



# The Business Partnership Programme of the Austrian Development Agency

June 30<sup>th</sup>, 2014

*Gottfried Traxler  
Programme Manager, Austrian Development Agency*

# Private Sector & Development

**A strong private sector is crucial for developing countries.**

**Companies generate jobs and income.**



ADA seeks to

- make use of synergies between private businesses and public development cooperation
- strengthen the private sector of its partner countries
- improve the business environment in its partner countries

## Business Partnerships: Support

Projects carried out by Austrian/EU companies and their local partners.

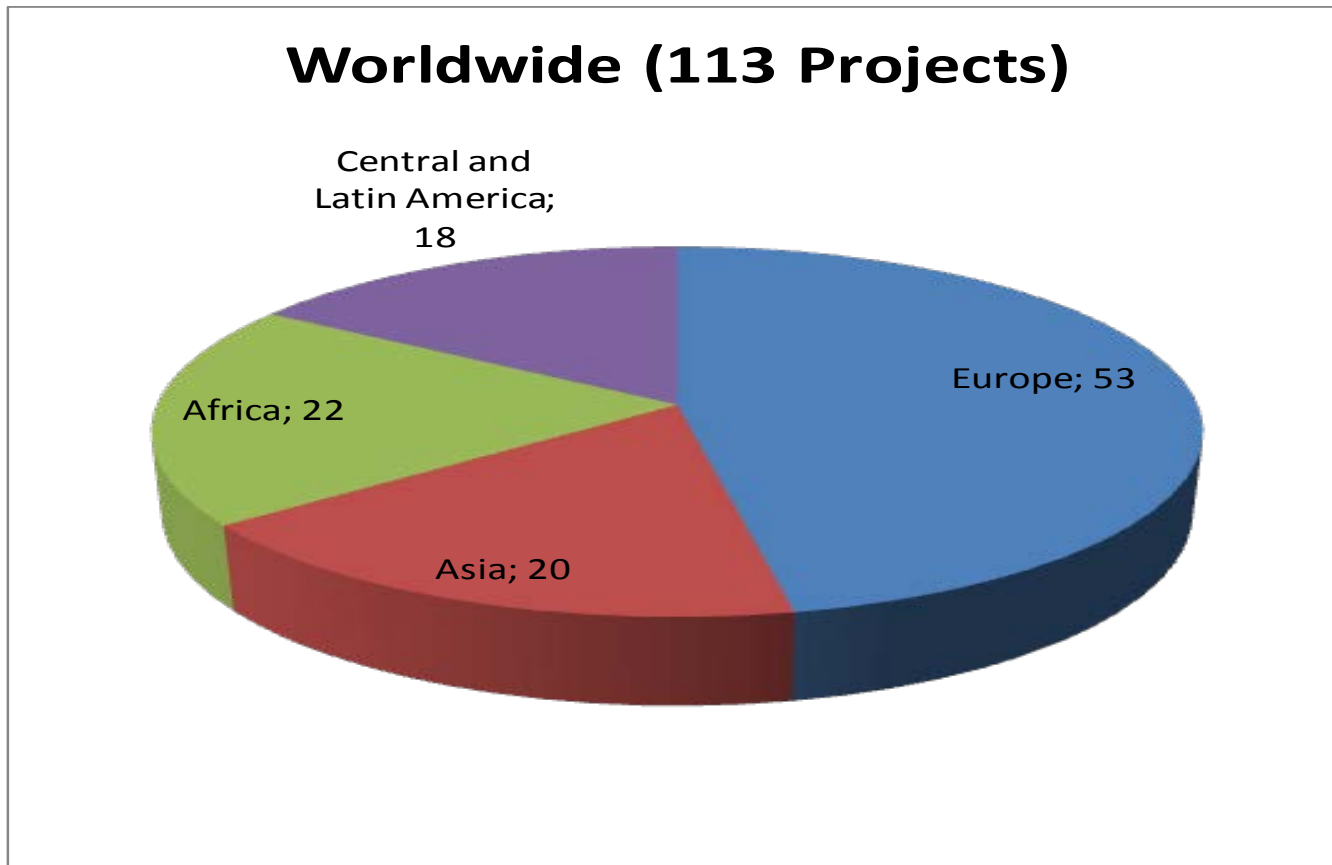


Projects must have both commercial and developmental impact

ADA offers **financial support** for projects of

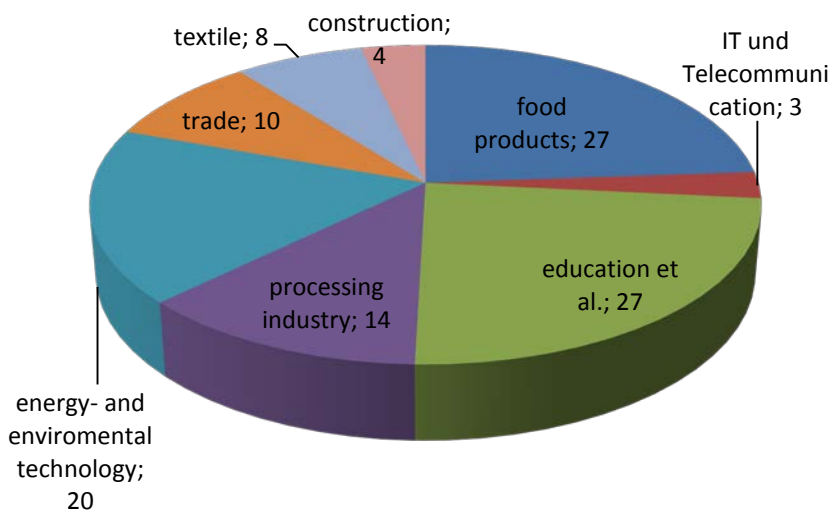
- 50% of direct costs up to EUR 200,000
- 50% of costs for a feasibility study up to EUR 20,000

# Statistics

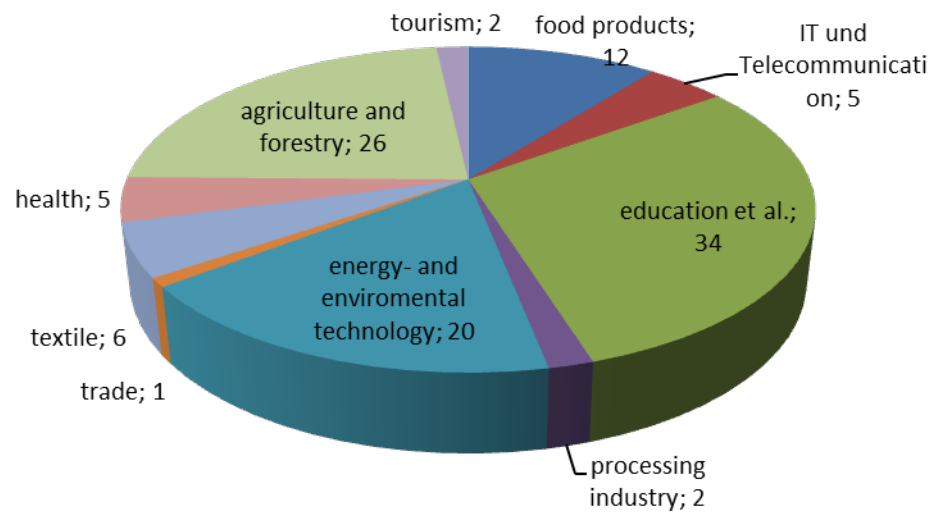


# Statistics

**branch = the core business of the company (113 Projects)**



**Project focus**



# Our Partners



ALPIA

ANDRITZ  
Hydro



NATÜRLICH FAIR



BÖHLER UDDEHOLM

denkstatt  
sustainable thinking



qualityaustria  
Succeed with Quality

JOH. PENGG AG  
Competence in Wire



SEKEM ENERGY  
SUSTAINABLE SOLUTIONS



SONNENTOR  
Da wächst die Freude.



STRABAG  
SOCIETAS EUROPAEA



windkraft  
SIMONSFELD AG



Austrian  
Development Agency

OeEB  
Oesterreichische Entwicklungsbank AG

...and many other companies

# Business Partnerships: Funding Criteria

## Clear-cut **business-case** with **long-term investment**

- no subsidy for export of goods or services
- generation of local value (by building productive or service capacity)
- company's commitment continues after end of funding period at cost and risk of investor

Substantial input by partner company - at least 50% of costs

Compliance with local laws and regulations as well as international conventions

Benefits for local population beyond the company's core business

# Business Partnerships: Benefits

## For the partner country

Improved living conditions for a substantial number of citizens

- New jobs / new income possibilities
- Education and training / introduction of new technologies
- Strengthening of public and/or private institutions
- Environmental protection
- Additional funds for development activities

## For private companies

Sustainable economic success

- Access to new markets
- Reduced investment risk in emerging markets
- Improved framework for business operations

# Business Partnerships: Priorities

## Capacity Development / Qualification

- Know-how transfer
- Improvement in initial training and vocational training

## Trade

- Consolidation of supply chains
- Increase in production, competitiveness and quality

## Environment

- Use of renewable energies or increase in energy efficiency
- Promotion of rural development and responsible management of natural resources

## Business and Society

- Improvement of social standards and working conditions
- Improvement of the health of workers and their families

## Best practice

# ALPLA

### ALPLA GmbH Dual Vocational Training in Mexico



ALPLA cooperates closely with ALTRATEC and CONALEP to introduce a new dual training system for toolmakers and plastic processing technicians in Toluca, Mexico

- develop training curricula according to both Mexican and Austrian standards
- establish/ adapt training facilities
- train the trainer
- state-approved certificates
- long-term benefit for Mexico's vocational education system

## Best practice



### RHI AG

### YEP – Youth Employability Program in Turkey and Mexico



RHI's strategic global CSR program to improve youth employability beyond the company's demand closing the gap between technicians' qualifications and the industry's demand.

Mexico: RHI roles out a dual education program implemented by Coparmex.

- job profiles: industrial electrician, mechatronics, toolmaker
- target group: students aged 15 to 18 years “educación media-superior”
- 80% employment/company-based / 20% school-based training
- training for school teachers and instructors' training for master craftsmen

## Best Practice



### High-quality solar thermal systems for the Egyptian hotel industry

Strategic Alliance of 4 Austrian and 6 Egyptian partners:

- Sekem Energy, GreenOneTec, PINK, Technisches Büro Reischl
- Sekem Development Foundation, EcoEnergy, Heliopolis University, E-Green, Solar-AlShams Co, Georenco
- Heat pipes adapted for climate conditions in Egypt
- Establish demonstration plant for R&D and sales purposes
- Start local production of solar thermal collectors - local added value
- Create a new job profile: the Egyptian Technical Solar Installer
- Promote the Egyptian Solar Thermal Association

## Best practice



### **AGRANA Fruit SAS Rainforest Alliance Certification of Strawberry and Blackberry Farmers**



AGRANA Fruit SAS supports its contract farmers by implementing international socially and environmentally sustainable agricultural standards certified by the Rainforest Alliance.

Main benefits are:

- Improved working conditions for more than 1.000 farmworkers
- Active protection of the environment
- Improved quality management in the AGRANA supply chain
- Long-term business benefit as clients' demand for international standards is increasing



## **Austrian Development Agency**

Business Partnership Office  
Gottfried Traxler  
Zelinkagasse 2, 1010 Vienna/ Austria  
tel: +43 (0) 1 - 90 399-2544  
mailto: [gottfried.traxler@ada.gv.at](mailto:gottfried.traxler@ada.gv.at)  
<http://www.entwicklung.at>