income households in the region are strengthened and have long-term access to financial services

Project activities in Indochina are funded by Germany’s Federal Ministry for Economic Cooperation and Development (BMZ). Consultancy is provided by five long-term experts in Hanoi, Vientiane and Phnom Penh and through assignments by experts from Sparkasse Essen and the Philippines-based Center for Agriculture and Rural Development Inc. (CARD).

Country data Laos

Population	6.3 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	1,951 €	
Real changes in GDP	2008	7.2 %
	2009	6.5 %
	2010	7.0 %
Average gross monthly wage in local currency (Kip LAK) in Euro	592,695	
	60	
Annual inflation rate	2008	8.6 %
	2009	0.0 %
	2010	6.2 %

* PPP-adjusted



The official currency in Tajikistan is the somoni, which replaced the Tajik rouble on 30 October 2000. One somoni is made up of 100 diram. This coin with a value of 5 somoni (approx. EUR 0.75) shows the stylised Palace of Nations in the capital of Dushanbe. This coin was struck to mark the 15th anniversary of Tajikistan's independence – it is no longer in circulation.

Tajikistan

Partnership project with Tojik Sodirof Bank (TSB)

The partnership project with the Tojik Sodirof Bank (TSB) that has been ongoing since November 2009 continued in 2010 with a major focus on short-term expert assignments. The project objectives include poverty reduction via TSB loans to micro, small and medium-sized enterprises (MSME) as well as financial-sector stabilisation and development in Tajikistan through support for the TSB development process.

TSB is a private full-service bank with more than 20,000 customers, some 76% of whom are private customers, 17% micro-entrepreneurs and 7% corporate customers. The bank is represented in both urban and rural areas. TSB currently has 1,000 employees working in 29 branch offices nationwide. At present, customer deposits do not cover customer lending requirements.

And this is precisely where the partnership project comes into play. The first project phase is mainly about developing a strategy for the nationwide mobilisation of savings deposits in order to generate a sustainable basis for refi-

nancing and for the (gradual) expansion of MSME lending operations. It is also about defining the credit product and the internal processing procedures that go with it, training personnel and, ultimately, rolling out loan extension in the first pilot branch offices.

The banking system in Tajikistan is not very stable and is characterised by a lack of capital and a low level of savings activities on the part of the population in general. At present, savings mobilisation is around 4%. This is below average, even in comparison with neighbouring countries. As a result, credit has to date mainly been funded through external international loans and less through local savings deposits.

The partnership project, which is funded by Germany's Federal Ministry for Economic Cooperation and Development (BMZ), is initially scheduled to run through to 30 November 2011. Both Saalesparkasse in Halle and Kreissparkasse Anhalt-Bitterfeld have agreed to partner the project.

Besides introducing a risk management system, including single risk limitation, the focal point of project work in 2010 was on coaching in-house bank trainers in order to secure the project's sustainability from the outset. The launch of a new IT system at TSB meant that implementation of the new, jointly elaborated long-term savings products met with some delays.

Country data Tajikistan

Population	7.0 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	1,626 €	
Real changes in GDP	2008	7.9 %
	2009	3.4 %
	2010	5.5 %
Average gross monthly wage in local currency (Somoni TJS) in Euro	255	
	47	
Annual inflation rate	2008	20.5 %
	2009	6.4 %
	2010	5.8 %

* PPP-adjusted

The national currency in Colombia is the Colombian peso. The 500-peso bimetallic coin shown here is worth around 20 cents. It features the very rare Guacarí tree, of which there are only three in all Colombia. The tree is so enormous and has such dense foliage that several thousand animals (birds and cattle, etc.) can take shelter in its cool shade. The tree grows to a breadth of some 75 meters. Since its branches extend a great distance from its trunk, roots also grow down from them. And once they have reached the ground, they too thicken into trunks, thus supporting the heavy weight of the branches and leaves.



Colombia

Mobilising savings deposits at WWB Colombia

The microfinance institution WWB Colombia belongs to the international network Women's World Banking. With 40 microfinance institutions in 28 countries, WWB Colombia offers financial products to a predominantly female target group.

Established in 1980, WWB Colombia today has more than 85 subsidiaries throughout Colombia catering for some 220,000 microenterprises.

Sparkassenstiftung has been engaged in a project with this microfinance institution since November 2009, with a view to mobilising savings in Cali, Colombia.

The project aims to assist WWB Colombia to develop and implement savings products, to optimise internal work processes and to train its local personnel. In this way, it intends to considerably increase the number of active savings accounts.

2010 saw the successful completion of the development phase for future savings products. The IT that goes with them is currently under development. These new savings products are scheduled for piloting in 2011, following the introduction of a new bank software.

Furthermore, whilst the project has been ongoing, some key steps have already been made towards licensing WWB Colombia.

Through to August 2010 the project was managed by a long-term expert from Sparkassenstiftung working on site in Cali, Colombia. German and Mexican short-term specialists have provided additional expertise.

The project is funded by Women's World Banking with resources from the Bill and Melinda Gates Foundation.

Country data Colombia

Population	45.7 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	7,966 €	
Real changes in GDP	2008	2.7 %
	2009	0.8 %
	2010	4.4 %
Average gross monthly wage in local currency (Peso COP) in Euro	796,620	
	335	
Annual inflation rate	2008	7.7 %
	2009	4.2 %
	2010	2.6 %

* PPP-adjusted



The Colombian 100-peso coin depicts the coat of arms with the Colombian flag, along with a condor with a banner in its beak bearing the words 'freedom and order'. In the top third there is a golden pomegranate which serves as a reminder of the Vice-Kingdom of New Granada, the name the Spanish gave the region in colonial times. To the left and right, there are horns filled with gold and silver coins and tropical fruit that symbolise the country's wealth and opulence. In the lower part of the emblem there are two ships with hoisted sails – one in the Pacific, the other in the Atlantic – a symbol of Colombia, the only South American country to border on two oceans.

Colombia

Building up and consolidating the microfinance association Asomicrofinanzas

Founded in 2009, the Asociación Colombiana de Instituciones Microfinancieras (Asomicrofinanzas) is Colombia's first-ever association specialising in microfinance. Its 27 members include some big banks as well as non-governmental organisations operating in the microfinance sector.

Based on the contacts it made in a savings mobilisation project with the microfinance institution WWB Colombia, Asomicrofinanzas also put in a request for institution-building consultancy from Sparkassenstiftung.

As a result, Sparkassenstiftung has been promoting this association since October 2010. The objective is to empower Asomicrofinanzas to contribute sustainably to the development of its member institutions – inter alia through a customised offer of services and further training – thus fostering a more professional and consolidated financial sector in Colombia.

A key aspect is mainstreaming the concept of responsible finance in Asomicrofinanza's business model in order to eliminate the risk of excessive debt amongst the Colombian people and to enhance transparency in customer relations through education and responsible lending.

The project results targeted through to the end of the ongoing orientation phase include the development of a structural and financial model for Asomicrofinanzas. This is to enable the creation of a sustainably viable association structure and facilitate the formulation of a service offer geared to the member institutions' needs.

A German long-term advisor has been on site in Bogotá since 1 October 2010. He is supported by short-term experts from Mexico and Germany.

Germany's Federal Ministry for Economic Cooperation and Development (BMZ) has initially scheduled funding for the project through to the end of 2011.

Up to 2001, El Salvador's national currency was the 'colón'. However, unstable conditions and rising inflation caused it to be replaced by the US dollar. The exchange rate was 8.75 colones = US\$ 1. There are still some coins and banknotes in circulation, but as soon as these reach the banks, they are forwarded immediately and irrevocably to the central bank. The US\$ 5-cent coin buys a mango in El Salvador. This is also the customary amount given as a tip e.g. to assistants in the supermarket.



Mexico, Peru and El Salvador

Regional Financial Literacy project

At the end of September 2009, Sparkassenstiftung started implementing a regional project to strengthen the Financial Literacy of low-income groups in Mexico, Peru and El Salvador. The objective is to teach people how to handle their financial resources responsibly and to give them access to financial services.

In its efforts to strengthen people's basic Financial Literacy, the project focuses on women micro-entrepreneurs and young adults from middle and low-income groups. Another priority is on establishing training structures for national savings banks and associations.

Microfinance institutions with well-trained staff are the cornerstone of responsible customer relations and help integrate more people into the financial sector.

Project partners in Mexico include the Mexican development bank BANSEFI, the Mexican Federal Consumer Protection Agency CONDUSEF as well as representatives of various associations and the government authority PRONAFIM, whose mandate is to strengthen Mexican microentrepreneurs. In Peru, the microfinance association ASOMIF, the state banking supervisory authority SBS and the Banco de la Nación have all been identified as project partners. In El Salvador, the chosen project partners are the association FEDECRÉDITO, the non-governmental organisation ALPIMED which, inter alia, is working to strengthen micro-entrepreneurs, and CONAMYPE, a commission established by the Ministry of Economic Affairs to promote micro and small enterprises.

In 2010 project activities revolved around pilot measures designed to strengthen people's Financial Literacy. The emphasis here was on training for young adults and children who were to be introduced in particular to the theme of savings. Using the newly developed training materials and financial planning tools put together with the support of the Sparkassen-Finanzgruppe's 'Geld und Haushalt' mechanism (Money and Private Households), it was possible to organise several workshops for staff and customers from the partner institutions.

Two long-term Sparkassenstiftung experts are working with a total of seven local staff members in Mexico City and Querétaro (Mexico), in Lima (Peru) and in San Salvador (El Salvador). Germany's Federal Ministry for Economic Cooperation and Development (BMZ) is funding project activities, initially for a two-year period. Project work is supported by the Deutscher Sparkassen- und Giroverband, Germany's savings banks association.

Country data El Salvador

Population	6.2 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	5,934 €	
Real changes in GDP	2008	2.4 %
	2009	-3.5 %
	2010	1.2 %
Average gross monthly wage in local currency (Dollar USD) in Euro	281	
	228	
Annual inflation rate	2008	7.3 %
	2009	-0.2 %
	2010	0.8 %

* PPP-adjusted



This Mexican 5-peso coin resembles the (likewise bimetallic) euro coin. Here we see a symbolic representation of the legend according to which the Aztecs would settle at the place they saw an eagle eating a snake whilst perched upon a fig cactus. The city that was built here was called Tenochtitlán and became the heart of the massive Aztec realm. In Mexico, this 5-peso coin buys a small bottle of water or a ticket for the Metro bus in Mexico City. 5 pesos are equivalent to approximately EUR 0.30.

Mexico

Financial services in rural areas (PATMIR Project)

In autumn 2007, Sparkassenstiftung won an international tender for a three-year project designed to improve access to financial services in poor, rural regions in Mexico. The project is financed by the World Bank and steered by PATMIR, formerly a project established by the Mexican Agricultural Ministry and today a division in the national development bank BANSEFI.

In Mexico's rural areas, only few people have access to financial services. In contrast to the cities, there are often no financial institutions on hand at all. Mexico's cooperative-based savings banks offer a possible way around this problem. They have a social mandate and regard rural areas as an attractive market prospect. However, these savings banks are often very small and reluctant to take on the costs and risks involved in expansion. This explains why, at present, only every fourth villager has access to a savings bank branch office within less than a 20-kilometre radius.

The PATMIR project was constructed for this scenario and is thus designed to help Mexican savings banks expand their branch-office

network in rural areas. The project reimburses a large share of the costs incurred through network expansion and it supports savings banks extension efforts by deploying external advisors, i.e. from Sparkassenstiftung. To qualify for project funding, the savings banks involved first have to work together with advisors from Sparkassenstiftung to draw up a blueprint for expansion. This blueprint must cover the implementation of new, market-oriented products, appropriate marketing strategies and measures for raising efficiency, including Financial Literacy measures. Support is only given to new branch offices in localities having fewer than 15,000 inhabitants and these places must be in regions that have below-average income levels.

Sparkassenstiftung has selected and motivated 52 savings banks throughout Mexico to take part in the project. In all, the Sparkassenstiftung-backed PATMIR project employs some 46 staff members, almost all of them local experts, in six regional project offices.

The target set for customer acquisition was reached in December 2010 and now stands at a total of 120,000 newly recruited savings banks customers. This figure applies exclusively to customers who actively use savings banks products for a period of at least 6 months.

Country data Mexico

Population	107.4 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	11,217 €	
Real changes in GDP	2008	1.5 %
	2009	-6.5 %
	2010	5.0 %
Average gross monthly wage in local currency (Peso MXN)	9.635	
	in Euro	
	607	
Annual inflation rate	2008	6.5 %
	2009	3.6 %
	2010	4.1 %

* PPP-adjusted

The reverse of this Chinese 1-yuan coin (approx. EUR 0.10) shows a peony, the national flower of China and a symbol of noblesse and wealth. Chinese legend has it that one winter's day the empress Wu Zetian (born 625) ordered all sorts of flowers to bloom at her palace at night. The only flower that did not comply was the peony, which led to the 'best flower under the skies' being banished to Luoyang, the capital of 13 Chinese dynasties, which has been known ever since as the 'home of the peony'.



Bank management training

Around the world

In 2010, more than 190 participants successfully took part in eight bank management training seminars organised by Sparkassenstiftung.

As in previous years, several training seminars funded by the Chinese banks themselves were organised for the managers of Chinese financial institutions.

The Academy for Banking and Finance, which belongs to the National Bank of Serbia, again organised a training course together with Sparkassenstiftung. The President of the Serbian National Bank later awarded the winning team with a 'Banking Cup'. This year, 8 teams took part in the competition.

Most of the seminars in 2010 were conducted using the new bank management system. This software upgrade was funded by Germany's Federal Ministry for Economic Cooperation and Development (BMZ) and holds several key advantages:

- Lending operations are based on risk-adjusted loan pricing
- Risk-based capital requirements (classification according to Basel II)
- Decision-making capacity to expand the branch office network
- In addition to the standard languages, other languages (e.g. Chinese, Vietnamese) can now be displayed on the software user interface and in the reports

The new system proved to be very good, making the correlations in bank management decision-making very transparent. The various language

options have also improved its applicability and boosted the learning results.

Training materials are presently available in the following language options: Chinese, English, French, German, Russian, Serbo-Croat and Spanish

Management training is conducted by Sparkassenstiftung's staff members as well as by external trainers. Sparkassenstiftung is also an experienced trainer of multipliers.



This toy coin is used as part of the 'Microentrepreneurs' haptic management game designed by Sparkassenstiftung. This game simulates the start-up and expansion of a small business. To this end, the players are given toy money in a fictitious currency. The coins are used like cash in the simulation, for example when selling a finished product, paying off a loan or paying wages.

Training materials

In use around the world

Sparkassenstiftung has carried out hundreds of training measures over the past 18 years. However, its computer-based bank management game has proved a particular favourite. The special feature of this simulation game is that participants can compete against each other in groups to see whose virtual institution performs best. This inter-active training measure gives participants some key insights into the dynamic interactions and core processes within the banking business.

Given this tool's success, Sparkassenstiftung came up with the idea of developing more specialised simulation games for its target groups. Its objective here is to use these management games to step up its training work. Innovative simulation games of this kind allow for more effective staff training in our partner institutions, most of which are regional retail banks and microfinance institutions (MFI) in emerging and developing countries. With this in mind, the following training products have been developed:

- Overhaul of the 'classic' bank management game used hitherto in regional retail banks
- MFI management, from the very beginning through to its coming-of-age
- Professional risk management – how it works in regional retail banks
- Decision-taking in MFI risk management and conflict management to enforce the decisions taken
- Efficient sales management mechanisms to mobilise and harness market potential
- Management know-how for microenterprises

The bank management game was used several times in 2010 and was rated highly in the

participant feedback surveys. And the risk management game for retail banks was trialled successfully in Albania. This seminar showed that the difficult subject of professional risk management can be communicated vividly and successfully through this inter-active approach. The microentrepreneur game was piloted with such resounding success in Cambodia that a training course based on this simulation is now being prepared for some 1,200 microenterprises in Uzbekistan; twelve local trainers have already been briefed. The remaining management games are all scheduled for piloting in the first two months of 2011.

The project team is made up of experts with extensive experience in the fields of bank and risk management, MFI consultancy and bank training. Moreover, two companies that specialise in the design of game-based training materials are providing key assistance with concept roll-out.

The German Federal Ministry for Economic Cooperation and Development (BMZ) is financing the project.

The currency in Peru is the new sol. The 1-sol coin (approx. EUR 0.24) was introduced in 2010. The new series is called 'Wealth and Pride of Peru' and aims to remind the Peruvian people of their country's rich cultural heritage. The 'tumi de oro' depicted here is a ceremonial knife from a pre-Incan culture. This particular tumi shows 'Naylamp', one of the central mythological figures from this culture who is said to have risen from the sea. Naylamp is also said to have founded the Sicán empire in the 9th century B.C.



Partner institutions as knowledge facilitators

Transnational

Sparkassenstiftung's work focuses on creating and building up pro-poor financial systems. Over time some of the partner institutions we have assisted have developed to such an extent that they are able to pass on their experience once the project is over. Sometimes they even do this in cooperation with Sparkassenstiftung.

A study financed by Germany's Federal Ministry for Economic Cooperation and Development (BMZ) investigated the success-determining factors that enabled different types of partner institutions to become successful and autonomous knowledge facilitators. The focus was on institutions that have engaged in long-term partnerships with Sparkassenstiftung.

The study looked at three different types of partner institution in six countries: bank associations (Peru, Mexico), bank training institutions (Russia, Azerbaijan) and microfinance institutions (MFI) that advise other MFIs (Philippines, Vietnam).

Internal success factors (deriving from the institution itself) and external ones (outside effects that impact on the institution) were identified for all six institutions.

The analysis did demonstrate, however, that external factors, although important, were not decisive for knowledge facilitation. Sustainably successful development proved to be more dependent on the combined impact of the internal factors. Successful institutions do not just tick some of the boxes but do well in all sectors, be it governance, institutional alignment with the specific challenges, mainstreaming knowledge management or institutional culture and quality of management and serv-

ices. If serious problems were identified in one of the sectors, these had a negative impact on other success factors in the long term and ultimately on the success of the institution overall. In terms of project work, this means that it is essential to take a holistic view of partner institutions – both with regard to the choice of partner and to project design.

Country data Peru

Population	29.2 million	
Annual per-capita Gross Domestic Product* (GDP) 2010	7,478 €	
Real changes in GDP	2008	9.8 %
	2009	0.9 %
	2010	7.8 %
Average gross monthly wage in local currency (Sol PEN)	964	
	in Euro	
	282	
Annual inflation rate	2008	6.7 %
	2009	2.9 %
	2010	1.8 %

* PPP-adjusted



The Serbian dinar was first introduced in 1214. Subsequent coinages through to the end of the Middle Ages up to 1459 were the work of Serbian kings and princes. For medieval nobility, having their own coins was an important symbol of their independence from the state. Serbia has existed in its present state since 2006 (the state union with Montenegro was rescinded). Coins valuing 1, 2, 5, 10 and 20 dinars exist, each in different metals and with different emblems. The denomination shown here is a 5-dinar coin which features the Krušedol monastery (16th century). 5 dinars are equal in value to approx. EUR 0.05.

Training institutions

Azerbaijan, Georgia, Serbia

The economic and financial crisis in recent years has led a lot of banks and microfinance institutions in Sparkassenstiftung's partner countries to make cut-backs in their training budgets. In places, providers of training services have had to come to terms with a massive drop in the number of people registering for their courses.

The German Federal Ministry for Economic Cooperation and Development (BMZ) therefore earmarked resources which Sparkassenstiftung used to intensify training work in the finance sector, thus stimulating an upturn in demand. Some 28 training seminars were conducted for banks and microfinance institutions in Serbia, Georgia and Azerbaijan. A priority here was on mechanisms for coping with internal problems caused by the financial and economic crisis and for preventing their reoccurrence.

The programme targeted themes specifically designed to strengthen the institutions' know-how and performance in these times of crisis:

- Strengthening internal auditing
- Balance-sheet management
- Processing problem loans
- Branch office management during the crisis
- Steering liquidity, profitability, risk and equity capital (business management game)
- Customer advisory services and offers of financial services
- Services for corporate customers
- Project management
- Rating models
- Human resource development
- Organisational development
- Service management

In Serbia the programme was implemented in cooperation with the Academy of Banking and Finance, a training institution that was set up by the Serbian central bank. Sparkassenstiftung's partner in Georgia was the Georgian Bank Training Center – an institution that belongs to the Georgian banking association. In Azerbaijan, Sparkassenstiftung implemented the programme together with the Azerbaijan Bank Training Center and the microfinance association AMFA. The seminars were completed in November 2010.

In addition to the seminars, partner institutions were advised on how to manage financial sector training centres. This consultancy was provided on site by an expert from Sparkassenstiftung. The banks that took part in Serbia, Georgia and Azerbaijan benefitted greatly in terms of improvements in their performance capacity and international orientation.



Highlights 2010

Highlights 2010



Her Majesty the Queen Mother, Ashi Sangay Choden Wangchuck, welcomes the experts from Sparkassenstiftung in Timphu, the capital city of Bhutan. From left to right: Klaus Remmer (Sparkasse Essen), Nielaus Bergmann (Managing Director, Sparkassenstiftung), Her Majesty the Queen Mother Ashi Sangay Choden Wangchuck, Dr. Thomas Kurze, Peter Rhode, Nicole Brand (Sparkassenstiftung)

Royal reception

As part of a feasibility study, experts from Sparkassenstiftung travelled to Nepal and Bhutan in September to look into the possibilities for developing and consolidating the microfinance sector there. The visit came about following a request by a Nepalese parliamentary delegation that had previously undertaken an exposure visit to Germany where it became interested, inter alia, in the local savings banks system. Furthermore, Bhutan's Queen Mother had also requested support for her country's microfinance sector.

GUT. – GOOD FOR US ALL

The Deutscher Sparkassen- und Giroverband (German Savings Banks Association) has a presentation stand for use at various events. Called the 'GUT.' (GOOD) stand, it offers Sparkassenstiftung an excellent opportunity to provide ministers, MPs and other multipliers with information about its work in the development cooperation sector. In 2010, Sparkassenstiftung used this stand to put in an appearance at the party conferences of Germany's Liberals, (FDP), Social Democrats (SPD), Conservatives (CDU and CSU) and the Greens.



Germany's Minister for Economic Cooperation and Development, Dirk Niebel, and Foreign Minister Guido Westerwelle were able to find out more about Sparkassenstiftung's work at the GUT.-stand.

Successful end to the partnership project with Xalq Banki in Uzbekistan

As 2010 drew to a close so did the partnership project between the Uzbek Sparkasse (Xalq Banki) and the German Sparkassen in Bitterfeld and Halle (Saale). This successful project (see page 35), which Sparkassenstiftung first started promoting in 2003, has been a major force helping to drive forward the Uzbek economy which is built around medium-sized businesses. The project has thus helped Uzbekistan move closer towards economic and political stability.



Concluding event in Tashkent after seven years of cooperation with Dr. Holger Berndt, Chairman of the Board of Sparkassenstiftung (2nd from left) and Nodir Nazarov, Chairman of the Board of Xalq Banki (3rd from right) as well as other high-ranking project partners from Uzbekistan and Germany.



Experts' Conference

From 20 to 22 December Sparkassenstiftung invited its experts to a conference in Bonn. The event was designed to enable Sparkassenstiftung's long-term experts – some of whom are new to the job – to get to know each other and to meet staff at Sparkassenstiftung's Head Office in Bonn. The meeting also offered an ideal opportunity to exchange information and experience. The conference agenda included briefings on Sparkassenstiftung's latest business management games, its strategies and corporate principles as well as its organisational structures and latest projects. The experts also had the chance to discuss the various projects' outlooks and priorities. This two-day meeting showed us all how valuable these personal exchanges really are – so valuable in fact that Sparkassenstiftung intends to repeat this expert get-together at regular intervals in future.



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Verbands-Sparkasse Wesel
Sparkasse der Homburgischen Gemeinden,
Wiehl
Stadtsparkasse Wuppertal

Sparkassenverband Rheinland-Pfalz

Kreissparkasse Altenkirchen
Kreissparkasse Westerwald, Bad Marienberg
Kreissparkasse Ahrweiler, Bad Neuenahr-
Ahrweiler
Sparkasse Mittelmosel, Bernkastel-Kues
Kreissparkasse Bitburg-Prüm
Kreissparkasse Kaiserslautern
Sparkasse Germersheim-Kandel
Sparkasse Koblenz
Kreissparkasse Kusel
Sparkasse Südliche Weinstraße Landau
Kreissparkasse Rhein-Pfalz, Ludwigshafen
Sparkasse Vorderpfalz Ludwigshafen a. Rh. –
Schifferstadt
Kreissparkasse Mayen
Sparkasse Neuwied
Kreissparkasse Rhein-Hunsrück, Simmern
Kreis- und Stadtsparkasse Speyer
Sparkasse Trier

Sparkassenverband Saar

Kreissparkasse Saarpfalz, Homburg/Saar
Sparkasse Merzig-Wadern
Sparkasse Neunkirchen
Sparkasse Saarbrücken
Kreissparkasse Saarlouis
Kreissparkasse St. Wendel

Sparkassen- und Giroverband für Schleswig- Holstein

Sparkasse Holstein, Eutin
Sparkasse Hohenwestedt
Förde Sparkasse, Kiel
Sparkasse zu Lübeck AG
Stadtsparkasse Wedel

Sparkassenverband Westfalen-Lippe

Sparkasse Attendorn-Lennestadt-Kirchhundem
Sparkasse Wittgenstein, Bad Berleburg
Sparkasse Bergkamen-Bönen
Sparkasse Bielefeld
Stadtsparkasse Blomberg/Lippe
Sparkasse Bochum
Sparkasse Bottrop
Sparkasse Burbach-Neunkirchen
Sparkasse Detmold
Stadtsparkasse Dortmund
Sparkasse Westmünsterland, Dülmen
Sparkasse Ennepetal-Breckerfeld
Sparkasse Finnentrop
Stadtsparkasse Freudenberg
Sparkasse Gelsenkirchen
Sparkasse Geseke
Stadtsparkasse Gevelsberg
Stadtsparkasse Gladbeck
Sparkasse Gronau
Kreissparkasse Halle (Westfalen)
Sparkasse Märkisches Sauerland Hemer-
Menden
Sparkasse Herford
Stadtsparkasse Hilchenbach
Sparkasse Iserlohn
Sparkasse Lemgo
Sparkasse Lüdenscheid
Sparkasse Kierspe-Meinerzhagen
Zweckverband Sparkasse Meschede
Sparkasse Minden-Lübbecke
Sparkasse Münsterland Ost, Münster
Sparkasse Olpe-Drolshagen-Wenden
Sparkasse Paderborn
Vereinigte Sparkassen im Märkischen Kreis,
Plettenberg

Stadtsparkasse Porta Westfalica
Sparkasse Vest Recklinghausen
Stadtsparkasse Rheine
Sparkasse Rietberg
Sparkasse Siegen
Sparkasse Soest

Associations

Deutscher Sparkassen- und Giroverband e.V.,
Berlin und Bonn
Sparkassenverband Baden-Württemberg,
Stuttgart
Sparkassenverband Bayern, München
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Sparkassen- und Giroverband Hessen-
Thüringen, Frankfurt a. M. und Erfurt
Sparkassenverband Niedersachsen, Hannover
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Sparkassenverband Saar, Saarbrücken
Sparkassen- und Giroverband für Schleswig-
Holstein, Kiel
Sparkassenverband Westfalen-Lippe, Münster
Verband der Deutschen Freien Öffentlichen
Sparkassen e.V., Bremen
Verband öffentlicher Versicherer, Düsseldorf

Landesbanken / Girozentralen

DekaBank Deutsche Girozentrale,
Frankfurt a. M. und Berlin
Landesbank Baden-Württemberg, Stuttgart,
Karlsruhe, Mainz und Mannheim
Bayerische Landesbank, München
Landesbank Berlin AG, Berlin
Bremer Landesbank Kreditanstalt Oldenburg
– Girozentrale –, Bremen
HSH Nordbank AG, Hamburg und Kiel
Landesbank Hessen-Thüringen Girozentrale,
Frankfurt a. M. und Erfurt
Nord/LB Norddeutsche Landesbank
Girozentrale, Hannover, Braunschweig und
Magdeburg
Landesbank Saar, Saarbrücken
WestLB AG, Düsseldorf

**Other national and international associations,
entities and other members**

Europäische Sparkassenvereinigung, Brüssel

Österreichischer Sparkassenverband, Wien

Bundesgeschäftsstelle Landesbausparkassen,
Berlin

LBS Landesbausparkasse Baden-Württemberg,
Stuttgart und Karlsruhe

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Deutscher Sparkassen Verlag GmbH, Stuttgart

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Reference of country data:

- CIA – The World Factbook
(<https://www.cia.gov/library/publications/the-world-factbook>)
- The World Bank – Doing Business
(<http://www.doingbusiness.org>)
- Index Mundi
(<http://www.indexmundi.com/de>)

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