INDEGO AFRICA
INDEPENDENCE • DEVELOPMENT • GOVERNANCE

ANNUAL REPORT 2009
A SOCIAL ENTERPRISE IN ACTION
Dear Supporter of Indego Africa,

It is my pleasure to present to you Indego Africa’s 2009 Annual Report. While 2009 was a difficult year to grow—or even sustain—a young social enterprise, Indego Africa and its Rwandan partners came through both unscathed and invigorated. Our organization grew, our cooperatives prospered, and our prospects brightened.

In my view, one word embodies Indego Africa’s success in 2009: perseverance. Indego Africa’s 2009 Social Impact Report showed that our artisan partners grew their businesses and ratcheted up their income (more than three-fold!). Unfazed by a general fundraising downturn in the nonprofit world, Indego Africa still launched new training programs in entrepreneurship AND classes in Kinyarwanda and English literacy, the first in Rwanda to target adult learners and focus on functional literacy. And to the extent financial performance is an indicator of strength, Indego Africa’s 2009 revenues grew by nearly 15%. This simple fact attests to how deeply our mission resonated with you. Despite tough economic times, you found our cause worthwhile. In that way, together with our passionate team and artisan partners, we all persevered in 2009.

Sometimes perseverance means sticking with your vision for growth even when it’s harder to do so. Our leadership talks frequently (and rightly) about constructing a solid infrastructure at Indego Africa, from our supply chain and financial reserves to detailed policies and the right staff. This has always been integral to changing the conversation about how nonprofits should be built and governed: like a serious business. For Indego Africa, the construction phase is over and it’s time to expand!

In 2009 we laid the groundwork for large retail orders, with Polo Ralph Lauren and others, that are now coming to fruition. These orders are critical to our strategy for scaling the model and empowering more women. We also have an incredible Rwanda team that is poised to expand, with over 10 stellar interns/trainers from our long-standing partner Orphans of Rwanda. This team works daily to implement Indego Africa’s uniquely transparent approach, which has led to enormous trust among our artisan partners. This trust, when combined with donor support and new retail customers, forms the foundation for growth and impact. Indeed, Harvard Business School took notice of this innovative strategy and drafted a business case study that will be read by social entrepreneurs worldwide. Pursuing our original vision, and thus persevering, has begun to pay off.

Your commitment to the Indego Africa mission—that we can empower women through skills and entrepreneurship—is more important than ever in 2010. One maxim from my 2008 letter bears repeating: you will find no other fair trade organization with our record for performance, efficiency and transparency—all the key ingredients to making a verifiable social impact. If you can support our expansion, please visit us at indegoafrica.org/donate. Read below to see how you’ve made a difference in 2009.

Sincerely,

Matthew T. Mitro
Founder & CEO

Indego Africa is a groundbreaking social enterprise built upon the conviction that—with access to export markets and training in long-term job skills—women in Rwanda can lift themselves out of poverty.
For Indego Africa's partner cooperatives in Rwanda, which include more than 250 remarkable women, 2009 was a year of significant growth and achievement. The women are now not only meeting their families' basic needs, but they are also gaining the skills, information, and confidence that will allow them to solidify and enhance their income over the long-term.

In late 2009, for example, Indego Africa's partner cooperatives Cocoki and Covanya employed their newfound market savvy at the U.S. Embassy Holiday Craft Fair. This was a defining moment: they were learning by doing and believing in their capabilities as independent businesswomen. As sales soared and the number of products dwindled, Daphrose, a master weaver at Covanya, exclaimed through a huge smile, "this gives us courage!"

**REMARKABLE ARTISAN PARTNERS**

**COVANYA COOPERATIVE**

Indego Africa began its partnership with Covanya, a weaving cooperative in Nyamata, in August 2007. In addition to their Basket Ornaments, the 43 women at Covanya weave the stunning Agacwe and Plateau Baskets, which can take up to five days to make and require a meticulous attention to detail. Less than two years ago the women of Covanya had never seen a computer. Now, as a result of their determined efforts in Indego Africa's Computer Skills training program, they are learning to track financial transactions in Excel.

**COCOKI COOPERATIVE**

An Indego Africa partner since August 2007, Cooperative de Couture de Kicukiro ("Cocoki") is comprised of 31 enterprising master seamstresses who craft Indego Africa's vibrant textile products. The women at Cocoki are particularly committed to their literacy programs and regularly give presentations to visitors completely in English! Cocoki demonstrated its kindness and generosity by selflessly donating armfuls of their handicrafts to raise funds for the victims of the earthquake in Haiti.

**TWIYUBAKE FAMILY**

Twiyubake Family, located in the Eastern Province’s Kayonza District, is a weaving cooperative of 28 expert banana leaf weavers. Twiyubake has made Indego Africa’s beautiful Banana Platters since July 2008 and launched an exciting Polo Ralph Lauren product line in early 2010. Indego Africa started its Literacy and Financial Management training programs at Twiyubake in October 2009, and the women are already flourishing with their new skills and confidence.

**COOPERATIVE & FINANCIAL MANAGEMENT**

As Indego Africa’s original training program, Cooperative & Financial Management is the base for a sustainable and relevant skills education. With lessons in recordkeeping, banking, governance, customs paperwork, government licensing and effective communication, the cooperatives are enthusiastically embracing meritocracy and transparent business practices. As a result, in 2009 they became renowned across Rwanda as community institutions of leadership and good governance.

**COMPUTER SKILLS**

The women are rapidly advancing with their studies in Computer Skills. Lessons in Microsoft Word and Excel have allowed Indego Africa’s partners to build valuable skills that will help strengthen their businesses. In addition, the upcoming Internet training program will allow the women to stay in touch with their children, conduct their own market research, and enjoy a sense of fellowship with the online global community.

**ENTREPRENEURSHIP**

July 2009 marked the launch of Indego Africa’s innovative Entrepreneurship Program, which aims to provide its artisan partners with the tools to engage the local and global markets as savvy, independent businesswomen. The program—which includes lessons in market research, product pricing, budgeting, and competitor analysis—is built on participatory learning techniques and practical examples, encouraging the women to use their own understanding of the market to build models and develop strategies. The cooperatives are already witnessing the program’s benefits, engaging the local market through a partnership with the Rwanda Fair Trade Artisan’s Association (RFTAA), which was founded by Indego Africa staff.

**ADULT LITERACY PROGRAM**

Also formally launched in July 2009, Indego Africa’s Adult Literacy Program (IAALP) is the first literacy curriculum in Rwanda to focus on the functional applications of reading and writing instruction, such as public health, parenting skills, human rights, and civic participation. IAALP—which includes both Kinyarwanda (Rwanda’s native language) and English—provides guidance on efficiently matching the women’s literacy goals with their immediate concerns, including filling out a job application, opening a bank account, or even writing a letter to a family member. Participation in IAALP will also help guide the women through the rapid switch of Rwanda’s official language from French to English.
In August 2009—in recognition of Indego Africa’s steadfast commitment to integrity, ethics, and the long-term development of its artisan partners—Indego Africa was officially accepted as a member of the Fair Trade Federation. There is no higher standard in the handicraft industry, and membership is reserved only for organizations that—after being thoroughly vetted—demonstrate an unwavering loyalty to the core principles of the Fair Trade Federation. Pursuant to its dedication to transparency, Indego Africa’s entire application to the Fair Trade Federation can be viewed online at:

http://shop.indegoafrica.org
http://indegoafrica.org/fairtrade

Indego Africa also expanded its product line in 2009, adding trendy Yoga Bags, elegant Wine Bags, unique Laptop Sleeves, and durable Sports Bags, among many others. Look out for new products in 2010!

In September 2009 Indego Africa upgraded its e-commerce system—the first web-based, fair trade platform to sell world-class Rwandan handicrafts—to more fully integrate its partner artisans. The new site is now more user-friendly and displays a large collection of videos and photographs. Through Indego Africa’s innovative partnership with Amazon.com, customers from all across the United States are able to buy Indego Africa’s partners’ masterful crafts. Check it out:

http://shop.indegoafrica.org

Indego Africa’s partnership with Orphans of Rwanda, Inc. (ORI), launched in 2008, expanded into an internationally-renowned model of collaboration and leadership development in 2009. The program now includes nine best-in-class Rwandan university students who teach Indego Africa’s training programs. While these next leaders of Rwanda are given a great deal of independence, the program also includes strictly enforced standards for timeliness, participation and lesson preparation to build an ethic of professionalism that will serve them in their future careers. Throughout their internship, the students are provided with an intense program of mentoring, training and evaluation.

“Working at Indego is my contribution to build my country because I am not able to help the citizens financially but I have knowledge needed by most people who did not attend school...After finishing my studies, I hope to work with poor people to improve their economic well-being. I would also like to create my own organization.”

—VALENS RUTAZIHANA
Master Business Management Trainer, Third Year Student at Rwanda’s School of Finance & Banking

“We have gained experience and new skills while helping improve the lives of others. I have especially improved my management skills, and I believe this experience will help me when I apply for jobs after I graduate.

—YVES NDASHIMYE
Master Business Management & Entrepreneurship Trainer, Third Year Student at Rwanda’s School of Finance & Banking

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Indego Africa’s Social Impact Assessment Program (SIAP), which measures a range of developmental information: from quantitative metrics (like basic demographics, income, education levels, and food security) to qualitative indicators (like in-depth self-perceptions and interviews), reflects an unwavering commitment to measuring social impact. In 2009, Indego Africa proudly launched its first annual Social Impact Report.

“Where we were before, we were so disorganized. But now we are a bit more organized and when we have an order from Indego, I can get money to pay the school fees of my children and I can even afford food for my family.”

—MELANIE NYIRAMANZA, 41, Cocoki

“I’m gaining many things from Indego, like management and computer training. The money that I’m getting is being used to help my 6 children to attend class and to buy the needs.”

—CLEMENTINE KAHKINDI, 45, Covanya

“In the cooperative we work as a team so it’s helping us because we have skills for working with other people. The money from the handicrafts helped me to pay a share in my cooperative and I buy some instruments.”

—MARIE-SOLANGE KABANSAMA, 20, Cocoki

But the real work is yet to be done in 2010!

Income remains inadequate
92% of the women still consider their income to be inadequate or very inadequate.

Water access terrible
95% of residences still lack running water.

For the full 2009 Social Impact Report, including all underlying data, surveys and methodology, visit:

http://indegoafrica.org/socialimpact

Social Impact Methodology Summary: In February 2008, Indego Africa instituted a baseline assessment focused on four categories: Personal Security, Education, IT Skills, and Fair Trade. Sixteen women from Cocoki and 28 women from Covanya participated. The survey included a questionnaire with 31 multiple choice questions and two open-ended questions. In March 2009, Indego Africa conducted a follow-up assessment. Seventeen women from Cocoki and 20 women from Covanya participated.

FROM INDEGO AFRICA’S 2009 SOCIAL IMPACT REPORT*

**Enhanced Quality of Life**
585% increase in the number of women who are satisfied or very satisfied with their quality of life.

**Better Housing Conditions**
42% reduction in the number of women with no permanent residence and 26% increase in the number of households with beds for all residents.

**Increased Income**
336% increase in the number of women earning more than $1 per day.

**Greater Food Security**
96% increase in the number of families eating at least twice per day.

**Higher Child Education Rate**
17% increase in the number of women reporting some or all of their children attend school.

**More Electricity**
90% increase in the number of households with electricity.

**More Bank Accounts**
153% increase in bank account ownership.

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153% increase in bank account ownership.
In 2009 Indego Africa actively contributed to the social enterprise conversation through partnerships, events, speeches, and panel discussions in the academic community.

In 2009, Harvard Business School (HBS) selected Indego Africa as the subject for a comprehensive case study, scheduled for publication in Fall 2010. In addition to conducting in-depth interviews over the course of six months, HBS sent a video crew to Rwanda to capture Indego Africa in action.

“Like everything else they do, they created all the processes before they started, designed all the procedures, translated them into the language the women needed and created the links to the American market.”

—KATHLEEN McGINN
Calhoun-Rabb Professor of Business Administration & Senior Associate Dean, Director of Faculty Development at HBS

IMMERSION EXPERIENCE PROGRAM
Indego Africa was also proud to participate in the 2010 HBS Immersion Experience Program (IXP) where, in January 2010, a team of HBS students and professors traveled to Rwanda to work with Indego Africa’s staff, artisan partners, and ORI interns. The HBS students even presented a personalized basket created by the women of Covanya to an enthusiastic President Kagame, who praised Covanya’s craftsmanship.

“In my visit, I have been impressed by the skills the women have acquired through the Indego training programs, and more importantly, the sense of confidence and POWER the women possess as a result.”

—TAWANDA SIRANDA, HBS 2011

HARVARD BUSINESS SCHOOL

SPEAKING ENGAGEMENTS
Founder & CEO Matt Mitro, Senior VP & General Counsel Ben Stone, and Treasurer Tom Mitro were honored to speak about Indego Africa at a variety of academic institutions and forums in 2009, including Harvard Business School, Columbia Law School, NYU School of Law, Boston University’s School of International Relations, the World Affairs Council of Houston, the Teach Africa Summit, the BBYO International Leadership Training Conference, University of Houston Graduate School of Social Work, and the Center for Unconventional Security Affairs at the University of California.

OTHER ACADEMIC PARTNERSHIPS
In 2009 Indego Africa was proud to work closely with the Law & Social Entrepreneurship Association at NYU School of Law; the Law Students for Social Enterprise at the Columbia Law School; the Social Enterprise Association at NYU Stern School of Business; the Kellogg School of Management; and the Africa Social Enterprise Forum in New York City.
A GROWING SOCIAL ENTERPRISE MOVEMENT

REGIONAL BOARDS
Indego Africa’s innovative Regional Boards harness the guidance and assistance of passionate supporters across the United States. Launched in early 2009, Regional Boards are now prospering in New York City, Washington, D.C., Chicago, Los Angeles, and San Francisco... with more regions coming soon! Members of the Regional Boards represent a wide spectrum of ages and professions, helping to promote the Indego Africa mission, plan fundraising and awareness events, and seek additional opportunities to benefit Indego Africa.

INSPIRING EVENTS
Indego Africa’s Regional Boards organized a number of major events in 2009. Both of the Ibrori (which means “celebration” in Kinyarwanda) events, one in NYC and the other in D.C., were tremendous successes. The Chicago Regional Board—almost 30 people strong only two months after the board launch—hosted a wildly successful kick-off event in Chicago at the beautiful Mars Gallery in the West Loop. Other creative events included the stunning photo exhibit “Faces of Indego Africa: An Evening of Art & Social Enterprise” at The Soufer Gallery on Manhattan’s Upper East Side and a Valentines Day event in San Francisco.

A special thank you to the global law firm Orrick, Herrington, & Sutcliffe LLP which hosted a gorgeous fundraising event in NYC entitled “Rwanda and Social Enterprise: Investing in Women.”

“The social entrepreneurship world needs a star, and I think it could be Indego Africa.”
—STEPHEN KINZER

2009 FINANCIAL SUMMARY

In 2009, Indego Africa exceeded its own financial projections and continued to grow despite a severe global economic downturn. Indego Africa earned $121,000 in gross revenue, an increase of more than 13% over 2008. Indego Africa’s revenue was spread evenly between product sales (24%), fundraisers (26%), and donations/grants (47%). Indego Africa projects to earn approximately 31% of its gross revenue from income-generating activities in 2010, which is nearly three times higher than the average for similar organizations. Moreover, Indego Africa spent just 11.6% of its operating expenses on administrative and general items and 80.2% of its budget on program-related services. Indego Africa program expenses grew by 74% in 2009, reflecting our commitment to delivering as much value as possible back to our Rwandan partners.

To view more specific financial information, please see Indego Africa’s 2009 IRS Form 990 and more at:

http://indegoafrica.org/transparency-and-ethics

2009 YEAR-END BALANCE SHEET

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<tr>
<th>ASSETS</th>
<th>2009 REVENUES AND EXPENSES REVENUES</th>
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<tr>
<td>Cash &amp; Investments</td>
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<td>Accounts Receivable</td>
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<tr>
<td>Product Inventory</td>
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<tr>
<td>Pre-paid Expenses</td>
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<tr>
<td>(Product Payment Advances)</td>
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<tr>
<td>TOTAL ASSETS</td>
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<tr>
<td>GROSS PRODUCT SALES REVENUE</td>
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<td>LESS COST OF GOODS SOLD</td>
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<td>NET INCOME FROM FUNDRAISERS</td>
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<td>CONTRIBUTIONS</td>
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<td>INVESTMENT INCOME &amp; REALIZED GAINS</td>
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<td>TOTAL NET REVENUES</td>
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LIABILITIES AND NET ASSETS

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<td>OTHER CURRENT LIABILITIES</td>
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<td>TOTAL LIABILITIES</td>
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<td>ACCUMULATED SURPLUS</td>
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<td>TOTAL LIABILITIES &amp; ACCUMULATED SURPLUS</td>
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<td>CURRENT YEAR SURPLUS/(DEFICIT)</td>
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</table>
2009 DONATION ACKNOWLEDGEMENTS

FOUNDER LEVEL SUPPORTERS
($10,000 AND UP)
AllPeopleBeHappy Foundation
Segal Family Foundation (pledged)

INDEGO CIRCLE LEVEL SUPPORTERS
($5000–$9999)
Monroe St. Journal
Thomas & Mary Mitro*

BENEFACtor LEVEL SUPPORTERS
($1000–$4999)
Arthur & Margaret Grandy
Ryan Lester
Joyce Mushaben
taylor, Duane, Barton & Gilman, LLP
Heather Weiss
Tako & Henriette Koning
Stephen Foresta
The Church of the Falls
Chevron Humankind
John Valentine
TT Chao Foundation

PATRON LEVEL SUPPORTERS
($500–$999)
Paul Pagel
Melissa Mitro
Karol Boudreaux
Van Scoyoc Associates

ARTISAN LEVEL SUPPORTERS
($200–$499)
Cynthia Pyun
Cory Fasold
Susannah Ware
Michael Herring
Janis Simon
Laura Kolderup
Carsten Reichel
Sarah Montgomery

FRIEND OF INDEGO LEVEL SUPPORTERS
($50–199)
Laura Kreeger
Jane Stone
Phil Mikita
John Sternberg
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Julie Hassman
Shaun Arora
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BOARD OF DIRECTORS
Matthew Mitro, Chairman
Thomas Mitro
J. Byron Townsend III
Lyse Hunger
Karol Boudreaux
Carsten Reichel

* This gift was made in honor of Olga Mitro, who has been a supporter and inspiration for Indego Africa since its inception.
THANK YOU TO EIGHTY2DEGREES!

Indego Africa would like to express its profound gratitude to Eighty2degrees—a pioneering graphic design and web development studio—for more than two years of invaluable contributions, including brand strategy, event collateral, and this gorgeous annual report!

Uniquely committed to using design to drive social change, Eighty2degrees employs innovative communication and marketing strategies that empower its clients to exploit their competitive edge and change the world.

If you’re looking for personalized and results-driven solutions to your graphic design, web design & development, branding, content management, E-commerce, corporate literature, marketing & promotional materials, or systems development challenges, contact the Eighty2degrees team.

Sincerely,

Indego Africa

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