## **Challenge Identification Guide**

**INSTRUCTIONS**

Welcome! This guide helps you identify and define a suitable development challenge for your own *lab of tomorrow* process. Read the information in section 1, then fill in the grey boxes in section 2. This takes approximately 15-30 minutes of your time.

**1. Read before filling in the form**

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**HOW THE *LAB OF TOMORROW* PROCESS WORKS**

* The *lab of tomorrow* process is a tool for kickstarting business and development in emerging markets.
* Every *lab of tomorrow* process tackles a local development challenge through the creation of new business solutions.
* A development challenge is an unmet need of a clearly defined target group which offers potential for business solutions.
* The *lab of tomorrow* process brings together **local and European companies** and enables them to jointly create sustainable business solutions for the challenge in small interdisciplinary teams.
* The outcome are new **start-ups** or **joint ventures** owned by the private sector, with products or services that help to satisfy the unmet need of the target group.

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**WHEN IS THE *LAB OF TOMORROW* PROCESS THE RIGHT METHOD FOR YOUR PROJECT?**

* If you want to tackle a development challenge in an emerging economy with business solutions that are owned and driven by the private sector.
* If the development challenge can be solved by commercially viable products and services which do not yet exist in the market due to certain barriers
* If the development challenge requires innovative solutions (not a simple transfer of an existing solution).

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**COMMITMENT**

* A *lab of tomorrow* process usually takes **6-9 months** – from defining the challenge to the emergence of teams with business solutions that are ready for piloting in the target market.
* Steering *a lab of tomorrow* process typically requires about **50% of the capacity of your responsible GIZ full-time expert** over the course of the process (and may require additional support of your team before important milestones).
* Additionally, you will typically need to contract **experts on Design Thinking, Business Design and the topic of the challenge** with a total amount of 110-220 expert days. The exact amount depends on a number of variables. Based on your input in this form, the *lot* team can calculate a more concrete estimation.

*Please see form on the following page*

**2. Challenge form**

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**IDENTIFYING YOUR CHALLENGE**

If you have not yet identified a development challenge, the following questions may help you: ‬

**Checklist for finding a suitable challenge:**

* [ ]  The target group is defined clearly
* [ ]  The unmet need of the target group is defined clearly
* [ ]  The challenge requires a solution that is not yet available in the local context
* [ ]  The challenge allows for multiple solutions
* [ ]  The challenge is not too broad to be tackled by business

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**DESCRIBE YOUR DEVELOPMENT CHALLENGE**

Please provide a brief description of the challenge.

In your description, make sure to answer the following questions:

* Which development challenge do you want to tackle?
* What is the main target group affected by the challenge?
* Which other stakeholders are affected by it?
* Why is there no solution yet?
* Which opportunities does this challenge offer for business?
* Which private sector actors might be interested in creating business solutions (products or services that help solve the challenge)?
* To the achievement of which SDG(s) or SDG sub-target(s) does tackling the challenge contribute?

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**START DATE**

When would you like to start your *lab of tomorrow* process (a typical process takes 6-9 months)?

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**ADDITIONAL VARIABLES**

Your assessment of the following variables allows the *lab of tomorrow* team to calculate the necessary financial resources for a *lab of tomorrow* process. On a scale from 1-3 (1 = low, 2 = medium, 3 = high), please rate the:

* Availability of human resources in your project for conducting the *lab of tomorrow* process (typical necessary commitment: 50% of the capacity of the responsible GIZ FTE over the course of the 6-9-month process)
* Strength of existing relevant private sector network of your project
* Need for additional research on the development challenge and your target group(s)

Last, please let us know the number of business solutions you would like to foster (2-6). Note: a higher number of desired solutions increases the chance that at least one solution will persist in the market, but also increases the cost of the *lab of tomorrow* process.

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**YOUR CONTACT**

Name:

Email:

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**YOUR PROJECT**

* Can you give us a brief description of your project?

* What are the objectives of your project?

* Are there indicators related to ‘cooperation with the private sector’? If yes, which ones?

* Does your project and team have prior experience with ‘cooperation with the private sector’?
If yes, please specify.

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**COMMENTS**

Would you like to share any additional information with us? You may also paste relevant links here.

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**NEXT STEPS**

Please send this form to the *lab of tomorrow* team. If you have not been in personal contact with a team member yet, you may send this form to lab-of-tomorrow@giz.de.

The *lab of tomorrow* team will contact you after receiving and assessing your challenge proposal.