



Somali Socio-Economic Development Organization (for Women & Dependants)

Annual report Jan to Dec 2017

Despite decades of war and the subsequent absence of an effective central government, the Somali people have continually shown great resilience. Year in Year out, the country has been ravaged by endless cycles of floods, drought, famine and disease notwithstanding the prolonged civil war in Somalia that has crippled any well meaning investment towards socio economic growth.

Somalia is reported to have one of the highest unemployment rates in the world, with an overall unemployment rate of 54% and youth unemployment standing at more than 65%. The representation of women in the private sector, or agencies supporting this sector, remains minimal. For instance, **female employment** in dominant telecommunication and financial firms remains as **low** as **1%** with majority of the **female staff** often employed as **cleaners** or **cooks**.

Unfortunately women are still **considered** more for **reproductive** functions women and domestic related employment. The private sector has not yet provided female - friendly working environments. This means that women remain **burdened** with their **lack** of **technical** skills and further subjected to unfair **clan-biased** recruitment practices leaving the Somali woman's potential regrettably untapped.

Majority of Somali Household especially IDP and Returnees in temporary settlements, depend mainly on **humanitarian aid** and **Diaspora remittance**. Agriculture (65% of the GDP) remains the most important economic sector with Livestock and fisheries contributing about 40% of the GDP. The rest of the economic activities are shared between Services mainly in Telecommunication, and meagerly by industries at less than 7%.

The **protracted civil war** in Somalia has seen the **increase** in numbers of **women headed households** causing women to take the responsibility of breadwinning and engaging in small scale enterprises particularly in urban areas. Women entrepreneurs in Somalia are playing a growing significant role in the local economy in household revenues and employment of youth.

Many Somali Women have since entered into entrepreneurship and have come out of the traditional boundaries of serving within the family limits and from the role of being dependants taking up administrative and managerial roles and starting new businesses becoming the proprietors of family owned businesses thus highly increasing income at household level.

It is with this understanding of the **hidden entrepreneurial potentials** of women that 2017 was focused more on entrepreneurship training for women from women-headed-households and emergency response during the extensive drought of 2017.

During the period January to December 2017, SSEDO received a total grant of **USD 102'660** from local business communities of **Balibusle and Xarfo districts** and their Diaspora contacts. This led to the planning of two training sessions, one in each region and one shots of food distribution in each of the districts where a total of **56 metric tonnes** of food supplies was distributed.

The training was **aimed at women owners of small scale businesses** and the criteria of selecting the **80 participants** included widows from poor or disadvantaged families, IDPs or returnees, women with several direct dependants especially those whose dependants had special needs. We also considered those women who had previously started and failed. This was to facilitate the lessons-learned sessions. A focus group to facilitate feedback was derived from the local community leaders of communities Balibusle and Xarfo districts.

The key Training Objectives included:

- To provide basic understanding and hands-on skills of starting and running small scale businesses
- To establish motivating factors: reasons why the women went into the business with keen interest on how they raised initial capital
- To identify challenges faced by small scale businesses
- To create an advocacy platform bringing on board local community businessmen/women, retailers and wholesalers with focus on challenges faced by women in business
- To ultimately present to humanitarian agencies training feedback for the support of homegrown long term business projects that provide the much needed technical skills and credit-financial support

Key findings:

Key motivating factors that led the women into business included self recognition, self sufficiency and financial necessities. Other reasons were that they saw good business opportunities or that their husbands previously run a business and were later forced to step in after the loss of the breadwinner i.e. Husband, older sons or supporting siblings/relatives.

During the group discussions, we confirmed that a significant number received cash grants from relatives. There was a **general lack of business management skills** and as a result the women always presented themselves as the **more risky venture to potential financiers**. There also lacked long term technical support and commitment (from funding partners) to individual and cooperative small scale business women thus leading to failure of most startups.

In addition, **Female headed households with young families remained the worst hit** by economic hardships which were exacerbated by war, floods and drought and ultimate loss of livestock and human life. Most business losses were incurred during the long spells of drought **when retailers buy bulk goods** from wholesalers in order to cash in on shortages (the practice is locally known as Hawks (Ha i wareerin).

Retail **customers** would then **collect goods on credit and later leave** the area in search of better livelihoods; meanwhile the retailer is stranded with mounting debts sinking deeper in poverty. The local business woman has found **no means of apprehending such defaulters** given the **lack of law and order** and since **they cannot pursue debtors** to other villages/towns they remain indebted. In addition, due to **unpredictable population movement, no addresses** are provided by customers when collecting goods on credit; many unscrupulous persons also **deliberately omit their real names** and fail to commit on when to pay.

Another problem that crippled local small business was **household debts**. It was common among the 80 participants that their spouses would **secretly accrue debts** which ultimately crippled their meager savings when debt collectors came knocking. Due to **poor literacy**, most women and men included cannot read or write properly and so **kept poor (or no) records** of debts or their financial dealings.

Other challenges included costly **electricity**, lack of access to formal **credit facilities**, lack of **business development services**, **restricted mobility** due to insecurity and the ever increasing **complex regional taxation**. There is also a **lack of vital business information** which is currently shared informally mainly through clan-based strategic social networks.

At the end of the two trainings, it was concluded that, given the relevant resources, Women entrepreneurship could play a more significant role in fostering economic and social development particularly in the small scale business sector while at the same time helping the youth and marginalized disadvantaged groups in society, start and build successful businesses in their communities.

The participants volunteered to form support groups for accountability and promised to maintain contact. The training teams presented their feedback to the community leaders, local authorities and Diaspora/local funding partners because we needed the women to gain a platform to air their to the community focal groups.

PROJECT1 - Balibusle and Xarfo -Entrepreneurship training for Women small scale businesses

Project Location: Balibusle and Xarfo districts, Puntland Somalia

Venue: Warsan/Gobsoor Hotels

Date: 1- 5th Jan 2017

Number of Participants: 80 small scale women entrepreneurs, Budget: USD 13'860

Subject: Running and managing Small-scale Businesses

Schedule of the training

Districts	Dates	Duration
Balibusle	1-2 jan 2017	Two days
Xarfo	3-4 jan 2017	Two days

Training methodology

The facilitator applied the following training methodologies:

1. Group discussion and presentation
2. Lectures
3. History/ case studies
4. Lessons learnt and peer reviews

Agenda discussion during two days

- Identifying the Business idea: (e.g. Henna beauty applications, Catering, Tailoring, Weaving, Tie and Dye of fabrics)
- Starting a small to medium sized business: identifying the business opportunity
- Business Accounting – (purchases, sales and credits recording)

- Borrowing/Credit limits and savings management
- Customer needs management
- Women roles in Peace building, gender representation and conflict sensitivities

Photos



PROJECT2 - Balibusle and Xarfo Food Distribution Report

In our continued support of the local communities in Balibusle and Xarfo districts we responded to the appeal of local elders and the business community, to bridge the food supply gaps during the drought spells of 2017.

SSEDO organized subsequent meetings with financial support from the Diaspora and local businesses towards two food distribution activities in **Balibusle and Xarfo** districts of **Puntland**, Somalia, following a rapid drought assessment and survey of local market prices in both districts we established the baseline for acceptable food prices and determined the reasonable quantities per beneficiary.

Over and above SSEDO's internal field assessments in the two districts since October 2016, we reviewed drought assessments, food security assessments and weather forecast reports from various humanitarian agencies based in Somalia. Our field visits in various parts of the south central Somalia Kismayo, Bay, Bardera, Buale and Banadir districts, revealed widespread failed crops due to poor rains experienced in the latter part of 2016 to early 2017 and heavy losses for livestock farmers. Poor farm produce resulted to soaring food prices across the regions with most impact hitting the IDP household and the poor communities.

In response to the emergency situation, SSEDO worked together with local community leaders and their Diaspora contacts as well as local authorities to organize beneficiary selection and funding priorities. SSEDO was called upon to facilitate and oversee the food distribution activity during the initial meetings held from late October 2016. The project targeted **800 households** among the two districts' **IDP settlements** with **bias** towards **women headed households**.

It involved **recruiting and training** of **10 community volunteers** from each district and **contracting locally sourced supply of** transport services and food items in order to **promote local business** enterprises. The community volunteers helped in the selection and registration processes resulting to a total of **800 household Beneficiaries** who were selected based on the agreed criteria: **400 hundred** most vulnerable households were **selected** from **each** district.

Five local companies bid for the supply and transportation of the food items and the community steering committee selected **Warsan** and **Hilac** companies as the most qualified based on the previously set criteria. 800 food rations cards were distributed three days before the start of the distribution so as to facilitate cross checking of family names and addresses/contacts previously recorded.

We distributed to each IDP Household, packed rations of Cooking **Oil** – 10ltrs, **Rice** – 25Kgs, **Beans** – 25kgs and **Sugar** – 10Kgs and in total facilitated the donation of a total of **56 metric tonnes** of food items which was distributed in the **15days** exercise at each site.

Results monitoring: lessons learnt

In the weeks that followed, SSEDO carried out subsequent results monitoring on beneficiaries in order to identify the successes and failures of the project. We confirmed that 98% of the beneficiaries were genuine IDPs that were in critical need of the food assistance. Since we were working closely with the community steering committee, i.e. the communities' gatekeepers, the volunteer selection was fair and transparent.

The volunteers were also persons who were well known and vetted by their communities. The 2% beneficiaries were unscrupulous persons who had registered twice while others were non-IDPs but from the very poor families in the community.

In future, we plan to expand the selection criteria to include poor disadvantaged households. Each volunteer signed in for work and was supervised closely by SSED0 field officer. The volunteers were allocated a rate of USD10 per day and this was paid at the end of the 15days, in order to ensure punctuality and attendance. This resulted to 100% attendance for the 10 volunteers.

There was **zero defaulting** on the 15days of food distribution because all the ration cards were accounted for. The dates, place of the distribution and name of SSED0 as the sole distributing agent, were printed on the ration cards and each card had a unique serial number that run from number 1 to 800. All suppliers of services and food items were locally sourced and this promoted a sense of community ownership and transparency.

SSED0 also made **sporadic checks** with **vendors** in the local markets to **ascertain** if the beneficiaries actually used the food items. There were **no rumors** of the sale of food rations but we needed to confirm the **genuinity** of our beneficiaries. We also called randomly selected mobile phone contacts to confirm information on the beneficiaries register.

We found a few anomalies in the registered family names and places of origin, but this was not to affect the overall outcome of the project. We also found that some IDP Households had **significantly larger** families than others which meant that they may have needed a larger ration than others. Possibly, we could have **apportioned** accordingly for better **sharing** among family members during the **recommended 30days** period and especially for the **under 5 year olds and pregnant and lactating** women.

We project to expand SSED0's emergency response for 2018 (depending on funding), to include a bigger number of vulnerable households, to give unconditional cash grants to our food distribution beneficiaries as well as other beneficiaries with bias on vulnerable women headed households, in order to cover the drought months; possibly for 3 – 4 months.

This will also be followed by training on **cash management** at household level as well another round of Entrepreneurship workshops. We also plan to diversify into **vocational training** for women and youth in 2018 even as we look forward to supporting a number of **income generating projects** that will eventually uplift the socio economic status of our targeted beneficiaries.

PROJECT2 - Balibusle and Xarfo – Emergency Response in IDP communities

Project Location: Balibusle and Xarfo districts, Somalia

Date: Jan – May 2017

Number of Beneficiaries: 800 IDP Households, Budget: USD 88'800

Duration of the Food distribution activity

Districts	Dates	Duration
Balibusle	Jan – May 2017	15 days
Xarfo	Jan – May 2017	15 days