Cover photo: Ayala family of “La Conquista” settlement of the city of Ñemby showing the results of their Poverty Stoplight and Life Map.
30 years ago, with a group of entrepreneurs and professionals, in 1985 we created the Fundación Paraguaya de Cooperación y Desarrollo; our mission was “to promote jobs for the classes most in need so that they are able to procure honest and permanent livelihood to raise their standard of living and contribute to their social and economic integration into the community”. Therefore we developed the first microfinance program of Paraguay and consolidated a model of non-governmental organization that provided the basis to strengthen our country’s nascent civil society. Later we instituted the first entrepreneurial education programs, developed the model of self-sustainable agricultural schools and expanded to other countries.

Today, with three decades of experience, our mission is ever more focused and distinct: to develop and implement practical, innovative and sustainable solutions which eliminate poverty and create decent living conditions for every family. Our vision is Paraguay, entrepreneur and poverty-free, an example to the world.

2014 closed with 82,200 families in the Microfinance program, 55,000 young people in Entrepreneurial Education, 4 Agricultural Schools in Paraguay, an NGO in England called Teach A Man To Fish that is dedicated to disseminating our model, an office in Tanzania, 50 replications of the Self-sustainable School in 35 countries, replications of the Poverty Stoplight in 18 countries, 35 Paraguayan companies of the Paraguayan Association of Christian Entrepreneurs (ADEC), the Paraguayan Industrial Union (UIP) and other independent companies implementing the Poverty Stoplight totaling 3,000 workers; in Uganda we organized the 8th International Conference on Self-Sustainable Agricultural Schools with 200 delegates from 30 countries.

Our finances are healthy. We have assets worth US$ 31.5 million, bank debt for US$ 18.6 million and a net worth of US$ 9.7 million. But most important of all is our impact. Over the last four years we have helped 24,767 families pull themselves out of income poverty and 3,285 families leave multidimensional poverty behind in 50 indicators. All this would not have been possible without the support of the Board and its committees that worked tirelessly all year round. Without their support we would not be able to function. The same can be said of the institution’s 380 collaborators who, based in 30 offices (in Paraguay and Tanzania), contributed with their work, initiative and dedication. Above all, our gratitude to the 82,200 families that we work with: from them we have learned important lessons and strategies to lift people out of multidimensional poverty that we are disseminating all over the world.
Index
Message from the Executive Director

30 years of contribution to the country and the world (1985-2015)
Timeline
Achievements in 30 years
Main achievements in 2014
Personal testimonies
Three decades of social innovation
About us: Our Team
Our reach
We are guided by ethics
International ratings
Partnerships and agreements

We export social innovation to the world
Fundación Paraguaya Tanzania
Teach a Man To Fish

Poverty Stoplight
The methodology that unleashes the potential of families
Olympics challenge students to eliminate poverty
We aspire to be the first “zero poverty” organization

Microfinance with social approach
Our year of the Microfinance program
2014 in numbers
Inclusive opportunities in Microfinances

Self-sustainable Agricultural Schools: training rural entrepreneurs
International recognition
San Francisco Agricultural School
Belén Agricultural School
Mbaracayú Education Center
San Pedro Agricultural School

Entrepreneurial Education: learning by doing, selling and earning
20 years of Junior Achievement
Our numbers in 2014
Promotion of entrepreneurship in the interior of the country
Technical assistance to the region
Complementary programs
15 years of Entrepreneurs Forum Paraguay (EFP)

Monitoring and Evaluation (M&E): results and impact
Monitoring and evaluation system
Operating Plan (OPPM)
30 years of contribution to the country and the world (1985-2015)

During three decades we proudly escalated periods of growth that encouraged us to continue working.

1985
• We establish the Fundación Paraguaya de Cooperación y Desarrollo with the “aim of promoting entrepreneurship, enabling low-income people to create jobs and increase their family income.”

1986
• We obtain local loans and launch the first Program to Support Microenterprises with methodology of Solidarity Groups.

1987
• We organize the First National Congress of Micro and Small Enterprises.

1988
• We propose the first Law on Microenterprise Development.

1989
• Democracy is set up. We open offices in the Mercado 4, San Lorenzo and Luque.
• The National Plan for Economic and Social Development incorporates support for microenterprises.

1990
• We reach self-sufficiency covering 100% of our budget.
• We reach client No. 5,000 and launch the Program to Create 100,000 Jobs.

1991
• We develop financial products for rural microenterprises, in extreme poverty and transforming into small enterprises.
• We sign agreements with the Ministry of Industry and Trade, the Ministry of Agriculture and Livestock, the Municipality of Asuncion, and the National Housing Council (CONAVI).
• We open offices in Carapeguá and Caacupé.

1992
• We promote the Global Program of Support for Microenterprises with the Inter-American Development Bank and the Central Bank of Paraguay for local financial companies to serve microenterprises.
• We initiate our individual lending methodology.

1993
• An external assessment is performed and demonstrates that the microenterprises we have served increase jobs from 1.4 to 2.75 after one year in our program.
• We sign agreements with the Ministry of Industry, the Ministry of Agriculture and Livestock, the Municipality of Asuncion, and the National Housing Council (CONAVI).
• We open offices in Carapeguá and Caacupé.

1994
• Accion Internacional rates us “A” among similar foundations in Latin America due to “their capital adequacy, quality of their assets, their style of management, profitability and liquidity.”

1995
• We undertake the first youth education program in entrepreneurship with Junior Achievement Worldwide.
• We are the first microfinance program in the world to launch Bonds on the Stock Exchange.
• We adjust our Accounts Plan to the requirement of the Central Bank of Paraguay for financial institutions even though we are not a regulated financial intermediary that takes savings from the public.

1996
• Accion Internacional rates us “AA”.
• Our clients are awarded 4 of the 5 ADEC Awards for outstanding microentrepreneurs.

1997
• We work on a Feasibility Study for the creation of a regulated financial institution, but decide to continue as a non-profit entity.

1998
• We develop the first Youth Business Simulations.
• We win the Gold Cup at the World Entrepreneurship Forum (WEF) in Argentina.

1999
• We develop the first Youth Business Simulations.
• We set up regional offices in Villa Elisa and San Juan Bautista de las Misiones.

2000
• We set up the first Entrepreneurs Forum Paraguay (EFIP) to promote youth entrepreneurship in the country and the program Partners for a Day.

2001
• We hold the first Entrepreneurs Forum Paraguay (EFIP) to promote youth entrepreneurship in the country and the program Partners for a Day.
2002
• We create an accounting reserve to boost mass adoption of the microfinance and entrepreneurial education programs across the country.

2003
• We initiate the program Self-sustainable Agricultural Schools with the San Francisco Agricultural School donated by the La Salle Brothers.
  • We set up offices in Encarnación and Ciudad del Este.

2004
• We are awarded the IDB Award for "Excellence in Social Entrepreneurship".
  • We open offices in San Ignacio, Misiones and Cerrito (Chaco) and the Hotel Cerrito.
  • We endorse the principles of consumer protection in microfinance.

2005
• The Schwab Foundation of the World Economic Forum and the Skoll Foundation distinguish us as "social entrepreneurs".
  • We create the first mass village banking program called "Committee of Women Entrepreneurs".
  • We set up regional offices in Caaguazú, Mariano Roque Alonso, Itá, Ybycui, Coronel Oviedo and Santani.
  • Consulting Group to Assist the Poor (CGAP) of the World Bank distinguishes us for our financial transparency, award that is repeated in subsequent years.
  • With the support of Avina Foundation we found the Association of Social Development Organizations.

2006
• In London we co-found the NGO called Teach a Man To Fish to disseminate the self-sustainable school model internationally.
  • We open the regional office of Paraguari.

2007
• On occasion of achieving the self-sufficiency of the Self-sustainable Agricultural School, we hold the First International Conference on "Education that pays for itself" in Paraguay.
  • We develop the first microfranchise program to help our clients raise their family income above the poverty line.
  • We join the Clinton Global Initiative.

2008
• We develop a children’s savings program with Aflatoun.
  • We set up regional offices in Villamari, Pilar and Lambaré.
  • We are awarded second place in the BBC World Challenge and the model of the San Francisco Agricultural School is widely disseminated.
  • We open the regional office of Paraguari.

2009
• We establish the Mbaracayú Education Center with the Moisés Bertoni Foundation as replication of the Self-sustainable Agricultural School model.
  • We win the first prize in education of the World Innovation Summit for Education (WISE) of the Qatar Foundation.
  • We are recognized by UNESCO and IDB as "Best Practice" in policies and programs for youth in Latin America and the Caribbean.
  • We create the Poverty Stoplight.

2010
• We take charge of the Belén Agricultural School through Aldea SOS with a 20-year usufruct agreement.
  • We create the Clients Club to provide non-financial services to the families we support.
  • We set up offices in Concepción, Curuguaty and Yagatini.

2011
• We set up an office in Tanzania to replicate the model of self-sustainable schools in 25 educational institutions in that country.

2012
• We fine-tune our mission to focus on the “elimination of poverty among the families with whom we work”.
  • The government adopts the Poverty Stoplight with the Action Plan of the Public-Private Partnership for the Elimination of Extreme Poverty (APEX).
  • We win the Nestlé Prize in Creating Shared Value for the Self-sustainable School model.
  • We promote a program to provide economic opportunities to people with disabilities.

2013
• We launch the program “Poverty-free Enterprises” with the Association of Christian Entrepreneurs (ADEC).
  • We win the ILO and MTV Award for “Best Practices for Youth Employment”.

2014
• We launch the “Poverty Stoplight” with the Paraguayan Industrial Union (UIP).
  • We present the Poverty Stoplight at the Vatican on occasion of the meeting called “Toward a New Global Awareness: Overcoming Social and Economic Exclusion”.
  • We receive Moody’s best rating to a microfinance institution for social performance.
  • We open the office of San Pedro.
Main Achievements in 30 years

112,000 new Jobs.

87% of our clients are women.

2,141 active Committees of Women Entrepreneurs across the country.

We provided technical assistance, management training and credit to 125,000 microentrepreneurs.

We drew up 571,357 financial statements and investment plans of these microenterprises.

We granted 1,015,231 credits worth Gs. 1,724,669 million (US $ 360 million).

We supported microentrepreneurs in 193 towns and cities in 14 departments of the country, through 24 regional offices.

We have made progress in the support provided to the agricultural and livestock production sector increasing its portfolio to Gs. 3,518 million and provided technical assistance for their organization and production to 438 small agriculture and livestock producers through their organizations.

We served more than 90 kinds of urban and rural microenterprises.

95,800 children participated in Junior Achievement programs in Primary Education since 1996.

97,277 young people participated in Junior Achievement programs in Secondary Education since 1995.

32,000 secondary students participated in Business and Financial Simulations since 1997.

50,000 young people participated in special extracurricular Junior Achievement programs.

11,000 professional volunteers donated their expertise and time to implement Junior Achievement programs since 1995.

3,360 young people participated the Entrepreneurs Forum Paraguay (EFP) since 2000.

1,052 young people participated in the World Entrepreneurship Forums (WEF) of Junior Achievement since 1998.

30 young people participated in regional competitions of Banks in Action in several cities of Latin America.

17,040 people have participated in special programs since 1995 such as: Partners for a Day, Night of Heroes, Meeting of Entrepreneurs, Entrepreneurs’ Fair.

200 partner companies, 230,900 participating members and 2,200 different activities have been carried out since 2011 in Global Entrepreneurship Week (GEW) Paraguay.
Main Achievements in 2014

We served 82,208 families in the Microfinance program.

We trained 55,000 youth and children in Entrepreneurial Education.

We graduated 74 rural entrepreneurs in our 4 self-sustainable schools.

We worked in Tanzania with 27 schools and in another 30 countries where we replicated the model of ‘Education that pays for itself’.

6,000 more families pulled themselves out of income poverty.

1,600 more families overcame multidimensional poverty in 50 indicators.

18 institutions of other countries are replicating the Poverty Stoplight methodology.

"Best Microfinance Institution of the Year" award by Whole Planet.

35 national companies adopted the Poverty Stoplight to apply with their collaborators.

We obtained Moody’s best rating worldwide for social performance.

"Disney Commitment" prize to expand our organic farm in the San Francisco Agricultural School.

First place in the Contest in the Department of Presidente Hayes with the audiovisual “Stop the Bullying”.

First place in the regional competition of Junior Achievement Enterprises with EcoArte JA, enterprise of our Entrepreneurial Education program.

Citi-Avina Award “Microentrepreneur of the Year” to Romina Ruiz Díaz, a client of our office in Paraguarí, competing with 475 applicants.

Invitation to the Vatican for a meeting on social and economic exclusion and public hearing with Pope Francisco.

First conference of the Poverty Stoplight in Africa with The Clothing Bank.
“From the beginning the quest to reduce poverty has been relentless”

“Undoubtedly the most important contribution of Fundación Paraguaya since its inception has been the relentless pursuit of methods to reduce suburban poverty and basic needs in the peripheral areas of Asuncion and capital cities of the departments of the country where those displaced by agricultural mechanization and industrialization of production processes have moved. The linkage that the Fundación of providing conditional financing with primary economic and financial education has led to primary entrepreneurship accompanied by an improvement in the standard of living of the families concerned, which is quantified through the application of the Poverty Stoplight that measures the effectiveness and efficiency of these policies.

The economic results derived from loans to microentrepreneurs enable the continuity of the Agricultural Schools where practical scientific and technical, theoretical and practical education is imparted, leading to the graduation of students from the interior of the country who, equipped with existing and available technological advances, such as laptops, tablets and smartphones, have allowed them to take advanced agricultural and basic production techniques for the industrialization of family production or, in many cases, be hired by agri-exporting companies.”
"The agricultural school changed my way of thinking"

Engineer Agr. Jorge Martínez
Graduate of the San Francisco Agricultural School and current President of the EMPAR company.

"My life, like that of many young people who at the time came from rural areas to study at the agricultural school, experienced a transformation that really changed my immediate and long term future. In my case the most important transformation was the change in mindset and strengthening of my values as a person. This change of mindset made the impossible possible, that a young poor person could attend a prestigious foreign university (EARTH University) and get a degree in a career of my choice: Agronomy. This change of mindset has also made it possible to see crises as opportunities and today, 10 years after I graduated, thanks to all these factors I am running my own business, a business that ambitiously seeks to create jobs and opportunities for other young people. The agricultural school, as well as giving me technical and theoretical knowledge, made to believe in my capacity, that I could face changes with optimism and understand that they are part of our personal and professional growth. Forever my gratitude to this institution."

"They are building our real country"

Dr. José Antonio Bergues
Founding Partner

“This thirtieth anniversary surprises us with the full internal consolidation and international projection, and as Technical Training Center which silently and obstinately supports micro-entrepreneurs across the country. For my part, I am happy to have contributed a little grain of sand during the first years of the Fundación. I pay tribute to all past and current collaborators, they can pride themselves on building our real country.”

"The support of the Fundación makes me grow much more"

Justino Méndez
Client, Microfinance Program

"The Fundación Paraguaya helped me so much. For people who work it is useful, it is priceless, whenever I need they are always there for me. 22 years ago I started as a client, I applied for a loan to improve my business and generate more profits. Since then I have not stopped working with the Fundación and I have nothing to complain about because my company has improved plenty."

"Thank you from the bottom of my heart. Not everyone offers loans at present and yet the managers themselves give me a call and I feel the support that makes me grow more and gives me confidence in my work, because I know that, in case of need, the Fundación Paraguaya will be there for me."
"The Business Club has impacted my life."

Husna Hamis Ally
17 year-old student, Morogoro Secondary School (Tanzania)

“The Business Club has impacted my life in a comprehensive manner. It helped me do different things that before the training I could not do. I learned to earn money using my own environment and community. It also made me aware of how to start a business even when you have no capital, because money is not the most important resource. Before this training I could not save because I did not know how important it was for my life, but through the financial education lessons with advisors of the Fundación Paraguaya I am now able to save and accomplish my goals. To save we need goals and plans for proper savings. The Business Club also helped me gain more confidence. I am now able to stand in front of an audience and share what I know about business, I am no longer afraid to speak and express my knowledge. I am very grateful to Fundación Paraguaya for giving me the opportunity to study and learn about business. The program has given me a new imagination about what I can do with my future.”

“They stirred in me the decision to undertake.”

Rafael Torrents
Former participant of “The Company” of Junior Achievement
Owner of Delicatessen de la Cabaña de María.

“For me the Junior Achievement program “The Company” was a before and after for me; because many things influenced my life after school. It opened my eyes before entering the labor market and stirred in me the decision to undertake my own businesses, no matter how long it takes. “The Company” was also the gateway to many activities and friendships that I received from Junior Achievement all these years. Six years ago today I started with my family a venture that is rooted in values and principles that Junior Achievement taught us. Hopefully in the same way it helped us, it will continue opening minds that entrepreneur that young people have inside and instilling enthusiasm in their hearts.”

“What used to be a dream, today is a source of jobs for many.”

Silvia Franco Acevedo
Former participant of “The Company” of Junior Achievement
Owner of LA OMA.

“14 years ago, the program “The Company” taught us that we can create and invest in our own business as of our youth, building our own project. For me, it all started creating our flagship product, the LA OMA cookies (“grandmother” in German), and before the month we had to hire staff to meet the demand. Today we are a company with 13 years in the market and not only making cookies, we expanded to a variety of sugar-based products and also prepare tables of sweets for all sorts of events (social, corporate). “What used to be just a dream, today is a source of jobs for many.”
3 Decades of Social Innovation

Since 1985 Fundación Paraguaya is a pioneer in microfinance and entrepreneurship in Paraguay.

Through four interconnected strategies we seek to eliminate the poverty affecting the families with whom we work.

Our Microfinance program provides credit, training, advice and microfranchises to more than 82,200 clients, which constitute the operational base of the institution. Our program Self-Sustainable Schools seeks to transform poor young peasants into rural entrepreneurs. We disseminate and replicate this model throughout the world. Our program Entrepreneurial Education provides training in entrepreneurship to young people and children. We are a non-profit organization and we are not tax exempt. We pay national taxes, including income tax.

Our surpluses are not distributed, but are used to capitalize and develop new programs. The institution is led by a Board of Directors made up of prominent businessmen and entrepreneurs from Paraguay and an Executive Director. We have 28 offices in Paraguay, a sister NGO in London (Teach A Man To Fish), and an office in Tanzania to implement our program in that country. Our staff consists of 380 employees (60% women) and we serve in 160 municipalities.
To develop and implement practical, innovative and sustainable solutions which eliminate poverty and create decent living conditions for every family.

Paraguay, entrepreneur and poverty-free, an example to the world.

Operationally, our programs are tightly integrated and aim at the same target population. Each program maintains, however, its budgetary independence and is permanently focused on the pursuit of its own sustainability. As of 2011 Fundación Paraguaya has developed a methodology called “Poverty Stoplight” to help families draw their own poverty map and develop and implement plans to pull themselves out of it. It allows organizations working on the elimination of poverty to provide personalized support services.

The Stoplight is a geo-referenced visual survey that uses the colors red, yellow and green to measure the poverty level. The survey with which families diagnose themselves uses 50 indicators grouped into 6 dimensions of poverty. This methodology also includes other interventions to eliminate poverty, such as credit, training, microfranchising, business ideas and the association and strategic partnerships with public and private companies.

This methodology crosscuts all the programs of Fundación Paraguaya with the aim of solving the poverty of the families of the different sectors in which we operate. The Microfinance program is the platform on which the other goods and services that the institution offers, either directly or through partnerships with third parties, are mounted and distributed.

The strong bond created between families and the institution due to the mutual trust generated from getting to know each other (product of the credit operation) leads to the families opening their doors to us. This broad and deep institutional structure also facilitates channeling goods and services leading to the development of families.
Our Strategic Objectives

As part of the strategic plan, by 2017 we propose to:

• Lift 30,000 Paraguayan families out of income poverty and 9,000 out of total poverty;

• Consolidate and strengthen the Microfinance model of the Fundación Paraguaya;

• Consolidate five Self-sustainable Schools in Paraguay;

• Increase, by at least 2.5 times, the programmatic capacity (total # of clients) of the Fundación Paraguaya.

• Get a national government to adopt a methodology to combat poverty;

• Consolidate the model of Self-sustainable Schools in Africa.

Our Values

• Excellence in everything we do (Excellence)

• Constant innovation (Innovation)

• Focus on outcomes (Outcomes)

• Social Ethics (Ethics)

• Balance between the commercial and the social (Balance)

The Limits of our Action

• Strengthening and consolidating impact in Paraguay (Paraguay)

• Consolidate presence in Africa (Africa)

• Support development in other countries and regions only by exception (Selective Expansion)

• Maintain the minimum collaborators possible to comply with all the scopes of the strategy (Growing Productivity)

• Leverage net assets conservatively, maintain healthy margin of solvency (Solvency)
About Us: Our Team

We rely on the guidance and leadership of professionals who contribute innovative ideas, initiative and dedication.
Founding Members
Martin Burt
Luis María Heisecke (+)
Julio César Schupp (+)
Astrid Gustafson
José Antonio Bergues
Arnaldo Rojas Sánchez (+)
José Martín de Aguirre (+)
Paul Fritz
Amado Artaza (+)
Guillermo Peroni
Ramiro Rodríguez Alcalá
Paul Hurley
Amado Adorno
Federico Robinson
Esteban Burt

Active Members
Álvaro Caballero
Antonio Espinoza
Catherine Kelly
Celso Rojas
Daniel Elicetche
Demetrio Rojas
Diana Díaz de Espada
Eduardo Gustale
Eduardo Manchini
Enrique Arbo
Enrique Raúl Landó
Fernando Peroni
Francisca Peroni
Gabriel Cosp
Guido Brítez
Guillermo Caballero V.
Jorge Talavera
Julio Alvarado
Luis Enrique Breuer
Marcos Goldenberg
Margarita Robinson
Maria Gracia Gauto
Marta Aguirre
Miguel Angel Chase
Pablo Herken
Pascual Rubiani
Pascual Rubiani
Paula Burt
Peter Jones
Raúl Gauto
Roberto Urieta A.
Rubén Fadlala
Sara Centurión
Vicente Bergues
Yan Speranza

Board of Directors
Guillermo Peroni
Antonio Espinoza
Álvaro Caballero
Esteban Burt
Pascual Rubiani
Raúl Gauto
Yan Speranza
Amado Adorno
Marta Aguirre
Margarita Robinson
Fernando Peroni
Rubén Fadlala

Trustee
Daniel Elicetche

Executive Director
Martín Burt

General Manager
Luis Fernando Sanabria

Management Team
Roberto Giménez, Programs
• Luis Cateura, Self-sustainable Schools
• Hugo Florentín, Tanzania
• Omar Sanabria, Microfinance
• Bruno Vaccott, Entrepreneurial Education
• Norma Barrios, Entrepreneurial Education

Miguel Ángel Rivarola, Institutional Services
• Rodrigo Alonso, Organizational Development
• Claudia Ortega, Administration and Finance
• Emilio Espínola, Technology
• Katharina Hammler, Monitoring and Evaluation
• Kelly Jones, Projects

Narumi Akita, Communications

Luis Antonelli, Comptroller

Nik Kafka, Teach A Man To Fish
Jimena Vallejos, Poverty Stoplight
Our Reach

Our offices are distributed locally and internationally.
**Paraguay**

- Main Office
- Asunción
- Caacupé
- Caaguazú
- Carapeguá
- Chaco
- Ciudad del Este
- Concepción
- Coronel Oviedo
- Curuguaty
- Encarnación
- Itá
- Lambaré
- Luque
- Mariano Roque Alonso
- Paraguarí
- Pilar
- San Ignacio
- San Lorenzo
- San Pedro
- Santaní
- Villa Elisa
- Villarrica
- Villa Ygatimí
- Ybycuí
- San Francisco Agricultural School
- Belén Agricultural School
- San Pedro Agricultural School
- Mbaracayú Education Center (in partnership with Moisés Bertoni Foundation)

**International**

- Tanzania / Morogoro

- Teach a Man To Fish, Office in London
We are guided by ethics

Regulations and codes.
Rights of our clients

Since 2004 we abide by the principles of The Smart Campaign, an international effort to unite microfinance leaders on a common goal: to keep clients as driving force of the sector. “Smart” microfinance consists of full transparency in the pricing, terms and conditions of all financial products. We aim at clients not receiving more money than they can repay or not using products they do not need, so we apply respectful loan collection practices and the highest ethical standards when dealing with clients. We have mechanisms to receive complaints and improve our service, and we guarantee the confidentiality of client information.

Code of ethics

It was developed and agreed by all collaborators of all areas and programs of the Fundación Paraguaya. During 2012 a review was conducted with the participation of all collaborators. We promote compliance of the Code of Ethics through the collaboration of each and every office and institution belonging to the institution.

Code against sexual harassment

In Fundación Paraguaya we have a Code against harassment which very clearly expresses the scope of this policy. It mentions the bodies and the mechanisms to be adopted in the event of infringement against any member of the institution. The material is available to all collaborators on the institution’s server.

Non-discrimination code

As part of the policies of the Organizational Development area, we have adopted a non-discrimination code. This code refers to non-discrimination based on gender, age, religion, ethnicity, sexual orientation, political affiliation or some sort of disability.

Conflict of interest

We have implemented a policy for conflict of interest that defines the events that account for said situation. It includes collaborators, suppliers and clients of the institution.

Environmental responsibility

Our environmental policy includes actions to be taken within the institution to mitigate our environmental footprint. Hence, our agricultural schools use the bio-intensive agricultural method. In addition, we have lists of exclusion in order not to finance activities with negative impact on the environment and credit lines to reconvert microenterprises with a negative impact on the environment.

Rules of procedure

The drafting process involved all collaborators of the institution with the advice of the Ministry of Justice and Labor. As endorsed by consensus, our rules of procedure have been signed by a representative of collaborators from all offices, appointed by their peers.
International Ratings

Since 1994 the Fundación Paraguaya has received numerous evaluation visits of international agencies to rate our institution.

Satisfactory Financial Rating

The most recent financial rating was published by Planet Rating in 2012. The SMART GirAFE tool was applied and we were rated “B+”, with which we maintained the same rating given to us in the previous assessment.

According to methodology of Planet Rating this means that: “Current institutional, operational and financial performance is satisfactory when compared to industry standards.” We were given the “Stable” trend rating.

MIX Market

In August 2014 we received the recognition of the MIX Market for the commitment to be socially transparent and responsible, meeting all S.T.A.R. requirements in 2013.

Moody’s highest social rating

In 2014 we were given the highest rating worldwide in the Social Performance Assessment of Moody’s Analytics, an international organization focused on economic research on risks, yields and financial models, as well as on consulting, training and software. Moody’s developed the Social Performance Assessment (SPA) which analyzes the infrastructure and processes of a microfinance institution (MFI) to achieve its social objectives. To receive this rating, we submitted to an on-site assessment and comprehensive checks of our practices and programs. This process provided a degree of globally comparable assessment obtaining 81 points and grade SP-2 meaning that the infrastructure and the processes are consistent with a high probability of operating in the best interest of clients, which is one of our top priorities.
Partnerships and Agreements

We are convinced of the importance of creating links with other companies and organizations to achieve changes in society on a greater scale. Many thanks to all our partners!
Networks and Memberships

We are part of numerous networks at the regional and global level, such as:

- Acción Internacional
- Aflatoun
- Ashoka
- Avina
- Child and Youth Finance International
- Clinton Global Initiative
- Association of Organizations for Social Development
- Global Entrepreneurship Week (Kauffman Foundation)
- Civil Society Consulting Group of the Inter-American Development Bank (ConSOC)
- Incupar: Paraguayan Network of Incubators
- Junior Achievement Worldwide
- Microcredit Summit
- Commercial Ethical Pact
- Global Compact
- Social Progress Paraguay
- Paraguayan Microfinance Network
- Schwab Foundation
- Skoll Foundation
- Synergos
- Teach A Man To Fish
- The Smart Campaign
- UNESCO-UNEVOC
- World Economic Forum
- Youth Business International (YBI)

Partners

- Australian Agency for International Development (AUSAID)
- United States Agency for International Development (USAID)
- Spanish Agency for International Cooperation and Development (AECID)
- Friends of the Americas
- ASOBID – For the implementation of the Poverty Stoplight through ADEC
- Association of Christian Entrepreneurs (ADEC)
- Banco Amambay
- Banco Atlas
- Banco Continental
- Banco GNB
- Banco Itaú
- BBVA
- BID – FOMIN
- Cartones Yaguareté
- Center for Financial Inclusion – Accion Internacional
- Choice Humanitarian
- Coca-Cola
- Connected Schools
- German Development Cooperation (GIZ)
- Cooperativa Universitaria
- Developing World Planet
- Deloitte Touche
- EA Consultants
- Embassy of the Czech Republic
- US Embassy in Paraguay
- School of Architecture – Universidad Nacional de Asunción
- Financiera Río
- ANSARA Foundation
- Dequeen Foundation
- Moisés Bertoni Foundation
- Telefónica Foundation
- Girls not Brides
- Global Development Network
- Global Giving
- Local government of the Central Department
- Local government of Caaguazú
- Local government of Presidente Hayes
- Habitat for Humanity
- Hewlett Packard
- Church of Jesus Christ of Latter-day Saints
- Social Progress Index
- KIVA
- Las Tacuara S.A. (Nutrihuevos)
- Lofund
- Marriott Foundation
- Micreeenterprise Partners (Elevate)
- Municipalidad de Uriondo
- Nestlé
- Oikocredit
- Organización Campesina del Norte
- Peery Foundation
- National Secretariat for Youth
- National Secretariat for the Rights of People with Disabilities (SENADIS)
- Technical Planning Secretariat
- Sega Girls School
- Symbiotics Group
- Sudameris Bank
- The Citi Foundation
- The Clothing Bank
- The Enabler Foundation
- The Mastercard Foundation
- The Resource Foundation
- Tigo Money
- TOMS
- Triplle Jump
- European Union
- Paraguayan Industrial Union (UIP)
- Universidad San Carlos
- Visión Banco
- Volcán
- WeAmericas
- Wheelchair Foundation
- Whole Planet
We export social innovation to the world

We export two major social innovations to the world to fulfill our vision “Paraguay, entrepreneur and poverty-free, an example to the world.” In 2006, we helped create Teach a Man to Fish to disseminate and replicate the model of ‘Education that pays for itself’. Since then, we have reached more than 5,512 organizations in 130 countries through different programs. The Poverty Stoplight also achieved local recognition and global expansion in 18 countries through partner organizations implementing this methodology in their programs.

Fundación Paraguaya Tanzania

Since 2012 we are present in Tanzania, Africa. Under the auspices of The MasterCard Foundation we aim at establishing a training center on the model, developing a model school for Africa, working with another four private schools that fully replicate the model, working with another 20 public schools to adopt didactic-production units and develop outreach and replication to further expand the knowledge and adoption of the model in the African continent. During 2012 we started transferring our financially self-sufficient schools model to the SEGA Secondary Girls School and Njombe Professional College. In 2013 another 3 schools joined the challenge, namely: Illovola Secondary School, Ifunda Mission VTC and Mañinge Lutheran VTC.

In 2014 training efforts continued in the five above mentioned schools. In total 1,538 students participated directly in our model of self-sustainable schools and we trained 40 teachers of these institutions from 2012 to December 2014. The main didactic-production units in which students participated are dairy production, pig breeding, laying hens, broiler chicken, carpentry, clothes-making, blacksmithing, car mechanics and fruit and vegetable production.
The Business Club and its impact on students

During 2014 a total of 23 public schools in Morogoro municipality implemented a school business led by 1,200 students. Through this initiative they are learning to organize a business, sell products and services, earn money and save. From 2012 to December 2014, 1,873 students were beneficiaries of the Business Club. In August 2014 we participated in the Nane Nane fair, where the students successfully demonstrated their marketing skills. In October 2014 Market Day was held with participation of 1,200 students. Also, with the presence of local authorities and personalities of the Morogoro community, the celebration of young entrepreneurs was held, at which the top students, teachers and directors of the year were honored. As for Evaluation & Monitoring, from 2012 to date, we have worked with the University of Minnesota in order to assess the impact of the self-sustainable schools model and of the Business Club program. We also organized the Monitoring & Evaluation workshop held in November 2014 with all the partners of The Mastercard Foundation in Dar es Salaam to share lessons learned and plan the next year.

Teach A Man To Fish

Since 2006 we have worked proactively disseminating the Self-sustainable School model all over the world for other institutions to adopt and replicate it. The Teach A Man To Fish network was created for this purpose and conferences to share information and best practices have been held. Today this international network has 5,512 organizations in 130 countries.

The Teach A Man To Fish network is an international community of schools, organizations and individuals interested in the concept of "Education that pays for itself" and in the "Self-sustainable Schools" model, and committed to sustainable approaches to eliminate poverty. Globally Teach A Man To Fish also promotes the "School Enterprise Challenge", a competition that guides students to develop business ideas for their schools in a fun and creative way. At present this competition is held in 1,283 schools in 93 countries.
Eighth World Conference “Education that pays for itself”

From October 30 to November 1, 2014 the VIII Conference “Education that pays for itself” was held at the Mackay Memorial College, Uganda (Africa). The central theme was “Empowering young people with skills for success: From job seekers to job creators”. The conference was attended by 200 delegates from 30 countries, many of whom had already implemented the model and others were interested in implementing it in their countries. A team of the Fundación’s Managers attended this conference.

A methodology to facilitate the transfer of the model

In an effort to disseminate the model more widely, facilitate and lower the cost of its application, a methodology for the transfer of the model has been developed through Blended Learning (i.e. classroom and e-learning). Firstly a training was organized with participation of institutions from Bolivia, Ecuador, Colombia, Argentina, Haiti, Honduras, Paraguay and Nicaragua. The course is on the Moodle platform and follow-up is through forums using Skype. The final process included classroom sessions so as to monitor and evaluate the progress made in the Schools.
Poverty Stoplight

We have developed a tool that allows families break down their poverty into 50 tangible indicators and develop solutions for each indicator.

The Poverty Stoplight includes 50 poverty indicators grouped into six dimensions: income & employment, health & environment, housing & infrastructure, education & culture, organization & participation, and interiority & motivation. We defined levels for each indicator: Red” (extreme poverty), “Yellow” (not extreme poverty) or “Green” (no poverty). Participating families diagnose themselves using software with photographs developed together with Hewlett Packard. Through this tool, the families become the protagonists of their story defining the poverty gap that affects them and developing a Life Map to resolve its “reds” and “yellows”. The Credit Advisor provides mentoring and uses a “menu of solutions” developed by the institution. This “menu” contains services provided directly, through partnerships and organizing participant families.
With ADEC we expanded “Poverty-free Enterprises” in the private sector

In 2013 a cooperation agreement with the Association of Christian Entrepreneurs (ADEC) in order to disseminate the methodology of the Poverty Stoplight in renowned companies of the country and in 2014 we succeeded in extending the project. The mission of “Poverty-free Enterprises” is to build internal and external awareness on the existence of this phenomenon within the companies themselves, and improve the condition of their workers in a definitive manner, through orchestration of plans that go beyond simple subsidies and thus foster a change in the typical patterns that generate this situation in the life of these collaborators. A total of 15 enterprises in 2013 and 9 more in 2014 participated in this venture through which Human Resource Managers were trained in the Stoplight methodology, applied it to the collaborators of their institution, and developed specific actions to improve their quality of life by making the collaborators themselves become the protagonists of these action plans. Among them the following: savings and incentive programs, healthy living and exercise programs, programs to improve their housing, financial education programs. All actions were defined in rounds of discussion and based on Stoplight indicators and results. The second data collection from participant collaborators will take place in 2015, and we look forward to verifying the positive impact of this initiative.

Industries ensure the quality of life of their collaborators

In order to work from within the most important industries of the country on the elimination of poverty, in 2014 our program was expanded through a cooperation agreement signed with the Paraguayan Industrial Union (UIP). In the same way, companies such as AGPAR, AZPA, Cerámica Irene Ind. y Com., EISA, Pollpar, Trafopar and UIP began applying the Stoplight methodology on their collaborators. The initiative expects to map the situation of poverty of the internal community of these industries in order to identify solutions to the different common and specific problems affecting their collaborators.
The Stoplight expands globally

We initiated efforts to disseminate the success of the Poverty Stoplight worldwide and invite other organizations to replicate it. In 2014 we worked with the Junior Achievement Americas network as part of Women for Development Project, using the Stoplight methodology and metrics in nine countries including Argentina, Colombia, El Salvador, Guatemala, Panama, Costa Rica, Honduras, Dominican Republic and Haiti. In addition, the American University of Nigeria (Nigeria), The Clothing Bank (South Africa), The Enabler Foundation (India), Volunteer Uganda (Uganda), and our office in Tanzania have adapted the Stoplight indicators to the local context and incorporated the methodology as part of their operations with the goal of eliminating poverty. As a result of a visit to our programs, the renowned organization Heifer International invited us to participate in its annual meeting on Monitoring & Evaluation in Vietnam in October 2014 with the aim of incorporating the Stoplight as metric and methodology into their programs. For this purpose, the indicators were adapted to the Vietnamese context and field tests were conducted to train 35 collaborators of said organization.

We organized the First International Conference on the Poverty Stoplight

Partnered with the South African social enterprise The Clothing Bank, we organized the First International Conference on the Poverty Stoplight in Cape Town, South Africa, which consisted of one day of exchange of ideas, experiences on its implementation and inspiring stories. Civil society organizations, businesses, foundations, academia and government representatives attended the conference. The aim was to help those working in poverty reduction acquire new data and insights on the actual issues, share their experiences on the Stoplight methodology and measure the results in a common framework. The Clothing Bank has adapted the Stoplight indicators to the South African context and uses this methodology as part of their work with vulnerable low-income women in Cape Town, South Africa. The Clothing Bank is an internationally recognized company for their best practices and vision to inspire, train and support unemployed women to eradicate poverty from their lives.
Collaboration with university to disseminate the Poverty Stoplight

Collaboration and constant exchange with foreign universities allows us to promote our programs, while developing innovative and high quality products together with students eager to learn about development projects.

Brigham Young University

A group of students from Brigham Young University and the Ballard Center and Laycock Center of this university visited us in July 2014 from Utah to record a video on the Poverty Stoplight methodology. In this video we show how to apply the methodology and share some success stories of clients who overcame their poverty indicators. We also worked with two groups of undergraduate students who developed a manual to adapt the Stoplight methodology to other countries and contexts, and they created a database with resources for possible solutions to the Stoplight indicators worldwide.

Competition “My bathroom, my kitchen, my pride” shows examples of progress

As part of the solutions of the Poverty Stoplight methodology, in the indicators of “Sanitare latrine and sewage disposal” and “Elevated stove and ventilated kitchen”, in July 2014 we launched the contest “My bathroom, my kitchen, my pride” on which 125 Committees of Women Entrepreneurs of our Microfinance program worked to remodel kitchens and bathrooms for the member whom they felt needed the change most, with 38 finalists in total. The winners were chosen in a vote on Facebook open to the public, which closed on December 25. The results were surprising. Through solidarity and self-management the members of the Committees helped lift their coworker out of poverty in the kitchen or bathroom indicator. Their work was unprecedented because, without outside financial aid, subsidies or grants, they themselves organized the fundraising and resources to accomplish their goal.
The first place in the Bathroom category was awarded to Ms. Geremías Benítez de Areco of the city of Luque, who won a savings account of Gs. 1,000,000. She belongs to the Committee of Women Entrepreneurs “San José”, which also received a savings account of Gs. 5,000,000. The second place in the same category was awarded to Mirta Lugo of the Committee “Rosa Mística” of the city of Lambaré. And the third place went to Ramona Rodriguez of the Committee “Kuña Katupyry” of the city of San Ignacio. In the Kitchen category, the winner was Ms. Eva Da Silva de Ojeda of Villa Hayes, who also received a savings account of Gs. 1,000,000, and her Committee “Jejopyhy” was awarded a savings account of Gs. 5,000,000. The second place went to Juana de J. Cardozo of the Committee “Virgen de Fátima” of the city of Santaní. And third place went to Mauricia Giménez of the Committee “San José” in the city of Luque. As Eva Da Silva, one of the winners, stated “Once you decide, you can do it! Ikatu jajapo. We did, we did it.”

Families improve the quality of their lives

This year three major results were achieved:

- **3,285 families** overcame all 50 indicators of poverty and succeeded in turning all the “yellows” and “reds” of their Stoplight to “green”.

- **24,767 families** overcame the income poverty line, i.e. they succeeded in generating sufficient income to close their poverty gap per family member.

- **97% of families** that overcome their income poverty and who remained in the program the following year stabilized their income.

This year three major results were achieved: These results are due to the work across the country, whereby the methodology has proven to be applicable in both urban and rural areas. In addition, it began to be applied with our collaborators and with collaborators of other private companies as per the provisions of our new Strategic Plan.
For the first time we organized the contest "Stoplight Olympics", with the participation of 350 students from the four schools that implement the self-sustainable education model in Paraguay. The contest was to identify the 5 indicators with more "reds" (most vulnerable or extreme poverty) among students' families. These indicators were: Savings, family budget, diversification of sources of income, social capital and health and burial insurance. The young faced the challenges of identifying ways to improve their situation and promote change within their family, taking into account these indicators. The competition had several stages: learning and discussion, planning, action and closure with results. The winning school was the Mbaracayú Education Center and, as prize, 15 students traveled to the San Francisco Agricultural School and to Asunción, where they made a presentation on their experiences and the challenges associated with improving the situation of their families.
In 2014 we placed strong emphasis on the internal application of the Poverty Stoplight. Some of the initiatives to solve the indicators were:

- **Savings**: we negotiated with Visión Banco to open short-term savings accounts (14 months) for each collaborator, at an 8% annual rate. As an end-of-year gift, the institution granted a fixed amount based on seniority with a savings account at the abovementioned bank. In addition, 46% of collaborators authorized discounts to their salaries to increase the gift received, with which 100% of collaborators are green in the savings indicator.

- **Capacity to plan**: we provided free training together with Entrepreneurial Education and BBVA Bank, and succeeded in 50% of collaborators having their own personal and family budget and turn green for this indicator.

- **Group support**: now each office becomes a self-help group to find solutions to the indicators of each collaborator through the “Become Green” contest.

- **Insurance**: all collaborators have insurance of the Social Security Institute, life insurance and private hospitals in all offices through the Clients Club.

- **Recreation**: periodically we hold football and handball tournaments, marathons, cycling and free movies through the Clients Club. 40% of collaborators are green in this indicator.

- **Autonomy**: We have re-launched trainings in Entrepreneurial Education. With this 60% of collaborators turned green in this indicator.

- **Trash**: we have campaigned to raise awareness on waste sorting. 42% of collaborators turned green in this indicator.

- **Life Map**: 100% of collaborators are green since each collaborator has a map of family life and the priorities and goals they have defined.

- **Credit**: 100% of collaborators are green in this indicator considering that Fundación Paraguaya has a credit policy for loans to invest in solutions.

- **Nutritious Food**: we held the “I look good, I feel good” contest to acquire the habit of eating healthy and having the proper body mass index.

- **Vaccinations**: we carried out a vaccination campaign in all our offices.

- **Telephone**: 100% of collaborators have access to the corporate plan of the Personal company.

- **Aesthetics and Art**: We provided training on etiquette and protocol (behavior) during Induction Day and visits to offices (orderliness, appearance and neatness).

- **Violence against Women**: we conducted training for managers and advisors of the Women’s Committees.

- **Entrepreneurship**: We conducted joint training with the Entrepreneurship Education area. In addition, with the Organizational Development area we provided ongoing English lessons for our collaborators among other topics that we consider vital for their comprehensive development.
Microfinance with social approach

Our Microfinance program seeks to eliminate the poverty affecting our clients.

We provide some of the solutions directly, other times through partnerships with other organizations and other times training social capital and encouraging clients to find their own solutions. In 2014 we worked with 82,208 families, of which we helped over 6,000 overcome the level of poverty in terms of income generation and more than 1,600 families solved all their poverty indicators. Our challenge for 2015 is for these families to maintain their income level, for another 6,000 to lift themselves above the poverty line and for 1,800 to solve all their poverty indicators.

Our year in Microfinance

Our Microfinance program closed the year with 82,208 active clients, we trained 38,000 women, granted 160,000 loans disbursed more than US$ 51 million (240 billion guaraníes). We offer individual loans, to solidarity groups and village banking (Women’s Committees). We have four major financial products: loans to microenterprises, credits to Women’s Committees, farming loans and consumer loans. Nonetheless, we have many other products to serve specific niches and solve some of the poverty indicators of our clients. We have a preference for women, 87% of our clients are women, 38,000 are organized into 2,141 Committees. We have preference for the poor, our average loans are the lowest in the domestic market and one of the lowest of the Accion Network, in which we have participated since 1985.
Microfinance with social and environmental approach

Our clients with access to water

At the close of the fiscal year 33 private water companies, sanitation boards, neighborhood committees and other groups that facilitate access to water to 20,000 families were part of the institution’s portfolio. The loans granted have been earmarked to purchase of pipes, meters, motors, digging of new wells, improvement of premises, among others. With the support of the Avina Foundation the AGUAS instrument was developed, in the framework of the project “Building a categorization model of Community Organizations providing Water Services” (OCSA). This is a self-application instrument and allows water-providing community organizations to diagnose their own stage of maturity, from their creation to their consolidation and also useful to identify areas of improvement in order to ensure their sustainability.

Loans to young people to study and develop their own business

Using two methodologies, individual credit and youth committees, the institution has 22,000 active clients who are under 25 (21% of the clientele). Among the products offered we provide credits to start a business, working capital, fixed assets and loans for technical and university studies provided in partnership with Kiva and Vittana. The students of the San Francisco Agricultural School are among these young people.

We received the “Best Microfinance Institution of the Year” from Whole Planet

Fundación Paraguaya has been recognized as the Best Microfinance Institution of the Year. This award was launched and promoted by the Whole Planet Foundation to recognize and appreciate their exceptional partners who demonstrate leadership in the microfinance industry at the regional and global level. Microfinance institutions from 61 countries competed for this award. This award recognizes the winner as the organization with best practices and excellence in management.
Developing microfranchises

For the sixth consecutive year we are offering microfranchising, i.e. small turnkey businesses with minimal investment that allow our low-income clients to undertake a lucrative activity or strengthen their current one. We offer the sale of reading glasses in alliance with Vision Spring, kits for feminine hygiene and beauty, bijouterie kits and cleaning kits. In 2014 the project financed by IDB/MIF was undertaken to detect microfranchising opportunities, develop new models and their expansion, establish a specific line of services for the generation of microfranchises in the institution, and disseminate and communicate the results and lessons learned.

Our Clients Club

As of 2011 clients have optional access to the Clients Club. Membership provides its 82,208 members free access to numerous training events, nationwide health insurance, burial and life insurance. In addition, clients have access to discounts in more than 450 businesses, including large pharmacy and supermarket chains, but also in the main stores of their towns and cities; other benefits are monthly raffles of home appliances, free access to movies and to other entertainment venues.

Promoting children’s savings

During 2014 we trained 17,048 children aged 6 to 14 years in the savings culture. For this purpose we used the methodology developed by Aflatoun as the basis. This program is financed with the interest charged for loans and this year has it was run by the Women Advisors of the Committees of Women Entrepreneurs who trained mothers for them to train their children.
Organization and participation

The first step to participate in the Women’s Committee program is to get organized. We trained the clients to develop social capital and organized them into more than 2,141 committees within which each woman plays a specific role and develops her leadership skills.

Insurance

For the fourth consecutive year in 2014 we offered our clients life and burial microinsurance, partnered with Sancor Seguros. 100% of clients are covered by this insurance and this year 151 families of clients and deceased relatives have benefitted from the coverage. In addition, they all have access to basic health insurance through our agreements with local entities. 17,244 clients have used the services.

TOMS shoes

Since 2012 we work in partnership with the TOMS and its One for One® model for the distribution of shoes to the children of our clients, students of our schools, and participants in entrepreneurial education programs up to 18 years of age. The distribution of shoes is used mostly as an incentive to encourage families to work on their plans to lift themselves out of poverty.
2014 in numbers

56,529 active clients with credits

82,208 clients in total

Gs. 113,940 million in active portfolio (US $ 24.3 million)

More than Gs. 240,000 million (US $ 51 million) disbursed

Active Clients

ACTIVE CLIENTS 82,208
Cumulative Disbursement

Cumulative Disbursement

Gs. 1 Billion 724.644 Million
(US$ 371.530.523)
Inclusive opportunities in Microfinance

In 2014 we received support from the United States Agency for International Development (USAID) to implement a two-year project to improve access to financial services for people with disabilities and their families in Paraguay with special attention to the financial inclusion of women with disabilities.

At the same time, tools are being developed to propose to microfinance institutions worldwide that financial inclusion for people with disabilities is not only desirable and feasible, as well as a good business strategy. This project has strengthened the initiatives of previous years developed jointly with the Center for Financial Inclusion at Accion Internacional. The project’s main objectives are: (a) Increase access of low-income people with disabilities and persons who have dependents with disabilities to financial and nonfinancial services with special emphasis on improving the quality of life of families through the Poverty Stoplight; (b) Strengthen the capacity of Paraguayan organizations for people with disabilities; and (c) Disseminate lessons learned to other microfinance institutions all over the world.

In 2014 we added “Drivers of Inclusion” in 6 of our offices (Asunción, San Lorenzo, Carapeguá, Encarnación, Caaguazú, and Coronel Oviedo), in charge of promoting Microfinance program and access to credit and other services as tools to raise the quality of life for people with disabilities and their families. In 2013 Fundación Paraguaya identified 50 clients with disabilities, and we have decided to reach 600 clients and their families by mid-2016. In this process we also rely on the cooperation of the National Secretariat for the Human Rights of Persons with Disabilities (SENADIS) and organizations for people with disabilities at local level.
Self-sustainable Agricultural Schools: training rural entrepreneurs

We seek to transform poor young rural peasants, children of families who are clients of the Microfinance program, into successful rural entrepreneurs, educating them in financially self-sufficient schools. Our goal is for the graduates of our schools, within four months of graduation, to be employed, have started their own business and/or continue their studies at university.
This educational innovation originally developed in the San Francisco School has been adapted in 50 institutions in 30 countries. As of 2011 we opened the office in Tanzania, allowing the direct provision of technical assistance to 5 schools that are replicating the model and 23 public schools that undertook their experience with the implementation of Business Clubs. As a Program we have provided training to the directors and teachers on the model, its application, the role of the entrepreneurial teacher and management of didactic-productive units in Bolivia (Centro de Educación Alternativa Tarari), Nicaragua (Escuela técnica Emprendedora y Colegio Técnico Agropecuario La Bastilla), Honduras (Escuela Técnica Vocacional Dr. Stephen Youngberg) and Paraguay (San Francisco Agricultural School, Belén Agricultural School and San Pedro Agricultural School). We developed the Toolkit on how to successfully implement a Self-sustainable School, with the support of the Nike Foundation. At present there are 4 schools that replicate the model of “Education that pays for itself”: The San Francisco Agricultural School in Cerrito, Paraguayan Chaco; Mbaracayú Education Center in the reserve of the same name (in partnership with Moisés Bertoni Foundation); Belén Agricultural School in Concepción and San Pedro Agricultural School in San Pedro del Ycuamandiyú.
Over the last few years our Self-sustaining School model has received numerous international accolades such as of the Skoll Foundation, Schwab Foundation, BBC, Global Development Network, “Best Practice” of UNESCO, IDB, MTV/ILO Youth Best Practices, and Disney for the “Friends for the World” contest, among others. Furthermore, the UNESCO-UNEVOC International Center awarded us the rank of UNEVOC Center and included us in the UNEVOC Network. This UN agency helps member states design policies and education and training practices for the labor market and to develop skills for employability and citizenship. Together with the Ministry of Education we are the only Paraguayan entities that are members of the UNEVOC Network. The Network is an instrument for the production and dissemination of research, case studies, databases or publications and, through it, the UNESCO-UNEVOC International Center fulfills its role of intermediary. At the annual UNEVOC conference in Bonn (Germany), together with TVET Academy (French NGO), in 2014 we exchanged views on the model of self-sustainable schools and the video platform of technical farming education, in order to upscale the educational quality and facilitate access of teachers and youth to technical education. Locally it is important to underscore that the San Francisco Agricultural School won first prize as the best producer of the year in the Agricultural Fair called ‘Agroshopping’, and first place in the “Stop the Bullying” contest organized by the Youth Coordination of the department of Presidente Hayes, where 4 of our students shared their experiences with a promising message.
Located in Cerrito, Paraguayan Chaco, the school was ceded to us by the Congregation of the La Salle Brothers in 2003. This school has 15 didactic-production units led by teachers and students who serve the dual purpose of generating resources to sustain the school and transferring skills to students through the method of “learning by doing, selling and earning”.

**San Francisco Agricultural School**

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**2014 graduates**

This year a total of 33 young rural entrepreneurs (14 women and 19 men) were incorporated into the Paraguayan society. Among them two graduates from Haiti and one from Argentina; the other graduates are from 18 locations in 7 departments of the country. Graduates were awarded two simultaneous degrees: the Technical High School Diploma in Agriculture & Livestock and the Technical High School Diploma in Hospitality & Tourism. This double degree is the only one awarded in the country. In addition, the students presented a business plan and received a credit line to implement it.

**100% employability**

We seek 100% of employability of our graduates through market-oriented education. All are now employed in the tourism sector or the agriculture & livestock sector or have started their own business or expanded their parents business, and/or are continuing their tertiary studies. One of our brand new graduates received a grant to attend Earth University in Costa Rica.
100% financial self-sufficiency

We have attained financial self-sufficiency for the sixth consecutive year. The School generated the equivalent of US$ 625,000, amount that covers the entire budget of expenses, including depreciation of assets. These revenues stem from the didactic-productive units that are managed by teachers and students: vegetable garden, cash crops, hotel, milk production, pig breeding, eggs, community training center, dairy plant, fish, honey, souvenirs, among others.

100% business plans and lines

To graduate, students formulated 33 business plans in areas such as production and sale of honey, watermelon, onion, sugar cane, peppers, chia, rice, cheese production, broiler chicken, laying hens, and fattening pigs.

Each graduate received a credit line to implement these business plans. Students had 213 days of lessons each year and an additional 3,020 hours (to study, practice, research, do practical work, receive tutoring, extra lessons, etc.).

A multiethnic and international school

The international nature of the San Francisco Agricultural School has expanded. While for several years we have had Bolivian and Argentinian students, the international community has expanded. The Aché, Toba, Guaraní and Chamacoco indigenous groups are represented at the school.

Students from Haiti have been admitted and adapted perfectly to the school. They learned Spanish and Guaraní and have become part of the school community. It is important to highlight that during one month every year we are visited by 10 students and a teacher from Cuenca, Ecuador.

Cerrito School-Hotel, center of important events

The Hotel is the main production unit of the San Francisco Agricultural School and constantly receives visitors who use its services and facilities. During the year we are visited by people and organizations interested in the self-sufficient school model.

During 2014 we highlight the visit of representatives of INCOFIN, BAN IGUALDAD (Chile), the Delegation of the Social Fund of the Republic of Angola (FAS - Angola) and Anastazia Lukomo (Headmistress, Sega Girls School, Tanzania). Of national events we can mention those held by: Cencoprod, CENTI, Bahai National Assembly, Bimbo Group, Peace Corps, Universidad Americana, Fernandito Commercial, Tierranuestra Foundation, Avina Foundation, Federation of Sanitation Boards (ISSEF), Indigenous Outreach Directorate, CEA, Ministry of Agriculture, Ministry of the Interior, among others. Mid-year we conducted a launch with media presence.

The purpose was to inform on our facilities and attract individuals as another source of income for the hotel. Business promotions were made through online sale companies, the hotel website was developed and it was given greater visibility in social networks.
It is not necessary to have completed primary school to be admitted to this school; the only requirement is to know how to read and write. 13 students graduated in 2014, of which one was a woman. These students came from Concepción, San Pedro, Amambay and Alto Paraguay. The diploma is endorsed by the Ministry of Agriculture and graduates had to present a business plan which, upon approval, was given a credit line to finance it. The Universidad Nacional de Concepción awarded three grants to our top students to continue university studies. One of our top students received a grant to attend university in Cuba.

This school was ceded to us by Aldea SOS interested in replicating our education model there. Unlike the other schools the Belén Agricultural School is not a high school, instead it teaches the Rural Entrepreneur curriculum with emphasis on beekeeping, fruit, dairy, agricultural and horticultural production, and pig breeding techniques.

**Toward self-sufficiency**

The school is implementing a Business Plan that to reach self-sufficiency in a 5-year period. Two and a half years later 50% self-sufficiency has been achieved and strong investments are being made to reach the goal.

**Opening the hotel**

The Belén Hotel has been opened and started holding community events. Hotel services began with three cabins. Today the hotel has 6 restored cabins, with a total capacity to accommodate more than 40 guests.
As of 2011 girl students graduate from the Mbaracayú School upon completion of secondary level education. The fourth generation consists of 28 girls who received Technical Diplomas in Environmental Sciences. At night, dressed in silk and accompanied by their sponsors, they descended the stairway of the Mbaracayú Lodge overlooking the large courtyard of the reserve and danced the waltz. It was a party in the forest, a celebration prepared by the girl graduates and paid for with the proceeds they had generated themselves in the cooperative they manage and with the support of their parents. To facilitate access to university, joint efforts are made with local and international entities. With support of the Universidad Nacional de Villarrica del Espíritu Santo, Global Giving and the Peery Foundation, a group of 11 girls are following their university careers in Villarrica and another group of 7 girls of the Aché community are attending university in Ygatimí. Another 3 students received half-scholarship at the Universidad de San Carlos and 1 student received a full scholarship at Earth University in Costa Rica.
The school has 62 students. Crash courses are provided to adults through an agreement with the Ministry of Education & Culture to provide 7th, 8th and 9th grade of primary education and 1st, 2nd and 3rd grade of secondary schooling. A 2-hectare irrigation system has been set up with the support of funds provided by the Czech Republic.

**Visit of the Corporate Head of Agriculture at Nestlé in San Pedro**

Nestlé, that selected us among 600 applicants from 76 countries for the Shared Value Award, with which we opened the San Pedro School, continues providing support. In December 2014 Hans Johr, Head of Agriculture at Nestlé (based in Switzerland) visited us to give continuity to our good relationship and showed interest in how our model can help the next generation of small producers.

The School started operating in 2014. It all started with the interest of the Diocese of San Pedro in replicating the Cerrito model. Having visited the San Francisco School, Bishop Adalberto Martínez observed that most of the students were from his department (San Pedro) and expressed interest in organizing a similar school in his community.
Entrepreneurial Education: learning by doing, selling and earning

20 years promoting entrepreneurship among children and youth.
It is now two decades ago that we decided to partner with Junior Achievement Worldwide and pioneer a program in Paraguay to allow greatest possible number of children and youth of Paraguay to awaken and develop their entrepreneurial spirit, and better understand the social enterprise, linking the entrepreneurial and educational sectors.

These 20 years we have worked with international quality standards, developing programs tailored to the reality of our country, benefiting students both from the capital city as well as from the interior of the country, so that the experiences and know-how acquired with their own efforts materialize into a better future for them and their families.

Our numbers in 2014

Through the Junior Achievement program and in its different modules, children, youth and women from all over the country were given training. Below are the different modules and how we fared in each:

• **Primary Education programs**: This year we reached 6,680 children. The most important modules include: Learning to Undertake in the Environment and The Business of My Money Kids.

• **Secondary Education programs**: In 2014 we worked with 12,879 young people of ages 15 to 21 years. The most important modules include: The Cooperative, The Company, and Business Simulation.

• **Junior Achievement for Adults**: We trained 38,446 women microentrepreneurs with the “learning by doing” methodology. The training included entrepreneurship, basic finance and personal development.

• **Entrepreneurial Schools Contests**: In 2014 a pilot program with 2,250 students was implemented, in accordance with Teach a Man to Fish, international entrepreneurial and business development program in schools attended by low-income students. 75 primary and secondary school generated a business idea and a business plan in our first pilot, and implemented it in their schools. Together, the entire educational community succeeded in solving a structural problem affecting the school.

• We won the Regional Competition of Companies of the Junior Achievement Worldwide Network as the best company of the region, award that we received in December in Ecuador.

• The entrepreneurship programs were closed with the Entrepreneurs Gala held in the auditorium of the Central Bank of Paraguay, with 1,300 people present.
Along the same lines of work of the previous year, work in favor of the inclusion of entrepreneurship in the national education system continued in order to reach young people all over the country. Five regional forums for education and young people from different locations of the country were held in partnership with the Departmental Government of Central, benefitting more than 1,150 participants. We plan to hold five more forums next year.

Junior Achievement model for adults that was implemented with the Women’s Committees stirred regional interest. We developed a training seminar for representatives of five members of the Junior Achievement Network who came to Paraguay to see the model in action. And we were also invited by Citi Foundation to present the model to 20 Latin American organizations interested in implementing it. This event took place in Costa Rica.
Entrepreneurial Education has also developed a series of complementary programs aligned with the institution’s mission. Among them:

- **Youth Business International (YBI):** We are part of the YBI Network. We implemented a program with 2251 young people to develop their business plans and obtain credit.

- **Young Ambassadors:** In partnership with the American Embassy and Friends of the Americas, we selected 13 low-income young people for a three-week internship in the United States to develop a community project to be implemented upon their return to their community.

- **50 young leaders of the State Alumni program of the US Embassy program developed and implemented an equal number of community projects.** State Alumni is a network of former and current participants of the exchange programs of the Embassy who come from different locations of the country who receive scholarships to learn English granted by the Embassy.

- **Global Entrepreneurship Week:** In Paraguay, the Global Entrepreneurship Week (GEW) involved 201,902 people in a simultaneous event with 150 other countries.

- **Global Money Week:** In partnership with Child & Youth Financial Initiatives (CYFI), we implemented financial education talks in primary and secondary schools in the central area, reaching 10,000 children and youth. This activity was implemented through a partnership with the Central Bank of Paraguay.

**15 years of Entrepreneurs Forum Paraguay (EFP)**

It is noteworthy that for the third consecutive year the Entrepreneurs Forum Paraguay was successfully held at the San Francisco Agricultural School. Mostly the children of clients of the institution participated, as well as students of the agricultural schools. Given its impact over 15 years, we were invited to make a presentation on the EFP in an event of Gramo Paraguay to an audience of 600.
Monitoring and Evaluation (M & E): results and impact

Monitoring and evaluation are essential components in the execution of any intervention, project or program. To support the growth of our institution we developed a new unit to help demonstrate the impact of our efforts to eliminate poverty.
Monitoring and Evaluation (M & E): results and impact

Our priority is a strong Monitoring and Evaluation system for all programs of Fundación Paraguaya. We wish to prove that the Stoplight is a robust tool that meets the highest standards of reliability, validity, discrimination capacity, and practicality.

Comparison of Difference in Differences in Poverty Gap & Index Controlling for Other Factors

Graph: Comparison of Poverty Gap Controlling for Other Factors

<table>
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<th>After</th>
</tr>
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<tbody>
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<td>Treatment Group</td>
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<tr>
<td>Comparison Group</td>
<td>-36,32803</td>
<td>21,324229</td>
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Difference: 0.036014  -22.884167

DiD: -22.920181

Graph: Difference in Difference Comparison of Poverty Indexes controlling for Other Factors

<table>
<thead>
<tr>
<th></th>
<th>Before</th>
<th>After</th>
</tr>
</thead>
<tbody>
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<td>Treatment Group</td>
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<td>-0,53053403</td>
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<tr>
<td>Comparison Group</td>
<td>2,4405756</td>
<td>1,3833704</td>
</tr>
</tbody>
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Difference: 1.1735356  1.9139044

DiD: -0.7403688

Operating Plan (OPPM)

Special emphasis was placed on strengthening the use of the One-Page Project Manager (OPPM) tool to plan and monitor all the institution’s activities. In this regard, by the end of 2012 the entire 2012-2017 strategic plan had been translated into a generic 5-year OPPM and a specific one to be constantly monitored.

The Monitoring and Evaluation Unit is responsible for implementing the plan to achieve it. This year an initial study was carried out that yielded positive results: families that applied the Poverty Stoplight methodology succeed in eliminating poverty more than the families that did not use it.
Thank you for accompanying us these 30 years.
### Example of Poverty Stoplight Results for a Women's Committee

#### Income & Employment
- Income above the poverty line
- Stability at work
- Credits
- Family savings
- Diversified source of income
- Documentation: identity card

#### Health & the Environment
- Access to drinking water
- Hygiene: hand-washing
- Nutrition: food
- Personal hygiene and sexual health
- Life expectancy and longevity
- Vaccinations
- Garbage disposal
- Non-communal environment
- Insurance

#### Housing & Infrastructure
- Safe home
- Sanitary: latrine and septic tank
- Electricity
- Refrigerator and other home appliances
- Separate bedrooms
- Elevated roof and ventilated kitchen
- Comfort of the home
- Regular means of transportation
- All-weather access roads
- Landline or mobile telephone
- Salary
- Sanitation and appropriate clothing

#### Education & Culture
- Intermittent or total and work in Spanish
- Children in school, in grades up to 6th grade
- Knowledge and skills in general knowledge
- Capacities, plan and budget
- Communication and social capital
- School supplies and books
- Access to internet (radio & TV)
- Access to entertainment and recreation
- Values cultural traditions and heritage
- Respects diversity
- Awareness of human rights

#### Organization & Participation
- Is part of a self-help group
- Influence on the public sector
- Inclusion in conflicts or voting activity
- Enrolled in short and long-term courses

#### Integrity & Motivation
- Awareness of personal goals/lifestyle
- Self-confidence (self-esteem)
- Road confidence
- Emotional control capacity
- Artistic self-expression, art and beauty
- Violence against women
- Entrepreneurial spirit
- Autonomy and decision-making capabilities