



TECHNO SERVE
Business Solutions to Rural Poverty

WORLD

A Newsletter For Friends Of TechnoServe • Fall/Winter 2006

As TechnoServe founder Ed Bullard knew, the developing world has plenty of hardworking, entrepreneurial individuals who have the potential to transform their communities. But they often lack the training and connections to start or grow businesses. So we have been running entrepreneurship development programs to give these men and women the boost they need.



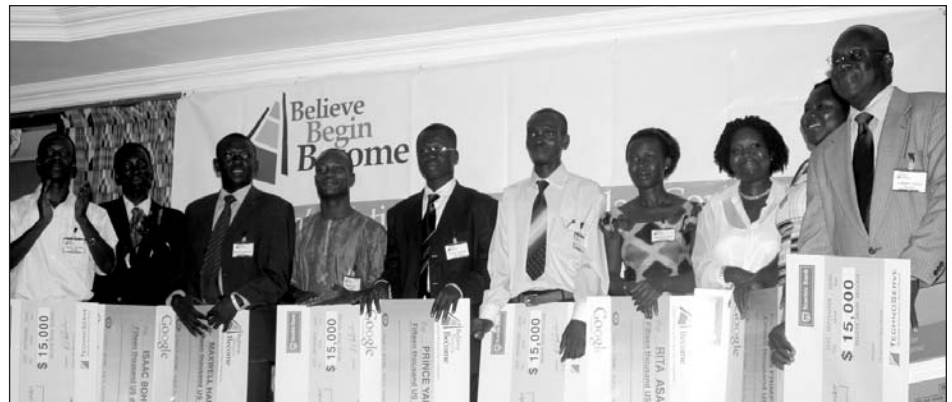
Our initial efforts in Latin America have proven so successful that we're now replicating them in Africa. I recently visited Ghana for the culmination of their first national business plan competition. The Google.org-funded *Believe Begin Become 2006* has clearly generated a lot of enthusiasm and momentum within Ghana's business community, and we are confident that similar programs can pave the way for entrepreneurs across Africa.

On the business- and industry-building side, one recent and growing success has been our work in Tanzania's tea industry. We are turning struggling farmers into business people who can make the most of their resources and use them to build a more secure and comfortable future for their families. This initiative too is adapting successful models that we have refined in other countries and industries.

Our generous supporters – one of whose perspectives is featured in this issue – are increasingly important as we scale up our initiatives in order to help many more people escape poverty. We're grateful to everyone who shares our commitment to harnessing the power of business to improve people's lives.

Bruce McNamer
President and CEO

Competitions Set African Entrepreneurs on Path to Success



Believe Begin Become 2006 winners are awarded cash prizes.

Hundreds of people gathered at a hotel in Accra, Ghana on a steamy September evening to find out who had won *Believe Begin Become 2006*, TechnoServe's first national business plan competition (BPC) in Africa. There was much applause for Joseph Tackie – the overall winner, who is planning to expand his meat processing company – as well as for the nine men and women who won the industry and general category prizes.



Participants concentrate on a business lesson.

But there was more to celebrate that night than the bold ideas and hard work of the winners, who all received seed money to help launch or expand their businesses. It also showed that the BPC program – developed and refined over the past four years in Latin America – can work in other parts of the developing world.

BPCs are comprehensive programs that identify entrepreneurial men and women and give them the tools and networks they need to build competitive enterprises. Their businesses then provide much-needed jobs and markets for poor people, and spark economic growth that benefits communities and countries. Funded by Google.org, *Believe Begin Become 2006* was the first of several BPCs that are being rolled out over the next year across the African continent (in Swaziland, Kenya, South Africa, Tanzania, and again in Ghana, with funding from

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Tea Leaves Point to Brighter Future in Tanzania

By John Taylor, CFO of TechnoServe

After driving nine hours west from Dar es Salaam, we arrive at the tiny village of Sawala, in Tanzania's Southern Highlands. The community tea plot, a relic of socialism, lay fallow for years. But today it is a lush field divided into two-and-a-half acre plots that individual farmers work with TechnoServe assistance.

With funding from the West Foundation, two TechnoServe business advisors, Kastory Timbula and Junus Mwano, are helping farmers in such villages turn their main cash crop into a business and triple their tea productivity. They have organized them into business groups, taught them more productive agricultural techniques, and linked them to financial institutions.

We meet the 78-year-old village elder, who explains that tea is the primary source of income for the community and that a portion of each tea sale funds social projects, such as a school. I then notice a man waiting to have his tea leaves weighed. I ask if TechnoServe's work has improved his family's life. He smiles and nods. Sensing a great impact story, I ask what the increased income has allowed him to do. He says he purchased a soccer ball. I ask again, assuming something got lost in translation, but the response is the same – a soccer ball.

Ughh! My story starts to fall apart. I close the notebook but continue to chat. I ask him what else he has been able to do with the extra income. He smiles and responds that his kids are now in school,



From left to right: Mufindi Tea Company manager Lukelo C. Nyagawa and TechnoServe business advisor Kastory Matembe Timbula discuss tea farming with growers Natales Ngwila, Augustino Msakwa and Charles Mtavangu.

he is putting a new roof on his house, and he is starting to save some money. This is amazing, considering they make \$300 a year. Again, though, he comes back to the soccer ball ...

Why, I ask, is this soccer ball so important? He explains that two years ago his children didn't go to school, and the entire family worked as day laborers, collecting firewood or working day jobs on larger tea plantations. There was no opportunity for the children to go to school or to play. But since the rehabilitation of the village tea field, he and his wife farm their plot, his children go to school in the new schoolhouse, and their tea earnings give them discretionary income and purchasing options – such as a soccer ball.

Now, instead of the whole family focusing on eking out a subsistence

living, his children play soccer after school. If the kids are good and do their homework and chores, when he comes home, he plays soccer with them. A smile comes to his face. I can see the joy in his eyes.

So I missed the whole point. I was looking for some quantitative economic impact. But the testimony to our work was not in the numbers; it was in the story of this man. Our work has allowed him to experience life with his family. It has provided him economic opportunities and the freedom to play – something he and his family had never had.

In the end, giving this man the ability to purchase a soccer ball was the best thing TechnoServe could have done for him. My hope is that all of our clients, in their own way, have the opportunity to buy their own soccer ball ...

African Entrepreneurs *(continued from page 1)*

USAID, Standard Bank and Lenovo).

Believe Begin Become 2006 kicked off in March, when it began soliciting applications from Ghanaians with innovative business ideas. All 298 eligible applicants (about a fifth of them women) were invited to attend a seminar on business plans and entrepreneurship. Sixty were selected to proceed to intensive business training and one-on-one sessions with consultants who helped

them prepare draft business plans.

A team of judges – financial sector leaders and experienced entrepreneurs – evaluated the business plans and chose 20 finalists, who refined their plans and prepared 'pitch' presentations. The finalists are all receiving "aftercare" services to ensure that they have the support and tools necessary to turn their plans into thriving businesses. More fundamentally, all program

participants were winners, taking with them new skills and business contacts that will be helpful far into the future.

The award ceremony and party offered a well-deserved time-out from all this hard work, plus a chance to network with high-powered business people whose presence underscored the fact that this program has sent a spark through the private sector in Ghana and beyond. Also on hand were representatives of Google.org, including

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Perspectives on a Rainforest Success Story

By TechnoServe member Eric Sillman, General Partner, Aperture Venture Partners, New York

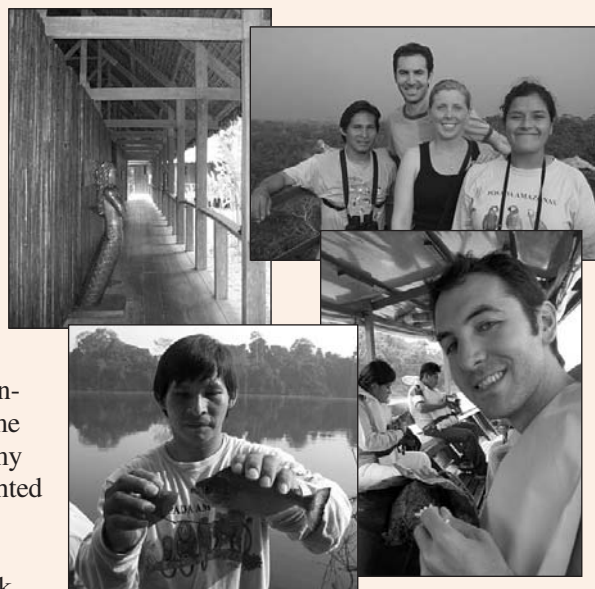
The sun was rising over Oxbow Lake in Peru's Tambopata rainforest reserve. Lucho and Shidy, our guides from nearby indigenous communities, pointed to the tiger heron walking silently in the high grass. This was just one of many tropical birds that we saw at the lake, along with black caiman crocodiles, giant river otters and dozens of piranhas. We had awoken at 4 a.m. in our spacious, open-air room (made from local woods) at the Posada Amazonas lodge, and eaten a breakfast whose ingredients – including starfruit jam and passion-fruit juice – were supplied by the local indigenous communities.

TechnoServe's work with RFE is one of the innovative ways that TechnoServe enables local entrepreneurs to build socially responsible and sustainable businesses.

This was eco-tourism at its best, and the lodge operator, Rainforest Expeditions (RFE), was a TechnoServe client. The trip was particularly gratifying for me, because I was last in Peru nine years ago as one of TechnoServe's first volunteer consultants. This time I was on vacation with my wife, and we were delighted to be visiting Posada Amazonas as tourists.

TechnoServe's work with RFE is one of the innovative ways that TechnoServe enables local entrepreneurs to build socially responsible and sustainable businesses. Kurt Holle, RFE's owner and manager, first learned of TechnoServe through its online marketing efforts targeting Peruvian entrepreneurs seeking expansion capital. Since then, TechnoServe has advised RFE on its overall business strategy and business plan and helped Kurt secure \$700,000 from reputable institutional investors for two new eco-lodges.

The Peruvian-born Kurt represents exactly the kind of socially



Clockwise from top: Posadas Amazonas lodge; Lucho, Eric and his wife Rebecca, and Shidy atop a rainforest viewing platform; Eric eating from a banana leaf "plate" while touring on the Tambopata River; Lucho with a piranha.

responsible entrepreneur with whom TechnoServe seeks to partner. Eco-tourism represents a growing industry that can meaningfully improve the standard of living in poor rural areas, help the environment, improve the roles of women, preserve local communities, and foster valuable cultural exchange.

The local indigenous community

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Executive Director Dr. Larry Brilliant.

"There are many entrepreneurs out there with good ideas," said Ishmael Yamson, a prominent Ghanaian businessman. "But they need encouragement to translate those ideas into concrete activities. And this program is designed to help them to do just that."

Joseph Tackie's idea was to offer a more attractive and hygienic product for the same price as competitors, by

buying his supplies in bulk. In a city where meat is traditionally sold uncooled by the roadside, his vans sell cooled meat products in an expanding array of combinations and packages. As he accepted his award, Joseph said that the BPC truly challenged him and forced him to work out the crucial details of his business. The intensive program gave him the feedback he needs to secure financing and achieve his growth objectives in the years to come.

Ghana's BPC is expected to

produce results at least on par with those in Latin America. Two similar competitions in El Salvador recently organized by TechnoServe trained 258 people, helped launch 61 businesses and expand 70 others, thus creating 761 new jobs. Together these businesses increased their revenues by \$7.2 million over two years. TechnoServe's BPC program is running strong in Latin America, with Cargill signing up to support upcoming BPCs in Nicaragua, Guatemala and Honduras.

Giving Program Renamed to Honor TechnoServe Founder



Ed Bullard, TechnoServe founder.

Ed Bullard was a remarkable person – nearly 40 years ago, he acted on his vision for helping poor people help themselves. He founded TechnoServe on the principle that if you give a man a fish, you feed him for a day; teach him how to fish and you feed him for a lifetime.

This year marks the 10th anniversary of Ed Bullard's passing, and the principles on which he founded the organization continue to guide it today. So TechnoServe decided to mark this important anniversary by commemorating our founder and his contribution. We are pleased to announce that our program promoting

estate planning will now be named the Ed Bullard Legacy Society, with his widow, Carol Bullard, serving as its chair and spokesperson.

"I am excited to have this opportunity to re-connect with TechnoServe," Carol noted. "Ed's children and I are very appreciative of the new legacy program that will carry his name. Since the launch coincides with the tenth anniversary of Ed's passing, I feel it is a particularly meaningful way to honor his memory and the role he played in the developing world through the founding of TechnoServe. Thank you for this honor."

Rainforest Success Story *(continued from page 3)*

near Posada Amazonas, Ese'ejá of Infierno, benefits greatly from RFE's presence. The 120 families receive 60 percent of the profits from the lodge; have 50 percent voting rights for all decisions; supply many of the fruits and vegetables consumed at the lodge; are employed as guides, cooks and maintenance staff, and regularly interact with tourists from all over the world. On average, each family receives \$700 per year from lodge profits, which doubles their annual income. Thus far, RFE-related tourism has generated more than \$1.6 million for the families of

the Infierno community.

Without the lodge, most of the families' incomes would come from environmentally harmful industries, such as slash-and-burn agriculture, mining and timber, which would not allow the same voting rights on important decisions or enable cultural exchange.

Our guides embodied some of RFE's values. Lucho, a member of the Infierno community, is one of eight children and began working with RFE as a cook. His motivation and RFE's encouraging environment led him to

study English and learn more about the local flora and fauna, the skills required to become a guide. Several of Lucho's family members also work for RFE in a variety of capacities. Shidy, one of eight children from a nearby indigenous community of 500 people, works as an RFE guide in order to help pay for her training as a physician in obstetrics and gynecology. She plans to provide local women with enhanced medical care in this vastly underserved area.

In such ways, TechnoServe's alliance with RFE exemplifies the organization's innovative work to foster sustainable economic development.

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.



TECHNOSEERVE
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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 more than 1,500 businesses, benefitting millions of people in 30 countries.