



# Grassroots Business Initiative



## Trickle Up

Bolivia & Mali

In an effort to fight extreme poverty from the bottom up and empower the world's poor, Trickle Up was founded, and continues to be a major player in the field of micro-entrepreneurial development, providing innovative and essential tools and opportunities to the poor. The organization achieves this goal by providing conditional seed capital, business training and relevant support services essential to the launch or expansion of a micro-enterprise.

Trickle Up is an organization with a global reach, working in Latin America and the Caribbean, Asia, Africa and the United States. In Latin America and the Caribbean, Trickle Up is active in five countries who have suffered greatly from natural disasters, political instability, land degradation and tumbling commodity prices. Trickle Up engages a large and solid network of local non-governmental organizations (NGOs) implementing programs in the field, fostering more than 35,000 new businesses to date.

In Africa, Trickle Up reaches out to many of the world's poorest nations and peoples, expanding its micro-enterprise program to six countries, in response to the critical need for business development. These programs target poor people, mainly women, in rural areas that are living on less than 50 cents a day.

### IFC's Involvement



The International Finance Corporation's (IFC) Grassroots Business Initiative (GBI) currently works with Trickle Up in Bolivia and Mali. Trickle UP Bolivia is working to extend training, technical assistance and capital to micro-entrepreneurs in a country where 65% of the population lives in poverty. In Mali, Trickle Up works to connect micro-entrepreneurs with business resources, markets,

and capital in a country that remains economically underdeveloped due to distance, geography and years of civil war.



The IFC's GBI department bolsters the efforts of Trickle Up in the following ways:

- **Entrepreneurial Capacity Building:** Assisting Trickle Up's partners to manage themselves in a more business like manner by providing regular training and knowledge sharing opportunities as well as one-on-one mentoring. In addition, IFC builds up the new product development and marketing/promotional activities for Trickle Up's partners.
- **Poverty targeting and outreach:** Trickle Up uses a poverty assessment tool adapted to the Northern Mali context, to focus its efforts on poor entrepreneurs who will most benefit from its services.

- **Business training and expansion:** Trickle Up facilitates training sessions that each entrepreneur must participate in prior to disbursement of seed capital. Topics include business identification, market competition, feasibility studies and financial projections.

After receiving training, each entrepreneur completes a business plan with the assistance of a Trickle Up partner NGO. Grants funding is then made in two disbursements, the first is given to start-up the commercial enterprise, then later for further expansion of the business.

- **Formation and training of savings groups:** All entrepreneurs join savings groups, with each member contributing USD\$1 per week. At the end of the 2-year period, each person will have saved an amount equal to the initial grant, which will be reinvested into the business.

- **Monitoring and Evaluation:** Funding is also being used to conduct the beneficiaries' baseline surveys and impact evaluations at the end of the project.

### Results to date - Bolivia

Total # of micro-entrepreneur borrowers	600
% of women entrepreneur borrowers	87%
# of entrepreneurs who have received training	596
Average annual income	\$1,080
Total # of indirect beneficiaries	2,874 (the majority are children)

The project supported by IFC are implemented through three existing Trickle Up partners, ACRE, Sartawi Foundation and Valles Foundation. Training in basic business management and other skills such as knitting and production of dairy products, has been provided to 367 microentrepreneurs. Business plans and capacity assessments have been conducted for both ACRE and Sartawi Foundations.

### Results To-Date - Mali

Total # of micro-entrepreneurs assisted	9,000
% of women being assisted	94%
# of savings groups formed	360
Average amount saved through savings group	\$136 per year
Average # of dependents (mostly children)	6 per household
# of indirect beneficiaries	54,000
Loan size	\$100
Total # of Jobs created	18,016
Average annual expenditure increase since the start of the program	From \$180 to \$955 (600% increase)
<i>99% of micro-entrepreneurs are sole income providers in their household</i>	

Trickle Up signed a \$US100,000 grant agreement with GBI in November 2006 to expand TUP Mali's operations into Mopti, Burkina Faso and Niger; scale up existing operations in Northern Mali; and to develop a pilot loan savings program which will provide larger loans to proven successful entrepreneurs for the growth and expansion of their businesses.