



TechnoServe
BUSINESS SOLUTIONS TO POVERTY

WORLD

A Newsletter For Friends Of TechnoServe • Spring 2011

It's easy to throw around a word like sustainability. It's hard to define what that word means – and harder still to create sustainable change in developing countries.



This edition of the World newsletter features a story that shows what sustainability means to TechnoServe. When we first looked at Mozambican poultry in 2005, the industry was in shambles. TechnoServe's comprehensive analysis showed that with proper support, the poultry industry could be a major source of jobs and economic growth for Mozambique.

In the following years, our team worked to realize this vision by building skills and knowledge among participants across the industry. The result, some six years later, is an industry transformed. Companies are producing more chicken in a safer manner. Small-scale farmers are supplying the industry and earning higher incomes. Consumers are demanding better-quality Mozambican chicken over imports. The industry's growth has helped hundreds of thousands of Mozambicans improve their lives.

And here's the important part: This industry has staying power. TechnoServe helped provide a spark, but it was the Mozambicans – the farmers, the company owners and employees, the government officials – who drove this remarkable progress. They will ensure that the new jobs and economic opportunities last long after TechnoServe's support has ended.

This is what sustainability looks like. And it's supporters like you who put the power to create a better future in the hands of those who need it most. Thank you for all you do to help end global poverty.

Bruce McNamer
President and CEO

Growing Poultry Industry Transforms Lives in Mozambique

In a hand-built barn in northern Mozambique, Domingos Alfredo Torres tends to his flock of 1,500 chickens. The farmer fills watering and feed stations, ensuring that his chickens grow healthy and plump. They will be in his care for barely five weeks, but these animals represent an opportunity for Domingos to build a better life.



Domingos Alfredo Torres holds a chicken in his barn in northern Mozambique. Poultry farming is helping Domingos create a better life for his family.

Domingos earned \$130 from his first flock – money that he used to put a better roof on his house and pay school fees for his children. He has the potential to raise seven flocks each year for Novos Horizontes, a nearby poultry company. Compared to growing crops, chickens represent a more dependable source of income for Domingos, his wife and their nine children.

“With crops, I am always depending on the rain,” Domingos said. “With chickens, I have more control over the outcome. I want to invest in my barn and earn more money from chickens.”

Thousands of similar stories have been playing out across the country in recent years thanks to the growth of the poultry industry. TechnoServe

recognized poultry's potential to create jobs and economic opportunities in Mozambique, launching a comprehensive program in 2005 to strengthen the industry. The program ended earlier this year, but the benefits for the people of Mozambique look to be long-lasting.

TechnoServe's work began with a strategic plan for the industry, funded by the U.S. Agency for International Development and conducted in collaboration with local stakeholders. Our research showed that much of the *galinha* found in Mozambique stores was Brazilian chicken, imported illegally after sitting in Middle Eastern supermarkets for a year or more. Domestically produced

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Guatemalan Woman Finds Independence Through Fruit Juice Business



Mónica Jacinto holds a bottle of Kask'i tamarind juice.

Mónica Jacinto once struggled to support herself and her four children. Today, she is helping her children achieve the promise of a better future through her thriving fruit-juice company, launched by a group of determined women in Guatemala's Mayan highlands.

Mónica's path to independence began three years ago when she joined an association of women from the San Lucas Tolimán region, who learned practical skills like weaving in an effort to find income opportunities. Mónica's husband had abandoned the family, leaving her in debt and with few opportunities for employment.

"I have always managed to provide enough food for my children, but the same cannot be said for me," Mónica recalls. "Many times, I had to sacrifice so that my children could eat."

Because the women had access to an ample supply of fresh fruit, they decided to capitalize on a skill they all shared: cooking. They formed a business called Kask'i and began producing fruit juices in one of their homes using a donated blender.

The women faced many challenges as they tried to expand their

business. Their limited knowledge of marketing, distribution and sales prevented them from maximizing profits, and some women were forced to abandon the business altogether when their husbands forbade them from working.

Last year, the group began working with TechnoServe through a program focusing on women-owned businesses. TechnoServe business advisor Michelle Palacios has helped train the women in basic business skills such as marketing and management. Michelle, in turn, is receiving training on promoting gender equality, which will help her respond to the sensitivities and needs of the rural women.

The 34 women of Kask'i have received assistance meeting the quality standards needed to reach new markets. They also have learned to coordinate more effectively, talking through disagreements and putting the most divisive issues to a vote. As a result of these improvements, the company's sales have increased by 60 percent since it began working with TechnoServe.

"TechnoServe has helped us to improve the business," Mónica says. "Really, they have helped it to become a business. Before, we produced something, but we didn't know how to sell it. Now we produce a higher-quality product and we sell

for a better price."

The added income has helped Mónica provide her children with better food, clothes and an education without borrowing money or sacrificing her own well-being. Mónica used to rely on prayer and medicinal herbs when she was sick. Now she is much healthier and has recovered from the detrimental effects of anemia.

Mónica's dream is to buy a house for her family. Above all, she wants her children to have successful futures and be able to support themselves. Meanwhile, Mónica is working hard to make Kask'i one of the largest businesses in the region and a respected producer of healthy, natural products.

"Success means overcoming the challenges of being born a poor, indigenous woman," Mónica says, "and becoming a businesswoman."



A worker labels packets of Kask'i pineapple juice. The women-owned business has seen an increase in sales since it began working with TechnoServe.

TechnoServe Earns Charity Navigator Four-Star Rating

For the fifth consecutive year, TechnoServe has received the highest rating from Charity Navigator, the premier evaluator of U.S. charities.

The four-star rating is a recognition that TechnoServe consistently executes its mission in a fiscally responsible way, and outperforms most

other charities in the U.S. Only five percent of the charities rated by Charity Navigator have received at least five consecutive four-star evaluations.

Charity Navigator evaluates the financial health of more than 5,000 U.S. charities to help donors make informed choices.

Mozambique Poultry Industry *(continued from page 1)*



TechnoServe's poultry program has helped companies such as Gett Poultry to increase sales, create jobs and source from more small-holder farmers.

poultry accounted for only a third of the market. The challenge was to make the local industry competitive enough to sell chickens at a better price than the Brazilian imports.

Through the U.S. Department of Agriculture's Food for Progress program, TechnoServe secured funding for a program that brought together a wide range of partners, both public and private, to strengthen the Mozambican poultry industry. One of the first steps was to bring local producers together and create a national poultry association. These early meetings, which brought together sometimes fierce competitors, weren't always easy. But they resulted in the formation of an industry group, known as A.M.A., which gave domestic producers a unified voice.

TechnoServe worked with A.M.A. to recommend import requirements that would protect the health and safety of Mozambicans but not constitute a restraint of trade. The Mozambican government implemented those recommendations. A.M.A. also launched a popular advertising campaign – featuring a voluptuous animated local chicken – that promoted the benefits of buying domestic poultry. These measures helped local producers capture a greater share of the Mozambican market.

Meanwhile, TechnoServe promoted training to help the industry function more efficiently. Our advisors

the farmers receive chicks, feed and vaccinations up front. The costs are then deducted when the farmers sell the full-grown chickens to the processors. Another critical aspect of the poultry industry's growth was the development of the feed grains sector, with tens of thousands of small-scale maize and soy farmers growing more crops to supply the expanded market.

TechnoServe also worked with government agencies and other partners to ensure the safety of the growing poultry industry. In partnership with Cargill, the University of Minnesota and the Safe Supply of Affordable Food Everywhere (SSAFE), TechnoServe helped strengthen the public veterinary service, contributing to improved animal health and a safer food supply. TechnoServe encouraged producers to make investments in bio-security through a matching grant program. And our advisors helped train government inspectors to more effectively monitor the industry and identify any threats to safety.

All of these measures helped Mozambican poultry grow from a \$25 million industry in 2005 to \$160 million in 2009. The industry has created more than 90,000 jobs, including tens of thousands of small-scale farmers. Hundreds of thousands of Mozambicans are living better lives thanks to the industry's growth – eating healthier diets, accessing health care, sending more children to school.

worked with companies like Novos Horizontes to help them upgrade their processing machinery, expand production capacity and improve the quality of their chickens. As part of this effort, TechnoServe helped connect the companies to smallholder farmers like Domingos through a credit system in which

“The results have been dramatic,” Florencia Cipriano, head of veterinary services for the government of Mozambique, said during a congressional briefing in February. Cipriano was part of a delegation from the Mozambican poultry industry that came to the United States to attend a conference and discuss the industry's success.

“In 2005, there were two imported chickens for every one domestically produced chicken,” Cipriano said. “Today, Mozambican broilers outnumber imports three to one.”

Funding for TechnoServe's poultry program ended in March, but the industry is on a sustainable path of growth. Domestic production is expected to grow 42 percent this year and another 30 percent next year. TechnoServe has incorporated lessons from our poultry work into other programs. For example, we are continuing to provide incentives for companies to train smallholder poultry farmers through our Agro-Forestry Villages program, a USDA-funded effort to integrate sustainable agriculture with plantation forestry. TechnoServe is also continuing our development of the regional soy industry through a program funded by the Bill & Melinda Gates Foundation.

Technoserve worked with companies like Novos Horizontes to help them upgrade their processing machinery, expand production capacity and improve the quality of their chickens.

The Mozambican poultry industry still faces challenges as it continues its growth. But with the foundation of skills and knowledge laid by TechnoServe, the men and women of Mozambique are poised to ensure that chickens help change even more lives.

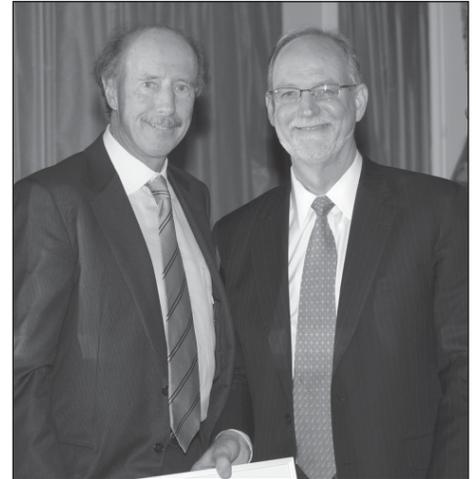
Gala Celebrates TechnoServe Supporters



Honoree Bonnie Raquet receives a plaque from TechnoServe President and CEO Bruce McNamer.



TechnoServe Board Member Suzanne Nora Johnson stands with honoree Segun Aganga.



TechnoServe Chairman Paul Tierney stands with honoree Ken Powell.

TechnoServe's 43rd Anniversary Gala, held on March 16 in New York City, celebrated our legacy and the work made possible by the support of the men and women who believe in our approach to ending poverty.

TechnoServe honored three distinguished supporters who have played a significant role in transforming thousands of lives. Longtime TechnoServe board member Bonnie Raquet, who recently retired from Cargill, spoke about the improvements she saw on the ground in Venezuela as a result

of TechnoServe's work with Cargill. Former TechnoServe board member and current minister of finance for Nigeria Segun Aganga endorsed TechnoServe's approach as a real, sustainable solution to poverty in even the most challenging places. General Mills Chairman and CEO Ken Powell closed the evening by talking about how our work with General Mills in East Africa is improving food security and creating new opportunity for those who need it most.

The more than 320 people in attendance watched a new video at the

event that explains our approach to the mission of helping entrepreneurial men and women in the developing world build businesses that break the cycle of poverty – a mission that has remained consistent since Ed Bullard founded TechnoServe in 1968. Visit our blog (www.technoserve.org/blog) to watch the video.

The gala raised nearly \$900,000 that will help TechnoServe expand our work and improve more lives. And those generous supporters helped celebrate the change that they have made possible.

WAYS YOU CAN SUPPORT TECHNOSEERVE

Direct Contributions

Gifts of cash, real estate or personal property will support our work in developing countries.

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.



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TechnoServe is a private, nonsectarian, nonprofit organization, as defined by IRS code section 501(c)(3). TechnoServe is a member of Global Impact. Contributions to TechnoServe are tax deductible to the extent permitted by law.

Since its inception in 1968, TechnoServe has helped to create or expand thousands of businesses, benefiting millions of people in more than 40 countries.