

**STOPPING AS SUCCESS:  
TRANSITIONING TO LOCALLY LED DEVELOPMENT**

# CASE STUDY: TRICKLE UP GUATEMALA

May 2019

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## CONTEXT

Guatemala is a Central American country of some 17 million people, approximately 40 percent of whom are indigenous. In 2018, the country had the fourth highest rate of chronic malnutrition in the world, with almost 70 percent of the population in indigenous areas chronically malnourished. Some regions have experienced consecutive years of drought, while others are characterized by severe dryness, resulting in poor harvests of staple crops and food insecurity.

Trickle Up is an INGO that has been working to address extreme poverty since 1979, and is recognized as a leader in the application and adaptation of graduation approaches. In 2008, Trickle Up established a regional office for the Americas in Cobán, the capital of Alta Verapaz. This office now supports programming in Guatemala, Mexico, and Paraguay.

Trickle Up has supported the creation of numerous savings groups in Guatemala. One unique aspect of these savings groups is their focus on working with people with disabilities and indigenous women.



Through the application of the graduation approach, Trickle Up phases out its engagement with savings groups over time.

## STORY OF TRANSITION

Trickle Up's exit process is best understood as a transition or phase out. Its interventions are designed to last 24 to 36 months, depending on the needs of the group in question. Right from the start of an intervention, a plan is in place for Trickle Up to exit. Trickle Up has developed a rigorous intervention methodology, which is divided into three broad phases:

- 1) community engagement, participant selection, and formation of savings groups;
- 2) capacity building and accompaniment of savings groups; and
- 3) phase out of accompaniment leading to independent savings groups.

In order to explore the process in detail, it is helpful to focus on the experience of an illustrative case. La Sabiduría savings group was founded on 20 May 2013 in Chimolón, in the municipality of Tamahú. Chimolón is an indigenous community, and the population primarily speaks Poqomchí. Trickle Up provided support to La Sabiduría until December 2014.

La Sabiduría can be considered a successful savings group for a number of reasons. First, it has grown from 16 participants when it was formed to 50 participants at the time the research was conducted. Second, not only has La Sabiduría continued its activities independently of Trickle Up, members of the original group have engaged family members and neighbors to create five additional savings groups over time.

Third, the members of La Sabiduría have improved their economic well-being, which has, in turn, enabled them to make other advances. For example, by participating in capacity-building activities provided by Trickle Up related to livelihoods development and savings, members of the group have diversified their productive activities (into, for example, weaving and selling chickens); provided educational opportunities for their children; gained access to healthcare; improved their homes; and been able to purchase goods such as televisions and sewing machines.

## KEY LESSONS

**Programs should be initiated with a plan to graduate groups in place from the outset.** Trickle Up's intensive selection process targets the extreme poor, building the capacity of participants, then thereby providing them space to learn and grow.

**Intensive community outreach and participant selection processes can create an enabling environment.** In Trickle Up's case, this fostered the continuation of savings groups, as well as the establishment of new groups, after the organization has phased out its support. The value of savings groups is reflected in the fact that two municipalities are currently paying for technical support specialists to continue working with them.

**Strong dedication to a core methodology helps.** In Trickle Up's case, it enabled savings groups to learn the approach and then replicate it with others in the community.

**Ensure appropriate resources are invested at the outset.** The resources contributed by Trickle Up at the start of the initiative take the form of staff time, which goes into securing buy-in for the concept from local authorities and leaders, as well as identifying savings group participants. Equally important is the fact that members of savings group contribute their own savings to start groups.

**It is important that savings group members are allowed to drive the process for themselves.** Members of the savings groups established by Trickle Up select their own leadership, decide on which productive activities to pursue, and are able to purchase shares of the group according to their means.

**While the savings and loan process is a central element of VSLAs, individuals continue to participate in them for a variety of reasons.** As can be seen in Trickle Up's case, VSLAs can serve as a platform to gather and consult; build self-esteem and group solidarity; and address individual as well as community needs.