



**TECHNO SERVE**  
Business Solutions to Rural Poverty

# WORLD

A Newsletter For Friends Of TechnoServe • Fall 2007

We are at a “TechnoServe Moment” – a point in our history when a confluence of diverse trends, both external and internal, are coming together to create opportunities for us to do our work at a scale and with an impact greater than TechnoServe has ever had before.



Externally, there is a growing recognition of the importance and efficacy of private-sector approaches to eradicating poverty, as well as an accelerating increase in resources available to deploy these approaches.

Internally, we are increasingly confident of our ability to have real impact. Our models of interventions have been refined and successfully applied in settings from Nicaragua to Kenya. In fact, TechnoServe is currently empowering entrepreneurs and helping them to build business and industries in 16 countries in Latin America and Africa, and we are expanding.

We have never before had an opportunity to do so much good work. With your continued support, we are in a position to bring opportunity and hope to hundreds of thousands of people in a sustainable and empowering way. The prospect is humbling and inspiring.

In this newsletter, we highlight just a few examples of our partnerships and our work. As always we remind ourselves that “impact,” “models” and “TechnoServe Moments” are ultimately about service – humble committed service to the poor.

Bruce McNamer  
President and CEO

## Helping Honduran Farmers Serve Better Markets



José Abraham Dominiguez, a member of the APRHOFI cooperative

Intibucá, in southwestern Honduras, enjoys a favorable climate for farming, yet is one of the country’s poorest regions. Most area farmers own less than three acres, but in the past decade, they have improved their lot by planting market crops like cauliflower, broccoli and lettuce, and by organizing a farmers’ association, Asociación de Productores de Hortalizas y Frutales de Intibucá (APRHOFI).

Still, challenges remained. Lacking technical or commercial experience with these crops, APRHOFI’s members weren’t achieving the quantity, quality and consistency of production needed to enter high-value markets.

TechnoServe saw potential, though. In 2005, with support from the U.S. Agency for International Development and the U.S. Department of Agriculture, it helped the group

improve its ability to sell produce year-round, increase its supply base, and grow valuable crops such as potatoes. TechnoServe also helped them forge commercial links with new buyers and strengthen the association’s administrative and financial processes.

**TechnoServe’s business advice has stimulated a culture of production efficiency in Intibucá and influenced the quality of life there.**

With a pilot group of 10 members, TechnoServe introduced new technologies to increase yields and quality, including

*(continued on page 4)*

# TechnoServe's Polish Affiliate Celebrates its Fifteenth Anniversary



Halina Siemaszko, Executive Director of the Center for Business Promotion and Entrepreneurship

In June, VIPs and government officials gathered in the town of Sandomierz, Poland to celebrate a special anniversary. Fifteen years earlier, TechnoServe had co-founded an institution that would once have been unimaginable here: a center for private business promotion and entrepreneurship.

After the Berlin Wall fell in 1989, Poland – building on a decade of Solidarity's anti-communist leadership – started the actual transition from communism to capitalism. The shift was particularly daunting for rural

areas. Polish Senator Zbigniew Romaszewski, representing a rural southeastern district, sought TechnoServe's help. He had learned of TechnoServe's work in building local capacity in Latin America and Africa. Could we help in Poland? With support from private donors and partners, we conducted research and design missions that led to a five-year grant from the U.S. Agency for International Development to build a local institution for business development.

Thus in 1991 TechnoServe and Romaszewski co-founded the non-profit Center for Business Promotion and Entrepreneurship, in Sandomierz. Its mission was to help individuals and communities harness private enterprise as a means to sustainable economic and social development, to help lead and accelerate the post-communist transition in this low-income area.

The early years focused on agriculture. A typical client was Zdzislaw Baran, who with the center's help more than doubled his farm area and quadrupled his dairy herd, achieving production well above the national average. Efforts soon expanded to

promote business development more broadly. The center's recently started loan fund has already helped more than 25 high-risk start-ups.

Thanks to the generous support of a U.S. family foundation, the center is housed within its own modern hotel and conference center. These enterprises' net profits contribute almost a third of the center's total funding for its development activities. The highly qualified staff provides consulting, training and technical assistance to small- and medium-sized businesses, entrepreneurs, farmers, and local organizations and governments. In 2006 the center helped 45 businesses start or expand and provided training and advisory services to over 3,000 clients from its six office locations.

The 100+ guests gathered in Sandomierz for the center's 15th anniversary well appreciated its importance. Many similar agencies began in the early 1990s, but few survived, much less thrived. Speakers praised the center's achievements and commitment to the local community, and the regional governor presented key staff with special Presidential awards for national service.

## Financial Times Ranks TechnoServe Among World's Top Five Non-Governmental Organizations

Corporate citizenship and philanthropy report recognizes TechnoServe for its business partnerships track record

A *Financial Times* special report rates TechnoServe as one of the world's top non-governmental organizations (NGOs), placing it fourth on a list ranked on the basis of business partnerships. The ranking table appears in a special report on corporate citizenship and philanthropy (<http://www.ft.com/reports/philanthropy2007>) intended to help companies identify potential partners for socially-minded corporate projects.

TechnoServe's rank was based

on company surveys that rated partners on accountability, adaptability, communication and execution. The data was collected by Dalberg Global Development Advisers.

The ranking reflects TechnoServe's ability to leverage partnerships and its own proven, market-based methodologies to fight poverty in the developing world.

"The corporations with whom we work – such as Nestlé, Google, Lenovo, Procter & Gamble, Cargill and Peet's Coffee & Tea – recognize

the value of private-sector development," says Bruce McNamer, TechnoServe president and CEO. "They understand that such partnerships can be mutually beneficial: a corporation can boost its bottom line while at the same time increasing the incomes of the rural poor."

The report was published to coincide with the UN Global Compact Leaders Summit and the half-way point for achieving the Millennium Development Goals.

# TechnoTours Marks its Debut in Mozambique

By Serap Akisoglu, TechnoServe's Director of Major Gifts

Participating in the first official TechnoTours trip to visit projects in Mozambique were the Brenninkmeijer family (Titus, Wendy and daughter Sophie) and Avinash Kaza. Both Avi and Titus are TechnoServe members. The trip included visits to TechnoServe clients working in poultry, cashew and biofuels. It also took in Gorongosa (a national park where an ecotourism industry is growing to benefit local communities) and the sites of other TechnoServe tourism programs initiated with Ford Foundation support, including Ilha de Mozambique (the former national capital), Guludo Island Beach Lodge, and Ibo Island.

Throughout, the range of life and landscape in Mozambique deeply impressed us. Whether it was sailing in a traditional *dhow* or touring a cashew facility, there is nothing quite like seeing life in Africa firsthand to appreciate the people and the challenges they face.

Due to the vastness of Mozambique and the wide coverage of sites, travel was vigorous and intense. We experienced a variety of vehicles: riding in single- and twin-engine airplanes, sharing a mini bus with a live chicken, and sailing in a canoe carved from a tree trunk. Zodiac rafts made island hopping possible. Sturdy jeeps and trucks hauled us between mainland sites. Particularly memorable was a ride in a *dhow*, including a crew



TechnoServe members Titus Brenninkmeijer (left) and Avinash Kaza enjoy the first-ever TechnoTour

member who was kept constantly bailing the in-flowing water with a bucket as we sailed over the Indian Ocean.

We covered miles on foot to see everyday village life and its tasks. We were greeted enthusiastically by hundreds of children and were repeatedly inspired by people's hospitality and warmth despite their overwhelming poverty. Time after time, we found Mozambicans who worked hard and were eager to learn. We also saw that TechnoServe is making a difference in their lives. It was thrilling to gain a true appreciation for the depth of that collaboration, and to witness firsthand its transformative power.

Along with this appreciation, I

brought back unforgettable memories: a visit to Gorongosa park and the driver's warning about lions lurking in the bushes; the sight of Ilha de Mozambique, with its natural beauty, profound cultural significance and unfortunate state of disrepair. The haunting quality of that island will stay with me always. At a cashew facility in the Nampula province, we were dumbfounded by the labor involved in cashew hulling and sorting. I still can't believe how painstakingly workers sort the cashews. Finally comes the memory of flying from Gorongosa to Beira in a single-engine plane, both thrilling and terrifying with the spectacular landscape below, a cinematic moment.



A worker sorts cashews in a processing facility on the tour itinerary

"We very much enjoyed meeting members of the TechnoServe team and the entrepreneurs during our TechnoTours to Mozambique. I was very much impressed by the variety of sectors that TechnoServe is involved with and the tremendous impact that TechnoServe's work is having with regards to economic development and job creation.

Congratulations to your work and efforts changing the lives of thousands of Mozambicans."

- Titus Brenninkmeijer

## Helping Honduran Farmers *(continued from page 1)*

a drip irrigation system, greenhouses, mechanized plowing, and quality seeds. Together these increased producers' yields by over 50 percent.

With TechnoServe's support, APRHOFI also expanded into value-added potatoes; that is, potatoes that are washed and sorted according to quality. The high-yield crop grows well in the region and allows the association to sell in Honduras' major cities at a price premium of over 20 percent. In the first quarter of 2007, potato sales racked up over a third of the association's total sales, and amounted to more than APRHOFI's total vegetable sales for the same period the year before.

APRHOFI also strengthened its relationships with buyers, boosting prices paid to producers by more than a third. The association recently celebrated a major landmark when it signed a supply contract worth \$350,000 with Grupo Comidas Especializadas, which owns the Pizza Hut and Kentucky Fried Chicken franchises in Honduras.

The capacity to add new products, negotiate prices with buyers and serve more markets would not have been possible without construction of a new

processing facility. It uses the best manufacturing practices and gives the association access to buyers with stringent quality standards. TechnoServe helped APRHOFI secure over \$65,000 in financing for the facility from the European Cooperation, and since opening in December 2006, it has been processing 50,000 pounds of product a week.

APRHOFI members such as José Abraham Dominguez are benefiting from the expanding opportunities. José has tripled his weekly income, improved his home, and hired four workers to help with the increased production on his farm. He can also afford to send his children to school. José is also giving back to his community by raising money for the school and helping to bring potable water to the town.

TechnoServe's business advice has stimulated a culture of production efficiency in Intibucá and influenced the quality of life there in many ways. Residents now enjoy access to a bounty of nutritional vegetables, and other area producer groups view APRHOFI as a model.



APRHOFI member Luciano Sánchez drops off his produce

## Donate Directly Through Your IRA

There's still time to turn your IRA distributions into tax-free donations to TechnoServe.

If you are at least 70½, you may want to consider making gifts to TechnoServe directly from your tradi-

tional or Roth Individual Retirement Account (IRA). As part of the Pension Protection Act of 2006, Congress has made it possible to make tax-free charitable gifts of up to \$100,000 from your IRA. Giving in this way assures that

these funds will never be subject to income or estate tax. This may make it possible to give more at the same or lower cost than in the past. If you would like additional information, please contact Darlene Brown at [dbrown@tns.org](mailto:dbrown@tns.org) or 1-800-99-WORKS.

### WAYS YOU CAN SUPPORT TECHNOSEERVE

#### Direct Contributions

Gifts of cash, real estate or personal property will support our work in Latin America and Africa.

#### Appreciated Stock Contributions

Gifts of stock or other investments which have recently grown in value can be more advantageous than cash as they can leverage your tax benefits.

#### Memorial and Honorary Gifts

Contributions can be made in memory or honor of a relative, friend or colleague. Your gift will be acknowledged to the honored person or family.

#### Bequest Contributions

By including a gift to TechnoServe in your will, you can provide a meaningful contribution to either current operations or TechnoServe's endowment.

#### Pooled Income Fund Contributions

Contributing to TechnoServe's Pooled Income Fund results in income for you proportionate to your contribution and a tax deduction based on the estimated principal that will be left to TechnoServe.

#### Charitable Gift Annuities

A charitable gift annuity contract with TechnoServe provides a guaranteed lifetime income for you and a tax deduction based on the estimated principal that will be left to TechnoServe.

#### Charitable Remainder Trusts

A charitable remainder trust naming TechnoServe as a beneficiary can provide income for you and a tax deduction based on the amount that will be left to charity.

*For more information please write or call Darlene Brown at 1-800-99-WORKS.*



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Since its inception in 1968, TechnoServe has helped to create or expand more than 2,000 businesses, benefiting millions of people in 32 countries.