



SUCCESS STORY

When Dreams Have Wheels

Roma entrepreneur uses micro-loan to keep store ready for town's needs



Photo: Mikrofond

Penko Vassilev used a small loan to purchase a vehicle for transporting supplies from the city of Sliven to his remote community of Topolchanni.

From a small micro-loan and a dream of opening up a food store, to an ever expanding grocery store with a company vehicle, Penko Vassilev is one example of how micro-lending and entrepreneurship investment can help individuals - and communities - successfully grow economically.

A resident of the remote town of Topolchanni, Penko Vassilev is busy selling food and supplies to his Roma community. His business, a grocery store, was once a distant dream.

In 2002, Penko connected with Mikrofond, one of the lenders participating in the Alliance for Inclusive Business Development of Roma Communities in Bulgaria. The Alliance is a public-private partnership between USAID and three implementing partners, including Mikrofond. The project's goal is to improve the economic livelihoods of marginalized Roma communities and to promote a positive image of the Roma entrepreneur.

With the assistance of a loan officer, Penko received a small loan to start his business. He has successfully repaid eight consecutive loans and is currently using his ninth to purchase a vehicle. Penko's store is the only one in the area and is crucial to the community's well-being.

To keep up with demand for much needed supplies, he must travel every second day to the city of Sliven, 20 kilometers (about 12 miles) away, to replenish his stock. Penko rented vehicles at the rate of about \$10 a day. In consultation with his loan officer, Penko determined that it would be more cost effective to purchase rather than to continually rent a vehicle. He completed this purchase using his ninth loan of about \$2,840, and expects to pay off the vehicle in two years.