Lessons Learned

1) Loans may be a risky business, but impoverished entrepreneurs are a very good risk.

2) Start with a small amount for loans so partners can learn from small mistakes.

3) Start with loans to those with the best chance of success so they can serve as a model to the rest of the community. – *Start with low-hanging fruit*

4) If we get resources into the hands of the entrepreneurial poor and entrepreneurial partners, they will amaze us with their creativity at using those resources to improve their lot.

5) Local solutions are the best solutions.

6) Respond to every report with some acknowledgement of success – collecting from all or almost all borrowers, issuing more loans, achieving a milestone such as 100th loan, maintaining a 100% repayment rate. Be a cheerleader.

7) Most partners are reluctant to withdraw earnings. Suggest projects they want to do that could be financed with the earnings and reassure them more funds will come to replenish what they withdraw.

8) Multiple small loans are better than a large loan:
   • It is not such a huge debt hanging over the borrower
   • With each repaid loan, borrower gains self-confidence and a sense of accomplishment
   • Loan funds can reach more people with small loans

9) TCP model works best in small communities where people know each other

10) Find partners we can trust and then trust them as long as they get good results – do not try to micro-manage from afar