

# TRICKLE UP PROGRAM



## 1994 ANNUAL REPORT

Trickle Up Program Inc. • 54 Riverside Drive, New York, NY 10024-6509 • Tel: (212) 362-7958; Fax: (212) 877-7464

**WHAT:** *The TRICKLE UP PROGRAM is an international nonprofit organization which helps the poorest of the poor create and build their own small businesses. TRICKLE UP has helped create more than 42,000 businesses in 108 countries in the past 15 years, creating income and self-employment for more than 250,000 entrepreneurs.*

**HOW:** *It works by providing a \$100 conditional grant in two \$50 installments to families or groups to start a business. The first \$50 is given to a group which completes a Business Plan, agrees to invest 1,000 hours of work in 3 months, and reinvests 20% of their profit in the enterprise. The group receives the second \$50 after completing a Business Report showing that the conditions of the grant have been met.*

**WHO:** *TRICKLE UP's program of grants and basic business training — which is incorporated in the Business Plan and Business Report — is delivered through "Coordinators", field-based professionals from development agencies who volunteer their services to TRICKLE UP.*

## RESULTS

### THE

People:

Poorest of the Poor

### TRICKLE UP

Volunteer Coordinators

Conditional Grants

Basic Business Training

Businesses

Increased Income

Self-Employment

A Brighter Future

**HIGHLIGHTS OF 1994:** The Program grew by 7,002 businesses, bringing the total to 42,587, since 1979. The businesses empower women and men, involve young people, enable impoverished families to meet basic needs, and soften the worst effects of poverty. A glance at the program around the world shows some of the ways in which TRICKLE UP made a difference in 1994:

**AFRICA:** With the help of 125 locally-based agencies, the program grew by 30%, to 3,944 businesses spanning 26 countries, notably **Uganda, Liberia, Kenya, Sierra Leone, Madagascar** and **Ghana**. New businesses were started in **Mauritania** and **Mali**. Community development and local participation were strengthened in "Enterprise Zones" where concentrations of 30 to 100 TRICKLE UP businesses have improved the socio-economic profile of the surrounding community. Through the opportunities offered by TRICKLE UP, refugees and displaced persons became self-reliant, and families stricken with AIDS were given a means of economic survival.

**AMERICAS:** TRICKLE UP focussed on countries recovering from political and economic crises, such as **Bolivia, Peru, and Nicaragua**. In **Haiti** TRICKLE UP entrepreneurs survived by selling basic goods. Rural women displaced by war in **El Salvador** started food-growing and processing businesses to support them-

selves and their children. Indigenous women in **Guatemala** started 70 family businesses which not only jumpstarted the local economy but also built community organizations. In **Ecuador** the TRICKLE UP model has been adopted by an organization working with street children. The **United States** pilot program, funded by earmarked contributions, helped start 27 businesses, mainly in New York City. The program is being implemented by twelve community-based organizations.

**ASIA:** TRICKLE UP's focus on the poorest was strengthened in **Nepal, Bangladesh, Pakistan, India, and China**. In China, TRICKLE UP's partnership with the International Crane Foundation and local Chinese authorities launched 100 businesses in Cao Hai Nature Reserve, integrating environmental conservation goals with economic development. TRICKLE UP's new program in **Mongolia** and renewed operations in **Vietnam** and **Cambodia** are helping families in those countries survive economic and political transition.

**EASTERN EUROPE:** Since 1992 TRICKLE UP's presence in the region has expanded from one chicken-raising business in **Russia** to seven more countries: **Ukraine, Armenia, Estonia, Latvia, Lithuania, Albania** and **Bulgaria**. In 1994, 62 businesses were started, mainly through the Peace Corps.

# 1994 Trickle Up Program Results By Country

Country	Number of Businesses 1979-1994	Number of Businesses in 1994	Coordinating Agencies in 1994	Entrepreneurs			Average Initial Investment	Main Source of Income	Average Profit
				Number Trained	% Female	% Under Age 27			
AFRICA	14414	3044	127	15724	62%	37%	\$49	79%	\$192
AMERICAS	11904	1552	74	5752	61%	44%	\$86	79%	\$207
ASIA	15908	2346	148	10115	57%	45%	\$61	62%	\$168
EUROPE	361	60	10	271	62%	38%	\$231	53%	\$330
<b>Totals</b>	<b>42587</b>	<b>7002</b>	<b>359</b>	<b>31862</b>	<b>60%</b>	<b>41%</b>	<b>\$63</b>	<b>73%</b>	<b>\$190</b>

## AFRICA

TOTALS	14414	3044	127	15724	62%	37%	\$49	79%	\$192
BENIN	478	20	2	115	61%	64%	\$140	100%	\$79
BURK. FASO	105	36	1	190	76%	15%	\$94	72%	\$172
CAMEROON	380	164	5	877	55%	31%	\$179	94%	\$125
CEN. AF. REP.	83	22	1	155	45%	0%	\$55	NA	NA
ETHIOPIA	95	15	1	75	100%	5%	\$0	42%	\$134
GAMBIA	40	2	1	10	100%	0%	\$0	83%	\$143
GHANA	997	114	10	612	59%	6%	\$52	79%	\$191
GUINEA	43	18	1	90	54%	0%	\$34	54%	\$12
IVORY COAST	16	10	1	49	98%	0%	\$4	NA	NA
KENYA	4075	315	18	1785	71%	28%	\$62	72%	\$240
LESOTHO	200	12	2	60	80%	23%	\$19	80%	\$188
LIBERIA	864	439	10	1821	68%	44%	\$22	97%	\$292
MADAGASCAR	669	356	2	1770	49%	39%	\$8	61%	\$110
MALAWI	328	78	4	294	47%	46%	\$55	100%	\$71
MALI	31	2	1	21	81%	9%	\$6	NA	NA
MAURITANIA	17	13	1	142	77%	58%	\$48	0%	\$115
NIGERIA	836	106	8	524	66%	55%	\$112	47%	\$121
SAO TOME	32	17	1	90	67%	56%	\$11	78%	\$225
SENEGAL	98	10	1	368	95%	22%	\$37	0%	\$219
SIERRA LEONE	1513	248	13	1307	71%	34%	\$48	84%	\$397
TANZANIA	310	45	6	261	62%	43%	\$50	100%	\$379
TOGO	252	43	2	220	49%	65%	\$26	53%	\$47
UGANDA	2088	790	24	3884	55%	51%	\$27	86%	\$126
ZAIRE**	350	106	5	511	56%	52%	\$46	87%	\$71
ZAMBIA	108	29	3	112	37%	29%	\$49	95%	\$792
ZIMBABWE	114	34	2	381	66%	23%	\$62	0%	\$46
BOTSWANA	1								
BURUNDI	13								
CHAD	15								
EQ. GUINEA	1								
MOZAMBIQUE	60								
NAMIBIA	14								
RWANDA	8								
SOMALIA	41								
SOUTH AFRICA	1								
SUDAN	111	0	1						
SWAZILAND	27								

\* Business Plans and Business Reports were not received in 1994.

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## EUROPE

TOTALS	361	60	10	271	62%	38%	\$231	51%	\$330
ARMENIA	12	4	1	21	52%	50%	\$13	78%	\$193
BULGARIA	7	4	1	15	67%	20%	\$755	NA	NA
ESTONIA	11	2	1	8	75%	50%	\$75	100%	\$1,284
LATVIA	22	15	2	50	50%	41%	\$44	14%	\$501
LITHUANIA	11	6	1	30	53%	73%	\$579	NA	NA
PORTUGAL	177	4	1	20	100%	30%	\$11	33%	\$64
UKRAINE	58	25	2	127	63%	29%	\$159	52%	\$305
ALBANIA	10								
GREECE	4								
IRELAND	2								
RUSSIA	47	0	1						

\* Business Plans and Business Reports were not received in 1994.

This data is collected from Coordinator-certified Trickle Up Business Plans and Business Reports. These figures serve as performance indicators for Trickle Up Businesses, based on self-reported data.

\* Business Plans and Business Reports from these countries were not received during 1994. This does not necessarily indicate an "inactive" Program but in some cases may indicate a delay in receiving Plans and Reports.

\*\* Involves work among Rwandan refugees.

	Number of	Number of	Coordinating	Entrepreneurs		Average	Main Source	Average
	Businesses	Businesses	Agencies	Number Trained	% Female	% Under	of Income	Profit
	1979-1994	in 1994	in 1994			Age 27	Investment	

## AMERICAS

TOTALS	11904	1552	74	5752	61%	44%	\$86	79%	\$207
BOLIVIA	1244	373	12	1406	59%	35%	\$47	60%	\$186
COSTA RICA	670	40	2	192	60%	0%	\$47	78%	\$178
DOMINICA	64	1	1	3	67%	100%	\$75	NA	NA
DOM. REPUB.	393	42	2	179	69%	30%	\$172	67%	\$117
ECUADOR	2489	203	5	912	61%	47%	\$69	90%	\$148
EL SALVADOR	220	88	1	340	59%	57%	\$111	75%	\$258
GUATEMALA	1635	155	13	892	53%	55%	\$32	80%	\$129
HAITI	814	218	6		66%	30%	\$33	78%	\$170
HONDURAS	683	18	6	96	69%	68%	\$51	97%	\$161
JAMAICA	387	44	3	216	66%	39%	\$104	77%	\$547
NICARAGUA	59	20	2	38	66%	25%	\$41	NA	\$0
PANAMA	68	1	1	5	40%	0%	\$30	100%	\$112
PERU	912	320	15	1371	65%	46%	\$126	87%	\$274
SURINAME	8	2	1	10	20%	30%	\$3	100%	\$12
USA ***	198	27	2	92	61%	25%	\$786	100%	\$3,246
ANGUILLA	6								
ANTIGUA-BARBUDA	33								
ARGENTINA	157								
BARBADOS	1								
BELIZE	30								
BRAZIL	84								
CHILE	14								
COLOMBIA	1343	0	2						
GRENADA	5								
GUADELOUPE	1								
GUYANA	106								
MEXICO	84								
MONTSERRAT	18								
PARAGUAY	50								
ST. KITTS-NEVIS	36								
ST. LUCIA	7								
ST. VINCENT	68								
TRINIDAD & TOBAGO	2								
TURKS & CAICOS	9								
URUGUAY	5								
VENEZUELA	1								

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## ASIA

TOTALS	15908	2346	148	10115	57%	45%	\$61	62%	\$168
BANGLADESH	1620	445	13	1864	52%	51%	\$52	86%	\$181
CAMBODIA	148	49	1	145	50%	37%	\$56	98%	\$145
CHINA	422	10	2	36	31%	35%	\$26	100%	\$120
INDIA	3491	442	36	1907	54%	35%	\$29	88%	\$135
INDONESIA	828	28	4	142	41%	58%	\$52	100%	\$84
MONGOLIA	51	51	3	181	82%	40%	\$28	100%	\$192
MYANMAR	132	38	2	188	55%	48%	\$44	100%	\$1,906
NEPAL	642	212	13	890	50%	45%	\$32	72%	\$57
PAKISTAN	107	60	3	221	49%	55%	\$27	97%	\$267
PHILIPPINES	7847	927	63	4122	60%	47%	\$94	29%	\$140
SOL. ISLANDS	68	4	1	18	39%	67%	\$258	100%	\$724
SRI LANKA	243	25	4	122	67%	38%	\$75	100%	\$222
VIETNAM	63	55	2	279	92%	25%	\$0	NA	NA
FUJI	10								
KIRIBATI	1								
LAOS	13								
MALAYSIA	109	0	1						
MARSHALL IS.	2								
MICRONESIA	5								
PAPUA NEW GUINEA	5								
THAILAND	88								
TONGO	1								
VANUATU	10								
WEST SAMOA	2								

\* Business Plans and Business Reports were not received in 1994.

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## GLOBAL

TOTALS	42587	7002	359	32856	60%	41%	\$63	73%	\$190
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\*\*\* In 1994, a pilot project was started in the United States with earmarked contributions.

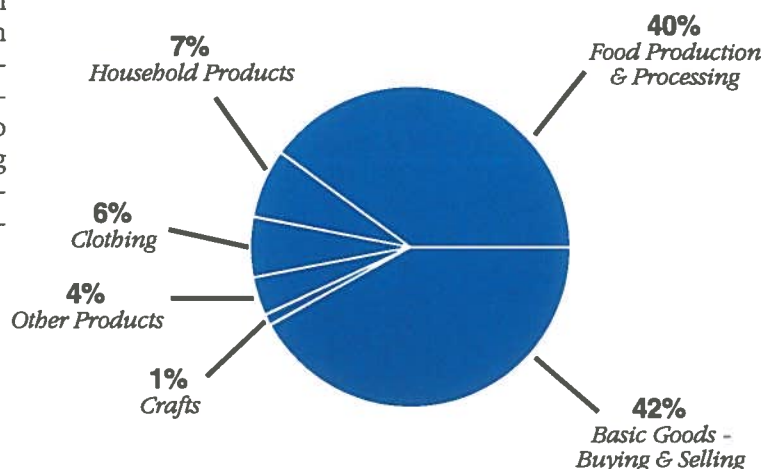
In 1994, TRICKLE UP continued its work of alleviating poverty by beginning or expanding small businesses. It could do this because of the generous support of foundations, corporations, organizations, and governments. But the TRICKLE UP PROGRAM relies heavily on support from individuals too, who continue to find in TRICKLE UP a unique process which reduces marginalization and helps people come out of poverty. Individual contributors include successful entrepreneurs who see the TRICKLE UP process as a means of helping potential entrepreneurs realize their dreams and become business people. We have begun 42,000 businesses, and there is need for many more.

#### INCOME SOURCES

Individuals	55%
Foundations	22%
Governments*	12%
Corporations	7%
Organizations	4%

\*Includes a grant from the Government of the Netherlands and a grant from the U.S. Agency for International Development.

### Production Distribution



## TRICKLE UP PROGRAM

### Statement of Income, Expenditures and Fund Balance\*

	Fiscal Year Ending 12/31/94		Fiscal Year Ending 12/31/93	
	Amount	% of Exp.	Amount	% of Exp.
<b>INCOME</b>	<b>\$1,559,424</b>		<b>\$1,314,806</b>	
<b>EXPENDITURES</b>				
Program Grants and Services	1,483,250	93%	1,196,588	93%
Supporting Services				
Management, General, and Fundraising	101,571	7%	96,005	7%
<b>TOTAL EXPENDITURES</b>	<b>\$1,584,821</b>	<b>100%</b>	<b>\$1,292,593</b>	<b>100%</b>
Excess (deficiency)	\$ (25,397)		\$ 22,213	
Unrestricted Fund Balance - 1/1	231,303		202,792	
Transfers	(2,332)		6,298	
Unrestricted Fund Balance - 12/31	\$ 203,574		\$231,303	

\*Figures for 1993 are taken from the Certified Audit Report. The 1994 figures are unaudited.

The TRICKLE UP PROGRAM is a non-profit organization dedicated to creating new opportunities for employment and economic well-being among the low-income populations of the world. All contributions to TRICKLE UP are tax-deductible under Section 501(c)(3) of the Internal Revenue Code.

Members of the TRICKLE UP Council: Bolanle Awe, Dame Nita Barrow, \*Gail Blanke, \*Francesco Cantarella, Dr. Rodrigo Carazo, Dr. Harlan Cleveland, Charlotte Conable, Hon. Bertram Harnett, Rev. Theodore M. Hesburgh, Aziza Hussein, \*Mary Keane, \*Dr. Richard Pough, \*Aileen Robbins, \*Wendy Gordon Rockefeller, \*David Russell, Sen. Leticia R. Shahani, \*Nessim Shallon, Helvi Sipila, M.S. Swaminathan, Carmen Delgado Votaw, Mary Burke Nicholas Washington, Muhammad Yunus (\*Members of the Board of Directors)

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