



Poverty Stoplight

**fundación
paraguaya**





“Happy families are all alike; every unhappy family is unhappy in its own way”.
Tolstoy, Anna Karenina



What is the Poverty Stoplight?

It is a metric and, at the same time, a methodology that allows families to measure their level of poverty and identify and create customized strategies to solve their specific deprivations.

The Poverty Stoplight defines what it means “not to be poor” through 6 dimensions:

-  Income & Employment
-  Health & Environment
-  Housing & Infrastructure
-  Education & Culture
-  Organization & Participation
-  Interiority & Motivation

This social innovation, developed by Fundación Paraguaya, is subdivided in 50 indicators. Each indicator uses simple images and definitions that represent, in a specific local context, what it means to be **extremely poor (red)**, **poor (yellow)**, and **non-poor (green)**.

Families as protagonists

Poverty is multidimensional and affects each family differently. The Poverty Stoplight allows each family to self-diagnose their level of poverty and develop a personalized strategy to get out of it permanently (the family develops a “Life Map”).

The Poverty Stoplight breaks down the overwhelming concept of poverty into smaller manageable problems that can be solved through actions, making the invisible visible in the form of dimensions and indicators. Families are the main protagonists in the process of eliminating poverty, from administering the self-assessment up to the implementation of solutions (with guidance and assistance).

The methodology generates poverty elimination plans that go beyond mere subsidies, seeking to provoke changes in the typical patterns that create and sustain poverty.

How does it work?



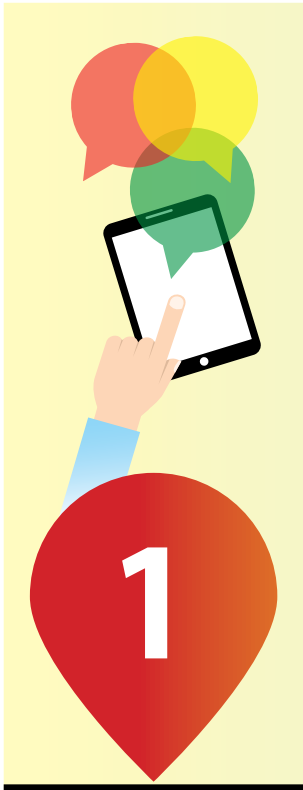
The families evaluate themselves with the help of software that shows the three possible definitions of each indicator using the universally known colors in a stoplight (red, yellow, and green) alongside illustrations. This visual survey takes 20 minutes to complete and allows families to see how they are affected by poverty is and to what they can aspire.



The software also permits the geo-referencing of each family's home and generates community maps - indicator by indicator. This provides information that highlights problem areas to companies, socially conscious organizations, and government entities in order to better leverage resources and complement each other.

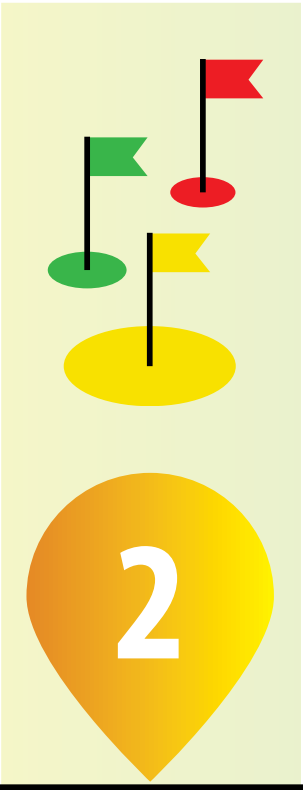


The Process



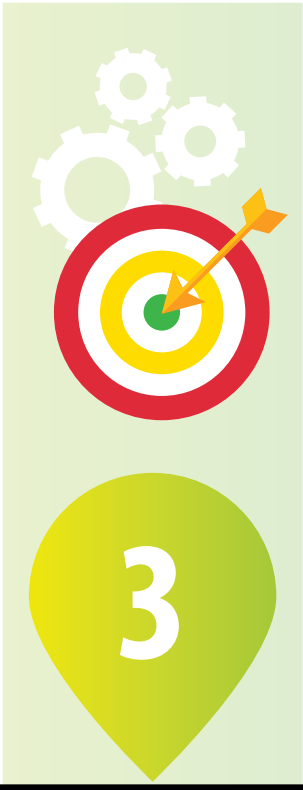
ADMINISTER THE SURVEY

The person taking the survey, assisted by a trained field worker, fills their own Poverty Stoplight survey on a tablet with a visual, intuitive methodology.



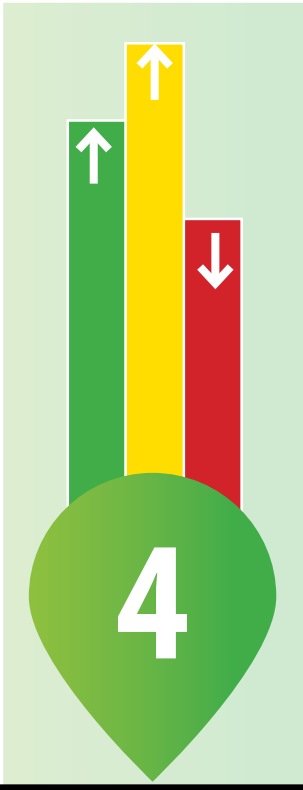
IDENTIFY THE MAIN AREAS OF POVERTY

At the end of the survey, the family and organization are able to easily visualize the specific aspects in which there is extreme poverty, poverty, and non-poverty. The family then receives a printed version of this information.



IMPLEMENT SOLUTIONS WITH MENTORING

The family is able to isolate the indicators that they wish to prioritize. With the help of the organization and a mentorship program they develop a realistic strategy to find solutions to their red and yellow indicators and lift themselves out of poverty.



TRACK PROGRESS

After working on solutions to their unique situations, the family takes the survey again (after 6 months to a year). This way, they are able to see the progress made as indicators transform from red and yellow to green.



Organization and families

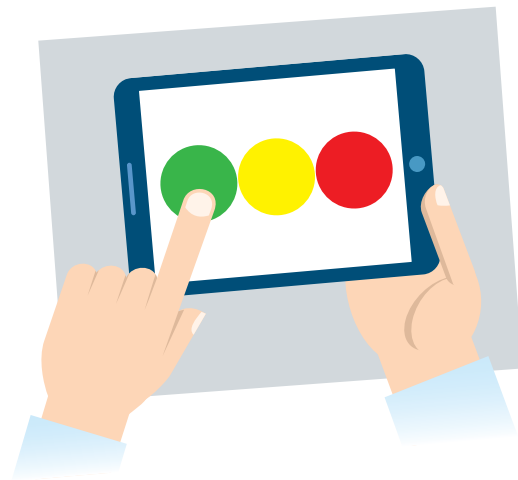
The Poverty Stoplight generates many tangible benefits for the families taking the survey as well as for the organizations that administer it:

Families who take the survey are able to:

- Visualize their own poverty in a simplified way
- Break down the overwhelming concept of poverty into manageable fragments
- Develop their own Life Map to overcome poverty
- Become actors, not objects, of development and poverty elimination

Organizations, companies and governments using the Poverty Stoplight can:

- Clearly identify and keep track of those living in poverty
- Have a greater number of impactful outcomes
- Help people overcome poverty, not just measure it
- Close a community's need gaps by using geo-referenced information for each indicator
- Provide direct solutions to clients within their own capacity
- Create strategic alliances to channel resources where they are most needed
- Better focus their efforts, achieving better results with fewer resources



Technology

Developed in partnership with Hewlett-Packard, this innovative tool provides an intuitive platform for survey taking and generates visual data that is shared safely and securely between stakeholders with an emphasis on clients rights and privacy.

Replicability

The implementation of the Poverty Stoplight within an interested organization can vary and be adjusted depending on the scope of available project and the resources.

Dimensions and Indicators

The 50 indicators were designed based on the Paraguayan context and Fundación Paraguaya's institutional experience. It also takes into account international standards and metrics for measuring poverty.

Income & Employment



1. Income above the poverty line
2. Stable income
3. Access to credit
4. Family savings
5. Diversified sources of income
6. Personal identification

Health & Environment



7. Access to drinking water
8. Access to health care center
9. Nutrition
10. Personal hygiene and sexual health
11. Dental hygiene and eyesight
12. Vaccinations
13. Garbage disposal
14. Unpolluted environment
15. Insurance

Housing & Infrastructure



16. Safe home
17. Sanitation and sewage
18. Electricity
19. Refrigerator and household appliances
20. Separate bedrooms
21. Stove and kitchen
22. Comfort of the home
23. Regular means of transportation
24. All weather access-roads
25. Fixed-line or cellular telephone
26. Security
27. Clothing

Education & Culture



28. Literacy– knows how to read and write
29. Children enrolled in school until grade 12
30. Knowledge and skills to generate income
31. Capacity to plan and budget
32. Communication and social capital
33. School supplies and books
34. Access to information
35. Entertainment and recreation
36. Cultural traditions and heritage
37. Respect for diversity
38. Awareness of human rights

Organization & Participation



39. Participation in self-help groups
40. Influence on the public sector
41. Ability to solve problems and conflicts
42. Registered to vote and votes in elections

Interiority & Motivation



43. Awareness of needs: life map
44. Self-confidence and self-esteem
45. Moral conscience
46. Emotional-affective capacity
47. Appreciation of art and beauty
48. Family violence
49. Entrepreneurial spirit
50. Autonomy

How are levels of poverty defined?

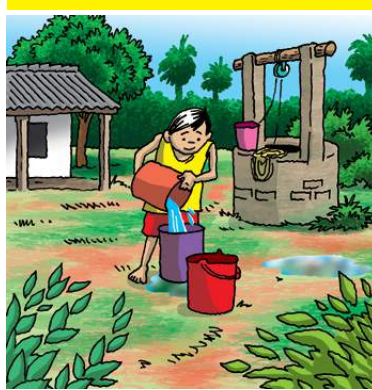
Each indicator has three possible levels defined through images and a short text describing possible situations in which a family can be found. When applying the visual survey, the family chooses the level that better reflects their current reality.

The following are two examples of the indicators “Access to safe drinking water” and “Family Savings”.

Access to safe drinking water



The water that the family consumes is not potable and/or the family has to haul it from unfamiliar land, river or stream.



The family has access to potable water, but:
(a) is not constant or
(b) does not have a tap, well or cistern within the premises of the home.



The family has constant access-during most of the day-to potable water within the premises of their home. They have a tap.

Family Savings



The family rarely saves or has never saved.

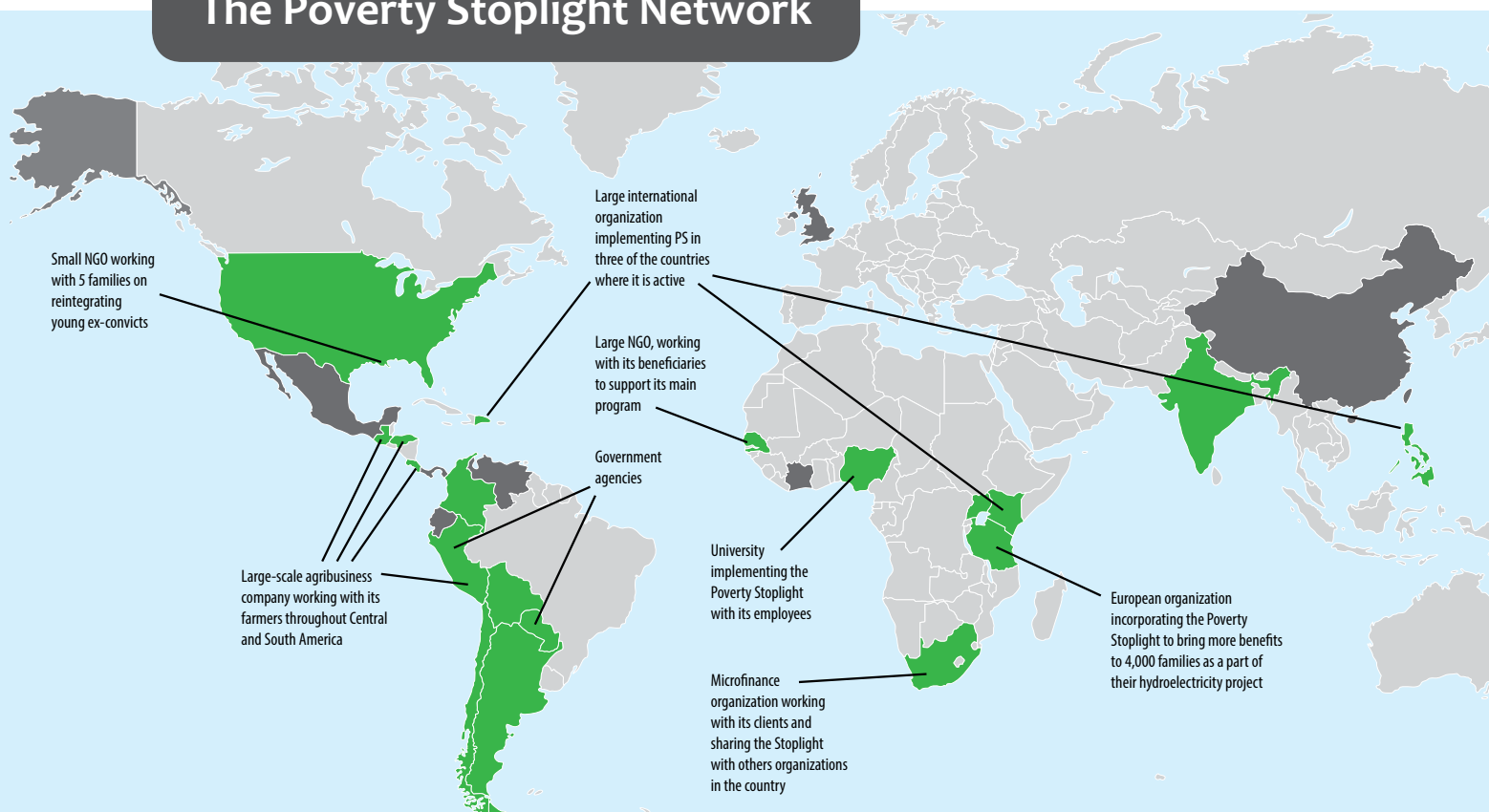


The family has saved for at least six months and / or has only occasionally saved.



The family has savings and a “savings culture” maintained this practice for at least six months.

The Poverty Stoplight Network



Countries implementing the Poverty Stoplight

- | | | |
|---------------|------------------------|-----------------|
| 1. Paraguay | 8. Guatemala | 14. Uganda |
| 2. Chile | 9. Argentina | 15. Nigeria |
| 3. Peru | 10. United States | 16. Kenya |
| 4. Bolivia | 11. Dominican Republic | 17. Senegal |
| 5. Colombia | 12. South Africa | 18. India |
| 6. Costa Rica | 13. Tanzania | 19. Philippines |
| 7. Honduras | | |

Countries with potential partners

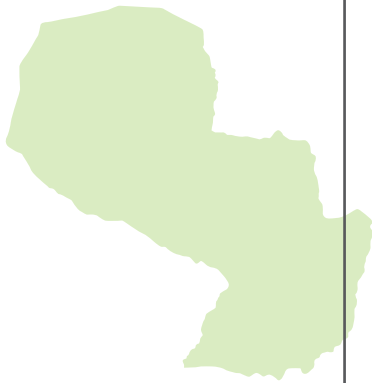
- | | |
|------------------------|----------------|
| 1. Mexico | 7. Ivory Coast |
| 2. Ecuador | 8. England |
| 3. Venezuela | 9. China |
| 4. Panama | 10. Bahamas |
| 5. El Salvador | |
| 6. Trinidad and Tobago | |

Adapting the Indicators

The Poverty Stoplight is being implemented in over 20 countries worldwide. The visual survey is easy to adapt in order for indicators to represent conditions that are locally relevant yet globally comparable. In addition, each organization can adapt the methodology to their existing operations.

The network brings together organizations, companies and governments that perform a wide range of activities and are run at different operational levels. The network includes: microfinance institutions, nongovernmental organizations (large and small), private companies, governments and intergovernmental organizations. They use this innovative methodology to improve the lives of customers, employees, partners and beneficiaries in different contexts.

Results



IN PARAGUAY

3,285 families

have overcome multidimensional poverty in 50 indicators

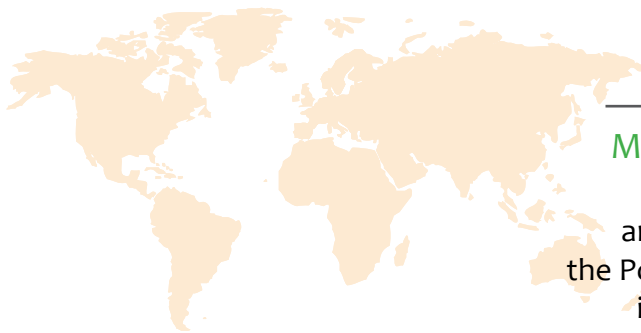
24,767 families

have overcome income poverty

50+ companies

have adopted the Poverty Stoplight as a method to help employees overcome poverty

| Directly impacting the lives of 3,700 families



AT A GLOBAL LEVEL

**More than 24 organizations
in 20 countries**

are adapting and implementing
the Poverty Stoplight methodology
in their programs and projects

Testimonials

“With the Poverty Stoplight we could see how to save and the benefits it has. Now we have noticed what position we are in, when looking at my Life Map I see that I’m no longer red or yellow in many things, I’m green and I feel a great joy.”

Jeremías - Paraguay

Small business owner
in the city of Luque,
Fundación Paraguaya client

“It took me 20 minutes to fill in this questionnaire, but it has just changed my life. I now know what it means not to be poor, and it is not that hard to achieve. A lot of it is in my way of thinking, and I now realize that a big part of getting out of poverty is about making different choices.”

Zelma - Sudáfrica

Small business owner
in Cape Town,
Clothing Bank client



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