



After the volcano:

# Turning the disaster into opportunity

THIS special edition of documents and compiles strong commitments, ownership as well as inspiring and life-changing stories on livelihoods recovery, skills development and business development in the midst of continuous eruption of the Mt. Sinabung in Karo District, North Sumatra, since 2010. The eruption destroyed three villages (Suka Meriah, Bekerah, and Simacem villages) and so far has affected 40 villages.

A series of impact stories and best practices on livelihoods recovery and entrepreneurship of the ILO's Mt. Sinabung Recovery Support Programme

**ALL** stories of this special edition are part of the joint ILO-FAO-UNDP Programme, supported by New Zealand's International Aid and Development Agency, named "The Mt. Sinabung Recovery Support Programme" (SIRESUP). The Sinabung programme is aimed at contributing to the post-disaster recovery of the affected regions and the affected communities are recovered with sustainable livelihoods and enhanced resilience. Implemented for 2.5 years, the Project has ended in March 2017.

The Sinabung programme has carried out the following activities: (1) Supporting a livelihood concept, strategy and implementation, with specific

targets and strategies or the internally displaced persons (IDPs) and returnees; (2) Creating income generation projects; (3) Restoring agricultural livelihoods; and (4) Improving the capacity of micro and small enterprises

started by the IDPs through provision of financial education and entrepreneurship training including women and youth.

To enhance the sustainability of livelihoods in the Karo District, the ILO has applied relevant ILO's methodologies and modules such as the ILO Gender and Entrepreneurship Together (GET Ahead), Start and Improve Your Business (SIYB), Financial Education for Family, Cooperative Training Modules (My.Coop). 🌸

*"We intend to develop a combination of hard skill and soft skill trainings. We hope that the participants not only learned how to improve their technical skills, but they would also be equipped with knowledge on how to do proper administration, marketing and financial calculation."*



**Aidil Azhari**  
ILO's Local Project  
Coordinator for Sinabung  
Recovery Project

## FACTS & FIGURES

Sitting on the Pacific Ring of Fire, Mt. Sinabung is one of the 127 active volcanoes in Indonesia.

Eruption of Mt. Sinabung since 2010. Since 2013, the status has been raised to Alert Level 4.

It became active in 2010 after more than 400 years of dormancy.

Three villages destroyed, around 40 villages have been affected.

More than 15,000 displaced.

Around 370 households from the three villages have been relocated to the relocation area of Siosar.

**I**N her small shop, Susiyanti Br Sembiring was busy serving hot black coffees to her customers. Located at the shelter for refugees of the Mt. Sinabung, Karo District of North Sumatra, her small shop also provides daily needs, beverages and vegetables. From her small shop, she now could support her family and was no longer dependable on the government assistance.



## Rising from disaster to a business woman

She could even spare some money for saving. Now, she has a saving account at Credit Union Sondang Nauli with monthly compulsory saving of minimum IDR 30,000. "I even manage to save for my three children's education. Every month, I also save IDR 300,000 to support their education in the future," she said, proudly.

Susiyanti was one of the 15,000 people in Karo District who had to leave her village due to the eruption of Mt. Sinabung in 2013. Until today, Mt. Sinabung continues to experience high volcanic activity. "The eruption had destroyed my entire village, the Gurukinayan village. I had lost my business and the 8-hectare of agricultural land that was the main source of my family income," she uttered, remembering the day she and her family had to leave their village.

The eruption caused her family to live in camp in Kabanjahe, the capital of Karo District. During her displacement in the camp, Susiyanti worked as a farm worker to support her family and her husband also worked as local public transport driver. As a farm worker she got paid IDR 60,000 per day, but she did not work every day and only upon request.

When she learnt about the ILO's programme in 2015 to help local communities like her getting back to their livelihoods, she immediately signed herself up to join the ILO's training on Financial Education and Entrepreneurship using GET Ahead module. "Now I know how to keep a financial record, to prioritize the expenses, and to carefully spend money, especially during a difficult time like this," she said.

*"The eruption has made me losing my business and land; yet the eruption has also given me the opportunity to learn about business and finance and has made me a better business woman."*

In July 2015, Susiyanti's family received a donation from the government for housing and agricultural land renting with the total amount of IDR 3,800,000. After receiving the donation, she moved to temporary shelter provided by local NGO named Jenggala in the radius of 6 km from Mt. Sinabung and close to Gurukinayan village.

Based on what she has learnt in the financial training, she used the fund not only for renting the agricultural land, but also for starting her business (small shop) in the shelter area. The GET Ahead training has improved Susiyanti knowledge in running her small shop. She is now able to calculate the profit from her expenditure every week/month which she had never been doing previously.

"Previously, I could only buy and sell. I did not know exactly how much my profit was. But now from every expenditures spent every week or month, I know exactly how much I get from each item sold," she said.

Since the starting of her small shop, she has received daily profit of approximately IDR 150,000. She is also more certain about her future, especially for her family and her three children. "The eruption has made me losing my business and land; yet the eruption has also given me the opportunity to learn about business and finance and has made me a better business woman," she said, smiling. 🌸



# Basmadi

*The eruption of Mt. Sinabung has changed the life of Basmadi Kapri Peranginangin. The disaster has ruined his village and livelihoods, but he has now risen with new hopes and dreams with his new business.*

**FARMING** was once the only source of income for the family of Basmadi Kapri Peranginangin, 27 years old man. Living in Kuta Mbelin village, Sub-District of Naman Teran, Karo District, most of the villagers made a living from vegetable farming. Located nearby the Mt. Sinabung, the area was known for its soil fertility and productivity, particularly for vegetables and fruits.

The eruption of Mt. Sinabung in 2013 had changed the lives of Basmadi and his family as well as the rest of villagers. They could no longer work on their farms due to damages caused by volcanic ashes. They also had to move out to a displacement camp in the capital city of Karo district, Kabanjahe, for approximately one year.

To make a living, the eldest son of three brothers and a sister worked as a farm labourer. He received a daily income of IDR 60,000-IDR 70,000. "I only got paid when there was work.

# can laugh now, surviving the disaster with bike repair business

Unfortunately, the work was not available every day and I worked upon request," he said.

After a year in the displacement camp, Basmadi decided to return to his home village. He got married and started to work on his family's farm land. They tried to plant potatoes and vegetables. Yet, the volcanic ashes again damaged their farms and ruined the harvests. He then decided to rent a house in Siosar, a relocation area provided by the government for the three destroyed villages.

"I just started my own family and I had bigger responsibilities. I had to fight for my own family. I intended to seek for a new opportunity in Siosar. A fresh start to rebuild our life by trying other way of living or opportunity outside farming," he recalled his moving to Siosar in December 2015.



*“With the knowledge and tools given by the ILO, I am now skilled to provide various services. I am now capable of unpacking and packing the motorbike engine and repair other parts of the engines that I was not able to do before.”*

As a graduate from automotive major of the Vocational High School, he tried to open a small motorbike repair workshop. Due to limited budget and tools, he could only provide a flat tire repair and carburettor cleaning. He earned around IDR 1 million per month which was only enough to support the basic needs of the family.

In May 2016, he learned about the ILO's youth programme through the joint ILO-FAO-UNDP Programme supported by New Zealand's International Aid and Development Agency (NZAID) named "The Mt. Sinabung Recovery Support Programme" (SIRESUP). The youth programme recruited youths from the affected villages to be trained as participants in motorbike repair training. In addition to the technical training, the programme also provided a training on financial education and entrepreneurship.

After the completion of the training, Basmadi received an after training support (ATS) in the format of basic tools and business assistance. He is now able to expand the services of his motorbike repair service and triple his earning to IDR 3.5 million per month.

Not only more skilful, Basmadi is also more finance literate. He prepares his own financial plan so that he can expand his business and buy additional tools and spare parts.

"I can even save now. I save the majority of my income of IDR 2.5 million every month that I will use for my daughter's needs and to continue expanding my business in the future. I once felt unsure about the future, but now I am excited to plan my future. I can laugh again and no more despair," he concluded, proudly. 🌸



## Sewing dreams for a better life after the volcano

*An opportunity to take a skill training and a simple sewing machine can be the key to a woman's strength to rise from the disaster and empower herself and her family.*

**THE** sound of electric sewing machine buzzes from the house of Yuni Astuti, a mother of a 10-year-old daughter, at the relocation area of Siosar at Karo District, North Sumatra. She is skilfully sewing a red *kebaya* (an Indonesian traditional dress). She is able to finish 30 dresses, skirts and blouses in a month.

"I can finish sewing a dress or a skirt in one day. However, for the embroidered dress or *kebaya*, it takes me a week as I have to send it to an embroiderer in Kabanjahe," Yuni said. Kabanjahe is the capital city of Karo District, around 45-minute travel from Siosar.

Looking at the lines of *kebayas*, blouses and skirts in her living room waiting to be picked up by her customers, no one would imagine that Yuni just learnt how to sew less than a year ago. She was one of the sewing training's participants conducted by the ILO through its Mt. Sinabung Recovery Support Programme" (SIRESUP) in mid of 2015. Ended in March 2017, this joint ILO-FAO-UNDP Programme was supported by New Zealand's International Aid and Development Agency (NZAID).

After the eruption of Mt. Sinabung in 2013, Yuni and her family were forced to leave their village and abandon their

*“I have the skills and knowledge needed to build my sewing business and I am also active in cooperative as a treasurer as I am aware that as an entrepreneur we need to have a better access to financial institution.”*

coffee plantation. For three years, they had to live in the camp in Kabanjahe working odd jobs to make a living. She interested to take a sewing training so that she could earn a better income, yet she had no money to pay for the fee.

“It is true that you should never give up. When I thought I had to give up my dream, I received an offer from the ILO to participate in the sewing training for 20 days. I was very nervous during the training as I knew nothing about sewing, making patterns, cutting fabrics and body measurements,” Yuni retold her experience joining the training.

She was once scolded by the trainer as she improperly cut the fabric. Yet, she took it as an encouragement for her to do better. After the training, she tried to improve her sewing skills by trying to work as an apprentice at tailoring services.

“I just wanted to learn and get experiences. But no one accepted me because I did not have any experiences,” she said and continued, “Yet, I refused to give up. I then asked the ILO’s facilitator to help finding customers so that I could start my sewing business.”

When recalling her first customer, Yuni remembered how terrified she was. She was afraid that she could not complete the order properly. Her memorable experience was when she could not fulfil her customer’s design request. She decided to consult her trainer, learning how to improvise the patterns.

“My trainer rebuked me saying that I was not supposed to receive a customer if I did not understand designs and patterns. But I told myself it was okay to make mistakes and I could learn from my mistakes. I determined to make my sewing business a success,” she stated.



Her determination has now yielded a result. She can support her family and earn IDR 1 million every month. During holiday seasons, she can earn double. In addition to a sewing machine, she is also equipped with a hemming machine as part of the after training support from the ILO. To learn new designs and trending models, she now likes reading fashion or woman magazines or browsing online fashion sites.

At 33, she continues to think about how she can improve herself and business. In addition to sewing training, she participated in other trainings to help her building a flourish business. She had completed the financial education, entrepreneurship as well as product and service trainings. ❁



## Stirring up for success with a light-meal business

*By utilizing local commodities, Marjati br Sembiring Meliala has risen from a disaster to a business woman. She cooks for success to support her family and to contribute to the welfare of her communities.*

THE disaster and business lost she had been experiencing do not prevent Marjati br Sembiring Meliala, 42 years old, to share her new skills in light-meals production and business to other women in the affected areas of the Mt. Sinabung in Karo District, North Sumatra. She has been actively taught other women groups how to produce vegetable sticks using local natural resources such as purple potatoes, broccolis, corns, carrots, pumpkins and so forth.

“By sharing the skills, I hope that more woman groups can establish a light-meals business utilizing their own local commodity. I am not afraid of the competition as I believe the market opportunities for this business are sufficient for all of us and I hope that they can rebuild their lives after the disaster and support their families,” she said, enthusiastically.

Marjati and her husband had lost their orange field and fertilizer business in Gungpinto Village due to the eruption of Mt. Sinabung in 2010. They even had to evacuate from their village for a while before being allowed to come back.

“I like cooking and I welcomed the opportunity offered by the ILO to join the light-meals training for 20 days. Together with other 19 participants, we learnt how to make sticks using potatoes and purple potatoes,” she said.

The ILO through its Mt. Sinabung Recovery Support Programme” (SIRESUP) provided a series of trainings, combining skills, entrepreneurship, financial education, marketing trainings as well as after training support. Ended in March 2017, this joint ILO-FAO-UNDP Programme was supported by New Zealand’s International Aid and Development Agency (NZAID).

*“I never thought I would be a business woman like today. Farming was used to be my whole life and the source of livelihoods that we only knew how to do. I wish that I can further expand my business and be able to buy more modern equipment so that I can fulfil the poured orders and expand my business.”*

With the cooking equipment provided by the ILO as the after training support, Marjiati started to experiment various stick flavours utilizing other commodities in her village. She tirelessly tested and tried out different compositions of flour, eggs, vegetables and other ingredients to finally get the right compositions and recipes.

“So far I have around eight flavours using local commodities. Despite selling the vegetables as they are, by transforming them into a product with added values like this, I can earn more,” she explained.

Orders have now poured not only from surrounding areas like Kabanjahe and Brastagi, but also from the capital city of Jakarta due to mouth-to-mouth promotion. Her products named Sinabung have been sold in cafes, hotels, restaurants as well as the handicraft centre in Brastagi, a well-known tourism site in Karo District.

As a result, she now has dedicated herself to her light-meals production business. After finishing her daily household tasks, she would spend six hours or more to produce different flavours of sticks. She is now having three young assistances who work for 4-5 hours per day with a wage of IDR 50.000.

She can now earn IDR 3-4 million per month that she spends to help her husband, Martin Sitepu, supporting their family and sending their only daughter to a high school in Medan, the provincial capital of North Sumatra.

Her latest production is sticks from coffee skins. She was disturbed seeing piles of coffee skins thrown away as waste.



When browsing the internet, she learnt that coffee skins were used as a light-meal in Europe.

“Sticks from the coffee skins are my new invention and customers love them. It is now the most demanded flavour and I always run out of them. I am happy that I can turn waste into something useful. Now, I am looking for new flavours to explore utilizing local commodities in Karo District that would benefit us all,” she said while continuing making doughs for her sticks. ❁



## Feeling blessed in the disaster: The story of Hema

She never imagined herself as a business woman. When joining the light-meals production training offered by the ILO through its Mt. Sinabung Recovery Support Programme” (SIRESUP), she had no expectation but learning something new.

Hema was one of a total of 20 women participating in a five-day of light-meals training held in the capital city of Karo District, Kabanjahe, continued by a financial education, entrepreneurship and

marketing trainings. Although she had zero experience in cake making, she was willing to learn something new.

“I keep saying to myself that my children have to get good education and they have to go to schools. Thus, I have to work as hard as I can to support my family. I have to find ways out of this disaster to make a living for my children. What I learnt from the ILO’s trainings were very useful and have changed my life and my children’s lives,” she said.

To date, Hema has to produce a minimum of 12 kilograms of sticks in a week to be sent to her regular customer, the school cafeteria where her son goes to school. The cafeteria was also her first customer. “I started with 25 packages on the first day, followed by 50 and 100 packages for the next two days. And, the orders have continued until today,” she said.

She is now able to earn IDR 1.5 million per month from the light-meals business. During holiday seasons, she can double her income. To get extra additional income, she also manages a small shop selling refreshments during weekends and goes farming to the farm provided by the government.

In the hope that one day she could stop farming, she tries to continuously expanding her business. Not only continue improving the taste and flavours, she is now trying to expand her market. She has gone door-to-door to nearby cafes and restaurants to offer her sticks. She also uses any opportunity available to promote her sticks.

“I continue looking for market opportunities. When I saw a crowded restaurant or cafe, I went there and asked whether I can put my sticks there. I also offer my sticks whenever I have a chance,” she added.

She realizes that she still needs to work hard to develop her business as the eruption of Mt. Sinabung still continues. “No matter what happens I always feel blessed. I believe God will always be with me. I have been through worse and the disaster is a blessed as I learnt new skills and talents and I can become what I am today, a business woman,” she concluded. ❀

*Her strength and faith has made her a grateful and optimistic woman, even in the midst of disaster. Her hard work has yielded results and she is able to send her two children to school with the light-meals business she is now developing.*

**THE** sun just set at the relocation area of Siosar at Karo District, North Sumatra. It was just another Sunday and another day serving local visitors for Hema br Sembiring Pelawi, 38 years old. She just closed her small shop (*warung*) and headed to her home—only a few blocks away. Siosar has become a tourism destination for communities from surrounding areas in Karo District during weekends.

Due to its beautiful sceneries and fresh mountainous air, local communities from surrounded areas like to enjoy light-meals and refreshments available at some *warung* in Siosar managed by communities from three villages destroyed by volcanic eruption of Mt. Sinabung and relocated there by the government.

When arriving home, Hema was greeted by her 17-year old son and 13-year-old daughter. After finishing her daily tasks, together with her children, they start to package the purple potato sticks inside the 200-gram plastic bags. Every day they can finish eight kilograms of sticks packaged them into 40 bags. She has branded her products Ayu or beautiful in English, just like her daughter’s name.

“I am a single mother after my husband passed away 13 years ago because of brain tumour. After losing my farm because of the eruption of Mt. Sinabung, I am now building my small business of producing vegetable sticks. My daughter helps me pasting the label on the plastic bags; while my son sealing the bags during their spare time,” told Hema.

TWO motorcycles are parked at the small motorbike repair service at Cimbang Village, Karo District, North Sumatra. Cimbang village is one of the villages affected by the volcanic eruption of Mt. Sinabung. The repair service is attached to the parents' house of Leo Candra Ginting who is busy repairing the motorcycles.

He skilfully uses different equipment from the toolbox to repair the engines while at the same time engages his customers in conversations. When a new customer comes, he nicely requests him to wait and sit on one of the three plastic chairs nearby.

Leo was one of the graduates of the ILO's motorcycle repair service, targeted for youth in the villages affected by the eruption of the Mt. Sinabung in 2016. He was interested in joining the training as he worked at the repair shop during the replacement period where Leo and his family had to leave their village temporarily.

The ILO through its Mt. Sinabung Recovery Support Programme" (SIRESUP) provided a series of trainings, combining skills, entrepreneurship, financial education, marketing trainings as well as after training support. Ended in March 2017, this joint ILO-FAO-UNDP Programme was supported by New Zealand's International Aid and Development Agency (NZAID).

"After the training, I started my repair business with the help of my parents. A small repair shop was built next to my parents' house. I only had limited tools at that time," recalled a 25-year-old man with curly hair, adding that he was nervous when receiving his first customer.

Little by little he started to buy more tools and equip the repair shop. More customers, particularly his neighbours, have started repairing their motorcycles to Leo's shop. As an effort to expand his business, Leo welcomed the opportunities offered by the ILO to participate in the



## Repairing life with Entrepreneurship

*A chance is what is needed for Leo Candra Ginting to repair his life and to rebuild his dreams in the midst of disaster. He is now looking forward to the future with his new motorbike repair business.*

*"The repair shop is really helpful for my family as an alternative income. We cannot solely depend on farming like we used to be. I am thankful to the ILO for the training and business opportunity as well as for the support given after the training in the format of coaching and equipment.*

entrepreneurship, financial education as well as products and services trainings.

After these trainings, he started to equip his shop not only with tools but also with facilities to make his customers more comfortable like waiting space with chairs. He also makes sure the cleanliness of the shop and maintains a separate bookkeeping for his business.

"I learned that in business we need more than technical skills. We need to treat our customers well by engaging them in conversations, treating them well and making sure they are comfortable waiting. I also learn the importance of book keeping so that my expenses would not go beyond my income," said Leo, the fourth son from five siblings.

To date, he can earn IDR 500,000 to IDR 700,000 per month, serving three to four customers per day. His income is used to continue expanding his business and to help his family. With the continuing eruption of Mt. Sinabung, his family farm is not yielded good harvests like before the eruption. The volcanic ashes and dusts often ruin the quality of the harvests.

Looking forward to having a better and more certain future, he wishes to move his shop to a more strategic location nearby big streets. "My shop is now located in the mid of the village and a bit far from the street. I am now looking for a more strategic location so that I will get more customers," he continued. ❁



The eruption of Mt. Sinabung has changed the lives of people of Karo. They are no longer able to rely on the agricultural sector that has been passed to generations over the years. Volcanic ashes and dusts have ruined the quality of the harvests. As a result, they are forced to change their mind-set in order to look for other livelihood options and income alternatives. They have to start focusing on small businesses and services, utilizing local commodities with added values. Ir. Mulia Barus, M.Si, the former Head of Manpower Office of Karo District, shared his views and involvement about the impact of the ILO's Sinabung Recovery Support Programme (SIRESUP) as well as the commitment of the local government for the future:

## People of Karo are motivated to shift from agriculture sector to small industries and services

### Q What are the impacts of the ILO-Sinabung Project to the people of Karo?

A The main priorities of the District Government of Karo, North Sumatra, are to enhance agriculture and tourism sectors. Karo District has been blessed with fertile, productive lands as well as beautiful sceneries that should be developed and enhanced. As a result, the agriculture sector has also been the main livelihoods and source of incomes passing to generations over the years.

Due to the eruption of Mt. Sinabung since the year of 2010, people of Karo could no longer rely on farming and agriculture sectors. The agriculture sector has lost its competitiveness. They need to shift their focus to small industries and services. The skills, entrepreneurship and business enhancement trainings provided by the Project have motivated people to be more economically active in business development.

The Project has enhanced the entrepreneurial spirit and skills of the people of Karo. As a result, I have witnessed a change of mind-set and focus. They are now being more active and creative in turning potential commodities and skills into businesses as ways to improve their lives and support their families. This, in turn, will reduce unemployment and create more job opportunities.

### Q How does the Project support the programmes of the government in improving the livelihoods of Karo District, particularly during and after the disaster?

A On behalf of the local government, we would like to thank the ILO for its programmes and activities that have triggered a change of mind-set and focus. Through its skills, entrepreneurship and marketing trainings, the ILO provided options and income alternatives for local communities affected by the disaster. The ILO also provided means to add valuable added values to local communities through its modules and tools.

In addition to the capacity building for local communities, the ILO has supported the capacity building for

government staff from relevant offices such as Manpower office and Cooperative office. It is hoped that government would be able to take ownership, replicate and continue the skills, entrepreneurship and access to finance and to expand these programmes for wider coverage.

### Q What is the plan of the local government to boost business development and entrepreneurship in Karo District?

A We are now developing partnership and collaboration among relevant governmental offices to continue promoting local entrepreneurship. In collaboration with the District Handicrafts Council of Karo (Dekranasda), we are now building a market centre to promote the products of the light-meal businesses and productions. We continue, for example, promoting local light-meal products using local commodities from surrounding areas affected by the eruption.

We also collaborate with the District Tourism Office on how to build a network with local entrepreneurs and to promote them as part of the tourism activities. In addition, to provide better and wider access to the financial institutions, we have developed a cooperative in the relocation area of Siosar. It is hoped that the cooperative is able to improve access to finance as an effort to expand entrepreneurial programmes in Karo District.

### Q What is your hope for the future?

A I hope that the entrepreneurial spirit and skills of local communities continue to enhance. More and more people are empowered to start and improve their businesses for developing and strengthening local economic development. The most important thing is how we are able to manage existing potentials by adding valuable added values. In addition, through this entrepreneurship programme, I hope that we have something unique from this area that can be sold as part of the tourism attraction. 🌸

# Local governments to support the business development

*Local authorities, particularly at the village level, play an important role in ensuring successful rural development and local economic development for the communities. Their supports are the key to sustained rural entrepreneurship and business development.*

AS the Head of Regional Development Agency of Gungpinto Village, one of the villages affected by the eruption of Mt. Sinabung in Karo District, North Sumatra, Martin Sitepu has greatly welcomed local economic activities in his village through light-meals production and businesses using local commodities. The village's authorities as well as community leaders have strongly supported the entrepreneurship development in their village.

"We used to solely rely on farming as our main source of incomes and livelihoods. But with this continuous eruption since 2010, we need to find ways to help people maintaining their livelihoods and earning incomes. We need to find other alternatives that people can do," he said.

Similarly, Agus Sitepu, Village Secretary of Suka Meriah Village, emphasized the importance of entrepreneurship as means for local communities to gain their lives back. "We cannot depend on agriculture anymore. We need to find new, innovative ways so that local communities can get back to work and get their lives back," he said.

*Thanks to the ILO's skills and entrepreneurship trainings, now we have seen the emerging of business groups, particularly on light-meals business utilizing local resources. These business groups have helped the economy of communities and the village as well as have opened more job opportunities.*



**Martin Sitepu**  
Head of Regional  
Development Agency of  
Gungpinto Village

*It is also in line with the government's rural development programme. To use the allocation given by the national government to all villages in the country, the village should now business-oriented and improve its communities' entrepreneurship utilizing local commodities*



**Agus Sitepu**  
Village Secretary of Suka  
Meriah Village

Suka Meriah Village was one of the three destroyed villages and they now have been relocated by government to a relocation area called Siosar. To date, there are around 370 households that have been relocated from the three villages.

Both Martin and Agus said that the villages strongly support these business groups and entrepreneurship activities. "We would allocate funding from the village fund to support these business groups. By supporting these businesses to be more flourished and expanded is an investment for the overall village as the benefits and profits that they create would come back to the village," said Martin.

To continue enhancing employment opportunities and expanding entrepreneurial opportunities, both Martin and Agus said that they would further collaborate with relevant district offices on manpower, cooperative and other offices. "Through these collaborations we hope to continue improving ourselves and our businesses," they both concluded. ❀



## Supporting the local communities to reach out for success

*Continuous support and facilitation are needed for local communities to strive for success. Actively involved in promoting the entrepreneurship as a way out of the disaster, Eva Susanti works side by side with local communities.*

THE strong commitment shown by the Manpower Office of Karo District has played an important role in ensuring the successfulness and the sustainability of the skills and entrepreneurship development activities under the ILO's Sinabung Recovery Support Programme (SIRESUP). Eva Susanti Lumban Gaol, Head of Empowerment and Human Resources Quality Development Section of the District Manpower Office of Karo, is one of the governmental staff who have actively involved in training, facilitating and assisting local communities in the affected areas of Mt. Sinabung.

“At the beginning it was difficult to convince local communities changing their mind-set from farmers to entrepreneurs. Many of them were doubtful. Is there any market for this business? Who is going to be our customers? Who is going to buy our products or use our services? Those were questions that I used to receive as they were used to be a big farmer with vast farms and harvests.

She participated in all trainings for trainers of the programme covering entrepreneurship training, financial education for family training and business enhancement training. She also participated in the distant training on cooperative called My.Coop provided by the ILO's International Training Centre (ITC) in Turin, Italy. As a master trainer, she further trained targeted beneficiaries, providing them with entrepreneurship, financial and technical skills.

"At the beginning it was difficult to convince local communities changing their mind-set from farmers to entrepreneurs. Many of them were doubtful. Is there any market for this business? Who is going to be our customers? Who is going to buy our products or use our services? Those were questions that I used to receive as they were used to be a big farmer with vast farms and harvests," Eva recalled her experiences approaching local communities.

However, after participating in the training and gaining the benefits, they requested more trainings and wanted to learn further on how to develop their businesses. The beneficiaries of the ILO-SIRESUP programme were selected based on criteria, motivation and capacity to participate for one of three trainings: Motorbike repair, sewing and light-meals production. After the skills training, they participated in the entrepreneurship, financial education and business development trainings.

Eva continued to coach and provided assistance as part of the after training support programme. As a result of the continuous facilitation and support, new entrepreneurs have been born and new businesses have been developed in affected areas of Mt. Sinabung. The beneficiaries have witnessed increased income and improved lives. They are also able to support their families and even plan to continue expanding their businesses.

Talking about challenges, Eva said that most of these new business face the same challenges: capital and access to the financial institution. Therefore, the District Manpower Office of Karo have taken some actions by building a partnership with financial institutions like banks and cooperatives.

To date, Eva has been active facilitating and assisting the development and improvement of community cooperative

*“After the training support and facilitation play an important role in ensuring that the beneficiaries are able to apply what they have learnt in trainings to their businesses and lives. It is also an effort to continue motivating and encouraging the beneficiaries that there is always hopes and other alternatives after the volcano.*

in Siosar, a relocation village for communities from three villages destroyed by the eruption of Mt. Sinabung. She regularly conducts meetings and dialogues with staff and members of cooperative and help them expanding the services given by the cooperative.

In addition, to continue the training and facilitation programme after the end of the ILO-SIRESUP programme, Eva said that the District Manpower Office of Karo has adopted the ILO's training modules and replicated the trainings programmes. This year, for example, the Manpower Office would conduct similar series of trainings using its own budget and targeting more participants.

"I found the ILO's modules are participatory and applicable. The contents are also easy to understand by our participants from various educational background. In addition, the after training support and facilitation have strengthened the bond between facilitators and participants. This kind of relationship help me to better understand and assist the local communities as their success is my success," she stated. ✨

## Editorial

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**Photos:** Collection of ILO Jakarta Office

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# Endlessly support the local communities of Sinabung



*For Udin Suryana, nothing more satisfying and rewarding than witnessing local communities that he has facilitated gain success and be able to start and enhance their businesses.*

**CRUISING** with his motorcycle, Udin Suryana, the 39-year-old ILO's facilitator, usually visits three to four villages within a week to provide training support and facilitation to the beneficiaries. Wherever he goes, local communities would greet and welcome him with open arms and big smiles. They would then shyly find excuses if Udin learns that they have not finished their bookkeeping or other tasks assigned.

"The beneficiaries are just like my family. We have developed close bond and relationship and they know that they can be frank and open to me about everything. During the facilitation, we discuss about challenges they face, their self-doubts whether they could make the business work or

not, the importance of bookkeeping and even help them with marketing," said Udin.

Yuni Astuti, one of the ILO's beneficiaries in Siosar, said that she would not be like she is now without the continuous support from Udin. "He tirelessly motivates and encourages me to start and improve my tailoring service. He brings me fashion magazines, he pushes me not to feel down if I do mistakes. He helps me a lot."

Hema br Sembiring Pelawi has also shared the same feeling. She remembered how Udin helped her improve the taste and flavours of her sticks. "After the light-meals production training, my sticks did not taste good and they were not crispy. Udin together with his wife helped me

fixing the recipes and giving me some tips, and as a result, I could now produce and sell a minimum of 12 kilogrammes of purple potato sticks,” she added.

However, it was not always easy for this father of two to approach local communities, particularly during the time of crisis and disaster. “It was not easy to approach them. They had doubts and were suspicious about the ILO and our intention. But, once you have gained their trusts, they would treat you like their own family,” told Udin.

Other challenge for him was to change the mind-set from a farmer to an entrepreneur. They were not used to think and plan ahead, manage the capital and profit and so forth. Even during trainings, some participants had difficulties following the training’s schedules as well as instructions. They did not realize the importance of following the overall training programmes. After the training, the challenge was lack of motivation and lack of self-confident.

“I just put myself as a listener. I motivate and encourage them with stories and jokes. I bring them some tools that they need to help them improve themselves. I explain

“He tirelessly motivates and encourages me to start and improve my tailoring service. He brings me fashion magazines, he pushes me not to feel down if I do mistakes. He helps me a lot.

to them benefits they would gain and what they can do more,” he added.

Supporting and facilitating local communities are not something new for Udin. With the ILO, he facilitated and supported the people of Mentawai after the 2010 tsunami and earthquakes, promoting entrepreneurship as a way out of the disaster.

“I love this job. Seeing the satisfactions and hopes on their faces are precious and rewarding for me. Thus, I do not mind traveling during the high-intensity of volcano or have to go far only to reach one village,” he concluded. ❁



WHEN he was appointed as the Head of Cooperative in Siosar, a relocation area for villages destroyed by the eruption of Mt. Sinabung, Karo District, North Sumatra, Pagalang Sembiring Pandia agreed to the appointment without any doubts. He knew the local communities need an access to finance to rebuild their lives.

“We need to have a way out of the disaster. After the completion of the ILO’s series of trainings, the ILO has also offered an activity to revitalize the cooperative. We need to have the cooperative to support the enhancement and sustainability of the rural businesses that have been initiated and developed,” he said.

The cooperative was established in 2014, but it had been in active until the year of 2015. The ILO has initiated an activity to revitalize the cooperative and begun to provide an assistance in the format of daily needs and products in 2016. With this, the cooperative started to open a daily shop for its members, in addition to the save and loan programme.

To date, the cooperative members have grown from 21 to 132 members. “With more services and activities provided, the cooperative has attracted more members. We also continue to find business ideas to expand the services and scopes of the cooperative,” he said.

“As members of the cooperative, they will have access to the cooperative’s saving and loaning as well as marketing programmes so that they can improve and expand their businesses....”



## Providing better financial access through cooperative

*Better access to the financial institution such as cooperative is urgently needed by local communities affected by the eruption of Mt. Sinabung. Communities affected by disaster in Siosar have started the initial steps of enhancing their cooperative’s services.*

As most of the rural entrepreneurs and businesses are not yet eligible to get bank services or bank loans, the cooperative plays an important role in providing access to the capital. “Therefore, we encourage them to join the cooperative. As members of the cooperative, they will have access to the cooperative’s saving and loaning as well as marketing programmes so that they can improve and expand their businesses,” explained Eva Susanti Lumban Gaol, Head of Empowerment and Human Resources Quality Development Section of the District Manpower Office of Karo, who has been actively coached and facilitated the cooperative.

For the future, according to Pagalang, the cooperative is now planning to have a grocery shop. The shop is now the process of the development. “We would ask members to sell their harvests and business products through this grocery shop. The profits gained can also be enjoyed by all members,” he said.

In addition, a market is now being built by the government in Siosar and some kiosks would be given and managed by the cooperative. “The rental fee of the kiosks will be managed by the cooperative for the benefits of its members,” he continued, adding that the cooperative will also develop mushroom farming that will be supported by the District Agricultural Office of Karo and University of Medan. 🌱