Viva Rio
Rio de Janeiro- Brazil

Co-ordinator: Beatriz Maria Alasia de Heredia
Taskforce: Thais Juvenal
                Marcos Sá Correia
                Marta Arretche

International Labour Office, Geneva

November 2004

_____

Contents

Foreword

The following report is included among the objectives of the ILO Socio-Economic Security Programme, which seeks to identify and publicize, at the international level, pilot projects developed by civil society and/or governments on the different continents and which carry out innovative activities to provide minimal income security in low-income communities. The operational objective is thus to build a database of these innovative experiences that can be consulted by ILO constituents. Based on these objectives, the organization chosen in Latin America was the NGO Viva Rio, in Rio de Janeiro, Brazil.

Although Viva Rio develops a broad range of activities, we will focus on only a few of its programmes whose characteristics are most in keeping with our overall proposal. Consequently, the analysis of the organization will be limited to those aspects we deemed necessary for properly understanding these programmes. The criteria for choosing programmes were: 1) innovative nature; 2) mass scope (or a minimum size); 3) sustainability (some continuity over a significant amount of time; and 4) a real possibility of being reproduced in other contexts and realities. The projects are: Community Tele-Course, Viva Cred, and Viva Favela.[1] The Viva Favela project was only launched recently and does not meet the third criterion.In addition to meeting our overall objective, it is an innovative project that has demonstrated the organization's dynamism and project management strategy and capability.

The report was oriented according to the guidelines and checklist of the ILO. The data survey work was completed by a team of professionals with various backgrounds, which helped cover the various dimensions of the organization. Co-ordinators of the organization's various projects were interviewed, in addition to the heads of the administrative and financial department and the Executive Director and members of ISER, an NGO linked to Viva Rio. The initial interviews allowed us to choose the projects for analysis. Regarding the projects, we interviewed participants at all different levels, including the coordinators, supervisors, teachers and credit analysts. In the case of the Community Tele-Course, we also analysed the student's evaluations. We accompanied activities developed by the respective projects. A survey and analysis were conducted on the publications produced by the organization, as well as internal and external evaluations done on specific projects. Analysis of the annual reports and procedures manuals for each of the organization's projects was completed. The bibliography and other material (procedures manuals, forms etc) are included in the original language (Portuguese). Appendix 12 – 17, are included at the end of this report.

Viva Rio and the Viva Favela project have a website
<www.vivario.org.br>
e-mail: vivario@vivario.org.br
<www.vivafavela.com.br>

---

[1] *Favelas* are slums or low-income communities, which in Rio de Janeiro, are frequently subjected to control by drug traffickers.

Executive summary

The aim of the NGO Viva Rio is to work for social inclusion. Thus, it develops its projects in poor neighbourhoods where excluded populations live. These populations face a bigger social risk concerning violence, criminality and lack of citizenship rights. The organization's present profile is strongly related to its history, the context in which it first made its appearance, the people who were involved in its foundation, as well as the modes of work it adopted from the beginning.

The organization established its activities based on two main axis: public visibility and the articulation of inter-class relationships. This is what has made it most innovative. Its structure and activities are flexible and adapted to working needs.

The Council of Viva Rio includes representatives of many different sectors of society, and its members participate effectively in the organization's daily life.

As it is a service-furnishing organization that functions as a holding of various projects, it maintains a good relationship with potential funding agents. In this sense, the Council has always played a strategic role both financially and politically, because of its composition and its mode of functioning.

The organization associates with various partners to establish the projects. One of the main partners has been the State, which has always played an important role. This has a positive side, but also entails risks concerning the organization's independence in relation to the State.

One of Viva Rio's characteristics is to develop projects that can multiply. That is why the projects have common patterns that permit their assessment and comparison. Thus, all projects always have some similarities.

The flexibility of the organization's structure is fundamental for the multiplication of work.

The organization's workers are hired in a flexible manner. The adopted system permits that in moments of restriction, professionals considered indispensable for the organization's continuity can be maintained permanently. Other workers are hired by cooperatives. This, together with the use of part-time contracts, enables the gathering of an excellent cadre of highly qualified professionals, since all of them keep other part-time jobs that assure them social security and labour benefits.

These professionals, after they have gone through an initial period of training - that is, a working experience in their first project within the organization — become tutors of new professionals and integrated in new projects. The training is accomplished by means of the projects' activities themselves.

This flexibility is also a feature of the contracts between Viva Rio and the local communities. They last only as long as the resources permit. This has enabled Viva Rio to be present in various experiences all over Brazil, like São Paulo, Amazonas and Pará. A large-scale experience is now being launched by Viva Rio in East Timor.

The programme implementation method is also innovative. The project called *Telecurso Comunitário*, for instance, is original at different levels.

The introduction of the video as an educational resource is innovative. When a student enters a classroom and has direct contact with other colleagues and the teacher, and at the same time he or she establishes relations within his own local community. This aspect differs from previous methods used by similar programmes. At the same time, the *Telecurso Comunitário* is also original in that it integrates various organizations, such as public and private organizations and companies, as well as the local communities.

Thus, the project has become an opportunity for training leaders in various practices. This happens in all of Viva Rio's projects, including the Viva Cred and Viva Favela.

Viva Cred is the first micro-loan organization in Brazil to be established without public funding. This is innovative, because it is difficult for such organizations to have access to private sector resources in adequate amount and timing.

Finally, if we consider that social exclusion also occurs and reproduces itself as a result of people's lack of access to information about the world they live in, and that conventional press does not furnish this access, the project called Viva Favela is relevant and unique. It is also the first effective step in Brazil towards the democratization of access to the internet, helping to reduce the gap between the poor and the rest of the population concerning access to information.

1.   Introduction

The non-governmental organization (NGO) Viva Rio defines itself on the basis of its struggle against violence, for peace, and against social exclusion. In order to achieve its objectives, Viva Rio orients its action towards retrieving the positive aspects of society, like solidarity, by linking the various social segments comprising the population of a city in a process of constructing social integration.

The broad nature of its mission means that Viva Rio does not have just one issue or problem as a target, nor a given type of action or specific target public. Its focus is the city itself, so its projects include any type of intervention aimed at social integration and the exercise of citizenship.

Two characteristics that have persisted over time because they are part of its structure are co-operation among different social segments and a concern for public visibility.

The search for visibility and the strategy of maintaining a consistent presence in the various media are a central component of Viva Rio. It was the communications media who made a joint, strong and decisive contribution to the first public drive against violence in the city of Rio de Janeiro. Later, Viva Rio was accompanied by a media campaign calling on the population of Rio de Janeiro to join in mass street demonstrations against growing violence. Public visibility through the media has marked Viva Rio's style and is present now a decade later, when it is still the Brazilian NGO most frequently cited by the press. The name was included in reports, campaigns, or programmes which jointly occupied 19 hours and 42 minutes of broadcasting time on open (non-cable) television networks last year.

Over the course of the year 2000, newspapers and magazines gave extensive coverage to Viva Rio: at least 23,446 centimetres of editorial space in print, or the equivalent of a daily newspaper column.

Since 1994, Viva Rio has been covered by an average of one thousand news stories per year in mainstream newspapers from Rio de Janeiro and São Paulo. In 2001, there was a total of 376 centimetres of coverage in the daily press in April alone, with Viva Rio mentioned 12 times by Rio de Janeiro newspapers and twice by São Paulo newspapers, in addition to three times by nationwide weekly news magazines.

The organization's mission is best understood when one analyses its history and considers the context in which it emerged.

2.   History

The organization Viva Rio was born in 1993 as a movement linking citizens' campaigns against violence at a time when violence was reaching unbearable levels for the city's population as a whole, affecting a broad range of sectors and even the city's economy (in the sense that violence was scaring away potential investors).

The phenomenon of spreading urban violence was corroborated by rising crime rates increasingly linked to the drug trafficking war, as well as police brutality, especially targeting the socially excluded masses.

In this sense Viva Rio derives from experiments in solidarity stemming from the initiatives of another NGOs, the Institute for Social and Economic Analyses (IBASE), a pioneering Brazilian organization in large-scale volunteer work. Its leader, author and symbol of the *Campaign Against Hunger* succeeded in drawing different segments of society together, including its most outstanding representatives, improvising informal networks in cities to collect and distribute food to needy families. This campaign has lasted two years.

Based on this experiment, the leader of the *Campaign Against Hunger* and some of the participants, including the man who would become the founding leader and Executive Director of Viva Rio, used social mobilization in the area of urban violence. This provided a simple, concrete alternative to government solutions that proved ineffective at the implementation stage.

What helped spark society's integrated action against urban violence were two traumatic events that shocked Rio de Janeiro in July and August 1993, namely the murder of eight children living on the streets, on the steps of the Candelária Church, and the massacre of 22 inhabitants of Vigário Geral, a slum on the outskirts of the city, far from the reach of city officials.

At the time, representatives from different segments of the population, trade unions, professional associations, business and industrial organizations, members of the media, social movements, religious groups, etc., together with four mainstream newspapers, launched a joint drive to organize the population in this movement against violence and for peace. A *Citizens' Committee* was set up with the broad constituency mentioned above and which would provide the base for the process by which Viva Rio was created.

The organization's purpose is to integrate the city in the civic sense. In the case of Rio de Janeiro this means integrating the *favelas* (or slums) with the city proper, or in the local terminology, the "hillsides" with the "pavement". The hillside slums or *favelas* are inhabited by the socially excluded masses, while the "pavement" or formal city is identified as the place of residence of the more socially privileged sectors of the population. Through Viva Rio these two forces would link together to raise proposals for dealing with the city's problems.

This was the objective behind organizing campaigns, drives, and civic demonstrations. At the time the NGO was a movement and its existence was basically nominal, since its activities were based fundamentally on volunteer work. This changed in 1996, since in addition to its mobilizing work Viva Rio began to implement direct intervention programmes through community development projects. This change also meant a reformulation of its institutional structure. Although it continued to conduct civic campaigns, like the drive for disarmament and numerous others involving the general population, Viva Rio became a service provider in areas of social integration.

The organization seeks specific forms of intervention in the shape of social projects on different scales. It implements and co-ordinates all its projects through partnerships with the government at various levels (Federal, State, and Municipal), private enterprise, and local organizations, as well as with the communities themselves or representatives (churches, neighbourhood associations, etc.) The premise is that the State and civil society cannot be replaced; on the contrary, their action is mutually complementary.

As a service organization, Viva Rio provides mediation both between the various funding agencies and also between the latter and programme users, by qualifying the demands and preparing or adapting projects to local realities and needs. As a partner, Viva Rio works with public policies in needs that are not met by government programmes: schooling both for youth

who are beyond mandatory school age (14 years) and for adults, in areas without access or with differentiated access to legal services, or with special types of credit, and more recently in the area of information via internet, among other areas.

Although the initial work targeted Rio de Janeiro, currently the organization has extended its intervention to various other municipalities (or counties) in the State of Rio de Janeiro.

The organization primarily targets poor youth. Because this is the group at greatest risk in terms of urban violence and social exclusion, the projects aim to integrate youth socially, bolstering their vocational training and increasing their level of schooling and social involvement in the local communities and groups.

The organization's areas of activity include community development, education, human rights, public security and the environment.

In the area of education, projects have been developed in community education such as Community Tele-Course and Lobinho Project. Community development includes the following projects such as Viva Cred (a credit programme), Trade Fair, Viva Rio Insurance, and neighbourhood gardeners. Public security and human rights include the projects such as Peace in the City: Disarming, Legal Aid Clearinghouse, Youth for Peace, and Volunteer Civil Service. Added to the above is the new internet project: Viva Favela and computer clubs.

3.   Institutional structure

The organization's growth and new kinds of activities led to a reorganization of its structure. In the beginning there were only a few professional staff members who played various roles simultaneously, and there was a greater reliance on volunteer work. But as Viva Rio became more of a service provider a new form of organization was consolidated that better met the needs arising from greater planning and follow-up projects. Still, this structure is light enough to allow for an expansion of its activities in a simple way (Appendix 1).

The Governing Council

The composition and functioning of the Governing Council are crucial to its political and social legitimacy and public visibility. It functions as a network of contacts (political and social contacts and access to funding sources) to be tapped over the course of the campaigns and projects. As mentioned above, the fact that the Governing Council includes the publishers and/or editors of the four largest newspapers in the city guarantees coverage for all the organization's initiatives. Other members include representatives of the city's economic and intellectual elites, the Federation of Industries, presidents of slum-dwellers' associations (Maré or Antares), and the metalworkers' and bank workers' unions. These figures, who would rarely have the chance to meet outside the forum, have a common symbolic and material endowment resulting from their respective institutional positions. However, as members of the Council they do not represent, nor are they elected by, the institutions to which they belong; on the contrary, the invitation to participate in the Council is personal, inalienable, and permanent.

Membership is also non-governmental and non-partisan, and it is understood that members who run for or take public office will step down from the Council. To avoid identification with any political party and also avoid rifts within the Council, channels for contact are expanded outside it, maintaining positive relations with government institutions and political parties as a whole.

The monthly meetings of the Council act as a space for political compromises among the members. Any themes, which might lead to disruptive conflicts, are explicitly kept off the agenda. All Viva Rio projects are discussed ahead of time in the Council and are only implemented when they are approved by consensus.

Executive Director

The Executive Director acts as a communications conduit between the Council and the project coordinators. All project conception is planned in detail between the Director and each respective supervisor. The coordinators are only free to implement the projects after a detailed description has been worked out for the operational mechanisms of their respective projects. In addition, in practice, fund-raising has been the responsibility of the Director. He answers to the Council and decides on the organization's internal structure directly with the project coordinators.

There is no system for electing the Director, who receives a fixed salary.

Administrative and Financial Sector

The Administrative and Financial Sector constitutes the support network for all of the projects and campaigns in Viva Rio. It consists of 50 people who are in charge of legal, administrative, and accounting matters as well as general services and security. They are hired according to the terms of the Brazilian Labour Code (CLT) and receive fixed wages.

Project Co-ordinators

Project Co-ordinators are part of the second echelon of Viva Rio. They have extensive professional expertise in the area of activity for which they are responsible.[2] Project coordinators are characterised by their ideological and partisan diversity. As a whole, however, they represent a diversified network of external contacts and connections and guarantee an internal political plurality. They interact in the implementation of projects. Co-ordinators are hired, with a fix salary.

Employee Hiring System

Viva Rio has a job position and wage schedule and a human resources policy, which includes procedure manuals that regulate the job relations and duties of all personnel.

Employees in charge of administrative and support functions are formally employed. They include administrators, attorneys, accounts, night watchmen, janitors, etc, in addition to the Executive Director and Project Co-ordinators. All other workers linked to project implementation are paid through an employees' co-operative, i.e., by a services provision system, and are thus not permanently hired by the organization.

Considering that the purpose of Viva Rio is to function as a "holding company" for projects whose existence depends on financial donations linked to specific projects, the fact

---

[2] Although it is not a formal requirement, in practice the Project Coordinators all have direct experience in the city's political life.

that project executors are hired through a co-operative allows for flexibility in the expansion and hiring of the number of such workers, as required by the number and scale of current projects.

This administrative design guarantees: (a) job security for permanent staff whose work is essential to the proper functioning of activities in campaigns and projects. This is the size of the organization's structure that cannot be reduced, since whatever the projects implemented, Viva Rio will need these employees. Hence the job security as part of their hiring process; (b) reduced expenditures with personnel, eliminating the component resulting from Brazilian labour legislation (vacation and other labour benefits, etc.) for workers in project activities; and (c) quick cancellation of the employment relationship in situations when the number of workers involved in project activities needs to be reduced.

4. Partnerships

In order to develop its activities, Viva Rio establishes partnerships with institutions at three levels of government (Federal, State, and Municipal) and with a broad range of non-governmental organizations and private companies. These partnerships are established according to the specific needs of each project and for a set period of time.

Partnerships with non-governmental organizations include FIRJAN (the Rio de Janeiro State Federation of Industries), SEBRAE,[3] the Roberto Marinho Foundation (a private foundation), and companies, besides partnerships with local organizations that implement the projects. Partner organizations implementing projects include neighbourhood associations, churches and other religious groups, clubs, and trade unions. These local project-implementing organizations can also join with other organizations to obtain funds and resources not provided for in each project in which they are partners, thus forming a broad network of partners.

Partnerships with governmental organizations (both those funding and implementing projects) are provided for under written contracts.

4.1 Resources: Sources and uses

From 1998 to 2000, Viva Rio handled an average of R$14 million a year with the lowest revenue in 1999, some R$11 million (Appendix 2).[4] This funding came primarily from

---

[3] SEBRAE, the Brazilian Service to Support Micro and Small Businesses, is a technical support institution that provides back-up for the development of small-scale business activity, focused on promoting and disseminating programmes and projects aimed at strengthening micro and small businesses. SEBRAE is predominantly administered by private enterprise. It is an autonomous social service, a non-profit private organization, which operates in harmony with the public sector but is not linked to the federal governmental structure.

[4] On June 15, 2001, 1 UAD = R$2.41.

domestic sources (over 95 per cent) and the public sector (slightly less than 90 per cent),[5] (Appendix 3).

Of the funds raised, 15 per cent are disbursed for administrative activities, 4 per cent for support activities, and 81 per cent for core activities, i.e., for project implementation (Appendix 4). Educational projects have raised the most funds, with some R$8 million a year from 1998 to 2000, although with a downward trend. Community development projects (credit projects) have come second, with an average of some R$2 million a year, although with an upward trend (Appendix 5).

Permanent staff employees and workers in projects that are temporarily without funding are maintained with some 15 per cent of the funds raised for projects. As discussed above, this is an explicit policy to keep what are considered strategic employees. However, this is not a set overhead for each project, but represents the permanent cost of the administrative and support area whose only source of revenue is the projects. The 15 per cent figure corresponds to recent payment in this area. However, it is expected that in periods with increasing amounts of funds raised, this percentage will tend to drop, and inversely, when there is a decrease in funds the percentage will tend to increase.

A system is being planned for sale of administrative, legal, and accounting services to other NGOs. Thus, the administrative sector would have its own sources of revenue, with only a marginal increment in its cost structure, since the staff and procedures are already in place. There is thus no prospect of reducing the current permanent administrative staff. On the contrary, the plan is to keep it and diversify its sources of revenue.

Accountability is to project sponsors, who receive regular reports on the application of resources donated to Viva Rio.

Permanent audits are conducted according to the Brazilian legislation governing these types of organizations, and audits of specific projects are done when the funding agencies so require. The process of change in the institutional structure was carried out by an expert consultancy firm that did the organization's strategic planning and was responsible for producing procedure manuals for the organization's middle echelon (accounting, finance, and administration).

For each kind of project that it develops, Viva Rio develops its own institutionalized evaluation mechanism, including rigorous control of data on school dropout rates over time and in comparison to students in the public school system. However, the NGO Institute for Religious Studies (ISER) also participates in monitoring Viva Rio's projects and helps solve problems in the processing and final evaluation of the products.

ISER is a NGO that conducts research and consultancy in the areas of organizations from civil society, violence, public security and human rights, environment and development, and religion and society. Although it is an independent organization in legal terms and based on its activities, Viva Rio is linked to ISER through its history, having been born out of ISER. They are still linked today not only because they have the same Executive Director, but also because ISER is a research organization that often works on the same issues, and the data it produces

---

[5] See Appendix 3. Although the graph indicates a major expansion in private sources in the year 2000, this was actually a transfer of funds from a federal source – the Fund for Workers' Assistance (FAT) – via the Roberto Marinho Foundation (private).

constitute the information base used by Viva Rio to develop its work with society. Thus ISER furnishes the analyses and data that provide the foundation for the work developed by Viva Rio and simultaneously does the evaluation work on its projects. For example, ISER was in charge of a follow-up study on students who had participated in the Community Tele-Course project, in addition to other projects that had been concluded.

5. Projects analysed in this report

5.1 Community Tele-Course

Context

According to data provided by Viva Rio, over half of the population over 16 years of age in Rio de Janeiro have less than eight years of schooling. The vast majority are youth residing in slums and poor communities in cities in the State of Rio.

Lack of schooling is associated with a high unemployment rate, low wages, and lack of prospects for the future, meaning that these youth are in a situation of social risk, feeding the city's growing violence and crime.

Project objectives

The programme aims to strengthen citizenship, correct social disparities, and favour social inclusion by providing youth of both sexes (from 17 years upwards) and adults with possibilities for finishing their mandatory schooling (eight years of primary school), in order to prepare them to take better advantage of their possibilities for generating income in light of demands by the work market.

The organization also works for the reduction of the deficiencies of the present educational system, which excludes the youngsters coming from poor social and economic backgrounds. The aim of this works is to reduce the social risk faced by these sectors of the population. Non-conventional methods of education are used in a programme that enables adults and youngsters both male and female, 17 years or older, to finish the elementary and high school cycle.

The programme provides technical and practical training for youth with a minimum level of knowledge, that is, who can already read and write (generally having finished three years of school), using formal and informal educational resources.

Project background

The Community Tele-Course project began in 1996 as a pilot experience in three *favelas* in the city of Rio de Janeiro, using the distance learning method developed by the Roberto Marinho Foundation and known as Tele-Course 2000 (TC 2000).

Tele-Course 2000 is a specific method using the media (television) as a teaching resource. Viva Rio adapted this system, taking the videos to classrooms set up in the low-income communities themselves, under the orientation of an instructor (or Pedagogical Supervisor).

In the pilot project, the teachers were volunteers and the implementation and follow-up of the experience were centred in Viva Rio, without partnerships.

It was only in 1997 that the project was expanded, constituting a larger project, which began to work through partnerships. Today there are 135 classrooms functioning.

The project is thus developed within poor communities in classrooms (called Tele-Classrooms) set up by community organizations (neighbourhood associations, churches, clubs, etc.) who collaborate to implement the project.

Project structure

The programme involves four hours of classes a day and is divided into nine monthly modules or 732 course hours divided as follows:

- ?? Portuguese: 180 hours
- ?? Mathematics: 160 hours
- ?? Science: 140 hours
- ?? Geography: 100 hours
- ?? Brazilian History: 80 hours
- ?? World History: 72 hours

The organization in modules allows students who for various reasons have had to interrupt the course to subsequently resume and make up the credits or subjects they have missed. The system's flexibility also allows pupils to switch Tele-Classrooms, if necessary.

Certification process

Pupils only receive their primary school diploma after they have passed all the modules.

- ?? The official tests are held periodically, by subject.

- ?? The test results are valid for five years, i.e., having passed a given subject; students have five years to take subsequent tests when they feel ready.

- ?? The grade on the test is weighted with a score for the classroom participation and performance.

Course validation and pupil certification in the Community Tele-Course has been formally approved by the Brazilian Ministry of Education since 1998, and the Federal Polytechnic School in Chemistry in Rio de Janeiro (CENFETEQ-RJ) is the organization accredited to administer the tests.

In this partnership process with local community organizations that implement the project, Viva Rio assumes the following responsibilities through its Teaching and Community Development Co-ordinators:

- ?? selection of the local programme-implementing organizations as partners;
- ?? pedagogical supervision and orientation;
- ?? training of teaching supervisors;
- ?? supervision of the functioning of the Tele-Classroom (material conditions and infrastructure);

- ?? provision of teaching materials: videos, books, manuals for supervisors; and
- ?? transfer of available resources to the local organizations.

The duties and responsibilities of the local community organizations implementing the programme are:

- ?? to provide the equipment for the Tele-Classrooms: television set, VCR, chairs, blackboard (with resources furnished by the project);
- ?? to maintain the Tele-Classroom infrastructure (keeping equipment and classroom clean and operational);
- ?? to participate in selection of teachers accredited by Viva Rio;
- ?? to mobilize the communities to publicize the project;
- ?? to maintain and monitor pupil attendance; and
- ?? to comply with the administrative and financial commitments under the agreement signed with Viva Rio.

Requirements for the local organization to implement the programme at the local level:

- ?? be located in one of the areas designated by the city government;
- ?? be a non-profit civil organization;
- ?? be legally established;
- ?? be registered and have a bank account;
- ?? have project-management capability and the ability to mobilize and motivate people;
- ?? have sufficient space to install a Tele-Classroom with 30 chairs; as an alternative, the organization can establish a partnership with some institution, company, or public agency that cedes the classroom space during class hours; and
- ?? agree with the project's objectives.

All organizations that meet these conditions and are interested sign up, and the Community Co-ordination Supervisors conduct a site visit to evaluate the conditions and actual management capability in order to orient the selection process according to the established criteria.

The organization accepts and signs an agreement with Viva Rio in which the respective parties promise to comply with the duties and responsibilities described above.

Non-compliance with the responsibilities under the agreement leads to de-accreditation of the local implementing organization, and pupils are transferred to a nearby Tele-Classroom with the conditions to proceed with work. The agreement provides for penalties and the possibility of unilateral dismissal.[6]

---

[6] In situations of serious non-compliance with the terms of the management agreement, the Tele-Course and the contract have been transferred to a different association in the same area.

Monitoring and evaluation system

Monitoring of compliance with the contract in terms of the quality of the classroom infrastructure and presence of teachers and pupils is done by the Community Network Coordination through the Community Supervisors.

Twice a month the Supervisors make surprise visits to the classrooms under their responsibility and fill out a form with their observations.

Every two weeks, supervisors write a brief report on their visits, providing the basis for evaluating compliance with the terms of the management contract with the local associations, as well as payment to teachers. Every month, the individuals in charge of the Community Network submit an activities report to the Director. Community Supervisors have the closest contact with the local implementing organizations, and since they monitor a large number of organizations, they have an idea of the Tele-Classrooms as a whole in the various areas of the municipalities.

Community Supervisors, acting under the responsibility of the Viva Rio Community Network Co-ordinator, evaluate the conditions for installing the Tele-Classrooms. The Viva Rio Community Co-ordination area has a registry with a detailed survey of local implementing organizations (both potential and those that have applied). This area of Viva Rio keeps up-to-date as to the conditions and problems in the communities where they work. Community Co-ordination is in charge of contacts with public organizations, city governments, ministries, etc., in the search for partnerships.

Pupil selection

Although the preference is for young men and women over 17 years of age and in situations of social risk, adults may also enroll. Pupils are required to have a basic notion of mathematics, how to read and write, and preferably have finished the third grade. Preference is also given to students with physical disabilities.

Pupil selection is conducted by the Tele-Classroom teacher and a member of the local organization.

There is no enrolment limit, since the ideal number for the Tele-Classroom is 25 students. Although it can have fewer but no more than 30 students, those who are left over remain on the waiting list, since they can replace students who may drop out of the course. This waiting list allows more students to benefit, and it is also important for the organization, since transfers to another classroom and payment of the teacher are proportional to the number of regularly enrolled students. The reserve list allows for immediate replacement of students, so the same level of pay is always maintained.

Since the course is planned in monthly modules according to the different subjects, it is possible to incorporate new students every month when enrolment is renewed.

The student profile by gender, age, race/colour, and employment status is provided in the respective Appendix (Appendix 6).

5.2   Teacher and Pedagogical Supervisor

The teacher is in charge of educational work . He/she has a monthly work-load of 88 hours, divided into four hours day in the classroom (five days a week).

The teacher is responsible for ongoing evaluation of students' learning. Teachers follow the schedule established by the Pedagogical Co-ordinator and fill out daily classroom logs and attendance sheets.

In addition to working in the Tele-Classrooms, teachers' tasks include participating in training activities for the partner organizations, besides two meetings a month with their respective supervisor and other teachers.

Job requirements for teachers:

?? A minimum of a high school diploma, but preferably university students majoring in education and other courses that prepares their students to teach.

?? To have passed the Viva Rio selection process.

The selection was conducted according to a public admissions exam conducted in 1997. There were 7,200 applicants, of whom 2,680 were approved, from all the municipalities (counties) in the State of Rio de Janeiro. Of these, 381 teachers have already worked in the Tele-Course education projects.

? To have received training in the TC 2000 method.

Preference is given to applicants who have experience in community work or the equivalent. When a Tele-Classroom is about to be opened, the registry searches for areas in which to work. At this stage, registered applicants are selected by an interview with the local implementing organization. The local organization submits a list of three names to Viva Rio, which in turn makes the final selection. The other two remain on a waiting list to be called on in case the teacher needs to be replaced.

System for monitoring and evaluating teaching work

Pedagogical Supervisors monitor and evaluate the teaching work done by teachers.

?? They hold two joint meetings a month lasting four hours each with up to 15 teachers. In addition to their supervisory work, they attend one class a month in each of the 15 Tele-Classrooms under their responsibility. An attempt is made for the classrooms and teachers under their supervision to be distributed in areas so as to facilitate accessing all of them.

?? They are responsible for the school performance reports for classes under their supervision, which are submitted to their respective sponsors.

Pedagogical supervisors

Pedagogical Supervisors answer to Pedagogical Co-ordinator at Viva Rio and they are selected according to the following criteria:

?? Preferably having experience as Viva Rio teachers.

?? This criterion means that the Pedagogical Supervisor already has specific experience and facilitates flexibility in the scale of operations of educational projects, since when the level of activities in programmes increases, former teachers are used as supervisors.

?? Resides in the neighbourhood close to the Tele-Classrooms to be supervised.

Pedagogical Co-ordinator:

Responsible for all educational work, both with the supervisors and in maintaining relations with the project partners.

Monitors the opening of Tele-Classrooms, student enrolment, attendance, planning, the work of supervisors and teachers, and evaluation done by the organization that conducts the certification.

The Pedagogical Co-ordinator is responsible for discussion of his/her project's problems inside the organization and with other coordinators, especially the Community Network Coordinator.

Programme costs and fundraising

Fundraising is directly associated with the value of the product (Community Tele-Classroom) to be provided, i.e., it is established according to the monthly cost per pupil. Based on this amount, donors decide the number of pupils and months they intend to sponsor. Having decided on the amount of funds, an agreement/contract is signed between the sponsor and Viva Rio, which exempts the former from any and all legal responsibility arising from the project implementation.

Having signed the agreement, the funding party becomes the sponsor of the classroom in community "x" and receives an accounts report (prepared by the Administrative Department) and a report on pupils' performance (prepared by the Pedagogical Supervisors). Whenever donors decide to suspend the flow of funds, activities are suspended in the classroom sponsored by them. Thus the number of classrooms, i.e., the scale of operations, depends directly on the flow of funds from donations.

Based on the amount of a donation received, Viva Rio establishes a selection process at any time in the year to open Tele-Classrooms, which is based on the registry of existing organizations.

The association receives an amount of funds that is proportional to the number of pupils in the course (up to a maximum of 25) and allocated to meeting its contractual obligations, including purchase of equipment when it is not available. Accountability is based on compliance with the association's part of the contract. The terms of contract are advantageous for the leadership of local associations in that: (a) they receive a resource which is more than enough to meet the maintenance needs of a site which is already available to them in order to (b) offer a service to their community free of cost.[7] For Viva Rio, the advantage lies in

---

[7] In computer courses, the local associations are authorized to charge a fee, the amount of which and division among Viva Rio, the instructors and the associations are defined under the contract.

transferring to the local associations all the responsibility for physically maintaining the classroom network, as well as guaranteeing safe, secure conditions and injecting resources into the communities, thereby bolstering greater responsibility and strengthening the community organizations, which is a fundamental objective of the project (Appendix 7).

This form of contract with associations thus allows Viva Rio to avoid significant costs in opening or closing classrooms, since the associations cover the maintenance costs.

As mentioned above, Viva Rio hires the teachers, Pedagogical Supervisors, and Community Supervisors through co-operatives. Teachers are paid according to the number of students (up to a maximum of 25 students per class). This formula aims to create incentives for teachers to keep their students and avoid classroom dropout.

Pedagogical Supervisors are paid according to the number of class they supervize.

For a better visualization of the distribution of funds in the Community Tele-Course programme, see Table 1.

Table 1 **Distribution of funds for the Community Tele-Course Project**
Cents per US$1.00 (one dollar) invested in a project

Teachers	0.42
Teaching materials	0.12
Payments to organizations	0.11
Pedagogical coordination/supervision	0.10
Infrastructure/administration	0.09
School control/logistics	0.08
Community networking	0.04
Events/newsletters	0.04
Total	1.00

Source: Viva Rio

This project, besides allowing students to interact with the course on their own turf (in their neighbourhood), also helps the school become a space for exchange, since students are encouraged to participate in campaigns or drives in the community. In addition, once a year students from all classrooms meet for their annual Congress, where they share experiences, problems, and information. This year, 2001, witnessed the fourth consecutive Annual Congress, an extremely rich and gratifying experience that promotes greater solidarity among the low-income communities belonging to the projects.

The organization has a database on school drop-out, student performance, and conclusion time for the courses, which can be consulted by interested parties.

5.3   Viva Cred

The idea of setting up a micro-credit organization stemmed from the realization that social integration of the city would only be possible by expanding the economic inclusion of communities residing on the outskirts and in the city's slums or *favelas*.

One of the factors that reinforced the exclusion of poorer segments of the population was the lack of access to formal credit mechanisms, impeding the development of small businesses and the acquisition of consumer goods. When low-income citizens need credit, they generally depend on loan sharks, adding a further component of insecurity and violence to their lives.

This programme has supported the economic integration of those sectors of society without access to social security benefits.

The non-governmental organization Viva Cred was officially founded in 1996 with the goal of promoting economic activity in needy communities, providing the low-income population with the possibility of accessing credit, aimed at the economic development of this target public.

Viva Rio obtained support from the Inter-American Development Bank (IDB) to implement the organization. The partnership consisted of drafting the bylaws and processing other administrative procedures to create a new NGO, establishing a membership and Board of Directors that was representative of the various segments of society in Rio de Janeiro and identified with the NGO's social objectives, and the search for a possible partner, found in Banco Fininvest, which made a donation for the initial funding. Viva Rio received legal consultancy and technical assistance from the German consulting firm *Internationale Projekt Consult* (IPC), which had extensive experience with micro-credit. The support for this consultancy was also part of the partnership with the IDB.[8]

The Brazilian National Economic and Social Development Bank (BNDES), a state-owned financial institution analogous to the IDB, was another of the first partners in Viva Cred and played a central role in the project's take-off.

The first bank office was set up in the Rocinha *favela*. The potential demand from the micro and small business sector in Rocinha was the deciding factor in this choice.[9] Viva Cred currently has four offices located in the following *favelas*: Rocinha, Complexo da Maré, Rio das Pedras, and Cantagalo.[10]

According to its administrators, Viva Cred is now self-sustainable[11] and its funding consists of resources from the IDB and BNDES, in addition to revenue from its operations.

Institutional and organizational structure

Viva Cred is a private, not-for-profit corporation classified as a public interest civil society according to the Brazilian legislation governing the third sector. Its bylaws define it as an autonomous and independent service and charitable organization, with no links to any activities of a partisan political or religious nature.

---

[8] The loan policy, training of three credit analysts, and follow-up software were developed by this company.

[9] A survey conducted to choose sites for loan offices, following IDB guidelines, characterized the Rocinha *favela* as a closed society with extensive commerce and services, mostly informal, and without a heavy presence by the drug trafficking. Note that Rocinha is the largest *favela* in Rio de Janeiro and is squeezed in between areas of an upper middle class neighbourhood.

[10] According to the 2000 National Census, Rocinha, Complexo da Maré, and Rio das Pedras are among the five largest *favelas* in Rio de Janeiro.

[11] Self-sustainability is a relative notion. The organization would now be capable of covering its administrative and operational costs based exclusively in the return from its portfolio. However, since it is expanding, this does not happen in practice.

The organization can be seen as a branch of Viva Rio. The General Assembly consists of seven founding members with powers to decide on all business matters related to Viva Cred.

This Assembly is a subset of the Viva Rio Assembly, including the Executive Director of Viva Rio, in addition to an economist with extensive experience in the field and who helped provide the organization with its legitimacy. In this sense, it preserves the principal characteristic of Viva Rio, i.e., the formation of an overarching range of society in Rio de Janeiro around the organization, providing it with great capability for networking, fund-raising, and a presence in diverse social segments.

Council

The Governing Council consists of directors elected by the General Assembly for a two-year term. Its main task is to direct the organization, monitoring its compliance with its social mission. It represents Viva Cred legally, and the administrative and executive functions are responsibilities of the Governing Council, which can delegate its duties to the Superintendency. These functions include naming the organization's Superintendents. The Council consists of a President, Vice-President, Director-Secretary, and Technical and Financial Director. The Director-Secretary is the Executive Director of Viva Rio (Appendix 9).

Superintendency

The Superintendent has executive responsibility for all the project's operations. He prepares proposals for fund-raising and represents and directs the organization. He is aided by a Credit Manager, who controls the overall credit system, and by an Administrative Manager, responsible for accounting. He visits each of the four credit offices in operation at least once a week. He holds a monthly meeting with the Credit Managers and Coordinators and a quarterly meeting with all the project members.

Credit Co-ordinators and Analysts

The credit analysts are responsible for the project's credit relationship with the communities. They are expected to offer credit lines, evaluate applicants' and guarantors' creditworthiness, and collect payments. They are thus constantly circulating inside the communities, selling credit and gathering information. They fill out a form, which serves as a credit record for applicants.

Selection of Credit Analysts

The first three credit agents were trained in Bolivia by the IPC consulting firm, and the others were trained under the methodology developed by the organization itself.

Once selected, applicants for this job serve an internship, and they are all university students. They receive a one-month training course and begin working as assistant credit analysts for six months. After this trial period, if they receive a positive evaluation, they are hired.

Based on information from the organization's Superintendent and confirmed by various other NGOs that provide micro-credit, selection of the credit agent is crucial to the project's success. Working in areas of social and economic exclusion, the agent must be capable of entering such a low-income community and establish a relationship of trust with clients,

developing the sensitivity to analyse the loan operation with criteria that extrapolate purely financial issues: family stability, links to the local community, etc. As discussed below, the role of the credit agent is even more crucial to the operational approach of Viva Cred, since the organization works with individual rather than joint surety, which increases the loan operation's risk.

Hiring system

All of the employees are hired formally according to the Brazilian labour legislation and receive a fixed wage. In addition to the fixed wage, the credit analysts and co-ordinators receive a variable component (directly proportional to their loan portfolio) from which a value directly proportionally to the default rate in their portfolio is deduced. This form of payment creates incentives for expanding loan placement, along with rigor in evaluating applicants.

Operational system

The operational system at Viva Cred to approve a loan follows set criteria for the entire process, ranging from the application to the approval, which takes from three to seven days.

- ?? Target public: micro and small business people from the formal and informal sectors in all areas of the economy (commerce, industry, and services).

- ?? Criteria: at least one year of experience in the business, a clean credit record, and proof of residence.

- ?? Goal of loans: working capital and investments and acquisition of fixed assets.

- ?? Required guarantee: contract guarantor and surety on a promissory note.

Loans have entailed 3.9 per cent monthly interest since Viva Cred was created, plus a single five per cent administrative fee on the total loan. The term of the loan varies from one to 24 months for working capital and up to 24 months for fixed investments.

Approval of the loan depends on an analysis of the client's ability and willingness to pay and does not involve any monitoring or proof of use of the loan. The credit committee, which always includes two members, has exclusive responsibility over approving any loan. According to the size of the operation, the committee may consist of an analyst, the Coordinator, the Manager, or the Superintendent. The estimated credit risk for the clientele as a whole defines the limit of autonomy for granting the loan without intervention by the Superintendent. This limit varies from one loan office to another. The limit for a decision by the analyst and Coordinator alone is USD830, and above this limit a Manager is always included.

Each credit analyst is responsible for the entire process, from the granting of a loan until it is paid off, thereby establishing a close and personal relationship with the client (Appendix 10).

Another important element is rigorous follow-up on instalments in arrears and loan portfolio maturity through a software programme allowing for daily identification of overdue instalments, thereby providing the necessary back-up for a friendly collection process.

Viva Cred does not provide any customer training services, because it believes it is necessary to maintain a separation between training and credit. However, there is an informal

partnership with the SEBRAE window in Rocinha where interested customers are referred to courses provided by the institution.

Monitoring and evaluation

The monitoring system for Viva Cred operations consists of a computerized portfolio management and accounting system.

The portfolio management system allows for:

?? storage of detailed information on clients and loans by way of registration of socio-economic and financial data on the business and family economy;

?? support for the decision and evaluation of the business feasibility;

?? storage of each client's loan record, including performance on instalments; and

?? portfolio monitoring and collection efficiency, issuing reports on the credit agents.

Meanwhile, the accounting system allows to view the organization's daily financial returns, facilitating office-by-office monitoring of credit flows.

It was observed that the Viva Cred data management system is highly efficient, providing the basis for expanding the organization's portfolio (including a territorial expansion, i.e., increasing the number of neighbourhoods served), opening new offices with a sustainable base. However, the organization still lacks an impact evaluation process.

The loan profile for March 2001 is in Appendix 11.

As for guarantees, individual surety is the most widely used form, since the target public generally lack assets that could be used as hard collateral, and when they do own assets they are afraid to risk them in a loan operation.

Potential and limits

An analysis of the potential and limits of Viva Cred should be done in light of the strategy in the economic development projects in the Viva Rio movement.

The co-ordination established through the Community Network division of Viva Rio is a strong point for Viva Cred, since it allows for use of the negotiation space spawned by other projects in the organization and (under the control of the Community Coordination division at Viva Rio) with the neighbourhood associations, churches, etc., which form the database for a relationship of trust that is crucial to the success of micro-credit operations.

The connection to Viva Rio is also seen as very positive, in light of the capacity for networking and visibility in Viva Cred.

Even considering the strong connection with Viva Rio, it is possible to separately analyse some aspects of the work done by this micro-credit organization, especially in terms of its capacity to achieve its statutory objectives, i.e., to deal with the lack of access to credit by low-income communities for developing small business projects.

The results of the organization's portfolio demonstrate that the experience has been successful, to the extent that it has consolidated a way of working with communities outside the official or formal credit system and has succeeded in expanding in a sustainable way. However, the prevailing interest rates and restriction of credit for start-up businesses has meant that the Viva Cred target public is the same one that already belongs to and participates in the economy. This may be the greatest difference between the work of Viva Cred and micro-credit institutions that use joint surety,[12] which is the fundamental element for reducing risks in credit operations with low-income groups.

The work by IPC and contracted by the IDB, as reported above, was decisive in the choice of strategies subsequently adopted by Viva Cred and as a result in the role it has played in the communities. The option for individual surety, i.e., personal loan guarantees (rather than joint surety) limits the possibilities for transforming the community through micro-credit. The mutual responsibility implicit in joint surety motivates the community to develop common projects resulting in improvements in their living conditions. On the other hand, individual surety establishes micro-credit characteristics that are more similar to the traditional credit market, limiting access to established entrepreneurs. Viva Cred has already begun to consider establishing joint surety, with a view towards reducing the risk of its operations, especially those with micro-entrepreneurs not residing in *favelas*.

5.4 Viva Favela internet project:

This project was launched in early July 2001. It consists of a gateway with an electronic journal.

The "*favela gateway*" is intended to link 15 *favelas*, from Rocinha to those located in the outermost municipalities of Greater Metropolitan Rio de Janeiro. The plan is that by 2002 the *favela* network be connected to 500 different addresses.

Each of the *favelas* in the network will have a point of access known as *Estação Futuro* (Station to the Future).

The gateway includes a huge volume of information and services for slum-dwellers: education, vocational training, employment and income generation, credit, citizenship, and disarmament. As described previously these items are part of projects in Viva Rio as a whole, i.e., services that can now also be offered on-line.

For example, in the area of citizenship, poor communities are offered direct links to information about registering for documents (voter registration cards, ID cards, driver's licenses, and work papers), formulas for calculating retirement schedules and benefits, health information (immunization, childhood diseases, emergencies), access to public hospitals and clinics, and municipal, inter-city, and inter-State bus schedules. In the area of citizens' and consumers' rights, free legal aid is provided for conflict resolution: in cases of domestic violence and violence against women, services in the area of family law (separation, divorce, partition of goods and property), and administrative law (setting up small businesses, conflict resolution among partners, etc.). There is also a channel for filing complaints in case of poor provision of public services and abuse of authority (a common occurrence in the relationship

---

[12] When the guarantee on the loan is joint surety, a group is formed that takes the responsibility for guaranteeing an individual loan.

between the police and the *favela*). There is also a job search service (a partnership between Viva Rio and Trade Union Social Democracy, an organization currently providing these services), which offers on-line services for filling out job applications and resumés.

Like all activities at Viva Rio, the work is developed through partnerships, as with the Ministry of Labour (which provides funds for training, meals, and transportation of reporters) and with private enterprise, which sets up the networks, advertizes, donates equipment, etc.

As an example, a company interested in exploiting access to the wireless network in the city offered to assemble (free of cost) its transmission antennas. This particular investor was interested in the initiative, because he felt that through Viva Favela he could advertize his services at no cost. The inauguration actually did get extensive media publicity, with a special focus on this investor talking about his product.

The weekly electronic journal *Comunidade Viva* (Living Community) covers all areas of interest to the target public. It provides information in different areas, like culture, arts, health, tourism, economics, and leisure, like any journal, but also promotes employment and income generation and discusses the problems that most directly affect these low-income communities.

The staff consists of 15 reporters and 10 photographers recruited from the *favelas* themselves. They are trained by Viva Rio, and as such they will have a back-up arrangement at the Viva Rio headquarters with professional journalists in charge of editing the news and producing the front page. The photographers learned to use Kodak digital cameras donated to the project.

These local reporters will be working as correspondents from their own communities and will be hired for two times the monthly minimum wage. They were selected in the *favela* from among applicants with experience in communications.

In the *favelas*, the press-rooms have a minimum of six computers. They are administered by users themselves and will offer public utility services.

The project has an extensive area dedicated to e-commerce (both B2C and B2B). For B2C there are already over 30 shops under partnership contracts. The goal is to reach 150 by the end of the year, creating a broad virtual shopping mall. In these virtual shops, all purchases made by computer will include a credit percentage for the gateway. Since internet shoppers are from classes A and B, they constitute the target public; the attraction is that if they purchase using the gateway, they will be contributing to a project aimed at social integration, which is advertized as such.

To facilitate these operations, public access points to the gateway will also function as a kind of depository for receiving and distributing orders. This way of delivering merchandize is crucial because without it, the shops would have difficulty in finding consumer households that do not always have a formal address or are difficult to access.[13]

In the case of B2B the expectations are even more optimistic. As part of the project, each major point of access assembled in the communities will not only have a supervisor and monitor to instruct internet users, which in itself already generates employment and income,

---

[13] The estimated turnover for B2C this year in Latin America is USD8 billion. Brazil is expected to produce 80 per cent of this total.

but will also employ "business agents". These protagonists, who are also recruited in the communities, will be in charge of registering all branches of business in the communities. With this information, it will be possible to combine small-scale merchants from different branches of business to make joint purchases from large wholesale suppliers. Stores in these kinds of neighbourhoods usually purchase merchandize in small amounts and thus lack access to large wholesale suppliers, so that they have to pay more for the products and transfer this extra cost to the end consumer. This is the main reason merchandize in the *favelas* is more expensive than in formal commerce and it is the reason the project will have an impact on income generation in the *favelas*.

The project is planned to be self-sustainable in no more than two years, since from the total transactions conducted in the different areas (commerce, advertizing, etc.) a percentage will go to sustaining the project. However, until the project is consolidated it will require funding sources, principally external sources, to guarantee the expansion, which is expected to go beyond state borders and spread elsewhere in Brazil.

The set of Viva Rio projects that will be advertized on the gateway includes the Viva Cred services. In the future, Viva Cred, which is currently underwriting the project, intends to finance purchase of computers for the *favela* population, thereby favouring individual internet access. With the gateway, Viva Cred will have virtual windows in all the communities, without the costs involved in physical installations and hiring employees, etc. It should thus be possible to increase the volume and turnover of funds for loans at lower interest rates.

6.   Conclusion

The organization's objective is to foster social inclusion, and it therefore develops its projects in low-income areas with the excluded population, subject to greater social risk in terms of violence, crime, and lack of citizens' rights. Currently the projects' daily work provides legitimacy and social visibility to Viva Rio, and the context in which the organization emerged, the people involved in it, and the approaches adopted have been fundamental in building its current profile.

The organization has built and consolidated its work based on two pillars: public visibility and networking among different social classes. This concern with visibility has been present since the organization began. The founding act was held with a large publicity campaign, and numerous other public campaigns were developed since, especially towards the beginning, by which the organization gained legitimacy and visibility in the eyes of society as a whole. It was these campaigns together with the emerging community relations that guaranteed Viva Rio's success both with fund-raising and achieving legitimacy in the target populations, key elements for the organization to take shape as a service provider. Through the publishers and editors of the four largest newspapers in Rio de Janeiro, members of the Council, and regular contacts with the press, Viva Rio has cultivated a marketing strategy promoting and preserving its public image.

The organization's presence in the news media results from both the activities themselves and recognition by the media that Viva Rio is a reference for the discussion of social problems in the city of Rio de Janeiro and a tool for effective action in areas that are under-served by government agencies. ISER's files on urban issues, as well as Viva Rio's publications and projects, have been used extensively as sources of information, constituting an important data base on relevant topics for the city, where journalists find data used to base their news stories.

Another important pillar in this social legitimacy has been the fact that Viva Rio brings together a broad range of social segments in common action.

Individuals representing these diverse (and sometimes discordant) social segments have met to discuss forms of action in the struggle against urban violence and social exclusion and have contributed to the organization's consolidation. Many of the founding members are still members of the Governing Council today.

The existence of a Council representing a broad range of social segments is common among NGOs. What is new in Viva Rio compared to other Brazilian NGOs is not only the fact that a broad range of social sectors is represented, but also that members of the Council are actually involved in the organization's daily work. In this sense the monthly meetings to discuss and solve the institution's issues as a whole guarantee active participation by its members, who closely monitor the organization's set of activities and lines of intervention.

Since the organization is both a service provider and "holding company" for projects, it must cultivate good relations with potential sponsors, and in this sense, the Council, based on its make-up and approach, has played a strategic financial and political role.

Whenever necessary, each of the members mobilize his or her network of relations and contacts to deal with problems like interruption of funding or to raise funds for projects or solve political issues. At the political level, such back-up is also important not only for Viva Rio's legitimacy in the eyes of society but also vis-à-vis government officials, making use of contacts and relations whenever needed for lobbying purposes.

As mentioned above, among the partners of Viva Rio, the government has played a major role, and this entails both advantages and problems. On the one hand, it means that the organization appears as a partner in implementing public policies, guaranteeing its authority in low-income communities, and the explicit premise is that Viva Rio and government are both indispensable and complementary, another innovative trait in terms of work by NGOs. However, the very guarantee of project continuity presupposes government participation and public funds, which leaves the organization highly dependent on good relations with government. This means that the flow of funds depends on the political will of the politicians in power at a given moment in time, implying the need to reconcile their sympathy for Viva Rio projects with their own interests. In practice, these politicians often view excluded populations as a potential political constituency, and in such cases they may also see the work of Viva Rio as a threat to their political designs. In fact the organization's work approach, which is exemplary in terms of its capacity to penetrate low-income communities and link resources from society to benefit them, makes a break with traditional paternalism and cronyism by relating to the communities as partners, holding them responsible for their own organization, fostering their own policy and project management capability.

In order to ensure the continuity and to expand the work of Viva Rio, it is crucial to expand and diversify partnerships with other private organizations, since this will guarantee both autonomy of action and social and political legitimacy.

Thus, the main challenge for organizations that develop such projects is to assemble a representative and professional structure, capable of forming alliances with the community without letting it be contaminated by the pressures and demands of local politics.

Viva Rio develops projects that can be multiplied, thus it uses standardized procedures that can be evaluated and measured. No matter what the project, it has these same characteristics.

For such multiplication to occur, structural flexibility is crucial. The institutional structure is proper to the nature of a service organization that is set up as a "holding company" for projects, since it is flexible and adjusts its dimensions according to the scale of projects currently in operation.

The system used for hiring employees has the necessary flexibility for the organization's functioning. A rigid structure with all the workers under permanent contract would be incompatible with the negotiated nature of the organization's funding sources, since the structure would need to be expanded at times of increased activity but could not be reduced if the scale of activities decreased.

During drawback phases, Viva Rio's prevailing hiring system allows it to keep the professionals who are indispensable to the organization's continuity. Hiring of the other employees via co-operatives could potentially be seen as a source of conflict, since highly qualified professionals might not accept working for an extended period of time under a third-party services provision system, i.e., without legal labour benefits or job security. However, the fact that Viva Rio hires on a part-time basis helps solve this issue, since all these workers have fixed jobs elsewhere with security and labour benefits.

The structure's flexibility allows the organization to have a staff of trained professionals available that it can rely on when it needs to expand the projects. These professionals themselves, having gone through their own initial training when the first project was launched, end up training new employees, and this training is done during the course of their activities in the project itself. An example is the Community Tele-Course, where training is provided through bi-weekly meetings with groups of teachers and their supervisors. The same is true for Viva Cred, where older employees train newcomers. In addition, the structure is planned for members of the communities to get involved, as in the case of Tele-Classroom teachers and Viva Favela reporters and photographers.

This flexibility also appears in the contracts with partner communities, the duration of which is determined by the amount of available earmarked funds. This characteristic, together with the hiring of teachers and supervisors (via co-operatives) allows for the scale of courses to be expanded or diminished according to the flow of funds, since the design itself does not impose major restrictions on the expansion or downsizing of the number of classrooms operating at any given time.

The database of communities with records on the organizations that can house Tele-Classrooms guarantees that when more resources become available the number of classrooms can be expanded quickly, because there are known places ready to receive them.

The possibility of multiplying and reproducing the experience on a large scale differentiates the way Viva Rio Tele-Classrooms operate as compared to those of other organizations. These other experiences are always individual, since they lack a structure allowing them to quickly expand the supply based on an increase in the demand. Quite frequently it is Viva Rio itself that provides other organizations with such know-how. Experiments have been conducted with various organizations in other states of Brazil, like São Paulo, Amazonas, and Pará.

The experience developed by Viva Rio is now being reproduced on a large scale in East Timor. Through the Foreign Affairs Ministry, the Brazilian government invited the Roberto Marinho Foundation and Viva Rio to implement the Community Tele-Course experience in this new nation. Members of the organization are training personnel and installing the programme.

In short, as highlighted above, the organization is extremely innovative in its work. Some aspects of this style have already been mentioned, but the Community Tele-Course is exemplary in this sense, since it innovates at various levels.

Introduction of the video system as a teaching element is an innovative element, but the fact that students attend a physical classroom in their own community in direct contact with their classmates and the teacher involves extremely important changes in the methodology. The Community Tele-Course is also innovative in that it involves different types of partners in this process, ranging from public agencies, private organizations, and companies, in addition to the local communities themselves.

Yet it is important to emphasize that this type of intervention has totally new impacts for the communities. By making the local community organizations responsible for the existence and functioning of the Tele-Classrooms, the Community Tele-Course directly contributes to the development of these organizations' project-management capability. In addition, organization of the communities encourages them to exercize their rights as citizens. It is the projects themselves that train community leaders in these practices, and this is a common characteristic in all the projects developed by Viva Rio, including Viva Cred and Viva Favela.

Viva Cred is the first micro-credit organization in Brazil that has been established without public funds (typically, it is difficult to raise this amount of funding in the private sector with the type of payment schedules needed for this kind of activity).

Viva Cred provides the *favelas* with a reality that only exists in the city's formally structured neighbourhoods and thereby generates a demonstration effect for the possibilities of economic dynamics, which is also present in the other Viva Rio projects.

Finally, considering that social exclusion also occurs and is reproduced by people's lack of access to information concerning the world in which they live, and that this world is not reached by the traditional press, the Viva Favela project is undoubtedly extremely relevant . While there is no record of a similar initiative in the country, the project is also innovative because it is the first effective step in Brazil towards democratization of the use of the internet. Viva Favela does not intend to teach information technology, which is the aim of other Viva Rio projects, but rather to teach the low-income population how to use the internet. The Viva Favela project does not intend to limit itself to being a tool with a virtual format, but it does intend to reduce the digital divide between low-income communities and the rest of the population.[14]

Finally, Viva Rio is unique because its projects combine social solidarity with the market in its various forms, including new technologies.

---

[14] Out of the total of approximately 10 million Brazilians with access to the internet, 80 per cent belong to classes A and B. Class C comprises 12 per cent, and classes D and E together 8%. This latter group is the public target for the gateway, since it will be able to tap into a large number of initiatives and a supply of information and services that is currently only in reach of the better-off segments of the populations. These figures give a clear idea of the size of both the digital divide and the possible demand, from the point of view of inclusion.

References

Cunha, M. 1998. *Histórico do PAE I e II* (Viva Rio, Rio de Janeiro).

Fausto, A. (ed.). 1999. *Estudio de Caso sobre el Programmea "Jóvenes en riesgo social. El Servicio civil Voluntário, Brasil* (FLACSO Brasil /UNESCO).

Fernandes, R. C. 1998. "Ações pela integração da cidade: A experiência do Viva Rio", in *Comunicações do ISER*, Vol. 17, No. 49 (ISER, Rio de Janeiro).

Soares, L. E. 1998. Sociedade Civil e movimentos Sociais no Mundo Globalizado. *Comunicações do ISER*, Ano 17, No. 49 (ISAR, Rio de Janeiro).

ISER, 1998. Cidade em Movimento. *Comunicações do ISER*, No.49, Ano 17. (ISER, Rio de Janeiro).

Pereira Lette, M. 1997. "Da metáfora da guerra à mobilização pela paz: temas e imagens do Reage Rio", in *Cadernos de Antropologia e Imagem*, Ano 3, No.4 (PPCIS- UERJ, Rio de Janeiro?).

Plon, D. 1998. *Peace in Troubled Cities*, No.84 Risk Book Series (World Council of Churches, Geneva).

Novaes, R. 2000. *Relatório de Avaliação*. Programmea de Aumento de Escolaridade, Viva Rio (ISER, Rio de Janeiro).

Novaes, R.E.; Mafra, C. 1999. *Balcão de Direitos. Uma experiência de profissionalização e interlocução social*. Série Avaliações, No. 1 (ISER, Rio de Janeiro).

Quiroga, A.M.;Rangel, R. 1998. *O Viva Rio e os Desafios da Intervenção Social* (ISER, Rio de Janeiro).

Reis, A.L.; Oliveira da Costa, L.2000. *Perfil dos Alunos do Programmea de aumento de Escolaridade, PAE* (ISER, Rio de Janeiro).

Viva Rio. 2000a.*Avaliação do IV Congresso dos Estudantes do PAE* (Viva Rio, Rio de Janeiro).

_____. 2000b. *Annual Report*. (Viva Rio, Rio de Janeiro)

_____. 1999. *Annual Report*. (Viva Rio, Rio de Janeiro).

Appendices

Appendix 6. Profile of students:

Taking as the basis the Tele-Classroom alumni from the years 1999 and 2000:

- ?? 155 classes began their courses in 1999 and finished in 2000.

- ?? 176 classes began in 2000 and are still under way.

- ?? The total number of students is 8,300.

- ?? 8,300 students have enrolled since 1999 and are broken down as follows:
    o Gender: 52.1 per cent females and 47.9 per cent males.

- ?? Age:
    o 17-20 years: 33.9 per cent
    o 20-29 years: 36.8 per cent
    o 30-39 years: 18.6 per cent
    o > 39 years: 13.7 per cent

- ?? Marital status:
    o Married: 53.7 per cent
    o Single: 26 per cent
    o Other: 20 per cent

- ?? Colour/Race:
    o White: 72.4 per cent
    o Black: 7.7 per cent
    o Mixed-race: 19.2 per cent (or *pardos*, according to the Brazilian Census classification).

Note that the above categories are self-reported, and should be interpreted with some caution.

- ?? Employment:
    o 50 per cent of the students are unemployed, including those who have never worked and are looking for their first job.

- ?? Motivation for enrolling in the course:
    o Get a job or increase one's income: 38 per cent
    o Improve one's employment situation: 11.78 per cent
    o Increase one's income: 8.43 per cent

The fact that there are proportionally more women corresponds to the gender distribution of the Brazilian population as a whole and can also be explained by their participation in the work market, since women who do not work would tend to have more time available to resume their schooling (Oliveira da Costa Reis, Ana Luisa: *Perfil dos Alunos do PAE*, ISER, mimeo).

Fonte: Viva Rio

Appendix 7. Educational projects Viva Rio – Institutional structure

Donors —Contract→ Viva Rio ←Agreement→ Local association

Viva Rio —Cooperative→ Teachers and supervisors
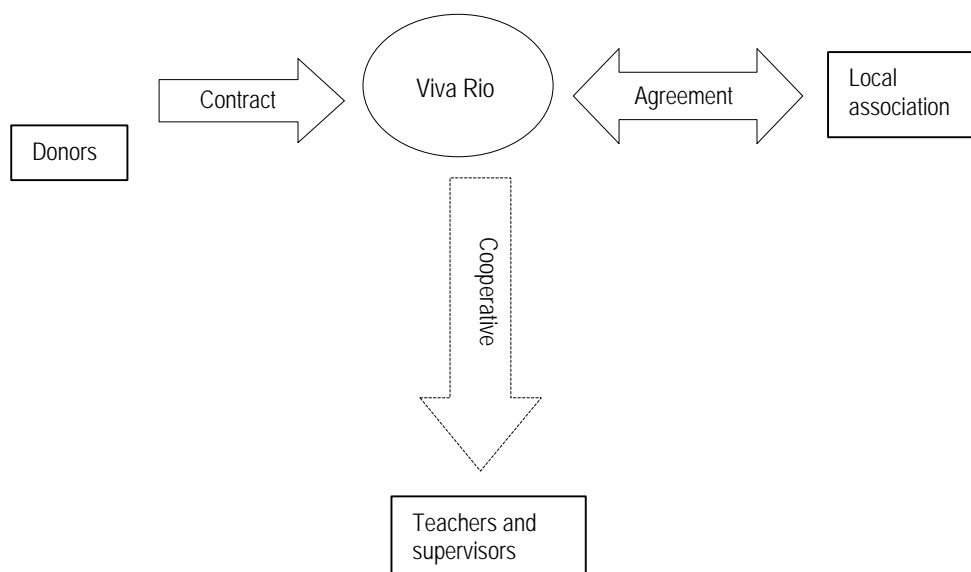
Appendix 8.   Flow chart Viva Cred

General Assembly
7 Founding Partners

Governing Council

Superintendency

Administrative/Financial Manager — Credit Manager

4 Credit Managers

Administrative Assistants

8 Credit Analysts
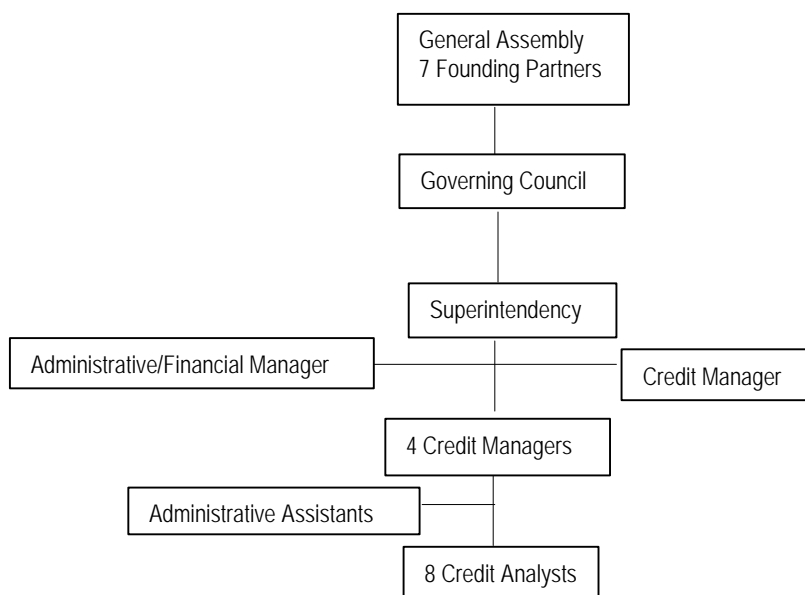
Appendix 9.   Viva Cred- Credit operations flow

```
                    ┌─────────────────────────┐
                    │     Loan application     │
                    └─────────────────────────┘
                ┌─────────────────────────────────┐
                │     Preliminary discussion       │
                └─────────────────────────────────┘
              ┌───────────────────────────────────┐
              │ Credit analysis                    │
              │ - Creditworthiness                 │
              │ - Guarantee                        │
              └───────────────────────────────────┘
          ┌───────────────────────────────────────────┐
          │    Analyst's loan proposal to committee     │
          └───────────────────────────────────────────┘
              ┌───────────────────────────────────┐
              │ Loan Committee                     │
              │ Final decision                     │
              └───────────────────────────────────┘
         ┌──────────────┐              ┌──────────────┐
         │    Denied     │              │   Approved    │
         └──────────────┘              └──────────────┘
                           ┌───────────────────────────────────┐
                           │  Loan contract and disbursement    │
                           └───────────────────────────────────┘
                              ┌─────────────────────────────┐
                              │  Follow-up and collection     │
                              └─────────────────────────────┘
```
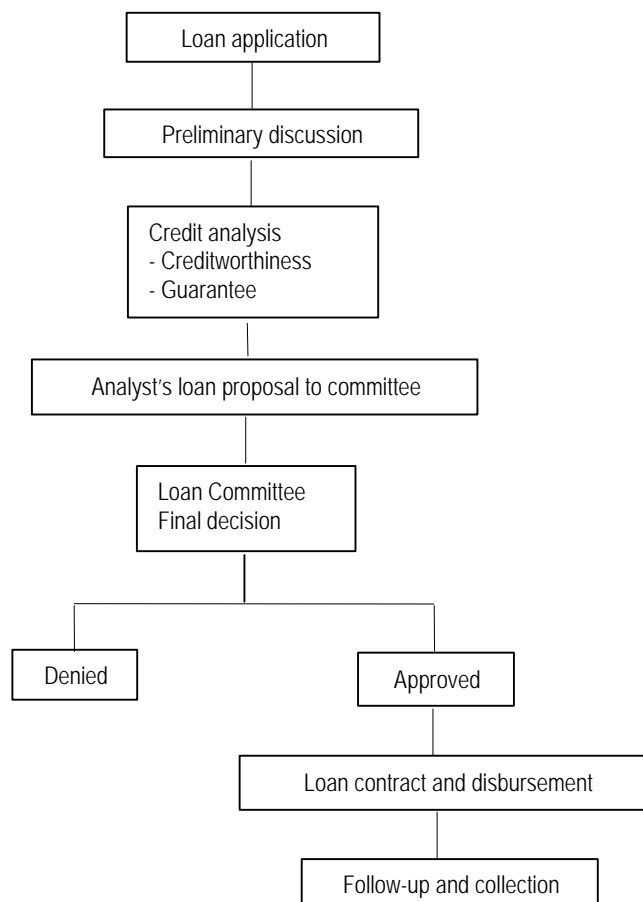
Appendix 10. Profile of the Viva Cred loan portfolio (March 2001)

Use (%)		
	Working capital	62
	Fixed capital	13.5
	Renovation	24.5
Credit brackets (% of total loans approved)	< 1000	41.2
	1001-3000	48.2
	3001-5000	5.4
	> 5000	16.3
Economic activity (%)	Production	4.9
	Commerce	68.2
	Services	26.9
Guarantees (%)	Surety	97.1
	Collateral	3.4
	Mixed	0.5
Composition (%)	Formal	4.9
	Informal	95.1
Gender (%)	Male	51.8
	Female	48.2

As of March 2001, the outstanding loan portfolio of Viva Cred was USD873,900, with 1,873 clients. These figures indicate an average loan of USD466 per client.[15]

The table above shows the absolute prevalence of loan use for strengthening working capital (62 per cent) and in amounts of up to USD1, 350 (89.4 per cent), focused primarily on commercial activity. This profile corresponds to the nature of economic dynamics in the *favelas* of Rio de Janeiro, where there is intense commercial activity (sale of food and clothing items, primarily) and lack of capital to establish store inventories with scale economies.

---

[15] Exchange rate on June 15, 2001: 1 USD = R$2.41. Monthly minimum wage: R$180 (USD80).