



# ACCELERATING INNOVATION

TO BUILD A WORLD WITHOUT HUNGER



CNFA | 2019 Annual Report

# MISSION

To stimulate economic growth and improve livelihoods by cultivating entrepreneurship.

# VISION

A prosperous world without hunger.



Farmer watering crops in Ngoma, Rwanda

# LETTER FROM BOARD CHAIR AND CEO



*Pictured: Elin D. Miller, CNFA Board Chair and Sylvain Roy, CNFA President & CEO*

CNFA will look back on 2019 as a year in which we continued to work towards achieving our mission to stimulate economic growth and improve the livelihoods of thousands of smallholder farmers, their families and workers in 26 countries around the world.

Several CNFA Board members had the extraordinary opportunity to examine these achievements first-hand early last year when we visited Rwanda to observe some of the accomplishments produced by the USAID-funded Feed the Future Hinga Weze Activity, implemented by CNFA. Our organization's unique collaboration with the Rwanda Agricultural Board and the Republic of Rwanda Ministry of Agriculture and Animal Resources is without doubt one of the keys to the success we witnessed in generating sustainable development in the nation. We ended the March 22-29, 2019 tour keenly impressed by the commitment of our Hinga Weze beneficiaries and partners. This past year, we also strengthened our Board with the addition of three new members with distinguished backgrounds and expertise in agribusinesses, agricultural technology and entrepreneurship.

We also marked increased collaboration between the U.S. Department of Agriculture and CNFA as a result of our new PRO-Cashew project, which is working to improve the marketing of cashew nuts in five West African countries. From its project base in Abidjan, Côte d'Ivoire, PRO-Cashew also collaborates closely with the USDA-funded Maximizing Opportunities in Cocoa Activity (MOCA), implemented by CNFA, which is increasing incomes for hundreds of Ivorian cocoa growers.

As 2019 drew to a close, our teams in Burkina Faso and Niger were working to wrap up about five years of impressive gains, including supporting over 42,500 value chain actors generated by the USAID-funded Resilience and Economic Growth in the Sahel—Accelerated Growth (REGIS-AG), implemented by CNFA.

Further in South Asia, the USAID-funded Pakistan Agricultural Technology Transfer Activity (PATTA), implemented by CNFA, was working with 37 companies and hundreds of dealers across Pakistan to improve smallholder farmer access to affordable, and appropriate agricultural technologies. By the close of 2019, Pakistan's private sector had invested \$1.8+ million in agricultural entrepreneurship and 44,027 individuals working in the country's agriculture sector had applied improved practices and new technologies.

These are only a few examples of the initiatives managed by CNFA during 2019.

At the time of this report, the COVID-19 pandemic regretfully continued to exert additional stress on the livelihoods and incomes of farmers, food processors, and other key market actors. During this extraordinary period, CNFA worked overtime to help our teams and beneficiaries respond quickly and effectively to the evolving situation.

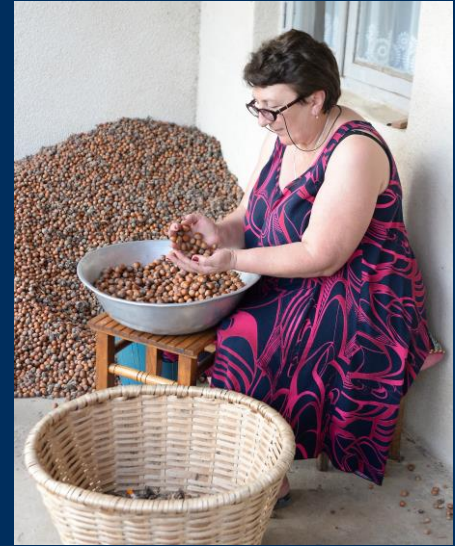
As the past year has proven time and again—CNFA's success is rooted in the dedication and passion of our staff members and partners. And we look to them once again to bring our beneficiaries—and all of us—safely and successfully through 2020.

Best wishes,

*Elin D. Miller and Sylvain Roy*

# 2019 IN REVIEW

Trained 343,751 farmers and other stakeholders in improved practices



Georgian hazelnut farmer (Georgia, 2019)



Facilitated \$2,742,694 in loans to agribusinesses and farmers



Formed and strengthened 3,551 associations of farmers, producers and agrodealers



Assisted 418 agrodealers and service providers

## Provided 928 Farmer to Farmer volunteer days

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Madagascar  
Malawi  
Mozambique

Zambia  
Zimbabwe  
Moldova



# CULTIVATING NEW FRONTIERS



Mango exporter transports crops in Egypt.

# CULTIVATING NEW FRONTIERS



## Reaching Last Mile Markets

More than a decade ago, CNFA revolutionized international agricultural development with the creation of the Farm Service Center (FSC) model, a blueprint for creating one-stop rural shops that provide farmers with access to inputs, services, mechanization and information.

This groundbreaking approach to improving smallholder incomes and livelihoods by harnessing the power of the private sector has spread from a single FSC in Moldova over ten years ago, to almost 200 stores across three continents at the end of 2019.

Over the past year, CNFA has expanded the FSC model with plans to launch 21 FSCs in three new countries, including seven in Rwanda funded through the Feed the Future Hinga Weze Activity; eight in Egypt funded through the Feed the Future Egypt Food Security and Agribusiness Support; and six in Côte d'Ivoire funded through USDA's Maximizing Opportunities in Cocoa Activity (MOCA) and in collaboration with GIZ, Germany.

Like the first FSC developed in Moldova, each new FSC has been closely adapted to fit the specific needs of each region and country in which it was established. Using CNFA's time-tested approach, new FSCs are designed to drive long-term success, unlike many other input supply business models.

To further enhance the success of this unique model, CNFA in 2019 launched a new "Last Mile Retailer" assessment tool designed to measure the professionalism of agro-input retailers like FSCs. The tool was created in collaboration with SCOPEinsight, the International Finance Corporation, Bayer and Syngenta. More information on the Last Mile Retailer tool can be found [here](#).

CNFA Farm Service Centers in Ethiopia.



# CULTIVATING NEW FRONTIERS



*Maradi Red Goat at livestock market in Niger.*



## Resilience for Communities in the Sahel

CNFA seeks to build resilience among smallholder communities by using the program elements of each project not only to produce agricultural benefits—but also to improve or create other community assets that support resilient societies, such as healthcare, education and government services.

Across the Sahel in Niger and Burkina Faso, for example, the USAID Resilience and Economic Growth in the Sahel—Accelerated Growth (REGIS-AG) program developed 25 livestock market management committees to help communities tap into the organizational power of the livestock markets that serve as critical commercial hubs where producers, traders, buyers and sellers trade livestock, feed and other goods.

With support from REGIS-AG, these committees—consisting of transporters, traders of cattle and small ruminants, and vendors—now help municipalities manage important market services such as tax collection, infrastructure maintenance, sanitation and market security.

As a result of these efforts, these committees also have contributed to community revenues and improved the local governments' capacity to extend investments outside of the local market. In the Guidan Roundji village in the Maradi region of Niger, for example, the increase in tax revenues collected as a result of the committee provided the local government with an extra \$7M+ FCFA to contribute to major investments in the community. In another three markets across Niger, collected tax revenue increased more than 135%. Moreover, many municipalities like Guidan Roundji now have gained the ability to offer social services to the wider community. This includes healthcare clinics and educational facilities—services that often are limited for the countries' rural populations.

# STIMULATING ECONOMIC GROWTH



Watermelon farming and savings group in Ngoma, Rwanda



# STIMULATING ECONOMIC GROWTH

## Creating Inclusive Markets

Knowledge is perhaps the most valuable commodity that changes hands in agriculture. With that in mind, CNFA arranged a tour of state-of-the-art crop production and processing facilities in California and Washington State attended by top agricultural experts from Georgia and the U.S. through the USAID Agriculture Program. The seven-day tour organized in the Fall of 2019—which built on the success of two earlier CNFA-facilitated scientific missions to Georgia—provided Georgian participants with a close-up look at advanced U.S. agricultural practices and techniques for improved production, processing, packaging and pest management of high-value-chain crops.

The tour visited the Field Fresh Produce processing plant, the California Giant Berry Farms packing house, Driscoll's strawberry greenhouses, and Tanimura & Antle Inc. vegetable production and processing facilities. Other stops on the tour included almond, walnut, pistachio and mandarin orchards, and table grape vineyards in the San Joaquin and Salinas Valleys—as well as apple growing, packing, storage and shipping operations in Washington State. The tour organizers later identified opportunities for further collaboration.

Strawberries growing in a greenhouse in Georgia.



# STIMULATING ECONOMIC GROWTH

*Rice after harvest*



## Establishing Strategic Partnerships

CNFA's private-sector-driven approach to development also strives to cultivate and establish new linkages among all the actors within the operational reach of each project.

In Nigeria, for example, CNFA's USAID-funded Feed the Future Nigeria Agribusiness Investment Activity signed 86 memorandums of understanding (MoUs) aimed at strengthening the enabling environment for agribusiness finance and investment in the country.

These MoUs—which comprise agribusiness enterprises, financial institutions, investment firms, farmer associations, state governments, private-sector organizations and others—sustainably link thousands of micro, small and medium-sized enterprises and producer organizations to high-performing commercial actors in the rice, maize, soybean, aquaculture and cowpea value chains.

MoUs were also signed with the Nigerian National Accreditation Services, the Nigerian Economic Summit Group, and the Nigerian Investment Promotion Commission to leverage resources and address product-quality standards and investment constraints within Nigeria's agribusiness sector.

These MoUs facilitated through CNFA's efforts will help to support innovative funding approaches that expand access to capital, address legal and regulatory bottlenecks, and make possible increased lending to the agriculture sector.

# PURSuing VALUE CREATION

Worker at MA Agri farm in Pakistan holds a germination tray she just brought from the nursery



# PURSUING VALUE CREATION

## Promoting Agricultural Technologies

CNFA's innovative approach to agricultural development requires constant surveillance of the technology landscape in order to bring the best new solutions to bear. In 2019, this was demonstrated in Pakistan through our USAID-funded Pakistan Agricultural Technology Transfer Activity (PATTA).

Emphasizing the practice of continuous investigation, PATTA collaborated with research institutes and private-sector companies to develop innovative solutions designed to respond to the specific needs of Pakistani smallholders. For example, PATTA supported Soby Ag. Engineers in its efforts to design, re-engineer and manufacture mini tractors with reaper binders — machine attachments specially designed to harvest wheat, rice, sorghum, and other crops. This local innovation — which features a narrow, compact build and low power — can be used by smallholder farmers for a range of applications including crop care and land preparation.

PATTA identified and promoted more than 1,000 unique agricultural technologies, out of which 161 were commercialized in the project's targeted provinces. Another 37 were introduced from the United States. Overall, 43,677 farmers applied new technologies and practices, resulting in technology sales worth more than \$10 million and farm produce sales of more than \$5 million.

Reaper machine at dealership in Lahore, Pakistan.



# PURSUING VALUE CREATION

*Hard boiled eggs and fortified High Iron Beans (HIB) in Rwanda*



## Integrating Nutrition-Sensitive Agriculture

Perhaps the most basic goal within CNFA's broader mission is to enhance the health of our beneficiaries through improved nutrition—and we managed to break new ground in doing so over the past year in Rwanda through the USAID-funded Feed the Future Hinga Weze Activity.

The program—which sought to improve the nutrition of vulnerable Rwandan households by increasing animal-sourced protein consumption, and by encouraging a more diverse diet—piloted a novel livestock distribution program in collaboration with the Rwandan poultry company, Uzima Chicken.

During Phase 1 of program in early 2019, Hinga Weze distributed 21,600 chickens to 3,600 households. Beneficiaries consumed 51 percent of the eggs produced and used the income from the sale of eggs and chicken to buy nutritious foods such as fruits and vegetables. Moreover, they also used the income to buy fertilizers, seeds and feed—as well as to pay for other things that reinforced their health and wellbeing such as community health insurance, scholastic materials for children, and household items to support healthy sanitation and hygiene.

Based on this success, later in 2019, Hinga Weze scaled up the program to include an inventive Phase 2 under which the project trained 139 agents across 10 target districts to distribute 91,000 chickens to 14,400 households and 23 care groups.

The pilot was an unqualified success. The new consumption of protein, among other factors, contributed to an increase in the percentage of women of reproductive age who consumed a minimally diverse diet—boosting that percentage in 2019 from the planned annual target of 19.0 percent to 20.8 percent.



Top 15 finalists of Amalia's WhatsApp Challenge Competition

# CELEBRATING INNOVATION

# CELEBRATING INNOVATION

## John H. Costello Innovation Award

While CNFA actively mines the private and public sectors in search of the best new methods and technologies for achieving our mission, many of our most creative new solutions come from within our own organization.

That's why each year, CNFA conducts an organization-wide innovation competition among our employees and awards the winning CNFA staff member or team the John H. Costello Innovation Award. Created in 2015 as part of CNFA's 30th anniversary, the award honors the impact that CNFA co-founder John H. Costello made around the world during his 29 years as CNFA's President and CEO.

Amalima team members Chris Hert and Tafadzwa Nyoni—whose unique WhatsApp-based entry best satisfied this year's theme, "Creative Solutions to Improve CNFA's Visibility to Advance our Mission"—emerged as the winners of the 2019 award.

The team developed an innovative competition called the "WhatsApp Challenge," which encouraged participants to generate short WhatsApp videos to illustrate the impacts of the USAID Amalima program.

In response to the WhatsApp Challenge, beneficiaries from Amalima's four operating districts submitted a total of 388 videos that included reenactments, demonstrations and short stories that highlighted Amalima interventions in nutrition, livestock management, conservation agriculture, entrepreneurship, sanitation, hygiene and more.

We congratulate the winners for their originality in creating a solution that leveraged our natural competitive impulses to generate a valuable information resource. Bravo!



*Winner: Amalima Stories from  
Gwanda*



*First runner-up: Amalima  
Stories from Bulilima*



*Second runner-up: Amalima  
Stories from Tsholotsho*

# FINANCIALS

**Total Revenue – \$55,041,862**

Federal & Non-Federal Grant Income – \$54,313,149

Other Income – \$221,059

In-Kind Contributions – \$507,654

**Total Expenses – \$54,755,212**

Net Assets, Beginning of the Year – \$4,573,511

Net Assets, End of the Year – \$4,860,161

*Cocoa drying after fermentation.*





# BOARD OF DIRECTORS

## President and Chief Executive Officer

Sylvain Roy

## Chair

Elin D. Miller

## Board of Directors:

John R. Block

John G. Castellaw

John J. Cavanaugh

John H. Costello

A. Michael Espy

Eleni Gabre-Madhin

Doug R. Keesling

Davit Kirvalidze

Jackie M. Klippenstein

Gail E. Mitchell

Thad W. Simons

Devry Boughner-Vorwerk

*Cowpeas being shipped for transport*





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