



HEIFER[®]
INTERNATIONAL



2023
Annual Report



CULTURE OF FARMING
REGENERATIVE

HEIFER
RESERVE



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ON THE COVER: Heidy Noelia Coy Cu, Quality and Safety Assistant in the laboratory of the Nueva Kerala processing facility in Guatemala. She is in charge of measuring and grading cardamom and other spices.

IVAN CASTRO / HEIFER INTERNATIONAL

LEFT: Assistant Poultry Production Specialist Bailey Egan fills turkey feeders at the Heifer Ranch Center for Regenerative Agriculture in Perryville, Arkansas.

PHILLIP DAVIS / HEIFER INTERNATIONAL

Dear Friends,

During 2023, my first full year with Heifer International, I was able to visit several program sites around the world and see how our country teams help smallholder farmers forge pathways out of hunger and poverty. I heard so many inspiring stories of personal and community transformation where these farmers — particularly women farmers — become the shapers and leaders of their development destiny.

In Bihar, India's poorest state, I visited with lower-caste women who face daunting socioeconomic and cultural barriers. I was uplifted by their descriptions of how, through determined collective effort supported by Heifer and local partners, these women at the bottom of the social order in their communities have united to launch and manage thriving agri-enterprises in goat, poultry and other value chains. Heifer has so far worked with about 70,000 of these women in Bihar who are tapping into a powerful sense of self-confidence to build better livelihoods for themselves and better futures for their children.

In the 19 countries where we are present, Heifer's aim is to be a catalyzer of opportunities. We offer women farmers and their families tools and strategies for advancing development initiatives which they craft in a **locally-led approach**. For Heifer, being locally led means listening to and taking our program design cues from the priorities identified by our farming participants, which ensures local ownership and hence better odds of program success. This approach also reflects Heifer's core values inscribed in our 12 Cornerstones for Just and Sustainable Development. They emphasize respect, trust and accountability, and a commitment to sharing benefits of development with others through the cornerstone we call Passing on the Gift®.

This Annual Report highlights key elements of how we support farming communities: empowerment of women farmers; facilitating access to markets, finance and technologies; and sharing planet-friendly farming practices to bolster sustainability. We're seeing positive results — such as in Alta Verapaz, Guatemala, where I talked to members of the women-run ADIRA cooperative who are earning more from their cacao plots by making value-added chocolate products — thanks to training and market linkages facilitated by Heifer and its partners.

Indeed, accessing new and non-local markets can be a major challenge for smallholder producers who may lack the skills, means and product volumes to do so. This challenge is surmountable, especially when farmers join together to boost their market power.

For example, Heifer's *Rwanda Dairy Development Project* helped the Nyagatare Dairy Cooperative evolve from a milk processing operation into a modern dairy hub producing a variety of milk-based products.

While increasing incomes is paramount, Heifer doesn't lose sight of the planetary element of food systems. Living in balance, where improvements in livelihoods are aligned with what we refer to as Caring for the Earth, is central in our work with farming communities. In the United States, our support for environmental sustainability has planted deeper roots at the Heifer Ranch in Perryville, Arkansas, which is now operating as the Heifer Ranch Center for Regenerative Agriculture. It trains thousands of small-scale ranchers in holistic management that regenerates soils and wildlife while increasing farm productivity and building more-resilient food systems.

We're also working to make productivity-boosting technologies accessible to smallholder farmers. In Africa, the AYUte Challenge we sponsor is awarding funds to talented young entrepreneurs to scale up agri-tech products and tools. In 2023, AYUte Challenge national competitions took shape in several African countries to support local startups.

Heifer's work can't happen without the generosity of our supporters and fruitful collaborations with our partners around the world. Thanks to all of you for sharing our mission of ensuring food and income security for the world's smallholder farmers.

Warmly,



Surita Sandosham
President & CEO
Heifer International



Heifer delegates Surita Sandosham, president and CEO (fourth from right); Rina Soni, India executive director (third from right); and Kiran Khurana, India administrative manager (far right), meet with the board of directors of the Prabhavati Farmer Producer Company in Bihar, India.

RAJEEV TYAGI / HEIFER INTERNATIONAL



RIGHT: Chocolate produced by the ADIRA cooperative in Alta Verapaz, Guatemala.

HEIFER INTERNATIONAL PHOTO

LEFT: Felicia Mbaidou Gbuuka (right) and her daughter Florence participating in Naija Unlock, Hello Tractor Pay-As-You-Go (PAYG)/Tractor 4 Africa Project and Pay at Harvest Area Yield Index Insurance in Benue State, Nigeria.

RUSSELL POWELL / HEIFER INTERNATIONAL

2023 AT A GLANCE

46.4M

Total number of households assisted since Heifer International began operations in 1944.

FY23 METRICS

79

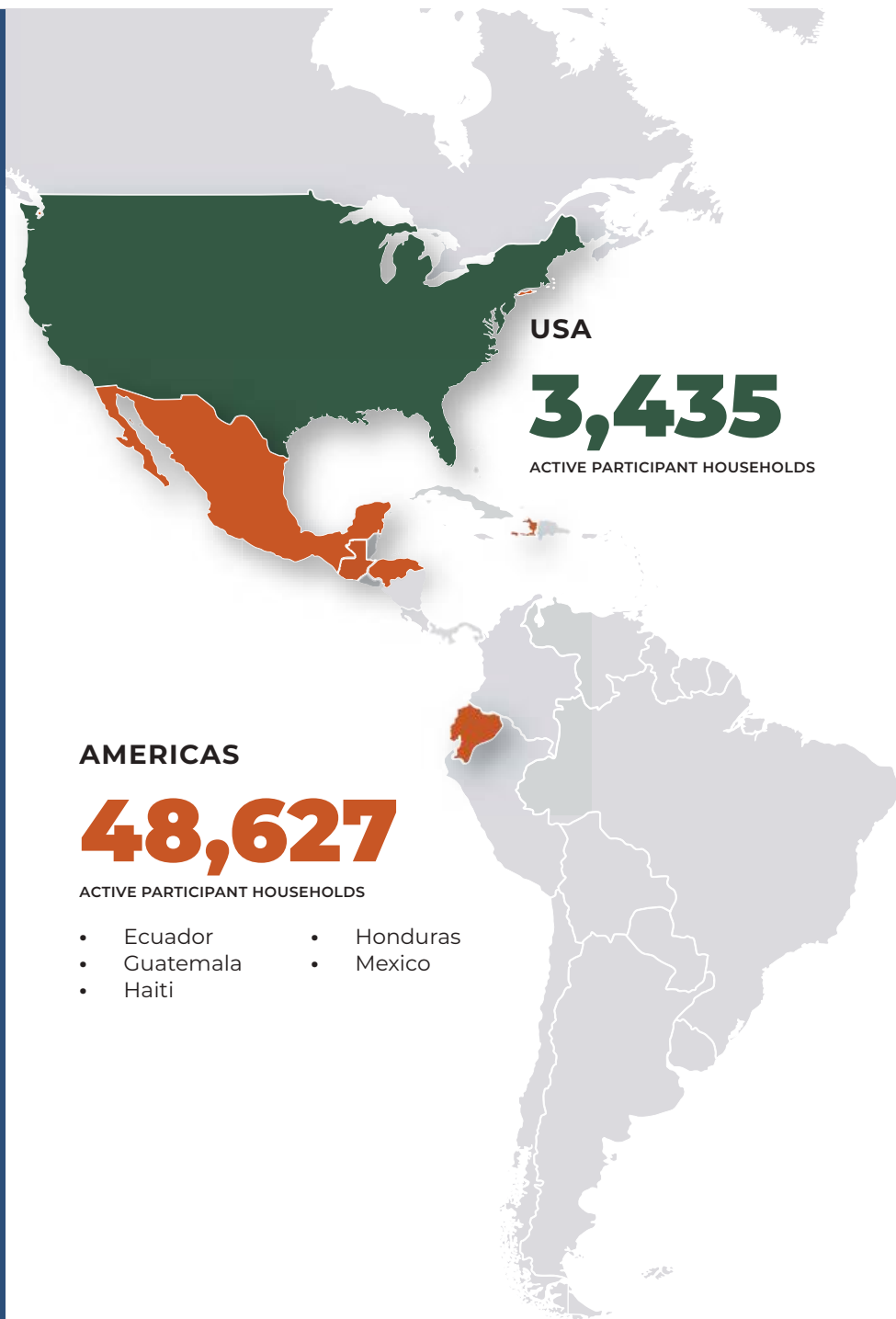
Projects in
FY23

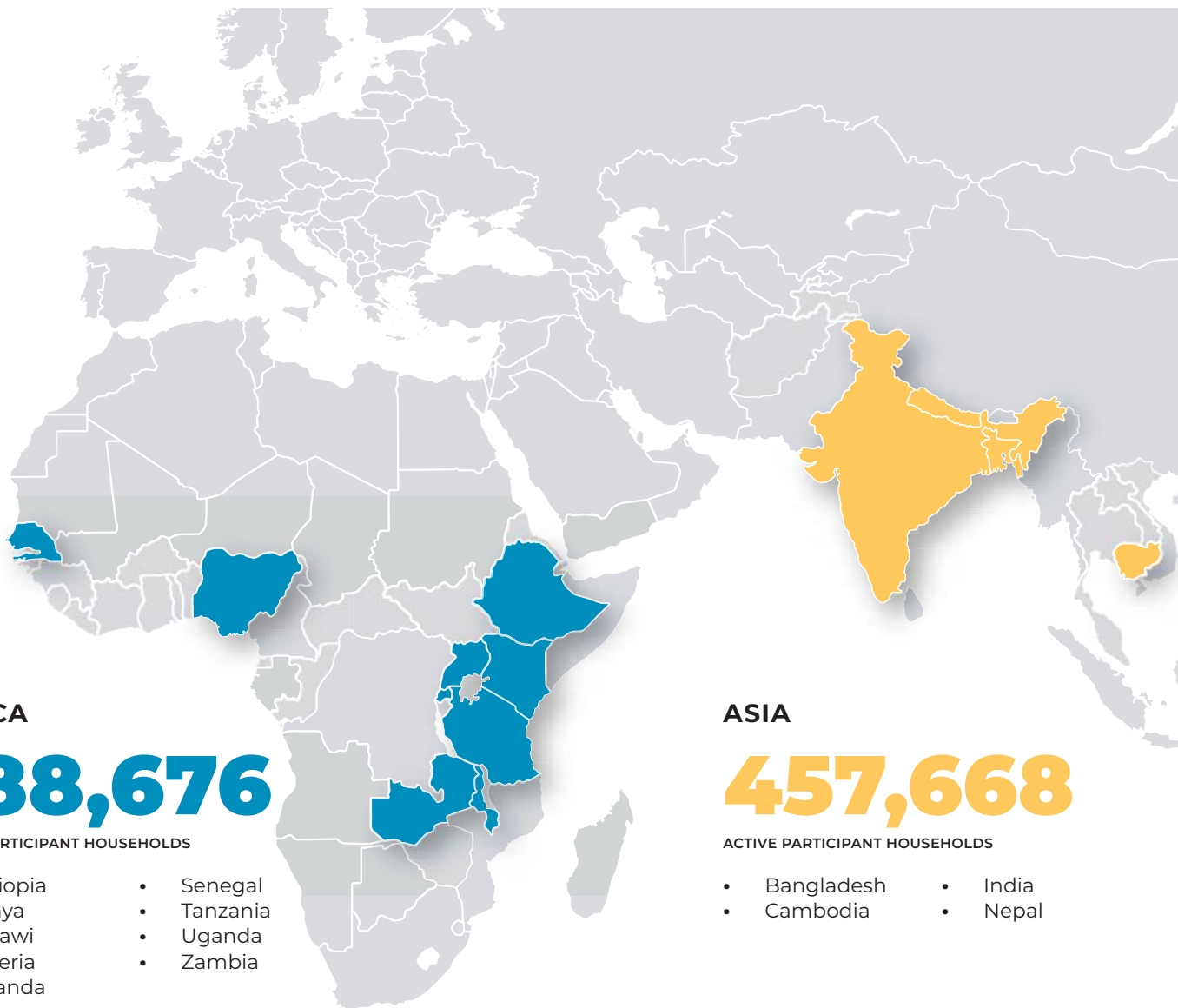
26

Signature
Programs

798,406

Active participant households in
Heifer International programs





VALUE CHAINS SUPPORTED



Agave



Beef Cattle



Beekeeping



Coffee
& Cacao



Crustaceans



Dairy



Fruits &
Vegetables



Grains
& Cereals



Horticulture



Oilseeds



Poultry



Rice



Small
Ruminants



Spices

Mission Moments

Heifer International's mission is to end hunger and poverty while caring for the Earth. We focus on strengthening the capacities of smallholder farming communities in Africa, Asia and the Americas to improve their livelihood prospects. Our sustainable locally led development approach aims to build the resilience of farming communities to economic, climate and other shocks.

We support the creation of locally organized collectives, which could be self-help groups, agricultural cooperatives, farmer-producer organizations and business hubs. These are primarily women-led and facilitate farmers' access to formal markets while enhancing their purchasing power.

With the support of donors and partners, Heifer provides beneficial knowledge, skills and extension training; leadership development; access to livestock and community-level agro-veterinary services; crop production extension services; and access to affordable credit to allow farmers the possibility of developing to their fullest potential. Our efforts boost income security and put farming households on a path toward achieving sustainable living incomes (SLIs) — the amount of money every person in a low-income smallholder farming household needs per day to live a dignified, self-reliant life.

Heifer's 2030 goal is to help 10 million more families achieve sustainable living incomes. The training we provide also emphasizes climate-smart and environmentally friendly farming practices.

Here are a few examples of how we are working with governments and other partners to achieve this goal.



Rosa Castro, a farmer, and Heifer Livestock Technician, Francisco Erazo, operating the grass cutting machine that cuts crops into small pieces, ensuring the optimal size for ensiling or feeding livestock in Olancho, Honduras.

PHILLIP DAVIS / HEIFER INTERNATIONAL

Heifer Honduras and Heifer Guatemala joined forces to pursue the *Building Climate Resilience in Supply Chains for Mobilization of Adaptation Funds* project. The project aims to enhance ecological resilience, mitigate habitat loss and improve the livelihoods of smallholder farmers. With technical and financial support from Conservation International and the Global Environment Facility, the project is also developing an Adaptation Equivalence Index (AEI) to measure the capacity of producers and value chain actors to adapt to climate change through improved water management.

While still in development, the index will help farmers quantify the value of adaptation activities in order to demonstrate financial returns. The index aims to incentivize smallholder producers to capture more value from products they market in the coffee, cacao and spice supply chains by confirming the impact of adaptive farming practices.

In Bangladesh, Heifer has partnered with a local organization called the WAVE Foundation to create training methodologies for women's self-help groups. Effective knowledge sharing empowers women to confidently assert their views, practice sustainable livestock management and navigate toward economic independence and leadership roles.

This work is core to Heifer's mission of Passing on the Gift® — one of our 12 Cornerstones for Just and Sustainable Development — which is the act of farmers sharing with others valuable agricultural assets, such as training, tools, animals and seeds, to expand impact.



Riya Sheikh, a community trainer, educates members of the Gazor Nari Unnayan Dal self-help group on sustainable planting techniques in Biralidaho village, Rajshahi district, Bangladesh.

PRANAB AICH / HEIFER INTERNATIONAL

In Ethiopia, Heifer has been working to pass on the gift through the Agriculture, Youth and Technology (AYuTe) Africa Challenge. It identifies and awards local agri-tech innovations that have the potential to address challenges of smallholder farmers in Ethiopia and improve production, productivity, income, access to finance and resilience. While the 2023 winners received a welcome financial boost, the sustained mentoring and resources offered by the AYuTe program are supporting young entrepreneurs to pave the way for lasting impact in their community.

In June 2023, Heifer signed two Memoranda of Understanding (MOUs) with the Ethiopia Ministry of Agriculture and Ministry of Irrigation and Lowlands, strengthening Heifer's partnership with the government to transform the country's agricultural sector. The MOUs will facilitate the identification and implementation of agri-tech innovations that address challenges faced by smallholder farmers and pastoralists in Ethiopia.



The final pitching and award ceremony of the AYuTe Ethiopia Challenge was held at the Inter Luxury Hotel in Addis Ababa, Ethiopia. Posing from left to right; third place winner Natnael Behailu, Heifer CEO Surita Sandosham, second place winner Abel Mulugeta, State Minister for the Ministry of Labor and Skills, H.E Nigussu Tilahun, AYuTe Ethiopia winner Samsom Alemu and Heifer Ethiopia Country Director, Tewodros Ayele.

HEIFER INTERNATIONAL PHOTO

This initiative aims to improve production, income, access to finance and resilience for smallholder farmers and pastoralists; mobilize broad-based youth engagement in sustainable and profitable agricultural practices; and foster the emergence of a new generation of agri-entrepreneurs in Ethiopia.

In India, to further create strong, sustainable, locally led leadership, our colleagues supported a five-day government training on Heifer's 12 Cornerstones. The program shared knowledge with government officials on the concepts of Value-Based Holistic Community Development and the importance of nurturing social capital. Through exploration of the benefits of shared values and principles, participants also acknowledged how critical strong leadership is to success and the various ways they can make a difference in their respective roles.

In the U.S.A., Heifer was awarded the 2023 Community Partner Award from the University of Arkansas at Little Rock Department of Applied Communications in May. The award recognizes Heifer's commitment to partnering with department faculty and students to promote social responsibility through positive communication. In one joint activity, Heifer and the university are measuring the personal change experienced by farming partners as they engage in Heifer's values-based programs.

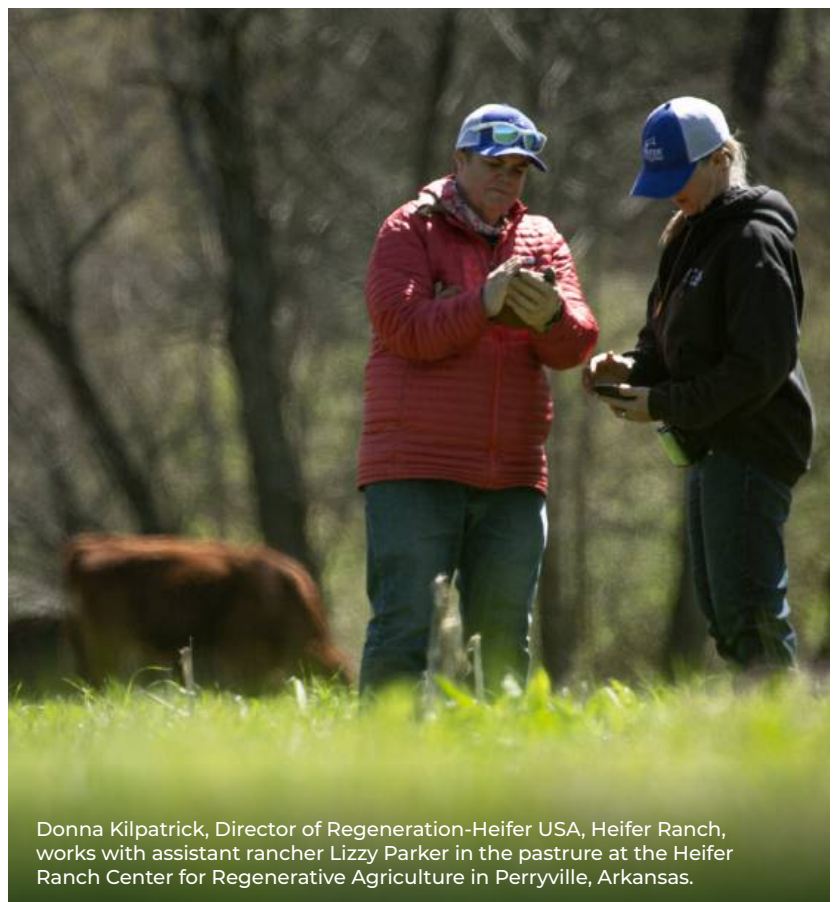
The Heifer Ranch Center for Regenerative Agriculture was launched to assist smallholder farmers in adopting science-based, environmentally friendly and climate-smart practices. Through its YouTube farmer training program, Heifer Ranch supports smallholder farmers in the United States and globally to incorporate regenerative and productivity-enhancing farming techniques. Heifer Ranch leverages its status as a Network Hub for the Colorado-based Savory Institute, a world leader in regenerative practices, while serving as a research, education, training and demonstration site.

Globally, Heifer strives to leave a legacy of growth, community enrichment, locally led leadership, sustainability and food security through each interaction with local communities. In this way, we continue Passing on the Gift® to farmers and producers around the world. ♦



Researchers from Heifer and the University of Arkansas at Little Rock learn about the lives of smallholder farmers in Bihar, India.

HEIFER INTERNATIONAL PHOTO



Donna Kilpatrick, Director of Regeneration-Heifer USA, Heifer Ranch, works with assistant rancher Lizzy Parker in the pasture at the Heifer Ranch Center for Regenerative Agriculture in Perryville, Arkansas.

PHILLIP DAVIS / HEIFER INTERNATIONAL

Women's Empowerment

Heifer's approach is strongly focused on women smallholder farmers. Through analysis of our work over the years, we have learned that empowering women is key to strengthening resilience to shocks, ensuring sustainable development and supporting their families and communities to meet their goals and create opportunities for economic growth and rural development. These findings have held true across all regions where Heifer works.

Heifer is committed to a sustainable locally led development approach to our programming that creates opportunities for women's empowerment and leadership by shifting power and decision-making to local communities.

We believe that this approach supports women to gain greater control over their lives and contribute meaningfully to the development of their groups and communities at every level. In time, communities, and women especially, own their development.

The degree of women's decision-making power is a key indicator of the impact of our work. When we support women and communities and strengthen their ability to meet their own needs, we draw closer to our goal of helping farming households achieve Sustainable Living Incomes.

In FY23, Heifer programs made significant progress in advancing women's empowerment, with 63 percent of households across all our projects reporting a high level of decision-making power for women residents. Additionally, nearly 60 percent of leadership positions in Heifer-supported cooperatives were reported to be occupied by women in projects that provided data in FY23.

"As the Wolof saying goes, 'Strength is in unity, and what one can do, two can do better.' This is true for us."

RAMATA NIASS

Saloum Corn Producers Association Member,
Senegal

BECOMING CLIMATE-SMART

Heifer Senegal has partnered since 2021 with the largest corn production and processing farmers' organization in Senegal, the Saloum Corn Producers Association (FEPROMAS), on the *Climate Services for Increased Resilience and Productivity in Senegal* project. The project aims to help Senegalese farmers improve production, adapt to climate change, increase food security and transition their farms from subsistence operations to profitable businesses.

FEPROMAS is a group of mostly female farmers building resilience to poverty and climate vulnerability by collaborating on the production of corn but also peanuts, millets, cowpeas, sorghum and various value-added products.



Ramata Niass from Saloum Corn Producers Association (FEPROMAS) attends a Passing on the Gift® ceremony in Senegal.

SYLVAIN CHERKAOUI / HEIFER INTERNATIONAL

The association's membership has grown to more than 2,500, enabling Heifer to reach more producers with direct agricultural assistance, including high-quality, short-cycle seeds; climate and weather information; and the technical and business training needed to establish hearty farms and cope with the region's vulnerabilities.

BUILDING BUSINESS SKILLS

The ADIRA Cooperative was formed in 2009 by a community spanning the municipalities of Raxruhá and Chisec in northern Alta Verapaz, Guatemala. It is an agricultural and social association that supports members on their journey as farmers and producers. Members are of Mayan Q'eqchi' descent and have a deep respect for the Earth.

Thanks to extension services and field training, members of ADIRA are maximizing what — and how — they plant. Although these efforts required more work initially, they have resulted in greater yields at harvest time.

This group of young women will also learn business management and planning skills so they can develop viable businesses in the cacao- and chocolate-making sector and create jobs for others in the community.

Heifer is broadening ADIRA's impact by offering training to empower members to become teachers or project promoters who can carry forward the organization's commitment to the community.

The photo below shows Florinda Araceli Tzib Maaz, a promoter with the *Green Business Belt Program*, who moves between Raxruhá and Chisec, teaching members in small groups so that even those with little formal education can use the information.

CONNECTING THROUGH COOPERATIVES

Shanti Tamang manages a flourishing enterprise known as Chhatre Deurali Social Entrepreneur Women's Cooperative (SEWC) in Dhading, Nepal. The cooperative was established in 2012 with just 11 self-help groups. They were lifelines for rural women, offering them friendship, a financial safety net and an opportunity to learn the agricultural skills and techniques needed to thrive in a community where women had few economic prospects or social support.

Heifer's Passing on the Gift® Cornerstone fueled the evolution of Chhatre Deurali SEWC when it inspired original members to share their wisdom and resources with 46 more self-help groups.

"[I started working with Heifer] to be able to support my fellow women, to lose fear, working the land that our parents have left us."

FLORINDA ARACELI TZIB MAAZ
Heifer promoter and farmer, Guatemala

Florinda Araceli Tzib Maaz, a promoter with Heifer's Green Business Belt Program, demonstrates best practices in Guatemala.



IVAN CASTRO / HEIFER INTERNATIONAL



Shanti Tamang, second from right, and other members of the Chhatra Deurali Social Entrepreneur Women's Cooperative stand outside their office in Dhading, Nepal.

NARENDRA SHRESTHA / HEIFER INTERNATIONAL

87%

of women participants in Heifer Nepal projects say they make decisions about their income.

This compares to **52%** of women in Nepal's national Demographic and Health Survey.

77%

of women participants in Heifer Nepal projects say they had a bank account.

This compares to **41%** of women in Nepal's national Demographic and Health Survey.

Central to this expansion was Heifer's Cornerstones training, which involves workshops — including exercises to help change people's views on gender equality — and encourages the growth of practical skills.

The empowerment experienced by women in our projects in Nepal is reflected in the results of research we conducted in 2023 to assess the connections between Heifer projects and positive gender outcomes.

The research showed that nearly 87 percent of women participants in Heifer Nepal projects said they made decisions about their incomes, compared to 52 percent of women who were asked about the same topic in Nepal's national Demographic and Healthy Survey. Additionally, 77 percent of women participants in Heifer Nepal projects said they had a bank account, compared to 41 percent in the national survey. ♦

"It is not like the old times, when ... a woman's place was in the kitchen and they were unable to do anything else. [Now] there are a lot of people ... treating their daughters and sons equally and not participating in discrimination."

SHANTI TAMANG

Chhatre Deurali Social Entrepreneur Women's Cooperative Manager, Nepal

CATALYZING OPPORTUNITIES

Market Access

Across the world, smallholder farmers face considerable challenges accessing profitable markets.

Often, farmers in one area grow similar crops or keep the same livestock, resulting in oversupply of local markets with the same or similar produce. In other cases, poor road infrastructure and high transport costs mean only a few farmers can access markets that may offer better prices. For highly perishable produce such as fruits, vegetables and milk, the lack of storage or refrigeration facilities translates to either recurring losses or low sales prices for the farmers. Smallholders also have trouble obtaining financing due to insufficient collateral and other impediments. In many cases, farmers are at the mercy of middlemen who offer low prices and reap most of the profits.

Across our portfolio, we've found opportunities to support farmers in finding or even creating better markets to ensure they earn a fair price when it's time to sell.

DEVELOPING A DAIRY HUB

In Rwanda, the dairy sector has grown steadily through the last few years, creating opportunities for smallholder farmers to expand their livestock enterprises. Heifer's *Rwanda Dairy Development Project (RDDP)* has been working with dairy cooperatives and supporting dairy farmers through skills building and better herd management. Funded by the International Fund for Agricultural Development (IFAD) through the Rwandan government, *RDDP* supports cooperatives such as the Nyagatare Dairy Cooperative.

While it has been challenging to implement systemic changes like optimizing the milk supply and improving the milk collection process, the project helped the cooperative uncover opportunities to increase processing and utilization that could yield exciting possibilities for increased farmer incomes. A primary raw milk buyer could take only 50 to 70 percent of the increased volume, and a solution was needed to use the rest of the milk productively and profitably.

With support from *RDDP*, the cooperative developed a business plan for a milk processing plant that would resolve the abundance of supply and increase long-term viability. With the comprehensive business plan and a vision for the future, the cooperative received initial funding from Heifer and IFAD to transform the operation from a milk collection center to a modern dairy hub.

The milk processing plant now produces various dairy products, including yogurt and pasteurized and fermented milk, which has enabled the cooperative members to capture more value from their products.

Of course, there's still a long way to go. The cooperative faces challenges in getting the yogurt business up and running profitably, but with Heifer and partner support, they're working hard to become a profitable business and a reliable supplier of nutritious and wholesome food to their community.



Staff working at Nyagatare Dairy Cooperative in Rwanda.

JACQUES NKNZINGABO / HEIFER INTERNATIONAL

“Heifer International training transformed my cattle-rearing practices. Before their support, I lost eight cows due to a lack of knowledge of proper care. Now, with the knowledge and support provided, I have successfully transitioned to improved dairy cattle, created paddocks, grown fodder and adopted proper feeding practices. The results have been nothing short of remarkable.”

DAMIEN NDABUKIYE

Dairy Farmer and Nyagatare Dairy Cooperative member, Rwanda



Set Hach, a farmer in Cambodia, pulls out a tray with recently hatched chicks from the egg incubator.

PHILIP DAVIS / HEIFER INTERNATIONAL

TRANSFORMING POULTRY PRODUCTION

According to the Asian Development Bank, nearly 20 percent of Cambodia's population lives below the national poverty line. While the country made tremendous improvements in poverty reduction between 2009 and 2019, the COVID-19 pandemic and the knock-on economic effects of climate change, conflict and the pandemic itself have reversed some of this progress.

In Siem Reap Province, Cambodia, home to the famous Angkor Wat temples, agricultural cooperatives are making a big difference in the lives of smallholder farmers and producers.

Since its launch in 1999, Heifer Cambodia has been working alongside farmers, producers and local partners to support more than 92,000 families. Heifer Cambodia's *Poultry Project of National Pride* is directly working with approximately 33,000 households.

This program empowers farmers, such as Set Hach, when they join self-help groups for support as they work toward sustainable living income. Like many Cambodian farmers, Set raised chickens the “traditional way” — a method she described as letting the chickens run “anywhere” — until joining Heifer's project. Before she was trained on better rearing practices, “the chickens got sick or died,” she said. “Sometimes, the dog ate the chickens.”

Now, she's a leader in her community, an entrepreneur and a businesswoman. She has big dreams of owning and operating a chicken processing facility so she can supply her local community with fresh meat sourced from the farmers and producers who are part of her cooperative and her community. ♦

THRIVING IN THE FOREST

Heifer Ecuador's *Future of Food* program works with farming families to improve their economic, social and environmental outcomes. In partnership with local communities, Heifer Ecuador strengthens value chains that enable women and indigenous populations to build sustainable living incomes while protecting the environment.

We work with farmers to protect and preserve the native Huarango tree species, which is endemic to the Andean dry forests, from overexploitation in the commercial tanning and food industries. This creates economic opportunities for rural farmers and stimulates local environmental protection of the species.



Rosa Elvira Chisaguano collects seed pods from Huarango trees in Ecuador.

GABRIEL GRANJA / HEIFER INTERNATIONAL

Ecuadorian dry forests are part of two environmental hotspots: the Tumbes-Chocó-Magdalena region and the Tropical Andes. These forests shelter an abundant flora, where 21 percent of plant species are unique to the region. The Huarango tree is one such species, which is an important part of the dry forest ecosystem.

By supporting rural farmers in planting and conserving Huarango trees, the *Future of Food* program has re-forested this threatened species while increasing the incomes of 1,400 farmers. This work increased the amount of money they earned per kilogram of Huarango fruit they collect. By selling to trusted buyers, farmers get the best price for the fruit and are incentivized to ensure the continued protection of this important tree species.

INVESTING IN QUALITY

Through the *Tanzania Milk Processing Project (TMPP)*, Heifer Tanzania improved the incomes of dairy farmers by enabling them to produce more high-quality milk and linking them to processors. Co-funded by the Bill & Melinda Gates Foundation and the Tanzania Agricultural Development Bank (TADB), the project has partnered with four large and four small milk processors as the primary buyers of the milk produced by participating farmers.

More than 54,000 smallholder farmers participated in the project, 40 percent of them women. As a result of TMPP interventions, milk rejection at collection points was reduced from 15 percent in January 2020 to less than 1 percent in June 2022. This higher-quality milk has led to better prices for the farmers. ♦

MARKET ACCESS

Harnessing Technology for Market Access

Heifer leverages digital technologies to improve smallholder farmers' access to information, markets and finance, helping accelerate their progress.

LIVING INCOME PRICING TOOL IN THE AMERICAS

Heifer Labs partnered with program staff, partners and communities in the Americas to develop a Living Income Pricing (LIP) tool to support the Promesa Café y Cacao program.

The initiative links social enterprise m.cultivo with Fairfood, a nonprofit focused on food supply chain transparency, to design a digital tool to supply coffee and cacao producing cooperatives with accurate pricing information along the coffee supply chain. By providing transparent market information and facilitating better relationships with buyers, the pricing tool aims to ensure farmers receive more equitable pricing for their products and to engage commercial partners interested in obtaining living income endorsements on their products.

The tool will be piloted with Heifer Honduras in the Copan region in 2024 and may then expand to other regions and countries. ♦

CATALYZING OPPORTUNITIES

Financial Inclusion

Access to credit remains one of the biggest challenges for smallholder farmers, especially women farmers, due to lack of collateral for loans, gender bias, perceived risk of investing in agriculture and other barriers.

Working with Heifer has enabled farmers to access loans at affordable rates, insure their farms against disasters, buy equipment to scale their businesses and purchase feed and other necessities.

Across the countries we work in, farmers are utilizing the funding and support we facilitate to strengthen their businesses, access new markets and set their businesses up to generate sustainable profits. Our work in Rwanda highlights how farmers are utilizing Heifer's support to improve their lives and their livelihoods.

"Access to financial services is important for groups like ours because we are able to borrow and expand our economic activities. Borrowing from tontines [local lending schemes] is more expensive than borrowing from a financial institution. It is important for our development."

ICYIMANIZANYE VESTINE

Treasurer, Abihuje Women's Self-Help Group, Rwanda

FINANCING FARMERS IN RWANDA

In Rwanda, Heifer supports Farmer Field Schools that promote savings and loans groups as a source of financing for farmers to grow their businesses. Community facilitators provide training in core financial literacy principles and best practices.

As part of the training, groups establish their own rules, deciding how often deposits should be made and minimum contributions expected from each member. Groups also determine whether the funds will be used to benefit the group as a whole or loaned to individual members.

Savings are typically used to buy livestock or invested in infrastructure such as animal sheds. If the groups decide to lend, members can borrow money at an interest rate set by the group, with rates typically ranging from four percent to five percent per month. The loans enable a group's members to access finance when they are unable to do so and on their own terms.



Icyimanizanye Vestine harvesting pyrethrum daisies in Bugeshu village, Rubavu District, Rwanda.

JACQUES NKINZINGABO / HEIFER INTERNATIONAL

Borrowers choose how to use the loans, with about 90 percent typically used for income-generating activities — the purchase of livestock, land or equipment, or starting a new business — with the remaining 10 percent used for family needs, such as education, housing and health.

When both the financial capabilities and needs of farmers outgrow the funds their savings and loans groups can provide, Heifer Rwanda connects them to financial institutions. These include microfinance and semi-formal institutions, such as Savings and Credit Cooperative Organizations (SACCOs).

THE ABJIHUJE WOMEN'S SELF-HELP GROUP IN RWANDA

After forming in 2018, the group started a savings scheme where each member saved money weekly. Since then some of its members have opened bank accounts in a nearby microfinance institution so they can save and borrow. In addition to microfinance loans, the members also borrow from the group's savings and pay back with an interest rate of five percent which is distributed as dividends to the members in addition to their savings. ♦



The Abihuje Women's Self-Help Group holds a meeting in Bugeshi village, Rubavu District, in the Western Province, Rwanda

JACQUES NKINZINGABO / HEIFER INTERNATIONAL

Leveraging Investment Capital

Heifer program teams leverage a variety of investment vehicles to increase the scale and impact of their work with farming collectives. The investments allow farmers to gain access to affordable financing so they can build agri-businesses and thereby access more-profitable markets.

Farmer cooperatives with access to capital can design and commercialize products and services at scale, creating jobs and generating local economic opportunities, leading to more inclusive and resilient rural economies. Access to finance also stimulates the development of small- and medium-size enterprises that can have a positive long-term economic impact.

As of December 31, 2023, Heifer programs have worked with our Heifer Impact Capital unit to commit investments of \$17.2 million and deploy \$7.9 million in 12 countries. Heifer has leveraged another \$98.3 million to amplify the impact of its agricultural investments, as illustrated by the work done with partners such as Duterimbere in Rwanda.



HEIFER INTERNATIONAL PHOTO

FOSTERING FINANCIAL LEADERSHIP

Located in Kigali, Rwanda, Duterimbere is a microfinance organization that aims to foster women's economic leadership through horticulture, production of agricultural goods and support for mid-sized enterprises that generate income.



Duterimbere is dedicated to empowering vulnerable and resource-challenged women across rural areas and the city of Kigali. Recognizing the potential for collaboration, Heifer signed an MOU with Duterimbere in January 2020. Together, they embarked on a mission to provide small and micro loans to Rwandan women and groups within Heifer's farming network, focusing on enhancing smallholder farming endeavors, particularly in agriculture and cattle rearing.

During the subsequent three years, Duterimbere disbursed 55 loans to both individuals and lending groups, impacting a total of 271 participants, more than 60 percent of them women. These loans served as catalysts for the expansion of smallholder farms, increased production and efficiency and improved market access.

The collaborative partnership between Heifer and Duterimbere ensured eligibility of recipients for loans, efficient disbursement and repayment management — while furthering Heifer's mission to end hunger and poverty while caring for the Earth. Impressively, out of the 271 recipients, only three defaulted on their loans, primarily due to unforeseen circumstances such as the loss of an income-generating animal.

Heifer analysis also found that on average the incomes of Duterimbere loan recipients were significantly higher than those of non-recipient households. ♦

Caring for the Earth

Although agriculture is how we feed the world's growing population, it also has significant environmental impacts. Agriculture accounts for about one-third of human-generated greenhouse gas emissions that contribute to climate change. And while people in low-income and middle-income countries — especially the hundreds of millions of smallholder farmers in these countries — have contributed the least to climate change, they are highly vulnerable to its impacts.

Climate change is stressing the land smallholder farmers work and live on, impacting crop yields, threatening the well-being of livestock and putting farmers in danger of forced displacement.

The following examples highlight how the strategies we share with farmers contribute to stronger, more profitable food systems while reducing agriculture's impact on the environment and restoring degraded land.

RESILIENCE AND RESTORATION

Our Caring for the Earth (C4E) approach addresses the disruptive nature of climate change by working with farmers to build a resilient food production system. We focus on minimizing waste, returning nutrients to the soil, preserving forest and other local ecosystems and raising healthier, more productive livestock. Heifer's farmer-first conservation approach ensures farmers can work on the land where they live, adapt to climate challenges and achieve sustainable living incomes. C4E will support Heifer to achieve its ambitious goal of empowering 10 million farming households to earn a sustainable living income by 2030 by increasing communities' resilience, building efficient and productive food systems that care for the Earth and regenerating the critical ecosystems that support smallholder farmers and their families.

SUSTAINABILITY AND PRODUCTION

Ecuador's ecologically rich but fragile mangrove forests are under serious threat from the logging industry, commercial shrimp farming and pollution. Local communities rely on these ecosystems to make a living from collecting and selling shellfish. The communities form cooperatives that protect swaths of the mangrove forests in exchange for the right to collect the shellfish.



Ismaila Cning makes every drop count as he waters seedlings in the kitchen garden that he and his young family rely on in Thienaba, Thies, Senegal.

SYLVAIN CHERKAQUI / HEIFER INTERNATIONAL



Julio Villón Cáceres collects crabs at El Naranjal mangrove reserve ecosystem in Guayas, Ecuador. This artisanal form of harvesting guarantees not only the protection of the fragile mangrove ecosystem but also the repopulation of the crabs.

ISADORA ROMERO / HEIFER INTERNATIONAL

On the livelihoods side, Heifer Ecuador connects native collectors' cooperatives to viable markets, providing technical assistance and guidance, and has supported them to develop community nurseries for reforestation. To date, these collectors have reforested more than 50 hectares of mangroves.

In August 2023, in a major achievement, the Ecuadorian government granted custodial rights to sections of the mangrove forest to four Heifer-supported farmer associations to continue this work.

Closely related to Heifer's C4E approach is our application of the One Health concept — recognizing that all living things are connected — as we create sustainable environmental solutions that advance our goal of ending hunger and poverty.

Our One Health strategic plans include working to prevent antimicrobial resistance in livestock and training Community Agro-Vet Entrepreneurs to care for animals. As we promote safe food production and hygiene practices, we're also training farmers to implement land management techniques such as using organic fertilizer and plant fodder for animal feed.



Suku Maya prepares fodder to feed to her goats in Nepal.

NARENDRA SHRESTHA / HEIFER INTERNATIONAL

Heifer's USAID-supported *Transforming Market System* in Honduras will eventually work with 15,000 livestock farmers over three years, aiming to reduce their carbon footprint by 2030 through pasture management, live vegetative fencing and the use of native species as feed for cattle. Farmers participating in this program use milk collection and cooling centers where they verify the quality of milk and prepare it for delivery. Families and community members are embracing the spirit and impact of this work, joining forces to establish La Fortaleza, a community-driven dairy processing plant that equips its members with knowledge, skills and income-building opportunities.

In Nepal, Heifer has been working with nearly 300,000 smallholder farmers since 2012. In that time, goat farming cooperatives have increased productivity thanks to better-performing breed stock, the use of locally available feed (instead of open grazing) and improved animal housing. The climate-conscious practices of smallholder farmers reduced the intensity of their land use by 80 percent, water use by more than 90 percent and greenhouse gas emissions by 78 percent.

Planting Seeds for the Future

As we support farmers to adapt to climate change and protect the planet, they are improving yields and preventing natural resource depletion. By incorporating One Health principles and environmentally friendly practices into our work, we are empowering farmers to build resilient systems that ensure they can withstand current and future climate change challenges. ♦



LEFT: Isabellah Nehemia tests milk as part of the quality-control process at Kalalo Collection Center in Tanzania.

MOSHI J. LUKINDO / HEIFER INTERNATIONAL



RIGHT: Kusu Maya, a community agro-vet entrepreneur cares for local farmers' animals in Nepal.

NARENDRA SHRESTHA / HEIFER INTERNATIONAL

Heifer USA

In FY23, Heifer USA's farmer-focused projects included digital educational content, on-site training, infrastructure support and tackling key issues in Mississippi's agricultural landscape.



Curtis Snell, owner of Welcome U 1st Farm in Starkville, Mississippi, encourages his pigs into their pen.

SUPPORTING MORE FARMERS

The *Mississippi Pastured Pork Project* works with underserved and marginalized farmers in Mississippi. This and other grant-funded initiatives of Heifer USA support farms in western Mississippi, encompassing much of the Mississippi Delta.

The project emphasizes regenerative land use, soil health and land management. Practical steps include assessing current practices, developing USDA conservation plans and providing hands-on training and educational outreach.

REGENERATING LAND

In FY23, a two-week Savory Institute Holistic Management Course was held for the first time at Heifer Ranch Center for Regenerative Agriculture, with 10 farmer students attending. The ranch provided demonstrations, workshops and tours for a variety of guests — from farmers to major donors to General Mills representatives interested in learning about regenerative agriculture and Heifer USA's work.

As a certified Savory Institute Hub, Heifer Ranch not only offers classes and workshops but is also accredited to conduct ecological outcome verification (EOV). Results from EOV testing at Heifer Ranch verified the regeneration of pastures and marked success in restoring soil, increasing biodiversity and improving water and carbon absorption.

In 2023, Heifer USA tested 1,889 acres on 11 farms and found nine showing gains in regeneration.

DIGITAL OUTREACH

Heifer USA's digital educational content on YouTube reached 100,000 subscribers in FY23 and received YouTube's Silver Creator Award.

The YouTube channel offers livestreaming, video-on demand and resource downloads on regenerative farming. The program has a global impact, with top viewership locations in the United States, Canada, India, Philippines, Indonesia, Vietnam, Kenya, South Africa, Australia and the United Kingdom. ♦

PHILLIP DAVIS / HEIFER INTERNATIONAL

Partnerships

Heifer works with a wide variety of partners to achieve greater scale and sustainable impact. They include farmer organizations, market system actors, governments, funders, researchers and others.

Partnerships allow Heifer to leverage an expanded base of experience, expertise and knowledge to provide better support and solutions for our farmer participants.



Magalí Martin May, a member of the Kikibá collective, tends to her chickens (LEFT) and prepares eggs for sale (RIGHT) at her business in Oxkutzcab, Yucatán, Mexico.

NICOLE FRANCO / HEIFER INTERNATIONAL

AMERICAS: HATCHING HOPE AND EL BUEN SOCIO



Heifer International expanded our network of partnerships in support of the *Hatching Hope Global Initiative*. We've joined with El Buen Socio, a women-owned Mexican social finance organization, to expand a loan program enabling smallholder poultry farmers to scale up flocks and increase incomes.

El Buen Socio provides capacity-building financial education and creates an affordable financial product for smallholder poultry producers. These efforts demonstrate an oversized impact: On average, the farmers who took the loans had significantly higher average annual incomes (about \$4,220) compared to the farmers who did not take loans (about \$2,620).

Hatching Hope is a global initiative implemented by Cargill and Heifer that aims to help improve economic livelihoods and nutrition by reaching 100 million people by 2030. Through the program, farmers can increase the knowledge and resources needed to expand sustainable poultry production and marketing to boost producer incomes.



Hellen Owour stands outside the community bank of Great Wang'Chieng Financial Services Association in Kenya.

ALLAN GICHIGI / HEIFER INTERNATIONAL

AFRICA: HEIFER INTERNATIONAL AND MASTERCARD

In 2023, Heifer and Mastercard announced a partnership to connect millions of smallholder farmers in Sub-Saharan Africa to Mastercard's Community Pass — a digital platform that makes it safer and easier for farmers to get paid more and faster for their produce.

Under the partnership, Heifer and Mastercard will focus on advancing digitalization and financial inclusion among smallholder farmers through Heifer's Farmer Visibility Initiative powered by the Community Pass platform.

Mastercard Community Pass is designed to address infrastructure challenges that arise in digitizing rural communities, such as unreliable connectivity, low smartphone ownership and lack of consistent identification or credentials.

The digital platform transforms service delivery in remote communities, increases access to services for those typically excluded and provides farmer visibility through simple and affordable issuance and acceptance infrastructure that enables digital transactions and service delivery.

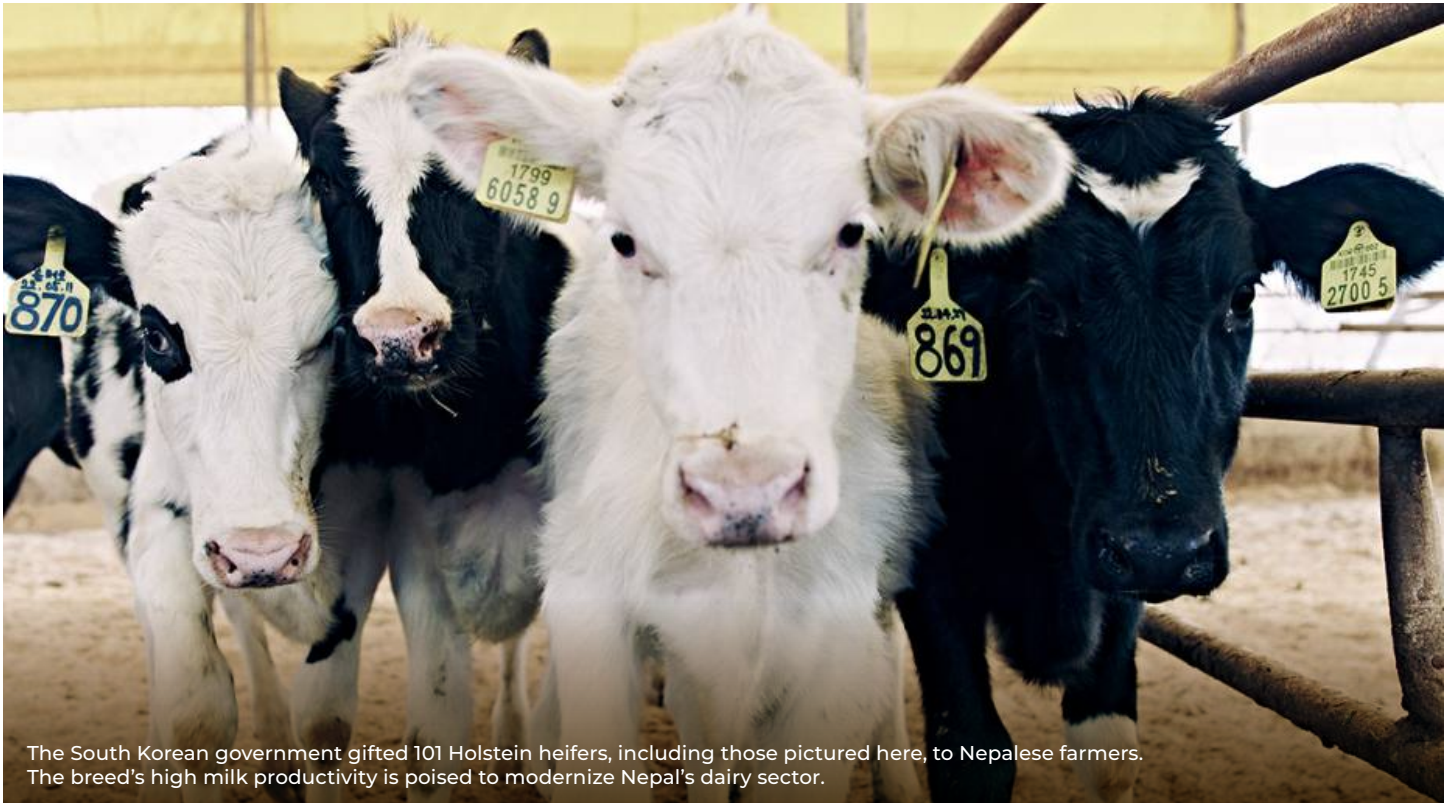
AFRICA: HEIFER INTERNATIONAL AND HELLO TRACTOR

Heifer partnered with Hello Tractor, an agricultural technology company that connects tractor owners to smallholder farmers in need of tractor services, for the *Innovative Tractorization for Africa* project. Launched in Kenya in 2022, the project uses Hello Tractor's flexible Pay-As-You-Go financing model to identify tractor owners who can meet criteria for tractor financing and support them to improve the management of their businesses. This initiative also unlocks tractors for rental services by farmers and farming communities through its marketplace app.

An assessment study of the project between April and June 2023 showed that 104 tractors have been purchased and handed over to smallholder farmers across Nigeria, Kenya and Uganda through the Pay-As-You-Go model.

The project has reached more than 21,000 smallholder farmers in need of mechanization services, created jobs for more than 300 youth as booking agents and tractor operators and 784 indirect jobs across target communities in the three countries where the project was piloted. This pilot project resulted in an impressive 227 percent increase in farmers' incomes and a loan repayment rate above 90 percent. In the next few years, the project aims to expand to other African countries, reaching more smallholder farmers.

This impactful partnership between Heifer and Hello Tractor builds on catalytic funding that Hello Tractor leveraged from winning Heifer International's *Agriculture, Youth and Technology (AYuTe) Initiative*.



The South Korean government gifted 101 Holstein heifers, including those pictured here, to Nepalese farmers. The breed's high milk productivity is poised to modernize Nepal's dairy sector.

HEIFER INTERNATIONAL PHOTO

ASIA: NURTURING A PARTNERSHIP BETWEEN KOREA AND NEPAL

This year, Heifer Nepal celebrated a historic gift: the transfer of 101 Holstein heifers and 20 high-quality breeding bulls donated by South Korean dairy farmers and the Government of Korea to dairy farmers in Nepal.

This example of Heifer's enduring Cornerstone, Passing on the Gift®, is a government-to-government initiative known as the *Milky Way* project and is facilitated by Heifer Korea and Heifer Nepal. The project aims to double milk productivity in Nepal and benefit more than half a million smallholder dairy farmers by 2030.

The animals, donated at no cost to the people of Nepal, will form part of the ongoing work to improve the Nepalese dairy value chain and bolster dairy animal ownership and household milk production.

Local unimproved dairy cows in Nepal struggle to produce even nine liters of milk per day, a stark contrast to the potential yield of 30 liters per day achieved by Korean Holstein dairy cows fed an optimal diet. Implementing a systemic approach to breeding an improved dairy herd could unlock the potential of the Nepal's dairy sector.

The donation of these heifers traces back to the early 1950s, when Heifer gifted poultry and cows to Korea to combat the severe hunger and poverty the country was experiencing amid the Korean War. With time, the cows helped South Korea transition into one of the top three milk-producing nations worldwide. ♦

"We believe the gift of heifers and bulls will contribute to building a high-quality nucleus herd in Nepal, which will transform and modernize the dairy industry."

PARK CHONG-SUK

Former Ambassador of the Republic of Korea to Nepal

Financials

Consolidated Statements of Financial Position

JUNE 30, 2022 and 2023

ASSETS	2023	2022
Cash and cash equivalents	\$33,267,190	\$42,164,718
Restricted cash and cash equivalents	10,287,562	17,849,759
Accounts and interest receivable, net of allowance and discount	8,645,747	7,689,954
Grant reimbursements receivable	545,635	508,686
Prepaid expenses	1,995,309	2,217,488
Investments	3,101,138	3,245,133
Contributions receivable, net of allowance and discount (Note 3)	1,667,808	3,421,601
Interest in net assets of Heifer International Foundation (Note 4)	186,470,212	183,059,147
Property and equipment, net of accumulated depreciation (Note 5)	39,107,144	40,069,547
Right-of-use assets — Operating leases	2,660,835	-
TOTAL ASSETS	\$287,748,580	\$300,226,033
LIABILITIES	2023	2022
Accounts payable	\$6,704,289	\$8,676,901
Accrued expenses	5,749,072	5,346,569
Deferred revenue	6,335,750	12,020,871
Line of credit — related party	2,615,017	2,685,067
Operating lease obligations	2,837,213	—
TOTAL LIABILITIES	\$24,241,341	\$28,729,408
Commitments and contingencies (Notes 6,7, 10 and 16)		
NET ASSETS	2023	2022
Without donor restrictions	\$70,912,424	\$78,912,809
With donor restrictions	192,594,815	192,583,816
TOTAL NET ASSETS	\$263,507,239	\$271,496,625
TOTAL LIABILITIES AND NET ASSETS	\$287,748,580	\$300,226,033

See notes to consolidated financial statements at [Heifer.org](https://www.heifer.org).

Consolidated Statements of Financial Activities

YEAR ENDED JUNE 30, 2023

REVENUES, GAINS AND OTHER SUPPORT	W/O DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Contributions	\$125,015,000	\$2,502,206	\$127,517,206
Federal government grants	1,474,521	—	1,474,521
Other grants	17,969,011	—	17,969,011
Educational programs	196,670	—	196,670
Promotional events and material sales, net of cost	113,406	—	113,406
Contributed nonfinancial assets	11,704,283	—	11,704,283
Other income	2,104,868	—	2,104,868
Change in interest in net assets of Heifer International Foundation	3,761,833	3,411,064	7,172,897
Net assets released from restrictions	5,902,271	(5,902,271)	—
TOTAL REVENUES, GAINS AND OTHER SUPPORT	\$168,241,863	\$10,999	\$168,252,862

EXPENSES AND LOSSES	W/O DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Program services	127,832,677	—	127,832,677
Management and general	8,566,586	—	8,566,586
Fundraising	38,765,495	—	38,765,495
TOTAL EXPENSES AND LOSSES	\$175,164,758	—	\$175,164,758
CHANGE IN NET ASSETS FROM OPERATIONS	\$(6,922,895)	\$10,999	\$(6,911,896)

OTHER CHANGES IN NET ASSETS	W/O DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Foreign currency translation adjustment	\$(1,077,490)	—	\$(1,077,490)
TOTAL CHANGE IN NET ASSETS	\$(8,000,385)	\$10,999	\$(7,989,386)
NET ASSETS, BEGINNING OF YEAR	\$78,912,809	\$192,583,816	\$271,496,625
NET ASSETS, END OF YEAR	\$70,912,424	\$192,594,815	\$263,507,239

Based on audited financial statements available at Heifer.org

FISCAL YEAR 2023

Consolidated Expenses

PROGRAMMING
\$127,832,677

73%

FUNDRAISING
\$38,765,495

22.1%

MANAGEMENT
\$8,566,586

4.9%

Board of Directors

Our Board members come from a range of backgrounds that include:

- business
- agriculture
- academia
- the private sector

They develop the organization's strategic vision, establishing Heifer as a partner with locals on the ground. Team members across the globe implement the Board's values and policies to build inclusive economies that empower millions.

At least one director resides in each of the international program areas where Heifer carries out its work.

Randi Hedin

Chair
At-Large Director since 2017

Esther Cohen

Vice Chair
Episcopal Church
At-Large Director since 2013

Marianella Baez Jost

At-Large Director since 2022

Nathan Hosler

Church of the Brethren,
At-Large Director since 2020

Martha Brantley

Heifer Foundation Chair since 2020

Daron Joffe

At-Large Director since 2022

Smriti Canakapalli†

At-Large Director since 2023

Patricia Kisare

Episcopal and
Evangelical Lutheran Churches
At-Large Director since 2021

Brandi DeCarli†

At-Large Director since 2023

Josephine Oguta*

At-Large Director since 2014

Nomsa Daniels

At-Large Director since 2022

Mary Renwick

At-Large Director since 2020

Doug Galen*

At-Large Director since 2014

Atul Satija†

At-Large Director since 2023

Susan Grant

At-Large Director since 2011

Ramesh Kumar Singh

At-Large Director since 2019

Tom Hadfield

At-Large Director since 2016

Alberto Irezabal Vilaclara

At-Large Director since 2021

Tanja Havemann†

At-Large Director since 2023

Chuck Warta*

At-Large Director since 2020

NON-VOTING LIAISON

Sarah Alexander

Non-voting liaison representing Heifer Foundation since 2020

* Board term ended in October 2023

† Joined Board in October 2023

Leadership Council

In 2023, we expanded membership of the Leadership Council to be more inclusive and representative of the range of interests, perspectives and geographies across our organization and in recognition of our priority of advancing local leadership.

Surita Sandosham

President and Chief Executive Officer

Hilary Haddigan

Chief of Mission Effectiveness

Marcia Rasmussen

Chief Financial Officer

Elia Makar

Chief People Officer

Oscar Castaneda

Senior Vice President of the Americas Programs

Adesuwa Ifedi

Senior Vice President of Africa Programs

Neena Joshi

Senior Vice President of Asia Programs

Kim Ahlgrim

Vice President of Risk Management & Assurance

Chad Avery

General Counsel

Tewodros Ayele

Country Director, Ethiopia

Dilip Bhandari

Senior Director of Programs, Livestock Technology and One Health Programs

Ellen Brown

Deputy Director, Heifer USA

Patrick Bryski

Senior Vice President of Business Development and Partnerships

Mark Chandler

Program Director of Environmental Initiative Programs

Hervil Cherubin

Senior Country Director, Haiti

Mwai Chitete

Country Director, Malawi

Adriana Garcia-DeVun

Senior Director of Programs

Peter Goldstein

Vice President of Communications

Gustavo Hernandez

Senior Director, Guatemala

Francine Hill

Vice President of Global Finance Operations and Compliance

Goossen Hoenders

Executive Director, Heifer Netherlands

Michelle Dusek Izaguirre

Vice President of Resource Development Operations

Perry Jones

Managing Partner, Heifer USA, Farmer Enterprises and Engagement

Taye Liben

Senior Director, Africa Business Development & Partnerships

Haewon Lee

Executive Director, Heifer Korea

Noel Mace

Senior Director of Africa Programs-Operations

Marco Machado

Senior Country Director, Honduras

Gustavo Maldonado

Executive Director, Mexico

Antoinette Marie

Director of Heifer Labs

William Matovu

Country Director, Uganda

Christy Moore

Senior Vice President of Marketing

Nurun Nahar

Country Director, Bangladesh

Sareth Nhem

Country Director, Cambodia

Ardyth Neill

President, Heifer Foundation

George Odhiambo

Interim Country Director, Zambia

Tirtha Regmi

Country Director, Nepal

Edwin Rocha

Senior Director of Programs

Rosa Rodriguez

Country Director, Ecuador

Meredith Rolf

Senior Director of Strategy and Transformation

Katherine St.Amour

Vice President of Investments and Finance, Heifer Foundation

Rina Soni

Executive Director, India

Mark Tsoxo

Country Director, Tanzania

Ben Wood

Managing Director, Monitoring, Evaluation, Research and Learning



Joselin Sarai Riveiro López, a member of the young chocolatiers of the Adira Cooperative in Guatemala uses a rake to spread cacao pods to dry.
IVAN CASTRO / HEIFER INTERNATIONAL

BACK PHOTO:
Fatema Begum picking tomatoes from her field in Dharmahata village, Rajshahi district, Bangladesh. Fatema grows vegetables like eggplant, tomatoes, gourds, cabbage and pumpkins in her fields, using environmentally-friendly agricultural techniques.
PRANAB AICH / HEIFER INTERNATIONAL




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INTERNATIONAL