

»»» DEG: More than finance

For entrepreneurial success and development

Fostering trade and sustainability: German Desks

Case Study 2

20 June 2018 | Offenburg

KFW DEG

»» Fostering trade and sustainability

Voluntary engagement instead of regulatory enforcement

Setting

- Production processes across state borders
- Manufacturing steps shared between multiple business
- Germany (and companies) = beneficiary of globalization
- Responsibility towards trade partners and nations

Approaches

- Global Governance
- Corporate responsibility

DEG's sustainability standards

- Promotion of sustainable business practices
- Contractual agreement of action plans
- Funds to implement measures (i.e. ESMS)
- Support of initiatives for sustainable supply chain



Financial institutions as a main customer group

- DEG provides financing to financial institutions in developing and emerging countries

»» German Desks

The idea

International Trading?

- No problem as long as intercultural expertise and financial resources are available

The Solution: German Desks

- A DEG project in cooperation with local banks, the Association of German Chambers of Commerce and Industry (DIHK) and with the support of the Federal Ministry for Economic Cooperation and Development (BMZ)

Goal

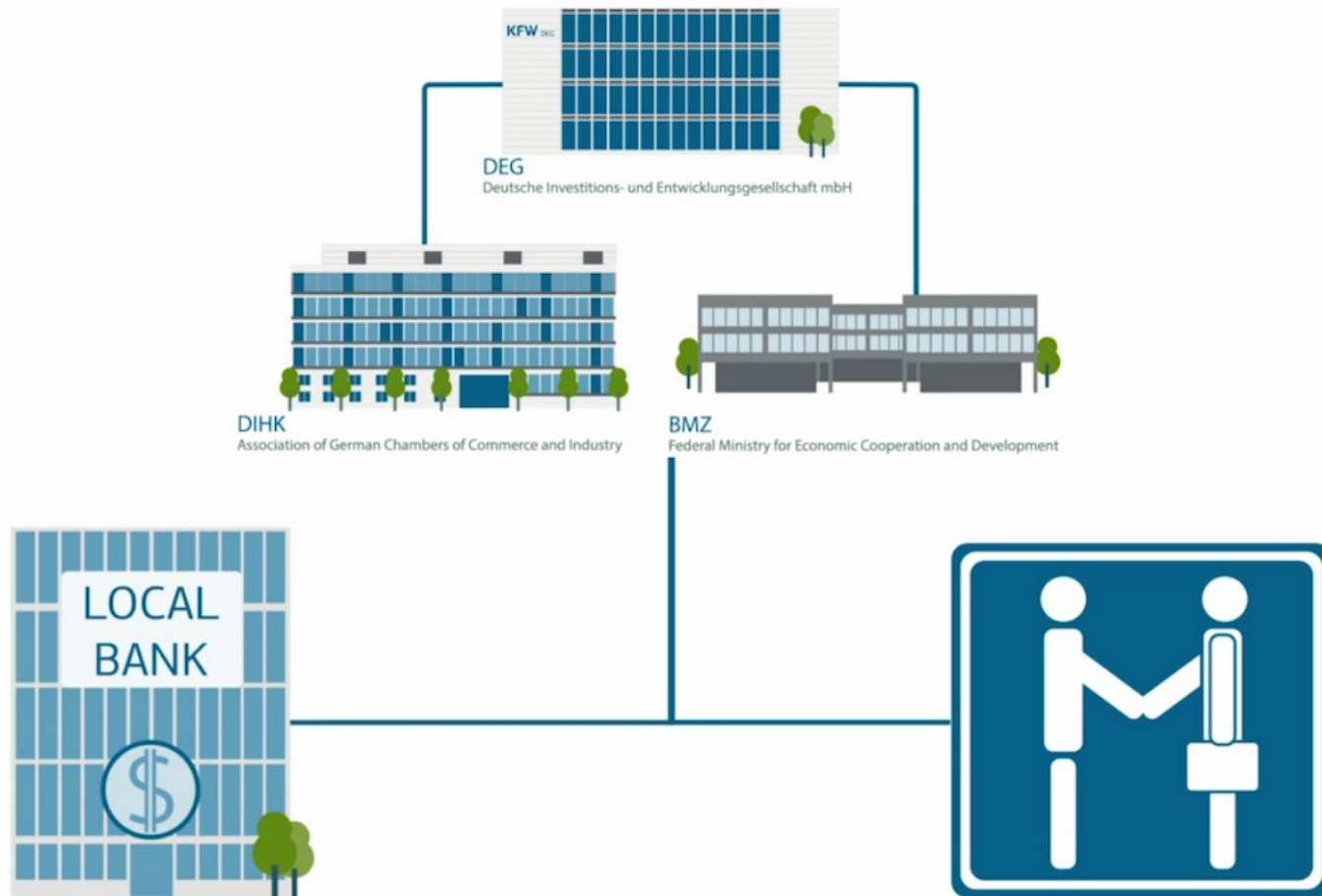
- Contact partners at local banks build the bridge between German companies and their local trading partners

Closing a Gap

- German Desks can offer financing solutions that cannot be provided by export credit agencies or DEG on side
 - ➔ more than 100 successful financing negotiations confirm the long-term need for this initiative

»» German Desks

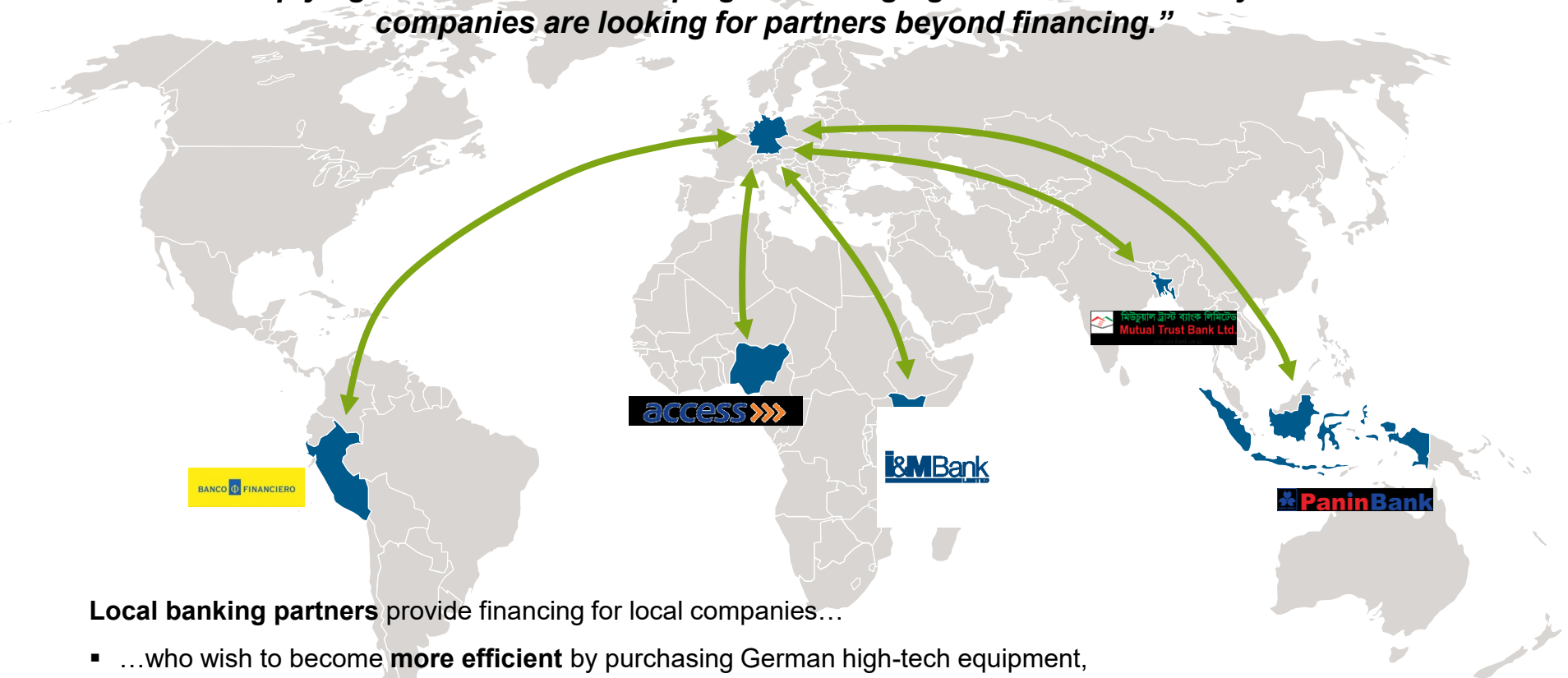
Closing a financing gap



»» How DEG tackles the potential to leverage sustainable trade

German Desks: Encouraging commitment of German companies and local banks

“German companies can play a significant role in multiplying DEG’s role in developing and emerging markets... and many German companies are looking for partners beyond financing.”



Local banking partners provide financing for local companies...

- ...who wish to become **more efficient** by purchasing German high-tech equipment,
- ...directly linked to their willingness to **establish international standards** and
- ...where other commercial European banks are withdrawing and there is a lack of (small-ticket) **financing solutions**.

»» Your contact



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»» Adding value and making an impact

This is how DEG's entrepreneurial development cooperation takes effect



Skilled work

Our customers create jobs, ensure a regular income and promote training.



SME

We want to reach SMEs in developing countries with limited access to credit.



International standards

We are actively working to establish and disseminate international standards.



Creating value locally

DEG makes investments that help to create added value locally.



Further funding

To a great extent, DEG financing helps to mobilise additional funds.



Taxes

Taxes paid by our customers are available for investing in infrastructure, education and health care and others key areas.



Economic development

Sustainable GDP growth rates, an improved foreign exchange balance and increased purchasing power.



Profits for new investments

Our profits are not distributed but reinvested.



Catalyst for partners

We are moving into new, difficult markets and sectors sending positive signals.



Networks and dialogue

We want to improve our work constantly and engage in active dialogue with representatives from business, politics, science and civil society.

»» DEG Standards

Extract of the guidelines and standards we use

- › [Exclusion List](#)
- › [DEG's environmental and social guidelines](#)
- › [IFC Performance Standards](#)
- › [ILO Labour Standards](#)
- › [Declaration of human rights](#)
- › [Extractive Industries Transparency Initiative](#)