
TRANSFORMING LIVES

TechnoServe 2014 Annual Report



TECHNOSERVE
BUSINESS SOLUTIONS TO POVERTY

TechnoServe believes in the power of private enterprise to transform lives.

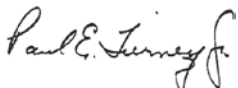
We transform lives at the household level by working with smallholders like Mustaq Ahmed, a soy farmer in Rajasthan, India, to adopt sustainable farming practices, connect to reliable markets and increase families' incomes.

We transform lives at the community level by working with entrepreneurs, like Fara Sánchez, the general manager of a busy restaurant in Guatemala, to access financing, grow thriving businesses and create vital local jobs. Or by working with producer groups, like the first coffee-farming cooperatives in South Sudan, to improve business practices, access premium international markets and bring new prosperity to entire communities.


And we transform lives at the country level by working with players across an entire market system, like the cashew producers and processors in northern Mozambique, to catalyze competitive industries that are improving the livelihoods of tens of thousands of families.

This is how TechnoServe helps create transformative, on-the-ground, market-based solutions to poverty. We focus on opportunities to effect change at scale, targeting improvements in market systems and building relationships between diverse partners to ensure self-sustaining economic growth.

Our 2014 Annual Report shows the impact we are making in the lives of enterprising people in 29 developing countries. These efforts are driving large-scale transformation and creating prosperity for individuals, families and communities for generations to come.


Paul E. Tierney, Jr.
Chairman of the Board




William Warshauer
President and CEO



OUR IMPACT

TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries. In 2014, our work helped generate more than \$61 million in financial benefits and transform the lives of 1.7 million people in 29 countries.

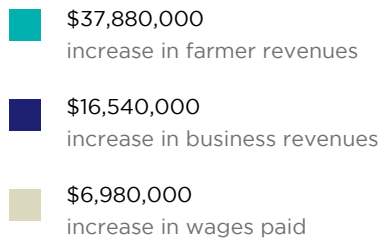
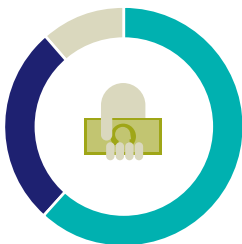


Financial Benefits

How much better off are TechnoServe beneficiaries?

We measure our impact in terms of the increased revenue earned by farmers and businesses and increased employee wages that are directly attributable to TechnoServe's work. These financial benefits help families improve their lives.

\$61,400,000 increase in revenues and wages for farmers, businesses and employees



Reach

Who benefited directly from our work?

We work to strengthen market systems so that smallholder farmers can sustainably increase their incomes. We help enterprising women and men build and expand businesses that provide economic opportunity. And we target industries with the potential to create jobs on a large scale in poor communities.



333,700 farmers, businesses and employees benefited directly from TechnoServe's work



32% OF WHOM ARE WOMEN



- 325,200 farmers
32% women
- 3,000 businesses
35% women-led
- 5,600 new jobs
61% women



1.7 million men, women and children who benefited*

*based on an average of five people per family

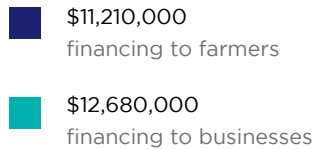
Economic growth is more sustainable when both women and men have full access to education, assets and finance. TechnoServe is committed to engaging and benefiting women in all of our programs. Our reach demonstrates a concerted effort to address gender gaps – and a call to do more in the future.

Sustainability

Are these benefits lasting?

We hold ourselves accountable for creating sustainable impact, which means the benefits of each project continue long after TechnoServe's involvement ends. We measure finance mobilized as one proxy for sustainability. Private sector investment in the farms, businesses and industries we support demonstrates the market's confidence in these players and enables them to drive real and lasting change long after we're gone.

In 2014, we helped mobilize **\$23,890,000**
in financing to farmers and businesses



Catalyzing a Cashew Industry in Mozambique

TechnoServe is working to develop the cashew sector along every stage of the value chain.

Nearly destroyed after years of civil war and poor policy, the cashew industry in Mozambique saw a strong revival in the 2000s with vital support from TechnoServe. Today, more than 1 million households grow and sell cashews, and the processing sector has grown to employ more than 7,000 men and women.

Building on this success, TechnoServe is helping Mozambique's cashew industry further enhance its competitiveness. Through MozaCajú, a three-year initiative supported by the U.S. Department of Agriculture, we are working with farmers and processors to address challenges across the entire value chain and meet the growing international demand for premium cashews. In 2014, the project helped more than 13,000 smallholders to boost production levels, plant new trees and promote organic practices, while working with seven processing facilities to implement traceability systems, access financial services and broker purchasing contracts with international buyers. With targeted support across the whole market system, the Mozambican cashew industry is poised to reach its full potential.



Cashew processing plants like this Condor factory in Anchilo provide formal employment to more than 7,000 people in northern Mozambique.

Sweet Success in the Peruvian Jungle

Cocoa and coffee are providing opportunities for farmers to escape poverty and the drug trade.

For thousands of farmers in Peru's San Martín region, the coca leaf was a double-edged sword: they needed the money that the harvest brought to their homes, but they feared the violence that the drug trade brought to their communities. Now, with the assistance of TechnoServe, the U.S. Agency of International Development and other partners, they are finding alternative, safer sources of income: cocoa and coffee.

In 2014, the program worked with more than 10,000 farmers and 19 businesses throughout the supply chain. One of these businesses, a women's cooperative called Mishky Cacao that makes gourmet chocolate from local cocoa, won an award last year at the prestigious Salon du Chocolat in Paris. Over five years, cocoa farmers participating in the program increased their yields by up to 53 percent and sold \$10.5 million of cocoa beans directly to exporters.



The twelve women of Mishky Cacao Producers Association are creating a safer future for their families and community in Chazuto, Peru, by transitioning from coca to cocoa production and manufacturing high-quality chocolate locally.

Historic Firsts in South Sudan

TechnoServe and Nespresso are working to transform agriculture in the country.

In July 2014, a truck carried South Sudanese coffee across the country's border for the first time since independence. But the seeds of that milestone were planted in 2011, when TechnoServe and Nespresso committed to helping the world's newest nation rebuild its coffee industry.

Doing so means working from the ground up, and TechnoServe has helped to establish the first three coffee cooperatives and wet mills in South Sudan, working with 300 farmers in 2014. The goal is to support the livelihoods of thousands of farmers and build a globally competitive agricultural export industry in a country that is heavily reliant on extractives for income.



Coffee farmer Mastaplan Qurino Luate Elias (center) serves as the treasurer of one of South Sudan's first coffee cooperatives established with support from TechnoServe and Nespresso.

Financial Inclusion Offers Ripe Rewards in Haiti

Loans secured through the Haiti Hope Project are helping mango farmers bring high quality fruit to market.

Haitian farmers like Ydalma Placide tend to have extremely limited access to affordable credit, which could otherwise help them manage irregular cash flows, invest in their farms and engage in income-generating activities.

As part of the Haiti Hope Project – a five-year, \$9.5 million public-private partnership – TechnoServe is helping Haitian mango farmers access the financial services they need to sustainably improve their incomes. In partnership with a local microfinance institution, the project has helped unlock \$2.3 million in short-term, low-interest credit for more than 8,000 smallholder farmers, many of whom, like Ydalma, are building a credit history for the first time. The success of the loan program has attracted additional lender institutions, ensuring sustainable impact long after the program ends in 2015. That impact is significant: in 2014 alone, Haiti Hope worked with 21,000 farmers and helped 229 producer business groups generate \$425,000 in revenue.



After attending a credit management training held by TechnoServe, Ydalma Placide has received and repaid six loans, building a credit history for the first time.

WHO MAKES IT POSSIBLE

We are grateful for the generous support of donors and partners, and the hard work of our dedicated staff and Board of Directors. Together, we create lasting impact.

To learn more, visit technoserve.org/2014supporters.

INTERNATIONAL BOARD

CHAIRMAN

Paul E. Tierney, Jr.
Partner
Development Capital
Partners LLC and Aperture
Venture Partners LLC

VICE CHAIRMAN

John B. Caron
Former President
Caron International

VICE CHAIRMAN

Peter A. Flaherty
Managing Director
Arcon Partners LLC

PRESIDENT

William Warshauer
President & CEO
TechnoServe Inc.

TREASURER

Suzanne Nora Johnson
Former Vice Chairman
Goldman Sachs Group Inc.

SECRETARY

Jennifer Bullard Brogгинi
Managing Director
Studio Broggin SA

Scott D. Baker

Partner
Reed Smith

Gerald (Jerry) Baldwin

Director, Former Chairman
& CEO
Peet's Coffee & Tea Inc.

Thomas Barry

President & CEO
Zephyr Management LP

Anthony H. Bloom

Chairman
Cineworld Group PLC

Titus Brenninkmeijer

Founder
Solgenix LLC

Michael J. Bush

Managing Member
BIV Investments
CEO
Armenta

Robert B. Calhoun

Founder & Senior Advisor
Monitor Clipper Partners

Alan Cohen

Former CEO & Medical
Director
National Deaf Academy

Laura Corb

Director
McKinsey & Company Inc.

Russell Faucett

Managing Director
Gyr Falcon Ltd.

Mike Fernandez

Corporate Vice President
Corporate Affairs, Cargill, Inc

C. Barrows (Barry) Hall

Former President
Morgan Stanley India

Bruce Heerema

Former Chairman & Co-CEO
Heritage Lace Inc.

Harvey Heller

President
Heller Bros.
Partner
Pacific Tomato Growers

Rachel Hines

Former Managing Director
J.P. Morgan

Aedhmar Hynes

CEO
Text100 Global
Communications

Charles Moore

Partner
Trilantic Capital Partners

Michelle Peluso

CEO
Gilt

Kurt C. Peterson

Partner & Executive
Committee Member
Reed Smith LLP

EUROPEAN BOARD

CHAIR

Evelyn A. Windhager Swanson
Former Director of Special
Projects
Environmental Defense Fund

Chris Benson

Private Equity Executive
Advent International

Sophie Le Mouel

Advisor
Business Fights Poverty

Pierre Van Hoeylandt

Director
Frontier Investments, CDC

FINANCIALS

	2014	2013
Support and Revenue		
Private Support	\$54,536,564	\$55,186,522
Government Support	\$21,711,994	\$24,728,798
Contributed Services	\$2,796,570	\$2,239,303
Other	\$544,854	\$310,612
TOTAL SUPPORT AND REVENUE	\$79,589,982	\$82,465,235

Expenses		
Program Services	\$68,576,719	\$66,831,486
Supporting Services		
> Management and General	\$9,073,578	\$8,708,907
> Fundraising	\$1,596,278	\$1,456,361
TOTAL EXPENSES	\$79,246,575	\$76,996,754

Net Assets		
Beginning	\$9,163,373	\$3,751,533
Ending	\$9,405,865	\$9,163,373



FUNDING SOURCES

- 51% governments and multilateral organizations
- 26% foundations
- 14% corporations
- 5% private fundraising
- 3% contributed services
- 1% other



EFFICIENCY

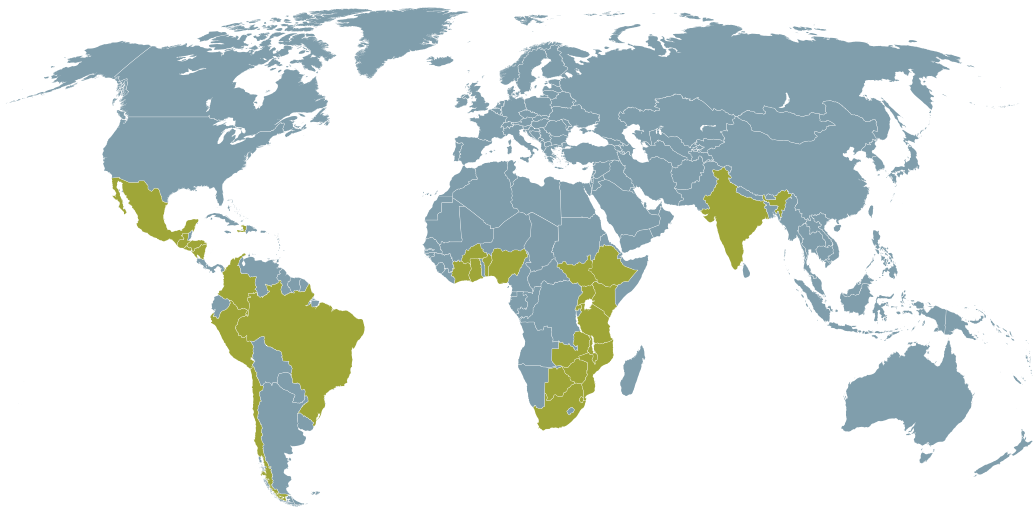
- 87% program services
- 11% management
- 2% fundraising

ACCOUNTABILITY



For nine consecutive years, TechnoServe has received a 4-star rating from Charity Navigator, placing us in the top 1 percent of all rated charities.

See our consolidated financial report at technoserve.org/2014financials.



WHERE WE WORK

Benin	Mozambique
Botswana	Nicaragua
Brazil	Nigeria
Burkina Faso	Peru
Chile	Rwanda
Colombia	South Africa
Côte d'Ivoire	South Sudan
El Salvador	Swaziland
Ethiopia	Tanzania
Ghana	Uganda
Guatemala	Zambia
Haiti	Zimbabwe
Honduras	
India	
Kenya	
Malawi	
Mexico	

TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries. We are a nonprofit organization that develops business solutions to poverty by linking people to information, capital and markets. Our work is rooted in the idea that given the opportunity, hardworking men and women in even the poorest places can generate income, jobs and wealth for their families and communities. With nearly five decades of proven results, we believe in the power of private enterprise to transform lives.

1120 19th Street NW, 8th Floor
Washington, DC 20036
TEL: + 1 202 785 4515
technoserve.org