

# TRICKLE UP PROGRAM<sup>®</sup>



## 1996 ANNUAL REPORT

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The **TRICKLE UP PROGRAM** offers low-income people opportunity for income and self-employment through entrepreneurship. In the past 18 years, more than 58,000 micro-enterprises have been started or expanded in 114 countries with support from Trickle Up. In 1996, 6,738 businesses were launched or expanded in 51 countries, benefiting 24,899 entrepreneurs and over 100,000 dependents. Eighty-two percent of the enterprises begun in 1996 are family owned, and 80% are the entrepreneurs' main source of income. Finally, nine percent of the entrepreneurs are women.

### REGIONAL HIGHLIGHTS

#### **AFRICA: 2,311**

micro-enterprises in 26 countries

In partnership with 120 partners, Trickle Up helped start or expand businesses among the very poor, including refugees in Sierra Leone, displaced people in Liberia, people living with HIV/AIDs in Uganda, and families of streetchildren in Ethiopia.

An exciting new partnership with the United Nations Volunteers was launched in Mozambique. The Peace Corps was an active partner in Africa, helping to start micro-enterprises in Mali, Benin, Kenya, Zimbabwe, Senegal, Sao Tome, and Togo. Many low-income entrepreneurs were reached by community-based organizations in Zaire, Tanzania, and Madagascar.

#### **ASIA: 2,970 micro-enterprises in 12 countries**

Trickle Up continued to work in the poorest countries as well as those recovering from war or confronted with political dissent. In India the program was focused on isolated rural communities in Bihar and urban slum dwellers in Calcutta. Families in the far western region of Nepal were helped by UN Volunteers. In Bangladesh Trickle Up worked with women's organizations and tribal groups, and in China pursued initiatives linking environmental conservation with sustainable development. A new partnership was forged in Afghanistan with the World Food Programme, a UN agency.

#### **AMERICAS: 1,442 businesses in 9 countries**

Micro-enterprises were started by single mothers and disabled people in Guatemala, mothers of malnourished children in Haiti, teenagers in Peruvian shantytowns, and Bolivian families in the Andes. Trickle Up often serves as the first step to business development among the poorest: 25% of one-year-old businesses started through one Nicaraguan partner agency accessed loans for business expansion. Several evaluations of the sustainability and impact of Trickle Up's work showed the following results: in El Salvador, 58% of the businesses are continuing after five years; in Guatemala, 90% of 2- to 4-year-old businesses are continuing; and in Ecuador, 90% of the businesses begun by parents of working children were continuing after 18 months and helped reduce the hours worked by their children by 20%.

**U.S. Update:** Trickle Up helped start or expand 108 businesses through 17 Coordinating Agencies in 8 states. Expansion is planned along the eastern seaboard with a new grant size.

**EUROPE: 22 micro-enterprises** The Program remained active in Armenia and expanded to Georgia and Romania. The Peace Corps continues to be Trickle Up's main partner in the region.

*The Program: The Trickle Up Program provides business training material and micro-venture capital of \$100 to a family or group of 3 people to start a business. This start-up capital is conditioned upon investment of 250 hours of work per participant in three months, savings or reinvestment of 20% of the profit in the enterprise, and completion of a Trickle Up Business Plan and Business Report. The capital is given in two \$50 installments.*

*The Partners: The program is delivered through a network of "Coordinating Agencies", locally based organizations around the world who volunteer their services to Trickle Up. This partnership enables grass-roots agencies to incorporate a micro-enterprise component in their development work.*

# 1996 Trickle Up Program Results By Country

REGION	Number of Businesses 1979-1996	Number of Businesses in 1996	Coordinating Agencies in 1996	Entrepreneurs		Average Initial Investment	Main Source of Income	Average Profit
				Number Trained	% Female			
AFRICA	20234	2314	129	9438	63%	50%		
AMERICAS	15935	1442	64	4918	64%	50%	\$28	\$302
ASIA	21874	2970	131	10466	53%	44%	\$170	\$236
EUROPE	452	22	4	77	58%	34%	\$40	\$118
							\$146	\$161
<b>Totals</b>	<b>58495</b>	<b>6748</b>	<b>328</b>	<b>24899</b>	<b>59%</b>	<b>47%</b>	<b>\$64</b>	<b>\$277</b>

AFRICA TOTALS									
	20234	2314	129	9438	63%	50%	\$28	82%	\$302
BENIN	522	37	5	161	68%	50%	\$44	59%	\$288
CAMEROON	598	100	6	483	75%	40%	\$54	61%	\$336
ETHIOPIA	95	56	5	195	76%	44%	\$19	100%	\$54
GAMBIA	48	8	1	25	56%	40%	\$4	NA	NA
GHANA	1302	102	3	409	67%	32%	\$25	91%	\$139
IVORY COAST	41	15	1	45	38%	80%	\$5	100%	\$68
KENYA	4413	92	13	559	70%	55%	\$27	76%	\$159
LESOTHO	212	4	1	20	55%	40%	\$0	100%	\$52
LIBERIA	2138	409	13	1324	61%	60%	\$19	NA	NA
MADAGASCAR	1038	94	3	387	49%	50%	\$6	95%	\$157
MALAWI	483	97	1	273	52%	46%	\$31	NA	NA
MALI	68	6	2	30	7%	23%	\$32	92	\$120
MOZAMBIQUE	76	16	1	72	58%	42%	\$30	100%	\$265
NIGERIA	1159	116	6	504	73%	42%	\$55	77%	\$151
RWANDA	48	30	1	114	64%	39%	\$25	100%	\$191
SAO TOME	79	12	1	47	62%	46%	\$32	62%	\$60
SENEGAL	134	15	1	78	74%	52%	\$67	46%	\$53
SIERRA LEONE	2091	375	18	1460	64%	53%	\$19	87%	\$254
SOMALIA	61	20	1	81	60%	51%	\$27	90%	\$207
SUDAN	183	4	1	20	90%	0%	\$23	100%	*
TANZANIA	395	29	6	125	45%	56%	\$24	75%	\$99
TOGO	316	29	2	162	62%	14%	\$50	62%	\$114
UGANDA	3326	481	25	2030	57%	59%	\$30	83%	\$398
ZAIRE	695	99	6	384	60%	39%	\$39	90%	\$141
ZAMBIA	129	10	2	41	61%	44%	\$7	100%	\$116
ZIMBABWE	237	58	4	409	74%	30%	\$46	67%	\$188

EUROPE TOTALS									
	452	22	4	77	58%	34%	\$146	50%	\$161
ARMENIA	63	9	1	37	59%	29%	\$73	48%	\$48
BOSNIA	5	4	1	15	67%	27%	\$8	NA	NA
GEORGIA	5	3	1	7	57%	29%	\$515	26%	\$26
ROMANIA	6	6	1	18	50%	50%	\$164	50%	\$260

In 1996 updated Business Plans were not received from the following countries listed below. The numbers in parentheses show the cumulative number of businesses in that country (1979-1996).

AFRICA: Botswana (1), Burkina Faso (126), Burundi (13), Central African Republic (83), Chad (15), Comoros (2), Egypt (5), Equatorial Guinea (1), Guinea (43), Mauritania (17), Namibia (14), Swaziland (27).

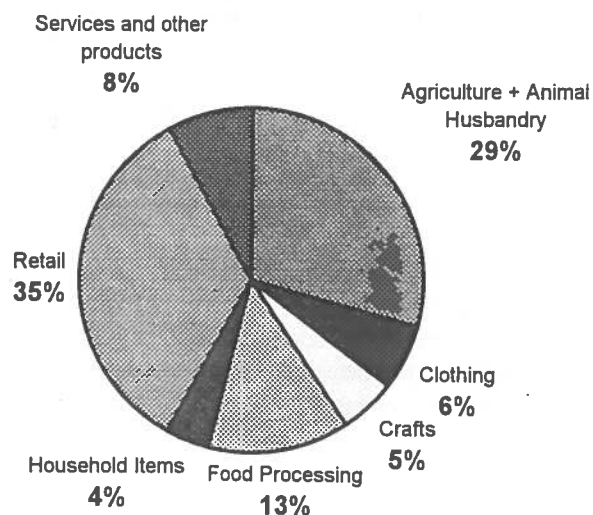
EUROPE: Albania (10), Bulgaria (7), Estonia (15), Greece (4), Ireland (2), Kyrgyz (5), Latvia (24), Lithuania (11), Portugal (179), Russia (54), Ukraine (62).

*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.*

*\*Data from these reports is excluded because it can not be verified.*

1996, TRICKLE UP continued to fulfill its mission of reducing poverty by enabling the very poor to start or expand small businesses. TRICKLE UP accomplishes this with the generous support of foundations, corporations, organizations and individuals—many of them entrepreneurs. TRICKLE UP continues to rely on those who find in the TRICKLE UP process a way to make a difference and reduce poverty - one business at a time. TRICKLE UP brings the poor more than seed capital; it brings dignity, a job, self-confidence and real hope for a better future. TRICKLE UP has helped people start or expand nearly 60,000 businesses. Our goal is to start 100,000 by the millenium.

## Types of Businesses



### INCOME SOURCES

<b>Foundations</b>	<b>41%</b>
<b>Individuals</b>	<b>33%</b>
<b>Corporations</b>	<b>6%</b>
<b>Organizations</b>	<b>6%</b>
<b>Governments</b>	<b>14%</b>

### TRICKLE UP PROGRAM Statement of Income, Expenditures and Fund Balance\*

	Fiscal Year Ending 12/31/96		Fiscal Year Ending 12/31/95	
	<u>Amount</u>	<u>% of Exp.</u>	<u>Amount</u>	<u>% of Exp.</u>
<b>INCOME</b>	<b>\$1,719,650</b>		<b>\$1,393,123</b>	
<b>EXPENDITURE</b>				
Program Grants and Services	1,565,086	91%	1,470,517	92%
Supporting Services				
Management & General	78,887	5%	63,598	4%
Fundraising	71,595	4%	57,791	4%
<b>TOTAL EXPENDITURE</b>	<b>\$1,715,558</b>	<b>100%</b>	<b>\$1,590,701</b>	<b>100%</b>
Excess (deficiency)	\$4,002		\$(197,884)	
Unrestricted Fund Balance 1/1	16,857		203,574	
Transfers	16,537		11,167	
<b>Unrestricted Fund Balance - 12/31</b>	<b>\$ 37,396</b>		<b>\$16,857</b>	

\*Figures for 1995 are taken from the Certified Audit Report. The 1996 figures are unaudited. More information will be available upon completion of the Certified Audit Report for 1996.

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

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