“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 social innovation tool that allows families to assess their level of poverty and identify customized strategies to overcome their specific needs.

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

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

This tool, developed by Fundación Paraguaya, is subdivided in 50 indicators. Each indicator uses simple images and definitions that represent, what it means to be extremely poor (red), poor (yellow), and not poor (green) in a specific context.
Families as protagonists

Poverty is multidimensional and affects each family differently.

The Poverty Stoplight breaks down the overwhelming concept of poverty into smaller manageable problems that can be solved through actions, making visible the invisible in the form of dimensions and indicators. Families are the main protagonists in the process of eliminating poverty.

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

How does it work?

The families evaluate themselves with the help of an app that shows three possible definitions for each indicator, using the universally known colors of a stoplight (red, yellow, and green), alongside illustrations.

This visual survey takes 30 minutes to complete and allows families to see how they are affected by poverty as well as what they can aspire to.

This app allows the georeferencing of each family’s home and generates community maps, indicator by indicator. It can highlight problem areas that companies, socially conscious organizations, and government entities can use in order to better leverage resources and complement each other.
The Process

1. Administer the Survey
   - The person taking the survey, assisted by a trained field worker, fills out their own Poverty Stoplight survey on a tablet.

2. Identify the Main Areas of Poverty
   - At the end of the survey, the family and organization are able to easily see the specific indicators in which there are reds, yellows, and greens. Each family keeps their survey results and creates their own life map.

3. 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.

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

Life Map

After taking the survey, results are portrayed using colors across the Poverty Stoplight’s 50 indicators. This represents the life situation of the families, who identify their strengths and goals by themselves.

Life Maps enable families to understand their needs, which go beyond the basic ones (i.e. nutrition, housing, education, among others).

Once the self-assessment is done, families are guided through the process of analyzing and determining the reasons behind their reds and yellows, and the solutions that could be implemented. Thanks to this exercise, families can optimize their efforts in order to obtain better results and turn their reds and yellows into green.
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:

- Break down the concept of poverty into manageable indicators
- See their needs in a simplified way
- Develop a 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
- Help people overcome poverty, not just measure it
- Provide guidance to people in order to find and apply solutions to poverty using their own capacities
- Close a community’s need gaps by using geo-referenced information for each indicator
- Create strategic alliances to channel resources where they are most needed
- Focus their efforts more efficiently in order to achieve better results with fewer resources

Technology

This innovative app 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 and the resources available for a project.
The 50 indicators were designed based on the Paraguayan context and Fundación Paraguaya’s institutional experience. They also take into account international standards and metrics for measuring poverty.
How are levels of poverty defined?

Each indicator has three levels, defined through images and a short description, portraying possible situations in which a family might find themselves. When applying the visual survey, the family chooses the level that best fits their current reality. The following are two examples of the indicator “Family savings”.

**Family Savings**

- **The family saves 20% of their monthly income in the bank constantly**
- **The family is saving informally. It is not consistent nor monthly**
- **The family is using piggy banks as their savings tool. They only keep what they have left, which is 5% of their monthly income**

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**Family Savings**

- **One or more members of my family have had savings for at least six months and use services from legal financial institutions.**
- **One or more members of my family have informal savings (they keep money at home or in the property, informal saving groups, etc.). Or they have had a savings account for less than six months.**
- **None of my family members have savings**

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**Adapting the Indicators**

The Poverty Stoplight is currently operating 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 Poverty Stoplight 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.
### OUR LIFE MAP

#### Our strengths
- 
- 
- 
- 

#### Our next goals
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- 
- 
- 

#### Our priorities

<table>
<thead>
<tr>
<th>#</th>
<th>Priority</th>
<th>Why don’t I have it?</th>
<th>What do I do to attain it?</th>
<th>When will I have it?</th>
<th>FOLLOW-UP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Family savings</td>
<td>Not enough money</td>
<td>Save USD$5.00 a week (do not buy soda)</td>
<td>21 Aug 2018</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Income above poverty line</td>
<td>Not enough sales</td>
<td>Expand reach of my business</td>
<td>1 Aug 2018</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Part of groups</td>
<td>I don’t know of any groups</td>
<td>Find a group in my community (church)</td>
<td>30 Jul 2018</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Diversified sources of income</td>
<td>Child in school</td>
<td>Find a job for 16 year old son</td>
<td>15 Aug 2018</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Vaccinated</td>
<td>Don’t know of any clinic in the community</td>
<td>Find a clinic nearby</td>
<td>30 Aug 2018</td>
<td></td>
</tr>
</tbody>
</table>
Organizations or businesses that establish a partnership with Fundación Paraguaya to implement the Poverty Stoplight with their workers, clients and/or beneficiaries.

Organizations or businesses that establish a partnership with Fundación Paraguaya to represent and expand the Poverty Stoplight tool to local NGOs and businesses. Some Hubs also implement the tool within their organization.

1. Argentina - Fundación Irradia
2. Chile - Gece
3. Colombia - Emprender
4. Colombia - Fundefir
5. Honduras - Banco Popular
6. Mexico - USEM
7. Paraguay - Fundación Paraguaya
8. United Kingdom - Signal
9. Sierra Leone - WARC
10. South Africa - The Poverty Stoplight South Africa Office
11. United States, Louisiana and Pennsylvania - Roots of Renewal
12. United States, California - Reinvent South Stockton Coalition
13. Papua New Guinea - Paradise Development Consultancy Ltd.
14. Singapore - BoP Hub

IN PARAGUAY

6,000+ families have overcome multidimensional poverty in 50 indicators
27,000+ families have overcome income poverty
100+ companies have adopted the Poverty Stoplight as a method to help employees overcome poverty

AT A GLOBAL LEVEL

More than 200 organizations in over 20 countries have implemented the Poverty Stoplight

*This information was last updated in October 2018.
BE PART OF OUR COMMUNITY

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La implementación del Semáforo dentro de las organizaciones interesadas puede variar y ajustarse según el alcance del proyecto y los recursos disponibles que se asignen.