## TECHNOSERVE RUSINESS SOLUTIONS TO POVERTY

### WORLD

# Cocoa Farmers Connect With Gourmet Chocolatier

The package of Askinosie Chocolate's dark chocolate bar from Cortés, Honduras, shows a smiling farmer, backed by cocoa trees. This is Fermin Arriaga, the lead farmer at Finca Patricia, which supplies premium cocoa beans to Askinosie.

Fermin and his fellow farmers are on the leading edge of Honduras's renaissance as a cocoa producer. TechnoServe, with support from the U.S. Department of Agriculture's Food for Progress program, has helped set the country on a sustainable path to becoming a competitive supplier of fine cocoa — with smallholder farmers poised to benefit from higher incomes and improved livelihoods.

"TechnoServe is showing farmers that they can get a higher price for their product, they can make a career out of working with this industry and they can be rewarded for it," says Shawn Askinosie, founder of his namesake gourmet chocolate maker, based in Springfield, Missouri.

Cocoa in Honduras has come a long way since the early 2000s, when the industry was on the brink of extinction. A devastating hurricane, diseases and low prices combined to drastically diminish the area under cocoa cultivation.

But TechnoServe saw promise in the industry. Honduran farmers had always sold their cocoa into low-value commodity markets, but they had the potential to produce high-quality native varieties with flavor and aroma characteristics prized by gourmet chocolatiers. TechnoServe consulted industry players, developed a strategic plan and worked with local partners to help rebuild the industry by targeting the specialty cocoa sector.



Fermin Arriaga proudly displays a chocolate bar made with beans from Finca Patricia in Honduras.

Finca Patricia was a critical partner in this process. Working with local and international cocoa experts, TechnoServe helped identify two promising native varieties. The team collected a sample of these varieties from Finca Patricia, and in subsequent years these elite trees were reproduced and transferred to cocoa farmers throughout Honduras.

As TechnoServe worked with farmer groups to plant trees and improve processing of the beans, it also enlisted the help of industry experts to develop a marketing strategy for Honduras's fine cocoa. Representatives promoted Honduran cocoa to U.S. and European gourmet chocolate makers, including Askinosie Chocolate.

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When TechnoServe first approached Shawn Askinosie about Honduran cocoa, the opportunity didn't fit into his company's plans. But TechnoServe was persistent in following up, and when Askinosie wanted to secure a source of cocoa from Central America, he decided to visit Honduras.

TechnoServe's cocoa team helped answer questions for Askinosie and facilitated a visit to Finca Patricia. Askinosie was impressed with what he saw and made a first purchase of cocoa beans. From that initial trip, a stable and sustainable business relationship has developed between Askinosie Chocolate and Finca Patricia, and the Honduras chocolate bar has become one of Askinosie Chocolate's most popular.

"True sustainability is when a nonprofit like TechnoServe can facilitate an introduction, and then slowly back out," Askinosie says. "That is what you want."

Askinosie Chocolate emphasizes direct trade with farmers, opening its books to producer groups with which it works and sharing its profits. For the 45 producers at Finca Patricia, the relationship with Askinosie Chocolate has meant higher incomes and more secure livelihoods.



Chocolate entrepreneur Shawn Askinosie (right) is working with farmers like Fermin Arriaga to source high-quality cocoa beans from Honduras.

"It's a very economically deprived area," says Juan Angel Dubón, general manager of Finca Patricia's parent company. "There are not many job opportunities around here, so it's very important for people to be able to have a fixed income near their home. They also feel good to see that what they are producing is made into a chocolate bar."

Since establishing its relationship with Askinosie Chocolate, Finca Patricia has brought on additional producers and is planting more cocoa trees. Its plans mirror that of the broader Honduran cocoa industry: With all of the new plantations being established, the country will have the potential to produce 7,000 metric tons of cocoa by 2018, with 7,500 smallholder farmers benefiting from higher incomes.

"In the last six years, the cocoa industry has changed," Dubón says. "The assistance of TechnoServe has been a push for the industry to start to plant again, to start to produce more and more."

#### FROM THE FIELD



Read more at technoserve.org/Aditya.

#### Former TechnoServe Volunteer Launches Nonprofit in India

Volunteer Consultants are critical members of TechnoServe's team, and many of them — like Aditya Gupta — go on to become change-makers in the nonprofit and development world. Aditya served as a Volunteer Consultant in Kenya and Tanzania from December 2012 to March 2013, combining his previous experience in management consulting and technology to work on the Connected Farmer Alliance, a program that aims to enhance the incomes

and productivity of smallholder farmers through mobile-based solutions. "The effort opened my eyes to the potential for mobile technology to be a driver of social change," Aditya says.

Soon after Aditya arrived in Nairobi, he was shaken by the brutal gang rape and death of a young woman in Delhi, India, where he had lived most of his life. "I started to think about ways this malaise could be addressed," he says. When Aditya returned home, he launched the People for Parity Foundation, a nonprofit that works to curb violence against women in India. A youth-driven organization, People for Parity creates mobile technology products that enable women in distress to reach out to law enforcement and conducts workshops to foster better communication and understanding around gender-based violence.



#### **EAST AFRICA Boosting Coffee Sustainability**



TechnoServe's Bruce McNamer joined George Clooney and other members of Nespresso's sustainability advisory board for the launch of a new coffee initiative.

TechnoServe and Nespresso have partnered on a new initiative to build a more sustainable coffee industry in East Africa. The program will help improve the livelihoods of smallholder coffee farmers in Ethiopia, Kenya and South Sudan by providing agronomy training and business support.

In Ethiopia and Kenya, the partners will collaborate with local governments and other stakeholders to enhance coffee-processing capabilities, improve socioeconomic conditions in farming communities and create solutions to challenges in the coffee supply chain. In South Sudan, the project seeks to revive high-quality coffee production and contribute to the country's economic development.

#### MOZAMBIQUE Supporting Cashew Farmers

TechnoServe has been instrumental in revitalizing the cashew industry in Mozambique, helping the country become the fourth-largest cashew processor in the world. Building on this work and harnessing global market demand for premium cashews, TechnoServe and the U.S. Department of Agriculture recently launched MozaCajú, a three-year project to support Mozambique's cashew industry by addressing obstacles along the value chain.

Funded by Food for Progress, the \$15 million project aims to support

30.000 smallholder cashew farmers by increasing their productivity and competiveness as well as connecting them to new markets. TechnoServe will also facilitate organic certification for farmers and work with Mozambique's top cashew processors to achieve the highest level of food safety. Two major buyers, Whole Foods Market and Costco Wholesale, have already signed on to help create a thriving and sustainable Mozambican cashew industry.



CHILE **Award-Winning Enterprise Development Program** 



Rosa Paulina Díaz's cybercafé in Colina, Chile, began as a small, homebased convenience store with a single computer.

When Paulina noticed a growing demand for Internet access and computer skills in her community, she sought support from Anglo American's Emerge program to take her business to the next level. The program helped Paulina develop a business plan that included investing in three additional computers. Paulina soon saw her sales increase by 142 percent.

The Emerge program has been supporting small and growing businesses with high growth potential since 2006, creating job opportunities and providing key products and services in communities where Anglo American operates. TechnoServe began implementing the program in 2011 alongside local universities, providing one-on-one consulting to help entrepreneurs like Paulina. In September, Anglo American's Emerge program received the 2013 Sello Más por Chile (Seal for a Better Chile) award from the Ministry of Social Development.



#### **Business Solutions**

As you may know, I will be leaving TechnoServe this month after nine years as president and CEO. It has been such a privilege to work with enterprising people across the world to develop what we promise in our tagline: "business solutions to poverty." Our newsletter story from Honduras offers a good example of what this means in real life.

With TechnoServe's assistance, a business from Honduras. Finca Patricia, had begun to produce high-quality cocoa. Meanwhile, a business from the U.S., Askinosie Chocolate, needed a source of cocoa beans for its gourmet chocolate bars. With TechnoServe acting as the bridge, these two businesses developed a lasting relationship. The benefits extend to the cocoa producers who are improving their livelihoods. For them, better business is a pathway out of poverty.

As I leave, I am more convinced than ever that the work we do is vitally important — and that business really is the solution. Thank you for your continued support of TechnoServe.

Bruce McNamer OUTGOING PRESIDENT AND CEO

#### Thank You

Last year, TechnoServe's work benefited nearly 3 million people, and we couldn't have done it without you, our supporters.

As 2013 comes to a close and you plan your charitable contributions, please consider a gift that continues to advance our mission. Your support will allow us to help more families across the developing world lift themselves out of poverty.



#### Shopping for Impact

The Amazon Associates program is an easy way to support TechnoServe through your everyday purchases.

Access Amazon.com by visiting technoserve.org/amazon and then use the site as you normally would to shop for books, gifts and other products. Amazon.com will contribute up to 15 percent of your purchases to TechnoServe.



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#### OUR SUPPORTERS

#### Q&A: Evelyn Swanson

Evelyn A. Windhager Swanson has been involved with TechnoServe for more than 20 years. She is the chairman of TechnoServe's Global Advisory Council and our European Board of Directors. Evelyn began her career on Wall Street and then transitioned into nonprofit fundraising with the Environmental Defense Fund. She lives in London and New York with her husband and their two children.

#### How did you first become involved with TechnoServe?

A Wharton School classmate lassoed me into TechnoServe's 1990 Junior Fundraiser, and I was immediately hooked by TechnoServe's businesslike and effective approach to addressing global poverty. The following year I was asked to chair the entire event, which I only felt comfortable doing if I could witness TechnoServe's work in the field. I visited Rwanda that December and was overwhelmed by the impact TechnoServe was having on people's lives.

#### You chair the Global Advisory Council. What does the Council do?

Members of the Council are committed to supporting TechnoServe financially and acting as ambassa-



Read about Evelyn's return trip to Rwanda and our full Q&A at technoserve.org/Evelyn.

dors for TechnoServe by providing strategic advice and connections. The group is talented and diverse but shares a common interest in participating in TechnoServe's vision.

#### Why do you think TechnoServe's approach is effective?

In an ever more interconnected world, poverty anywhere affects people everywhere. TechnoServe's work is effective because it harnesses the desire people have to help themselves — nurturing dignity by allowing people to take ownership of their successes and failures. TechnoServe is effective because it looks for sustainable solutions, not quick fixes. •

#### Support Our Work

Your generous support of TechnoServe helps enterprising men and women in the developing world improve their lives and secure a brighter future for their families. In addition to direct contributions, there are many giving options to choose from.

You can support our work by scheduling a recurring donation or by making memorial and tribute gifts, bequests, appreciated stock contributions or life income agreements.

To donate, or learn about other ways to give, call 800-99-WORKS or visit technoserve.org/donatenow.

