A Newsletter for Friends September 2018



LETTER FROM THE PRESIDENT



Dear Friend,

For 50 years, TechnoServe has been guided by our founding belief in the power of private enterprise to help people

raise themselves out of poverty. By linking people to information, capital, and markets, we help enterprising women and men in the developing world create sustainable prosperity.

With donor support, we have transformed the lives of millions.

In this issue of World, you will learn about our exciting new work in the Democratic Republic of Congo. You will meet three people who, through our programs, lifted themselves into more prosperous futures - creating lasting change for their children, their families, and their communities.

You will also read excerpts of my talk with Paul Tierney, who, after 27 years of leading TechnoServe through its greatest period of growth and maturation, will step down from his role as Chairman of the Board this fall. We are grateful for his service and commitment in growing and sustaining this remarkable organization.

I hope you enjoy this issue of World. I'm thankful for your support, energized by all we have accomplished together, and excited to catalyze even greater change in the years ahead.

Thank you,

William Warshauer President and CEO

P.S. I hope to see you at our 50th Anniversary Gala! Turn to page 4 for more information.

Breaking New Ground



Specialty coffee markets represent a unique opportunity for DRC farmers.

DEMOCRATIC REPUBLIC OF CONGO

For the first time in our organization's history, TechnoServe is working in the Democratic Republic of the Congo (DRC).

Over the course of five years, our project — which is funded by USAID as part of the Feed the Future DRC

Strengthening Value Chains initiative — aims to train 15,000 coffeegrowing households in the country's South Kivu province, increase farm yields by 30 percent, and support local processing businesses to export specialty coffee (estimated value at more than \$11 million), which will offer farmers a higher, more stable price for their crop.

Years of conflict in eastern DRC have eroded the economy, diminished the productive and adaptive capacity of households, and discouraged private investment in economic activities. These dynamics have contributed to the large number of vulnerable poor.

Today, the growing global demand for specialty coffee presents a tremendous opportunity for farmers in the highlands of South Kivu to earn higher prices for their crop. "TechnoServe's decades of work in the global coffee sector have shown the transformative impact of connecting farmers to information, capital, and markets," said TechnoServe CEO and President William Warshauer. "While meeting growing consumer demand for unique, high-quality coffee, farmers can lift themselves out of poverty and provide better futures for themselves, their families, and their communities. We are proud to work on this new project with a range of public and private sector partners who recognize the importance of this market-based approach to reducing poverty in the long term."

Integrated Techniques Bring Success to Smallholder Farmers and the Environment



Indian agriculture faces a serious challenge. The declining size of land holdings is making it

increasingly difficult for farmers to run sustainably profitable farms. Farmers and consumers are also growing more concerned about the environment and looking for alternative farming practices. But with profit margins already low, the risk seems too high for smallholders to invest in new techniques.

In the Haliwana village of Karnataka, India, Anjaneya has been farming his family's two-acre plot since he was a teenager, and he has experienced firsthand the stress and challenges that come with farming this land. Now in his forties, he feels rejuvenated after working alongside TechnoServe to start a new wave of innovation on his farm.

In August 2017, Anjaneya participated in Project Saathi, a four-year local economic development project implemented by TechnoServe with the support of Cargill. The project aims to support smallholder farmers by training them in Integrated Farming System (IFS) practices specifically designed to require less space and time while ensuring reasonable returns for farming households.

"[TechnoServe] guided me on better planning of my land with a combination of agriculture, horticulture, forestry, and livestock," said Anjaneya. I am so happy that I earned additional income within six months of practicing IFS."

Anjaneya's success has motivated other farmers in his village as well. The growth of his farm showcases the key opportunities of IFS: stabilizing income, rejuvenating soil, improving productivity, and generating chemical-free, health conscious produce that benefits the environment and society.

A New Future for Coffee Farmers in Peru



In Peru, the regions of Huánuco, Ucayali, and San Martín were once dominated by the drug trade. The

principle ingredient in cocaine, coca, brought farmers very little money, and a great threat of violence. But driven to provide for and protect their families, farmers couldn't see a path to a licit livelihood.

In response to this threat, a unique public-private partnership developed to help farmers transition to legal crops by tapping into the potential for significant economic growth through coffee. The Coffee Alliance for Excellence (CAFE), brought together TechnoServe, USAID, impact investment firm Althelia Ecosphere, global coffee roaster JDE, and coffee exporter Perhusa to benefit 12,000 farming families.

A recent analysis performed by the Global Coffee Platform and TechnoServe found that smart



With pride, Elías and Hermelinda shared their personal stories to an eager audience at a CAFE event. Their coffee farm is growing and they are now about to reach formal markets.

investments in training and processing throughout Peru's coffee-growing areas could help the sector add an additional \$177 million to the national economy.

TechnoServe is providing farmers with training to professionalize their farming businesses and improve the quality and quantity of their coffee yields on the farm. We are also strengthening producer organizations and other actors to help farmers access better markets and earn a higher price.

CAFE participant Elías Faustino and his wife Hermelinda used to plant coca and were under constant threat of violence. "Growing coca, we had work, but no future," Elías said. But with the support of the CAFE program, they replaced their coca with coffee trees. Their oldest son wants to carry on the family's coffee farming tradition, and Elías is excited about his future. "As a coffee farmer, I feel proud, and I live happily and quietly with my family.

A Conversation with Paul Tierney, Chairman of the Board

After 27 years of leading TechnoServe through its greatest period of growth and maturation, Paul Tierney will step down from his role as Chairman of the Board in October 2018. President and CEO William Warshauer sat down with Paul to talk about his journey with TechnoServe.

WW: What are some of your favorite stories from visiting the field?

PT: One of the efforts I'm most proud of is TechnoServe's work in Mozambique in cashew, an industry that had been practically destroyed by the country's civil conflict. I remember spending a few satisfying days in Mozambique visiting cashew processors TechnoServe helped establish, where I met women workers who wouldn't have had jobs otherwise. It was very hard, grinding work, but they told me that they were happy to be able to do it in safe conditions, and grateful to be able to send their children to school with the money they were earning.



I've also made many visits to our coffee projects, with one joyful meeting after another with our beneficiaries. After one recent meeting in Tanzania, people broke out in song and dance, toasting TechnoServe for the work we've done, which has contributed to a greater level of education in the community. [It's gratifying to see how] this type of work allows the second or third generation to continue on a trajectory of significantly increasing their standard of living.

WW: The power of business to solve social problems — that was a somewhat radical notion 50 years ago, but has become more mainstream in development today. Has TechnoServe been influential in bringing that into the mainstream, and where do you think the trend is heading?

PT: I am very pleased that so many people are speaking our language. Some of the things we've done have been adopted by other organizations, for example the model of Volunteer Consultants, or what we're now calling Fellows. Many organizations that were formally working in disaster relief or disease prevention have also added an economic development component. And there has been a widespread understanding of the need for technical assistance to complement capital and impact investing. I'm glad we've played some modest part in leading the sector in that direction.

WW: You've had a profound and very longstanding involvement with TechnoServe. As you pause and reflect back on that, what has that meant to you and your family?

PT: I always think that the best thing that a parent can do for a child is to provide a role model, and the activities that I've been involved in with TechnoServe have been noticed by my kids and my grandkids. All three of our children have done some form of service work, two of them with TechnoServe. It's been very satisfying, and I feel fortunate that I have been able to be involved.

TechnoServe 50th Anniversary Gala

JOIN US IN CELEBRATING 50 YEARS OF CREATING SUSTAINABLE IMPACT

Our 50th Anniversary Gala is about empowering our neighbors, celebrating our shared vision, and creating sustainable business solutions to end poverty around the world.

Come raise a glass, transform lives, and celebrate as we honor four inspiring figures who exemplify commitment to creating sustainable impact.

Honorees

Paul E. Tierney, Jr. Leadership Honoree

Chairman of the Board, TechnoServe Partner, Development Capital Partners

Mark Cutifani

Chief Executive, Anglo American

Suzanne Nora Johnson

Former Vice Chairman, The Goldman Sachs Group, Inc.

Muhtar Kent

Chairman of the Board, The Coca-Cola Company



Celebrate with us:

\$25,000 BRONZE SPONSOR:

includes a table for 10 guests, named recognition in all gala materials, and a quarter-page corporate message in the gala program.

\$10,000 TABLE:

includes a table for 10 guests and named recognition in the gala program.

\$1,000 TICKET:

includes one individual ticket.

For ticket and sponsorship opportunities, contact Katie Seigle at kseigle@tns.org or 202-650-5717.

You can also learn more at 50.technoserve.org.

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