

Impact Stories

#ChallengeChampions

“Sharing Impact Stories of Sida’s Bilateral Challenge Funds in Bosnia and Herzegovina, Colombia and Somalia “



Introducing #ChallengeChampions Impact Stories

Since 2007, Sida has used Challenge Funds as a mechanism for addressing global challenges and creating positive social impact in developing countries. Since then, 13 challenge funds have been delivered (some in multiple rounds) with the support of Sida, which in turn has helped to support hundreds of businesses and organisations globally to address development challenges. But what is the real impact of this mechanism to date?

Over 2018, Sida commissioned a review of its ten global challenge funds in Sida's portfolio conducted by IPE Triple Line. Initial results of this study were presented in September 2018 at an event called "Do Challenge Funds Work? Lessons from a Decade Long Journey". In short, the evaluation concluded that Challenge Funds have been an appropriate instrument for addressing development objectives and the intended outcomes for the majority of the funds have been broadly achieved. However, while specific results of the challenge funds may be possible to measure, it was recognized that the long-term impact in the community of these investments are more difficult to track. So can awarded companies continue to create meaningful impact once the support from the challenge fund has ended?

To answer this question, we looked into three binational-based Challenge Funds not covered by the IPE Triple Line evaluation: **the Somali – Swedish Business Programme, the Colombian Innovation for Peace and the Challenge 2 Change in Bosnia and Herzegovina**. After first meeting with experts and stakeholders involved in managing these challenge funds, we conducted interviews with 15 challenge fund recipients from these three programmes.

These businesses – our so-called "Challenge Champions" – shared their personal stories of how they are continuing to create impact in their communities, and how the support they received from the Sida challenge fund has helped them along the way. From interviewing our "Challenge Champions" we have been inspired, "transported" to post-conflict areas in Colombia, Bosnia and Herzegovina and Somalia and have learnt that depending on the location, the size or the stage of the company, they would value the support received with different lenses. For example:

- In Colombia, the challenge fund does not provide funding directly to the companies but facilitates technical support from experts that can solve the company's challenges. This was mostly valued by small / medium size companies that do not have technical experts in their own teams nor have the capacity to pay for technical assistance. This technical support did seem to result in helping many of these small businesses to scale.
- In Somalia and Bosnia & Herzegovina, being part of the challenge fund brought the economic input (co-funding) they needed to, for example, purchase more efficient machinery to dry grains and improve the quality of their products or to build an on-line shop that allows them to find new markets.
- Many of the awarded companies that we talked with, mentioned that being part of the challenge fund has helped them to gain visibility and make valuable contacts such as new clients or new suppliers. In Colombia, some of the companies are located in rural areas and their initiatives were not known at national level and some potential clients simply did not know about them.
- For larger companies or for those focusing on exports, to have the international recognition through the Swedish Embassies was the most valuable output of being part of the challenge fund.
- Of the companies interviewed, we observed that the majority of companies that had run their initiative had managed to further develop and scale their initiative, and associated impact, since the completion of the funding. However, it should be recognized that the companies interviewed were recommended by the programme managers, and thus most probably represent the more successful initiatives from the wider portfolio.
- Overall, we can conclude that for the companies interviewed, the funding provided by Sida through the challenge fund mechanism was highly appreciated and contribute to enhancing the impact of these initiatives.

The [Swedish-Somali Business Programme](#) (SSBP) is a capacity development programme jointly implemented between Forum Syd and Business Sweden. The programme provided financing support and supported entrepreneurs aiming to start up and develop sustainable business in Somalia. The goal is to increase investment in the country and to strengthen the private sector from a rights-based perspective in the hope of creating jobs and opportunities for sustainable livelihoods of Somalis and inclusive development in the longer term.

The main purpose of the Swedish-Somali Business Development Programme (SSBP) is job creation, especially for women and young people, and to contribute to the reconstruction of Somalia. SSBP runs over three years, from July 2016 until June 2019. During these years, more than 80 entrepreneurs will explore and develop business opportunities in Somalia. The SSBP entrepreneurs' efforts and results will be monitored and evaluated. An external evaluation of the program will be conducted during 2018.

At the time of preparing this report, the fund has had 3 windows which were divided in modules:

- Module 1: Gives the opportunity to explore a business idea for three months and includes financial support of SEK 35 000
- Module 2: Gives the opportunity to develop a business idea or expand a business during twelve months and includes financial support up to SEK 200 000

Challenge Champions stories from Somalia will be shared on:

- V.1: Somalia – Riyan Organics
- V.6: Somalia – Horyaal Cable TV
- V.9: Somalia – Waamo Enterprise
- V. 12: Somalia - Radio Daljir
- V.15: Somalia – Ari.farm

Challenge Champion	➤➤➤	Riyan Organics
Initiative	➤➤➤	Organic Hair and Skin Products
Interviewee	➤➤➤	Muna Megan, Founder
Country	➤➤➤	Somalia
Award	➤➤➤	Swedish Somali Business Programme (SSBP)



"We believe that the way to end poverty is by providing work and allowing women to be free, independent and self-sufficient"

Muna Megan – Founder of Riyan Organics

Riyan Organics is a cosmetic company that produces organic hair and skin products. Muna Megan told us her story and the fantastic achievement so far. All the steps in the value chain are produced in the Somalia, everything from processing, packaging, distribution to selling. Riyan Organics started as a module 1 company in the Swedish Somali Business Programme (SSBP) and established their business plan and started operations before entering module 2 phase of the programme. The business idea is based on positioning themselves in the local market first to then sell to regional and international markets. Muna is no ordinary businesswoman! She is a Woman, She is a Mother, She is a Wife, She is Swedish, She is African but most important of all she is a Visionary that wants to make a difference!

Challenge. *"I took trip back home to Somaliland in 2014 to visit my mother. It was then that I discovered I wanted to do work that inspired me and would make a positive difference in the local community and across Africa. I wanted to use my skills and experiences which I gained in Sweden and apply them in Somalia. As an entrepreneur, I wanted to start a new venture but one that would benefit locals, especially Somali Woman. I have a mother that has spent most of her life being an advocate for women's issues. She encouraged me and supported me to give up a stable job and start a new venture in Somaliland. I am extremely passionate about natural cosmetic products and so decided to work on my own range which would be 100% natural, organic and produced in an ethical manner. I found my ideal skin care range from the natural leaves found in Somalia. With the correct procedures and after much experimentation I found the perfect range which I named Riyan Organics, named after my daughter".*

The product ranges are fantastic and exclusive, but that is not all. I have given the farmers good trading deals so that they can benefit from the profits of my range. As someone who is passionate about female empowerment, I have hired dozens of Somali Woman to help prepare the products that I sell to the world."

Impact. Riyan organics targets women in vulnerable communities; a vast majority of farmers in this industry are women in vulnerable communities. Riyan Organics is keen on targeting them to provide better working conditions and sustainable livelihoods. Currently Riyan has created 19 jobs, 13 for women. The aim is to continue contributing to the community by investing in projects aimed towards reducing poverty and empowering women. Riyan Organics won business of the year at the London Somali Achievement Awards in 2018 and was invited to represent Somalia and Somaliland at the Women in Africa summit in Marrakech, Morocco 2018.



Challenge Champion	➤➤➤	Horyaal Cable TV
Initiative	➤➤➤	Connecting Households in Jubbaland to Worldwide TV Channels
Interviewee	➤➤➤	Saytun Ibrahim Mohamed, Office Secretary
Country	➤➤➤	Somalia
Award	➤➤➤	Swedish Somali Business Programme (SSBP)



"I have got a good work experience and high on-the-job training... so I am thanking to Horyaal Cable TV Kismayo and the Swedish Somali Business Programme who gave HCTV the fund".

Saytun Ibrahim Mohamed, Office Secretary

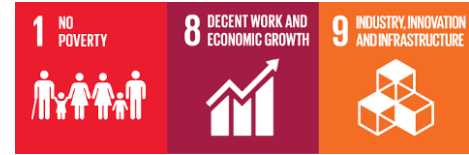
Horyaal Cable TV has been connecting households in Jubbaland to worldwide TV channels through an antenna and a modem device since 2015. The company enables the citizens of Jubbaland to receive news, cultural entertainment, sports, and channels for youth and children. We spoke with Wilo Abdulle, project manager at Horyaal Cable to find out more about how the company works.

Challenge. Horyaal Cable TV has faced challenges in the transmission of their services due to topography as well as challenges in keeping female employees working in the longer term. During the programme period the company will strengthen the capacity of the business administration in Mogadishu, expand their current business in Jubbaland, and establish routines to keep female employees working for them. Horyaal TV has an educational purpose by enabling people connected to the business to get access to virtual educational programs aired through local Horyaal TV production. Horyaal also provides advertisement to other corporations in the region where they can advertise their products and services. The expected impact in the future is thus to transfer knowledge and increase awareness and support of local companies.

Impact. Through the fund from Sida, an additional 11 youth employees (5 women & 6 men) were employed for one year. This made positive change for the development of the company and good income generation for these young people. *"Since we started this project, we acquired new customers and our business plan looks healthy for the next period. Moreover, the expected outcome of the company is an increased amount of people reached, create sustainable livelihoods for youth, and in particular women."*



Challenge Champion	➤➤➤	Waamo Enterprise
Initiative	➤➤➤	Re-building Somalia Creating Jobs
Interviewee	➤➤➤	Abdullahi Adan Hassan
Country	➤➤➤	Somalia
Award	➤➤➤	Swedish Somali Business Programme (SSBP)



“I was a person trying to migrate into an uncertain migration journey. But my life is stable now, I am building my future here in Kismayo, I hope our company will grow and will guarantee permanent job to me and my colleagues”

Abdullahi Adan Hassan

Waamo Enterprise is a construction company that produces building materials such as cement blocks, tiles, stones, bricks and other prefabricated concrete material. The next steps for the project are to invest in block production machines and buy aggregate and sand production lines. The company’s goal is to be involved in the reconstruction process of the country and help re-build Somalia and create job opportunities for the local population.

We interviewed Abdullahi Adan Hassan, who told us how after secondary school *“I did not obtain any kind of job. I became desperate, there is no job, no money, no hope. I decided to sell the family house in Kismayo and migrate to Europe. I decided either to die or reach Europe to get better life there”*. But while he and his family were waiting for brokers to sell their house, he met Mohamed Hussein from Waamo Enterprise who interviewed him and decided to give him a job in administration. *“ I am earning enough to my daily life and I am sending the rest to my sisters and brothers in Ethiopia and Kenya. I am also driving the company’s service pick up and working hard”*.

He also told us how his life has changed dramatically during this period. *“I was a person trying to migrate into an uncertain migration journey. Some of my friends who migrated never heard whereabouts, some of them dead, some of them reached Europe, some of them get residence and live there, while others did not get residence permit and are still in desperate situation inside Europe. Me my life is stable now, I am building my future here in Kismayo, I hope our company will grow and will guarantee permanent job to me and my colleagues in the company. I hope peace will sustain here in Kismayo and all over Somalia”*.

Abdullahi tells us that today his job description is to *“buy raw materials including sand, stones, gravel, water and diesel to the block machines and on the other hand to contact construction companies in the city to get more order to our products. I have all the company documents, all forms, all keys, and I have an overall responsibility to the company.”*

Challenge. To set up a construction company in Kismayo, Jubbaland is challenging, as the region has been a target of the militant group Al-Shabab for a long period and is only now starting to develop. The demand for building materials is thus high and construction is a booming industry. Waamo Enterprise has started to sell building materials and is working with different companies in the region.

Impact. Waamo Enterprise is expected to contribute to the reconstruction process of the region by producing the building materials in the region, instead of importing it from other countries which is mostly the case. The company is thus focusing on increasing the domestic production and lowering the large trade deficit, while contributing to the infrastructure in Jubbaland by providing better quality building materials. In addition, the company focuses on introducing a cheaper and safer alternative way of producing building materials for the market.

Challenge Champion >>>
Initiative >>>
Interviewee >>>
Country >>>
Award >>>

Radio Daljir
Involving Women and Youth to Advocate for the Community's Needs
Fartun Abdulle
Somalia
Swedish Somali Business Programme (SSBP)



"I learned from Radio Daljir to continue learning, to stay strong, to help the helpless, and to advocate for gender equality"
 Fartun Abdulle , Radio Dajir

Radio Daljir was established in 2003, where no prior radio presence or media services existed. Starting with one city FM station in Galkayo 10 years ago, the company turned into the largest network of 7 FM stations in the region.

We spoke with Fartun Abdulle from Radio Dajir, who stated *"I learned from Radio Daljir to continue learning, to stay strong, to help the helpless, and to advocate for gender equality"*.

Challenge. The radio coverage reaches Puntland, Galmudug and the central regions, eastern Somaliland, the Somali region of eastern Ethiopia and the Gulf Coast. An expansion process to Jubbaland is in pipeline. Once is completed it will be the only National Radio station to Jubbaland and southern Somalia. The Company will during the Swedish Somali Business Programme period install studio equipment in: Daljir Galkayo, Daljir Garoowe and Daljir Bossaso. The purpose is to expand their current business and get a broader coverage in the already existing markets.

Impact. Radio Daljir is vocal on contributing to social change in the country by expanding to other regions and various programmes for women, girls and youth. The company put efforts on involving women and youth to advocate for the community's needs. This project resulted in 7 new jobs whereof 4 women were employed.



Challenge Champion >>>
Initiative >>>
Interviewee >>>
Country >>>
Award >>>

Ari.farm
Providing Sustainable Livelihood to Nomads and Farmers
Mohamed M Jimale, Founder
Somalia
Swedish Somali Business Programme (SSBP)



" With Ari.farm you can invest in farming from your smartphone and help us build farms in East Africa that provide reliable supply of milk and food "

Ari.farm is a company that buys animals from Nomads and farmers in the dry season and improves animals' conditions with special nutrition and cares, to then sell them in the local market (local meat costumers) or for export. In 2017 Ari.farm had around 1500 animals in Somalia and have supported around 300 livestock farmers in this period. Livestock is the backbone of Somalia's economy and about 70% of the populations in Somalia are dependent on livestock for their livelihoods because it provides food, employment and income.

Challenge. The Company will use the SSBP fund to build a basic facility where they will take care of the animals, to build barns for feeding animals, a water tank, storage and to cover labor costs. This facility will be able to host around 4000 animals per year.

Impact. Ari.farm is expected to provide sustainable livelihood to nomads and farmers and provide job opportunities to local communities, as well as other opportunities within the value chain. Transfer knowledge and innovation techniques to solve challenges faced in the sector, in particular during dry season by improving the efficiency of the whole livestock market in the country. The company intends to create a market that provides different options for nomads to be able to trade animals. Ari.farm goals are for livestock traders and nomads to be able to have sustainable livelihoods independent on climate change.

Impact Stories from Colombia – Innovation for Peace

[Innovation for Peace](#) (Premio Emprender Paz) is an initiative that seeks to exalt, socialize and strengthen sustainable business experiences that contribute to peace building in Colombia. Since 2007, a total of 541 business projects have participated and 44 organizations have received this recognition. Sida started financing this challenge fund in 2013 (awarding a total of 23 companies).

Type of initiatives awarded:

- Economic initiatives related to the company's value chain that has been in place for at least 1 year and that has the potential to be replicated.
- Initiatives that takes place in violence affected territories or benefit population in those territories
- With positive results in peacebuilding, capacity building and sustainability.
- With a high commitment and involvement from the business.

Benefits for awarded initiatives:

- Technical assistance for the initiative and the stakeholders involved
- Dissemination of selected initiatives at national and local levels.
- Participation in the award event (transport, accommodation and meals for a beneficiary of the initiative).
- Possibility of learning and sharing lessons with other initiatives.

Challenge Champions stories from Colombia will be shared on:

- V.2: Colombia – Mi Querido Soldado
- V.4. Compañía Nacional de Chocolates
- V.7: Colombia – Alquería
- V. 10: Colombia – Procesadora de Marisco Mar & Sol
- V.13: Colombia – Premio Emprender Paz

Challenge Champion >>>>
 Initiative >>>>
 Interviewee >>>>
 Country >>>>
 Award >>>>

Mi Querido Soldado
Bringing Economic Opportunities to Soldiers with Disabilities
Marcela Carrillo Rodríguez, Director
Colombia
Innovation for Peace Colombia (Premio Emprender Paz)



“Emprender Paz allowed us to improve our production and keep building peace by providing jobs to soldiers and their families”

Marcela Carrillo Rodríguez –
 Director, Mi Querido Soldado

Mi Querido Soldado was established in 2006 with the goal of bringing economic opportunities to soldiers with disabilities, as well as widows and orphans of soldiers. The company focuses on the production, marketing and selling of home textiles - bedsheets and towels - and clothing providing economic benefits to 637 families. Mi Querido Soldado offers psychosocial care for soldiers to face their disability and rebuild their lives with complementary projects in housing and education.

We interviewed Marcela Carrillo on the day that Mi Querido Soldado celebrates the 4th anniversary of receiving the award. Marcela has worked for 12 years to give jobs opportunities to soldiers - “*Colombian Heroes*” as she calls them. She is a dedicated and inspiring woman that has learnt that with love and respect, soldiers can be brought back to an economically productive life.

Mi Querido Soldado started 15 years ago sending letters to soldiers in remote areas. Letters were written by students from schools from all over the country and would start as “Querido Soldado – Dear soldier...”. Later on, they were sending basic needs items to the soldiers like pyjamas or toothpaste.

But 12 years ago, Mi Querido Soldado realised that injured and disabled soldiers - those who couldn’t go back to fight - were just rehabilitated and provided with prothesis and a 2 years subsidy from the Colombian Government. After that, soldiers were alone, many of them were psychologically instable and were facing drugs and alcohol problems. Some of them were even joining the paramilitarism since combat was the only way they knew how to earn an income.

Mi Querido Soldado started with 4 soldiers, teaching them how to sew towels. It was not an easy task, Marcela says. Many of them “deserted”, but Marcela (who is a self-trained administrator/psychologist/seamstress) learnt that with love and respect she could teach the ex-soldiers how to be part of a team with women and how to receive instructions from women in managerial positions.

Marcela and her team found in the Emprender Paz Award a recognition for the company and soldiers’ journey towards peace building, demonstrating that it is possible to go back to civilian life after the military service. The technical support provided allowed them to standardize the processes, become more efficient and engage with new commercial partners.



Challenge Champion >>>
Initiative >>>
Interviewee >>>
Country >>>
Award >>>

Compañía Nacional de Chocolates
Cacao - Kankawarwa
Alejandro Puerta Restrepo, Agricultural Development Coordinator
Colombia
Innovation for Peace Colombia (Premio Emprender Paz)



“Emprender Paz gave us recognition at regional and national level. We wanted to inspire other businesses by showing that communities in conflict areas were key partners in a productive and economically viable value chain”.

Jorge Alejandro Puerta Restrepo– Compañía Nacional de Chocolates

Kankawarwa "El banco donde los mamos se sientan a pensar / the bench where the mamos sit down and think", is an Arhuaco community, located in the Fundación river basin. Compañía Nacional de Chocolates and the Arhuaco community started a joint initiative in 2009 (and still ongoing) called Cacao Kankawarwa” that was recognised in 2015 with the “Emprender Paz” Award.

The awarded initiative, started incorporating new agricultural techniques on a plot of 114 hectares for the establishment of new crops and improvement of existing ones, making traditional and ancestral work more attractive and productive, which makes community members - especially young people – interested in actively participating in farming. By creating a stable and fair source of income for the community, it was possible to prevent departures of family members to illicit activities related to the cultivation of coca.

We interviewed Jorge Alejandro Puerta Restrepo who is Agricultural Development Coordinator at Compañía Nacional de Chocolates and has been involved in this initiative since 2011. He told us how much he had to learn about local culture, and how important traditions and ancient knowledge is for them. It was not enough to get there with “best practices” and technologies - if the initiative would not respect mother earth, the community was not interested.

Challenge. The Kankawarwa community is located near the north coast of Colombia which is a strategic corridor between the Colombian departments of Cesar, Guajira and Atlántico making the area very attractive for armed groups outside the law. Kankawarwa people were victims not only as individuals but as a community, where cultural, organisational and economic integrity was affected, and entire families were displaced.

Impact. The project initially worked with 13 families through the establishment of 25 hectares of cocoa. Today:

- Productivity increased from 150 to 400 kilos of cacao/ha. Improvement is made respecting cultural identity and ancestral knowledge as the basis of any improvement.
- The land dedicated to grow cacao and supportive vegetation (agroforestry system) has grown from 40 hectares to 102 in 2017
- The community is currently selling to Compañía Nacional de Chocolates
- 50 families (from 5 close by communities) are involved



Compañía Nacional de Chocolates

Challenge Champion >>>>
Initiative >>>>
Interviewee >>>>
Country >>>>
Award >>>>

Alquería
Project MACA - Fomento Ganadero
Carlos Fernando Fuentes Sánchez Director “Fomento Ganadero”
Colombia
Innovation for Peace Colombia (Premio Emprender Paz)



“The project is an example for many that it is possible to do business and impact in areas that need help in terms of marketing, support and development.”

Carlos Fernando Fuentes Sánchez
 Director “Fomento Ganadero”

Alquería was founded in 1959 by Jorge Cavelier Jiménez and his son Enrique Cavelier Gaviria, with the goal of *“bringing nutrition to people in Colombia through a good glass of milk”*. Nowadays, Alquería consists of 8 processing plants, 17 distribution centres, works with 13 000 small/medium-holder farmers, engages with 100 000 vendors and over 6 000 collaborators to reach 5 million households in Colombia. In 2014, they were recognised with the “Emprender Paz” award (Sida’s Innovation for Peace challenge fund for Colombia) for the work that the company was doing through its **MACA “Fomento Ganadero”** programme in the department of Meta. The MACA programme offers education, training and technical assistance to producers in the Macarena region and has benefited more than 1 100 dairy farmers. Alquería has contributed to the recovery of 6 municipalities of Meta, that for many years were under the control of the FARC (The Revolutionary Armed Forces of Colombia) - a guerrilla movement involved in the Colombian armed conflict from 1964 to 2017.

We interviewed Fernando Fuentes Sánchez, the Director of the programme, who told us how at the beginning of the programme they were able to work only within a 20km distance from urban areas, and how with *“transparency from the company and the support of local communities that believed in the initiative”* they were able to work in an area affected by the armed conflict. Fernando shared with us how important it was for the local communities to find a legal and stable source of income. Milk is collected and paid every 15 days as opposed to 2 to 3 times per year for other agricultural products. When Alquería came to Meta in 2008, *“we were pioneers in engaging with farmers as suppliers and created a market dynamic that has allowed other local companies to be part of the development of the region”*. Fernando also shared with us how this programme is possible thanks to the direct support and involvement of Carlos Enrique Cavelier, President of Alquería or how he likes to call himself “Alquería’s Dreams Coordinator”.

Challenge. To be able to operate in remote areas, it was fundamental to count on the commitment of the community since this was key to overcome adversities of security in the territories affected by the armed conflict. To ensure the permanence of the business it was necessary to include a process of technical assistance and technology transfer.

Impact. Inclusive business initiatives like this one require commitments from all participants, long-term technical follow-up and to work closely with the producers. For these reasons, Alquería planned this program with a long-term vision and it is still in operation today. Since 2014:

- The company has managed to consolidate a close relationship with suppliers
- The model has been replicated across the country with 130 associations that are part of the supply chain of the company
- The purchasing model has evolved and the volume of milk they buy has increased



Challenge Champion >>>
Initiative >>>
Interviewee >>>
Country >>>
Award >>>

Mar & Sol SAT
Generating Employment for Women Victims of the Armed Conflict
Bibian Reina, Director
Colombia
Innovation for Peace Colombia (Premio Emprender Paz)



"The award allowed us to gain visibility at national level for the social work that we do with women in Tumaco. Despite the impasses of violence, we are building peace"

Bibian Reina
 Mar & Sol SAT - Director

Mar & Sol SAT is an inclusive business founded in Tumaco in 2009 with the aim of providing a solution to the social and commercial challenges that families and small associations were facing in the region. Producers were growing seafood but did not have a formal business that would buy and transform their production. Mar & Sol processes and markets locally grown seafood and shrimp generating employment for women victims of the armed conflict. The company was awarded in 2016 with the "Emprender Paz" award (Sida's Innovation for Peace Challenge Fund for Colombia).

We interviewed Bibian Reina, Director of Mar & Sol, who told us how the award helped them to "gain both visibility at national level and recognition for the company's contribution to peace building and gender inclusion". She told us that what they do is not business as usual but "social innovation" that it is bringing jobs, income and stability to a specific group - women victims of armed conflict violence.

Challenge. It was found that female victims of violence had high rates of unemployment and their social condition of "victims" was affecting their opportunities to be employed in the formal sector. With the goal of creating more jobs for women, Mar & Sol was supported by "Emprender Paz" to carry out a market study of the shrimp and seafood sector at a national level that allowed the company to gain knowledge about the sector and to establish new commercial relationships. Increasing their client portfolio and diversity of products was essential in order to be able to increase sales.

Impact. Currently, Mar & Sol's social and economic driving values allows them to employ 244 women - 85% of them being victims of systematic violence generated by armed groups. These women found a stable source of income to provide quality of life to their families in the cultivation, processing, packing and commercialization of shrimp.

The company is growing and working with a clear horizon to achieve long-term sustainability and benefit its members in a sustainable manner. In 2016, thanks to the technical assistance provided by the award, the marketing focus changed, the sale continued to wholesalers, but also the market of supermarkets and restaurants was explored. Their products are now sold in cities such as Bogotá, Medellín, Bucaramanga, Cali and Pereira in Colombia.



Challenge Champion	➤➤➤	Emprender Paz Foundation
Initiative	➤➤➤	Emprender Paz Award
Interviewee	➤➤➤	Magda Tamayo, Award Coordinator
Country	➤➤➤	Colombia
Award	➤➤➤	Manager of the Innovation for Peace Colombia



“For me, Emprender Paz Award is a great opportunity to meet business people, and discover success stories and learn how some people manage to create job opportunities and generate income for many other people”

Magda Tamayo,
“Emprender Paz” Award Coordinator

In 10 years of existence, the “Emprender Paz” Award (Sida’s Innovation for Peace Challenge Fund for Colombia) has recognised the work of private sector organizations that have deliberately taken the option of developing productive and inclusive initiatives to generate opportunities for social and economic inclusion in communities and territories affected by violence in Colombia. Both companies and communities are the heroes of the award. They both agree on a more responsible understanding of their role in society and the need for their contribution to the development of territories, the creation of real economic opportunities and the search for solid consensus as a foundation for ending violence and building peace. Sida has been funding this initiative since 2013, providing technical support and recognition to 19 companies.

After interviewing awarded companies and learning directly from them how valuable the prize was for their businesses, we interviewed Magda Tamayo who has been the Award Coordinator since 2016. She told us that one of the best things of being part of the award is *“the possibility of knowing remote areas of the country, reaching excluded communities and to discover how despite the adversities, violence and poverty, people develop their productive activities with hope and optimism to reach new markets”*. There are many stories she says, *“all with mosquito bites, but full of great experiences”*.

Challenge. The biggest challenge is to convince companies to apply. Some companies are interested in keeping a low profile, others have limited time to fill out a format, others have some resistance because they think that participating puts them in favour or against a certain political trend, and for others, it is not so attractive because the prize in money it is not so significant. The Challenge Fund team’s role is to convince them, to show them the importance of participating, not because of recognition, but because from these examples, other companies begin to see that the private sector has a role to play in the development of peace. To overcome this challenge, they support the companies in the application process and promote, not only the winners, but also those that reach the final stage of the selection process.

Impact. Since 2007, 44 companies have been awarded and supported with technical advice, promotion of their initiatives and recognition. Between 2007-2016, over 7000 people have benefited by the supported initiatives.



Impact Stories from Bosnia and Herzegovina – Challenge 2 Change

The [Challenge 2 Change](#) Fund is implemented by the Embassy of Sweden in Bosnia and Herzegovina (BiH), it started in 2016 and will be implemented until 2020 with a budget of SEK 5 million. This challenge fund aims at BiH micro and small businesses and Swedish enterprises wanting to do business in BiH. Grants of up to EUR 30,000 were awarded to specific development projects to be undertaken by these companies based on cost-sharing of at least 50% of the development costs. The purpose of the challenge is to support projects which deliver both commercial benefits for the private sector and development benefits for the population in BiH, for example in terms of job creation and income improvements. The grants would give the enterprises the opportunity to implement innovative and commercially viable business ventures in BiH. The Challenge has provided grants to 27 companies.

Challenge Champions stories from Bosnia and Herzegovina will be shared on:

- V.3: Bosnia and Herzegovina – FARMER
- V.5: Bosnia and Herzegovina – IMEL doo
- V.8: Bosnia and Herzegovina – Vocar Piramida
- V.11: Bosnia and Herzegovina – AT ARTEX and Udružene Association of Women
- V.14: Bosnia and Herzegovina – PTD Jelena doo

Challenge Champion	➤➤➤	Farmer
Initiative	➤➤➤	Homemade food on your plate!
Interviewee	➤➤➤	Nermin Nadarević, Owner
Country	➤➤➤	Bosnia and Herzegovina
Award	➤➤➤	Challenge 2 Change Bosnia and Herzegovina



“With the support of the Challenge2Change team, we got a big "marketing boom" of our portal. In addition, cooperation with the C2C team and implementing agencies has continued, which is certainly an additional positive effect to our project"

Mr. Nermin Nadarević -
Owner of Farmer

Farmer.ba is a specialized company from Sarajevo offering marketing support in the form of an online platform to promote agricultural producers, in order to make their domestic products simpler and easier to place on the local market. Farmer.ba was selected to be part of Sida’s Challenge2Change in Bosnia and Herzegovina (BiH) fund with the project **Homemade food on your plate!**

Mr. Nermin Nadarević told us the story on how after a year of existence of the Farmer.ba idea, they were recognized by their fellow citizens who often contacted them and asked how to buy homemade honey, jams or figs directly from local producer without intermediaries. This was precisely the reaction they were looking for and started redefining their business idea and preparing a new web platform that provided the possibility of direct ordering to any address in BiH. This platform allowed their clients/farmers to have the opportunity to create their own e-shop, through which they could present and sell their own products.

Challenge. Many people in BiH are growing food for both self-consumption and for sale. However, sometimes it is very difficult to find the time to do both the growing and the selling. At the same time, today's accelerated tempo of life often leaves little time for consumers to buy directly from producers. www.farmer.ba is a place that offers the promotion of locally grown products in a very simple way. *By creating a database of food manufacturers, we have information about what is being produced in BiH, as well as what is needed by certain manufacturers to make their products. By updating the database daily, we quickly find out for the consumer where they can buy locally grown figs, dried fruit, healthy peppers, potatoes, homemade juices, honey and other product in BiH.*

Impact. There are currently 125 registered agricultural producers on the portal. What is interesting is that besides the producer, several other actors who are directly or indirectly in business relations with farmers (microcredit organizations, producers and distributors of agricultural equipment, etc.) are also registered on the portal. Through the **Homemade food on your plate!** project, it is now planned to directly promote 30 women selling certain agricultural products. So, in the forthcoming period, registered farmers will be able to sell products directly from their fields or gardens to any address in BiH. With a unique way of opening an e-shop for each individual domestic food producer, citizens will be able to choose and directly order products to their home address.



Challenge Champion >>>>
Initiative >>>>
Interviewee >>>>
Country >>>>
Award >>>>

IMEL doo
Production of organic goat cheese with pepper and organic goat cheese in oak bark
Amra Brkić, Marketing Manager
Bosnia and Herzegovina
Challenge 2 Change Bosnia and Herzegovina



“The project supported by the Challenge to Change Fund affected the local community positively by creating new jobs, linked with local producers (farmers) and improved the living standard of the local population”
 Amra Brkić - Marketing Manager, IMEL doo

IMEL doo is an IT company established 24 years ago in Lukavac, Bosnia and Herzegovina (BiH). In 2016, the company started two new lines of business; eco-tourism and production of organic goat cheese. With the support of the Challenge to Change Fund (C2C), the company started the production of two new organic products - hard goat cheese with green pepper and hard goat cheese curated in oak bark. The goal of the initiative is to strengthen organic and sustainable agriculture, food processing and tourism at Milino Selo village in the Ozren Mountain. It includes the organic fruit and vegetable production, goat farming for dairy organic products, and eco-tourism. IMEL has 58 employees.

Amra Brkić, who is Marketing Manager at IMEL doo, shared with us that *“thanks to grant funding from the Challenge to Change Fund, we are beginning to slowly but surely change the way citizens live and return to a healthy and somehow forgotten traditional way of living”*. What the company is aiming to do is *“to establish a process for the production of delicatessen organic goat cheese products. It is expected to place these two brand new goat cheeses on the market across BiH and for them to become associated with a healthy lifestyle”*.

Challenge. The project is implemented in Milino Selo village, a rural community of Lukavak, where a returnee population lives. After the 1992-1995 war, many returnees were unable to sustain their livelihoods because of lack of jobs opportunities which caused what is called remigration to other European countries. IMEL doo’s initiative aims to achieve significant social impact by providing employment for the local population and by working towards gender equality and self-sustainable rural entrepreneurship. It is planned to employ 4 persons in the community of which 2 are permanent and 2 seasonally employed.

Impact. The improvement of the production process was made possible thanks to the support of the fund on top of the co-investment of the company which allowed IMEL doo to invest in the implementation of organic quality procedures, the creation of their own recipes for goat cheese, the improvement of the goat milking machine line, the purchasing of a mini-dairy for cheese production and the participation at the International Fair of Tourism and Ecology.



Challenge Champion >>>>
Initiative >>>>
Interviewee >>>>
Country >>>>
Award >>>>

Voćar Piramida
Production of Natural Juices in Bag-in-box and Productions of Dried and Candied Fruit
Sulejman Selimović
Bosnia and Herzegovina
Challenge 2 Change Bosnia and Herzegovina



"The Challenge2Change project has created a co-financing model driven by the needs of the SME sector and markets in a professional and thorough way. It creates a favorable environment for the development of innovative business ideas."

Sulejman Selimović - Voćar Piramida

Voćar Piramida is a company from Visoko, Bosnia and Herzegovina (BiH), founded in 2007. It is specialized in growing, processing and selling fruit. Their fruit exports started in 2011, especially in the European Union, but the company, as many others, was facing many challenges when exporting fresh fruit. That is why Voćar Piramida decided to start processing fruit – producing primarily dried fruit and natural juices - for national and international markets. The company was selected to be part of Sida's Challenge2Change Fund (C2C) to develop a network of subcontractors who would provide the company with the raw material needed for its processing requirements, in this particular case for the production of dried and candied locally grown fruit.

Sulejman Selimović shared with us how *"there is an increasing number of smallholder farmers of different kind of fruits in BiH that have difficulties in finding access to the market because they produce small quantities, have inadequate packaging or poor produce quality. Our company faced similar difficulties which is the reason why we decided to start this culture of processing with the purpose of supporting home-made production of fruit products"*. Market research done by the company showed that *"there is great interest in international markets on candied and dried fruit - raspberries, blackberries and sour cherries, etc. - that can be found abundant in local production"*.

Challenge. A great variety of products are available from local producers and smallholder farmers who cannot place their products (fresh or processed) in the market. On top of this, at the moment, there is very little processing capacity in BiH. This makes the marketing and selling of local raw material even more difficult. *"Our business idea would allow processing of large amounts of raw material into our product which still has not flooded the local and foreign market"* says Sulejman Selimović

Impact. Through the implementation of the project, the company increased the number of cooperatives which they are working with. Currently, over 90 agricultural cooperatives formed mainly by rural households and smallholder farmers are part of Voćar Piramida's value chain. In the future, the company will train the cooperatives on organic farming, so its products will have higher added value and will be better positioned in the market.



Challenge Champion >>>>
Initiative >>>>
Interviewee >>>>
Country >>>>
Award >>>>

AT ARTEX and Udruzene Association of Women
Economic Empowerment of Women Through Social Business
Nadira Skaljic Mingasson, President of Udruzene
Bosnia and Herzegovina
Challenge 2 Change Bosnia and Herzegovina



“The Challenge to Change (C2C) project was a trigger for entering our company into a new phase of development, and personally to me as someone who is at its forefront, it has given the necessary encouragement and confidence for a more ambitious development of the project.”

Nadira Skaljic Mingasson - president of Udruzene

AT-ARTEX doo and Udruzene Association of Women were selected to be part of Sida’s C2C fund in Bosnia and Herzegovina (BiH) to implement the project Economic Empowerment of Women Through Social Business. After 10 months of starting the project, AT ARTEX employed 3 new people, renovated the Space Arts & Crafts Center (a space for training and improvement in handknitting, crochet, embroidery and handicrafts), and started working on launching the brand and online sales platform. Also, as part of the project, the associates took part in the Stockholm Fashion Week where they *“achieved encouraging business contacts”*.

95% of AT-ARTEX sales comes from wholesale of handknitted fashion garments for international designers. They are constantly contacted by international and domestic designers and by individuals who want to purchase the handknitted products that AT-ARTEX designs. Currently, they employ around 300 knitters as external subcontractors.

Nadira Skaljic Mingasson, who is the president of Udruzene Association of Women – a partner in project consortium - shared with us how participating in C2C challenge fund *“has given us an opportunity to hire new, valuable and hard-working employees, employment opportunity for women from our community and more quality and easier access to our work for new users”*. In general, she explained that *“through providing additional training, increasing the number of new attractive products, improving production, and subcontracting to women, they are contributing to women entrepreneurship development and economic and psycho-social empowerment in Bosnia and Herzegovina”*.

Challenge. Unemployed women are constrained by unequal and inadequate access to resources, services and infrastructure. Women with high economic dependence and lack of income sources are more often in violent and abusive relationships and therefore vulnerable and marginalized. However, many of these women have “traditional education” and have exceptional hand-knitting skills. AT-Artex and Udruzene joint initiative is helping them to improve their knitting skills and providing the opportunity to access to new jobs and businesses opportunities which is a significant and permanent source of income for them and their families.

Impact. Under this project, 3 persons are admitted to permanent employment, 150 women knitters were trained and *“60 new women were included in the production work, which increased the number of our members by 30%. We expect that by the end of the project implementation, the percentage will increase to 50%. We also expect that our company will increase exports by 30% and revenue by 20% in relation to last year. The increase in revenue is, of course, accompanied by an increase in the number of employees of permanent and occasional associates. After the launch of the brand and the development of our online sales platform, we expect to increase our profit margin by 20%”*.

Challenge Champion	➤➤➤	PTD Jelena doo
Initiative	➤➤➤	Increasing energy efficiency, product quality and inclusion of subcontractors
Interviewee	➤➤➤	Marko Vljajsević, Director and Owner
Country	➤➤➤	Bosnia and Herzegovina
Award	➤➤➤	Challenge 2 Change Bosnia and Herzegovina



“The effects of the Challenge to Change (C2C) project, which are in line with the strategic commitment of the company, will have a long-term impact on both the company's business and the community”

Marko Vljajsević - Director and owner of PTD Jelena doo

PTD Jelena doo was selected to be part of Sida’s C2C fund in Bosnia and Herzegovina (BiH) and received funding to implement the project Increasing energy efficiency, increasing product quality and inclusion of subcontractors in the procedures of grain storing and drying. The objective of the project was to create jobs, improve product quality to reach export standards, improve energy efficiency substituting fossil fuels for biomass, and inclusion of family farms in the company's production system.

Marko Vljajsević, Director and owner of PTD Jelena doo, shared with us how the C2C project will impact the community beyond the Jelena project itself since *“it is a good example for companies and the community, that planned, economic and socially responsible businesses are recognized and supported with funding, towards efficient sustainable and development oriented firms”*. Together with the financial support, the C2C project is bringing *“acknowledgment through recognition of the potential and strategic orientation of our company and for the social community a good example of the impact on the development of the business sector in order to sustain the development of the domestic economy”*.

This project is highly innovative in the BiH context. It is the first time that ecological stoves are used in the country to dry grains. The stoves are powered with biomass made from biological waste collected from the farmers. The result of introducing this new technological process is two-fold. On one hand, reduction in the cost of drying grains by 50% which will be translated into a better price for the subcontractors. At the same time, it is expected that quality of the dried grain will increase due to the reduction in the percentage of broken grains by 12%.

Impact. The business concept of Jelena doo is based on the synergy between the company and the family farms. For example, the company has a revolving fund mechanism that provide farmers with pre-financing for sowing, education, technical support, etc. The company also guarantees the purchasing of grains to the farmers. By doing this Jelena doo wants to encourage and give an example of a successful and socially responsible business.

Currently, the C2C project is impacting 250 cooperative members (family agricultural farms). On top of that, 28 new agricultural family farms have been included through the joint use of certain technological elements procured with the grant of the C2C program.

