



Hanns Seidel Foundation

ANNUAL REPORT 2012

Short Version English

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FOREWORD



Prof. Dr. h. c. mult. Hans Zehetmair
Former Minister of State, Hon. Senator,
Chairman of the Hanns Seidel Foundation



Dr. Peter Witterauf
CEO of the Hanns Seidel Foundation

Dear Reader,

In a year that has been marked by many positive events such as the awakening of the democratic process in Myanmar, but also by the increasingly disconcerting developments in the wake of the “Arab Spring” and the ongoing debt crisis in the eurozone, the Hanns Seidel Foundation has once again shown itself to be a trusted partner and has provided a platform for constructive dialogue. In 2012, the Foundation continued its mission of providing people with orientation and a spiritual home and of conveying knowledge and values in line with the Christian view of humankind.

The Hanns Seidel Foundation once again used its expertise to good effect in debates on the new energy age and the future of Europe, on questions of business and media ethics, and in facing the challenges presented by the digital revolution, international security, combating global poverty, promoting and stabilising emerging democracies and in promoting human rights and religious freedom, to name but a few key areas of its involvement. This annual report documents and summarises the successful efforts of the Foundation at regional, national and European level, and in the 60 or so countries around the globe where our Foundation is active.

The following statement from Bavarian Prime Minister and CSU Chairman Horst Seehofer is representative of the extensive feedback we have received and reflects the high regard in which our many activities are held by politicians, project partners, multipliers and seminar participants alike.

“The Hanns Seidel Foundation is based on the fundamental values that underpin the Christian view of humankind. They provide guidance in turbulent times and spread their influence far beyond our beautiful free state of Bavaria to the furthest corners of the world. I have the very highest regard for the work it does to promote democracy, peace and development.”

We are delighted to receive such praise, and it will spur us on to even greater efforts in the coming year!

One of the Foundation’s highlights in 2012 was the opening of our office in Myanmar, with the aim of continuing to support the country’s democratic process. With this, the Hanns Seidel Foundation became the first German political foundation to have a presence in Myanmar. Other highlights included our 2nd International Strategy Symposium, which addressed the crises on Europe’s

borders in light of the growing tensions in the Eastern Mediterranean, and a widely acclaimed cooperation with the Bavarian Academy of Sciences and Humanities on the issue of Israel and its neighbours in the year that followed the start of the Arab Spring uprisings.

In 2012, we also held our first youth congress, where the younger generation tackled the question of how we want to live in the future. The “Young Europe Forum” was also held for the first time. We believe that each generation needs to take it upon themselves to understand and assimilate the principles of democracy, so we are keen to use this Forum as a means of speaking to young people, informing them about wider political issues and encouraging them to become politically active.

Mention should also be made here of our growing number of scholarship awards. In 2012 we broke through the one thousand barrier for the first time. This means that more than 1,000 men and women have been given financial support by the Hanns Seidel Foundation and have become a part of our growing network of excellence. We are delighted to welcome these new scholarship holders to the Foundation’s ever-growing family!

This year too, we are planning to address many more political issues that are important for the future. We will continue our work of persuading people to act in the service of the common good and will be their trusted partners and guides in this ever-changing world. So our Academy for Politics and Current Affairs will be looking closely at the banking business. Other important issues on the agenda include changes to energy policies and climate protection as well as the impact of new media on politics. 2013 will see state and parliamentary elections in Germany and for this reason the Institute for Political Education has chosen “Our homeland today” as its main theme for the year. The Institute for Scholarship Programmes will make its new “International Studies” programme one of its main areas of focus, while the complex and multi-faceted issue of promoting democracy and the rule of law will once again play a key role this year, especially at our Institute for International Cooperation.

We would like to thank all our board members and every member of the Hanns Seidel Foundation for their positive contributions over the course of the year. The success of our work is thanks to the dedication and commitment of all our staff in Germany and

abroad and we would like to thank everyone for their hard work during the year. In 2013 we once again ask them to lend their belief, work and support to our efforts to promote democracy, peace and development.

Prof. Dr. h.c. mult. Hans Zehetmair

Dr. Peter Witterauf

THE HANNS SEIDEL FOUNDATION: FACTS AND FIGURES

| | Events* | Number of Participants |
|---|--------------|------------------------|
| Academy for Politics and Current Affairs | 104 | 7,858 |
| Institute for Political Education | 1,417 | 52,126 |
| Institute for Scholarship Programmes | 170 | 4,180 |
| Institute for International Cooperation | 4,608 | 190,619 |
| Liaison Bureaus/ International Conferences | 80 | 5,548 |
| Total | 6,379 | 260,331 |

* Seminars, conferences, symposia etc.

1,650 events took place on the premises of the foundation's educational centres and at the Conference Centre Munich, with a total of **74,769 participants** (incl. client bookings). The financial figures are presented in the appendix to this annual report.



Kicking off 2012: The traditional winter conference of the CSU delegation was held at the Wildbad Kreuth educational centre. CSU Chairman and Prime Minister of Bavaria, Horst Seehofer, and the Chairman of the CSU national committee, Gerda Hasselfeldt, welcomed the Prime Minister of the Netherlands, Mark Rutte (centre), to join their political discussions.



20 years of Bavarian-Ukrainian police cooperation supported by the Hanns Seidel Foundation: Bavaria's Interior Minister Joachim Herrmann and Ukrainian Interior Minister Vitaly Zakharchenko signed an agreement in Munich to continue their high-level cooperation.



Charlotte Knobloch, Chairwoman of the Israelitische Kultusgemeinde München und Oberbayern (Israeli community, Munich and Upper Bavaria) was welcomed by the Foundation's CEO, Peter Witterauf, to the conference entitled "Strong women, strong words" on 19 November. The event was moderated by Stephanie Heinzler (left).



The Speaker of Myanmar's parliament, Shwe Mann, received CEO Peter Witterauf after the Hanns Seidel Foundation opened its office in this Southeast Asian country (see p. 12).



Breakfast on 2 July to discuss the future relationship of politics and the media. Chairman Hans Zehetmair and Manfred Weber MEP, welcomed deputy government spokeswoman Sabine Heimbach and former editor-in-chief of Focus magazine, Wolfram Weimer (2nd from right).

INSTITUTE FOR INTERNATIONAL COOPERATION

Institute for
International
Cooperation

The Hanns Seidel Foundation (HSF) in 2012 continued its work in promoting democratic awareness and rule of law worldwide. It provided people with the skills needed to become actively involved in shaping their communities, and gave advise to decision-makers in politics, business and

society. The Foundation's value-based approach to politics is reflected in the substance of its activities. The focus is set on the responsibility that each person bears to himself as well as his fellow citizens, as well as the question of what form of society is necessary to ensure sustainable development.

Looking back at 2012, the focus was set on the widespread and growing hopes of democratic change and the difficulties of consolidating this change. The Hanns Seidel Foundation is promoting democratic participation, the rule of law and good governance worldwide, while also raising awareness of the urgent need to improve economic conditions and environmental protection. Its measures provide essential specialist knowledge, along with sharing experiences and potential new approaches.

European Office for Development Policies in Brussels

The European Office for Development Policies in Brussels works to raise the European public's awareness of political changes and approaches in development project work. In May, the Brussels office organised a conference on Myanmar to draw attention to the country's current situation and consider the prospects for cooperation with the EU. The conference

delegates discussed Myanmar's route towards democracy and its international integration. The Speaker of Myanmar's Parliament, Thura Shwe Mann, presented the reforms that his country has already set in motion and those that are planned for the future. He emphasised the free, transparent and participatory nature of parliamentary sittings and the agreements made with 10 out of 11 of the country's ethnic groups. During bilateral discussions, including talks with the President of the European Commission, José Manuel Barroso, the Speaker emphasised his country's political will to continue to introduce lasting reforms.

In Africa, political instability, inadequate economic growth and social disparities are preventing long-term development. But there are also positive examples: Countries such as Ghana and Benin are reaping the benefits of democracy and stability and achieving reasonable levels of economic growth. It is evident that good governance is the key to the conti-

ment's development. In order to support political change in this respect, in 2003 the African Union launched the African Peer Review Mechanism (APRM) as a means of helping countries to support each other in their attempts to achieve democracy, good governance and social and economic change. The Hanns Seidel Foundation has supported this process from the start.

In November a panel discussion was also held in Brussels. The presidents of the national APRM commissions in Benin, Burkina Faso, Ghana, Mali, Niger and Togo came together with EU representatives to discuss their democratic progress. The deputy from Ghana, Professor Samuel Adjepong, talked specifically about the role played by his country's very active civil society. He said that these organisations and platforms are the embodiment of a lively, participative democracy and that their work particularly focuses on transparency and responsibility in government.

The speakers all agreed that the APRM's work in promoting dialogue between government and civil society is highly important for the progress of democracy.



Thura Shwe Mann and José Manuel Barroso



Panel discussion with Samuel Adjepong, Ousmane Danté, Christian Forstner, Katharina Patzelt, Jeremy Lester, Gibert Medje



Dialogue between ultra-orthodox Jews and the Islamic movement in Israel

Arab-Jewish co-existence

Where would the border run between Israel and a future Palestinian state? The answer is still uncertain, and even if it were known, the question of co-existence and neighbourly relations between Jews and Arabs would still remain. Depending on the particular method of counting, Israeli Arabs comprise up to one-fifth of the population of Israel. The number of orthodox Jews is also growing at above-average rate. According to calculations by the Israeli Office of Statistics, in just five years almost half of Israeli schoolchildren will be either Arabs or members of ultra-orthodox Jewish communities. A recent survey by the University of Tel Aviv point out a great potential of problems, such as very discriminatory attitudes of the orthodox Jewish population.

The Citizen Accord Forum, a long-term partner of the Hanns Seidel Foundation in Israel, has turned its attention to this issue and set up a discussion group of Harredi rabbis. The group met with representatives of the Arab minority and Israeli social scientists to discuss a position paper for peaceful co-existence in Israel. At this year's Jaffa convention, the most important conference on Jewish-Arab relations in Israel, the rabbis from this group presented their work and discussed with the audience of experts how to change attitudes within the ultra-orthodox Jewish society.

Environmental education in Lebanon

Along with political education, environmental education and the sustainable use of natural resources form an important focus of the work of the Hanns

Seidel Foundation in the Middle East. Nowadays, environmentally-conscious behaviour is considered to be an important goal for education worldwide. Even at primary school, children should be learning about natural processes and the connections between them. The environment should be part of the curriculum in all schools, whether public or private. By 2010 the HSF had already been working for some years with two partners in Lebanon, the Environment Ministry and the Association for Forest Development and Conservation, along with the Education Ministry and the Educational Center for Research and Development. They agreed to draw up a framework in this respect. Since then, various working groups and meetings have laid the foundation for future environmental education. In October 2012, Lebanon's Education Minister, Professor Hassan Diab and Environment Minister Nazem al Khourry presented the results as a national policy and introduced its Environmental Education Curriculum. This curriculum will be followed in classes 1-3, and it then needs to be expanded for classes 4-6. Teachers will receive training on the new curriculum and how to integrate it into their teaching both pedagogically and didactically. In future the Hanns Seidel Foundation plans to compare the curricula and experiences with those of neighbouring countries and in this way contribute to greater harmonisation of environmental education in the Middle East.



Workshop on environmental education



The board of the Association for Forest Development and Conservation, HSF partner organisation

A wide range of projects in Central, Eastern and Southeast Europe over the last 20 years

In 2012, the Hanns Seidel Foundation celebrated three 20-year anniversaries in Central, Eastern and Southeast Europe. The Foundation runs an office in Albania since 1992 and since then has been supporting the process of transformation in administration, internal security and justice in cooperation with state and civil society institutions. The Albanian Constitutional Court showed its appreciation of the close and successful partnership it has enjoyed with the HSF by celebrating its own 20-year anniversary with an international conference organised jointly with the Foundation. The project office in Tirana also participated in the publication of the Constitutional Court's decisions to date. The Foundation has also been asked to work with the constitutional courts in Serbia and Montenegro in 2013, in addition to the project work it is already carrying out in these two EU candidate countries.

A ground-breaking commentary on the constitution was published in the Republic of Moldova as part of the work being done by the Foundation with the Constitutional Court in Chisinau. As in Albania, the Hanns Seidel Foundation has been carrying out project work in Moldova's neighbouring countries, Romania and the Ukraine, since 1992. Anniversary celebrations in Bucharest and Kiev included not only a look back at the work that has been done, but also some cautionary words for today's politicians in



Alexandru Tanase, Chairman of Moldova's Constitutional Court, with Christian Hegemer

the two countries. Membership of the EU or efforts to forge closer ties with the EU also mean accepting certain codes of conduct in terms of democracy and the rule of law. The Hanns Seidel Foundation has been providing value-oriented support for the process of transformation in the two countries through numerous education and training initiatives for the last 20 years. The focus has been set on creating transparency, efficiency and service in modern administrations at national and local levels. In 2012, a programme designed to promote the young leaders of the future was introduced at the Sevastapol municipal council and this local model, which is being supported by the HSF, will be rolled out in 2013 by the Kiev Academy of Public Administration to all 27 of its training centres across the country, as well as being introduced at ministerial level.

10 years of work in Central Asia

The Hanns Seidel Foundation can also look back at ten years of effective project work in the Central Asian state of Kyrgyzstan. In 2002, this reform-oriented state became the Foundation's first partner country in Central Asia. Kyrgyzstan was followed in 2009 by Tajikistan and Kazakhstan. The Foundation's officially recognised Master's Programme is providing young leaders from local and national administrations as well as civil society and the parliamentary sector with systematic professional and vocational training. Over 1,000 scholarship holders have completed their studies since the initiative began, while almost 500 are taking courses today. The EU adopted a new Central Asia Strategy in 2007 when Germany held the EU Council Presidency, and the guidelines introduced as part of this strategy are still applicable today. The main focus of the Hanns Seidel Foundation's work in this region continues to be the support establishing democratic structures and a pluralis-



Degree being awarded during the ceremony in Bishkek



Anniversary celebrations in Karakol

tic society, promoting good governance and helping to develop parliamentary systems.

Transformation in North Africa

The Hanns Seidel Foundation continues to support the transformation process in North Africa. An important part of this work involves working closely with new political stakeholders such as the "Facebook generation", as well as with moderate Islamic groups. The main focus is set on helping to consolidate democracy in the region. Strengthening decentralised structures is a particular core area of a variety of initiatives financed by special funding from the German Foreign Office. Some of the key measures employed include training programmes for local and regional officials, new governors and municipal councils; seminars and round



Deputy Chairman Alois Glück in Tunisia

tables on issues relating to the rule of law for relevant parties; workshops on establishing legal and organisational principles in local administration and training for young multipliers to encourage civic participation.

Combating corruption is high on the agenda

Combating corruption was another major priority in 2012 and was a key element of the Foundation's work in almost all its partner countries. A good example is Namibia, where the HSF is supporting the work of the government's Anti-Corruption Commission as well as producing a monthly "Corruption Tracker". The Foundation is also sponsoring the publication of a monthly "Corruption Almanac" in Tanzania, which reports on and denounces cases of corruption. Corruption as an obstacle to effective administration is also a major issue for discussion in other partner countries, especially at a local level. The most important event aimed at addressing the issue of combating corruption was an international anti-corruption conference in Cape Town, which was opened by the Foundation's CEO Dr. Peter Witterauf. The involvement of representatives from the business world, such as the South African section of Siemens' Compliance Department, is very important for the success of this kind of initiative. The existing network of participants was further extended by the presence of representatives from North Africa.



Peter Witterauf opens the Pan African Anti-Corruption Conference in Cape Town

Major EU project in the DR Congo

The Hanns Seidel Foundation was awarded a contract by the EU for a major reforestation project in the DR Congo. The Foundation has been carrying out similar projects in this African country for many years, an activity that is in fact quite unusual for political foundations. However, the sustainability of these types of technology-based measures can only be guaranteed if the appropriate local structures are also developed and expanded. That is what the Hanns Seidel Foundation has been doing successfully in the DR Congo over the last years. Seminars and consultations have helped interest groups representing small farmers to become better established. All of



Sustainable use of land previously cleared by burning through agroforestry

the projects carried out in rural areas in the DR Congo over the decades have succeeded because of the creation of local structure (cooperatives and mutual organisations). Around 70,000 people in the Bateke Plateau region have benefitted directly or indirectly from the sustainable measures that have been introduced.

Transnational dialogue in Latin America

The Hanns Seidel Foundation believes that it is an important prerequisite for consolidating democracy that political parties have strong political agendas and good regional networks. For this reason, the Foundation has been working closely with the Unión de Partidos Latinoamericanos (UPLA) since 1992. This Latin American alliance of conservative political parties and movements was set up to help consolidate democracy and sustainable market economies as the political and economic structures in the region.

The Hanns Seidel Foundation has provided the UPLA with a transnational discussion platform that has allowed member parties to exchange ideas and experiences on the continent's political, economic and social situation. The purpose of the dialogue programme is to help strengthen networks within the UPLA, especially the working groups of young people, women, local politicians and parliamentarians.

In April, experts from the UPLA's "Foreign Policy" working group came together in São Paulo to carry out an in-depth analysis of Brazil's economic upturn and its impact, on the continent and globally. They also discussed the development of a common direction for foreign policy in response to a shift in the traditional balance of power.



Panel of the UPLA's foreign policy working group in São Paulo

Political education for young people continues to be an important focus of the Foundation's work. This year the traditional "Campus UPLA" was held in Santa Cruz, Bolivia. The 5-day programme gave participants an opportunity to discuss the principles that underpin a free society and the current challenges democracy is facing on the continent. Participants also had the chance to learn more about the political, economic and social situation in the host country.

At the end of June, the UPLA celebrated its 20th anniversary during its General Assembly in Guayaquil, Ecuador. Christian Hegemer, Head of the Institute for International Cooperation and Dr. Susanne Luther, Head of the Office for Foreign Relations, joined in the celebrations. Senator Jovino Novoa of Chile was elected for further two years as Chairman of the UPLA. According to Senator Novoa, the HSF has made a significant contribution to positive change over the previous decades. Both parties are looking forward to continuing their work together in the years to come.

Recognition for the Foundation's long-standing project work in Chile

In October, Prof. Hans Zehetmair, Chairman of the Hanns Seidel Foundation, was awarded the Chilean medal of Bernardo O'Higgins. By presenting the award, the Chilean President Sebastián Piñera recognised the valuable contribution to strengthening the country's democratic institutions carried out by the project work of the Hanns Seidel Foundation in the areas of parliamentary consulting, local politics and the development of young political leaders. In light of the student protests that have been going on in Chile for the last two years, the HSF will now start to focus more on the areas of youth unemployment and education reform.



Chilean Ambassador O'Ryan Schütz congratulates Hans Zehetmair

A new orientation for the Central America and Caribbean projects

Latin America is a continent of extreme contrasts. While emerging economies such as Brazil and Mexico are becoming important players on the international stage, many of the countries of Central America and the Caribbean still suffer from poverty, crime, political instability and lack of opportunity. The Hanns Seidel Foundation believes that good governance and participation are necessary prerequisites for effective democratic development, and has therefore set itself the goal of helping to strengthen the involvement of civil society, especially women and young people, in the political process of the countries of Latin



Christian Hegemer, Hans Zehetmair, President Porfirio Lobo

America, as well as promoting good governance and decentralised structures by providing training programmes for mayors and local civil servants.

In Cuba, the HSF is supporting the implementation of the economic reforms that have just been introduced. These

reforms aim at encouraging more private enterprise and integrating the island nation's economy into the world economy to a greater extent than has been the case in the past. Working closely with the Ministry of Tourism and local think tanks, the HSF is providing training and advice to managers and experts on economic and legal issues. Last year, leading experts from Europe and Latin America were also invited to symposiums on international politics, economics and finance.

HSF Chairman Hans Zehetmair visited Honduras and Cuba in April in order to gain a better understanding of the political, economic and social developments in the region. He was accompanied by Christian Hegemer, Head of the Institute for International Cooperation. Welcoming the visitors, the President of Honduras, Porfirio Lobo, expressed his appreciation for the project work being carried out by the HSF. In Cuba the delegates met José Balaguer, one of the best-known Cuban revolutionaries that is still alive today, and discussed different perceptions of democracy with Ramón Pez Ferro, President of the Commission on International Relations of the Cuban National Assembly. The Secretary General of the Cuban Bishops' Conference, Monsignor Juan de Dios Hernández, explained the relationship between church and state to the visitors.



Deputy Speaker of the Parliament of Myanmar Nanda Kyaw Swa with Hans Zehetmair

Federalism conference in Wildbad Kreuth

The first Kreuth conference on federalism entitled “Federalism in Europe, Asia and Beyond” took place in November. Professor Hans Zehetmair, Chairman of the HSF, explained that the aims of the conference, which will take place once a year, are to look at contemporary issues surrounding federalism in Germany, Europe and Asia, to analyse reform efforts being carried out and to present the various options available to decision-makers. Federalism currently faces a number of major challenges, particularly in Myanmar, India and Pakistan. As part of the process of democratisation, Myanmar will have to make important decisions on the country’s future organisation and structures. In India, economic and social

developments make it necessary for state structures to be regularly re-organised, while in Pakistan the federal structures already in place at various levels need to be brought up to date. The outcome of the conference, which was attended by high-profile experts

from the field of politics and finance, will then be incorporated into the work of the HSF country offices.

Representative office in Myanmar opened

The Hanns Seidel Foundation became the first German political foundation to be officially represented in Myanmar when it opened a project office in Yangon in October. At this point the Foundation had already been actively involved in development issues in Myanmar for nearly ten years. “Now that the country is slowly opening up, we want to actively support the democratisation process in the long-term” said CEO Dr. Peter Witterauf, who believes that the country is still going to face major challenges in the future.

The Hanns Seidel Foundation is supporting democratic structures and the rule of law in this Southeast Asian country. It is advising the parliament on the development of legislation and helping to train civil servants and members of parliament. For the first time in the country’s history, a parliamentary delegation from Myanmar visited Munich, Berlin and Brussels at the invitation of the Hanns Seidel Foundation. Thura Shwe Mann, Speaker of Myanmar’s parliament, led the delegation, which was very interested in learning more about the parliamentary systems in Europe. The functioning of a parliamentary democracy, federalism, coalition governments and the role of the opposition were all high on the agenda. The delegates met with President of the Bavarian Parliament Barbara Stamm, President of the Bundestag Norbert Lammert, Foreign Minister Guido Westerwelle, Deputy Chairman of the CDU/CSU faction in the Bundestag, Dr. Christian Ruck, as well as high-ranking representatives of various EU institutions.

In terms of future cooperation, the focus will be on political education, especially in the area of social market economies and federalism, the structuring of political parties and the provision of training for the parliament’s civil service apparatus. The HSF will also be assisting Myanmar’s Ministry of Foreign Affairs in its preparations to take over the ASEAN presidency in 2014.



Delegates at the first Kreuth conference on federalism



Hanns Bühler, Peter Witterauf, Thura Shwe Mann, Achim Munz, Axel Neubert

Parliamentary cooperation in the Association of South East Asian Nations

On 15 May a project was launched in support of the ASEAN Inter-Parliamentary Assembly (AIPA), an association made up of the national parliaments of the Association of South East Asian Nations. Members of parliament and civil servants from Brunei, Indonesia, Cambodia, Laos, Myanmar, the Philippines, Thailand and Vietnam are given advice and guidance on legislative and parliamentary processes. A comprehensive training programme for parliamentarians is also being developed. Dialogue and the transfer of knowledge between members of the various national parliaments are essential in order to harmonise legislation amongst the member states and to create uniform democratic structures. The project is being financed by the Federal Foreign Office and run jointly by the Hanns Seidel Foundation and the German Society for International Cooperation.

Areas of activity in the People's Republic of China

The Hanns Seidel Foundation is particularly active in China in the areas of politics and society, education and rural development. Key areas of focus for the Foundation are social and institutional change, the rule of law and good governance, fair and equal participation and vocational training. Through the process of political dialogue and academic debate, the HSF has been able to create a framework for discussing social and political issues as a major part of the Chinese reform process. This exchange of ideas between two countries with very different social systems and views of the world is very important in helping to improve understanding between China and Germany.

A major challenge is presented by the aging population of China, a country that hardly offers social security but consists

of a tradition of families looking after their older relatives. For this reason, demographic change was one of the main issues addressed in discussions with the Central Party School of the Communist Party of China during 2012. The discussions focused on the question of raising the retirement age and the need to change the country's one-child policy. There was general agreement that demographic change needs to be approached in a constructive manner in order to create a process that will endure from one generation to the next.



Speech by Zheng Zhenzhen at the Migration and Integration Forum

A forum on the subject of migration and integration was organised in November with the Women's Studies Institute of the All-China Women's Federation. The migration of hundreds of millions of workers into towns and cities is part of the reality of modern China. The resulting social upheavals and the need to integrate this large social group have increasingly come under the spotlight in recent times.



Wu Haiyang and Peter Witterauf extend the cooperation agreement on rural development

Rural development initiatives aim at the sustainable development of rural areas. The development of new concepts and the launch of pilot projects have helped to raise awareness at the Ministry of Land and Resources and amongst local functionaries of new approaches to rural development and land consolidation that take environmental issues into account and involve more active participation by local people. Further education and training are the key to the success of these initiatives and, in this regard, the HSF is helping to improve the living conditions and employment opportunities of the rural population as well as making a significant contribution to reducing regional disparities and to promoting fair and equal participation.

In 2012, the 25-year partnership between Bavaria and Shandong was commemorated in Qingdao, while in Nanjing there was a celebration of 30 years of cooperation between the Hanns Seidel Foundation and the city's university of cooperative education. For the HSF, this was an opportunity to look back on a number of important joint projects in the areas of vocational training, academic cooperation and rural development. In his speech, Christian Hegemer, Head of the Institute for International Cooperation, underlined the important social and political role of education and stressed the importance



Opening of the exhibition in Qingdao

of vocational training in this context. He made the point that transnational dialogue on education is vital to ensure the development of new ideas and initiatives and that cooperation with HSF offers an ideal framework for such dialogue.

Promoting renewable energy in Korea

The HSF has been working to bring about reconciliation and the peaceful reunification of Korea for more than 20 years. Today, energy policy issues have also started to become an important aspect of the ongoing dialogue. The Gobitec Initiative proposes producing solar energy in desert regions such as the Gobi Desert and distributing it to neighbouring countries via a supra-regional power grid. Such an initiative could be a decisive step in making Northeast Asia’s energy

production much more environmentally friendly and sustainable. It would also help to promote regional integration and could even serve to help reduce tensions on the Korean Peninsula.

In November a conference was held in Ulaanbaatar under the patronage of the President of Mongolia. A feasibility study to look at the potential technical, financial and political benefits of cooperating on renewable energy initiatives and integrating national power grids is being prepared by Mongolia with the help of partners from China, Japan and Korea. The plan is to launch some initial pilot projects based on the results of the study.

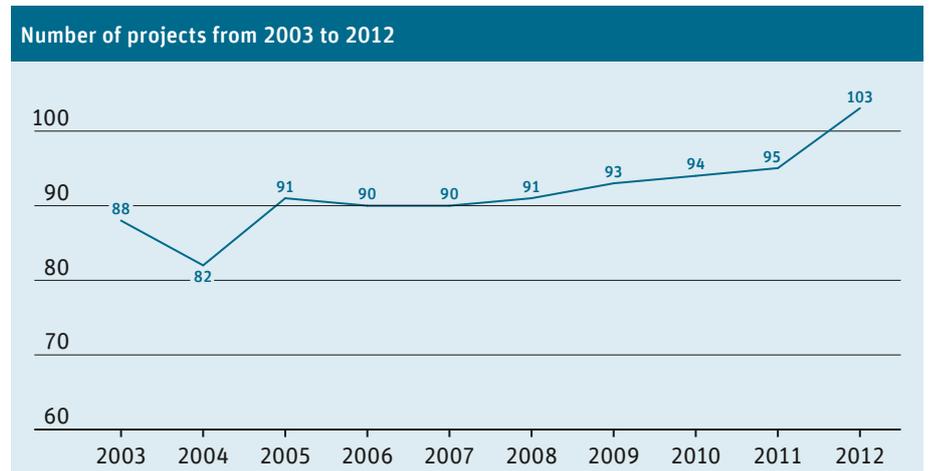
Monitoring and evaluation – from estimating effectiveness to measuring success

The Fourth High Level Forum on Aid Effectiveness in Busan, South Korea, which took place at the end of 2011, prompted renewed discussion on the effectiveness

of development cooperation and how to measure its impact. The official inauguration of the German Institute for Development Evaluation by Federal Minister Dirk Niebel on 6 November 2012 heralded the arrival of a new actor on the international evaluation and measurement stage. The Institute’s methods and ideas are likely to have a growing influence on German development cooperation work in the future. The Hanns Seidel Foundation is also in a position to tackle this issue and has been able to expand and improve its methods and procedures for managing projects to maximise their effectiveness. The Foundation uses its project planning documentation as the basis for ongoing monitoring to evaluate how effective projects are in achieving their goals, and, where necessary, to react quickly to any problems that may arise and take corrective measures. The projects are also evaluated externally by regional and subject-matter experts. In 2012, seven external evaluations were carried out on projects in Africa, Asia and Eastern Europe in addition to Latin America, which was being focused on this year. The results of these evaluations are published in an annual report so they can be used not only as a tool for improving the specific projects involved, but also for the benefit of institutional learning in general.

OVERVIEW 2012

| Projects in 2012 | |
|--|---------|
| Number of projects, incl. regional projects and project measures | 103 |
| Number of countries | 66 |
| Seminars worldwide | |
| Number of seminars | 4,608 |
| Number of participants | 190,619 |



THE BERLIN OFFICE

The office of the Hanns Seidel Foundation in the nation's capital maintains contacts with Parliament, the German federal government, German federal ministries, embassies

and associations. It plays host to conferences on major social and political issues for a target audience of political opinion-formers.

The Foundation's wide-ranging and challenging work in the complex network of Germany's capital covers a broad spectrum. It requires the activities of the Munich and Berlin offices to be closely coordinated, and for the Hanns Seidel Foundation to have a presence on the capital's diverse political scene. It is always guided by the values of the Hanns Seidel Foundation.

The activities of the Berlin office are particularly characterised by its international work to promote cooperation and exchange. This includes intensive contacts with the Foreign Office, the Federal Ministry for Economic Cooperation (BMZ) and the diplomatic world in the shape of foreign embassies and institutions. The Foundation also looks after international visitors and delegations to Berlin.

It organises meetings of experts, workshops and specialist conferences as part of its collaboration with other foundations, associations and organisations in the areas of politics, business and society and with the German Armed Forces. In this way, the Berlin office contributes to the Foundation's public relations work with regard to its specific aims. The Berlin office has now taken up permanent residence in the Europäisches Haus (Europe House) on Unter den Linden in central Berlin, providing the perfect location as a meeting place and for its regular work with top-level public institutions and personalities.

In 2012 the Hanns Seidel Stiftung hosted a series of events at its Berlin office. These included the following two conferences:

Upheavals in the Arab world

The debate on democracy in North Africa and the Middle East provided the focus for this meeting of experts on 7 November in Berlin. Renowned experts including Dr. Christian Ruck MP and Deputy Chairman of the CDU/CSU faction discussed the topic of "Upheavals in the Arab world – the dawn of democracy? What is the way forward for the development policies of Germany and the EU?" Dr. Ruck stated his belief that hopes and expectations for rapid change in these countries had sadly come to nothing and



Christian Ruck MP

that it was now impossible to predict the future. The CSU politician felt the "Arab Spring" presented both risks and opportunities but that Germany and other Western countries had failed to take advantage of them. With the words "Germany has been too backward in coming forward" he stressed the need for coun-

tries to work together on development and economic policy in the Arab world.

Russia after the elections

On 21 March a group of experts led by Carlo Masala (Bundeswehr Uni Munich), Alexander Rahr (Bertholdt Beitz Centre at the German Council on Foreign Relations) and Thomas Silberhorn MP, cast doubt on Russia's right to be considered one of the BRICS countries. The conclusion was that the country is finding it too difficult to carry out the required modernisation. Instead, in contrast to the other BRICS countries, Russian growth is stagnating, its economy is too reliant on raw materials, corruption is rife and its demographics are in a parlous state.



Thomas Silberhorn MP

According to Thomas Silberhorn, Putin's goal of making Russia the world's fifth largest economy can only be achieved with the help of the middle classes. He expects Russia to bid farewell to its old ways of thinking and thinks Russian society will find itself forced to take a more Western orientation.

OFFICE FOR FOREIGN RELATIONS

Office for Foreign Relations

In 2012 the Office for Foreign Relations has been actively engaged in cooperating with political partners with a Christian democratic or conservative orientation – in the neighbourhood as well as on distant continents. In close

collaboration with the relevant departments of the foundation work continued in expanding the worldwide network of like-minded people and organisations.



CES planning seminar in Dubrovnik in April 2012 with delegates from national foundations and think tanks across Europe

The Office for Foreign Relations (OFR) continued to consolidate the HSF's existing ties to political parties, party-affiliated foundations and organisations with Christian democratic or conservative leaning, along with forging new and interesting contacts around the world. The OFR acted as the interface between management and the various departments for contact inquiries and also carried out its own analyses of parties and party-affiliated organisations.

itself as an important hub for the cooperation of Europe's Christian democratic foundations. As one of its founding members, the HSF has made active use of this forum right from the start. The two organisations have worked together to organise numerous events on areas of European policy that are of current concern (such as migration and integration, expectations of the Cypriot Presidency of the EU Council or political developments in the Western Balkans). A planning seminar organised by the CES in Dubrovnik, Croatia in April provided the opportunity for important bilateral contacts with national foundations that are members of the CES, e.g. from Greece, Cyprus and Italy.



HSF staff congratulate UPLA Chairman, Senator Jovino Novoa (3rd from left) during the annual general meeting in Guayaquil, Ecuador

In Europe, the network of the European People's Party (EPP) with all its members, observers and affiliated foundations and organisations has proven to be most valuable in fostering our global network of political contacts and for sharing information with like-minded organisations. The highlight of the year was the EPP Congress held in October in Bucharest, where representatives of more than 70 parties (including those with observer status) from 40 countries as well as national political foundations and think tanks came together to discuss and agree on a new EPP Platform and to elect a new presidency.

The centre-right group of parties within the International Democrat Union (IDU) proved to be a valuable point of contact for consolidating our political network in the Anglo-Saxon area, particularly with the Conservative Party in Britain (which is not an EPP member) and, in a US-election year, across the Atlantic. Working closely with the colleagues at the HSF Institute for International Cooperation, relations with political parties in Latin America were also deepened, particularly with the members of the Unión de Partidos Latinoamericanos (UPLA), the regional union of conservative parties in Latin America, an organisation that the Hanns Seidel Foundation has been supporting for 20 years.



Peter Witterauf, Irish Ambassador to Germany Daniel Mulhall, Susanne Luther

Another important element of the OFR's work was coordinating the Foundation's work with the Centre for European Studies (CES) in Brussels. The CES is the EPP's foundation and think tank on issues relating to Europe. Now in its fifth year, the CES has established

LIAISON BUREAU FOR WASHINGTON, BRUSSELS, MOSCOW AND ATHENS/ INTERNATIONAL CONFERENCES

In 2012 the Liaison Bureau for Washington, Brussels, Moscow and Athens/International Conferences set itself the task of using its broad range of meetings and conference programmes to promote transatlantic dialogue, deepen European integra-

tion and improve Germany's relations with Russia. A particular challenge was presented by its desire to help Greece overcome its massive budgetary and economic problems and in this way restore confidence in the stability of the euro.

The Washington Liaison Bureau

In 2012, the focus of the work at our liaison bureau in Washington was once again on expanding and maintaining our close working relationship with leading members of the US government and Congress and with multilateral organisations (such as the World Bank, IMF and UN), think tanks, universities, businesses and the media.

The US Presidential Elections in 2012 raised Germany's and the world's public interest in US politics. Consequently the Washington Liaison Bureau focused its networking and research efforts on topics related to the election.

Manfred Weber, Deputy Chairman of the EPP faction in the European Parliament, visited Washington at the end of January. The focus of his political consultations was on questions of internal security and the eurozone crisis. Mr Weber met with Jane Holl Lute,



Jane Holl Lute and Manfred Weber

Deputy Secretary of Homeland Security, Kathleen Doherty, Deputy Assistant Secretary of State for European Regional Affairs and Western Europe, and Congressman Peter Roskam, Chief Deputy Republican Whip.

In early March a delegation of Bavarian politicians led by Prof. Ursula Männle MP, Deputy Chairwoman of the HSF and Thomas Silberhorn MP, Spokesman on Foreign Affairs for the CSU Bundestag Group, visited Washington. Senator Jon Kyl, the second-highest Republican in the US Senate, praised Germany's efforts to overcome the eurozone crisis, while Senator Tom Coburn expressed pessimism about the USA's precarious financial situation. Elliott Abrams, Middle



HSF delegation with Senator Jon Kyl (4th from left)

East advisor to presidential candidate Mitt Romney, warned of a looming military escalation between Iran and Israel.

At the beginning of March, Christian Schmidt, State Secretary in the Federal

Ministry of Defence, travelled to Washington and New York for political consultations. The main focus of these talks was on the situation in Afghanistan, preparations for the NATO Summit in Chicago and the future of the MEADS transatlantic missile defence system. Mr Schmidt met with Senators Dan Coats, Saxby Chambliss and Jim Webb as well as with Israel's UN Ambassador Ron Prozor.



Senator Dan Coats, Parliamentary State Secretary Christian Schmidt, Senator Saxby Chambliss

Dr. Beate Merk, the Bavarian Minister for Justice and Consumer Protection, visited Washington in mid-March. The main focus of the talks was the fight against cybercrime, the protection of intellectual property, the issue of privacy in the internet age and the role of women in US politics. Dr. Merk met with Congresswomen Zoe Lofgren and Loretta Sanchez, and with Mary Ellen Callahan, Chief Privacy Officer of the Department of Homeland Security.

At the invitation of the Hanns Seidel Foundation, Federal Minister of the Interior, Dr. Hans-Peter Friedrich MP, and Monika Hohlmeier MEP (CSU) spoke at a conference on “Cyber Security” held in Washington in early May. The conference was organised jointly with the Center for Strategic and International Studies. The HSF also organised a dinner with Michael Chertoff, former US Secretary of Homeland Security and General Michael

Defence, Peter MacKay, discussed with the delegates the results of the latest NATO Summit in Chicago, and Trade Minister Ed Fast tried to gather support for the successful conclusion of the planned free trade agreement between the EU and Canada. In addition, Immigration Minister Jason Kenney provided a fascinating insight into his country’s policies on immigration and integration.

August and met for talks with Kathleen Doherty, Deputy Assistant Secretary in the US Bureau of European and Eurasian Affairs. He then went on to take part in the Republican National Convention in Tampa (FL). HSF’s CEO Dr. Peter Witterauf was a guest at the Democratic Convention in Charlotte, where he took the opportunity to talk with former Greek Prime Minister George Papandreou.

In early July, the 27th Hanns Seidel Memorial Fellowship Programme offered an opportunity for high-level staff at the US Congress and representatives of US think tanks and NGOs to enter into talks with political leaders in Munich, Brussels and Berlin in order to gain a better understanding of German and European politics.

The delegation visited the Bavarian Parliament and met with Georg Schmid, Chairman of the CSU Group in the Bavarian State Parliament. In Berlin they were invited to the Federal Ministry of the Interior to meet State Secretary Klaus-Dieter Fritsche. Harald Leibrecht MP, the German government’s Coordinator of Transatlantic Cooperation, discussed the current political situation in Germany, Europe and North America with his guests from the USA.

CSU Secretary General Alexander Dobrindt MP, visited Washington in



HSF delegation with Christopher Smart (2nd from right)

At the end of September a visit to Washington was made by former Bavarian State Minister Erwin Huber MP, Dr. Christoph Israng, Division Head at the German Federal Chancellery and Professor Eberhard Sandschneider of the German Council on Foreign Relations. The focus of their trip was the development of German-US relations and an analysis of the effects of the emergence of China on transatlantic politics. This latter issue was addressed as part of a conference on China jointly organised with the renowned American Institute for Contemporary German Studies, including talks with Ambassador Wolfgang Ischinger. The delegation also visited the US Treasury and met with Christopher Smart, Deputy Assistant Secretary for Europe and Eurasia, to discuss the eurozone crisis and the expansionary monetary and fiscal policies of the Obama administration.

An HSF delegation led by Members of the Bavarian Parliament Dr. Otmar Bernhard and Alexander Radwan visited



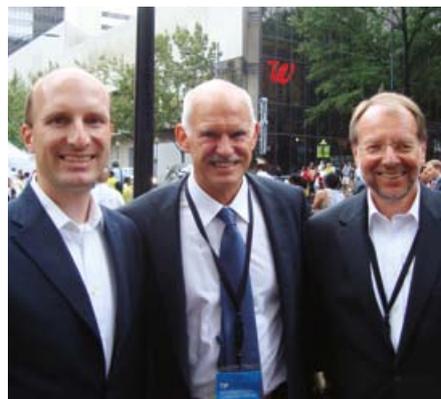
Ulf Gartzke, Michael Chertoff, Michael Hayden, Monika Hohlmeier, Minister of the Interior Hans-Peter Friedrich

Hayden, former Director of the CIA and National Security Agency. Monika Hohlmeier also held talks with Bill Moeller, the new Consul General in Munich, and with João Vale de Almeida, EU Ambassador to Washington.

In mid-May, a delegation of Bavarian politicians led by former Bavarian Prime Minister Dr. Günther Beckstein MP, travelled to Canada for political consultations. Canada’s Minister of



The Bavarian delegation with Minister of Defence Peter MacKay (2nd from right)



Ulf Gartzke, former Greek Prime Minister George Papandreou, Peter Witterauf

Washington in early December. The focus of the talks was on how to resolve the eurozone crisis and escalation in the Middle East. During talks with Matthew Rooney, Deputy Assistant Secretary of State for Western Hemisphere Affairs, the delegation learned more about the prospects for transatlantic cooperation in the wake of the latest US elections. Discussions with Congressmen Steve King and Jim Sensenbrenner revolved around the challenges that the USA is facing in terms of its fiscal policy.

The Washington Liaison Bureau also organised a programme of high-level talks for Bavarian politicians who found themselves in Washington on business, including Bavarian Interior Minister Joachim Herrmann MP, Chairman of the CSU Economics Commission Markus Blume MP, and Florian Hahn MP and Member of the Defence Committee.

The Brussels Liaison Bureau

Europe has been the focus of public debate over recent years as a result of its sovereign debt crisis. Never before has Europe been such a hot topic in the media, politics and society, and Europe's common destiny is now very much in the public consciousness. There are major concerns about mounting tensions in Europe and about its loss of prosperity and stability, and these will not be mitigated simply by awarding the Nobel Peace Prize to the European Union. Europe is at a crossroads between fragmentation and progress towards a political union that will harmonise solidarity and individual responsibility.

The Brussels Liaison Bureau played its part in the debate on Europe by organising a series of conferences, seminars, forums and opportunities for behind-the-scenes talks that brought together top-level decision-makers from many different sectors and countries. Below is a short summary of the year's main events.

In February, an invitation to engage in debate on the correct amount of European integration was taken up by Dr. Peter Gauweiler MP, and Manfred Weber MEP, Deputy Chairman of the EPP Group in the European Parliament. In light of the threat to their sovereignty faced by national parliaments, Gauweiler concluded that the EU should be seeking to de-escalate rather than escalate the process of integration. Gauweiler preferred to rely on mature entities with clear identities, democratic principles and defined responsibilities rather than on the EU in Brussels. Weber opposed his argument by pointing out the many challenges faced by Europe that clearly need to be dealt with at supranational level. He said that practical issues relating to environmental protection and climate change, the fight against terrorism and crime and financial stabilisation require a high degree of strategic coordination and cooperation at European level. He claimed that Europe does not threaten national sovereignty but rather guarantees it in times when Europe's problems transcend national boundaries.

In March and April two conferences focused on data privacy and energy issues. In his speech, Bavarian Minister of the Interior Joachim Herrmann MP, did not deny that the existing 1995 data privacy laws have failed to keep up with the speed of technological and economic change. But he claimed that the European Commission's pro-



Bavarian Minister of the Interior Joachim Herrmann gives a speech in Brussels

posed amendments to the European Union's data protection framework are misguided because they constitute a breach of the principle of subsidiarity and leaves Germany at risk of having to lower its data privacy standards.

At the Energiematrix 2050 conference, Dr. Michael Süß, Head of Siemens Energy Division, said that Europe has to date failed to respond adequately to



European Commissioner for Energy Günther Oettinger

the complex global structures of energy policy. He felt that Germany's decentralised network with millions of "prosumers" (energy consumers who are also energy producers) was not the solution and that Europe was still not sufficiently united in terms of energy policy. European Commissioner for Energy, Günther Oettinger, gave his unequivocal support to industry's calls for greater European coordination of energy policy. Oettinger said that in the medium term the main focus should be on increasing energy efficiency, expanding the energy infrastructure and on the systematic use of renewable energy sources.

"European security policy after the NATO Summit in Chicago" was the subject of an international conference in May, with speakers including Dr. Reinhard Brandl MP. He called on the USA to continue to fulfil its role as leader of the alliance and not to simply allow itself to be driven by its own interests in the Pacific region. With regard to the latest smart defence

initiatives, Brandl argued for a realistic approach and a change in thinking about security policy.

In June a panel of experts tackled strategies for “intelligent” growth and sustainable finances. Markus Ferber MEP, Chairman of the CSU Group in the European Parliament, stated his belief that the dual system of vocational training was the best way to counter unemployment. He said that Europe does not have a labour market problem, but a problem of education. Ferber urged the European Commission to rethink its structural policies, saying Europe does not need more motorways, but does need more centres for education and training.



Markus Ferber MEP

In July Prof. Dr. Paul Kirchhof and former Slovakian Finance Minister Ivan Miklos cast an analytical eye over the various taxation systems in Europe. Prof. Kirchhof criticised the omnipresent overregulation that paradoxically leads to the laws being weakened. He said that tax-



Paul Kirchhof and Ingo Friedrich

ation is the price of freedom and of lives lived in peace, and that the state was entitled to a moderate share of an individual's private income, a figure that Kirchhoff set at around 25%. Miklos talked about Slovakia's positive experiences of simplifying its tax system, saying that lower taxes have resulted in increased tax revenues, lower levels of tax fraud and a reduction in administrative costs as a result of simplifying the different types of taxes.

The 10-year anniversary of the introduction of the euro in 2002 provided the impetus for a review of the current situation. Dr. Jürgen Stark, former ECB board member stated that the euro has acted as a shield that has prevented structural reform. He believed the lax interpretation of the Maastricht deficit and convergence criteria, together with the obviously falsified statistics, have led to a paradigm shift from a stability union to a transfer union. Since 2010 it has become the norm to circumvent the no-bail out clause and the ban on providing financial assist-

ance to struggling Member States. Stark recommended that these kinds of contraventions of the rules should in future be prevented by means of sanction and supervision mechanisms within a fiscal union. Prof. Iveta Radicova, Prime Minister of Slovakia from 2010 to 2012, stressed the need for reforms to be implemented in a systematic way in order to restore voter confidence. She said the focus of the structural reforms should be on training initiatives, making the labour markets more flexible and on steps to strengthen the middle classes.

The subject of a conference held in June was the European policy agenda of the Cypriot Presidency of the European Council, due to hold office dur-

ing the second half of 2012. Andreas Mavroyiannis, Cyprus' Deputy Minister for European Affairs, said that the focus of the Cypriot Presidency would be on solidarity and social cohesion, rapprochement with the EU's neighbours in the Middle East and North Africa and on strategies for sustainable growth and resource efficiency. In view of the ongoing controversy between the European Council and Parliament about the Schengen Area's powers in terms of policies on asylum and border control, former Bavarian Prime Minister Dr. Günther Beckstein MP, reminded the audience of the individual nations' responsibilities in the area of internal security. He also made a clear argument



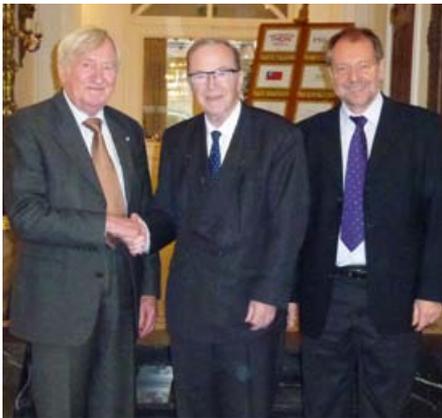
Andreas Mavroyiannis, Karel Kovanda, Günther Beckstein, Jannis Kasoulides MEP

against full EU membership for Turkey in light of the faltering entry negotiations.

At a conference in November on the financial framework of the EU that has now spanned many years, Alain Lamassoure, Chairman of the European Parliament's Committee on Budgets spoke about the antiquated basic structure of the EU budget that still earmarks almost 40% of its expenditure for agricultural and structural policies. In its present form, the EU budget is a historical monument but provides no convincing strategy for European economic growth, competitiveness and jobs.

In speeches given in Brussels in March and November, the Chairman of the Hanns Seidel Foundation, Prof. Hans Zehetmair,

made a convincing argument for a strong and powerful Europe that is more than just a currency union. A meeting of MEPs focused on how discussion about Europe could once again be given a positive slant. With EPP Chairman Wilfried Martens, he analysed decentralised approaches that comply with the principle of subsidiarity in order to strengthen cultural and linguistic autonomy and the idea of a unified Europe in which unity and diversity can exist in harmony. In talks with Kristalina Georgieva, European Commissioner for International Cooperation, Humanitarian Aid and Crisis Response, Prof. Zehetmair emphasised the common goals of the European Commission and the Hanns Seidel Foun-



Hans Zehetmair, Wilfried Martens, Peter Witterauf

dation in their development cooperation activities. He said that social and political change takes time, and the ongoing work of the political foundations demonstrates that establishing democratic systems is a long, slow process. This has once again become evident with the recent events of the Arab Spring in North Africa.

Moscow Liaison Bureau

The Hanns Seidel Foundation's Moscow Liaison Bureau works not only in Moscow but also tries to involve certain other regions of Russia in its networking and information activities. In June 2012, the Chairman of the Hanns Seidel Foundation, Prof. Hans Zehetmair travelled to



Hans Zehetmair with Governor Sergey Yastrebov

the city of Yaroslavl, a World Heritage Site, to meet with Governor Sergey Yastrebov and discuss possibilities for future cooperation in the areas of education and science.

In Sergiyev Posad, a city whose monastery played a significant role in Russian history, Prof. Zehetmair talked to high-ranking representatives of the Russian Orthodox Church about the relationship between state and church in present-day Russia. Changes to Russian domestic policy in the wake of the parliamentary and presidential elections were the topic of a series of talks in Moscow, among them with Gennady Gudkov, member of the Duma for the "A Just Russia" party and Deputy Chairman of the Committee for Security Affairs and the Fight against Corruption. During his visit, Prof. Zehetmair gave a well-attended talk at the Moscow State University about how, after the Second World War, Bavaria transformed itself from a predominantly agricultural area into a modern industrial state.

The main focus of attention in Russia in 2012 was the presidential election held in March. Vladimir Putin won the first ballot with 63 % of the vote against three other candidates. One week after the election, a German delegation of politicians and Russia experts led by Dr. Reinhard Brandl MP, member of the

Parliamentary Defence Committee, visited the Russian capital to talk to high-ranking Russian politicians and experts about the new prospects for Russia's domestic and foreign policy. Felix Klintsevich, Deputy Chairman of the State Duma's Defence Committee defended the recently announced intention of the new Russian President to invest billions in modernising the army with the argument that Russia was trying to maintain stability by creating a military counterweight. In other talks in the State Duma, Deputy Yevgeny Fyodorov announced that in future it would be made easier to establish new political parties. There was contentious discussion about accusations by the opposi-



HSF delegation with Grigoriy Yavlinsky (5th from right)

tion parties that the parliamentary and presidential elections had been manipulated and about the resulting violent protests. In this respect, the German delegation also had intensive discussions with two of the best-known representatives of the non-parliamentary opposition, Grigoriy Yavlinsky (Yabloko Party) and Boris Nemtsov (PARNAS alliance). At an evening reception with over 30 top Russian political experts, speeches were given by Prof. Dr. Heinrich Oberreuter, University of Passau and Vyacheslav Nikonov, member of the State Duma Budget Committee and President of the "Russkiy Mir" foundation, leading to discussions on the topic of "Changes to the party systems in Germany and Russia".



German Gref and Theodor Waigel

In August, former German Finance Minister Dr. Theo Waigel visited Moscow to take part in a series of political dialogues. The focus of these talks was EU policy on overcoming the financial crisis in the euro zone, a subject that has attracted a great deal of attention among Russia's political and business elites. During talks with German Gref, Chairman of the Sberbank and former Russian Economic Minister, it became clear that Russia would support the EU in its efforts at stabilisation and consolidation. Gref believed a clear indication in this respect was provided by President Putin's intention to continue to leave Russia's massive euro currency reserves in euro. During his visit, Dr. Waigel also had talks with the First Vice President of the Russian Central Bank, Alexei Ulyukayev and the Deputy Finance Minister, Sergey Storchak.

Welfare and economic policy was the focus of a two-day German-Russian forum held in Moscow in April. Michail Tarasenko, member of the State Duma Social Committee, gave a conference speech on "Current challenges facing modern welfare policy", in which he clearly rejected calls by Russian employers to extend the working week to 49 hours. Member of the Bundestag and welfare expert Max Straubinger explained to the Russian delegates how the German pension system will cope with the demographic challenges of the future and the need to increase the pension age from 65 to 67 years. Economic expert Markus



Max Straubinger, Markus Ehm, Michail Tarasenko

Blume MP, used the example of Germany to present the advantages of an open society that always allows for debate and broad consensus on how to find solutions to social problems. Under the title "The social market economy as a model for Russia?", a top panel of experts took part in a roundtable discussion, organised jointly with the Economic Institute of the Academy of Sciences. Oxana Dmitrieva, Deputy Chairwoman of the "A Just Russia" party in the State Duma, gave a speech criticising the fact that in the last 20 years Russia has failed to significantly curtail state intervention in the economy. She said that a hazy mixture of various economic and political concepts has led to an unacceptably high number of monopolies and to the constant privatisation of gains and socialisation of losses. Igor Jürgens, Director of the Institute for Modern Development, spoke of a kind of state capitalism in Russia that has served to enrich a great many interest groups. He claimed there is a lack of a model for competition such as that found in Germany's tried-and-tested "social market economy", where employees are well protected and the state takes on the role of "honest broker".

In June the Hanns Seidel Foundation organised a top-level programme of talks for seven members of the State Duma in Berlin and Munich. In the German capital the programme included political talks in the German Bundestag with Gerda Hasselfeldt, Chairwoman of the CSU Bundestag Group and several

members of the German-Russian Parliamentary Friendship Group, including its Chairman, Bernhard Kaster MP. The Russian politicians also held talks with Parliamentary State Secretary Christian Schmidt (Defence Ministry), Dr. Gerd Müller (Agriculture Ministry) and Dr. Andreas Scheuer (Transport Ministry) on prospects for German-Russian cooperation on security, agricultural and transport policy. In Munich,

Members of the Russian Duma with Gerda Hasselfeldt (6th from left) and Bernhard Kaster (9th from left)Members of the Russian Duma with Reinhold Bocklet (4th from left)

the delegation was welcomed to the Bavarian Parliament by First Vice-President Reinhold Bocklet. The delegates also had meetings with the Chairman of the CSU parliamentary group, Georg Schmid; with Dr. Gabriele Stauner, section head in the Bavarian State Chancellery; and with Dr. Peter Witterauf, CEO of the Hanns Seidel Foundation.

In September, a delegation of young German political multipliers visited Moscow and Kaluga. The highlight of



Bavarian delegation with Viktor Baburin (7th from right), Parliamentary President of the Kaluga region

their 3-day programme, which focused on issues relating to young people, was the welcome given by Parliamentary President of the Kaluga region, Viktor Baburin.

In October, a group of future young leaders of the Russian Federation came to Brussels and Munich to learn more about the latest political and social developments in the European Union and Germany. In Brussels they met with high-level politicians such as Manfred Weber MEP, Deputy Chairman of the EPP faction in the European Parliament and Dr. Gabriele Stauner, Section Head in the Bavarian State Ministry for Federal and European Issues. In Munich they had talks with the State Secretary of the Bavarian Ministry of Culture, Bernd Sibler, and with the Chairman of the CSU's youth group in the Bavarian Parliament, Markus Blume.

Athens Liaison Bureau

The Hanns Seidel Foundation began working in Greece in 2012. It has two main objectives: to improve the currently tense relations between Germany and Greece and to help Greece to resolve its severe economic and financial problems by providing targeted support and advice.

In collaboration with the office of the German-Greek Assembly (Deutsch-Griechische Versammlung DGV) in Thessaloniki we organised conferences aimed at boosting Greece's economic potential in the area of tourism and its global marketing of wine and olive oil. The HSF also organised two programmes of talks and discussions on European policy issues in Brussels in order to give members of the Greek Par-

liament and high-ranking Greek multipliers the opportunity to tell a European audience about their country's reform policies to date and to provide encouragement for the continuation of these policies.

As part of this conference programme, a study was presented on "Social Cohesion" in Greece by the Konstantin Karamanlis Institute. This gave a telling insight into the huge pressures that are burdening Greek society in these times of crisis.

In November, a high-level HSF delegation of experts in local politics took part in the "German-Greek Assembly" in Thessaloniki that was organised at the instigation of State Secretary Hans-Joachim Fuchtel MP, the German federal government's commissioner for German-Greek relations. 400 multipliers in the area of local politics discussed specific ways of working together to tackle the Greek crisis.



Panel discussion in Brussels with Greek MPs A. Georgiadis (left) and A. Dermentzopoulos (right)



State Secretary Hans-Joachim Fuchtel



Ingo Friedrich, Yannis Valinakis



Alois Rainer, Interior Minister Euripidis Stylianidis, Max Höffkes, Jakob Kreidl

INSTITUTE FOR SCHOLARSHIP PROGRAMMES

Institute for
Scholarship
Programmes

For three decades, the scholarship programme (established in 1981) of the Hanns Seidel Foundation has been supporting highly qualified students, PhD candidates and young

scientists in Germany and abroad who have demonstrated a keen interest in politics and social commitment in line with the values and ideals of a Christian and social democracy.



Head of the Institute Hans-Peter Niedermeier (right) in discussions at the career fair for school leavers in Munich entitled “Getting into Journalism”

One of the main aims of the Institute for Scholarship Programmes is to provide financial support and advice for above-average students, PhD candidates and young academics in Germany and abroad who have demonstrated a keen interest in getting involved in politics and society. This involvement should be in line with the fundamental values and ideals of Christian social democracy.

In the accompanying seminar programme, scholarship recipients work together (and with recipients of other scholarships, scholarship programme graduates and the Foundation’s academic advisors) to prepare for leadership and management roles in government, industry, culture and society.

The Foundation is currently working with around 60 academic advisors. Their responsibilities range from providing academic and personal support at the educational institution to involvement in the selection meetings. The exceptional degree of commitment shown by these voluntary advisors makes a significant contribution to the success of the HSS scholarship programme.

The Federal Government’s education campaign

The Federal Government’s education campaign has made it possible for Germany’s twelve scholarship organisations, one of which is the Hanns Seidel Foundation, to significantly increase the number of scholarships they can offer.

This particularly applies to study scholarships, where the number of beneficiaries has increased by more than 30 percent over the last 4 years. Of course this has also had a positive effect on the academic support offered by the Foundation and has allowed us to significantly expand our seminar and conference programme.

The increase in the book allowance from the German Federal Ministry of Education and Research (BMBF) also provided the scholarship organisations with additional funding and increased their attraction. In 2012 we continued to work on the implementation of the BMBF programme entitled “Supporting previously underrepresented groups in scholarship programmes”.

Scholarship programmes

Around 80 events were held in 2012 to promote studying in Germany (institutes of higher education and doctoral sponsorships) as part of our efforts to provide academic support and advice for our scholarship holders.

In addition, the Institute for Scholarship Programmes hosted numerous informational events on the Hanns Seidel Foundation's scholarships at secondary schools and colleges in Bavaria. Seminars were also held for school principals to inform them about new opportunities offered by the scholarship programme.

Joint forums and specialist events were held for German and overseas scholarship holders and scholarship programme graduates in the fields of the humanities and science, law, medicine, engineering and the media.

German universities are now home to 37 groups of scholarship holders and another 22 groups can be found at the universities of applied sciences.

The BIL/MIG programme for students with a migrant background and for foreign students studying at German universities was further expanded in 2012. The level of academic support provided as part of this programme was also increased. It is planned that this programme, with its aim of enhancing educational opportunities for gifted foreign students at German universities, should continue to be an important element of the Hanns Seidel Foundation's scholarship programme.

The "International Studies" division of the scholarship programme, introduced in 2011, is designed to give the best possible academic support to students who are obliged to spend a large amount of time abroad as part of their studies.

In 2012 preparations got underway for introducing scholarships in the "MINT subjects". This new division is designed to encourage suitable candidates to study subjects such as maths, IT, the

natural sciences and technology.

More information on our scholarship programmes is available on our website at www.hss.de/stipendium.html.



"Games and Cross-Media" was the subject of a media conference at Wildbad Kreuth: Bavarian state ministers Thomas Kreuzer, Andreas Scherer, Association of Bavarian Newspaper Publishers, Markus Kaiser, MedienCampus Bayern, Siegfried Schneider, Bavarian regulatory authority for commercial broadcasting



Legendary mountaineer Reinhold Messner at the Scholarship Alumni meeting in the South Tyrol, Italy



Charlotte Knobloch (centre), Chairwoman of the israelitische Kultusgemeinde München und Oberbayern, (Israeli community, Munich and Upper Bavaria) welcomes Munich-based scholarship holders to the Jewish Centre on Jakobsplatz



| Number of Scholarships in Germany in 2012 | |
|--|--------------|
| University scholarships | 407 |
| Scholarships at Higher education establishments (HAW) | 226 |
| Scholarships for Journalists (JFS) | 76 |
| BIL/MIG programme for foreign students studying at German universities and students with an immigrant background and (BIL/MIG) | 63 |
| Students in international degree programmes (IS) | 61 |
| Scholarships for PhD candidates | 189 |
| Total number of scholarships in Germany | 1,022 |
| Scholarships abroad | 87 |

SCHOLARSHIPS ABROAD

Since 1981, when the foreign scholarships programme was launched:

- 2,084 scholarships have been awarded to foreign students from 62 countries. The programme currently supports 87 scholarship holders from 31 countries.
- As part of the accompanying programme for scholarship holders from overseas, monthly meetings were held in Munich and the surrounding area, along with a series of one-day, one-week and weekend seminars.
- Follow-up meetings were held in Romania, the Ukraine, Hungary, Poland, Thailand, China, the Philippines and Indonesia for scholarship holders who had returned to their home countries after completing their studies in Germany.
- The annual meeting for foreign scholarship holders took place at the Wildbad Kreuth educational centre and addressed the topic of "The USA after the presidential elections".



Folklore evening during the annual meeting for foreign students



Foreign students address the topic of "The USA after the presidential elections"

INSTITUTE FOR POLITICAL EDUCATION

Political education is one of the core missions of the Hanns Seidel Foundation and an important prerequisite for the stability of our democracy, which is based on the rule of law and which requires on-going efforts to explain its

principles. The primary objective of our political work is to provide civic education based on Christian values, and to guide as many citizens as possible towards participating in our society in a well-informed and dedicated manner.

Political education is one of the core missions of the Hanns Seidel Foundation and a major prerequisite for ensuring the stability of our constitutional democracy. It is important that we continue striving to explain and clarify our democratic system. The primary objective of our political work is to provide civic education based on Christian values, and to give as many citizens as possible the information they need to become active participants in our society.

To this end, the Institute for Political Education offered a wide range of seminars and events during 2012. Over 52,000 citizens took part in more than 1,400

seminars and events at the Banz Monastery and Wildbad Kreuth educational centres, the Conference Centre Munich and at other venues across Germany.

Our seminars were aimed at people of all ages from all sectors of society and all occupations. There was a particular focus on encouraging and training volunteers to work in the political and social spheres, and also on young people. One of our main aims was to provide the younger generation with basic knowledge about political processes and issues and to encourage them to get involved in politics and society. The existing range of seminars on offer

for young people was supplemented by our first Youth Conference and a new series of seminars entitled “Young Europe Forum”.

The 2012 seminar programme was drawn up to reflect the central theme of “How do we want to live in the future?” – a question that affects almost every other issue, including policies on the environment, climate change and energy, economic, financial and welfare policies and the challenges faced by foreign and security policy. These are just a few of the topics that were covered in our seminars and events during the course of the year.

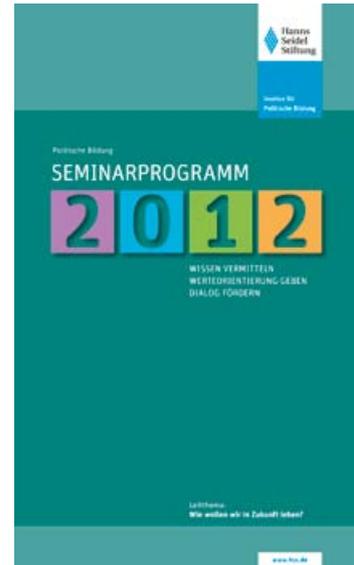


Head of Institute Franz Guber, political scientist Heinrich Oberreuter, CEO Peter Witterauf

Seminars and events

For the Institute for Political Education, 2012 kicked off with its traditional annual conference for seminar leaders and trainers to let them know the proposed aims and content of seminars in 2012. The CEO of the Hanns Seidel Foundation, Dr. Peter Witterauf, explained that the main focus of all the Foundation’s departments should be on major political issues such as the transformation of energy policy, the sovereign debt crisis, the future of Europe and the role of the media in democracy. The central theme for the year, “How do we want to live in the future?” was introduced by the Head of the Institute for Political Education, Dr. Franz Guber.

He said it was particularly important for an institute for political education to not only tackle current questions but also more long-term, fundamental issues. The keynote speech of the two-day conference was given by Prof. Dr. Heinrich Oberreuter, who looked at the mission and the challenges faced by civic education. He stated his belief in the need to provide political education despite – or perhaps even because of – the difficulties that such education faces among large sections of the population due to individualism, public perceptions of entitlement and the rejection of social and political order. He said that all the hard work is worthwhile to achieve the freedom that can best be guaranteed by democracy.



Current topics of the seminars and events organized by the Hanns Seidel Foundation are listed in the 2013 seminar program, and shown in the events database found on our website: www.hss.de/veranstaltungen.html

| Number of Seminars in 2012 | |
|--|--------------|
| in Bavaria | 681 |
| at the Educational Centre Wildbad Kreuth | 317 |
| at the Educational Centre Banz Monastery | 371 |
| at the Conference Centre Munich | 48 |
| Total | 1,417 |



The Educational Centre Wildbad Kreuth

| Number of Participants in 2012 | |
|--|---------------|
| in Bavaria | 34,648 |
| at the Educational Centre Wildbad Kreuth | 6,683 |
| at the Educational Centre Banz Monastery | 8,029 |
| at the Conference Centre Munich | 2,766 |
| Total | 52,126 |



The Educational Centre Banz Monastery



The Conference Centre Munich

ACADEMY FOR POLITICS AND CURRENT AFFAIRS

Academy for
Politics and
Current Affairs

The Academy organised 104 events (panels of experts, workshops, symposia, round tables, etc.) in the course of the year, with 7,858 participants. The Conference Centre Munich and the educational centres in Wildbad Kreuth and at the Banz Monastery provided the main venues and

6 conferences with a total of 580 participants were held in Berlin. The Academy's goal is to serve as a platform for the exchange of ideas on politics and current affairs and it strives to make a major contribution to public discourse and policymaking.

Crises on Europe's borders – 2. International Strategy Symposium organised by the Hanns Seidel Foundation

The Hanns Seidel Foundation initiated its biannual International Strategy Symposium in 2010 on the occasion of the 20th anniversary of German reunification. The first symposium reviewed the state of Germany's "new" foreign policy and worked on new perspectives for Berlin's diplomacy in view of the new global challenges that it faces. The International Strategy Symposium held on 3 December 2012 in the Conference Centre Munich focused on specific crises on Europe's borders. These were analysed in terms of their potential for escalation and a study was made of scenarios and strategies to mitigate these problems.

In his introductory talk entitled "Crises on Europe's borders – Consequences for Internal Security", the Federal Minister of the Interior, Dr. Hans-Peter Friedrich MP, stressed how the distinction between internal and external security has now become very fluid. For example, the uprisings in the Arab countries had an impact on Germany's security at home. Dr. Friedrich stated his belief that the main security risks come from Islamic terrorism, organised crime and increased migration. There is no acute threat to Germany's security at present, but in future it will be vital to help the affected countries to build stable governmental and security structures. He said Germany must work closely with its international allies to deal with the challenges in the "arc of crisis".

After the keynote speech by the Minister of the Interior, experts with both academic and practical experience of politics came together to discuss how Germany and the EU should handle the new challenges and possible courses of action (Markus Ferber MEP, Dr. Michael Griesbeck, Prof. Dr. Beate Neuss, Prof. Dr. Rainer Tetzlaff and Prof. Dr. Carlo Masala).



Federal Minister of the Interior Hans-Peter Friedrich speaking at the Strategy Symposium

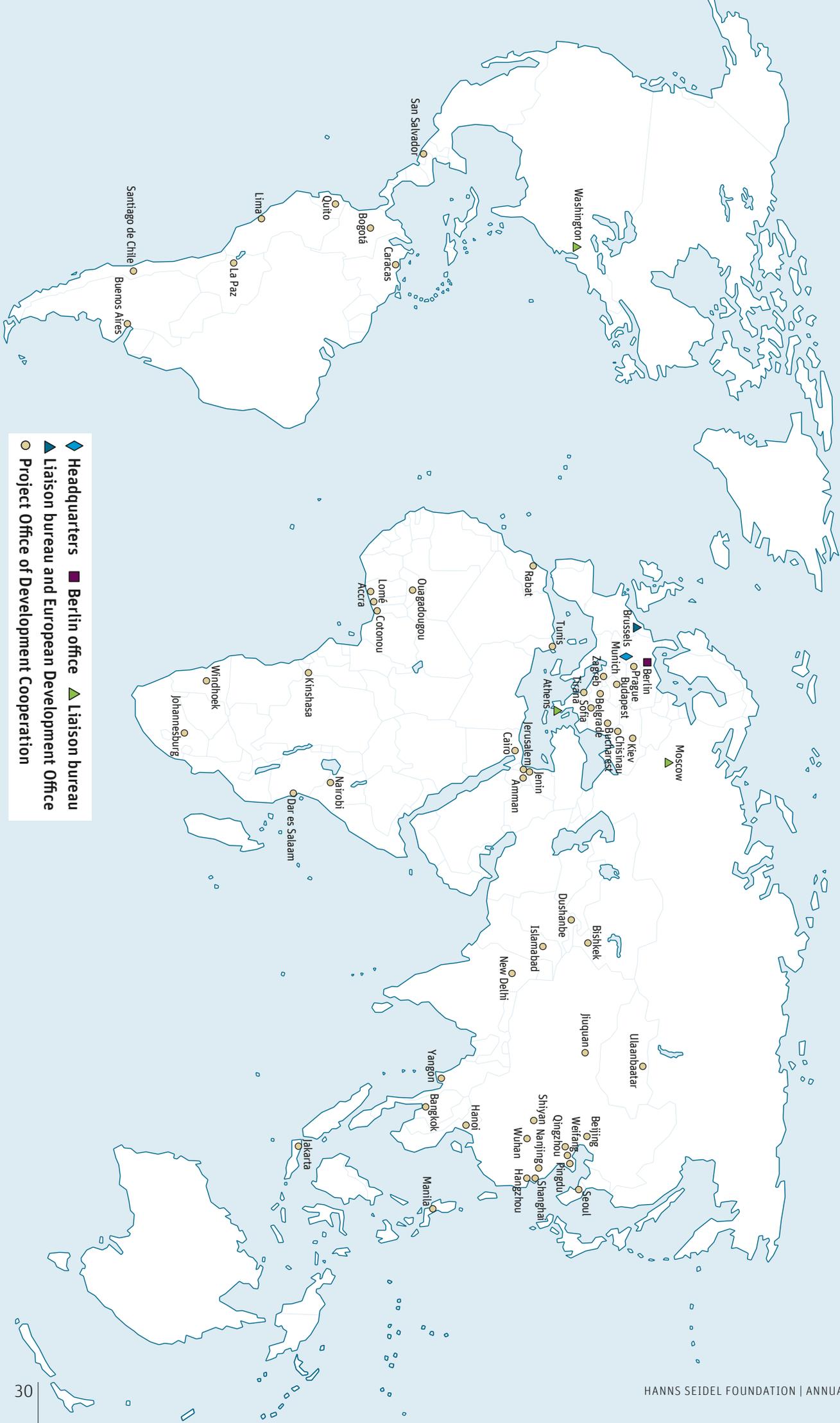


The conference room with Federal Minister Hans-Peter Friedrich at the lectern



Panel discussion with Rainer Tetzlaff, Beate Neuss, Carlo Masala, Markus Ferber, Michael Griesbeck

HANNS SEIDEL FOUNDATION WORLDWIDE



- ◆ Headquarters
- ▲ Liaison bureau and European Development Office
- Project Office of Development Cooperation
- Berlin office
- ▲ Liaison bureau



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