Republic of Colombia
Social innovation for peace building in Colombia
Learning from international experiences in peace process scenarios

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Acronyms

AECF  Africa Enterprise Challenge Fund
AKFED  Aga Khan Fund for Economic Development
BAC  Basque Autonomous Community
BSI  Basque Social Innovation
EC  European Commission
EIA  Extractive Industries Alliance
EU  European Union
FARC  Revolutionary Armed Forces of Colombia
GDA  Global Development Alliance
ICT  Information and Communications Technology
IDP  Internally Displaced Persons
NGO  Non-Governmental Organization
SDG  Sustainable Development Goal
SEUPB  Special European Union Programmes Body
UNDP  United Nations Development Programme
1. Introduction

When Colombia signed a peace agreement with the Revolutionary Armed Forces of Colombia (FARC) guerrillas on August 25, 2016, it signaled the end of hostilities between two parties that had been at war since 1964. This turning point marks the possible commencement of a new era. As a post-conflict society, Colombia faces development challenges that the country must address to build and consolidate a lasting and sustainable peace process.

International experience indicates these challenges take time to unravel, but it is time that Colombia does not have. Since adopting the Sustainable Development Goals (SDGs) in 2015, Colombia and other developing economies are expected to meet targets by 2030, including the proposed SDG 16, “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.”

Nationwide peace-building strategies from economies such as the Basque Region as well as emerging interventions from developing countries have demonstrated how government and non-governmental actors can support more innovative, inclusive development and resilient approaches. These new ways of connecting the socio-economic transformation agenda with the reconciliation and peace process, in many instances overlooked, can be used to generate employment and improve social cohesion in post-conflict situations. Social innovation driven by social enterprises, citizens, and governments can empower local economic activity, which impacts peace-building efforts.

This report seeks to understand the role of social innovation in peace process scenarios and its implications for the historic opportunity Colombia has ahead. It explores the facets and characteristics of social innovation, how that relates to a peace process scenario in other regions of the world, as well as the Colombian context, and debates the reason why Colombia must catalyze investment and resources promoting social innovation to achieve inclusive and sustainable growth.

The report looks at commonly identified characteristics of social innovation and the most important characteristics of social innovation in a peace process context to identify: (1) key theoretical elements and considerations for a definition of social innovation; (2) dimensions of a definition of social innovation in the peace process context; and (3) the most suitable dimensions of social innovation for Colombia.

To provide elements to support the development of an economic rationale for Colombia to invest in social innovation, the report presents international examples of countries that have included it as part of successful peace process strategies. It builds upon an analysis of the dimensions of social innovation for peace process in Colombia, the importance of social innovation as an alternative approach to address development challenges, rewarding international examples of the role of social innovation in peace-building, and past experiences of social innovation in peace in Colombia. The report proposes a series of recommendations to include social innovation as one alternative way to address drivers of conflict in the country and contribute to build a lasting and sustainable peace.
2. Social Innovation: Looking for a Common Definition

Like all new and innovative theories, social innovation is still under debate by scholars, researchers, and practitioners, to find a common definition and general framework. As Pol and Ville state: “‘social innovation’ is a term that almost everyone likes, but nobody is quite sure of what it means.” (Pol & Ville 2007, p881) This is also true for the research community, where we find different disciplines and experts approach its study. The study of social innovation is often examined across many different academic disciplines, such as urban and regional development, public policy, management, social psychology, and social entrepreneurship.\(^1\) This complicates direct comparison since the subject areas, terms, and interests vary widely. These different approaches and discipline lenses makes it difficult to interpret or agree upon what social innovation is and stands for and how to recognize whether something is socially innovative or rather a traditional or technology-driven innovation.

Traditionally, social innovations are understood as “new ideas (products, services and processes) that simultaneously meet social needs more effectively than existing ones and create new and lasting social relationships or collaborations. They are innovations that are not only good for society but also enhance society’s capacity to act.” (Hubert et al 2011, p9)

Most academics would also argue that social innovation is “innovation inspired by the desire to meet social needs which have been neglected by traditional forms of private market provision and/or have been poorly served or unresolved by services organized by the state.” (Hubert et al 2011, p37) In these scenarios, social innovations provide a product or service that markets have failed to deliver and traditional stakeholders have not wanted or been able to deliver.

The process aspect is also an essential component of research literature. Some experts and practitioners agree that in order to be considered socially innovative, a social innovation should not just focus on the product or artifact as social innovation, but it also needs to be socially innovative in its processes and relationships, as well as to create socially positive outcomes through the engagement of socially conscious delivery mechanisms to achieve results.

If we want to understand what makes an innovation truly a “social innovation,” by comparison to traditional or technology-driven innovation, the literature suggests a social innovation should have at least one of these characteristics:

- Contribute to addressing a social need that would otherwise be ignored. It must be a new solution or a purposeful reinterpretation of solutions, taking into account the new and current context and/or available resources.
- Contribute to empowering individuals, groups, and communities. It must address a real and pressing social challenge.
- Contribute to a profound positive change in social relations, routines, or beliefs (Martinelli 2011, p172). The goal and outcome must create equality, justice, and empowerment (based around a sustainable human development framework).

We define social innovation as new services, products, practices, or processes to address social needs. These are social in their means and their ends. They engage and mobilize beneficiaries and help transform social relations in a positive way by empowering beneficiaries.

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2.1. Multiple dimensions of social innovation in practice

Defining social innovation is only the first step in the process. It is also important to be aware of the different dimensions and scales at which social innovations can operate, coupled with potential impact. Based upon a literature review on social innovation, there are three levels at which social innovation can be found (Hubert 2011):

- **Local (territorial) level**: Social innovations that respond to pressing local demands, are not serviced by the market and/or existing institutions, and are aimed at underprivileged groups.
- **Thematic level**: Social innovations that address challenges in the whole territory, such as employment, health, or education policies and where the borders between “social” and “economic” are blurred.
- **Systemic level**: Social innovations that create fundamental changes in attitudes, values, narratives, strategies, and politics that contribute toward sustainable human development, which can take place at an institutional, regional, and/or national level.

Added to these dimensional characteristics, there is a need to take account of the historical and socio-economic dimensions of the region where people engage in social innovation practices. Novy and Leubolt (2007) emphasize that social innovation is rooted and influenced heavily by the historical socio-economic and political development of a region and successful implementation of social innovation processes would call for a “multiscalar analysis of [their] historical and geographical roots.” (Leubolt 2007, p2)

2.2 Social innovation in peace process scenarios

In many peace process settings, social innovation is often not an explicit part of dialogue and thus it becomes difficult to identify. Indeed, much of the truly socially innovative peace-building or post-conflict work would often not be recognizable. This section and the examples given in future sections highlight the social innovation in peace process scenarios and assist in understanding the unique facets within the Colombia post-conflict context.

According to the literature review (featured in the annex) there are a number of characteristics, often present in peace process settings, which are likely to influence what social innovation looks like in practice. These include (Brown et al 2008):

- Long-term economic insecurity or instability that affects long-term strategic decisions and investment
- Limited capacity of the state to address the volume of social needs related to the post-conflict scenario
- Ongoing political division and/or instability
- International involvement affecting policy- and decision-making directly or indirectly (e.g., foreign forces or international stakeholders, such as the United Nations or international finance institutions)

As a result of these problems, peace process settings often require deviation from traditional models and strategies to address endemic social needs. The post-conflict social innovation examples in this report represent a spectrum of different peace-building interventions. They incorporate new strategies, systems, products, services, and ways of working. For many of them success is tempered with learning.

Where there have been successes in social innovation, these have often related to four key characteristics found in post-conflict social innovation:
1. **A reconciliatory approach**: Social innovation in post-conflict scenarios often emphasizes the goal as addressing the social challenges that violence has created. Truth, memory, and reconciliation initiatives are socially innovative because they are culturally and context-specific. Evidence and anecdotes indicate that initiatives that are fully replicated from other local or international successful examples tend to not have a real impact.²

2. **A collaborative approach**. Post-conflict environments often suffer from additional challenges that other states do not have to address: coordination with international institutions, mistrust of key governing stakeholders, and insecurity factors for the private sector to thrive. Therefore, a robust and efficient collaborative or participatory governance approach is needed. The approach incorporates diverse stakeholders and new methodologies in finding solutions and public policies cognizant of the new contextual arrangements. In this way, strengths can be capitalized upon and flaws mitigated.

3. **A co-creation approach**. Many of the examples explored focus on co-designing solutions with the communities that they are seeking to help—a priority that the Colombian Government has already established. The mistrust found in post-conflict societies requires a process of reconciliation. Ensuring that communities feel engaged and empowered, and share in the benefits of the new scenario, will foster reconciliation. In contrast, a process that only benefits the few will very likely maintain and prolong the conflict conditions in different forms.

4. **A multi-track approach**. Post-conflict contexts are highly complex, and therefore it is not possible to have a meaningful impact while only focusing on one key factor. New interventions, services, or ventures are most successful when they target or at least engage with more than one key issue. This can be done through co-creation processes, new collaboration platforms, or by working on multiple work streams. Social entrepreneurship has been effective in the post-conflict scenario because it allows for the economic reintegration of those in society who may have been or continue to be excluded (such as ex-combatants, those operating within the fringe or black market economies, and those in society affected most by social instability). Social entrepreneurship in post-conflict scenarios often takes the form of innovation hubs that facilitate co-production, prototyping and acceleration of new services and products, entrepreneurial education, new business models, and investment mechanisms.

To create social change of the nature and extent necessary to address a problem as complex as peace-building, certain conditions are needed: the broadest possible range of stakeholders to come together around a deep understanding of the issue, a shared narrative of what is possible, and the financial and social support to develop new ways of working and models of collaboration.

From the local community engagement—being heard—through the co-creation process—being involved—and finally through the decisions citizens make about the projects most valuable to them, a transformation movement in post-conflict scenarios is happening, toward local people having greater ownership and control over actions to address their collective challenges. This is how collective action takes root in the 21st century.

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² For example, many attempts to replicate the Mondragon experience have been tried unsuccessfully during the last decades without considering the cultural context and movement-building approach.
2.3 Toward a definition of social innovation for Colombia

As discussed, there is not a single and overarching definition of social innovation. There are different approaches depending on the context, themes of interests, and stakeholders involved. Colombia can decide, based on the international experience, which approach is most useful for its post-conflict scenario.

The proposed definition emphasizes key aspects for the current peace-building process. According to the key stakeholders interviewed and consulted for this report, a social innovation approach for the post-conflict scenario in Colombia must incorporate **citizen engagement and participatory processes, as well as innovative business models to bring critical goods and services to remote rural areas that have been excluded from mainstream economic activity**.

A social innovation definition must also be based on the peace-building approach that is incorporated in the Colombian Government’s National Development Plan. This approach goes beyond the termination of the armed conflict and includes a more holistic vision of what sustainable human development means in the post-conflict scenario. It emphasizes reducing inequality and closing gaps between urban and rural areas in terms of human development indicators. This report has evidenced how social innovation can be an effective tool to generate distributed wealth and long-term competitiveness for Colombia.

Social innovation in Colombia should be driven to meet the needs of the post-conflict scenario, which can be neglected by traditional forms of private market provisions and which have often been poorly served or unresolved by services organized by the State or the voluntary sector. Social innovation should also help transform the root causes of the conflict and impede the re-emergence of past violent dynamics. This could take three different tangible forms:

1. **Local and territorial innovation**: Social innovations that respond to pressing social demands generated in the context of the post-conflict scenario locally. Ongoing initiatives such as the 32 peace laboratories currently supported by the Colombian government and the integration of digital hubs (known as Ventanillas Verdes) in a larger civic infrastructure strategy are examples.

2. **Thematic**: This is the natural territory for the private sector to partner with public bodies and the voluntary sector to target one particular challenge but aimed at impacting the entire society (demobilization, unemployment, agro-industry, health, education, etc.). On example is the launch of the social investment fund to build sustainable housing in the Amazonas and the prototyping of a “social economy” zone in one of the 23 special territories agreed between the government and FARC to demobilize ex-combatants.

3. **National reconciliation**: Social innovations that contribute to fundamental changes in attitudes and values, strategies, and politics that will generate a lasting peace and sustainable human development scenario. For example, innovations aimed at the implementation of the Peace Agreements. In operational terms, a CONPES (National Council of Economic and Social Policy) document for the social innovation strategy could integrate all existing approaches.

As Colombia develops its own definition of social innovation, it will be essential to also clarify the relationship that exists between social innovation and social entrepreneurship (see the annex for a glossary of terms). This is a frequently asked question, and most audiences misinterpret social innovation and entrepreneurship to be the same.

Finally, a social innovation definition for Colombia must build on the practical lessons learned in the country until the moment. This report has found the regional process of Antioquia illuminating on the potential that a national strategy could generate.

3. Importance of Social Innovation
Social innovation, as defined in this document, is helping to solve some of the most complex challenges of today’s society. Social innovation is providing innovative solutions to problems such as lack of inclusion, inequality, climate change or social conflicts; where private and public sector have traditionally failed. Similarly, social innovation has become more important for sustainable economic growth, due to the need for alternative growth models in post-industrial societies, which also enhance human relationships and well-being (Urama & Acheampong 2013).

In United States, with the creation of the Office of Social Innovation and Civic Participation in 2009, or in the United Kingdom, with the creation of the Office of the Third Sector in 2006 (now Office of Civil Society and innovation) and initiatives such as the Social Action Fund and the Social Outcomes Fund social innovation is becoming an important part of socio-economic development policies. Another worthy example is the European Commission’s Europe 2020 plan (p23), which includes social innovation as a key factor to achieve reduction in poverty, more inclusion and better integration of immigrants as part of its inclusive growth strategy.

Social innovations are generating changes and improvements in society, however there is still not sufficient systematic evidence on evaluation of its impact. (Baturina & Bežovan 2015) Baturina and Bežovan identify three levels to measure the impact of social innovation and the respective measurement tools that could be used:

1. **Micro-level**, focused on the impact on users, the impact on the quality of living of the people, for which they propose reporting tools to demonstrate the impact on the well-being of the users.
2. **Meso-level**, focused on the impact on organizational, community and governance levels, for which they propose case studies that look at how organizations are impacting relations in society, the process of governance, and the local communities.
3. **Macro-level**, focused on the impact on the ways in which societies think and build new social relations, for which they propose in-depth case studies of individual countries and the development of possible indicators at the national level to look at changes in the culture of social policy or other aspects of society.

Baturina and Bežovan as well as Anheier et al., recognize the connection between social innovation and the third sector. The third sector is a significant source of social innovation, delivering public services to society and campaigning and advocacy to protect or advance the position in society and welfare of people needing help. Researchers are using this connection to measure the impact of social innovation, at least at the micro level, through the impact of the third sector, as creator of social innovation. (Anheier et al 2014)

More work is needed in this field, however this approach can be useful to determine the economic rationale for governments to support and invest in social innovation.

In post-conflict scenarios, one of the most important reasons to support social innovation is the contribution made by these policies and actions to addressing growing inequalities that in the long term could reestablish conflict dynamics. The examples presented in the next sections of this report indicate that social innovation can provide successful socio-economic transformation initiatives in specific post-conflict territories, innovative solutions to thematic challenges and a systemic approach to integrate different levels of action (social, institutional, corporate, and academia). The contribution to employment generation, social cohesion, new health and education solutions, and ultimately innovative approaches to the reconciliation process in other conflict zones is very relevant.

In the following pages we analyze through case studies social innovation at work in post-conflict scenarios. We look at the role of social innovation and social enterprises in peace-building by exploring the Northern Ireland case, and then turn to the value of creating an ecosystem for change—which has social, cultural, political and economic factors—in the Basque Country by exploring several mechanisms for social
innovation support and additional international stand-alone examples of innovative solutions to address specific challenges

4. Case Study: Social Innovation and Social Enterprises in Peace-Building in Northern Ireland

Northern Ireland’s conflict from the late 1960s has been well documented. For the most part, the peace and reconciliation process, initiated in 1994 after unilateral paramilitary ceasefire, has held firm, allowing Northern Ireland to transform into a modern, vibrant post-conflict community. However, the legacy of the past has had a profound social and economic impact on Northern Ireland that the country has only begun the process of recovery, even to date.

This section looks at the establishment of the peace process in Northern Ireland, the role of the European Union (EU) Special Programme for Peace and Reconciliation, and its application of social innovation practice to build community capacity, empathy, trust, and ultimately paths toward reconciliation in a once fractured community.

In setting the scene to understand the role of social innovation in the Northern Ireland peace process, it is worth noting several things. First, from the outset the term social innovation as we now recognize it was not commonly used in Northern Ireland until circa 2013. The first efforts to create recognition and growth within the social enterprise sector started in 1984 in the city of Derry with the creation of the Social Economy Agency Northern Island, driven by the workers trade union movement and influenced by the Credit Union movement in Ireland. The predominant language used throughout the Peace Programme (in particular within the Peace II Programme documentation) focused on the growth of “innovation” and “innovative mechanisms,” which were perhaps more aligned with the definition of innovation associated with the development of the technology industry happening in the early 1990s. The idea that innovation was applied specifically to address social issues as a priority over economic goals is a relatively recent concept.

Second, the differentiation applied to the terms “peace process” and “peace building” as distinct concepts. As Bush and Houston (Bush & Houston 2011, p8) point out: “While the peace process (in Northern Ireland) is tied to the relatively short-term time frame associated with the signing and implementation of a peace agreement, peace building is a much longer term process focusing on the societal challenges of peace.” This differentiation played a critical role in the introduction, embedding, and longevity of the Peace Programme as a process of social innovation, allowing for a clear distinction between those in positions of political power making agreements at the State level, and civic society stakeholders who were tasked with delivering peace-building on the ground. If the political stakeholders faltered for whatever reason (often the case as negotiations between States and parties were sensitive and protracted), peace-building could continue on the ground uninterrupted, for the most part (NICVA 2004; Harvey et al 2005 cited in Bush & Houston 2011, p18).

Finally, Bush and Houston also point out the relevant tiers or “Tracks of Diplomacy” that typified the Northern Ireland peace process, which resonate with the social innovation literature on the role and level of stakeholder engagement. “Track I Diplomacy” refer to formal peacemaking efforts by high-level government officials and politicians, “Track II Diplomacy” refer to unofficial efforts by non-governmental

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3 http://www.incore.ulst.ac.uk/
4 When The Young Foundation began working with government and sector stakeholders in Northern Ireland.
5 The Social Economy Agency Northern Ireland closed in late 2013 due to lack of funding.
professionals to resolve conflicts within and between states, and “Track III Diplomacy” refer to the multiple initiatives and projects delivered by local-level stakeholders to build peace within the community and to contribute cumulatively to initiatives at Track I and Track II levels (Bush & Houston 2011, p8).

There is little acknowledgement formally that the peace process and Peace Programme in Northern Ireland were, in effect, grand examples of social innovation. Identifying peace-building as an explicit social innovation mechanism is still uncommon. However, this section attempts to bring the discussion to this realization to assist in understanding how the Peace Programme in particular enacted social innovation practice, to highlight the key lessons learned.

**4.1 Northern Ireland Peace Process and Peace Programmes I, II and III – Infrastructure and engagement frameworks for peace**

As a result of the efforts of political leaders and community activists in Northern Ireland after the 1994 unilateral ceasefires, and the signing of the “Good Friday Agreement” in April 1998 (formally enacted as The British Irish Agreement Act in 1999), the European Commission (EC) agreed to establish a 23-person task force. The task force aimed to consider mechanisms that might reinforce the tentative peace momentum and look at ways in which the EC could give “practical assistance to Northern Ireland and the Border Region in consultation with the two Member States concerned (Northern Ireland/UK and the Republic of Ireland) with central goals of assisting those affected by the conflict and fostering reconciliation.” (EC 1995: Para 3, cited in Bush & Houston 2011, p20)

As a first step, the British Irish Agreement Act 1999 allowed for the creation of the North South Ministerial Council and six North South Implementation bodies that provided a comprehensive governance provision allowing senior government ministers and supporting civil services resources to work collaboratively across Ireland, under the stewardship of the EU. While created jointly by the partnering governments, the implementation bodies were independent of government and political influence, given full authority and remit to develop and deliver programs throughout both jurisdictions, and through compliance with recognized EU standards of practice, were publically accountable and transparent in their reporting mechanisms. As one of the six North South Implementation Bodies, the Special European Union Programme Body (SEUPB) was tasked with overseeing the resulting Peace Programmes (Peace I, II, III, and currently Peace IV).

From the outset it was clear that the EU’s intention was to provide practical support that would reinforce the existing funding mechanisms supporting Northern Ireland (such as the International Fund for Ireland), and also leverage significant social and economic benefits to the region and ultimately support Northern Ireland’s growth as a positive contributor to the U.K., Ireland, and European economies. Thus the creation of policy support frameworks that engaged grassroots organizations to revitalize the local economy for the social and economic benefit of all became the central underpinning principle of the Peace Process and EU’s Peace I Programme from inception. Community consultation played an early and significant role and a series of regional events were held throughout the province. Williamson et al state that the level of early consultation at grassroots heavily influenced the emphasis placed on community involvement moving forward (Williamson et al 2000, cited in Bush & Houston 2011, p20).

The emphasis on economic renewal as a first primary goal is important to stress. Unlike other regions undergoing peace and reconciliation processes at the time concurrently with Northern Ireland (such as South Africa), the Peace I Programme focused its attention on community consultation, building grassroots

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6 The six North South Implementation Bodies are Waterways Ireland, Food Safety Promotion Board, InterTradeIreland, Special European Union Programmes Body (SEUPB), The Language Body (Ulster-Scots Agency/Foras na Gaeilge), and the Foyle Carlingford and Irish Lights Commission. Tourism Ireland is considered the seventh cross-border body.
capacity, and fostering economic regeneration (for example, through the support of social enterprise), rather than prioritizing reconciliation discourse as a first priority. This was due in part to the seminal influence of political leaders of the time, who insisted that if the social and economic inequalities facing local communities were addressed first then people would be in a better position and frame of mind to consider building bridges towards reconciliation.

Thus, the Peace I Programme focused on building community capacity and economic renewal via the rollout of a number of interventions. One intervention was providing funding under an Employment Measure that resulted in the creation of the Community Business Programme, delivered by the then Local Economic Development Unit, now known as Invest NI, under the auspice of the Department for Trade and Investment (now known as the Department for the Economy).7

From the perspective of social innovation practice and the development of social enterprise, the Peace I Programme played a critical role in building community organization capacity, empowering communities to tackle local societal problems and, for the first time formally, to engage with the concept of social enterprise. This effectively created sustainable businesses owned by the community, generating profits to reinvest in local needs.

As Bush & Houston state: “The emphasis on social inclusion created a sense of local engagement in, and ownership of, conflict transformation processes.” The number of applications, level of involvement, and volume of activities, demonstrate an extraordinary level of participation as well as breadth and scope. All of this was a necessary ingredient for progress in conflict transformation. It was widely recognized that “reconciliation would not take place without social inclusion” but also “that social inclusion in itself would not deliver reconciliation” (citing Logue 2002, in Bush & Houston 2011, p32).

Under the Peace II Programme, a formal emphasis on reconciliation was introduced as a key requirement for any continuation of funding by projects or new applications received to the Peace II Programme (using Hamber & Kelly’s definition of reconciliation, 2004). From the Community Business Programme perspective this meant that to receive financial support under Peace II, new social enterprises would have to (1) ensure a cross-community representation within the governance structure of the social enterprise, (2) ensure that the business services of the social enterprise were accessible from all parts of the community, and (3) ensure that the beneficiaries from either the social enterprise’s service delivery or reinvestment of profits were representative of both sides of the community. There needed to be a concerted effort to have cross-community engagement in any new social enterprise to receive financial support from the SEUPB going forward.

The delivery supports to foster social enterprise evolved and changed over time, through the Peace III Programme and currently Peace IV Programme, moving from the separate Community Business Programme to an integrated delivery model coordinated by the Local Enterprise Agencies initially, then Enterprise NI, and since 2012 Social Enterprise Northern Ireland and the Social Economy Programme (still managed by the Department for the Economy).8 The funding criteria toward cross-community engagement, avoidance of displacement of other commercial business, and proof of financial viability remain as priorities for social enterprise support in Northern Ireland.

The influence of the Department for the Economy’s overarching interests in commercial enterprise growth and Foreign Direct Investment has at times overly affected their views of the criteria applied to social enterprise. There is an emphasis on financial viability over achievement of social mission, which has been

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7 The Measures of Peace I Programme were employment, urban and rural regeneration, cross-border development, social inclusion, productive investment and industrial development (EC 1995: Para 11, cited in Bush & Houston 2011).
8 Department of Economy Social Enterprise support at https://www.economy-ni.gov.uk/articles/social-economy-policy-group-sepg.
contentious at times. Equally, the role that other government departments should play in supporting the social economy sector, located at the interface between community needs and enterprise delivery, such as the Department of Communities (formerly known as the Department of Social Development) has long been debated within the sector, at times resulting in policy decisions affecting the development of social enterprise in Northern Ireland to fall between “the two stools” of government offices.

Figure 1: Journey of Northern Ireland peace process

As per the requirements of the EU Structural Funds Program, a Peace Program Monitoring Committee was established, tasked with overseeing all financial and management decisions, and made up of a diverse and representative group of cross-community, cross-sector representatives, such as local political representatives, trade union and employer representatives, and members of the community and voluntary sectors, NGOs, and statutory agencies. (Colgan 2015) Steering Committees were also established to facilitate the review of the application process, monitoring the application of the funding criteria and achievement of outputs and outcomes, and where also made up of a diverse cross section of the community, commercial and statutory sectors. SEUPB Chief Executive and EC representatives chaired and attended the Monitoring Committee meetings and events and as Colgan (2015) points out: “The significance of the existence and functioning of these Monitoring Committees and Steering Committees during such a turbulent time in the evolution of the legal, administrative and political systems within Northern Ireland, is very often overlooked.”

4.2 Measuring impact – Northern Ireland “Peace Dividend”

The critical importance of measuring the impact of the Peace Programme intervention on the Peace Process in Northern Ireland has been a constant theme since 1995. While theoretically vital to understand or conclude any explicit causal relationship between investment and results on the ground, the highly complex, multivariate and longitudinal nature of the Peace Process and delivery of the Peace Programmes makes creating a causal link between investment and peace incredibly difficult. As Pat Colgan (former CEO of SEUPB 2004–2015) states: “The richness, diversity, impact and soul of the PEACE and INTERREG Programmes cannot be fully appreciated through any statistical analysis of expenditure or numbers of participants. Neither can they be fully understood by dissecting the theories underpinning the strategies that informed their design. The real lifeblood of the programmes runs through the projects that were funded and the individuals and organizations that made them possible.”

As stated earlier, the initial focus of the early Peace Programme was to address the poor economic conditions as a result of the conflict within communities, as a priority. Therefore, the first methodology for measuring impact centered on monitoring the change in deprivation indices for communities and monitoring changes over the relative short term to indicate impact (in terms of jobs, local investment,
household status, etc.). From 1999 to 2011 SEUPB commissioned “Community Uptake Analysis Reports” that sought to gather information on the breakdown of uptake of funding across communities and areas, and any correlation to census and deprivation data available that could indicate impact in underserved areas.

The Peace II Programme in particular saw a significant shift toward a verification approach—applying the definition of reconciliation as a baseline guide for applicants to provide measurement of impact frameworks, seeking explicit evidence of need within a community, of pre-determined potential impact of funding assistance and predicted outputs and measured outcomes over time. As the Peace Programme has evolved (and with a recognition of the immense challenge establishing a direct causal link between financial investment and peace), greater emphasis has been placed on the qualitative methodologies that capture the “journey” of change experienced by communities through a Peace Process and the role of the “voice” of those impacted by the Peace Programme. Since 2011 SEUPB has commissioned attitudinal surveys in the region that reflect the changes in perceptions across traditional community divides, such as space, identity, and cross-community participation.

Therefore, it is clear that although incredibly challenging, establishing a causal relationship between investment and progress of a peace process has been reflected through the use of a mixed methodology of formal economic indicators and softer qualitative methods. These methods include stories that illustrate the rich, empowering, and on occasion truly inspiring impacts of peace on individuals and communities. This impact is captured through the likes of the “Aid for Peace” methodology developed during Peace III Programme, SEUPB’s YourEU digital Magazine, and the Northern Ireland’s Community Relations Council’s “Northern Ireland Peace Monitoring Report” detailing a wide variety of economic, social, and political factors relevant to the development and maintenance of peace in the region, often described as “the Peace Dividend.”

As a direct intervention program funded initially by the Peace I Programme, the social economy sector in Northern Ireland can give some insight into the impact of investment in peace. In 2012, PWC was commissioned by the Department of Trade and Investment NI to examine the size, structure, and contribution of the “Third Sector” to the economy of Northern Ireland (PWC 2013). The main findings of the report stated:

- In 2012, there were 3,821 third-sector organizations in Northern Ireland of which 473 were social enterprises and 3,348 were community organizations.
- The majority of social enterprises are small, with 93 percent employing less than 50 individuals.
- Approximately 30,000 people were employed in the third sector in 2012.
- Thus 4 percent of total employees in Northern Ireland work in the third sector, compared to 29 percent in the public sector and 66 percent in the private sector.
- The turnover of the sector was almost USD 1.4 billion in 2010–2011, with 51 percent of turnover coming from community organizations and the remaining 49 percent from social enterprises.
- The majority of social enterprises operated within the community, health, and social care sectors.
- Turnover of the third sector in Northern Ireland was USD 1.4 billion in 2012. This represents approximately two percent of total turnover of the business sector in Northern Ireland.

4.3 Lessons on the role of social innovation in the Northern Ireland peace process

As stated above, little formal recognition has been given to the role of social innovation in the design,
development and delivery of the peace and reconciliation process in Northern Ireland. However, when presented now, in the context of this report, coupling the literature review with the case of the Peace Programme in Northern Ireland, the significance of the role of social innovation practice in the Peace Process in Northern Ireland is self-evident. Bush and Houston describe the “factors conducive to the idea of the Peace Program” (Bush & Houston 2011) and all of the identified factors correspond directly to the best practice mechanisms associated with social innovation practice, such as:

- The important role of the “champion” within the community to adopt, adapt and drive peace building and social innovation processes. Specifically, “Countries that are exploring how applicable PEACE programs are to them should look at the existing peace building and peacemaking groups in their society. Engaging these groups will increase the effectiveness, buy-in and sustainability of any PEACE-like programs that they may undertake.” (Bush and Houston 2011, p15).
- An increased willingness by civic society stakeholders to reach across sectarian divides, and to encourage others within their own communities to do so. For example, among business, trade union, and community groups. (Brewer et al 2011; Byrne 2001; Irwin 2002, cited in Bush & Houston 2011)
- The EU and EC willingness to engage in community movement-building from the inception of the Peace Programme design, referred to as a “general shift in political rationales—from government to governance, which entailed greater engagement with ‘civil society’—which made the EU sensitive to societal needs and pressures for peace with Europe and in Northern Ireland, Ireland and Britain.” (Bush and Houston 2011, p18)
- The importance of partnerships—the Peace Programme’s delivery mechanisms relied heavily on the development and maintenance of local partnerships and committees to oversee funding decisions. Partnerships made up of cross-community representatives, policy makers, private sector individuals, and innovative local government mechanisms were critical to the social innovation process. “The intention was to pursue the EU’s objectives by providing local economic and social stakeholders with resources to translate developments into a lasting peace, and to facilitate ongoing progress towards reconciliation.” (Hughes et al 1998:21, cited in Bush & Houston 2011, p38).
- The important aspect of the evaluation process was not entirely reliant on the quantitative deprivation metrics but should also include a representation of the journey of the peace process—the important and critical narrative of the community, their past, their aspirations and desires for a shared future. A recognition that the story of the “journey” and the impact of peace on the individual could be scaled up to a societal level.
- “Economic assistance is an accepted mode of conflict intervention to build the peace dividend in divided societies.” (Galtung et al 2002; Pearson 2001) “Economic assistance can serve as an important component of eclectic peace building models to win the peace, empower the grassroots, and build sustainable development in post-conflict societies.” (Byrne 2001, p205)
- The additional value of the role of social innovation in peace building facilitated by economic assistance: “Moreover, transformational conflict resolution or peace building can also help the public learn about the root causes of conflict (identity, culture, poverty) and society’s unequal power structure, as well as to develop civic education skills.” (Galtung et al 2002)

5. Case Study: Building a Social Innovation Ecosystem in Basque Country

The experience of the Basque Autonomous Community (BAC) in Spain is very different to Northern Ireland. The Basque case shows that in spite of having to confront an extreme situation—as is the process of economic restructuring within the context of political conflict and violence—it is possible to successfully apply a model of sustainable human development based on the endogenous capacity to lead a
transformation process. Moreover, a successful social innovation strategy has a direct impact on the consolidation of the peace process.

Today, the BAC ranks above countries such as Germany, France, Spain, and Great Britain with regard to life expectancy, education, per capita income, and equality. However, when self-government was granted in 1980 (the most difficult decade in relation to the violent conflict), the BAC had a per capita income of USD 3,200 per year (89 percent of average European income). This figure reached 6,000 euros in 1986. The figure doubled in those six years, to 90 percent of average European income.

By 1998, when ETA—a Basque separatist organization in Spain that used terrorism in its campaign for an independent Basque state—was still active, the per capita income stood at 108 percent, meaning that the region achieved and surpassed the average European income figure. By 2008 the per capita income was USD 33,700, i.e., 34 percent above the European average. According to the latest published data in 2014, the BAC is 29 percent above the European average.

The poverty risk rate, which measures the proportion of a population below 60 percent of the average income of the country, therefore measuring if a society is socially balanced, ranks alongside countries such as the Netherlands, Sweden, Denmark, France, Luxembourg, the Czech Republic and Austria, the European countries which register below 20 percent in the index. This is all reflected in the last report in which the BAC was measured from the United Nations (2007) on the Human Development Index, in which the BAC was situated in third place, only below Iceland and Norway.

Some might argue that these results were conditioned by a large number of factors and not directly associated with a social innovation strategy, but the Basque President who led the BAC during those years highlights that the transformation process was only possible due to the "Social Innovation Ecosystem" that integrated traditional public and private strategies under a common participatory approach. (Ibarretxe 2016) The best examples of this strategy are the clusterization policy implemented in collaboration with Michael Porter, the Research and Development Network (merging a constellation of small units into Tecnalia and IK4), the new policy framework for the development of the social economy, the national agreements for the recovery of the Basque Language, and the Peace and Reconciliation Plans.

Three key initiatives of different project categories (private initiatives, public-private partnerships, and government-led actions) drove and formed the Basque social innovation ecosystem, as detailed in the next sections.

5.1 Private-led socio-economic regeneration: Mondragon Corporation

The roots of Mondragon can be traced to the Spanish Civil War and the poverty, hunger, and post-conflict scenario that followed. In 1941, a young Catholic priest named José María Arizmendiarrreta founded a technical college that began training young people for positions in cooperative enterprise based on a humanistic, participatory model of business. By the mid-1950s, the first cooperative enterprises emerged, setting the stage for the growth of Mondragon into what is today a collection of 250 enterprises with over 500,000 employees.

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11 EUROSTAT (2014.05.21), EUSTAT 2014.05.25) and own production, 2014
12 “Researchers in the field of strategic management have recently focused greater attention on the parallels between biological and organizational systems, even adopting the phrase “ecosystem strategy” to refer to an approach for guiding an organization’s strategic choices. Proponents of an ecosystems framework stress the value of understanding the complexity and dynamics of the wide-ranging forces an organization faces. This broader framework has been used to explain the success of companies such as Wal-Mart and Microsoft that have been particularly adept at shaping their environments” (Stanford Social Innovation Review. Paul N. Bloom & J. Gregory Dees Winter 2008. This social system includes all of the stakeholder—the friends, foes, competitors, and even the innocent bystanders – party to the problem, as well as the larger environment—the laws, policies, social norms, demographic trends, and cultural institutions—within which the stakeholder play.
75,000 workers and annual revenues of USD 11 billion. Although it has become a multinational federation, Mondragon remains committed to its founding principles of solidarity and democracy.

As a cooperative, Mondragon’s commitment to democracy is expressed in both ownership and governance. Equity in the organization is owned by workers. This shared ownership builds a sense of shared responsibility to look after the long-term, best interests of the organization. Further reinforcing this sensibility, each new worker contributes approximately USD 13,000, spread over 24 months, to the enterprise.

In terms of governance, each associate has one vote, and associates elect the Supervisory Board. Any worker may be elected, and an elected worker is required to serve. Associates also elect the President and CEO. Every significant strategic or social issue—such as an acquisition, extended work hours, or a salary reduction in an economic downturn—must be voted on in the General Assembly, the annual meeting of all Mondragon workers. The Social Council, elected in the same fashion as the Board, meets bimonthly and submits recommendations to the Board on issues such as worker security, protection, and overtime hours.

Cooperatives tend to foster greater equality of income in the regions where they operate. In the Basque Country (Euskadi), and especially in the province of Guipúzcoa (home to cities such as San Sebastián and Mondragón), income inequality, as measured by the Gini Index, is very low, similar to that of Norway.

Social innovation dimension. Mondragon expresses its commitment to solidarity in two ways. The first dimension is economic, with one quarter of the profits of each member enterprise are used to support the entire federation: 15 percent is used to compensate losses experienced by other members, 5 percent is used to support innovation by funding technology centers and university education, and the remaining 5 percent supports an Investment Fund that helps members to internationalize their business.

The second dimension of solidarity is social. Mondragon emphasizes the well-being of the individual workers, as well as that of the federation. This takes the form of employment relocation within the family of Mondragon members when necessary as well as continuous attention to the CEO-to-worker salary ratio. In Mondragon, this ratio is 6 to 1, compared to 300 to 1 for similar U.S. firms.

Impact. Mondragon Corporation is a renowned worker-owned, multi-national cooperative enterprise founded in 1956 on the principle of “worker sovereignty” in the Basque region. Mondragon Corporation is the tenth biggest Spanish business group and the first industrial one in its region of origin. The areas in which the companies of the group carry out their activities are various, from the production of consumer and equipment goods to the manufacture of industrial components, construction, research activities, and financial services. All of these areas generate more than 70,000 jobs globally.

Mondragon Corporation’s contribution to the Basque Gross Domestic Product in 2010 was 3.1 per 100. Nevertheless, if the industrial sector is only taken into account, the contribution rises to almost 7.5 per 100, quite a relevant number due to the industrial character of the Basque economy.

5.2 A Common vision: Basque Social Innovation

The Basque Social Innovation (BSI) consortium is a node made up of 15 public and private stakeholders promoting social innovation, with the aim to define a common agenda and promote new initiatives in Basque Country. BSI makes existing stakeholders more visible and creates a knowledge flow for mutual
enrichment in different stages of the social innovation value chain. BSI also defines a Basque social innovation agenda agreed upon by all the stakeholders to face the countries' challenges. BSI aims to end the division between research and innovation, with cross-initiatives that promote knowledge transfer and make it possible to achieve measurable results. BSI is part of the Social Innovation Exchange and looks for connections with similar entities at the international level.

**Social innovation.** The Basque experience demonstrates that social innovation requires hardware and software. Social innovation hardware can be found in tangible and interconnected projects and software is interpreted as new transformational narratives based on common values and aspirations that inform strategic decisions. These are also the basic principles of how a particular society responds to peace-building challenges.

In Basque Country, a key component of this software has been the development of a shared narrative based on social innovation informed by the development of counter-cyclical strategic decisions and tangible projects. Tangible outputs of this social innovation ecosystem are the institutional support for social innovation, the repositioning of remaining industries in advance manufacturing, long-standing “universal income” policies implemented by the Basque Government, the cluster model, and even the Bilbao Guggenheim Museum.

**Impact.** At the end of the 1970s, the region underwent a deep economic crisis associated with the collapse of traditional manufacturing industries with unemployment levels at approximately 30 percent and an international image directly related to terrorist violence. Under similar circumstances, other communities have fallen into a vicious circle of deterioration and collapse.

Analysis of the factors underlying these achievements demonstrate the key role played by a shared transformation narrative that has placed social innovation at the heart of a distinctive value system. This narrative was created by key public and private institutions (Basque Government, local authorities, local business sector, social economy, cultural institutions) that, due to the emergency of the situation and the lack of resources, had no option but to develop a shared vision about how to transform the country cooperatively.

According to the protagonists of the transformation on the 1980s, the core elements of this narrative were: cross-partisan support for self-government and devolution, strategic investments in education, technical vocational training following the German model, intensive cluster strategy applying a smart specialization model (Porter 2002) on advanced manufacturing instead of a service economy, new and better legal structures to support the social economy and a modern welfare system (including a basic income model).

**5.3 Public participation in the peace process: KONPONDU**

In 2007, the Basque Government launched a new platform targeting citizen participation in peace building. The aim of this program was to

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13 The former president of the Basque Government, Juan José Ibarretxe, is currently leading a research network involving Columbia University and the University of the Basque Country to measure the impact of this narrative and the cultural factor in the transformation process.

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Social innovation recognizes citizens as genuine and equal co-creators in the process of developing new narratives. Narratives that bring together the collective challenges with the ideas, aspirations and possibilities that they envision for a better future. There is a broad range of social, economic and environmental challenges associated with the peace building process that cannot be transformed without a deep participation process.

Co-creation processes lead to innovative initiatives, projects and systems that are both more appropriate and more effective than those that have been developed from a single perspective. The process of co-creation itself can be transformative for those involved, particularly if they are not used to engaging with others on the basis of equality, mutual respect and collaboration.

Participants gain knowledge or insights which can shape their understanding of how things currently are and what else is possible. They may access the support (resource-based or social) needed to implement or progress new ideas.
promote direct online and offline channels of participation permitting all local citizens to convey their contributions and proposals to institutions and political parties about the peace process. As a direct consequence of this program and in a 2.3 million population, over 20,000 opinions and proposals were received, 100 online and offline discussion forums were organized, and more than 1,200,000 accesses to the web site were registered.

**Social innovation.** Local participants were incentivized to take part by the possibility to have direct contact with political leaders and the compromise to see their proposals discussed by Parliament. Trust was built throughout the process, but as in all conflict scenarios, a total consensus was not achieved. Clear indications and real expectations about what was possible to achieve and the limitations of the process helped not to generate frustration. This form of participation enriched democratic participation and was set to become the loudest cry for the end of violence in the area.

**Impact:** Konpondu received messages and opinions from more than 22,000 people that were transferred to the online participation system established by the Basque Parliament. These messages included proposals and specific comments aimed at political parties and institutions, demands for ETA to put an end to their violence, opinion polls, and information requests. The data was processed and included in the evaluation report, which was drawn up by the Centre for International Conflict Resolution at Columbia University. The suggestions presented were incorporated into the new phase of the platform but a change in the Basque Government in 2009 stopped this participatory process.

Konpondu.net registered 1,200,000 hits between making it one of the most visited pages in this area. konpondu.net was capable of sending out a monthly information bulletin to 24,000 email addresses in a region of 2.4 million inhabitants. Konpondu also hosted more than 100 dialogue forums online and offline. Taking into account that there are less than 250 municipalities in the BAC, a large part of the territory had dialogue forums where inhabitants exchanged opinions and proposals.

As Indypaul Johar underlines, “the serious need for radical institutional reform in Western societies; particularly in the way we view or relationship with natural and social capital” and expresses “a need for a radical democracy model that will see a greater diffusion of power and decision making.” This radical democracy has been manifested in the mechanisms that create the Basque sense of solidarity and enabled policies focused on the concept of improving the Basque Country as a whole. In addition, Johar says that “the Basque Case is an exceptional example; it has an interdependent economy, a diffused distribution of power, has enacted considerable institutional change that has kept both the government and the private sector close to the people, and there is genuine social responsibility in the private sector.”

The role of government is crucial in leading a post-conflict strategy applying social innovation methodologies, but this challenge requires soft power and a collaborative style of leadership that will allow multiple stakeholders to own the key strategic decisions, offering higher impact results. A movement-building and multilevel governance approach instead of traditional top-down strategies offers the government a shared platform to take more and better risks because these risks are shared with multiple stakeholders.
6. Relevant Social Innovation International Experiences

This section presents stand-alone examples of innovative solutions to address specific challenges. However, as discussed in Sections 2 and 4, an ecosystem approach needs to be incorporated to provide a systemic perspective that can offer tangible solutions to the multiple large-scale, post-conflict needs. The ecosystem should include multiple stakeholders (public bodies, private sector, non-profit, and academia), various type of innovations (products, services, and processes), a complex network of relationships, and a long-term approach.

The following table summarizes the international examples discussed in the following pages.

<table>
<thead>
<tr>
<th>Name and Location</th>
<th>Description</th>
<th>Challenge Addressed</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roshan is Afghanistan’s largest private telecommunications company</td>
<td>Roll out new telecoms services to areas with limited coverage using innovative technologies through their corporate social responsibility arm</td>
<td>Telecoms access is often unreliable and hindered by the size of Afghanistan and remoteness of many regions</td>
<td>Collaboration between stakeholders can both serve a social mission and present opportunities for further enterprise</td>
</tr>
<tr>
<td>Africa Enterprise Challenge Fund (AECF) Post Conflict Window (serving Democratic Republic of the Congo, Liberia, Sierra Leone, and Somalia/Somaliland)</td>
<td>Support viable businesses that have a role to play in post-conflict development</td>
<td>Income opportunities are few and competition from illicit activity is high</td>
<td>Demonstrates possibilities for social investment in post-conflict countries</td>
</tr>
<tr>
<td>Weapons for Development pilot program in Albania</td>
<td>Collect weapons and provide community-based development and training through diverse stakeholders</td>
<td>Similar programs had negative consequences and considerable significant inflationary risk from weapons buy-back</td>
<td>Influential as a model for other disarmament programs because of collaborative nature</td>
</tr>
<tr>
<td>U-Report project in Uganda</td>
<td>Offer a SMS and Twitter-based platform that allows youth to speak on social and development issues</td>
<td>With almost half of Uganda’s population under the age of 15, issues of engagement are a priority</td>
<td>Currently the largest youth engagement tool with more than two million users globally</td>
</tr>
<tr>
<td>Extractive Industries Alliance public-private partnership in Democratic Republic of Congo</td>
<td>Build local capacity, improve legal and political reform of the environment, develop a fund to help diversify the local economy</td>
<td>Extractive industries have been a focus of ongoing conflict and fragility with a need for transparency and good governance</td>
<td>Encouraged mining companies to improve practices and collaborate and mobilized funds from the private sector</td>
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<tr>
<td>United Nations Development Programme and United Nations Refugee Agency program to reintegrate war-affected populations in Guatemala</td>
<td>Mobilize and organize communities and organization and build capacity among refugees and internally displaced persons to participate in their communities</td>
<td>Following conflict in Guatemala, refugees and internally displaced persons needed mentoring and empowerment to manage their own affairs</td>
<td>Improved the welfare and integration of disempowered populations but also caused problems when it came to divides among local population</td>
</tr>
<tr>
<td>Amplify Northern Ireland, with support from Big Lottery Fund, the largest philanthropic funder in the United Kingdom</td>
<td>Co-create and amplify a cohort of 25 innovations designed to meet the needs expressed by local communities through participatory research</td>
<td>Despite high levels of investment, the social transformation promised by the peace process has yet to materialize for many communities</td>
<td>Listened to local shared experiences applying ethnographic methodologies to understand behaviors that affect daily lives</td>
</tr>
</tbody>
</table>
6.1 Private sector drive for telecoms social innovation in Afghanistan

The war in Afghanistan had a significant negative impact upon public infrastructure (Hamdard 2012), which was not strong even before the conflict broke out. The war impacted many aspects of infrastructure, including health, finance, and education. The conflict also severely damaged the capacity of local stakeholders to deliver services. (Aziz 2011) Telecoms access has often been unreliable and additionally hindered by the size of Afghanistan and the relative remoteness of many regions. Experiences from the West Balkans and elsewhere suggest that ICT can have significant impacts on peace and stability, though evidence remains largely anecdotal. (Aziz 2011) The rise of mobile technologies may have the capacity to help address each of these issues and roll out services even across a country experiencing regional factionalism.

Roshan is a private, profit-making corporation, the second organization in Afghanistan to be granted a GSM license and Afghanistan’s largest telecoms company. In 2002, when few other stakeholders were willing to invest in post-conflict Afghanistan, the Aga Khan Fund for Economic Development (AKFED) dedicated USD 50 million dollars in technical resources to help rebuild the Afghan telecommunications infrastructure. The other two investors are Monaco Telecom and TeliaSonera AB.

Roshan is fulfilling its social mission by rolling out new telecoms services to areas with limited coverage using innovative technologies. The organization provides capacity building, mobile outreach, and social projects (often administered through their corporate social responsibility arm Roshan Communities). Roshan, therefore, is an organization that is consistently innovating through projects, programs, and services. The company is now a strong employer of Afghan people, and 20 percent of their 900 employees are Afghan women. Roshan serves more than 6.5 million customers in a country where previously there was little mobile penetration.

A number of characteristics make this a compelling example of post-conflict social innovation:

- The initial grant funding and ongoing business model of the organization are examples of innovative practice. Particularly at the time, the social impact funding of AKFED and the for-profit business model were innovative. Even more, the social mission of Roshan is reflected in their continuing innovation through their corporate social responsibility arm, the risk of which is cross-subsidized by the successful provision of services elsewhere.
- The ongoing engagement of diverse stakeholders, such as the government, NGOs, and private businesses in a for-profit, but socially minded business was innovative at the time and continues to be so.
- Roshan also holds to a mission of ongoing innovation. Roshan is continually collaborating with others to trial projects that use telecoms for a social mission, rolling out programs and services to people who otherwise may have been excluded. Their partners include, but are not limited to USAID, Mercy Corp, AfghanAid, United Nations Development Programme, FMIC.

6.2 Investments in business innovations in post-conflict Africa

The Africa Enterprise Challenge Fund (AECF) Post Conflict Window provides opportunities for ventures from post-conflict countries that were found to be less successful in the continent-wide competitions than
companies from more stable political environments. The fund is a recipient of donor capital from, among others, UKAID, Swedish International Development Cooperation Agency, and International Fund for Agricultural Development and partners with organizations such as Triple Line and KPMG.

The aim of this fund is to support businesses that have a role to play in post-conflict development. The fund provided USD 12.5 million to 20 businesses over three years (2013–2016) and focused on agribusinesses (85 percent) and financial and information services (15 percent). All of the funds were distributed between four countries: the Democratic Republic of the Congo, Liberia, Sierra Leone, and Somalia/Somaliland.

Examples of innovations funded through the post-conflict window are:

- Habo Fish and Tuna Canning Factory (Puntland). Grant: USD 1,000,000. The company is adding a new product line. In addition to the tuna canning operation the company hopes to extend Puntland’s commercial fishing season from the current four to five months of the year to about nine months by canning small pelagic fish. The project will provide additional income opportunities in an area where opportunities are few and competition from illicit activity is high, meaning this program’s peace-building possibilities are high. This is a high-risk project that was funded because of the significant associated post-conflict and sustainable development possibilities.

- Gold tree Ltd (Sierra Leone). Grant: USD 450,000. To address the lack of transportation for palm oil producers the company designed an innovative solution: providing “walking tractors” to farmers on a leasing model that can be used to transport fruit bunches down foot paths. The tractors act like motorized wheel barrows—a significant improvement over the current transport method of carrying bushels on farmers’ heads.

It is too early to understand the impact of this funding. However, the potential of impact is very high. This innovation does demonstrate the possibilities for social investment in post-conflict countries and the viable opportunities for investment in viable enterprises.

### 6.3 Innovative post-conflict weapons exchange strategy in Albania

While weapon buy-back programs had been implemented many times before in Albania it was often found that these could have negative consequences. In addition, the considerable quantities of illegal arms and ammunitions presented a significant inflationary risk because of the amount of money that would be introduced into the economy as a result. As such, it was decided a new kind of program would have to be developed to try and engender disarmament.

The Weapons for Development program was first piloted in the Gramsh district of Albania, which has a population of 56,000. The Gramsh region was chosen in part because it seemed particularly amenable to disarmament programs since some in the community had already voluntarily given up weapons before the project began. To ensure greater buy-in to the program it was decided that the development element of the project should be dual track, providing both development assistance and strengthening of the police force (Graaf & Faltas 2001) through providing training and equipment, so that communities could be confident that they would be safe without their illegally held weapons.

The key elements of the program were (Holtom et al 2005):

- Public awareness raising through the print media, television, local town hall meetings, the establishment of NGO networks and other events
- Collection of weapons, ammunition, and explosive materials, and the symbolic public destruction of recovered articles
- Small-scale community-based development
While there had been weapon exchange programs previously, notably food for weapons and cash for weapons programs, the pilot in Albania was a concerted attempt to trial a new strategy for disarming a population. There are a number of innovative elements:

- The collaborative nature of the project development that incorporated diverse stakeholders including national and local government, who provided buy-in and facilitated weapon collection and disposal, interested international stakeholders, who provided much of the funding for the project, international institutions such as the United Nations, who provided the methodology, expertise, and some legitimacy to the project and local networks of NGOs.
- In addition, there is an innovative characteristic to the co-determination of development priorities with local people and community leaders who were consulted, using participatory methods, about local needs in order to decide on development priorities.

Evidence about the success of the Gramsh pilot are mixed, with some arguing that too few weapons were actually collected. The final number of weapons collected in this pilot by the end of 2000 was approximately 6,000, with an additional 137 tons of ammunition and other explosives recovered. (Holtom et al 2005; Dhanapala 2002; Kopel, Gallant & Eisen 2005)

However, because of the difficulty with knowing how many weapons were in the hands of the communities it is difficult to know what percentage was actually recovered. There was a fall in the number of violent crimes, however this was recorded through interrupted time series and therefore there are some questions around the validity of this finding. (Kopel, Gallant & Eisen 2005)

This pilot has been highly influential as a model for disarmament programs, however it is subject to some concerns regarding the community involvement aspect in the Albanian context. A 2005 survey of civilians found that only 17.8 percent of respondents felt that community rewards would act as an incentive to give up weapons, compared to 34 percent who felt that lotteries offering rewards on an individual basis would be an incentive. (Holtom et al 2005) Some have attributed this to the fragmented nature of some Albanian communities. The program, however, is largely viewed as a success and has provided a basis for future projects elsewhere in places such as Cambodia.

**6.4 Socially innovative youth communications tool in Uganda**

From the 1960s to the mid-2000 Uganda has experienced conflict in the north-eastern region. Structural conflicts continue over issues such as land tenure and displacement. Uganda has an exceptionally young population and there is evidence to suggest that a “youth-bulge” can exacerbate structural conflict and increase the risk of violence. (Urdal 2004) As such, with almost half of Uganda’s population under the age of 15 (Daumerie & Madsen 2010), issues of engagement are a high priority.

The U-Report project is an SMS and Twitter-based platform that allows young people to speak out on matters important to them. By sending the text message “join” to a toll-free number and submitting personal details, anyone with a mobile phone can become a volunteer u-reporter. Unicef can then send a number of polls and questions to the u-reporters, who can share their opinions and ideas on a number of social and development issues.
The project aims to enhance the capacity of young boys and girls to engage with national- and local-level issues. It aims to promote the role of youth in building a sustainable peace through increased public engagement as well as addressing issues of how to reduce marginalization and deal with issues of gender-based violence and conflict resolution in communities. The high penetration of mobile technology in Uganda particularly means that young people in remote and conflict-affected areas are able to feed in to national conversations about their nation.

The UNICEF u-report team determines questions asked via u-report in collaboration with partner organizations. Topics have included female genital mutilation, disease outbreaks, education, health, and inflation.

U-Report has been employed to promote peace and has been used by UNICEF to support initiatives such as the International Day of Peace. The partner structure and business model of this program are particularly innovative. Partners or investors in the program gain access to the open-source intellectual property of U-Report while UNICEF provides infrastructure, expertise, and the innovation capabilities through their innovation fund to pilot and scale. Investors are able to apply the knowledge gained through this to apply technologies and products that were adapted for use in developing contexts, for their own use. This can translate into improvements in efficiency and reach. Investors, then, find their return in gaining free access to new tools for new markets.

U-Report has become extremely popular and is currently the largest youth engagement tool of its kind with more than two million users globally. It has transcended its post-conflict aims and now more broadly supports youth engagement. It has spread beyond Uganda to 23 countries, including Chile, Nigeria, Sierra Leone, Liberia, Mali, Zambia, and Ukraine. For the World Humanitarian Summit UNICEF and partners asked U-Report to ask more than 550,000 u-reporters (across five countries) questions to better understand their experiences of complex political emergencies and conflict, this resulted in 170,000 responses. The U-Report platform has also been used in Burundi to monitor and respond to escalating or insecure situations and better understand realities on the ground. It was also used in Nigeria during the Ebola outbreak in 2014.

However there are some complaints that while the number of subscribers is high the level of responsiveness is comparatively low. (Peixoto & Fox 2016) In addition, there has been some worry about whose voices are U-Report amplifies. Research has suggested that up to 47 percent of u-reporters have a university education and one quarter are government employees (Peixoto & Fox 2016), which suggests that this platform is not serving in the way envisioned to and is, perhaps, vulnerable to being appropriated by people who are already have power. This may be further exacerbated because, so far, u-report has not been translated into local languages presenting a barrier to use for many of the more marginalized groups.

### 6.5 Extractive industries alliance in Democratic Republic of Congo

Global Development Alliances (GDAs) are a public-private partnership model that was established by USAID in 2001 as a new way of engaging corporate stakeholders in the development process. In the Democratic Republic of Congo, where, since the signing of peace agreements, extractive industries have been a focus of ongoing conflict and fragility, a GDA was established that partnered USAID and the NGO Pact with four private sector mining corporations: Anvil Mining, Tenke Fungurume Mining (Freeport
McMoRan), First Quantum Minerals, and AngloGold Ashanti. The project was implemented in Katanga, an area heavily reliant on mining operations.

The GDA was a three-year alliance, beginning in 2006, with objectives for development and governance, and it was referred to as the Extractive Industries Alliance (EIA). The EIA promoted good governance and sustainable development by (Queiroz 2008):

- **Promoting transparency and good governance** in the extractive industries through:
  - Local capacity building and empowering a civil coalition to oversee and report on local mining companies
  - Legal and political reform of the environment in which the mining industry operates
  - Supporting implementation of the Voluntary Principles on Human Rights and Security (self-regulatory framework) that provide guidelines for security oversight of mines

- **Working with the private sector and civil society to build a development fund to help diversify the local economy** away from mineral extraction and provide routes to sustainable economic development
  - Focusing on agricultural production, health, and education access
  - Promoting community engagement in the decision-making process of corporate social development

USAID made per annum contributions of USD 1.3 million to the project while per annum contributions of USD 8 million were made from mining companies. Pact, the NGO partner, works with the private companies to ensure that the social development program of the mining industry is appropriate, sustainable, and transparent. The project provided an opportunity for USAID to off-set some of their costs through private funding while also setting up a context in which the practices of mining companies could be examined and negotiated. For the mining companies, they benefitted from the legitimacy conferred in the partnership with USAID and Pact. In addition, mining companies were given capacity-building assistance from Pact in how to deal effectively with communities, and an opportunity to build a more enabling environment for their commercial activities.

Natural resources are frequently a focus in tension and violence in post-conflict states, and therefore approaches to peace-building that build greater transparency and governance around natural resource extraction and value chains are valuable. The Extractive Industries Alliance is innovative because:

- It engages with corporates and mobilizes private sector funds for peace-building and sustainable development. Engagement with corporates, and particularly corporate powers working in the post-conflict community, can be difficult, and this presents an interesting way of mobilizing large quantities of local finance for development.
- It encourages controversial stakeholders—the mining companies—to improve practices and participate with communities, NGOs, and donors in building sustainable development. Mining companies are highly politicized stakeholders in the area and incorporating them into development processes does require acknowledgement of this and an understanding of the part they have to play in improving their own practices. This project acknowledges this issue and uses the expertise of the NGO Pact to also adapt the practices of corporate interests.

However, there is far less information on the impacts of the EIA on the practices of mining companies or the levels of conflict experienced in the Katanga area. It is also not clear what the influence of community participation has

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Despite a lack of information on the governance- and social justice-based outcomes of this alliance, EIA is an interesting example of post-conflict social innovation because of the considerable funds that were mobilized from the private sector to deal with post-conflict sustainable development and governance. This model demonstrates that it is possible to incorporate commercial stakeholders that are already active participants into the post-conflict environment and into the development process.

This example also shows how government is crucial in leading a post-conflict strategy applying social innovation methodologies, but this challenge requires soft power and a collaborative style of leadership that will allow multiple stakeholders to own the key strategic decisions, offering higher impact results. A movement-building and multi-level governance approach, instead of traditional, top-down strategies, offers the government a shared platform to take more and better risks because these risks are shared with multiple stakeholders.
6.6 Reintegration of war-affected populations in Guatemala

During 1996–2005, following conflict in Guatemala, the United Nations Development Programme and United Nations Refugee Agency implemented programs designed to help deal with the aftermath, which included a program designed to reintegrate war-affected populations.

This was a multi-track program that included collaborative (involving the government, international agencies, and refugee groups, as well as taking a sub-regional approach working across Central America and Mexico) and participatory approaches and involved mentoring refugees and IDPs to organize and take responsibility for the process of their organization. The entire program had many strands of work and contributed one arm of the UNDP response post-peace agreement. The program of work included:¹⁴

- Support to the establishment of the Technical Commission for Implementation of the Agreement on Uprooted Populations.
- Support to the study and selection of land for the return of refugees and internally displaces persons. This was done in collaboration with government and non-governmental bodies such as UNHCR.
- Management of dedicated trust fund and support to project identification, formulation, and execution.
- Coordination of interagency group on uprooted and demobilized populations (1997–2004). Coordination and technical secretariat, Support to definition of reintegration policies, Sustainability through governmental regular program and funds and advisory services to NGOs.

Elements of this package of work, particularly around the “support/facilitation of specific projects (1998–2001) targeting displaced persons (PRADIS)” can be considered to be innovative in a number of ways:

- It took an approach that focused on community mobilization and organization and built capacity among refugees and internally displaced persons to participate in their communities upon their return. In addition, there was a focus on enabling women and minorities to participate in this community organization.
- The training and organization of refugees and IDPs began far earlier than other projects and took place from the outset in the refugee camps.
- These organizations allowed for communities to negotiate their own return and particularly negotiated issues around land.
- Camp communities that had organized moved to enclaves that managed their own affairs through cooperative structures.
- Government and donors provided funds to work toward goals that had been determined by the communities themselves.

Whilst this work was groundbreaking and to some degree successful, there were some negative effects from the process. The most fundamental was the lack of integration of the reintegrated population. The process of organizing the refugees was particularly successful and many of the

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¹⁴ Source of table: Pillay, R. Evaluation of UNDP Assistance to Conflict-Affected Countries: Case Study Guatemala UNDP

This example highlights a long-term approach to peace-building that is collaborative, participatory, and multi-strand. It is useful from a learning perspective because it shows how successful social innovation can improve the welfare and integration of often disempowered populations but also how this success can cause problems when it comes to reinforcing divides.
enclaves maintained significant capacity to handle their own affairs. However, this did cause some resentment among the local population.

### 6.7 A movement-building approach in Northern Ireland

During the last two decades, many interventions aimed at tackling inequality have been implemented across Northern Ireland. However, most have tended to address the symptoms rather than the root or structural causes of the problem. As a result, despite high levels of investment, the deep social transformation promised by the peace process has yet to materialize for many communities.

Amplify Northern Ireland understands that social innovation in post-conflict scenarios comes about when sufficient numbers of people across society establish a shared vision of a different future. Local communities are intrinsically bound together by shared experiences and they vary from one region to another and are shaped by countless factors, such as culture, history, dominant behavior, and the degree to which there is desire for change. By listening to local shared experiences applying ethnographic methodologies, local institutions and communities can understand more about the decisions and behaviors that affect daily lives. More importantly, the listening process links local communities in co-designing new solutions that will be supported by an accelerator program.

Amplify Northern Ireland\(^\text{16}\) began in 2014 with an ethnographic research process in Belfast (capital), Derry-Londonderry (mid-size city) and Ennis Killen (rural town). A local team engaged with hundreds of people to understand more about their shared values, challenges, and aspirations in the post-conflict scenario. This process was designed by The Young Foundation, adapting the lessons learned from the Basque transformation.\(^\text{17}\) The stories helped to understand the cultural factor, the existing strengths and challenges, but also the sorts of values and narratives that local communities would like to associate with in the future.

Subsequently, Amplify Northern Ireland identified new narratives of what is understood to be possible and necessary to create change. The next step was to co-create and amplify a cohort of 25 innovations designed to meet the needs expressed by local communities through participatory research. These innovations were supported through a Social Innovation Accelerator.\(^\text{18}\) This process was iterated in 2015, providing a better understanding of the transformational narratives and 25 new innovations. The Big Lottery Fund, the largest philanthropic funder in the United Kingdom, has supported this program with an investment of USD 2 million that will scale the platform until 2019.

Amplify Northern Ireland demonstrates that delivering lasting social change in post conflict scenarios requires a holistic and large-scale transformation, one that harnesses the commitment and creativity of people across communities. These efforts also require a system shift from a purely project-based approach to the development of comprehensive and interconnected interventions that only a participatory process can generate.

Amplify Northern Ireland shows a tangible way to unlock untapped potential in the form of the people, ideas, resources, assets, and networks that reside at the heart of every community. It focuses on solutions rather than problems and recognizes that vibrant communities can only be built and renewed by the people who live in them.

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15 Source of table: Pillay, R. Evaluation of UNDP Assistance to Conflict-Affected Countries: Case Study Guatemala UNDP  

16 http://amplifyni.org/desktop.html#scene-one

17 "Making waves. Amplifying the potential of cities and regions through movement based social innovation" The Young Foundation 2016.

18 The Accelerator is a four-month program intended to propel and rapidly accelerate small but successful social enterprises, combining expert tutoring, business support, and social investment. It connects leading thinkers and doers who are determined to make social change happen.
7. Social Innovation in Colombia

With a few exceptions, past experiences in Colombia regarding social innovation and peace have been claimed by the Colombian private sector and international cooperation, and have taken place in the realm of social entrepreneurship. Those efforts and others that are outside the scope of this report were carried out prior to the imminent signing of peace agreements between the government and FARC. In effect, the signing of the current agreements posits particular challenges that are worth highlighting as they will shed light on where social innovation could play a crucial role.

The current peace process posits challenges that are drawn from interviews with representatives from the National Planning Department, as well as consultation of public sources that track and analyze the progress and implications of post-conflict Colombia. The first challenge is the facilitation of citizen participation and design of local and territorial development plans. The peace agreements emphasize this as a critical, cross-cutting component. The second challenge is the closing of critical gaps in access to basic services. In this respect, the design and implementation of impact-oriented business and innovative models will be key, to complement and support fiscal efforts made by the central government.

In addition to these two challenges for the implementation of agreements, the innovations that have shaped the negotiation are worth mentioning and analyzing on their own. According to Conciliation Resources, “at a time of unprecedented humanitarian crisis, Colombia is becoming a global reference for identifying political solutions to apparently intractable conflicts.” In its third major attempt in five decades to reach a negotiated solution, both parties have taken stock from their own failures in the past, as well as lessons from other peace processes.

The most significant innovations that have taken place could be summarized around the following pillars: (1) drafted a solid framework that distinguishes between conflict termination and transformation; (2) positioned victims’ rights at the center of talks; (3) negotiations addressing the root cause and international drivers of the conflict; (4) created a Gender Sub Commission overseeing the agreements; and (5) parties preparing for the implementation before completing the negotiations.

7.1 Previous and ongoing work on social innovation and peace

In Colombia, a number of programs can serve as a starting point of a more comprehensive social innovation strategy that takes the current national scenario into consideration. They were not presented explicitly as “social innovation for peace building” but they do include some of the key characteristics defining social innovations. They are included in this report to capture relevant lessons that could be applied to initiatives in the context of a new social innovation policy framework.
<table>
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<tr>
<th>Program/Initiative</th>
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<tr>
<td><strong>Red Prode Paz (Network of Peace and Development Programs)</strong></td>
<td>Peace and Development Programs are regional initiatives that bring together governments, civil society organizations, the private sector and academia, to chart collective agendas that link development and peace-building goals. In this sense, peace and development plans identify critical bottlenecks for reconciliation processes, as well as productive initiatives that aim to bridge social gaps through economic development dynamics. So far, 25 peace and development programs have been implemented across the country.</td>
<td>The Peace and Development Program from Valle del Cauca, Vallenpaz, offers a paramount example of focus and concrete impat in terms of peace building. Supported by the private sector of Cali and its surroundings, Vallenpaz has sought to integrate small agriculture into the region’s economic dynamics, as a means to build peace and create conditions of dignity in rural areas. Currently, 16 years after its founding, Vallenpaz works with 3,000 smallholders on improving agricultural practices and enabling access to markets.</td>
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<tr>
<td><strong>Fondo de Innovaciones para la Paz (Innovation for Peace Fund)</strong></td>
<td>Funded by the Swedish cooperation agency, the German Cooperation and private entities in Colombia like Fundación Social, the Innovations for Peace Fund identified and provided seed capital to ventures working in conflict-affected areas of Colombia. The fund operated through calls for proposals, and three of these were conducted in the first four years of the initiative.</td>
<td>Fifteen ventures received funding, to strengthen rural enterprises in conflict-affected areas of Colombia. In its first four years, the Fund mobilized a total of USD 1.8 million. Of this amount, approximately USD 700,000 was invested by the Fund itself, and the remaining 1.1 million was mobilized as counterpart funding by the projects that were selected.</td>
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<td><strong>Premio Emprender Paz</strong></td>
<td>The Emprender Paz award recognizes the role of enterprise in rebuilding the social fabric in conflict-affected areas. It conducts a yearly process through which large enterprises are selected based on projects and initiatives that build inclusive value chains, including former combatants and conflict-affected populations. It is supported by Fundación Social, the German Cooperation Agency and other local partners.</td>
<td>In 2015, for instance, the award received 72 nominations, 70% of which came from small and medium-sized enterprises. The majority of projects work with internally displaced populations, communities working to substitute illegal crops, and youth facing risks of recruitment from illegal armed organizations.</td>
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<td><strong>Peace Startup</strong></td>
<td>Funded by UNDP, the International Labor Organization, Telefonica, and a number of local organizations, Peace Startup identifies and accelerates technology-based solutions to peace-related challenges. The program runs regional hackathons in areas of Colombia that face peace building challenges. It consists of three phases. The first entails the identification of peace building challenges through ethnographic research and consultation of public databases. These challenges then guide the development of a two-day hackathon, and winning business ideas receive technical assistance and seed financing to facilitate implementation. An example of former winning solutions is a drone-based technology that identifies and deactivates anti-personal mines in regions affected by conflict.</td>
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<td><strong>Hacer la Paz Es</strong></td>
<td>This initiative was funded by UNDP and Empresarios por la Educación, a foundation that supports a group of actors working in the realms of education and innovation. It consisted of a conference and a series of follow up activities related to strengthening education models that create a culture of peace.</td>
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<tr>
<td><strong>Redepaz</strong></td>
<td>REDEPAZ is the National Network of Initiatives for Peace and Against the War founded in 1993 after a series of peace initiatives. The organization supports, coordinates and disseminates local, regional and national actions emerging from civil society, and defends peace as a fundamental right of Colombians.</td>
<td>Since 1994, REDEPAZ has organized an annual National Peace Week to create a space for reflection, work and community of Colombians who are in favor of dialogue, reconciliation, co-existence and peace.</td>
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Most interventions and experiences related to social innovation and peace have taken place at the micro level in Colombia. The experiences of Peace and Development Programs must be capitalized upon to strengthen and facilitate territorial development programs, which are the backbone of peace agreements. This experience offers the most insights in terms of mobilizing and coordinating collective approaches to development.
8. Conclusions and Recommendations

This report presents evidence about the emergent social innovation ecosystem in Colombia. The participatory process conducted by the government has established the necessary foundations for a large-scale implementation process that could project Colombia as a global leader in innovative peace process strategies toward sustainable human development. The following are additional insights and recommendations to take advantage of this opportunity to build on international experience and lessons learned from social innovation approaches.

SHORT TERM ACTIONS - NATIONAL AND LOCAL INTERVENTIONS

1. **Create a new peace process narrative:** The current peace scenario offers a unique opportunity to collectively identify shared narratives for a better future. By articulating shared visions for a more peaceful, just, and sustainable society, Colombian society can challenge existing norms and expectations about the inevitability of things carrying on as they are. By identifying, shaping, and delivering innovative new ways of doing things—a “culture change” as expressed by President Santos at the signing of the new peace agreements with the FARC—Colombian society can challenge conflict dynamics and act differently on their shared values.

The most efficient interventions in peace process scenarios seek to build a genuine partnership between citizens and communities as the agents of change, and third-sector organizations, the civic representatives, businesses, and public services who facilitate and support it. It is designed to enable communities to drive and own innovations that will make a difference in tackling their challenges and to root these in a broad-based social movement pushing for change and built on positive values shared across communities.

This new approach, shown at its simplest level below, recognizes that deep-rooted social transformations—such as the cooperative movement in the Basque Country—are founded on three intertwined processes:

- Helping people to understand their shared experiences so they can find common ground on the things they want to change.
- Establishing shared narratives of a better future to which people collectively aspire.
- Taking action together to identify, shape, and deliver the tangible innovations needed to turn these narratives into reality based within strong and connected networks that reach into every part of the community.

2. **Develop participatory and community businesses development programs:** The new social innovation strategy can build a program of participatory opportunities in the targeted areas or themes designed to build social capital amongst local citizens—enabling people to come together to do something different for themselves and their community and to develop new connections and collaborations.

This participatory approach can be used both as a means of generating social capital in its own right, but also as unique opportunity to understand how people and communities interact with these opportunities. How do they make sense of them, why do some take advantage of them while others do not, and what we need to transform these communities from a socio-economic perspective? These programs can offer new social innovation hubs and laboratories, dedicated
project newspapers, social media, networks, and partnerships using techniques, such as the Festival of Ideas piloted by the Participatory City Project, with associated workshops and events.

The new social innovation strategy can also incubate community businesses. These communities are best placed to understand, shape, and identify the innovations that are likely to deliver transformation. Co-creation allows people in communities to direct the development of new processes, services, and products while prioritizing the development of a sustainable business case beyond the “project” funded phase. Assets in the community can be recognized and involved, and potential barriers to large-scale diffusion of the co-produced solutions identified.

These networks should be amplified with a broad range of innovators and stakeholders to help local communities to identify, scope, prioritize, and design potential innovations. Methods include shop front activities as well as a series of co-creation workshops with a cohort of local entrepreneurs, SMS, and anchor corporations that will grow into teams. Ongoing support should be also given to teams by the incubation processes. Mapping activities can encourage participants to map local resources and incorporate them into the design process.

A combination of additional methods can be used that will be embedded within the growing participation programs, including social design hackathons and rapid challenges that support the identification of ideas and innovations. To support this, the Colombian government and international institutions could bring in national and international social entrepreneurs to contribute ideas and experience and inspire people to think more ambitiously.

3. **Build and expand on ongoing initiatives:** The new social innovation strategy for Colombia should be about building an enduring, coordinated group of efforts (territorial, thematic, and national) to purposely create and sustain social change. It could facilitate deeper insights into the lives of people and communities to extrapolate meaningful findings across the country and to bring civic society, business, and public and political institutions together in support of practical actions which resonate with local people.

The new strategy should complement and support existing social innovation activity across the targeted territories. The goal is not to create a new plan for these areas or to take ownership of actions people are currently taking to promote socio-economic transformation. Rather, the new strategy will provide a platform through which other social, institutional, and economic stakeholders can come together, to gain new insights thanks to the participatory platform, to access the best tools to amplify new and existing innovations, and to establish how they can achieve change more effectively.

**MEDIUM TERM ACTIONS - NATIONAL STRATEGY AND BUILDING PRINCIPLES**

1. **Develop a social innovation definition and action plan for Colombia:** Institutional efforts to design a National Social Innovation Strategy in Colombia are not new. The process started in 2013, and it involved an intensive and multidisciplinary group of institutions and communities proposing initiatives and actions. It is particularly relevant the contribution made by the “social innovation nodes” that operate around the country, bringing together stakeholders from academia, private sector, civil society, and local government organizations to discuss this strategy, including the peace-building agenda. This report aims to contribute to this process by supporting the strategy

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19 [http://www.participatorycity.org](http://www.participatorycity.org)
with international evidence and crafting a lean definition for social innovation that now the country needs to develop on its own.

2. **Understand local cultural factors:** The case studies and evidence helps us understand what has worked in other peace process scenarios. However, to apply those experiences to the Colombian context, local cultural factors need to be incorporated. Social innovation can be a tool to understand shared experiences, behaviors, or common values by Colombian society.

Peace process narratives are based in shared values and cultural beliefs about the role of affected communities and people within society. These viewpoints are normally experienced as negative and stigmatizing. They act as rationalizations and explanations of self and place, action, and resource allocation. These narratives are also powerful signifiers to communities that the reality is unjust, but that it is difficult or impossible to challenge.

3. **Ensure participation of all stakeholders:** To create a social innovation ecosystem, full participation needs to happen, appreciating that ordinary citizens can both create change and innovate new practices. It is important to recognize non-traditional agencies, communities, and people taking actions that are different from the norm as socially innovative, or at least a commitment to a different kind of action. This is especially important in peace process scenarios, where people have felt the complications of narratives about conflict and social status or politics and loyalty, as well as the trauma to their communities that conflicts often engender.

People must feel that change, opportunity, and new ways of doing things are permissible. One way in which communities can engage with conflict and peace process narratives is by countering them. They can tell a different story, share a different vision, and ascribe different meaning about reality and communities. In doing so they challenge perceptions of communities and focus on what is positive or different. These narratives are unheard, sometimes invisible, and sometimes have been repressed for many years. But when heard, they should be considered a key tool toward creating greater equality for communities, because they are borne from them and have a social commitment that is key to taking socially sustainable and innovative actions. They provide a strong basis for collective action, rooted and powerful enough to create momentum for change with recognition, engagement, and support in peace process scenarios.

This report suggests that everyone has a role to play, recognizing mutuality and principles of participation, inclusivity, and accessibility particularly for those who are marginalized. Change should be defined and led by those who have lived experience of the issue and are rooted in place, rather than top-down or external preconceptions about what needs to be changed. Public and private institutions should not be afraid to challenge existing power dynamics in the peace process scenario. Web-based and other ICT-based tools must be considered as a means to foster exchange and creativity and as a probe into societal change.

In sum, people and communities are best placed to identify and lead the change they want to see. Conversely, where change is planned and implemented without the involvement of intended beneficiaries, it will likely fail.

4. **Foster acceleration and scale up:** The social innovation strategy should accelerate the innovations as they develop, so the people leading them have the support and backing to develop and sustain them. This can be achieved through a Social Ventures Accelerator, which are designed to identify, energize, and mobilize existing innovations, and to generate networks and connections in the territory. The main purpose is to support those ideas that have the greatest resonance with local demands. The cohort is therefore directly drawn from the co-production process and is subject to community backing and prioritization.
Research conducted into the social innovation market usually identifies a “missing middle” in the expertise on offer to social ventures, with four key gaps: (1) strategic marketing support; (2) in-depth analysis of customer needs; (3) financial planning skills; and (4) paucity of governance, legal, human resources, and robust systems development.

The traditional accelerator models are typically built for an individual entrepreneur who is usually already accustomed to the language of business. That model restricts innovation to the small number of entrepreneurs on the inside of the social investment ecosystem. Social Innovation Accelerators need to be designed from the ground up to engage a much broader audience, bringing those cooperative innovators who would otherwise be excluded to the fore.

This report also recommends bringing in additional specialist support from national and international partners to develop innovations capable of operating at scale, with a focus on developing co-operative models, large-scale social enterprises, and large-scale, cross-sector partnerships. The report highlights the important role that corporate social innovation has to play in peace process environments where private sector development is a vital part of addressing economic security.

4. **Pay attention to opportunity windows:** A social innovation strategy should contribute toward building a movement of citizens, organizations, and institutions working together to support the peace process. Social movements are fundamental to transactional change. When social movements are successful they draw in people from across all walks of life and transform the way we think, the way our society and our communities are structured, the way we live, and even who we are. Building a movement for peace and socio-economic transformation in Colombia is long-term hard work and involves seizing opportunities to build momentum and readiness as well as careful planning. It is not a linear process. There will be moments of peak interest and moments when interest falls back. The institutions provide direction during peak moments. In quieter times, social innovation nurtures leadership, consciousness, and infrastructure.
Annex I. References


Bush, K & Houston K. 2011. “THE STORY OF PEACE Learning from EU PEACE Funding in Northern Ireland and the Border Region” INCORE.


Annex II. Glossary of Terms

Social economy
- Describes the variety of forms of business organizations that are rooted in local communities and independent from governments and which fall between the private (business) and public sectors (government).
- Are democratic and/or participatory, pull together many types of resources in a socially owned entity, and combine social objectives and social values with traditional business activity.
- Characterized by mutual self-help initiatives and by initiatives to meet the needs of disadvantaged members of society.
- Includes co-operatives, mutual societies, non-profit associations, foundations, and social enterprises.

Third sector
- Describes a diverse range of organizations that are neither public sector nor private sector.
- Includes voluntary and community organizations (both registered charities and other organizations such as associations, self-help groups, and community groups), social enterprises, mutual, faith-based organizations, and co-operatives.

Social innovation
- New solutions (products, services, models, markets, processes, etc.) that simultaneously meet a social need more effectively than existing solutions and lead to new or improved capabilities and relationships and better use of assets and resources.
- Are both good for society and enhance society’s capacity to act.
- Also defined as encompassing “new solutions to social challenges that have the purposeful intent of, and ultimately directly effect, the creation of equality, justice and empowerment for all.”

Social enterprise
- Privately owned organizations—either for-profit, non-profit or a hybrid—that use business methods to advance their social objectives.
- Focus on maximizing the social, environmental, and economic impact for their target beneficiaries rather than maximizing the short-term profits for their shareholders and private owners.
- Due to their strong presence and understanding of the local communities, are often able to reach underserved communities through innovative business models.

Social entrepreneurship
- Similar to social enterprise, can be defined as “the set of behaviors and attitudes of individuals involved in creating new social ventures, such as a willingness to take risks and finding creative ways of using underused assets.”
- Typically individuals working independently or in small partnerships to create their own social enterprise business with primarily social objectives whose surpluses are principally reinvested for that purpose.

Stakeholder(s)
- Person or entity who has an interest in or investment in something and who is impacted by and cares about how it turns out.
- Individuals, groups, organizations, government departments, and businesses, and anyone with a stake or a vested interest in the activity, program, policy, or enterprise.
- In social innovation terms, all relevant individuals, organizations, and networks that need to be involved in the process.

Systemic
• Decisions, actions, policies, and programs that affect the entire system as a whole or have systemwide reach.
• Change can affect or relate to a group or system, such as a body, institution, economy, community, or market as a whole, instead of individual members or parts.
• Systemic change is the ultimate goal of social innovation, even if very few social innovations reach this stage.

Ecosystem
• Rooted historically in biological science and when applied to social innovation, refers to the complex set of relationships among various stakeholders to develop common social principles and to collaborate to manage policy and practices within a new community environment in a manner that works toward the achievements of their common social principles.

Participatory governance
• “Consists of state-sanctioned institutional processes that allow citizens to exercise voice and vote, which then results in the implementation of public policies that produce some sort of changes in citizens’ lives. Citizens are engaged in public venues at a variety of times throughout the year, thus allowing them to be involved in policy formation, selection, and oversight. The inclusion of citizens in state-sanctioned venues means that they are now in constant contact with government officials. These institutions thus generate new forms of interactions among citizens as well as between citizens and government officials.”

Community movement-building (or community organizing)
• Process of supporting individuals to come together to improve their communities by putting pressure on institutions, businesses, and governments to act.
• Community organizers identify local leaders, bring together local groups, and develop campaigns and actions about local issues.
• New insights, opportunities, and networks generated by the movement are not simply located within one part, sector, or community, but extend across a place.
• There are real changes in the ways in which decisions about resources are made, and new voices are involved in making these decisions.
• New voices are recognized and represented in decisions about distributing existing resources and assets. The word “movement” means “to create action,” to go from one place to another. The movement must result in a pipeline of new ideas and innovations.
Annex III. Drafting “Reconciliation”

Having defined social innovation and then reviewed the components of a definition of social innovation in a peace process context, the next useful step is to recap a definition of reconciliation. After commissioning research in 2004, SEUPB in Northern Ireland adopted Hamber and Kelly’s 2004 working definition of reconciliation as “a voluntary act, which cannot be imposed, and involves five interwoven and related strands, as follows:

- Developing a shared vision of an interdependent and fair society
- Acknowledging and dealing with the past
- Building positive relationships
- Significant cultural and attitudinal change
- Substantial social, economic and political change.”

Figure 1 illustrates the five strands of reconciliation:21

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20 Cited in Colgan 2015.

The table, extracted from Colgan (2015)\textsuperscript{22} illustrates the Union’s financial investment in the region from 1995 to present day.

<table>
<thead>
<tr>
<th>Programme</th>
<th>Funding Period</th>
<th>EU Funding (€m)</th>
<th>Member State Contribution (€m)</th>
<th>Total (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEACE I</td>
<td>1995-1999</td>
<td>500</td>
<td>167</td>
<td>667</td>
</tr>
<tr>
<td>PEACE II</td>
<td>2000-2004</td>
<td>531</td>
<td>304</td>
<td>835</td>
</tr>
<tr>
<td>PEACE II Extension</td>
<td>2005-2006</td>
<td>78</td>
<td>82</td>
<td>160</td>
</tr>
<tr>
<td>PEACE III</td>
<td>2007-2013</td>
<td>225</td>
<td>108</td>
<td>333</td>
</tr>
<tr>
<td>PEACE IV</td>
<td>2014-2020</td>
<td>229</td>
<td>40</td>
<td>269</td>
</tr>
<tr>
<td><strong>Total PEACE</strong></td>
<td></td>
<td><strong>1,563</strong></td>
<td><strong>701</strong></td>
<td><strong>2,264</strong></td>
</tr>
<tr>
<td>INTERREG III</td>
<td>2000-2006</td>
<td>148</td>
<td>37</td>
<td>185</td>
</tr>
<tr>
<td>INTERREG IV</td>
<td>2007-2013</td>
<td>205</td>
<td>51</td>
<td>256</td>
</tr>
<tr>
<td>INTERREG V</td>
<td>2014-2020</td>
<td>209</td>
<td>31</td>
<td>240</td>
</tr>
<tr>
<td><strong>Total INTERREG</strong></td>
<td></td>
<td><strong>562</strong></td>
<td><strong>119</strong></td>
<td><strong>681</strong></td>
</tr>
<tr>
<td><strong>Total PEACE + INTERREG</strong></td>
<td></td>
<td><strong>2,125</strong></td>
<td><strong>820</strong></td>
<td><strong>2,945</strong></td>
</tr>
</tbody>
</table>

Source: Colgan 2015

\textsuperscript{22} “From 2004 to 2015, Pat Colgan served as Chief Executive of SEUPB; he was the Accounting Officer for almost €3 billion in EU funding, distributed through over 23,000 projects. He is an expert in the design and delivery of EU Structural Funds programmes in cross-border, transnational and inter-regional cooperation in areas as diverse as local and regional government, enterprise, environment, health, peace-building.” Extracted from Colgan 2015.
Annex V. Medellín’s Social Innovation Ecosystem: A Territorial Example in Colombia

The city of Medellín, capital of Antioquia, has implemented measures that have resulted in the creation of an advanced social innovation ecosystem.

- **The design of programs and policies that foster entrepreneurship at all levels:** “Cultura E” is the name of Medellín’s flagship entrepreneurship program, which promotes a culture of entrepreneurship in the city, with an emphasis in the most vulnerable areas. Cultura E entailed the creation of a *microfinance network*, composed of microfinance institutions that were active in the city, and a city-owned MFI focused on working with the poorest communities. The program also included the establishment of physical spaces for the incubation of microenterprises. These centers, located in the city’s peripheral neighborhoods, hosted training programs and serves as virtual hubs of enterprise creation, in areas of the city that were formerly dominated by gangs and crime activity.

- **The creation of Ruta N, a regional innovation agency:** Ruta N is Medellin’s innovation agency, which was started with funding that came from the city’s utility companies. The agency fosters technology innovation in the Medellin metropolitan area, and is leading the creation of an innovation district, including real estate developments aimed at facilitating the establishment of foreign enterprises in Medellin and Colombia. It also hosts and promotes a variety of acceleration and seed investing programs, aimed at fostering early stage entrepreneurship.

- **Investment in urban development and infrastructure in vulnerable areas:** The most vulnerable areas of Medellin saw massive urban redevelopment investments, which included recovery of critical public spaces and transport infrastructure investments to improve the accessibility of parts of the city previously affected by gang violence. Cable cars, escalators, tramways, and Metro are part of these investments, which opened up previously inaccessible areas of Medellin. These investments were complemented with housing developments, parks and large public libraries that were designed by the country’s most renowned architects.

- **An ambitious education infrastructure investment program:** As part of the urban development programs described above, a network of public libraries was developed in Medellin and later in Antioquia (“Parques Educativos” is the name of the regional network of educational spaces in Antioquia). These served as community hubs and were the flagship of a public policy agenda that put education front and center.

- **The creation of platforms to facilitate citizen engagement with public policy planning:** Medellin and Antioquia have been pioneers in the implementation of participatory budget planning, whereby citizens design and oversee the execution of their neighborhood’s investment agendas. In addition to participatory budgeting, and with the intention of becoming “the most innovative city on the world,” Medellin put in place “Mi Medellín,” an online platform that encourages citizen engagement and receives ideas from citizens, which are evaluated and implemented by the city administration.

- **A public policy that fosters social innovation and entrepreneurship:** The goal of this policy framework is to leverage the progress of the city’s entrepreneurship and innovation ecosystems, and direct them towards solving the social problems facing the most vulnerable segments of Medellin. The policy was approved by the city council in 2014 and will facilitate the development and funding of innovation challenges that target low income segments of the city population, victims of the armed conflict and families who have experienced forced displacement. No impact evaluation has been carried out, to assess the impact that the policy framework has had. One of the expected outcomes is an increase in the amount of resources and initiatives directed to solving social issues.