

## **The Success of ILO's Programme in Somalia is Applauded**

Recently (2-10 May 2011), the ILO Country Director for Ethiopia and Somalia visited Somaliland and Puntland to meet with constituents as well as projects sites to assess the apparent and likely impact of the ILO supported programmes. There are a number of success stories as outlined in the following areas:

[Start Your Business for the Youth](#)  
[Access to Life: Gravitational pull water system](#)  
[Strengthening Somalia Enterprise culture](#)  
[Housing the IDPs in Somaliland.](#)

(These should be linked to the stories below)

**Start your own business:  
Youth can sustain themselves if given a chance**  
*By Ib Knutsen*

Through “Creating Opportunities for Productive & Decent Work for out of School Young People” funded by Japan through UNICEF, the ILO managed a sub-programme entitled “Life Skill Based Education (LBSE)”, which was implemented in both Somaliland and Puntland through two NGOs, the Somaliland National Youth Organization (SONYO) and Tadamun Social Society (TASS) respectively.

LSBE was aimed at providing opportunities to the youth particularly school dropouts to have access to business skills as well as employment opportunities, reduce youth unemployment; and reduce number of youth committing crimes such as; piracy, drug addiction, etc. Under the initiative over 1,000 youth were empowered with business skills and were asked to come up with business plans in order to qualify for grants (US\$1,300 for each successful proposal) to set-up their own businesses.

Altogether 15 young entrepreneurs in Somaliland and 56 in Puntland were successful in obtaining the grants and all except two are now running their businesses well. “The transition from the business plan to realizing my dream of starting a pharmacy was not so difficult. The only challenge I had was that the location I had found was occupied by the time I got the grant. So I settled one block away instead, and it is good. I am here for one month, and it is going very well, and there is no competition”, said Mr. Khader Ibrahim Mohamed.



Mr. Khader Ibrahim Mohamed in his Pharmacy

Twenty-nine (29) year old Khader Ibrahim Mohamed is the proud owner of Fayo-Dhawr Medical Center, and one of the 15 winners of the ILO/SONYO “Start your own business” grant, funded by the Government of Japan, and co-implemented with UNICEF.

“I would advise young people that it is not impossible to start your own business. But you have to know what you are doing. I am trained as a laboratory technician, and the economic training I received from SONYO was very helpful, as the economics and book-keeping can be

Education and training is key to overcoming unemployment and securing a livelihood in Somaliland, as elsewhere. Yet, with over two thirds of the population below the age of 35, Somaliland faces an uphill struggle of finding jobs for its growing young population. One way though, is to create your own job:

“I have a certificate as a tailor, and had been working as a tailor before, so it was natural for me to write a business plan for a tailoring shop”, says 23 year old Ahmed Yusuf Hasan, entrepreneur and manager of Warsame Tailoring Center. He too was among the 15 winners of the ILO/SONYO grant.

“I think it is important for people in Somaliland to train in production and services, like tailoring, cooking or manufacturing, rather than shop trading”, he continues.



Mr. Ahmed Yusuf Hasan

Somaliland is importing almost everything, but much of it we can make ourselves. And Ahmed is doing just that. His original idea with the location of his tailoring shop was that it was close to a number of schools, and so he would be able to make uniforms and clothes for students and teachers.

“Then I thought that the nearby hospital also needed uniforms. So I went to the hospital with an offer and adverts, and I succeeded. I am now sowing nurse’s uniforms for the hospital,” a visibly happy Ahmed narrates.

Location, location, location, goes the old saying about business establishment. It means that in addition to finding out if there is a need for a particular service, one must also make sure that those services are available in a practical location near the customers. For twenty-seven (27) year old Hodan Ahmed Mohamed, another grant finalist, this meant establishing a restaurant in a busy college area:



Ms. Hodan Ahmed Mohamed

“The restaurant is going very well, she says. I am now employing four people, three men and one woman”, says Hodan.

As we visit the restaurant on a Friday afternoon, the outside grill is full of roasting meat, and the chef is busy chopping vegetables. Several tables are taken, even if it is still early. The restaurant has a capacity of about 40 people, and, in respect of Somali customs, Hodan is even offering a women-only room.

“I worked in a cafeteria before, and I have a certificate as a cook. I also studied book-keeping economics at university”, she says about her background.

Getting the numbers to add up is perhaps the single biggest obstacle in establishing a business. In addition to inventory, that is, the products that you are going to sell, you have to pay rent, buy or amend shelves to display your products, as well as buying tables and chairs.



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“I became surprised that the grant shrunk so fast”, she says. It forced me to look for outside funding, and I was able to borrow some money from my family. But even with the support from her family, Hodan was still short of money for her restaurant. It is generally difficult for young people in any country to borrow money without collateral. But in Somalia, with a non-functioning bank sector, it is nearly impossible. But Hodan found a way:

“I managed to buy the furniture on credit”, she says. I went to the carpenter and asked if I would pay for the counters and shelves in instalments, and he agreed. As a result, she saved on her initial outlay, and was able to start up her business with less money. This is a strategy that also Ahmed used for his tailoring shop.

The success of the young entrepreneurs is surprising even to the implementing partner, the youth umbrella organization, Somaliland National Youth Organization (SONYO). “We had no idea it would be so successful, it was just a pilot”, says Omar O. Migene.



Mr. Omar Migene (L) meeting the mission in his office

We invited different youth for a “start your own business” course. A 160 people attended the course, and, after it ended, we asked that they submit a business plan. Half of the participants submitted their plans within the timeframe given. After being vetted by a committee consisting of business experts and representatives from SONYO and the ILO, and fifteen (15) were chosen, based on merit of plan, gender, and geographic distribution. Now, one year later, all the fifteen businesses are still operating.

The 15 enterprises was a good pilot to find out if it works. It works, says the ILO Country Director for Ethiopia and Somalia, George Okutho. We also see that most of them are hiring extra help, making a difference to not only to the entrepreneur and those employed, but also their families. In that way one person starting a business improves the lives of maybe 20 people or more.

“The 15 youth starting a business is a great result, but what we need to do is to stimulate more youth to start up without ILO necessarily providing the funds,” Mr. Okutho advises.

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