

LETTER FROM THE PRESIDENT



It's a new year and also a milestone year for TechnoServe – 2018 is our 50th Anniversary!

Half a century ago, our founder Ed Bullard launched TechnoServe

with the vision of harnessing the power of the private sector to help people lift themselves out of poverty.

Today, we continue his mission to work with enterprising people in the developing world to build competitive farms, businesses, and industry. We have worked in more than 40 countries across Africa, Latin America, and Asia, assisting thousands of businesses and improving the incomes of millions of people. Donors like you have been instrumental to our success, and for this I am incredibly thankful.

Technology has changed quite dramatically since the organization's start in 1968, but our name's intent holds true to this day, TechnoServe: technology in the service of humankind.

In this issue, we share news of advancing technical innovations, exploring how geospatial intelligence can serve small farms; how the use of radio frequency tags on livestock in semi-nomadic herding communities increases net profits for nomads and agribusinesses; how digital technology is transforming small shops (dukas) in Nairobi; how electronic direct payment systems ensure women's empowerment as financial decision-makers at home and on the farm in India; and how our partnership with business exemplifies our commitment to harness shared valued as a solution to poverty.

I hope you enjoy this issue, and I look forward to keeping you up to date during our landmark 50th Anniversary year.

Thank you!

William Warshauer
President and CEO



DRONES GIVE FARMERS A BIRDS-EYE VIEW.

Eyes in the Sky for African Agriculture



One innovation that has received considerable attention recently is geospatial intelligence, which uses satellite and drone-assisted mapping technologies to guide decision making. Within this rapidly developing field, there is a growing interest in expanding drone services

to address pressing issues in sub-Saharan Africa, such as increasing production and incomes on farms.

TechnoServe has partnered with Equator Seeds Limited, one of the leading seed companies in Uganda, to tap into the potential of this exciting and rapidly evolving technology.

We are conducting a series of pilot projects to increase the value, efficiency, and accuracy of agricultural production. Equator Seeds works with over 30,000 small family farmers who grow seeds for the company. Using drone technology has shown to be a game changer for their farming businesses.

TechnoServe's assessment found that drone services have provided substantial benefits to both the company and family farms. Farmers' profits are projected to increase by over \$2,000 per farm within a year due to insights from drone flights. The efficiencies provided by the drone service will also allow Equator Seeds to expand its production network, creating more income opportunities for Ugandan farmers while steadily increasing revenues for the company. With the use of drones, the company's network of farmers is projected to grow to include 43,000 family farmers by 2021, with farm profits projected to reach over \$104 million.

Q & A Interview

with Allie Stauss

EAST
AFRICA



We asked TechnoServe's Allie Stauss, Program Manager for our coffee practice, about our work with Nespresso and our partnership initiative that received the U.S. Chamber of Commerce Foundation's Citizenship Award for *Best Economic Empowerment Program*.

Q. How has our work with Nespresso contributed to TechnoServe's mission?

A. Our partnership with Nespresso exemplifies TechnoServe's commitment to harness shared value as a solution to poverty. Nespresso's vested interest in improving the production of specialty coffee allows us to drive a rigorous and creative agenda to improve the livelihoods of smallholder farmers. We've tested a range of engagements with farmers and wet mill businesses, incorporating components of environmental stewardship, social responsibility, gender integration, technological innovations, and creative applications of coffee waste products to improve Nespresso's return on investment and the program's impact on farmers. Not only does the

program increase farmers' yields (and, by extension, incomes), it also feeds directly into Nespresso's bottom line, securing a stable supply of high-quality coffee and satisfying consumer demand for an ethically sourced product.

Q. What does the recent U.S. Chamber of Commerce Foundation's Citizenship Award, *Best Economic Empowerment Program*, mean for TechnoServe?

A. It is rewarding to receive recognition of such prestige and visibility, and we are very proud of the work we do to forge new market linkages and improve livelihoods. More rewarding is the recognition that the days we devote to this work meaningfully transform individual lives. Meeting a young boy whose family can now afford his school fees, or a woman who invested her additional coffee income to open a small shop, or a cooperative chairman who explains his pride in purchasing new equipment with the premium earned – this is the real reward.

Scaling up Smart Dukas

NAIROBI



Dukas play a critical role in Nairobi's economy. These small shops provide income for entrepreneurs and make everyday products accessible in low-income communities. They are the economic and often social backbone of Nairobi's informal settlements, which house 60 percent of the city's population. These shops have the potential to improve hundreds of thousands of lives, but duka owners often struggle to make a profit due to a lack of business skills, poor financial management, and limited inventory. TechnoServe's Smart Duka program addresses these challenges by promoting improved shop layouts, the use of digital technology for payment and inventory

management, loan assistance, and other business management skills. Launched in 2015, the initial program generated additional income for 563 participants. Building on that success, TechnoServe recently launched the Scaling Up Smart Dukas initiative in partnership with the Mastercard Foundation and Unilever, introducing new innovative technologies and streamlining training programs to increase our reach to 4,300 dukas across Nairobi.

The program is off to a great start. Key program elements include: identifying Smart Duka alumni to serve as "model shops" to recruit and enroll more duka owners; delivering streamlined training programs on financial, retail, and



LYDIA WAMBUI, MUGENDI CEREALS AND RETAIL SHOP

supply chain management; developing and testing mobile training content; linking innovative credit products to participants; and supporting business group formation and access to distributors' discount pricing.

Duka owner Lydia Wambui told us, "I am a single mom of two. The best thing that happened to me was to join this program."

Improving Livelihoods by Saving Animals

KENYA



Across the dry, sparsely populated lands that extend across large areas of northern Kenya, semi-nomadic herding communities have survived for centuries grazing their cattle, sheep, goats, camels and donkeys over vast distances in a perpetual search for greener pastures.

In the face of climate change, droughts are growing longer, harsher, and more unpredictable, therefore improving livestock health is critical to the livelihoods of these pastoralists.

TechnoServe recently completed an assessment on an ambitious initiative to set up a modern, end-to-end livestock traceability system for the rapidly expanding high-quality meat market in Kenya. The study shows that a 100 percent



HEALTHIER ANIMALS...HEALTHIER INCOME

traceable value chain for premium livestock can be created by combining the use of radio frequency tags for animal identification and complete tracking across large distances, with disease surveillance and veterinary care. The results indicate that this value chain can

unlock significant revenue streams in the region, potentially increasing net profits not only for the pastoralists who raise the livestock, but also for the other agribusinesses that help get this high-quality product to market.

Ensuring Women's Financial Empowerment

INDIA



On a bright morning in a small village of Bihar India, Geeta Devi teaches her husband to prepare plant

protection spray before heading out to the orchard.

Before, Geeta was excluded from decision-making on her farm. Now, however, she is fully engaged in the farming process. Thanks to TechnoServe and our partners, Geeta is skilled in litchi cultivation, harvest, and trade – she is a strong farmer and informed negotiator who ensures a good price for her family's harvest.

The Woman's Advancement in Rural Development and Agriculture (WARDA) program – a collaboration between TechnoServe, the World Bank, and the Government of



GEETA AND HER HUSBAND

Bihar – equips Geeta and thousands more rural women with the skills and knowledge they need to realize

social and economic potential, and create prosperous livelihoods – not only as skilled farmers but as skilled businesswomen.

To ensure economic empowerment, TechnoServe implemented mobile payment systems to safeguard prompt payment directly to women farmers. This system guarantees direct payment to their bank accounts within a few business days, providing much-needed economic stability with farming households – especially considering that 90 percent of income paid to women is reinvested into their families, versus 35 percent for men. WARDA aims to help 2,000 women farmers to open their own bank accounts.

Donor Spotlight

Rose and Sidney Shure



Rose and Sidney Shure are an inspiration to us all. They both had a vast portfolio of philanthropic interests, felt it was their privilege to help those who were not as well off, and ran the successful privately held company, Shure, Inc. Sidney started the business from nothing. Rose joined the business a bit later and ran the company when Sidney passed. She was committed, smart, and kind and worked right up until she passed in her mid 90s. The couple understood poverty, as they both grew up poor.

They also understood how the power of education, training, and knowledge can lift enterprising people out of poverty. We are honored to be one of the many distinguished non-profit organizations included in Rose and Sidney Shure's estate giving.

New Year Planning

Shape the Future through Planned Giving

It's a new year and an ideal time to consider planned giving. Planned gifts are an essential part of our long-term financial future and have benefits for you as well.

For decades, donors have chosen to shape the future of TechnoServe and its beneficiaries by making a planned gift. To learn more, please contact John Keightley, Vice President, Development and Communications, at jkeightley@tns.org or call 202-719-1308.

If you have already included us in your plans, please let us know.

Visit us at: technoserve.org/planned-giving.

How to Leave a Bequest

To leave a bequest to TechnoServe, please use the following language:

"I give, devise, and bequeath [insert amount or name of gift] to TechnoServe (EIN 132626135) located at 1120 19th Street NW, 8th Floor, Washington, DC 20036."

DONATE | To donate or learn about other ways to give, visit technoserve.org/donatenow.

Paul E. Tierney, Jr., Chairman
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TECHNOSERVE
50 YEARS OF BUSINESS SOLUTIONS TO POVERTY



Since its inception in 1968, TechnoServe's work to create business solutions to poverty has benefited millions of people in more than 40 countries. TechnoServe is a private, nonsectarian, nonprofit organization, as defined by IRS code section 501(c)(3). TechnoServe is a member of America's Charities. Contributions to TechnoServe are tax deductible to the extent permitted by law.