

## PURE ART FOUNDATION

# 2022-23 UPDATE

"Bringing shelter, education & first-line healthcare to marginalized communities in the developing world"

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### **Executive Summary**

In the Pure Art Foundation's 2021 annual <u>Impact Report</u>, the Foundation established two main objectives for 2022 and beyond:

- 1. Promoting high-school graduation and supporting post-secondary access
- 2. Opening access to career advancement

The following Impact Report provides a review of 2022's success and challenges and demonstrates clear progress towards both of these objectives.

In 2022, 14 new scholarships were awarded to first year university students, a 17% increase from 2021. By June 2023, a further 22 new scholarships were awarded to first year students, translating to a 57% increase from 2022. This brings the current number of Foundation students registered in post-secondary education to 63. In addition, 210 students were sponsored across elementary and secondary education in 2022-2023.

With regards to providing access to career advancement, the Foundation has continued to expand the reach of its Titulo Fund, established in 2021. In Peru, a 'titulo' is a license or certification, in addition to a university degree, that is required to enter the workforce in certain fields. Obtaining this permit can be cost-prohibitive, creating a barrier to entry. In 2022-2023, 9 new titulos were financed, (compared to 2 in 2021) removing the final barrier to employment for these students who had been sponsored by the Foundation from a young age.

Career opportunities continued to expand through the Centre for Human Development's (CHD) (previously the Hub of Hope) sewing centre and the micro-enterprise run by its graduates. The Arte de las Manos micro-enterprise continued to expand its reach and income generation potential. For the first time, in 2022, its seamstresses obtained purchase orders from outside the community, sewing uniforms for companies, schools, and sports teams. Some

### **EXECUTIVE SUMMARY**

of these women reported to Foundation staff that this was the first time in their lives that they felt the empowerment of self-sufficiency all while developing a marketable skill.

March 2023 marked the third consecutive year that the Foundation was unable to travel to Pucallpa, Peru with its usual team of Canadian volunteers due to pandemic restrictions. Though restrictions lifted in Peru throughout 2022, by December, the country faced serious political instability and turmoil, further delaying volunteer presence while increasing material costs and impeding program logistics. As a result, the Foundation's most volunteer-centred program – C.A.S.T. (responsible for building infrastructure and homes) – experienced a relative slowing of its operations. Despite this, 2022 saw the construction of the Foundation's 38th home, offering shelter to a family of nine.

Liam McKinnon
Board of Directors

Ellie Lawther Consultant

### INTRODUCTION

### Introduction

The Universal Declaration of human rights recognizes that "the inherent dignity and... equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world." For too long, too many have gone without the protection of these rights.

Pucallpa, Peru is a rapidly growing frontier city in the Amazon where the basic rights to health, shelter, and education are severely lacking. Knowing how fundamental these rights are to human dignity, the Pure Art Foundation decided to advocate on behalf of those who had been overlooked by their own governments and larger international organisations.

In 2007, Brigitte and Robert McKinnon established the Pure Art Foundation with the vision to bring sustainable development to this community in need. Above all the Foundation wanted to ensure that the help brought to its families was multidimensional, intergenerational, and sustainable.

#### HOW FAR WE'VE COME

"To do a lot with a little," was the Foundation's motto at its inception. As a family-run, registered Canadian charity, the Foundation undertook a huge mission: to end cyclical poverty in an overlooked community of Pucallpa, Peru.

To achieve this, the founders created a blueprint for sustainable change on three pillars: health, shelter, and education. All three of these pillars represent a fundamental human right, each of which were urgently lacking in the slums of Pucallpa when the Foundation first set foot there 16 years ago.

Since then, the Foundation's reach has grown dramatically. Thanks to donors, volunteers, and corporate partners, the community of 15 000 people surrounding the CHD now has access to:

### **INTRODUCTION**

- A fully stocked pharmacy with full-time services of a qualified nurse
- Annual medical and dental health campaigns
- A community centre
- Sponsorship for elementary and secondary education
- After-school tutorship
- University scholarships
- A daycare
- A sewing workshop and women-empowerment program
- A women-run micro enterprise, led by sewing program graduates

In addition, the Foundation's C.A.S.T. program, responsible for infrastructure, has seen the completion of:

- 38 homes for families lacking safe housing
- 3 classrooms
- A medical clinic
- 6 freshwater wells

But the Foundation's vision of sustainable change does not end with erecting infrastructure and launching programs. The Foundation has always aimed to ensure that even the earliest investments from donors and sponsors generate lasting, sustainable change. Already, the community of Los Jardines, Pucallpa is beginning to see returns on the generosity of those early investments:

- The pharmacy played a pivotal role in sustaining the community's health through
   COVID-19 and dengue virus outbreaks
- Sales from pharmacy products are now generating revenue for the CHD

### INTRODUCTION

- Graduates from the women's sewing program are outsourcing their services, generating income for their households
- An increasing number of high-school graduates are pursuing higher education
- University graduates, once sponsored by the Foundation as children and young adults,
   are now establishing businesses in the community and tutoring younger students

The scale of this progress, and the depth of the Foundation's impact would not be possible without monetary donations, both at the individual and corporate level. The Foundation has been fortunate to receive consistent support from Scotiabank through their corporate social responsibility work, and most recently as part of their ScotiaRISE program, with the latest instalment donated in 2022.

On the ground in Pucallpa, the Foundation is beginning to witness the reversal of a cycle of poverty. Los Jardines was a place where mothers could not afford to send their children to school or learn new skills themselves. Homes were makeshift, temporary, and unsanitary, which led to endemic disease and illness, which in turn led to a worsening of economic outcomes for families and the community. This downward spiral has been halted, thanks to the Foundation's incredible donors and unwavering team of volunteers.

Now, the Foundation aims to reverse the spiral into uplift.

The Foundation has consistently delivered on the promise of the "100% model", where all of the Foundation's administrative costs are covered by the profits of the Pure Art Boutique, a Fair Trade Federation Member and store located in Vaudreuil, Quebec. This model ensures that 100% of donations received go directly to the community and Foundation programs.

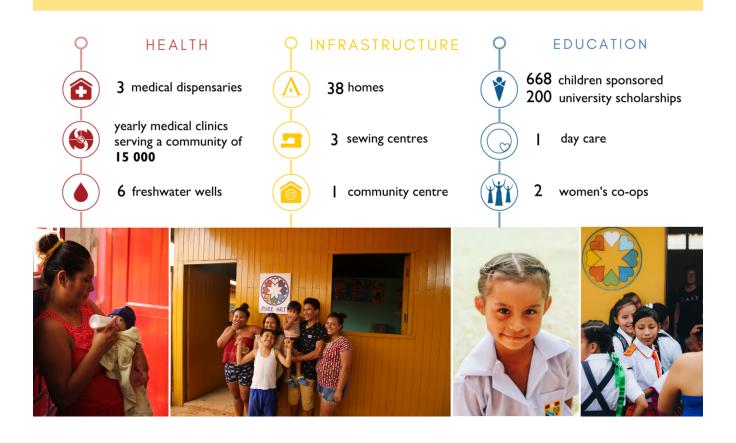
### A Year in Review: Strengths & Challenges of 2022-23

#### **2022-23 IN NUMBERS**

Each year, the reach of the Foundation's programming grows, bringing hope, dignity, and opportunity to the people of Pucallpa.

2022-2023 saw the Foundation's 38th home built for a family of nine. 210 primary and high school students were sponsored, 63 university scholarships were awarded, and 9 titulos were financed. In addition, the Comedor after-school program for elementary students nearly doubled in size, reaching its current maximum capacity of 61 students.

This growth brings the current total of the Foundation's impact to:



The Foundation is extremely proud of this expanded reach and impact, especially in light of restrictions to volunteer travel

#### RESTRICTIONS, POLITICAL TURMOIL, AND LOGISTICS

For the past three years, the Foundation's capacity to travel to Peru with its Canadian volunteers has been severely limited. Two years of COVID-19 travel restrictions, followed by political turmoil in Peru in December 2022, have taught the Foundation the importance of ensuring that programs can run efficiently under supervision of local staff alone.

While the entirety of the CHD's services continued to run smoothly during this time period, some volunteer-centered programs like C.A.S.T. (responsible for building homes and infrastructure) slowed. As for the One School for All program, key responsibilities which previously relied too heavily on the yearly presence of Canadian volunteers, are now being transferred to our team of 14 local coordinators.

The logistical challenges of the past three years presented the Foundation with an opportunity to streamline certain aspects of program maintenance, and to strengthen the self-reliance of the local team in Peru. As the Foundation navigated these changes and transitions, it became apparent how important these steps are in ensuring the full sustainability of their programs. Unforeseen circumstances in the future may continue to hinder capacity to travel to Peru, but the Foundation has welcomed the opportunity to ensure that enforced absences will not derail progress achieved to date and future ambitions.

Despite these challenges, 2022 remained a year of significant success with regards to the Foundation's commitment to promoting high school and university graduation, providing access to career advancement, and empowerment of women.

#### FROM HOPE TO SUSTAINABILITY: THE CHD

In May 2023, the centre of the Foundation's work in Pucallpa, Peru, formerly called the Hub of Hope, was renamed the Santa María de la Esperanza Centre for Human Development.

Throughout this report, any mention of the Centre for Human Development (hereafter CHD) therefore continues to refer to the same location and community the Foundation has been working with for the past 16 years.

The change of name coincided with the CHD officially acquiring not-for-profit status in Peru, a significant step on the road to full sustainability. Not-for-profit status will eventually allow the CHD to raise and reinvest its own capital to sustain its programs. To support this move towards sustainability, in the coming year the Foundation will explore registration of the CHD with Peru's National Superintendency of Tax Administration – SUNAT – for tax purposes. This is an essential step in ensuring that the CHD can one day pay its own staff (pharmacy nurse, daycare administrators, sewing instructors, etc.) while being in full compliance with Peruvian labour laws. At the moment, however, further funding

is still required for the CHD to reach this desired level of self-sufficiency.

Marie-Colette (pictured below left), the Foundation's full-time representative and program manager on the ground in Peru, explains why the new status, and this new chapter in the Foundation's work, warranted a change in name:

"The Hub of Hope used to refer to where it all started: a meeting place where people were joining together to build a vision and to spread hope in a severely underserved community.



There was nothing in the empty lot that the Foundation purchased. Today, the first stage of that vision has been successfully built; we've witnessed the ripple effect of hope in a community. Across each of our pillars – health, education, and shelter – we've accomplished remarkable change.

In order to carry that change into the future and impact generations to come, we are moving beyond hope. We are leading a centre that is committed to ongoing human development, and the teaching of community values. Although aid, and the hope it brings, is an invaluable first step and resource in creating change, it is ultimately this community that will sustain that change, carry itself forward and



empower its future children to thrive and care for one another. We wanted a name to illustrate this new stage in the Foundation's legacy, and to represent the accomplishments to come."

### **EDUCATION & YOUTH**

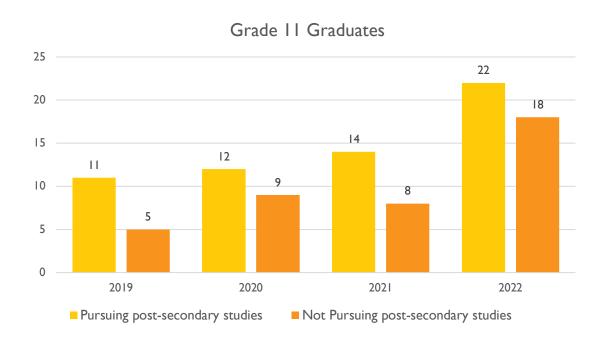
### **Promoting High School and Post-Secondary Education**

Every year, the Foundation oversees the sponsorship of schoolchildren from kindergarten through to grade 11. In 2022-2023, the Foundation sponsored 210 students, carrying each sponsorship forward from the previous year. From its inception, the Foundation has been committed to closely following its students and supporting them until they reach their goals.

Upon completing grade 11, those who demonstrate the will and academic rigour to pursue higher education can apply for financial support from the Foundation through scholarships. In 2022, the Foundation financed the post-secondary education of 58 students, surpassing its goal of 40 students set in 2021. In 2023, the Foundation continued to surpass this target, awarding scholarships to 63 post-secondary students.

Moreover, 2023 saw a significant uptick in scholarships awarded to first-year students entering a post-secondary institute. 22 first-year scholarships were awarded in 2023 compared to 14 in 2021, and 12 in 2021.

To date, the Foundation has financed approximately 200 higher education scholarships. As illustrated in the figure below, the Foundation's education program has demonstrated a yearly increase in both the number of students graduating from grade II as well as the number of students pursuing higher education. In Peru, the academic year usually begins in March and graduation occurs in December. Therefore, at the time of writing, the number of grade II graduates for 2023 is not available.



### From Elementary School to a Well-Paying Job: The Importance of Titulos

In 2022-2023, the Foundation financed a total of 9 new titulos (i.e., mandatory professional certifications or licenses) for its post-secondary graduates. In Peru, many fields require, in addition to the successful completion of a university or technical degree, a certification coined titulo to permit graduates to enter the workforce and ensure that they earn the appropriate salary for their qualifications. For some Foundation graduates, the cost of a titulo is beyond their means, especially after years of full-time studies. As part of the Foundation's commitment to supporting students all the way through to financial independence, students are offered an opportunity to volunteer their time tutoring young children at the CHD or assisting Marie-Colette in her work in exchange for regular instalments toward their titulo.

In 2022, the Foundation financed titulos for its graduates in the fields of accounting, informatics, and electrical engineering. One these beneficiaries, Pamela Nicole Ramirez Robledo, has been sponsored by the Foundation since she was 10 years old. After graduating from high school, she received a Foundation scholarship to pursue accounting at the University of Ucayali. She graduated in 2022 and, thanks to her titulo, now works as an accountant in a firm in downtown Pucallpa.







### **Focusing on Outcomes, Not Outputs**

It is stories like that of Pamela Nicole that remind the Foundation, its donors, and sponsors, the importance of focusing on outcomes, not outputs. While the Foundation is extremely proud of the program's aforementioned growth, and deeply grateful for continued support, they are aware that numbers only tell one part of the story. Focusing only on increasing metrics says nothing about the human impact behind these numbers. Counting school uniforms, materials, and scholarships provided to students means little if it does not translate into diplomas, jobs, and an improvement in living conditions. After 16 years of working in the same community, the Foundation is now capable of demonstrating just how much their education programs translate into human development and systemic change.

#### **Success Stories Over the Years**



#### **GUADALUPE**

Guadalupe is the first student ever sponsored by the Foundation and the One School for All Program. In 2015, she was also the Foundation's first university graduate.

With a degree in Psychology, Guadalupe is now the co-owner of a daycare in Pucallpa that offers psychological care to children in need.

She also volunteers her services to the CHD as a way of giving back and expressing her thanks for the opportunity that was given to her.



#### AMALIA -

Amalia is Guadalupe's younger sister and was sponsored by the Foundation at the same time.

In 2015, she acquired a professional certificate in culinary arts and opened her own gourmet restaurant in Pucallpa. It was such a success that Amalia was able to finance her own pursuit of a new degree in law. Amalia is currently studying to become a human rights lawyer.

#### **LLEBNER**

In 2015, at the age of 24, Llebner turned to the Foundation with the intention of studying psychology.

Eight years later, in early 2023, Llebner received his credentials as a psychologist and will soon embark on his professional life. Llebner is a model of perseverance for other students who are each pursuing their own dreams.



These faces are shining examples of a long list of our students who are currently pursuing post-secondary studies and graduating from programs in law, psychology, nursing, computer science, civil engineering, education, accounting, and economics. Each of these students come

from disadvantaged families who, when first introduced to the Foundation, faced bleak prospects. Today, they have more than hope. They have a promising future, and a desire to give back.

Moreover, making post-secondary education a reality for children in Pucallpa is not just about access to post-secondary institutions. Multiple programs run by the Foundation (enabling access to primary healthcare, providing high-speed internet for their studies, and supporting their parents' path to self-sustainability through career advancement) ensure these children have the support needed to reach their full potential.

The Comedor and Mango afterschool programs are among these key initiatives. By tutoring elementary school children, these programs seek to foster a love of learning at the earliest age and instill in the children a sense of the opportunities that await them once they reach graduation. Led by the Foundation's university graduates, these programs also provide children with role models and mentors that they can both relate to and draw inspiration from. In 2022, community demand for the Comedor program exceeded its maximum enrolment capacity of 61 students. With further funding, the Foundation would focus on increasing the program's





### HEALTH: A PAEDIATRICIAN JOINS THE BOTIQUIN

In May 2023, the CHD's pharmacy – the Botiquín – welcomed Dr. Yovina Noriega, a paediatrician who is volunteering her services to the families of Los Jardines. She visits the CHD once a week and, drawn by its commitment to the less fortunate, insisted on covering her own travel costs from downtown Pucallpa. The Botiquín charges only a nominal fee of 10 Peruvian soles for families wishing to consult with her.



In Pucallpa, the most common childhood ailments are malnutrition and parasitic infections. Due to cultural beliefs and habits, many families in the slums only take their children to see medical professionals as a last resort and in urgent situations, preferring to rely on natural remedies in most cases. The Foundation learned that even with the paediatrician's services being essentially free, only a handful of families came to see her.

Since June, Dr. Noriega has therefore begun house-calls to the community to establish a relationship of trust and to inform families on the treatments and medications available at the Botiquín. The Foundation is extremely grateful for her time and dedication on this front.

#### C.A.S.T: AN UPDATE ON INFRASTRUCTURE

In June 2022, the Foundation completed construction of its 38th home. It is also the first home to be built since the pandemic severely hindered C.A.S.T.'s operations in Pucallpa.

The beneficiaries of this home are Amelia and her husband Raul, and their seven children. Their eldest daughter, Maria, is a graduate from the Foundation's One School for All program. Maria operated the CHD's pharmacy and clinic up until February 2022, when an expanding family and a move with her husband took her to another sector of Pucallpa.



As the program that mainly oversees the construction of homes in the community, as well occasional bigger projects like classrooms, sewing centres, and medical dispensaries, C.A.S.T. is a both a labour-intensive and material-dependent program. Canadian volunteers often fundraise the amount needed to build the home, and travel with the Foundation to partake in its completion. Unfortunately, this involvement was hindered for the past three years due to travel restrictions of the COVID-19 pandemic. Moreover, the pandemic and Peru's political instability significantly impacted the cost of construction materials in Peru, further limiting CAST's full reach.

Currently, a relative state of calm is returning to Peru, and the Foundation looks forward to resuming volunteer trips in March 2024.

#### WOMEN EMPOWERMENT

In 2022, the women enrolled in the Foundation's sewing program continued to develop the skills required to attain financial independence and provide for their households. The Foundation provided them with two industrial sewing machines, and their enrollment fees covered the costs of new fabrics.

Meanwhile, some of the program's past graduates, who now run their own micro-enterprise - Arte de las Manos - began receiving their very first purchase orders from outside the community. This demand was sustained all throughout 2022 and into 2023, keeping them busy and instilling a sense of purpose, progress, and success in their business.

The seamstresses received various contracts to sew uniforms for local sports, music, and educational groups. A total of about 200 polos were ordered and purchased by these groups, while other contracts were put on hold due to COVID-19's continued impact and the rising cost of materials. To support them through these challenges, the CHD provided them with ample opportunities: the seamstresses continued to sew for CHD programs, providing daycare

children with bibs, school children with gym uniforms, skirts for inaugural ceremonies, and curtains for the pharmacy's new storefront.



#### THE CHD ACQUIRES A NEW STATUS: SELF-FINANCING & EMPOWERMENT

The Centre for Human Development (CHD) teaches its beneficiaries the importance of investing in their own future. Marie-Colette reminds them that international aid is only one part of the picture, and that shouldering their own growth and development comes with immense feelings of pride and empowerment.

For this reason, the CHD asks parents to cover a small percentage of their child's enrollment into CHD programs, whether it be the Comedor after school tutorship, the Mango program for grades one and two, or the center's daycare. By partaking in this way, parents share in both the responsibility and the accomplishments of their children's education.

In addition to these nominal fees, the CHD is beginning to find other ways to raise its own capital to fund its own programs. For example, the centre's pharmacy sells discounted

medication to the community, and in so doing, funds its next purchase orders. The pharmacy is no longer dependent on international assistance to stock its shelves.

The Foundation will also seek to grow the CHD's capacity to generate additional income through the artistic creations of the Arte de las Manos seamstresses, as expanded on below.



## LOOKING FORWARD: OBJECTIVES FOR 2024 AND BEYOND

### Looking Forward: Objectives for 2024 and Beyond

Although full sustainability and self-sufficiency for the community of Los Jardines remains the ultimate goal, there is still a road ahead. Donations from donors and corporate partners remain essential in helping the Foundation to build the CHD's capacity to empower the community. With more financing, the Foundation's reach and impact could expand even further than it has. Key areas of financial need and investment identified by the Foundation and their staff at the CHD include the following:



#### ACCESS TO POST-SECONDARY EDUCATION & CAREER ADVANCEMENT

Review of data with Foundation staff in Pucallpa suggests that approximately 73 students will require university scholarships in 2023-24 in order to continue or commence their post-secondary studies. These numbers include 19-20 prospective university students who are currently in grade 11 of high school. These sponsorships are vital for students looking to

## LOOKING FORWARD: OBJECTIVES FOR 2024 AND BEYOND

achieve their academic goals and objectives, without which they are faced with a more limited range of career opportunities. The Foundation maintains strong and clear lines of communication with all of its scholarship recipients and enjoys watching them grow from strength-to-strength. As discussed above, students are committed to giving back to their community upon graduation, in the form of mentorship, as role models, or by active community service.

In addition to the university scholarships, the Foundation plans to sponsor at least 10 more students through the pursuit of their titulo. As described, this certification is vital for securing employment in the students' chosen field of work and is often required in addition to a post-secondary diploma.

#### INFRASTRUCTURE DEVELOPMENT TO MEET CRITICAL COMMUNITY NEED

As the CHD continues to provide the backbone of support for the local community, it has been brough to the Foundation's attention that additional infrastructure needs must be met. The Foundation has already secured funding for and has purchased two lots of land adjoining the CHD, which now await construction of an additional community centre to sever a twofold purpose:

- I. An official meeting place for the community for sewing initiative and micro-enterprise product sales, workshops, and mass medical clinics
- 2. To provide additional space for the Comedor afterschool program, allowing more children to enroll in tutoring

### LONGER TERM OBJECTIVES

With the increasing success of the Arte de las Manos, strategic and commercial partnerships are needed to bring the micro-enterprise to the next level of economic reach and

# LOOKING FORWARD: OBJECTIVES FOR 2024 AND BEYOND

development. There is a strong desire to create products suitable for sale on the global fair-trade market, through stores such as the Pure Art Boutique in Canada.

This is a longer term goal requiring completion of multiple stages, including:

- Market research and sales awareness
- Product design
- Design training

If successful, this additional income generation would help support the objectives of the CHD to become self-sustaining in the longer term.

### CONCLUSION

### Conclusion

This report highlights the ongoing efforts to grow programs, combat challenges, and to address the needs of a developing community. The Pure Art Foundation continues to work with families and community leaders in Pucallpa to provide community-based solutions to concerns and problems faced by community members every day, in particular, its women and youth. By continuing to promote and uphold the principles of sustainable development, the Foundation hopes to continue to empower the people Pucallpa to be the leaders in their own futures.



### **ACKNOWLEDGEMENTS**

### Acknowledgements

On behalf of the Pure Art Foundation Board, we extend our heartfelt thanks to all of our donors and corporate sponsors who allow us to continue our work of sustaining and expanding programs at the CHD in Pucallpa, Peru. We are truly grateful.

Special thanks go to Scotiabank and the ScotiaRISE program for their long-term support of targeted Pure Art Foundation initiatives in the communities of Pucallpa. Together we are helping disadvantaged families rise from poverty, through education and economic resilience. This continued collaborative effort in Latin America has helped our communities to push through the struggles of uncertainty and focus on investment in a brighter future ahead.

Gratitude must also be extended to the Foundation's key on-site staffer Marie-Colette and her unwavering dedication to the Centre of Human Development and its programs that have helped uplift and nourish this community into health.

