







# **BECA 2027**

Give a chance to teenagers to become students and contribute to the development of their communities in the Peruvian Amazon

# Project summary

Peru is one of Latin America's most underdeveloped countries. It is encouraging, however, that welfare has increased over the last decade and the country is currently characterized by financial and political stability. But progress made is not universal. Rural areas are generally poor and the region of Iquitos in the province of Loreto -which is of specific interest to Parway's projects- in the Peruvian Amazon is known for its extreme poverty.

This inhibits young women and men to get a proper education to support the development of their respective communities and take the chance to stand up against threats and or make use of opportunities which the globalisation of economies offers. Change for the benefit of all parties is needed and the impact of the intended development needs to be sustainable in order to create value in the region for the individuals and their respective communities.

The project BECA 2027 aims to provide extremely poor students with the opportunity to receive an education at the university or at a technical high school thanks to scholarships and assistance provided by Parway. Aside from studying, the students will be asked for the planning and execution of a personal project to promote conservation and economic development in their respective communities. Therefore, they are expected to personally work on the project aside from the studying time. After having finished their education, they will continue working on their project for a minimum of one year.

BECA 2027 ensures the selection of the students, a full cost financing of the studies and the assistance to work on their project.

The project intends to start on January 2021 and will last for a minimum of 6 years to assist students in their studies and projects. The intention is to proceed in 2026 with a second wave of students factoring the results and learning from the first year.

# Compelling reason to act

#### Education levels are too low

Education in Peru is poor. This is confirmed by the Organisation for Economic Co-operation and Development (OECD) who launches regularly a triennial survey of 15-year-old students around the world known as the Programme for International Students Assessment, or PISA. In the resulting ranking which measures levels of education, Peru stands at the end of the list. Involved in the survey are 15-year-old students out of 72 countries. Because the final result is the average of Peru, it's easy to understand that education in the jungle is on the lower end of the scale.

According to the same study, Peruvian students scored below other Latin American countries such as Colombia, Brazil and Mexico although the gap with Brazil has almost been closed.

# Health is problematic

According to the UNICEF publication on the subject in October 2014 (NB: we are looking for more recent data), the exclusion of Amazonian communities is reflected in the situation of children and adolescents. For example, chronic malnutrition affects 4 out of every 100 children under five years of age in Lima (Peru's capital) compared to 29 out of every 100 in the rural regions of the Amazon.

The same publication from UNICEF reports that the inequities between children living on the coast, in the highlands and jungle are surprising, but are even greater when the comparison is made between the urban coast and the rural jungle. Sixty-eight per cent of indigenous children and adolescents in the Peruvian Amazon live in poverty. Three of the five Amazonian regions have the highest rates of multidimensional child poverty (including the various deprivations experienced in their daily lives – such as poor health, lack of education, inadequate living standards): Loreto (80%, 883'00 inhabitants, capital Iquitos), Ucayali (77%, 496'000 inhabitants) and Amazonas (76%, 379'000 inhabitants).

Further to the figures published by OECD and UNICEF, our experience done in the region visiting the communities in the rural area around Iquitos (e.g. Las Palmeras, Yamamoto, Porto Miguel) highlighted that, in a situation of extreme poverty, children are mainly eating rice, potatoes and bananas with low intake of proteins coming from poultry or fish. This diet affects their growth and children and teenagers appear to have a 3 to 4 years delay in their development compared to young Europeans.

# Schools: higher education is out of reach

The education system in the rural areas is available for the majority of the children. In certain places and due to the fact that children are living far away from the school, they alternate 2 weeks of boarding school with 2 weeks staying home. It's possible for those schools to welcome twice as much children for the same capacity so they are working at 50% capacity. Disseminated in the rural areas, the primary schools are welcoming children from 6 to 11 years old while the secondary schools are welcoming teenagers from 12 to 16 years old. Their education can proceed in larger cities (e.g. Iquitos) with a technical certificate (3 to 5 years) or a university bachelor or professional licence (5 years). Additional 2 years are required for a master.

Despite the registration fees being rather low to enter at the university, the total cost to study that encompasses the cost of living near the university, is unaffordable for those students coming from a family who lives with less than 2 US dollars a day as an income.

Unfortunately, the scholarship program provided by the Peruvian State, known as *Beca 18*, is really difficult to obtain for the teenager from the rural areas. Their state of underdevelopment (maturation) and the poor education received in the rural school does not provide them with the proper foundation to obtain this scholarship. In the absence of a positive future in their communities, there is a tendency to move to the larger centre in search of an opportunity and for the young men, the idea of becoming a *motocarrista* (taxi driver with 3 wheels motorbike) looks to be the unique hope. The city of Iquitos with its suburbs counts around 480'000 inhabitants and 70'000 *motocarristas*!

On the other side, the communities are not really planning for the usage of their resources and lacking plans can turn into a disaster for the community in the long run. The overall conservation of the region is at risk and with this the survival of the communities in their habitat. The absence of a plan has been observed with respect to the following issues:

- Usage of the land without proper plan while burning the soil here and there to cultivate for one season.
- Logging here and there without replanting plan
- Selling fruits and vegetables at the market when the products are really mature with a high risk to sell under-price or throw away the production
- No documentation nor map of the community's holdings makes it difficult to pare claims from private companies' attempts to exploit resources (oil and wood)

# Capacity to implement

## **About Parway**

Parway is a Quechua word (one of the languages spoken by the indigenous people of Peru) that means "to thrive, to grow up". Globalisation is everywhere. The population living in the Amazonian forest is not on their own anymore as a number of threats are hitting them on a daily basis. Threats are ranging from the integration of changes in diet (e.g. refined sugar that ruins children's teeth) to the destruction of the ecosystem and habitat (e.g. exploitation of the resources such as logging and mining) in a context of extreme poverty. Because it's not possible to stop the globalisation on the doors of the Amazon forest, one of the possible actions is to empower the local population to handle the current context. Education provides the tools to empower people and help them taking their context in check. Parway is designed to support education and economic development with the purpose of enabling the local population to remain actors in their ecosystem and take their stake in a globalised world.

Parway has triggered two projects earlier this year and BECA 2027 would be the third one to start by the end of 2019. The two initial projects provide the opportunity to the students with low income to partially finance their studies. The first project intends to develop a Latin American Spanish school online where students teach Spanish to tourists who want to acquire some command of Spanish prior to visit the region. The second project intends to develop English classes for local professionals who want to better serve the tourists who are visiting the region. Both projects are running with students from the Universidad Nacional de la Amazonía Peruana (UNAP), faculty of foreign languages.

Parway defend the following values:

- Efficient usage of the donations on the projects minimizing governance and administration costs.
- Value all the resources, not only money. Dedicating time or providing material (e.g. computers) is welcomed.
- Strict code of conduct for the respect of all the persons involved.
- Conservation and system ecology is at the centre of the attention through a careful analysis of the impact of each initiative
- Presence on the territory through local coordinator and regular visit from Parway founders in the region.

Parway is a Swiss association founded in 2019 and registered as such in the Ticino canton.

#### Capacity to implement

Progressing in a complex environment requires passion and capacity to implement. The project outcome depends on companies, foundations and private persons to ensure the funding of the project, on the scholarship commission and local coordinator to steer the scholars towards their goals, on Parway to create and maintain the appropriate dynamic and connections between all the parties.

## Parway founding members

Parway's founding members have combined competencies to support at best the project:

#### Xavier Bronlet (President):

Founding partner of AccelerationLab Ltd. a consulting company that support organizations and individuals in their development. He owns Degrees in mathematics, pedagogy and finance, he is an ICF Certified coach (PCC). He has 20+ years of change management

expertise in the financial sector and he's a lecturer for the Organisation & Leadership part of MSc SUPSI in Innovation Management at the University of Applied Sciences and Arts of Southern Switzerland.

#### Andrea Soccal-Bianchi (Vice President):

He is a Senior Manager in financial sector with 20+ experience in driving teams and transformation projects on global basis. He owns a degree in economics and a Master's degree in Business Administration.

#### Francesco Franzoni (Finance):

Full Professor of Finance in the Faculty of Economics. He holds a PhD from the Massachusetts Institute of Technology and Bachelor and Master degrees from Bocconi University. He joined USI in September 2007. His work has been published in the Journal of Finance, Review of Financial Studies, and Journal of Financial Economics. At USI, he teaches Capital Markets and Financial Modeling in the Master program and Empirical Asset Pricing in the PhD program.

#### Pim Kruisinga (Secretary):

Raised in the Netherlands, he studied economics and banking in Amsterdam. As a financial analyst and fund manager he was managing investments in equity markets. He held positions in the Netherlands, Italy and Switzerland and retired in early 2016.

#### Scholarship commission

The scholarship commission, locally present in Iquitos has an important role to ensure the anchoring of the initiative within the local community. The members of the commission are:

Raquel Moscoso Luppo: Associated professor at UNAP, Foreign Language faculty's

director

Fernando Saavedra: Administrator, Sustainability & Education Centre, Iguitos

Mildred Mora La Tore: Director of the school Las Palmeras II, district of Indiana

**Local coordinator**: (to be hired)

One representative of the Parway association

# Project's description

# Highlights

The project BECA 2027 has been created with the intention to provide selected students coming from the rural areas around Iquitos in the Peruvian Amazon with a scholarship to fully support all charges of their studies in Iquitos under given conditions. The scholar has to develop a project for his community during his studies and has to work for a minimum of one year after the studies to complete the implementation and roll-out of the project. The project must take into consideration the economic development of the community and the conservation. Parway will provide access to microcredit financing for selected projects.

A local coordinator will be appointed to assist the students with the development of their project, to ensure that the scholar keeps complying with the rules to maintain the scholarship, to provide money for living on a weekly basis and to tutor the scholar in their studies and their projects.

Because the basin of candidates is rather large, BECA 2027 intends to start selecting students coming from the community of Las Palmeras II (75 km. north from Iquitos) in the district of Indiana. That community is situated next to the river Amazon at one day travelling per boat from Iquitos. The choice of that community has been made to leverage on an existing relationship with the director of the school Mildred Mora La Torre and because the community is already supported by the NGO Conapac (<a href="www.conapac.org">www.conapac.org</a>) who has instilled a positive attitude towards conservation. BECA 2027 project is complementary to the action of Conapac who supports education until the end of the secondary school under the condition that the community adheres to conservation rules (e.g. garbage are collected, zero plastic thrown on the ground). Starting with students from Las Palmeras will reduce the risks and uncertainties connected with the initiative.

# The conservation and economic development projects

One of the conditions for scholar to enter and stay in the project is to run a personal project in their respective communities. Those projects will be chosen by the scholars with the support of the scholarship commission. For the scholars, running their projects means:

- Learning about the fundamentals of their target field and the conservation requirement
- Learning the basic of project planning and controlling
- Building a plan and run a feasibility study
- Implement the plan by taking the appropriate actions and involving relevant persons to provoke a scaling effect
- Put control and correction measures in place to ensure sustainability of their project

Projects will be triggered once the scholars are fully settled in their study program.

Here are some potential projects that could be run by the scholars:

#### A. Organise the sales of the goods produced by the community

The purpose of the project is to settle negotiation practices between the community and the buyers before the production of goods (generally fruits and vegetables) to ensure that the production is sold at the best conditions through pre agreement on offer and demand. Such a project requires to manage an inventory and a calendar of the production on one side and on the other side a contact list of all the potential buyers. Such an approach will help the community to steer its own production to

match buyers need. From a conservation standpoint, it will be key to plan properly the usage of the resources, such as trees for logging for example.

#### B. Poultry and eggs production

This project would create a chicken's farm within the community to produce meat and eggs for the community, extra production could be sold outside. This will require to learn about growing chicken, visit existing production farm to learn from them what works. Prepare the place and plan for the development. Such a project could require a microcredit to settle the place and provide the scholar and the involved persons the resources to start.

#### Calendar

Until January: Parway members search for sponsorship from private companies and

communities.

In January: The students who desire to take part in the project present their personal

project to the scholarship commission in Iguitos.

In March: Settlement of the students in Iquitos and the start of their studies and

projects.

In August: Mid-year review with the scholarship commission in Iquitos where each

student presents his progress.

In December: End of year review by Parway with the scholarship commission in Iquitos

where each student presents his progresses.

Remarks: School year starts in March and finishes in December with holidays in

August (2 to 4 weeks).

## Conditions to enter into the election process

The students who can present their candidature for the BECA 2027 respond to the following conditions:

- To have completed the secondary level of education (EBR) or alternative basic education (EBA)
- To comply with requisites the University or High School applies
- To have the condition of Sistema de Focalización de Hogares SISFOH and resulting as poor or extremely poor according to the classification process
- To have a project connected to the conservation of their community and/or economic development
- To choose the studies consistent with their project

## Conditions to maintain the scholarship

The students who obtain a scholarship will have to stick to the following rules to maintain it:

- To assist regularly to the courses and execute all the requested work.
- To pass the exams and progress without problem in their studies.
- To work on their personal project according to the plan agreed with the scholarship commission.
- To meet the local coordinator on a bi-weekly basis to discuss their progress.
- To keep their sponsor informed on a monthly basis on their progresses

• To be recognized as a "good student" with appropriate behaviour, at the university and outside.

## Roles and responsibilities

#### Parway association (Switzerland) is responsible for

- Defining the governance of the project BECA 2027
- Nominating the members of the scholarship commission
- Hiring and sustaining the local coordinator in Iquitos
- Promoting the initiative in Switzerland and abroad and obtain funding from private companies and communities for the scholarship
- Supporting the financing of a selected project through a microcredit approach
- Ensuring the pursue of the scope and the respect of the Parkway value and code of conduct

#### Scholarship commission is responsible for

- The review of candidature from students to enter into the project
- The selection of the students to be part of project based on Parway guidelines and code of conduct
- The mid-year and end of year review of the progress done by each student part of the project
- Supporting the local coordinator when necessary
- Validating the project plan of each student

## Local coordinator is responsible for

- Assisting the students who are part of the program when needed
- Reviewing the progress done by the students according to the agreed plan, Parway quidelines and code of conduct
- Defining remediation measures together with the student in case of difficulties in reaching a specific milestone
- Providing money to the student according to the scholarship financial plan
- Report timely issues to the scholarship commission and to Parway association
- Being part of the scholarship commission

## Implementation plan and timeframe

Project setup

December 2019: Final setup of the project framework

January 2020: Election of the scholarship committee

#### Project roll-out and execution

Jul to Dec 2020: Provide information to interested students for the wave 2021.

Fund raising with companies and communities in Switzerland and

abroad

Dec 2020: Closure of the applications from the students

Presentation of the projects as formulated by the students to the

scholarship commission

Selection of the students and approval of their respective project plan

February 2021: Settlement of the student in Iquitos

March 2021: Start of the studies for the selected students

August 2021: Mid-year review with the scholarship commission

December 2021: End of year review with the scholarship commission

Provide information to the student for the wave 2021-2026

Year 2022: Cfr. calendar Aug 2020 – Dec 2021 (second wave with additional

scholars)

# Plan to ensure community participation

The participation of key actors from the local community within the scholarship commission is an important lever that involves the local community in the project. The project represents an opportunity for them to keep pursuing their action within their communities.

Furthermore, the project developed by the students must involve people from their local community. The students could involve their peers and parents to further bring sustainable well-being within the community. The success of the project will also be measured by the number of persons involved and the impact in the community.

# **Financials**

The financing of the scholarship is done by private companies and communities in Switzerland and abroad. The participating entities choose to support one or more students. They are formally committing to support the students for one year and such commitment will be renewed on yearly basis. It's expected that the participating entities will keep supporting the students during the following years under the condition that the students stick to the rules of the BECA 2027. A connection between the entities and the students is built to favour exchanges between the parties thanks to the support of the local coordinator and a monthly update is provided to the sponsors.

The committee of Parway is responsible for the promotion of the initiative and bringing sponsors onboard.

The financing of the local coordinator is done by Parway who is searching for support from larger NGO; private donations are also a source of income.

#### Costs

#### Parkway Founders

Founders are supporting the association without any financial compensations; they are motivated by the social values of the Association by pursuing its objectives.

#### Scholarship valuation

The purpose of BECA 2027 is to support all the costs of the students to ensure that they can give full attention to their studies. The total costs of the studies have been estimated at 4'500 USD per student per year:

Yearly costs estimate for a student at UNAP in Soles					
Item	Monthly costs	Quarterly costs	Annual costs		
UNAP registration		100	200		
Food	750		9'000		
Accommodation	250		3'000		
Study costs (books and material)		200	400		
Mobility	150		1'800		
Total (in Soles)			14'400		
Total in USD			4'250		

#### Local coordinator in Iquitos

A total yearly compensation of 7'000 USD will be allocated for the local coordinator, payable in 12 monthly payments. The local coordinator is expected to work 30 to 50% of his time on the project with a compensation of 30 USD a day.

#### Scholarship commission

To enhance the motivation of the members of the commission (excluding Parway founders), a compensation of 150 USD per member and per year is foreseen for the first year with an increase from the second year onward due to the expected growth of the number of students to review.

#### Travel

It's foreseen that one member of Parway Association travels to Iquitos once a year, a forfeit of 3'000 USD has been estimated for the transfer from Switzerland.

#### Material

A forfeit of 1'000 USD is foreseen to cover the costs of the website hosting and maintenance and the production of marketing materials to promote the project.

#### Funding of sustainable projects

The approach is to use existing resources available locally whenever it's possible. Parway association will support the provisioning of material resources. If financing is necessary, Parway will raise fund through a micro credit approach.

In this context, Parway provides students with computers offered by companies in Switzerland or abroad.

# Budget for BECA 2027 project

Expenditure in USD						
	2020	2021	2022	2023	2024	2025
Local coordinator	7'000	8'000	9'000	10'000	11'000	12'000
Scholarship commission compensation	450	600	750	900	1'050	1'200
Travel	3'000	3'000	3'000	3'000	3'000	3'000
Number of scholars	3	6	9	12	15	18
Scholarships	12'750.	25'500.	38'250.	51'000.	63'750.	76'500.
Material	1'000	1'000	1'000	1'000	1'000	1'000
Total expenditure	24'200.	38'100.	52'000.	65'900.	79'800.	93'700.
Funding in USD						
Donation to Parway	11'450	12'600	13'750	14'900	16'050	17'200
Sponsorship from companies	12'750.	25'500.	38'250.	51'000.	63'750.	76'500.
Total income	24'200.	38'100.	52'000.	65'900.	79'800.	93'700.

# Fundraising

Attributed scholarship will be financed by private companies looking for Corporate Social Responsibility initiatives, individuals, foundations, associations and communities in Switzerland and abroad. The project will only finance as much as sponsors are committing to the project BECA 2027 and the association Parway is responsible for the promotion of the initiative through the personal network of its members.

Should Parway receive *n* commitments for a scholarship, a maximum of *n* scholarships will be attributed; in the absence of any compliant candidature, Parway will keep the commitment for later. In other words, Parway may decide not to distribute all the commitments should Parway not find the corresponding number of candidates fulfilling the requirements.

The projects and governance costs will be financed through private or public donation to Parway association. Parway expects larger NGO to finance the local coordinator.

Sponsorships is defined as funding provided for scholarships will donations is defined as the funding to run the structure.

Thanks to the decision of the tax authority of Canton Ticino on May 07<sup>th</sup> 2020, donations to the Parway association is tax exempt according to the LIFD from December 14<sup>th</sup>, 1990.

# Project risks, monitoring and evaluation

# Risks to successful implementation

A number of risks have been illustrated based on the past experience and knowledge. This section highlights what is known today, and the project will keep an active monitoring of those risks factoring the input of all the instances involved in the project. Because the project enters a complex system, there are unknowns that are unknowns and the project will take the necessary measures to handle the issues that will emerge. Approach is experimental and the project practices will be adapted based on outcome.

The following risks have been identified and classified according to their magnitude.

#### Running risks

- Some scholars are unable to integrate themselves as students in Iquitos and therefore unable to study
- Some scholars are unable to follow the study due to cognitive limitations or missing maturity
- Some scholars are unable to work on their project plan
- Some scholars are not motivated anymore to pursue their objectives within the project (here motivation can be difficult to evaluate for cultural reasons, experience shows that some students express verbal motivation while showing low motivation in their behaviour)

#### **Execution risks**

- Some scholars are in delay with respect to major milestones of their plan
- Some scholars are missing some exams and required to repeat the level
- Some scholars are not motivated by the project anymore
- Unavailability of the money to roll-out of the project

#### Impact risks

- Scholars' projects are not having the expected impact within their respective communities
- Some project impacts negatively the environment

# Monitoring, Evaluation Plan and Indicators

## A monitoring done on 3 levels

The project will establish a monitoring at 3 levels to ensure the adherence to initiative's principles and objectives. The 3 levels are governed by the local coordinator, the scholarship commission and Parway according to their respective roles and responsibilities.

The local coordinator is responsible to monitor the implementation of the individual plan and follow progresses toward the student objectives, support the student to address issues, report deviation to the scholarship commission and to Parway association on a bi-weekly basis. The local coordinator will use special forms to properly communicate.

The scholarship commission is responsible to monitor the progress of the students twice a year, in case of issues outside of the review session, the members of the commission have the opportunity to assist the local coordinator or the student who experience difficulties.

The Parway association is the last level of monitoring and will track progress and success according to the defined indicators. The association will nominate the scholarship commission and will monitor the commission outcome according to the indicators mentioned below.

# The evaluation plans

The project has an on-going evaluation plan factoring the observation and report from the 3 levels of monitoring.

It's foreseen to define during the first mid-year review the extension of the project for the coming year, estimating the number of students who could enter the program.

#### The indicators:

	Below expectation	OK	Above expectation		
Running indicators (Local coordinator)					
Issue management	Some scholars experience issues that are not addressed	All issues are addressed	Some scholars enrich their plan on the go		
Micro planning	Above #scholars/3 are in delay on their plan	Less than #scholars/3 are in delay on their plan	No delay is registered		
Study outcome	Some scholars are below average	All scholars have the average	Some scholars are above average		
Project field work	Below plan	In line with the plan	Above the plan		
Execution indicators (Schola	arship commission)				
Major milestones in the plan	Some scholars are behind their plan	All scholars maintain their plan	Some scholars are ahead of their plan		
Study outcome (semester review)	Some scholars are below average	All scholars have the average	Some scholars are above average		
Commission review	Some scholars are requested for additional work or information	All scholars pass the review	Some scholars performed above expectations in the review		
Impact indicators (Parway association)					
Number of scholarships	Below 3 x project year	3 x project year	Above 3 x project year		
Number of communities involved	Below 1 x project year	1 x project year	Above 1 x project year		
Job enhanced in the communities	Below # scholarships x 3	# scholarships x 3	Above # scholarships x 3		
Positive impacted persons	Below # scholarships x 10	# scholarships x 10	Above # scholarships x 10		
Acting as a subject in local economy	Below # scholarships	# scholarships	Above # scholarships		
Environmental impact	The activity affects the environment	The activity is neutral for the environment	The activity has positive impact in the environment		

## Sustainability of Results Achieved

Success in the studies is for sure a mark of sustainability through success at the exams and final diploma.

Measuring conservation and economic development objectives is also important. Because projects within the communities are related to a shift of culture this will take time. The length of the scholar projects will last the time of the studies plus one year. This should provide the impacted communities with time to handle the shift of culture for a long-lasting change.

Another mark of sustainability would be that the ex-scholars remain working on their respective projects and convert it into jobs for them and their peers respecting the initial conservation's objectives.

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