



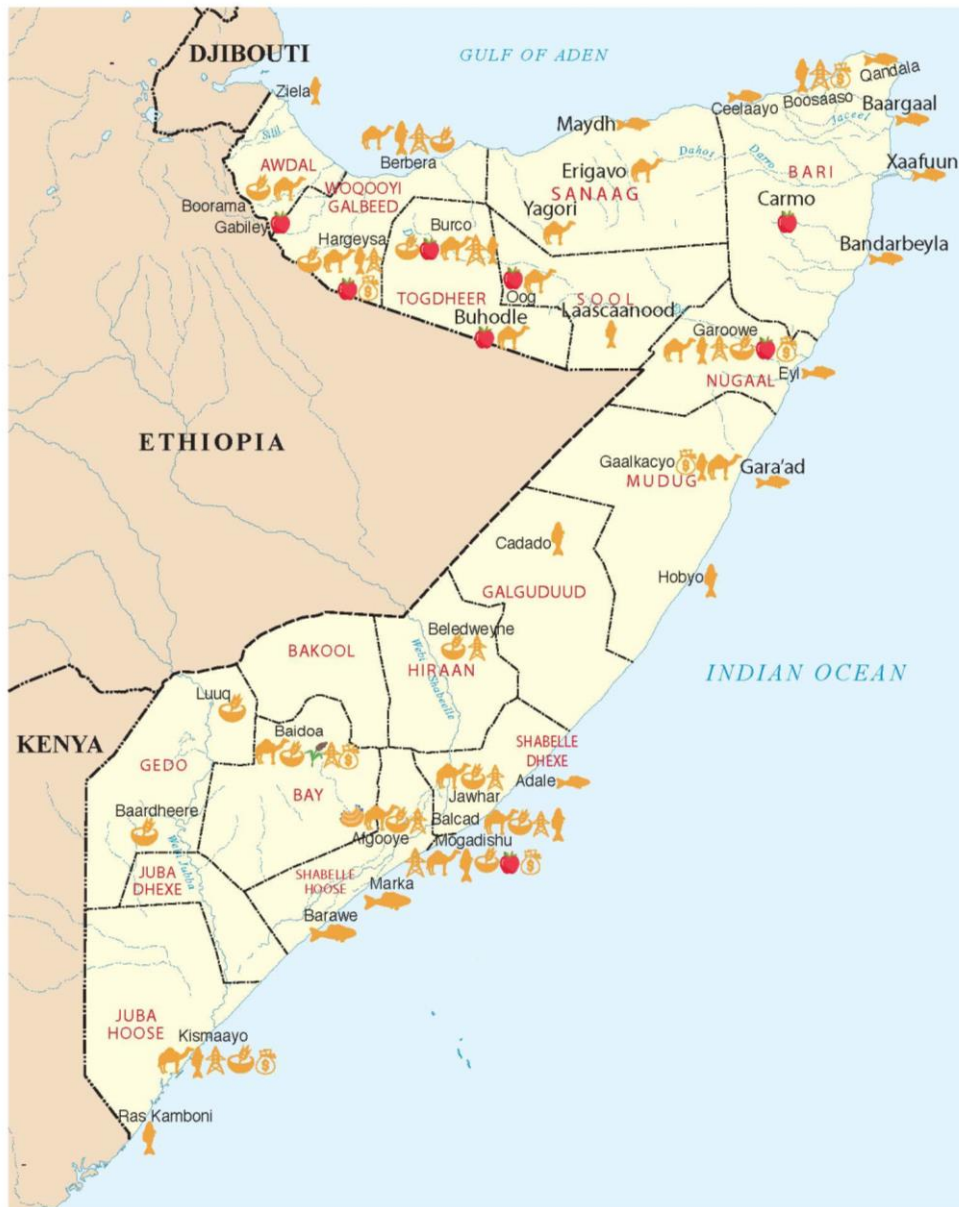
**USAID**  
FROM THE AMERICAN PEOPLE

## SOMALIA GROWTH, ENTERPRISE, EMPLOYMENT & LIVELIHOODS (GEEL) PROJECT

Learning and Adapting during COVID-19 Series | Webinar 5: How Can Markets Improve Resilience?



# GEEL footprint in Somali regions



## Value Chains

-  Agriculture
-  Banana
-  Sorghum
-  Fresh vegetables
-  Livestock
-  Fisheries
-  Energy
-  Investment Support

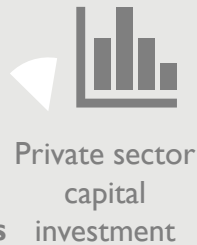
This map has been developed by USAID's Growth, Enterprise, Employment and Livelihoods (GEEL) to showcase its activities across Somalia. The data, boundaries and names of designations used on this map do not imply official endorsement or acceptance by The United States Agency for International Development (USAID)

# Protecting “GEEL’s gains” against COVID ( Impact)

**\$23,553,600**



Beneficiaries



**41**  
New technologies introduced



**7,047**

USG supported training

**34%**

Women's participation



**27**

SSI work completed



**8,482**  
Micro enterprises supported

**29**  
Number of promotional events organized

**\$44,579,336** Total export sales



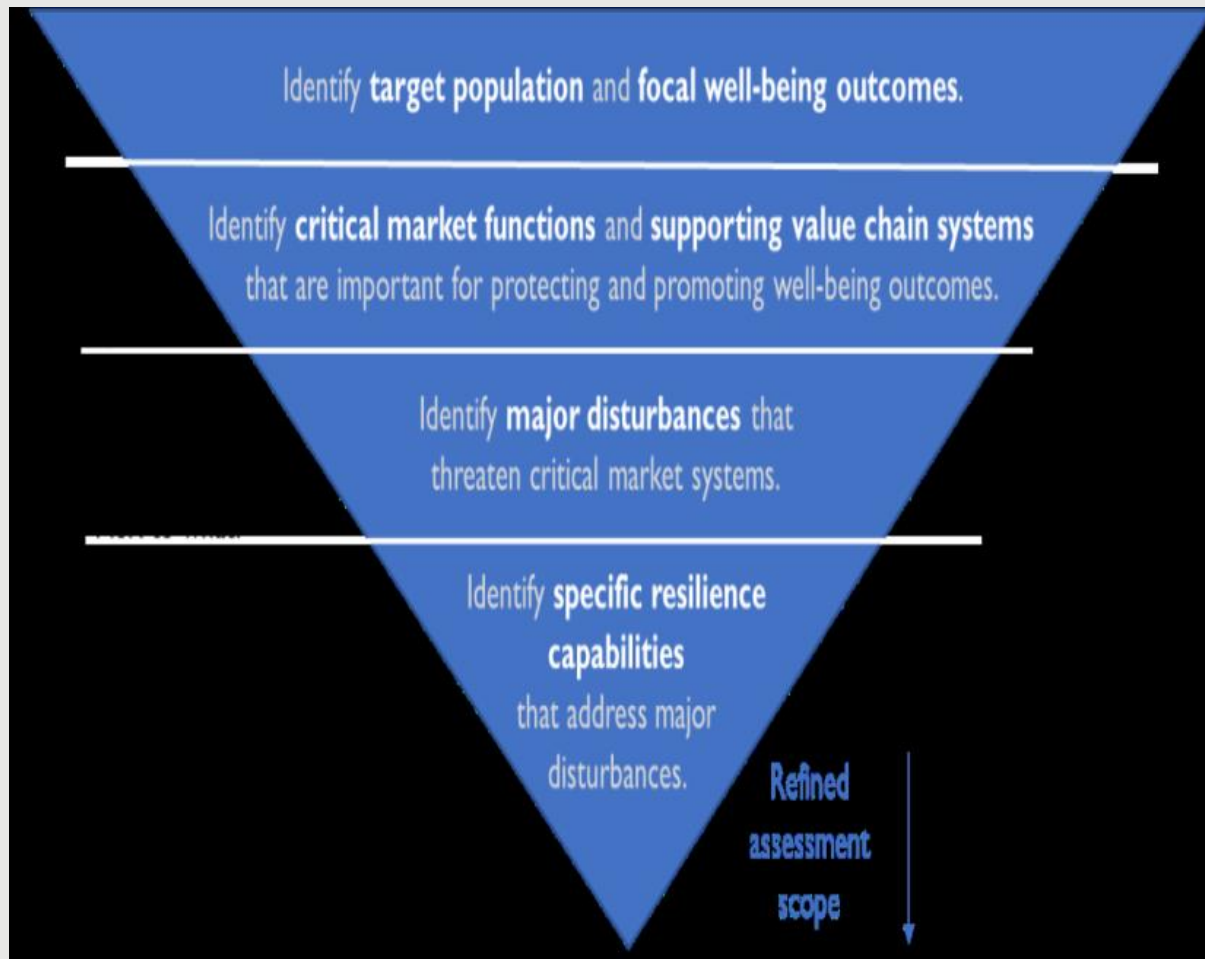
**197**  
Private enterprises receiving assistance



**5,169**  
FTE jobs created

## How do Somali's depend on market systems for their own resilience?

- 4 step process conducted with GEEL's technical managers (from : Assessing Resilience in Market Systems, USAID, Sept 2019)



# COVID 19 Impact on Businesses

## COVID19 Enterprise Impact Survey Indicates:

86%

Businesses were affected by the pandemic.

- 54% Running at reduced scale
- 33% Temporary stopped operations

30%

Reduced workforce

42%

Reported reduction in sales

43%

Reduced production



## COVID-19 Challenges faced by GEEL Supported Business

67%

Insufficient cash to pay wages and supplies.

43%

Insufficient cash to make loan repayments.

50%

Restrictions on exports e.g. air and sea transports

47%

Shortage of imported supplies

## What help do you need during this period?

ANSWER CHOICES	RESPONSES
Maintaining or expanding busines operations	71.93% 41
Protective measures to safeguard stuff and customers	68.42% 39
Maintaining or expanding supply chains and distribution chains	63.16% 36
Accessing new local markets	47.37% 27
Accessing new international markets	45.61% 26
Diversifying products and channels	45.61% 26
Others (please specify)	12.28% 87
Total Respondents 58	



### Others

- Capital
- Training and capacity building
- Innovative solutions e.g. refrigerated motorcycles for home delivery and display refrigerators for our mini-market customers



# Market Function #1: Supply of Consumables

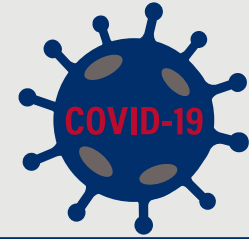
## Production and Distribution of PPEs



### Impact

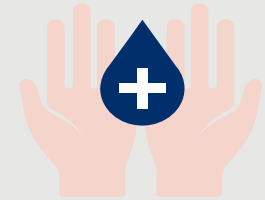
86% of Businesses were affected by the pandemic.

- 54% Running at reduced scale
- 33% Temporary stopped operations



### Intervention

- GEEL led national efforts to support FGS in combatting the COVID 19 pandemic through engaging Somali-led youth organizations and textile businesses to produce PPE's



### Results

**562,000**

Face masks made by youth.

**150,000**

People reached with COVID-19 awareness messages through fliers' campaign messages.

**3,000**

Gloves made by youth as part of GEEL's support for the government's COVID-19 protective measures.

**336**

Jobs for youth created through sustained measures against COVID-19

## Market Function #2: Productive Inputs and Services

### Imported Inputs



#### Impact

- Reduced imports due to international trade restrictions and access to finance.



#### Intervention

- Providing agricultural input subsidies.
- Introduced efficient and cost-effective small irrigation kits.
- Supported the rehabilitation and expansion of rainwater-harvesting facilities for rain fed farms.
- Promoted climate smart agriculture technologies



#### Results

**90 MT**

Certified sorghum and Maize seeds produced in Bay & Bakool.

**6,000 farmers**

Trained on quality seeds purchase and hermetic bags through radio and TV.

**3,000 farmers**

Provided with certified sorghum, maize and cow peas seeds.

**700+**

Jobs secured through farming., sesame oil processing and milk distribution



# Market Function #3: Productive Inputs and Services

## Financial Services



### Impact

- GEEL's investment role is to facilitate access to finance for MSMEs in the agriculture, livestock and fisheries value chains.



### Intervention

- GEEL will extend and adapt its existing investment and development activities to prioritize COVID-19 bridging and survival support for MSMEs.
- Provide finance directly to cover operational and restructuring costs and losses.
- Facilitate access to commercial finance for existing and new development projects that remain viable in the current situation.



### Results

**\$1,492,000**

Disbursed by Gargaara via banks so far, \$16.5 million available in addition

**\$1 million+**

GEEL Access to Finance loans from PFIs to agriculture businesses in resilience areas with a target of \$3 million

The access to finance project has initiated pilots of new financing models including working with VSLAs and SHGs, using new ICT, using split family urban/rural local remittances, and implementing digital financial identities

## Market Function #4: Markets for Production Exports



### Impact

Reduced exports because of international trade restrictions, cancellation of the annual Hajj and collapse of some key international markets



### Intervention

- New market linkages and international earn revenues.
- Livestock traders linked to domestic markets and improved meat market
- Strengthened SMEs on fish production, storage and aggregation to address import reductions.



### Results

**\$20 million**  
Sesame exports of  
14,000MT

**5 containers**  
per month banana  
exports to Saudi  
Arabia.

**25%**  
Increase in sales after Covid-19  
prevention training

**800+**  
Jobs secured through exports,  
equipment provision and expansion  
of livestock and fisheries markets.

## Remittances



## Impact

Reduced remittances due to reduced incomes of diaspora families and suspension of flights leading to reduced domestic sales of produce.



## Intervention

- Partnerships with Somali banking associations and PFIs.



## Results

- Facilitated creation of IDAs working group on remittances.
- Supported DfID to assist Dahabshil Bank to establish a UK correspondent banking relationship.
- Supported World Bank initiatives to improve Somali banks' liquidity including planning for inter-bank loans and early implementation of electronic inter-bank payments.
- Started digital identity pilot with Premier Bank.

## Private sector investment

**\$18 million**

Loans available to PFIs to on-lend to micro, and small enterprises from Gargaara investment fund established by The World Bank.



**\$3 million**

GEEL Access to Finance investment target for PFIs into micro and small enterprises.

**\$1.5 million**

lent so far by Private financial institutions (PFIs) using capital from Gargaara



**\$2.5 million**

Credit guarantee provided by US Development Finance Corporation for an international renewable energy investor.

**\$400,000**

Invested into small and medium enterprises so far by FCA Investments targeting investments of \$2 million in 2020.

