

Insights &  
Analysis for  
Leaders &  
Organizations

Interview: Somalia Rolls Out its first  
National ID Cards decades

Why formalization of Informal  
MSMEs be prioritized in Somalia?

Bajaj drivers should focus on shifting the  
gears rather than switching the shifts

A Golden Story of  
Financial Freedom

Using ChatGPT for  
Exploratory Data Analysis

Why Somalia Needs to  
Embrace the Green Economy?

Gen Z: Somalia's  
Emerging Workforce

15  
Years  
of Promoting  
the Private  
Sector

DEC  
2023

Navigating  
the Complexities of  
**Somalia's** Land Market

Volume 16  
Issue Number 01



**25**  
Years  
of Serving  
the Nation



### Dear SIMAD Family,

As we celebrate our 25th anniversary, we're thrilled to announce the start of SIMAD University's Silver Jubilee. This marks 25 years of our dedication to education, research, and community service. We've launched a silver celebration, including an alumni tracer study and insights into our impact on academia and society.

Our celebrations will feature numerous activities, beginning today and culminating on November 6, 2024. Details will soon be available on our Silver Jubilee webpage. We invite our alumni, staff, and students to engage in these events, highlighting SIMAD's role as a knowledge beacon.

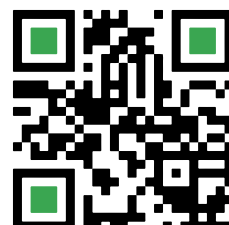
A key part of our celebration is the "Alumni Tracer Study," where we encourage alumni to share their post-graduation journeys and achievements.

This will help demonstrate the extensive impact of SIMAD's education. We remain committed to advancing higher education in Somalia and beyond, cherishing past successes while looking to a future of greater achievements.

Thank you for your continued support, which has been crucial in reaching this milestone. Stay updated and join us in celebrating our legacy of excellence. Visit the Alumni Tracer Study here: <https://bit.ly/SIMAD25>.

With gratitude,  
**SIMAD Silver Jubilee Committee**

Scan Here  
to Visit Our  
**Website**





## TABLE OF CONTENTS



#	TITLE	PAGE
i	TABLE OF CONTENTS	01
ii	ABOUT	03
iii	EDITOR'S NOTE	04
iv	SOMALIA DEVELOPMENT DIGEST	05
v	INDUSTRY REVIEW: TOWARDS BOLD AND PROGRESSIVE PATH!	06
01	INTERVIEW: SOMALIA ROLLS OUT ITS FIRST NATIONAL ID CARDS DECADES	08
02	NAVIGATING THE COMPLEXITIES OF SOMALIA'S LAND MARKET BY ZAINAB MOHAMUD	12
03	WHY SHOULD THE FORMALIZATION OF INFORMAL MSMES BE PRIORITIZED IN SOMALIA? BY ALI FARAH ABDULLAHI	15
04	BAJAJ DRIVERS SHOULD FOCUS ON SHIFTING THE GEARS RATHER THAN SWITCHING THE SHIFTS BY OMAR ABDULLAHI ABDI	18
05	USING CHATGPT FOR EXPLORATORY DATA ANALYSIS BY ABDULLAHI MOHAMED OSMAN	20
06	A GOLDEN STORY OF FINANCIAL FREEDOM BY DR ISMAIL MOHAMED ALI	23
07	BREAKING BRARIES: BRIDGING THE GENDER GAP IN SOMALIA'S FINANCIAL INCLUSION BY NAIMA HUSSIN AHMED	25
08	WHY SOMALIA NEEDS TO EMBRACE THE GREEN ECONOMY? BY ISMAIL ABDALLA ALI	28

09	GEN Z: SOMALIA'S EMERGING WORKFORCE BY MOHAMMED MUHYADIN MOHAMED	33
10	CHALLENGING STEREOTYPES: UNVEILING PUBLIC PERCEPTIONS OF SOMALI WOMEN ENTREPRENEURS BY BAHJA ALI SHURIYE	36
11	EMPOWERING SOMALI SMES: THE GAME-CHANGING POTENTIAL OF IOT FOR DIGITAL GROWTH BY OSMAN DIRIE HUSSIEN & MOHAMED AHMED GHAZALI	41
12	WHY SOMALI YOUTH COULD BECOME THE CORNERSTONE OF DIGITIZING THE ECONOMY? BY DHAQANE ROBLE HALANE	44
13	HARNESSING DIGITALIZATION FOR SYSTEMS EFFICIENCY BY YONIS ALI MUKHTAR	46
14	HOW IS DIGITALIZATION IN THE GOVERNMENT HELPING THE BUSINESS LANDSCAPE? BY AHMED MOHAMED HASSAN	49
15	FUELING GROWTH: THE TRANSFORMATIVE POWER OF TRAINING FOR BUSINESS OWNERS BY FARTUN SHIEKH AHMED	53
16	THINGS YOU SHOULD KNOW ABOUT REAL ESTATE INVESTMENT IN MOGADISHU BY ISMAHAN MOHAMED HASSAN	56
17	FUTURE OF WORK: IMPLICATIONS OF THE GIG ECONOMY ON TRADITIONAL EMPLOYMENT MODELS AND LABOR MARKET DYNAMICS BY SAFIA ISSE FARAH	58
18	UNLEASHING CREATIVITY AND ENTREPRENEURSHIP FOR A FAVORABLE ENVIRONMENT IN SOMALIA BY SAMIRA ABDULKADIR ADAN	63
19	SOMALIA'S NATURAL ECOSYSTEMS ARE UNDER PRESSURE: SUSTAINABLE PRACTICES CAN HELP BY MOHAMED OKASH	66
20	COMBATING CLIMATE CHANGE IN SOMALIA REQUIRES STRUCTURAL AND SYSTEMS CHANGE BY MOHAMED OKASH	69
21	THE RECUPERATING LANDSCAPE OF MOGADISHU: RISING DEMAND FOR AFFORDABLE HOUSING BY ABDIKAFI HASSAN ABDI	73
22	MAIN BARRIERS TO ORGANIZATIONAL TRANSFORMATION ON DIGITALIZATION BY DHAQANE ROBLE HALANE	76
23	FOUR WAYS FRESH GRADUATE CAN CONTRIBUTE TO COMMUNITY DEVELOPMENT BY ABDIRAHMAN SUDI	78



## ABOUT SBR

---

For the latest, rigorous and dynamic analysis and insights about Somalia's business, economy, and technological transformation, subscribe to Somali Business Review (SBR). SBR is a lively quarterly magazine of SIMAD University that brings you in-depth, on-ground, and expert-led analysis by prominent analysts and experts.

All materials produced are aimed to inspire, empower and enrich you in understanding the development of the private sector landscape in Somalia. Additional features usually included book reviews; profiles of prominent businesses; and SBR insights, that offer management, personal growth and productivity tips for leaders. SBR is essentially read by entrepreneurs, leaders, policymakers, academics, government practitioners, and decision-makers in Somalia and beyond.

**Editor-In-Chief:** Mr. Mohamed Okash

**Editors:** Dr. Amina Omar, Dr. Ali Yasin, Dr. Abdikadir Jibril, Dr. Ismail Mohamed, Mr. Mohamed Muse

**Operations & Distribution Manager:** Mr. Hussien Abdi

**Production & Marketing Manager:** Mr. Abdullahi Ahmed

**Multimedia Producer:** NextOne

**Somali Business Review (SBR),  
September - December 2023**

**Volume/Issue:** Volume 16: Issue 001

**Language:** English

**Publication Date:** December 2023

**Pages:** 79

**Keywords:** Real Estate, ChatGPT, Financial Freedom, Digitization, Climate Change.

**Legal-disclaimer:** Opinions expressed in articles and other materials are purely those of the authors; they do not necessarily reflect either the SBR or SIMAD University views or policies.

© 2023 by the Somali Business Review. All rights reserved. For permission to reproduce any SBR content, submit a request via email ([sbr@simad.edu.so](mailto:sbr@simad.edu.so)). Opinions expressed in articles and other materials are strictly those of the authors; they do not necessarily reflect either SBR or SIMAD University views and policies.



## EDITOR'S NOTE

---



Happy Anniversary!

In this anniversary issue, we celebrate our fifteen years of amplifying the voice of the private sector development in Somalia. As we celebrate, we delve into a diverse range of stories, offering you a comprehensive look into the intricate dynamics of Somalia's evolving landscape. Our expert contributors have explored key issues and opportunities, from the intricacies of Somalia's land market to the potential of the green economy, the emergence of Gen Z as the country's workforce, and the transformative power of digitalization.

This edition's featured articles provide valuable insights into various facets of Somalia's economic, social, and environmental challenges and potential. We hope that these thought-provoking pieces will inspire leaders, decision-makers, and entrepreneurs to drive positive change in our nation.

As we navigate the complexities of the Somali context, it is vital to address issues like the formalization of informal MSMEs and bridging the gender gap in financial inclusion. Moreover, we explore the potential of emerging technologies, such as IoT, to empower small and medium-sized enterprises (SMEs) and boost the digital economy.

With the ever-evolving landscape in Somalia, it is imperative that we harness innovation and creativity to create a favourable environment for growth. This edition also underscores the importance of addressing climate change and adopting sustainable practices to protect our natural ecosystems.

We sincerely thank our dedicated authors for their valuable contributions, shedding light on these critical issues. We hope that their insights will spark constructive dialogues, lead to informed decisions, and ultimately contribute to the betterment of Somalia.

Thank you for subscribing SBR as your source of knowledge and inspiration. We look forward to accompanying you on this journey of exploration and discovery as we work towards a brighter future for our beloved nation.

Sincerely,

Mr. Mohamed Okash  
Editor-in-Chief

Mohamed Okash,  
Editor-In-Chief, SBR  
🐦 @MohamedOkash\_





## SOMALIA DEVELOPMENT DIGEST



Population  
(2023):  
**18.14 M**



Doing Business  
Rank:  
**190**



GDP  
(2022):  
**\$10.42 BILLION**



Unemployment:  
(2022)  
**16.3%**



Growth Rate  
(2022):  
**2.4 %**



Inflation  
Rate:  
**6.45%**



National Budget:  
(2022)  
**\$977 M**



Life expectancy  
Rate (2019):  
**57 YEARS**



External Debt:  
(2022)  
**\$4.16 BILLION**



Maternal Mortality  
Rate:  
**692**



Internet Penetration Rate:  
(2022)  
**27.6 %**



**SOURCE:**  
**NBS SOMALIA  
& WORLD BANK**



## INDUSTRY REVIEW: TOWARDS BOLD AND PROGRESSIVE PATH!

### SOMALIA'S CENTRAL BANK LAUNCHES THE QR CODE

After years of economic instability and decline, the Somali federal government has taken a significant stride toward stabilising the nation. This advancement involves the reopening of the central bank and the integration of novel technologies such as the SOMQR Code standard. This innovative solution is reshaping the financial landscape by simplifying transactions, enhancing security, and fostering financial inclusivity. By embracing QR codes, the Central Bank of Somalia is at the forefront of modernizing the nation's financial infrastructure, thereby laying the groundwork for a more inclusive and prosperous economy. Through collaborative efforts with various stakeholders, the Central Bank of Somalia is driving growth in the financial sector, enhancing customer experiences, and positioning Somalia as a leader in digital transformation. With the successful implementation of SOMQR codes, Somalia stands poised to surmount its challenges and achieve long-term stability and economic development.

### RUSSIA GRANTS DEBT RELIEF TO SOMALIA

Somalia's recent agreement with Russia for debt relief signifies a significant milestone in its pursuit of comprehensive external debt relief under the International Monetary Fund (IMF) and the World Bank's Heavily Indebted Poor Countries (HIPC) Initiative. The accord, inked during the Russia-Africa summit in St. Petersburg, grants debt relief exceeding \$684 million owed to Moscow, offering much-needed relief to Somalia's beleaguered economy. This accomplishment follows years of civil conflict and ongoing issues related to political instability, Lack of security, and poverty. As Somalia continues its efforts to complete the HIPC process by the close of 2023, the debt relief agreement serves as a testament to the nation's dedication to implementing economic reforms and meeting performance criteria set forth by the IMF and World Bank. By diminishing its debt burden from \$5.2 billion to approximately \$550 million, Somalia will have the capacity to allocate more resources to crucial sectors such as healthcare, education, and infrastructure development.



## SOMALIA ROLLS OUT FIRST NATIONAL ID CARDS AFTER 30 YEARS

The introduction of national identification cards in Somalia marks a significant stride in the country's recovery and development. These cards will furnish Somalis with a secure means of identification, enabling full participation in their nation's economic and political life. Moreover, these cards will promote financial inclusion, enhance security, and contribute to the overall stability and prosperity of Somalia. National identification cards play a pivotal role in establishing citizens' identities, a crucial prerequisite for accessing government services, conducting financial transactions, and participating in the electoral process. In a context where a dependable form of identification has been a major challenge, the rollout of national identification cards is a critical step towards constructing a more inclusive and equitable society.

## SOMALIA RECEIVES NEW PACKAGE OF AID

Somalia has received a \$75 million grant from the World Bank's Development Policy Financing program, aimed at fortifying its institutions and fostering inclusive economic development.

This grant comes at a juncture when the country faces an array of challenges, including climate change and vulnerability. The funding will bolster the government's endeavors to construct robust institutions, attract investments, and attain sustainable growth. Specifically, the grant will be directed towards augmenting the external audit function, which will aid in preventing corruption and mismanagement of public funds. Furthermore, the government has initiated measures to establish a favorable institutional environment in diverse sectors, including fisheries and electricity, and has enacted legislation to mobilize private capital and safeguard personal data. With the backing of the international community, Somalia is diligently working towards debt relief while focusing on sustainable growth and development.

Additionally, Somalia and the United States have entered into a landmark Development Objective Assistance Agreement (DOAG) worth \$92.6 million, symbolizing a new chapter of cooperation between the two nations. The DOAG is devised to bolster Somalia's development trajectory, solidify bilateral relations, and drive progress across multifaceted domains. At its core, the DOAG is founded on a shared vision to catalyze comprehensive growth in Somalia. It adopts a three-fold approach, concentrating on enhancing the nation's resilience, igniting economic prosperity, and elevating governance standards. By leveraging these pillars, both nations aspire to elevate the lives of the Somali people, reinforce stability, and enhance the nation's global standing.



01

## INTERVIEW: SOMALIA ROLLS OUT ITS FIRST NATIONAL ID CARDS DECADES

ABDULLAHI BIHI &  
MOHAMED OKASH



Okash: Thank you, Director, for inviting us to your office for this interview. Once again, I thank you for giving us this opportunity. We chose the National Identification and Registration Authority (NIRA) since its work as an organization is new to Somalia.

Abdullahi Bihi: It is an honor for me to be part of SBR. I worked with its first editor, Dahir Hassan Arab, and I have witnessed its progress. It is a great opportunity for me to give my first interview as a deputy Director of NIRA since I have become one. We always like to have opportunities like this to make people understand this organization and what it is about, what it is working on, and where it is going, because of our work. We must lead the implementation of the identity; identity is owned by the community.

Okash: What is the importance of the founding of this organization, which is the first time for Somalis, and also the work you have done, how can something meaningful be added to the lives of Somalis?

Abdullahi Bihi: First of all, recognition is a human right, it is a fundamental right that every person living in this world has, according to UN SDG 16.9 clearly defined. The whole world has agreed that it is an essential right.

So, the most important thing is for every Somali citizen that they will get a basic right, which they have been missing for a while. It is a core right that will open them up to other basic rights, including having the opportunity for financial inclusion. Financial inclusion is one of the things that Somalis are very concerned about. One of the rights of the person is to be recognized, and it is fundamental for them to be secure. We hope that this idea will be implemented based on the laws, and we hope that it will bring about a lot of changes. The areas that will be changed are first of all the economy. The person should open an account and realize financial inclusion in that place, get the support they deserve from the government, get access to public services, and the person to be safe and secure, be recognized by everyone and rise from every Somali house. It will change a lot from the progress we are currently experiencing. It's been going fast for years, and the progress is always ongoing, but the speed will be doubled, InshaAllah.

Okash: How will the identity that will be provided by the NIRA organization differ from the other identities that will be the official reference, and how will they be legalized online?

Abdullahi Bihi: The identity that is now we are now introducing is called foundation identification or the basic identity. The basic identity is intended to be the core of the various existing Identtites and will replace the other existing Identtites. For example, a passport is provided, and it is required that they first obtain an ID. If they have a driver's license, it is required to attach an ID. If the person, for example, needs another government service such as opening a business, it is important to identify the person. So, it is different from others. It is based on a law that was agreed upon and passed by the Federal Parliament. The upper house itself indicates that since the official law-making process has been passed, it is the recognition of a permissible relationship that Somalis have taken together, which is based on strict laws. The most important thing is, of course, not only the other current identities that are based by nature. The one that is linked to it is the 2nd article that differentiates it, and the 3rd one that is related to the legislators will be different from this identity, and it will be based on it. The principles that have been agreed upon in the world are the best. The bank's identity management has, at the same time, added the ID for guideline in their operations which indicates a good idea. What can be the basic elements of IDs that we can really trust, and other countries trust our identity even? Reliability is based on data protection and data privacy that have been taken care of and made sure that this identity and its data are well protected. As well as the ID now, in the way we have written its law, if you release its data in the country of the bank, it can never be kept in the data solving system. This is a unique ID that will consist of eleven numbers for everyone, and once it is assigned to them, even if they die, their number can't be assigned to someone else. This will allow every Somali person to be uniquely identified, something that is different from the others is this ID by design and the requirement that is in front of us.

We encourage everyone who is a Somali citizen to be able to register and get the ID regardless of his/her economic circumstances, where he comes from. This will be very inclusive! We will work to speed up the delivery of service to every citizen in everywhere they are, even in the remote rural areas, to make it easier for those people who are not able to come to the centers for registration.

Okash: Do we know the official number of Somalis who have an identity card or how many do not have an identity card at moment? There may be very few Somalis who have an official identity card. How prepared are you for the registration of millions of Somalis, most of whom are located in rural Somalia?

Abdullahi Bihi: The preparation is based on the registration and identification strategies that we have completed now and will be shared soon. If God says, these strategies include that services will be delivered to a place where other government services are available.

It can be paired or attached to the services that the government is currently paying and that will be partnered with the private sector. Or we will mobilize mobile groups that go to the area where the registration is required to be done. This will ensure that every person who can receive the service to confirm the process that has already started, and that we have prepared for the centers that have been prepared. By the end of this year, we hope that at least 30 centers will be opened one by one to increase the strength as long as possible to ensure that every Somali person can go and be registered, God willing.

Okash: What kind of cooperation do you have with other public and private institutions?

Abdullahi Bihi: We have direct cooperation with the agencies whose work is to enforce the customer's knowledge or know your customer. Cooperation is sometimes at a political level, sometimes in terms of operationalization where we want to take advantage of the infrastructure that these agencies have. Cooperation is vital! For example, the cooperation between the banks and This, of course, helps in the fight against money laundering, financial terrorism, and related activities. There are many programs in the non-stop shop services, such as the government. Some countries have stepped in, and government services can be found in one place. It can only be confirmed by the National ID, which is a unique number that has been assigned to the

Okash: When we talk about the registration of a Somali citizen, what is the base law that refers to who is a Somali and who is not a Somali, and how to distinguish them?

Abdullahi Bihi: The identity that is now we are now introducing is called foundation identification or the basic identity. The basic identity is intended to be the core of the various existing Identtites and will replace the other existing Identtites. For example, a passport is provided, and it is required that they first obtain an ID. If they have a driver's license, it is required to attach an ID. If the person, for example, needs another government service such as opening a business, it is important to identify the person. So, it is different from others. It is based on a law that was agreed upon and passed by the Federal Parliament. The upper house itself indicates that since the official law-making process has been passed, it is the recognition of a permissible relationship that Somalis have taken together, which is based on strict laws. The most important thing is, of course, not only the other current identities that are based by nature. The one that is linked to it is the 2nd article that differentiates it, and the 3rd one that is related to the legislators will be different from this identity, and it will be based on it.



The principles that have been agreed upon in the world are the best. The bank's identity management has, at the same time, added the ID for guideline in their operations which indicates a good idea. What can be the basic elements of IDs that we can really trust, and other countries trust our identity even? Reliability is based on data protection and data privacy that have been taken care of and made sure that this identity and its data are well protected. As well as the ID now, in the way we have written its law, if you release its data in the country of the bank, it can never be kept in the data solving system. This is a unique ID that will consist of eleven numbers for everyone, and once it is assigned to them, even if they die, their number can't be assigned to someone else. This will allow every Somali person to be uniquely identified, something that is different from the others is this ID by design and the requirement that is in front of us.

We encourage everyone who is a Somali citizen to be able to register and get the ID regardless of his/her economic circumstances, where he comes from. This will be very inclusive! We will work to speed up the delivery of service to every citizen in everywhere they are, even in the remote rural areas, to make it easier for those people who are not able to come to the centers for registration.

Okash: Do we know the official number of Somalis who have an identity card or how many do not have an identity card at moment? There may be very few Somalis who have an official identity card. How prepared are you for the registration of millions of Somalis, most of whom are located in rural Somalia?

Abdullahi Bihi: The preparation is based on the registration and identification strategies that we have completed now and will be shared soon. If God says, these strategies include that services will be delivered to a place where other government services are available. It can be paired or attached to the services that the government is currently paying and that will be partnered with the private sector. Or we will mobilize mobile groups that go to the area where the registration is required to be done. This will ensure that every person who can receive the service to confirm the process that has already started, and that we have prepared for the centers that have been prepared. By the end of this year, we hope that at least 30 centers will be opened one by one to increase the strength as long as possible to ensure that every Somali person can go and be registered, God willing.

Okash: What kind of cooperation do you have with other public and private institutions?

Abdullahi Bihi: We have direct cooperation with the agencies whose work is to enforce the customer's knowledge or know your customer.

Cooperation is sometimes at a political level, sometimes in terms of operationalization where we want to take advantage of the infrastructure that these agencies have. Cooperation is vital! For example, the cooperation between the banks and This, of course, helps in the fight against money laundering, financial terrorism, and related activities. There are many programs in the non-stop shop services, such as the government. Some countries have stepped in, and government services can be found in one place. It can only be confirmed by the National ID, which is a unique number that has been assigned to the

Okash: When we talk about the registration of a Somali citizen, what is the base law that refers to who is a Somali and who is not a Somali, and how to distinguish them?

Okash: Is there a plan to register the people who are abroad on other trips?

Abdullahi Bihi: The travel plan includes an identity registration service for every Somali person to receive this service.

Okash: What technologies will be used to record and store data? Sometimes there are risks to the protection of data privacy which can happen and often come from external attacks to hack data or can be manipulated or misused. Do you think there will be a plan to control, manage data of a Somali person, how can it be something safe and can be brought to the right place?

Abdullahi Bihi: There is usually a plan when talking about data privacy and protection. There are provisions in the law that state that this information must be kept private to the person who has the right to the information, and no one else can access it. We will establish our legal office. Now he has completed a follow-up process and a subordinate relationship that was established for the employees working on the data, so that the political side of the procedures and rules were established regarding the preservation of the data and the protection of the data, to protect it from what may come to Qatar. But when it comes to data security and privacy, the biggest threat is the internal one. It is the people who work on the data and its management. And when the person who is not employed, the way of filing must be kept in mind to ensure that the right people are filed. We also file the system that we install to verify that the person cannot handle access or use the information incorrectly. For example, the registration staff does not have access to the data after entering it. When certain measures that have been programmed into the system itself, and even the staff working in the central office who are reviewing the data for corrections and doing something to follow up on the data,

he accessed and the time he accessed and the reason he accessed all this is already programmed in the system - Yes, the system that we have tested recently is capable of doing that. The organization that we have been working with and has been working with the system for 20 years has inherited the system, but what they have seen are challenges in terms of data protection and data security. And they have built the system itself. When it comes to protecting what is coming from the bank, we have worked on 2 issues first, Somali people who are knowledgeable about what we are working on and collecting data and protecting data security and all these things, we need to bring together people who understand. The first step is to develop and advance their knowledge and to come up with the procedure to protect them and plan B if such incidents happen, What are the protocols that should be implemented when there is a whole reception office whose job is to protect the data? and so on. But we believe that information can be protected with people and systems and technology that go hand in hand with people, and that awareness is going on. It is necessary for you to work on the data protection principle and to understand that a small course is about the basics of cybersecurity so that a person can understand, digital skills to understand the field that you want to be in mandatory courses to The e-learning platform is now being developed by the organization's team. Take a small online test for that when it results in the person's awareness, sometimes. And it is not the person's fault that the awareness and sense of security is very low.

Okash: Do you have any plans with the private sector, such as banks, to help more people get financial inclusion?

Abdullahi Bihi: Banks are the 1st stick holder and the 1st stakeholder when it comes to the use of identification to know the customer and what he is and who he is, or KYC when it comes to it, and it is one of the requirements of the government. With the help of their different regulators, the telecommunication sector like NCA is responsible for KYC regulation, and our banks are responsible for the central bank.

One of the things we have is to build an identity verification system that is independent of the customer's identity or KYC.

OWe want to build the API of the identity verification system on other services, creative and implementing, for example, e-commerce, things that are currently planned for the team of technology information systems direct raid, and their work is the creation of these projects and these different systems that are placed on the ID. online authentication services that are based on the ID, and will generate a digital ID that is mapped to the ID, so that the ID information that third parties receive is protected at the same time as the ID that is linked to another ID. Online authentication, e-commerce if you can buy something and use it, then also in the conference we will hold, and we will discover the identity. We want to present a whole part of the creation of identities, and competitions will be held to encourage the private sector. And The many digital entrepreneurs who are coming to us to think of advanced ideas that address many of our needs that they can put on if it is systems used to improve security, if it is systems used to provide public health services. If it was learning itself, when all these things are needed, they will come to one of our 1st strategies. That is to create a community around ID that thinks, and we get ideas like ID. This and the information that is being used for the national interest and the interests of the private sector that do not conflict with the law. Everything above the law must be protected by the law. At the same time, we want to encourage innovation. On the other hand, when looking at the Ministry of Commerce, there is a system that has been registered by the companies that provide licenses when there are many such systems that are missing, and the identity must be linked to the company that belongs to the person. As far as we can tell, the same problem as the banks exists in this aspect. I may have 5,6 companies with different names that I am registered with. However, when this ID system is implemented, all of these things are not valid, but it is reliable as well.





## NAVIGATING THE COMPLEXITIES OF SOMALIA'S LAND MARKET

ZAINAB MOHAMUD MOHAMED



In Somalia, land has been one of the most traded and profitable assets in the real estate market for a while. It has been considered a great investment opportunity because the value of land tends to increase over time. However, recently there has been a noticeable slowdown in land sales, and it seems like there is a lack of movement in the market. Land is typically seen as a valuable asset because its supply is limited. As the population grows and cities expand, the demand for land increases, driving up its price. People often buy land with the expectation that its value will be appreciated, allowing them to sell it at a higher price in the future and make a profit.

It's important to note that the land market, like many other sectors, can experience cycles of ups and downs throughout the year. Different seasons or periods can have varying levels of activity and demand in the market. What may appear as a lack of movement or sales currently doesn't necessarily mean that land is no longer a good investment in the long run. Market conditions can change over time, and land values may start to rise again in the future. In Somalia, there are specific times that are considered "buy time" and others that are considered "sale time" in the land market.

One factor that affects these seasons is the Haj time (the annual Islamic pilgrimage to Mecca), which takes place during a specific period of the year. Many Somali Muslims participate in this pilgrimage since it's considered a significant event in our religious calendar. During the Haj season, there tends to be an increase in land sales as people may sell their properties to fund their pilgrimage expenses. In turn, this increased supply of land in the market leads to a decrease in land values. Similarly, during the Zakka time, which marks the end of the Islamic calendar year. A religious obligation for Muslims to give a certain percentage of their wealth to charity. During this time, some individuals may sell their land or properties to fulfil their Zakka obligations or to generate funds for other religious or personal purposes. This can also contribute to an increased supply of land in the market during this period, potentially leading to lower land values.

So, in general, these are the seasons that the land market in Somalia experiences increased supply and lower land values which is considered as a "buy time". After the Haj season and the return of people from their pilgrimage, which usually coincides with the start of the new year, there tends to be an increase in demand for land, leading to a rise in land values. This seasonal fluctuation in supply and demand does indeed influence the overall dynamics of the land market in Somalia.



However, it's important to acknowledge that the land market can be influenced by various factors throughout the year, beyond just the seasonal trends. Economic conditions, political stability, and personal financial constraints can all play a role in shaping the market dynamics. These factors can impact the willingness and ability of individuals to buy or sell land, and they can vary over time. So, here we'll address several crucial factors that have been causing the land market in Somalia to remain stable, and we'll delve into it and explain.

## POLITICAL INSTABILITY

Certainly, the ongoing war and political instability in Somalia are significant factors that are currently affecting the land market and the overall economy. These conflicts have created a sense of uncertainty that greatly affects investor confidence and the general activity within the market. This uncertainty affects various aspects of the economy, including the land market. Investors, particularly businesspeople, become cautious about investing their money in such an unstable situation. The fear of potential loss and the lack of predictability in the market lead many individuals to hold back their funds and refrain from investing in land.

Investor confidence plays a crucial role in determining market activity and economic growth. In a war-torn and politically unstable environment, investor confidence tends to decline. The risks associated with investing in such conditions, such as property damage, legal uncertainties, and potential loss of investments, lead many businesspeople to withdraw their funds from the market. This withdrawal of capital further dampens market activity and contributes to a decline in land sales and investments.

## ANTI-CORRUPTION MEASURES

The government's focus on combating corruption, particularly among government employees, is aimed at promoting transparency, accountability, and good governance in Somalia. These efforts, including investigations, legal suits, and court cases against corrupt individuals and entities, are crucial for the long-term development and stability of the country. However, it's true that they can create short-term disruptions in the land market.

Corruption often involves the misappropriation of funds and the money obtained through corrupt practices may be used for various purposes, including purchasing significant amounts of land for investment. When efforts are made to combat corruption, the flow of such funds into the land market can be affected.

As a result, there may be a decline in the participation of corrupt individuals in land transactions, impacting the overall market activity.

Furthermore, some individuals may prefer to invest their money in land rather than keeping it in cash due to the potential for land to increase in value over time. This can lead to a significant portion of corruptly acquired funds being invested in the land market.

While these short-term disruptions may occur, it's important to recognize that combating corruption is vital for the long-term stability and development of the country. By promoting transparency, accountability, and good governance, the government aims to create an environment that fosters legitimate and sustainable economic activities, including the land market.

In the long run, the efforts to combat corruption can help restore integrity to the land market, attract genuine investors, and ensure a fair and transparent transaction process. It's a necessary step towards building a strong and resilient economy in Somalia.

## ACTIVE ANTI-MONEY LAUNDERING POLICIES

The government's implementation of stringent anti-money laundering policies is aimed at preventing the flow of illicit funds into Somalia. These policies are intended to safeguard the integrity of the financial system and combat money laundering, terrorist financing and other illicit activities. While this is a positive step in ensuring a transparent and legitimate economy, it also impacted the land market. As people who transfer a lot of money for the purpose of land purchase go through investigation and verification of the source of funds through the compliance system, this can be time-consuming and cumbersome, as individuals and businesses need to provide detailed documentation and cooperate with authorities to ensure compliance. This additional scrutiny and verification can create delays and complexities in the transfer of land ownership, potentially slowing down the overall transaction process.

## GLOBAL ECONOMIC DOWNTURN

The current global economic downturn can indeed have a significant impact on the Somali land market. The reduction in diaspora remittances during times of international crisis can lead to decreased demand in the land market. Somali diaspora plays a vital role in the country's economy, and their remittances have been instrumental in supporting personal investments and family support, including land transactions.

When remittances decrease, individuals may have limited resources available for land purchases, which can result in decreased demand and potentially impact land values.

Moreover, exchange rate fluctuations resulting from the international crisis can also contribute to the reduction in remittance transactions. When exchange rates are unfavourable, individuals sending money from abroad may incur significant losses during the currency conversion process. This can discourage the diaspora from sending money for land investments or family support, further straining the purchasing power of individuals and potentially affecting their ability to engage in land transactions.

Additionally, the difficulties faced by cross-border traders and import-export traders due to fluctuating exchange rates can have a broader impact on the overall economy, including the land market. These traders rely on international trade for their livelihoods, and financial losses resulting from unfavourable exchange rates can affect their ability to conduct business and contribute to economic activity. As a result, the overall economic downturn and the resulting increase in the cost of living can impact the purchasing power of individuals and potentially affect their participation in the land market.

Despite the fact that these factors have significantly impacted the land market, it is essential to recognize that the COVID-19 pandemic and the political crisis before the presidential election have had significant and complex effects on the real estate market. The pandemic had widespread consequences on various industries, including real estate. The political crisis added another layer of uncertainty within the real estate sector. This crisis has had a discernible impact on land transactions and market dynamics, adding an additional layer of intricacy to an already intricate landscape.

In conclusion, it is important to recognize that the current state of the real estate market, is influenced by temporary factors as the market conditions are inherently dynamic and subject to change over time. Real estate markets have historically demonstrated resilience and the ability to rebound from challenging periods. Therefore, it is reasonable to expect that as these temporary factors subside and economic conditions stabilize, the land market will regain its strength and witness an upward trajectory in property values.



**Zainab Mohamud Mohamed,**  
Senior Real Estate and Investment Banker





## WHY THE FORMALIZATION OF INFORMAL MSMEs SHOULD BE PRIORITISED IN SOMALIA?

ALI FARAH

Despite a growing youth population, Somalia grapples with significant challenges such as political instability, poverty, and inadequate security. These issues disproportionately affect its substantial youth demographic, constituting 75% of the population. Consequently, young people face heightened joblessness, increased violence, and limited access to education. Alarming, the problem of youth unemployment is exacerbating, as evidenced by the Somali National Bureau of Statistics reporting an 86% unemployment rate among youth. This dire situation fosters widespread discontent, leading to youth migration, involvement in violence, and drug addiction.

Prior to now, Somalia's youth joined the business sector, which leads to opportunities that benefit communities and make the country better by producing money, eradicating poverty, and creating employment. Unfortunately, businesses in Somalia are facing several challenges, including a lack of infrastructure and legal framework and limited access to finance. In order to shed light on the challenging process of formalising unregistered micro, small, and medium-sized firms (MSMEs) and startups in Somalia, this article evaluates the benefits, difficulties, and prospective socioeconomic opportunities connected with this endeavour.

### THE BENEFITS OF FORMALIZATION

Formalizing small businesses and startups in Somalia brings many good results that really help them grow and make the country's economy better. The Somali government has made things even better by setting up an online system for registering these businesses. This makes the process much easier, and more businesses are likely to choose to become formal.

Similarly, Formalising small businesses and startups has many good results for both the owners and the whole economy. When a business becomes formal, it looks more trustworthy to customers, partners, and people who might invest money because it follows the rules and has a legal identity. Formal businesses also treat their workers more fairly, which helps everyone and also helps the business avoid getting into legal trouble or losing money. When a business is formal, it can get money or even loans and investments from banks and investors more easily because lenders and investors like to give money to businesses that have a good history and follow the rules. They can also get special chances, like contracts from the public and private sectors, that informal businesses can't get because the contract providers like to work with businesses that follow the rules and have a good history of success.



Furthermore, Formalised businesses follow the rules better, which keeps them safe from legal problems and money losses. They can also avoid fines and penalties more easily. Plus, these businesses face less danger because they have plans to reduce risk. They can even get insurance to help if something goes wrong and costs money. Also, formalised businesses work better. They have better tools and training, and they're managed more professionally. They can also make their businesses bigger and earn more money. Lastly, these businesses help the country's economy. They pay taxes that help the government do things for people, like build roads. They also create jobs and make the economy busier.

## CHALLENGES OF FORMALIZATION

According the World Bank's Ease of Doing Business 2023 report ranks Somalia as the last among 190 nations, highlighting the considerable challenges in conducting business there. Registering a business in Somalia is a complex and demanding process, requiring around 70 days and costing \$900. Several obstacles contribute to this difficulty. Firstly, the high registration fee poses a significant barrier, particularly for small businesses. Secondly, the registration procedure itself is time-consuming and confusing, dissuading potential business owners from pursuing formal registration. Thirdly, the absence of a well-defined legal framework for businesses encourages informal operations.

Fourthly, due to prolonged periods of governmental instability and fragile public sentiment, concerns over business safety, particularly intellectual property rights, deter small businesses and startups from seeking official status. Fifthly, a preference for informal business practices among certain segments of the Somali population discourages new businesses from pursuing formalization. Sixthly, the financial burden associated with formalization proves challenging for small businesses and startups with limited capital derived from personal savings, family support, or angel investors. Lastly, a lack of awareness regarding the benefits of formalization may lead many startups to overlook the advantages, resulting in a reluctance to seek official status.

## SOCIO-ECONOMIC IMPACTS

With the formalisation of the nation's micro, small, and medium-sized firms (MSMEs) and startups, Somalia may enter a new age of socioeconomic growth and development. Since a sizable percentage of Somalia's economic activity now takes place in the unofficial sector, it is also more challenging to get conventional financing and business support services. This has an impact on the government's capacity to raise taxes and allocate funds properly.



By formalising these businesses, Somalia may provide a better environment for entrepreneurship to flourish. This would result in higher production and more chances for innovation. Additionally, company formalisation would increase investor trust, draw talent, and ease cross-border trade partnerships, all of which would assist the nation's economy to become more stable and competitive.

Indeed, MSMEs and startups are better equipped to assist the nation's economic resilience and sustainable development goals as they acquire access to formal markets, financial institutions, and regulatory frameworks. Additionally, formalising MSMEs and startups in Somalia can enhance a range of social facets. Formal enterprises are more likely to abide by labour rules, which can improve working conditions and job security for employees. This might contribute to lowering poverty and raising living standards for a greater portion of the populace.

Furthermore, formalisation increases the power of women and other underrepresented groups. It accomplishes this by raising people's desire to engage in economic activities as well as their access to resources and opportunities. Additionally, because formal firms pay higher taxes, the government is better equipped to provide crucial public services, enhancing inhabitants' overall quality of life. In Somalia, formalising MSMEs and startups has the potential to initiate a positive feedback loop of economic and social development, creating the foundation for a more wealthy and inclusive society.

## RECOMMENDATIONS

To facilitate the formalisation of MSMEs and startups in Somalia, I recommend that the government simplify e-registration and reduce registration costs; on the other hand, incubator centres should provide comprehensive training and support on key business aspects to startups; financial institutions should offer favourable loans to startups; and the government should create a business-friendly atmosphere through policy enhancement and infrastructure development in Somalia. These actions collectively would foster a conducive environment for businesses to thrive and contribute to the economy.

## CONCLUSION

In conclusion, Somalia's resilient spirit and potential for growth stand amidst challenges. Key areas for exploration include its strategic location, youth-driven innovation, evolving MSMEs, and the significance of formalization. The benefits of formalization encompass credibility, access to capital, and economic diversity, but obstacles like high costs and bureaucracy remain. Formalization's impact spans poverty reduction, gender equality, and better governance. Streamlined policies and support are vital for unlocking Somalia's promise, and fostering a dynamic future driven by entrepreneurship and progress.



Ali Farah,  
Head of Partnerships,  
SIMAD iLab



## BAJAJ DRIVERS SHOULD FOCUS ON SHIFTING THE GEARS RATHER THAN SWITCHING THE SHIFTS

OMAR ABUDLLAHI ABDI



Unemployment remains a pressing issue in Somalia, particularly among its youth. Auto rickshaws, locally referred to as Bajaj, have emerged as a means of employment, providing many youth with an accessible source of income. While Bajaj driving offers an initial entry point into self-employment for those with limited capital and skills, but it presents several challenges. Drivers face issues with unsustainable incomes, safety concerns, and a lack of opportunities for career advancement or skills development. Consequently, while it may assist individuals in earning a living, auto-rickshaw driving does little to stimulate broader economic growth in more lucrative sectors.

Somalia is grappling with a severe unemployment crisis, particularly among its youth. According to the National Bureau of Statistics, a staggering 30.1% of Somalis aged 15-24 are currently unemployed, ranking among the highest rates globally. This situation is a result of prolonged conflict that has disrupted education and economic activities, leaving many young people with limited options for supporting themselves and their families. In recent years,

Bajaj auto rickshaws have become a prevalent source of income for Somalia's disadvantaged youth. These vehicles have rapidly proliferated throughout the major Somali cities, providing an accessible opportunity for self-employment for individuals with limited education and skills. By paying a daily rental fee to vehicle owners, drivers can begin earning an income by transporting passengers in congested urban areas, with daily average earnings ranging from \$15 to \$30 on good days. However, Bajaj driving comes with its own set of risks and limitations. The extended working hours required to earn a sustainable income take a toll on both the mental and physical health of drivers. They are vulnerable to respiratory ailments and musculoskeletal disorders due to the cramped ergonomics of the vehicles. Stress is a constant companion, given the chaotic traffic and the risk of accidents. Despite their strenuous efforts, drivers continue to face unreliable and insufficient incomes. A significant portion of their earnings is consumed by covering daily needs. Oftentimes, they work for certain owners of the Bajaj which limits their options of working conditions.



Recognizing these challenges, On April 2023, Benadir Municipality has recently enacted a regulation mandating Bajaj owners to implement dual shifts, denoted as Blue Bajaj and Yellow Bajaj (A and B) for 24-hour operations. This policy aims to curb the extreme working hours that were endangering drivers. However, the abrupt policy change has created instability in the Bajaj sector. Reducing shifts decreases individual earnings while doubling the pool of drivers competing for passengers, leading some opportunistic owners to increase rental fees. Moreover, enforcing compliance remains challenging due to limited oversight capacity. For Bajaj drivers, the dual-shift regulation introduces another obstacle to an already precarious livelihood. Nevertheless, it also offers a silver lining by providing approximately two weeks off each month. Some resourceful drivers are utilizing this spare time to acquire new skills and explore more sustainable livelihoods.

At the time of writing this article, I talked to a number of Bajaj drivers during my routine commute. To pick one of those insights is The Story of Nor Elmi. Nor's story serves as a testament to the potential for Bajaj driving to serve as a stepping stone rather than a dead end. Like many Somalis, Elmi turned to Bajaj driving to support his family. However, he did not resign himself to a dangerous job with no future. Instead, he used his midday breaks to enrol in technical training courses at a vocational school in Mogadishu. This allowed him to gain proficiency in electricity, solar power, and renewable energy while continuing to earn as a Bajaj driver. Within seven months of diligent study, Elmi acquired valuable and marketable skills, securing a professional position as a solar power technician with a stable income. His transition from Bajaj driver to skilled electrician exemplifies the transformative power of education, demonstrating that dedication and focus on long-term career goals can open unexpected doors.

The new Bajaj policy does not hinder ambitious drivers like Elmi. By using his free time for self-improvement, he created a safety net and an exit strategy. His adaptability and ambition allowed him to overcome challenging circumstances, emphasizing that Bajaj's driving need not be a dead end if leveraged strategically.

Although Elmi's story might belong minority segment of the potential possibility of Mogadishu's new bajaj policy, again it serves as an inspiration for Somalia's youth, highlighting the significance of initiative, continuous learning, and the refusal to settle for the disadvantageous status quo.

Empowering Somalia's youth is vital for the country's future stability and prosperity. According to Somalia's NBS, With over 35.2% of Somalis under the age of 30, this demographic group can either transform the nation or exacerbate its struggles with poverty, unemployment, and extremism. Realizing the immense potential of young Somalis necessitates policies and programs tailored to their socioeconomic context. As Elmi's story illustrates, expanding access to education and skills training is a crucial component of this effort.

The Somali government and academia should broaden technical and vocational programs that offer market-aligned skills. Innovative financing options such as income share agreements can increase access to these programs. Workforce development reforms should foster stronger connections between training programs and private-sector employers. Providing career guidance and job-matching services can better prepare youth for success in the labour market. Entrepreneurship also requires promotion, as the vast majority of new jobs in Somalia will arise from small business creation rather than the still-fragile formal sector. Investments in programs that support startups and enhance access to capital are well worth considering. To create a more conducive business environment, it's imperative to ease the cost of doing business across the country.



Omar Abudllahi Abdi,  
Blogger and Senior Student,  
SIMAD University



## USING CHATGPT FOR EXPLORATORY DATA ANALYSIS

MR. ABDULLAHI MOHAMUD OSMAN



### INTRODUCTION

In the midst of the emerging technologies in this data-driven decision-making era, we might often get cluttered through mountains of data analysis in an effort to get insightful information, with ChatGPT, the rules will soon alter. ChatGPT could uncover never-before-seen patterns and trends in your data because of its sophisticated natural language processing skills. In this article, we'll look at how data analysis with ChatGPT can revolutionize the data and change the way we do business.

### CHATGPT

OpenAI developed ChatGPT, is an AI chatbot, which was made available on November 30, 2022. It employs natural language processing to produce conversational discourse that sounds human. The "GPT (Generative Pre-training Transformer)" architecture, a class of neural network developed for tasks involving natural language processing, was used in its construction. The language model may produce a variety of written materials, such as emails, blog posts, essays, code, and articles, in addition to responding to user queries.

### PROMPT ENGINEERING

The process of creating the ideal input text, or prompt, for a large language model (LLM) to receive an accurate response, is known as prompt engineering. In order to acquire the appropriate reaction from the LLM, prompt engineers modify the input given into it. They craft carefully worded prompts that explicitly state what they want and how they want it to the AI model. The goal of prompt engineering is to get the model to answer questions in a meaningful and accurate manner by asking the right questions in the right ways. To communicate with LLMs effectively, prompt engineering becomes a growing required set of skills.

Prompts are essential for using ChatGPT to its fullest ability. Despite the fact that ChatGPT is capable of carrying out any task, in order to utilize it to the fullest, taking into consideration giving proper and thorough suggestions would be helpful. You won't be able to achieve the intended results unless you follow the considered prompts.

However, it's really fascinating to see if ChatGPT can perform the calculations and provide us with accurate results. We shall see.

## GETTING STARTED WITH ANALYZING DATA

Now, let's test out a few of ChatGPT prompts for data analysis. Since it's blocked in Somalia, I utilized the free edition of ChatGPT while logging in using a Turkish account.

Note that, I used a random dataset from a pizza shop consisting of 5 variables (4 features and 1 target) namely; DeliveryID, DriverName, DeliveryTime, Distance (Distance of the delivery from end-to-end in miles), and Duration (Duration of delivery in minutes). The target variable is Delivery Time.

Here are some prompts that will get us some insightful points from the dataset. You can try these prompts on your own and see how things go!

### Prompt 1:

Act as a data analyst while taking consideration of the dataset that I'm about to give you. Provide me with a precise, conclusive response to each question. Please refrain from giving me the answers' source code. The dataset is given and it's in a CSV file format. The header appears in the dataset's first row.

### Prompt 2:

Count the columns and rows in the dataset.

### Prompt 3:

Summarize the dataset's numerical and category variables.

### Prompt 4:

Convert the data into a form of table

### Prompt 5:

Give the value count of the data using the DriverName.

### Prompt 6:

Check any missing values in the dataset.

### Prompt 7:

Examine any outliers in the dataset.

### Prompt 8:

What are key determinants that affect the Delivery-Time?

### Prompt 9:

Compute the average of DeliveryTime.

### Prompt 10:

Who is the fastest driver in terms of average speed?

### Prompt 11:

How many deliveries did each driver make?

### Prompt 12:

What is the total distance covered by each driver?

### Prompt 13:

Calculate the average duration of deliveries for each driver?

### Prompt 14:

Using the dataset, produce insightful conclusions.

## CONCLUSION

Ultimately, ChatGPT can produce thoughtful conclusions from the data. Our research is insightful. Furthermore, ChatGPT met our expectations.

In this article, we've shown you how to use ChatGPT to evaluate data in a short period of time. We also realized the value of prompts in ChatGPT and how to use the proper ones to get exploratory data analysis (EDA) results.

I hope you found this article interesting and you can apply these skills in your daily workflow using your own datasets.

Mr. Abdullahi Mohamud Osman,  
Emerging Technologies Lead, SIMAD iLab,  
SIMAD University





INSTITUTE OF  
CLIMATE AND  
ENVIRONMENT

## OUR IMPACT PATHWAYS

Building Local  
Capacities



Providing Evidence-Based  
Research and Policy



Incubating  
Green Solutions



Facilitating Dialogue  
and Partnership



Engaging Policymakers  
and Practitioners



ICE  
SOMALIA

Driving  
Climate  
**Action**



## A GOLDEN STORY OF FINANCIAL FREEDOM

MR. ABDULLAHI MOHAMUD OSMAN



This essay serves to derive some lessons from “The Richest Man in Babylon”, a book authored by George S. Clason. The essay explains the fundamental principles of wealth creation.

In the city of Babylon, there once lived a wealthy man named Arkad. He was well-known for both his wealth and his generosity towards his family and fellow Babylonians. Despite his great generosity, Arkad's wealth continued to grow and multiply.

Arkad's journey to wealth and prosperity was not always so glamorous at the beginning. In his early years, he was no different from his peers, hailing from a humble background and attending ordinary schools. Like many others, Arkad had to work hard to make a living. However, what set him apart from his contemporaries was his openness to learning and his willingness to change his ways. He learned from experts in the city and experimented his way to be the richest man in Babylon. Later on, he opened a school and taught his people the fundamental principles of accumulating wealth.

**1. Pay yourself first.** Unless you inherit wealth from your parents, you have to build by yourself. This starts with keeping the amount of money from your income. The amount can be as little as one-tenth (10%),

and no matter how small, it should be done with consistency over a long period of time. Arkad learned this lesson early on in his journey to financial freedom when a wise man taught him “a part of all I earn is mine to keep”. Following this advice, Arkad successfully set aside a portion of his monthly income without sacrificing his lifestyle.

**2. Control your expenditures.** It was quite experimental for Arkad for the first few months because he was learning not only a saving habit but he was also fighting the urge to spend money on things he didn't need. This means living below your means and denying calls to spend lavishly. Have you ever gone out to buy one thing from the market and ended up with buying several planned things and later regretted it when you got back home? Financial experts often say that it is not how much money we earn that matters most, it is rather how much we spend. This is because even if you earn a high income, you can still end up broke if you can't control your expenses. Like everyone else we desire to have nice things: a new house, a beautiful car, an opportunity to spend time with good friends at a five-star hotel, taking taxi instead of public transportation... While nothing wrong with enjoying our life, it is crucial to understand that wealth building is not only about present-day happiness. It is about future welfare and securing ourselves and our families against poverty.

**3. Make your money multiply.** It is all about investment and investment is a long-term game. The initial capital is invested returns are invested, and returns of returns are invested as well. This should be maintained for a long period of time according to the Richest Man in Babylon. In his early career, he made mistakes and learned lessons. He used his investment dividends to buy the pleasures of life. His mentor asked him one day "You do eat the children of your savings, then, how do you expect them to work for you". "How can they have children that will also work for you?"

**4. Guard your treasures from loss.** Arkad entrusted all of his savings to a brickmaker who was travelling over the sea to buy rare jewels for him. The brickmaker set sail for the island. Arkad waited and waited anxiously. A few months later, news came that the brickmaker had been deceived by the inhabitants of the island and all of his possessions had been stolen. The news was shocking for Arkad, but taught him a valuable lesson. Wealth building is a journey, and mistakes occur along the way. Novices are especially vulnerable to being enticed by plausible projects with high returns. Therefore, Arkad advises that wealth must be guarded with all firmness. Before lending money, examine the borrower's ability to repay and their reputation for doing so. Learn from experts who have achieved what you want to achieve. If you don't understand something, step back and rejoice.

**5. Make of thy dwelling a profitable investment.** You have already achieved to set aside a portion of your money, let us say 20%, for saving. You have 80% to cover living and enjoying life. The 9th principle says that if any part of this 80% can be turned into a profitable investment without detriment to our well-being, then so much faster will our wealth will grow. For example, Rent out extra space, such as a room or basement. Turn an unused space into a home office. Consider if the outdoor space can be utilized for hosting events such as weddings or festivals. Install solar panels to reduce your electricity costs. Grow vegetables in your garden and sell the surplus at the local market.

The best way to generate income from your home will depend on your individual circumstances.

**6. Insure a future income.** In today's ever-changing world, it is important to plan for financial security. This means ensuring you have a reliable income stream in old age or when physically unable to work. This preparation is not just for the elderly but also for periods of unexpected illness or disability that can strike at any age

**7. Increase thy ability to earn.** If you want to earn more money, the first step is to have a strong desire for it. This desire should be tangible and certain, not just a vague wish. For example, wanting to earn \$500 more per month to pay off your loans is a tangible desire. Wanting to "just make more money" is a vague wish. The next step is to increase your skill set. This means learning new skills, attending online courses, and reading books. The more you learn, the more you will be able to earn.

## CONCLUSION

The essay discusses the seven principles of financial freedom. These cures teach us the importance of saving money, investing wisely, and living below our means. They also emphasize the importance of learning from our mistakes and not giving up on our goals. By following these principles, we can hopefully achieve financial success.



Mr. Abdullahi Mohamud Osman,  
Emerging Technologies Lead, SIMAD iLab,  
SIMAD University



# BREAKING BARRIERS: BRIDGING THE GENDER GAP IN SOMALI'S FINANCIAL INCLUSION

NAIMA HUSSEIN AHMED



## INTRODUCTION

Imagine a Somalia where every woman can achieve her financial dreams. A Somalia where a young entrepreneur girl in Mogadishu has the tools to start a thriving business. A Somalia where a mother in Kismayo can support her family. A Somalia where displaced women have control over their finances. This is the vision – one where all Somali women can access financial services to unlock their potential, becoming leaders and participants as women who can save, borrow, invest and transfer money, with thriving families, communities and countries. In recent years, efforts have been made towards expanding access to loans for Somali women, though barriers remain steep. Microfinance institutions like MicroDahab, Amal Bank, and KIMS offer small business loans, and group lending programs targeting women clients. Banks like IBS and Salaam Somali provide microcredit and funding for women entrepreneurs. Still, women make up just a third of banking clients and 1% of financial institution staff, which creates difficulties for women in communication and feeling welcomed. Loans often require a male guarantor or higher collateral.

But the need and opportunity for further progress is immense. According to the World Bank, only 9% of Somali women have a formal bank account compared to 21% of men. Lower financial literacy, costs, limited mobility and cultural restrictions also cause disparity.

This stifles women's economic empowerment and broader development. Financial inclusion has proven potential to accelerate growth, reduce poverty and drive change globally. Unlocking this for Somali women is crucial, as conflict, instability and displacement have left millions of women marginalized and vulnerable. Women already fulfil essential economic roles, as entrepreneurs, traders, farmers and remittance recipients. Somali women have a lot of entrepreneurial spirit and ambition, but often lack tools and resources to grow their businesses and improve their living conditions, despite robust demand for financial services like savings, credit, and payments. Moreover, women's financial inclusion can have positive spillover effects on their families and communities, improving health, education and resilience outcomes.

To address these challenges and bridge the gender gap, it is crucial to establish a stronger financial ecosystem that is accessible and beneficial to women. A comprehensive, coordinated approach addressing limited financial access, usage, and affordability for Somali women can open the door to inclusion. With innovation, FinTech, digital financial literacy initiatives, and collaboration, an inclusive financial system that empowers Somali women and fosters overall economic growth for the entire nation is attainable.



## CUSTOMIZED DIGITAL FINANCIAL INNOVATIONS

Digital financial services like mobile money, e-wallets, and agent banking can provide convenient, affordable and secure access. However, optimizing these services to meet the specific needs and preferences of women is crucial for overcoming systemic barriers. Collaboration between diverse stakeholders including regulators, banks, telecoms and innovation centres is key to developing customized digital financial products for women. The widespread mobile money infrastructure presents an opportunity, with over 70% of Somalis already utilizing platforms like EVC+ and Zaad. These services can be optimized to advance women's financial inclusion if products are designed strategically around their particular needs, priorities and constraints. Banks can work with mobile operators, FinTech firms and innovators to conveniently deliver services through the mobile devices women already utilize daily. Innovation centres can pioneer solutions specifically addressing the financial service needs, priorities and opportunities of women entrepreneurs and business owners.

In fact, SIMAD iLab is already investing in the FinTech sector and Women's Entrepreneurship to drive ecosystem and women's financial inclusion. Our Women Entrepreneurship Department provides relevant training and builds critical skills. The Fintech Department drives disruption through digital finance innovations and Emerging Technologies pioneers solutions catering to women's unmet financial needs. We recognize barriers faced by Somali women in accessing financial services. So we are proactively researching, assessing, and engaging stakeholders to innovate tailored FinTech products and services. Our goal is to leverage the mobile money infrastructure to empower women entrepreneurs and expand economic opportunities.

With broadening strategic collaboration between stakeholders and attention to women's needs, innovative approaches can be developed to create affordable, accessible digital financial products catering to women's unique requirements. This would unlock the potential to provide the on-ramp to greater financial access and empowerment for Somali women.

## FINANCIAL LITERACY

Expanding financial access must go hand-in-hand with strengthening financial literacy and capabilities. Financial literacy is essential for realizing the benefits of financial inclusion. Financial literacy is the knowledge and skills that enable people to make informed and effective decisions about their finances. It empowers people to the benefits and risks of different financial services, to compare and choose the best options for their needs, and to manage their money wisely.

However, in Somalia, financial literacy levels are extremely low, especially for women, who often have limited access to formal education and information sources. Gaps in foundational literacy and numeracy skills create barriers to financial participation. Female literacy is only 45 per cent compared to 64 per cent for males. Lack of tailored financial products and limited capabilities mutually reinforce exclusion.

Therefore, targeted financial literacy initiatives for Somali women should be developed, focusing on building relevant skills and knowledge covering topics like budgeting, saving, borrowing, investing, managing risks, and planning for the future. A diversity of instructional approaches should be used to reach women across literacy levels. These can include community workshops, radio and TV edutainment programs, SMS tips, mobile apps, peer learning, and in-person guidance. This will empower Somali women to effectively leverage financial services, creating a virtuous cycle of capabilities and inclusion.



## MULTI-SECTORAL COLLABORATION

A collaborative approach across sectors is key to creating an enabling environment for cost-effective and sustainable financial service-enabled women's financial inclusion. The complex barriers women face require coordinated action by stakeholders spanning government, financial institutions, mobile network operators, innovation hubs, NGOs, and development partners.

Financial inclusion is not only a matter of providing access to financial services but also of creating an enabling environment that supports and encourages their use. These stakeholders need to work together to address the challenges and opportunities for financial inclusion in Somalia, such as improving the legal and regulatory framework for digital finance; enhancing the infrastructure and security for digital transactions; promoting consumer protection and financial inclusion standards; fostering innovation and competition among financial service providers; raising awareness and trust among potential customers; and measuring and evaluating the impact of financial inclusion interventions.

In closing, the path to financial inclusion and empowering women in Somalia is one filled with immense potential and promise. By providing women with access to a comprehensive suite of formal financial services and tailored solutions that cater to their needs, we can unlock their economic potential and drive positive change throughout society. As women gain control over their finances, the benefits extend far beyond individual success – children's health improves, girls receive better education, and communities flourish.

Enabling inclusive and equitable financial inclusion in Somalia requires a collective effort. It calls for national strategies backed by diverse stakeholders, all committed to promoting women-focused financial inclusion programs to make a lasting difference, where women's empowerment becomes a powerful force for positive change in Somalia. This will not only facilitate building businesses' and households' financial capabilities but also contribute to the recovery of Somalia's economy.



Naima Hussien Ahmed,  
Head of Fintech Innovations, SIMAD iLab





## WHY SOMALIA NEEDS TO EMBRACE GREEN ECONOMY?

ISMAIL ABDALLA ALI



### INTRODUCTION

As the world undergoes changes in technology, climate, politics, and economics, nations are also transforming. In this context, there are interrelated practices that aim to achieve a balance between environmental and social goals, benefiting nature, citizens, and businesses. Among the various economic models existing today, the green economy stands out as the frontrunner. An economic model that places emphasis on promoting human well-being and social equity, while simultaneously mitigating environmental risks and ecological scarcity.

What exactly constitutes a 'green economy'?

A green economy refers to the implementation of sustainable development by means of public and private investment in infrastructure that promotes environmental and social sustainability. A green economy is crucial as it promotes sustainability and low-carbon practices in economies. It also guarantees that natural resources remain available to provide environmental services and resources for our well-being.

### BUT WHAT IS GREEN ECONOMY?

By definition, a green economy is the practice of sustainable development through the support of public and private investment to create infrastructure that fosters social and environmental sustainability. The importance of green economy is that it encourages economies to become more sustainable and low-carbon, and ensures that natural assets continue to provide the resources and environmental services for our continued well-being.

According to Karl Burkart, the green economy is based on six sectors: Renewable Energy, Green Buildings, Sustainable Transport, Water Management, Waste Management and Land Management.



## PROS & CONS OF GOING GREEN

If we look closely to our current economic models, we will realize that we are heavily depended on economic models that have little or no concern to our planet environment well being, from space debris to heavy use of fossil fuels and low sustainability approaches. Fortunately The Paris Agreement which is a legally binding international treaty on climate change was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and has entered into force on 4 November 2016.

This agreement which will discuss later has prompted many nations to start adopting more environmentally conscious economic models, and below are the advantages and disadvantages of Going Green:

### Advantages

- Save energy
- Save Water
- Reduction in waste
- More refined recycling procedures
- Protecting our national resources
- Saving money in the long run
- Full of energy and motivational

- Deforestation will be reduced
- Less mining activities for minerals
- Reduced air pollutions
- Reduced Smog
- Reduced pollution
- Helping reduce effects of climate change
- Improvement of overall health

### Disadvantages

- Takes a lot of efforts
- Significant Startup Investments
- Could be Time Consuming
- Informing and education yourself and the community
- Organic could be little expensive
- Could cause Social Isolation
- The required infrastructure could be missing and a lot of regions in Somalia
- The business can be costly at the first few years
- limited variety of products
- Hard to find industry experts
- Businesses may misuse the term green for their personal illegal benefits
- Big efforts and motivation is required to stay green



## GREEN ECONOMY INITIATIVES IN SOMALIA

The Federal Republic of Somalia is one of the first nations to become a party to the Paris accord, ratifying it on April 22, 2016 (UNFCCC 2021).

The Paris Agreement is worldwide system to avoid hazardous environmental changes by restricting global warming to well below 2°C and pursuing the efforts of limiting the global warming to 1.5°C. It additionally intends to reinforce nations' capacity to manage the effects of environmental change and backing them in their endeavors.

Somalia first submitted its NDC (Nationally Determined Contribution) in November 2015; this was followed by Somalia joining the political leadership of global community at the United Nations Headquarters in New York to sign the landmark Paris Climate Agreement.

This has led the Somali economy going towards a greener friendly economy, for instance in 2020 The National Climate Change Policy was approved by Somalia Cabinet; this has helped to create institutional measures for climate change.

Some of these institutions are yet to be fully operational while few have started. The entities that were established by the policy include:

1. National Climate Change Committee (NCCC)
2. Cross-Sectoral Committee on Climate Change (CSCC)

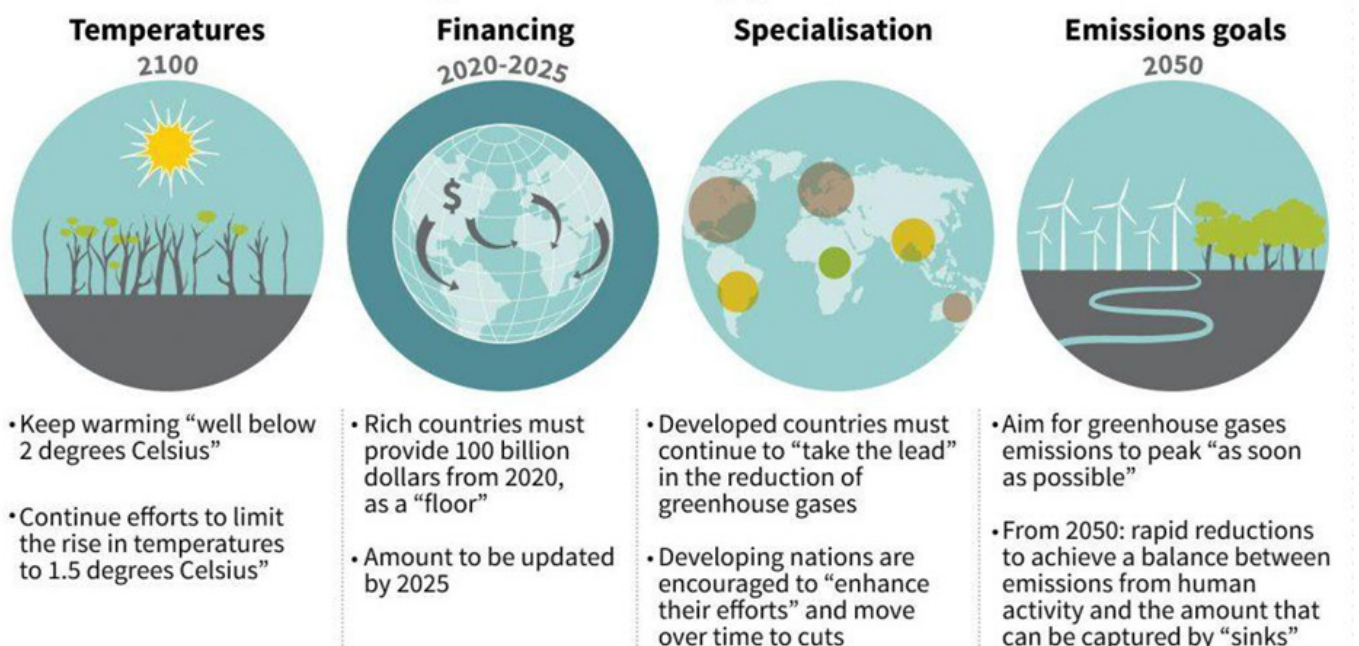
**Source:** Updated Nationally Determined Contribution (NDC) JULY 2021

These measures taken by the Somali Government had many positive impacts; many government ministries had started environmental friendly projects in collaboration with concerned stakeholders. Government strategies and policies were also influenced by these agreements which in turn encouraged private business to pursue environmental friendly business.

Below are few features of Private sectors transition to a more Environmental friendly Economy or as we green entrepreneurs call it, "Green Economy":

- SIMAD University paperless initiative
- CAGAARAN Waste Management and Recycling services ( Including Organic Fertilizers )
- Shidane Tailor and Design ( Recycling Old Clothes )
- Doogdoon
- Heybad Store
- African Solutions
- Deegan Bile Plants ( Nurseries and gardening Store )

## The Paris climate agreement: key points



**Burden sharing**

- Developed countries must provide financial resources to help developing countries
- Other countries are invited to provide support on a voluntary basis

**Review mechanism**  
2025

- A review every five years. First mandatory world review: 2025
- Each review will show an improvement compared with the previous period

**Climate-related losses**

- Vulnerable countries have won recognition of the need for "averting, minimising and addressing" losses suffered due to climate change

© AFP

## THE OPPORTUNITIES IT CAN PRODUCE AND ITS IMPORTANCE

As the world is moving towards a greener economy, the opportunities are limitless. The Partnership for Action on the Green Economy (Page) aims to place sustainability in the center of making economic policies to promote the 2030 Agenda for Sustainable Development and the Paris Agreement.

This means that if we like it or not, we are certainly heading towards an environmentally friendly economic module. Many developed Nations including developing nations have already started with 2030 Agenda for Sustainable Development and the Paris Agreement.

The Kingdom of Saudi Arabia one of the leading fossil fuel producers has started in 2018 under the National Renewable Energy (NREP),

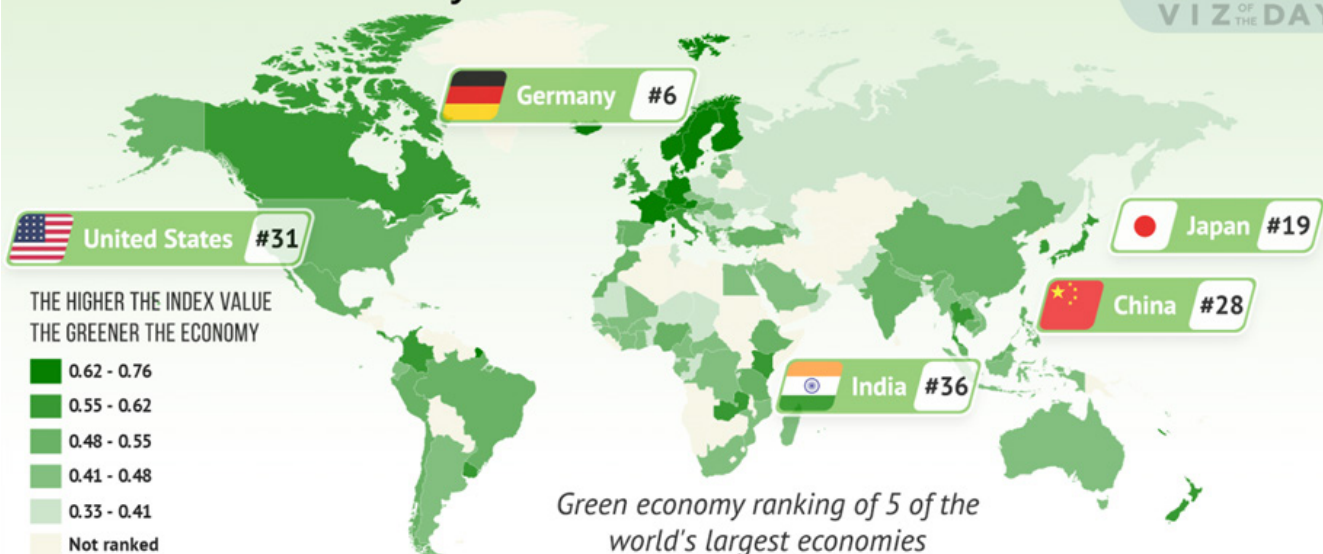
launched two renewable energy projects in the northern region of Al-Jouf: Sakaka, a 300 MW solar PV power plant, awarded to AWCA Power, which has started in November 2018; and the Dumat Al-Jandal 400 MW onshore wind project which was launched around end 2018 or early 2019.

Norway is considered the leading producer of green power, as 98 % of its electricity production comes from renewable sources. The data refers to 2020 and is provided by Enerdata, a consulting firm that publishes an annual study of world energy, production and consumption and its environmental impact.

In Africa as per Energy Capital & Power, Mozambique is considered the greenest country in the world, with hydroelectricity accounting for the majority of installed capacity at around 81%, with the remainder made up of solar, gas and other sources

## Global Green Economy Index

VIZ OF THE DAY





## WHY GREEN ECONOMY?

There are many reasons why adopting Green Economy is essential. There are many factors from The Paris Accord agreement to how our country environment is degrading at an alarming rate, Sustainable cities/Eco Cities are a vital component to facilitate Green Economy. Green Economy is the need of the hour as an emerging nation as fully counting on Fossil fuels and un-friendly environmental practices will just send our nation further down to one of the least developed nation list.

It's very significant and helpful as I type these words and in the future for our future generation and Planet. As we can see many developing nations are moving to a greener friendly economy and having this as a benchmark early and following the parameters of green economy should make our nation move from the bottom of the least developed nation to one of the fastest developing nation in the near future. As the old saying goes "prevention is better than cure" by the Dutch philosopher Desiderius Erasmus.

These measures will lead us to enjoy better lifestyles and improve our overall living standards. The benefits coming from Green Economy reaches all the levels of our populations and states, as well as the interrelated features of mutual influence and common development: The more our Public and Private sectors "Go Green" The more our economy grows through "Green Plans" and the more our scientific organizations research and develop on Green economy, the easier it becomes to be implemented.

Growing Green in all the fields of our economy will lead to the realization of Green Economy which leads to sustainable development orientated society, thus achieving an overall growth and development of our society and environment and will put us in a better position on the world stage.



Ismail Abdalla Ali,  
Law Student at SIMAD University,  
Investment Facilitation and Promotion  
Specialist at Confidential

## WHAT IS NEEDED TO DEVELOP THE GREEN ECONOMY?

### 5 ISSUES WITH THE GREATEST IMPACT ON BUSINESS GROWTH:



### 5 MOST COMMON RECOMMENDATIONS TO IMPROVE THE LOCAL BUSINESS CLIMATE:



## GEN Z: SOMALIA'S EMERGING WORKFORCE

MOHAMMED MUHYADIN MOHAMED



### INTRODUCTION

The Somali private sector is one of the country's most critical drivers of economic growth and job creation but they face a demographic shift and a workforce dilemma. The country has a young and growing population, but many lack the necessary skills and education to meet the demands of the labour market.

Somalia has faced significant challenges in recent decades and continues to do so. These challenges have had a profound impact on the country's development and the opportunities available to its people. However, despite these challenges, Somalia is now experiencing quick changes in growth, education, and demand for a qualified workforce. As Somalia looks to develop its private sector, it's essential to understand the next generation of workers who will play a crucial role in driving economic growth and development, Gen Z.

Gen Z is already making its mark on the Somali labour market, this could compound the changes to work as we know it. Employees now have two equally challenging issues: Build and sustain their businesses despite all the challenges in the country and fight to retain the next generation of talent. In this article,

we will explore the characteristics of Gen Z, their attitudes towards work, their impact on Somalia's private sector development, and whether could they be the solution to the Somali workforce nightmare.

### WHO IS GEN Z?

Born between 1996 and 2010, Gen Z is currently the second-youngest generation, with millennials before and Generation Alpha after. Like every generation, Gen Z's behaviours are shaped by how they grew up.

Gen Z is the first generation to grow up entirely in the digital era, with the internet as an essential part of their daily lives. They are more diverse and globally connected than any previous generation, with a high level of digital literacy and a passion for social causes. Compared to previous generations, Gen Z is more independent, entrepreneurial, and socially aware. They value authenticity, transparency, and work-life balance.

They currently make up 30 percent of the world's population and are expected to account for 27 percent of the workforce by 2025. For Somalia, that number is higher and will come a lot faster as 70 percent of the population is under the age of thirty.



The Somali Gen Z are no different if not more, they are well-connected, informed, and full of social media sensations and personalities. It is very common to spot them, phones are dead giveaways but so is their language, style, and energy.

## SKILLS AND ATTRIBUTES OF GEN Z

Global Gen Z are highly skilled in technology, digital literacy, and innovative thinking. They are creative, adaptable, and able to work collaboratively in a team environment. However, we have failed ours, they are similar to the global ones in many ways but not much in what matters. Somali schools do not have ICT, arts, and critical thinking subjects, universities are not well equipped for those either.

Instead, we've produced a young group of people who are highly skilled in Social Media, with no proper digital literacy, and innovative thinking. But thanks to their difficult upbringing environment, they are creative and adaptable.

They value diversity and inclusivity, are socially responsible, and are passionate about making a positive impact. These skills and attributes make Gen Z an asset to Somalia's private sector development. They can bring fresh perspectives and innovative solutions to the challenges of the industry - only if they are given a fair chance.

In the employment world, it is a lot harder to retain than to recruit. Somali companies struggle with this. In Mogadishu, it's very common to see the same worker at different workplaces within a short time. Employees see this as a lack of commitment but there are deeper issues at play. Somali Gen Z workers don't like volunteering or working for free, they expect proper treatment, and they want to be pampered. It has become a fight for dominance and acceptance between companies and workers. To accommodate their unique style, HR departments in private companies need to adjust their hiring, training, and retaining policies to attract the right talent and retain them.

Somali Gen Z are already equipped with all the necessary instincts and skills. What they lack is the technical part of education and market preparedness. Schools and Universities ought to do a lot better with their curriculums, soft skills training, and extracurricular activities. What Somali Gen Z lacks in comparison to their global counterparts is mainly due to the level and quality of education given to them by our schools. Our curriculums need to cater to their strengths. Their skills are developed when ICT subjects, practical over theorem, inter and intra-personal skills, real-world problem-based learnings, and meaningful internships are prioritized.

## GEN Z IN SOMALIA'S PRIVATE

Somalia's labour market faces significant challenges, including high unemployment rates, limited education opportunities, and limited industry sectors. Gen Z is entering the workforce with high expectations for meaningful work, career growth, and work-life balance. They are highly motivated, socially conscious, and focused on achieving their goals. All excellent qualities to look for in an employee but the opposite of traditional Somali market recruitment policies.

In Somali workplaces, more traditional and culture-infused recruitment is taken. That is to value age over education, family and tribe background over skills, and connections over resumes. This approach has worked over the years, mainly because most company sizes are less than 100 employees, and the majority of business is involved in goods and trade. But recently, a more professional approach has been taken, service-based businesses are increasing, and dealings with foreign companies are more common. These changes require a different mentality and the old style of talent recruitment is not enough. Companies are realizing the importance of employees with cross-skilling, teamwork, digital literacy, and proper education. And who fits into those categories? Gen Z.





Gen Z are expressionists, proud, and go-getters. They have clear expectations in terms of job descriptions, benefits, and career paths. They expect employers to provide attractive compensation packages, flexible work arrangements, and opportunities for skills development and training to attract and retain them.

For the private sector to be fully ready to utilize this group they should consider the following:

- The private sector is the ultimate stakeholder in the country's education. The product of those schools and universities ends up on their doorsteps. They ought to do a lot better in influencing school curriculums and activities in the hope of producing more qualified and market-ready graduates.
- They should offer competitive, practical, and meaningful internships to those graduates and give them insider skills in the hope of retaining them as permanent workers.
- The true strength of Gen Z is their technology savviness. Tech companies, telecommunication companies, and banks are the ones that can utilize more of this generation than any other industry in the country. Almost all business operations of the private sector are fueled by tech equipment or software. It's a lot easier to train them on software usage and product development for both internal processes and customer-end services.

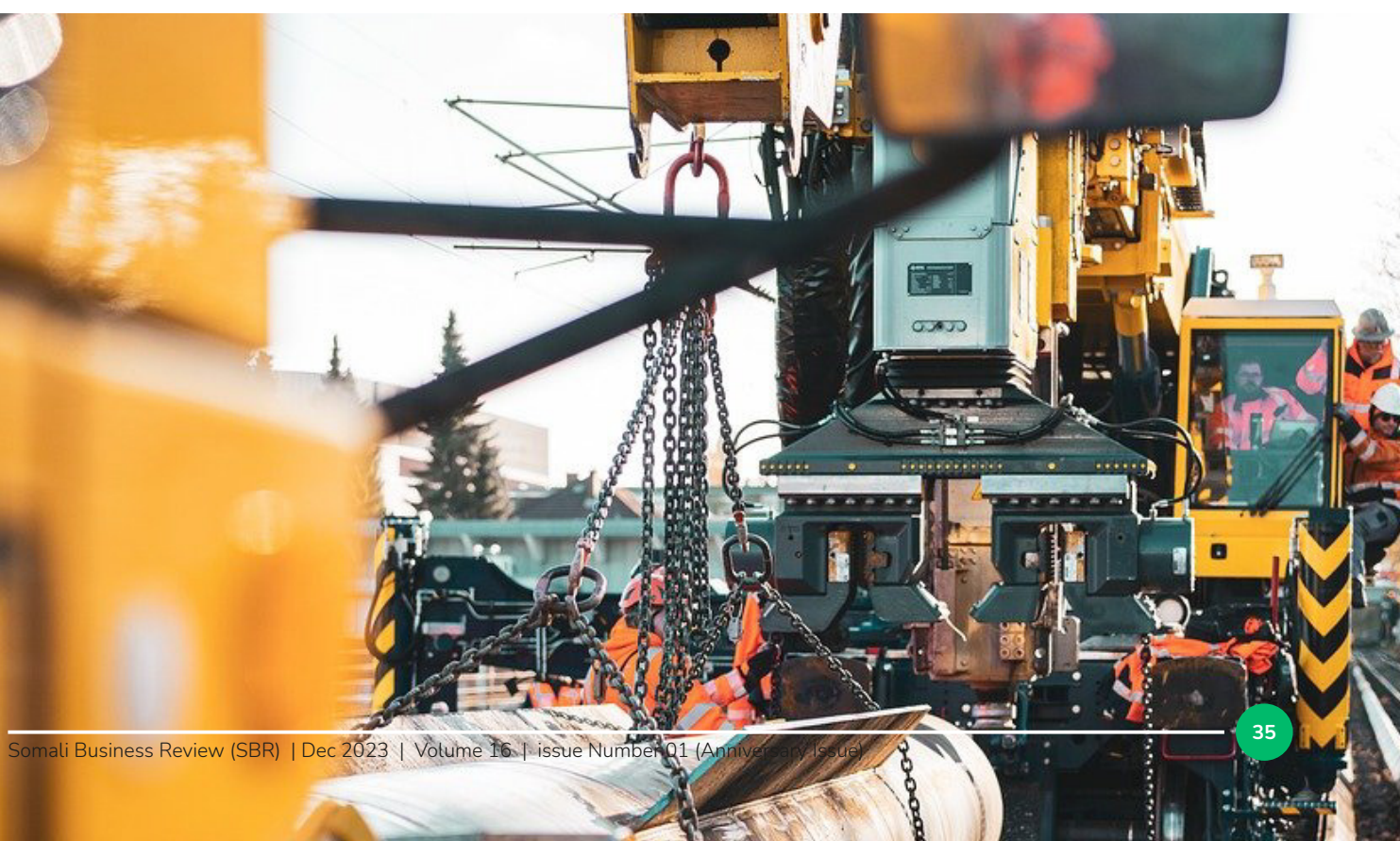
- Gen Z could play even more vital roles in farming, goods manufacturing and trade, and energy. They have an appetite for diverse fields and are quick learners. These industries are the backbone of the country and where private sector can really gain significant growth with their help.

## CONCLUSION

As Somalia's private sector development continues to evolve, understanding the characteristics and preferences of Gen Z is critical to attracting and retaining the next generation of workers. The private sector shouldn't fear Gen Z workplace commitments and ethics but rather tap into their uniqueness to speed up growth, market expansion, and globalization. Employers must provide a diverse and inclusive workplace, attractive compensation packages, and opportunities for skills development and training to attract and retain Gen Z workers. The skills and attributes of Gen Z, including digital literacy, creativity, and social responsibility, can benefit Somalia's private sector development by driving innovation, competitiveness, and sustainability. As the future workforce, Gen Z is an essential part of Somalia's economic growth and development.



Mohammed Muhyadin Mohamed,  
Business Consultant and Development  
Director at SAFICT



## CHALLENGING STEREOTYPES: UNVEILING PUBLIC PERCEPTIONS OF SOMALI WOMEN ENTREPRENEURS

BAHJA ALI SHURIYE



As I embarked on this journey of my six-month research on gender inclusion in entrepreneurship, little did I know that my personal experiences would lead me to uncover a world of perceptions and challenges surrounding Somali women entrepreneurs. Throughout my experience as The Next Economy (TNE) Gender Knowledge Fellow, I delved deep into the struggles faced by remarkable women entrepreneurs, and my perspective shifted significantly. First, allow me to introduce myself: I am Bahja Ali Shuriye, a Gender Fellow affiliated with Crosswise Works. Presently, I am the Head of Women Enterprises Development at SIMAD iLab. I am honoured to have been awarded this Gender Knowledge Fellowship for the second year in a row. This fellowship provides a platform for selected fellows from Nigeria, Mali, and Somalia to exchange knowledge, fostering a culture of learning through devoted research efforts. The fellowship has given me the unique ability to facilitate my learning journey and provided me with the opportunity to explore the key topics around women's struggles in Somalia, which is why I am so excited to be a part of it.

Reflecting on my experience, I realized that the majority of women entrepreneurs I had met were SME owners in the informal sector. Their resilience and resourcefulness are admirable.

The formal Somali business sector seems distant, almost detached from those women I got to know. Before meeting them, I was unaware of the perceptual obstacles that gather around women entrepreneurs in this context.

During my six-month research project, my eyes were opened to a stark reality. Numerous negative stereotypes and prejudices persistently hinder the progress and recognition of Somali women in the entrepreneurial landscape. The weight of these biases is immense, affecting not only their personal development but also discouraging their entrepreneurial ambitions and dreams.

Let me tell you the story of Deeqa Ahmed, a determined Somali woman who defied all odds to pursue her dream business. When she started, almost everyone doubted her chances of success in business. Some even tried to convince her mom that she should work in a small shop with her sister instead, thinking investing in her venture would be too risky and beyond her capabilities.



But Deeqa believed in herself and her long-term vision for the women's fashion dress industry by building one of the city's leading brands. Six years later, Deeqa celebrates a significant milestone - her business is thriving with impressive profits and a robust brand identity. She had her own unique strategies and an unwavering belief in her abilities, showing all those who were sceptical wrong. Her journey represents the resilience of Somali women in breaking barriers and challenging misconceptions.

Deeqa's story, on the other hand, also highlights the need for more support for Somali women entrepreneurs. Through my research, I've identified the common misconceptions Somali women entrepreneurs face and the essential actions needed to empower them. Through desk research, interviews with women entrepreneurs and ESO leaders, and focus group discussions with the general public, I gained a comprehensive understanding of the challenges women face with regard to public perceptions. Here is what I've learned.

## THE 5 MOST COMMON MISCONCEPTIONS ABOUT SOMALI WOMEN ENTREPRENEURS

### **Misconception 1: "Women's Businesses are Short-lived and Destined to Fail"**

The perception that women-owned businesses are short-lived, especially in the formal sector, is one of the common misconceptions that hinders the progress of female entrepreneurs. There is a prevailing assumption that women's ventures are destined to fail, with some claiming that they are only capable of managing small tack shops in their villages. This mindset is fueled by a lack of community trust, where public disapproval is constant and minimal encouragement is given for women to advance. Sadly, this lack of support extends to their own families as well. Families have doubts regarding their daughters' capacity to succeed independently in business, preferring them to stay at home. Aspiring women entrepreneurs face a major challenge in gaining family acceptance because they are often underestimated. Moreover, women entrepreneurs also face discouraging statements that hinder their progress, such as being told "Because you are a woman, you cannot successfully run such a business; you are incapable of handling this or that." These persistent messages erode women's confidence and impact their decision-making, leading to self-doubt and hesitancy as they navigate their entrepreneurial dreams.

### **Misconception 2: "Women Are Not Able to Balance Family and Business Responsibilities - They Should Stay at Home"**

A prevalent misconception exists that women are unable to effectively manage both their home life and engage in formal or corporate businesses at the same time.

Consequently, they are often advised to focus on small and medium-sized enterprises (SMEs) while remaining at home. This belief stems from the notion that women should solely bear the responsibility for family matters, with entrepreneurial activity leading to the neglect of their position within the family. Striking a balance between work and family responsibilities becomes a significant challenge for women entrepreneurs, as the community wrongly assumes that if a woman ventures into formal or corporate business, she cannot effectively manage her home life. As a result, it is commonly believed that it is in her best interest to confine her business activities to the home.

### **Misconception 3: "Women Entrepreneurs are not Passionate, They are Desperate"**

Somali women engaging in business are often perceived as either struggling mothers or hailing from impoverished backgrounds. Female entrepreneurship is not seen as a genuine pursuit but rather a means of survival. This narrow perception overlooks the diverse talents, skills, and ambitions of Somali women entrepreneurs. It is essential to challenge these stereotypes and recognize the entrepreneurial endeavours of Somali women as valuable contributions to the economic landscape, driven by passion and innovation rather than solely driven by necessity.

### **Misconception 4: "Woman Cannot Achieve Business Success By Themselves - There Must be a Wealthy Family Behind"**

When a successful businesswoman emerges within the community, her achievements are frequently attributed to external factors, such as diaspora connections or wealthy family investments. The assumption that a woman can achieve success on her own is met with scepticism and resistance. This prevailing mentality makes it challenging for the community to acknowledge and believe in women's inherent abilities and entrepreneurial courage. Recognizing that women can achieve remarkable success through their own merit, skills, and determination is necessary to overcome this perception barrier.

### **Misconception 5: "Financially Independent Women Don't Care About Marriage"**

Another prevalent misconception about Somali women entrepreneurs is the belief that their financial independence prevents them from being married. Society assumes that women who put effort in their businesses do not find it important to build a family and that they will refuse to follow their husbands' suggestions if married. This stereotype undermines the ability of Somali women to balance their entrepreneurial pursuits with their personal lives and perpetuates the assumption that successful women entrepreneurs must sacrifice their marital status.



Although it is very challenging for Somali women entrepreneurs to deal with and overcome these stereotypes and perceptions, there is a ray of hope. Various stakeholders, including donors, development organizations, and individual Somali citizens, are actively working towards the inclusion of women into the entrepreneurial ecosystem. However, further efforts need to be made! Here are the recommendations derived from my research.

## 5 THINGS FUNDERS AND DEVELOPMENT ORGANIZATIONS SHOULD DO

If you are a funder, ESO (Enterprise Support Organization), or work in development cooperation, my research suggests the following support measures you could take for female entrepreneurs:

### **Create a Space for Connection and Empowerment:**

Are you a funder? Create platforms and facilitate networking events where women entrepreneurs can connect with potential partners, mentors, and customers, as well as share experiences, and learn from one another. Such platforms can play a pivotal role in building strong networks that can open up new opportunities and markets for their businesses, as well as change negative public perceptions.

**Design Dedicated Programs and Training:** Are you an ESO? Introduce specialized programs and training initiatives tailored specifically for women entrepreneurs. This enhances their skills, boosts their self-confidence, and provides them with the necessary knowledge and tools for entrepreneurship success. Also, ensure inclusive outreach for all your programs and initiatives and equal access to women from diverse backgrounds.

Building their capacities will increase their chances of long-term success. Incubation hubs can also provide a space like women-only alumni WhatsApp groups to empower women to overcome perception and environmental challenges, share experiences, and seize opportunities.

**Establish Stakeholder Engagement:** To ESOs and policy advocates, facilitate meaningful discussions and dialogues involving diverse stakeholders, including government representatives, banks, academia, and community leaders in order to raise awareness of the obstacles faced by Somali women entrepreneurs. Also, encourages policy reforms and fosters an inclusive ecosystem that actively promotes and supports women's entrepreneurship. Engaging stakeholders in various communication platforms, such as panel discussions and Twitter spaces can address negative community perceptions, stereotypes, and attitudes towards women's entrepreneurial pursuits, thereby creating an environment that encourages women to pursue entrepreneurship with confidence.

**Gather Research and Data:** Contribute, together with academia, NGOs, and funders, more data-driven insights that can inform more effective support strategies. You can support women-focused research initiatives and by doing so, you contribute to identifying the unique challenges and opportunities specific to their experiences. Your involvement in supporting this can be a crucial step toward fostering an inclusive and supportive entrepreneurial ecosystem for women.

**Highlight Success Stories:** If you are an organization dedicated to promoting female entrepreneurs, you could work on producing short documentaries that highlight successful women entrepreneurs as role models and deliver this message through articles, interviews, media, conferences, and events. You can also leverage the power of social media to reach a broader audience and break stereotypes. This can be as part of your advocacy and awareness-raising efforts.





### 3 THINGS EVERYONE CAN DO TO SUPPORT WOMEN ENTREPRENEURS

Even if you're not a donor, or don't work directly with female entrepreneurs, you still have the power to make a difference. Here are some simple yet impactful ways you can support them.

**Empower Women Through Your Consumer Choice:** If you are buying a product, you can actively decide to purchase from a female entrepreneur and support her proactively through this. Your purchasing decisions have the potential to elevate and empower them.

**Empower Women by Showing the Path to Success:** You, as a supporter of businesswomen, can be a source of inspiration for them, especially when you meet women facing difficulties. Persuade them that obstacles are temporary and can be overcome through perseverance. Your words of encouragement and support can inspire them to continue on their entrepreneurial journey. So, share uplifting messages in person and on social media platforms without hesitation.

**Support Women by Giving Them Financial and Emotional Support:** You have the opportunity to make a significant difference by supporting women entrepreneurs in your family. Consider offering them financial assistance in the form of a grant, a loan, or an investment to facilitate their journey. Access to capital is a game-changer for women entrepreneurs, enabling them to grow and scale their ventures. In addition, do not underestimate the value of your advice and guidance, which is crucial to their success.

Remember that empowerment comes in a variety of forms, and these are a few of the diverse ways you can contribute to their growth and prosperity. Your personal involvement can make a world of difference, shaping a brighter future for these enterprising women and inspiring others to do the same.

Were you surprised by those misconceptions? I was too, especially when I heard about women entrepreneurs being associated with poor backgrounds, and short-lived businesses and that they lack the ability to achieve business success on their own. As a fellow researcher, it is my wish that every Somali embraces and celebrates the remarkable power and entrepreneurial spirit of our mothers. Let's stand together in supporting and honouring their invaluable contribution in every home, even amidst challenging circumstances in our country.

*Empowered women transform society!*



Bahja Ali Shuriye, Head of Women  
Entrepreneurs Development, SIMAD iLab







**SIMAD  
CREATIVE  
STUDIO**



## Welcome to **SIMAD Creative Studio**

Born from  
**SIMAD iLab's Core**,  
Here's a look at what we do.  
Explore our Unique  
**Creative Arenas:**



Engage in  
meaningful  
dialogues at our  
**Interview Space**

- Deep dives & insightful conversations.
- Channeling insights & growth dialogues.
- Empowerment through meaningful engagement.



Experience real-time  
connection with  
our **LiveStream  
Broadcast**

- Instant engagement & streaming live moments.
- High-quality streaming for events & sessions.
- Advanced technology for a seamless experience.



Dive into our  
state-of-the-art  
**Innovation  
Theater**

- State-of-the-art cinematic experience.
- Ergonomic seats blending comfort & style.
- Showcasing innovative premium projects.

Where **Imagination**  
Meets **Reality**

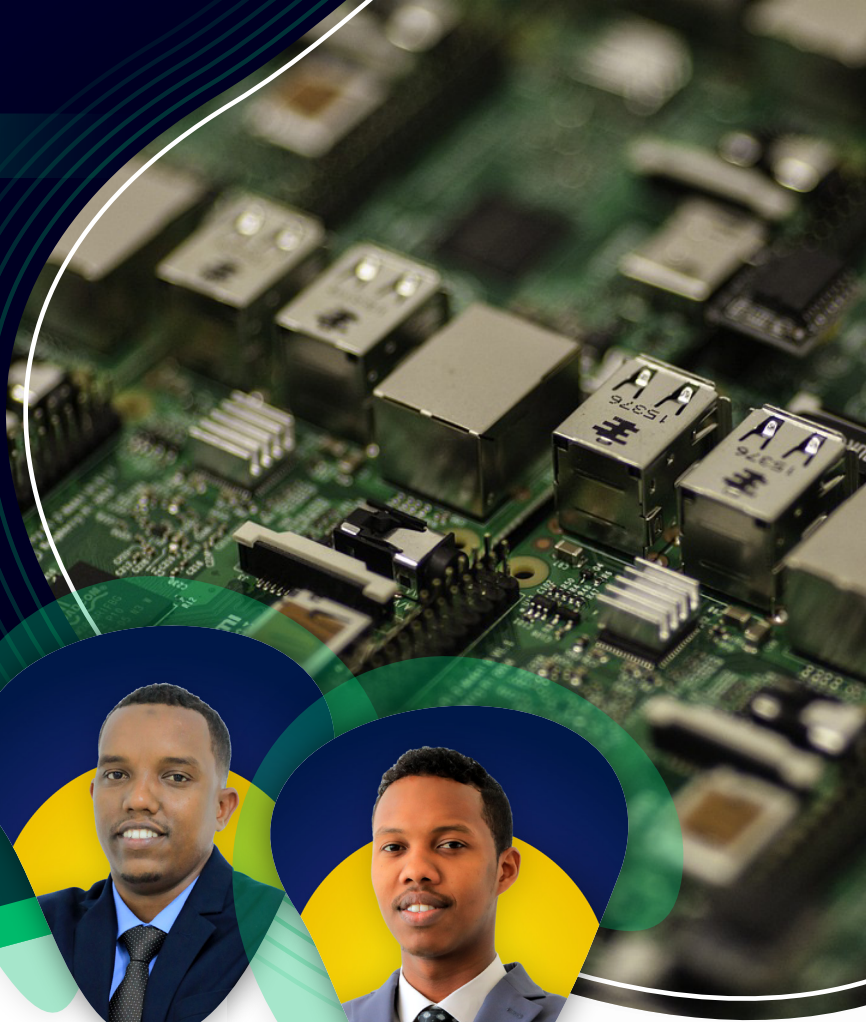


@SIMADStudio



# EMPOWERING SOMALI SMES: THE GAME-CHANGING POTENTIAL OF IOT FOR DIGITAL GROWTH

ENG. OSMAN DIRIYE HUSSEIN &  
MOHAMED AHMED GHAZALI



## INTRODUCTION

On the eve of the fourth industrial revolution, we are witnessing technological convergence and the blurred distinctions between the physical, digital, and biological realms. Like previous revolutions, the accelerated ascent of innovative technology should fuel the development of various spheres of public life. The Internet of Things (IoT) is a massive economic and technological area with a fast-rising market potential.

Between 2014 and 2023, the IoT technology industry is expected to grow at a compound annual growth rate (CAGR) of 28.4%, from roughly 176 USD billion in 2018 to 779.74 USD billion by 2023. Technological innovation in all parts of life is increasing exponentially, owing largely to the proliferation and penetration of information and communication technologies (ICT). The next major jump associated with the development of the Internet of Things is expected to occur during the next 8-18 years. Different household equipment, such as digital production on the market equipped with sensors. The Internet of Things (IoT) stands out among these transformational technologies, presenting enormous economic and technological promise. In Somalia, where SMEs are critical to the economy, utilizing IoT devices and applications gives a major opportunity to improve productivity and promote growth. We will discuss the notable growth of Small and Medium-sized Enterprises (SMEs) in Somalia's favorable environment.

- In Mogadishu, a small retail store uses an IoT-enabled inventory management system. Smart sensors are strategically placed throughout the store to track stock levels in real time. When supplies run low, the system automatically sends alerts to the store manager and suppliers. This continuous monitoring and restocking procedure reduce the danger of stockouts while also guaranteeing that customers' expectations are addressed quickly and increasing order fulfillment.

- Efficient Supply Chain Management: A Berbera-based food manufacturing SMEs uses IoT technology to optimize its supply chain. The company achieves end-to-end visibility over its supply chain by installing IoT sensors in shipping containers and warehouses. Real-time information on the location and condition of commodities allows for better logistical planning and inventory management. Furthermore, IoT-enabled communication allows for seamless coordination with suppliers and distributors, allowing for quick reactions to market demands.

- Energy Consumption Optimization: An IoT-driven energy monitoring system is being implemented at a textile mill in Kismayo. These devices monitor energy use patterns and identify waste regions. The plant management discovers potential for energy optimization and implements energy-saving measures by studying the data. As a result, operational costs are decreased, and the company model is more sustainable.

By connecting machinery, equipment, and other assets to IoT networks, SMEs can remotely monitor and control their operations from anywhere. This feature saves time and effort while facilitating proactive maintenance because IoT devices may detect anomalies or potential failures in real-time and alert maintenance professionals for timely intervention. As a result of this proactive maintenance technique, costly equipment faults can be avoided, downtime is reduced, and production schedules can be optimized. As an example, one of the industries mentioned.

- **AgriTech Farms**, a sophisticated agricultural business near Mogadishu, employs smart farming techniques powered by IoT. The farm employs IoT sensors to continuously monitor soil moisture, temperature, and nutritional levels. These sensors are linked to an automatic irrigation system that administers water precisely based on the crop's individual needs. Farmers at AgriTech Farms access the data via a smartphone app, allowing them to make informed crop management and resource allocation decisions. Smart agriculture operations powered by IoT result in increased crop yields, less water waste, and more sustainable farming practices in the region. By integrating real-time data, automation, remote monitoring, and improved supply chain management, SMEs may streamline their operations, decrease costs, and raise overall productivity. The adoption of IoT technology is crucial for SMEs that want to prosper in an increasingly digital and networked business environment.

### EMPOWERING SOMALI SMES USING INTERNET OF THINGS (IOT)

Small and medium-sized firms (SMEs) in Somalia are using the transformative power of digitization to increase their efficiency and output. As the corporate transaction landscape becomes more interconnected and dynamic, the automation of SME transaction execution becomes increasingly important. Some industries that will gain from this are as follows:

- **Financial Services and Fintech**: Somali SMEs can optimize their financial management procedures by implementing IoT technology. Financial platforms powered by IoT provide real-time insights into cash flow, expenses, and income, allowing SME owners to make data-driven financial decisions. Furthermore, IoT-powered payment solutions enable seamless and secure financial transactions, hence boosting the expansion of local fintech businesses.

- **Energy and resource management**: IoT-based energy monitoring solutions allow SMEs to optimize energy consumption while lowering costs. Real-time energy usage monitoring assists in identifying waste and implementing energy-efficient procedures, so contributing to a more sustainable and ecologically responsible work environment.

Digitalization makes it easier for SMEs to form partnerships and collaborate with other firms. Examples of IoT-Enabled Partnerships and Collaboration Among Somali SMEs include:

- **Several agricultural SMEs in Somalia** collaborate to increase the efficiency of their supply chain using IoT technologies. On their fields, each SME installs IoT sensors to monitor crop development, soil conditions, and weather patterns. The collected data is shared with all participating farmers via a secure IoT platform. Because of this collaborative approach, they can make educated judgments concerning irrigation schedules, harvest timings, and transportation logistics. These SMEs decrease costs, minimize waste, and deliver higher-quality produce to the market by collaboratively managing their supply chain.

- **IoT-Enabled E-commerce Consortium**: A group of Somali SMEs in the retail sector has joined forces to develop a collaborative e-commerce platform based on IoT technology. Each SME provides their product catalog to the platform, which connects each member's IoT-enabled inventory management systems. Customers can enjoy a unified purchasing experience on the site, which features products from multiple SMEs. IoT sensors in each SME's warehouse enable real-time inventory updates on the platform, reducing the likelihood of stockouts and boosting order fulfillment. This e-commerce consortium allows participating SMEs to reach a larger customer base, pool marketing resources, and strengthen their online presence together.

### CONNECTIVITY STANDARD ADVANCES FOR DRIVING IOT WITH WI-FI 6, 5G, AND IPV6

In Somalia, Internet of Things (IoT) technology was in its early stages of adoption, with significant progress being made to maximize its potential across multiple industries. While Somalia may have begun to investigate IoT solutions, it is important to remember that real developments and adoption rates may have changed since then.

### • Telecom Infrastructure Development

Somalia has made notable progress in improving its telecommunication infrastructure, particularly in major cities like Mogadishu. Telecommunication companies have expanded their network coverage, enabling increased internet connectivity and access to advanced technologies like IoT. This improved connectivity serves as a foundation for IoT implementation and adoption in various sectors.

### • Mobile Money and FinTech Solutions

Somalia is known for its successful mobile money services, with platforms like Hormuud's EVC Plus, Golis Telecom's Zaad, and Somtel's E-Dahab. These mobile money platforms have gained widespread acceptance and usage, creating a conducive environment for FinTech and IoT-driven financial solutions. IoT-powered payment systems and financial management tools are likely to be integrated into these existing platforms to enhance SMEs' financial processes.

### • Agriculture and AgTech Innovation

Considering Somalia's reliance on agriculture, there is a growing curiosity in using IoT technology to improve farming processes. Some farms and agricultural enterprises in the country may have begun to experiment with Internet of Things-based soil monitoring, weather forecasting, and precision agriculture techniques. These developments can help small-scale farmers by improving resource usage and agricultural yields.

## REVOLUTIONIZING SMES THROUGH IOT AND SMALL BUSINESSES FOR THE DIGITAL AGE

The Internet of Things (IoT) has emerged as a revolutionary force in recent years, altering sectors and revolutionizing business operations. While large organizations have been fast to embrace IoT technology, small and medium-sized enterprises (SMEs) are also recognizing IoT's enormous potential to drive innovation, boost productivity, and boost competitiveness. Integration of Internet of Things (IoT) solutions has shown significant promise in altering numerous sectors throughout the world in recent years. SMEs have also recognized the potential of IoT to improve operations, increase productivity, and create new business opportunities. In Somalia, where SMEs are vital to the economy, adopting IoT technology provides both hurdles and potential rewards. A new and developing insight, however, is the growing acceptance of Distributed Ledger Technology (DLT) as a complementary approach to remove existing barriers and drive inclusive and sustainable growth in the region.

### • Transparency and traceability in the supply chain

Supply chains in Somalia are frequently hampered by inefficiencies, a lack of transparency, and counterfeit items, resulting in revenue losses and customer unhappiness. SMEs can change their supply chains by combining IoT and DLT. IoT sensors may be used to track and monitor commodities in real time, delivering accurate and transparent data at each stage of the supply chain. Simultaneously, the immutable and auditable ledger of DLT maintains the integrity of this data. Through increased trust and transparency, this connection enables SMEs to detect inefficiencies, avoid counterfeiting, and develop closer relationships with consumers and partners.

In general, the effective implementation of IoT solutions in Somalia necessitates the availability of a competent workforce capable of designing, implementing, and supporting these technologies. To solve the shortage of IoT skills, investments in regional education and innovation hubs are required. Small and medium-sized enterprises (SMEs) can work with educational institutions and government agencies to develop initiatives that foster local IoT expertise. These measures will not only enable SMEs to embrace and adapt IoT technology but will also help Somalia create a dynamic digital ecosystem.

In conclusion, the fourth industrial revolution has resulted in a convergence of technologies, eroding the distinctions between the physical, digital, and biological realms. The Internet of Things (IoT) stands out as a crucial engine of economic and technological growth among the revolutionary technologies of this century. The potential for IoT adoption in Somalia's SMEs is a significant opportunity for greater productivity and growth in a variety of areas. IoT technology has demonstrated amazing development potential over the years, with the IoT industry likely to achieve unparalleled market value in the future years. SMEs in Somalia may enhance numerous elements of their operations with IoT-enabled solutions, such as inventory management, supply chain efficiency, and energy use. SMEs may streamline their operations, cut costs, and boost overall productivity by leveraging real-time data, automation, and improved supply chain management.



Eng. Osman Diriye Hussein,  
FabLab Mogadishu Operator, SIMAD iLab

Mohamed Ahmed Ghazali,  
Technical Developer, SIMAD iLab



## WHY SOMALI YOUTH COULD BECOME THE CORNERSTONE OF DIGITIZING THE ECONOMY?

DHAQANE ROBLE HALANE



The precise workings and impact of the future digital economy on sustainable development and job creation remain uncertain in Somalia. However, it is my belief that directing attention towards technological advancements and social entrepreneurship is crucial. By doing so, we can potentially ensure the sustainability of employment opportunities for Somali youth and foster the growth of the digital economy in their respective regions. To address the developmental obstacles in Somalia, there is a pressing need to prioritize the empowerment of the country's youth through the establishment of employment opportunities and the provision of marketable skills. This can be achieved through the establishment of Technical and Vocational Education and Training (TVET) schools as well as the provision of in-kind assistance to individuals who have successfully completed their education at these institutions and acquired marketable skills. Additionally, it is crucial to mobilize the youth population and educate them on the efficient utilization and potential benefits of solar energy, given Somalia's abundant sunlight resources. If the opportunities are made available to young adults, it is likely that an increased number of youths will participate in the job market.

In the contemporary era, technology has exerted a transformative influence on various aspects of human existence, encompassing domains such as education and the economy. Its pervasive impact is evident in every facet of our daily lives. The provision of e-marketing, e-commerce, and freelancing training to young graduates, as demonstrated by SIMAD Innovation Lab, is of utmost importance as it facilitates their integration into the market. Many individuals involved in business lack awareness regarding the potential of the digital economy to enhance their enterprises. By utilizing the internet and various communication channels, businesses can establish connections and engage with a larger consumer base. In Somalia, there exists a range of marketable skills, including handcrafts, tie and dye, plumbing, mechanics, electrics, masonry, agriculture, livestock, and fisheries skills. If young individuals acquire these skills, they will contribute to the growth of the Gross Domestic Product (GDP) of the nation. In Somalia, a considerable number of young individuals have proven their exceptional abilities by creating innovative software and applications. The companies strive to secure their market share and expand their global reach by registering their applications on various platforms, such as Android and iOS.

The younger generation requires advanced training programs that can effectively assist them in developing their skills. Moreover, it is highly recommended to foster an environment that nurtures their creativity, enabling them to actively engage in the digital economy. It is imperative to implement policies that ensure equitable market access for Somali youth while also facilitating convenient opportunities for firms and workers to capitalize on emerging prospects. There is a pressing need to expand the digital economy to facilitate the dissemination of novel tools and employment opportunities for small businesses. In a global context, the widespread adoption of digital technology has led to significant gains in productivity. However, this has raised several inquiries regarding the policies surrounding this technology. These inquiries encompass various aspects such as manufacturing methods, sources of competitive advantage, and changes in market structures.

Despite the substantial productivity benefits associated with digital technologies, there is a concern that they may also give rise to new challenges for businesses. Considering the rapid evolution witnessed in financial markets, it is imperative to explore strategies for effectively leveraging the potential of digital advancements in finance while simultaneously mitigating associated risks. Given the dynamic nature of the labor landscape and the imperative for acquiring novel proficiencies, is it warranted for employees to harbor apprehensions regarding the proliferation of automation? Is there a need for a modification in public policy? Experts are asking all mentioned questions though on the other hand Somalia has experienced a significant transformation in the recent years for a digital landscape, characterized by a notable surge in technological advancements and digitalization effort years ago,

Mogadishu hosted its inaugural and most extensive information and communication technology (ICT) exhibition. This event brought together over sixty exhibitors representing various sectors such as telecommunications, technology, education, and government divisions. The primary objective of this gathering was to showcase the latest products and services in these industries. During the three-day summit, a multitude of young entrepreneurs displayed their applications and software to large audiences from academia, the government, and the market. SIMAD ILab recently concluded skill development project called "Digital Skills for Jobs" in collaboration with the government of Japan and the World Trade Organization. This project successfully produced 150 graduates who possess highly sought-after digital skills for the job market. As a result, the distinguished jury recognized and awarded SIMAD ILab the title of best ecosystem initiative from distinguished jury. It is imperative for young individuals to actively engage in the utilization of their technological competencies when accessing the internet, thereby making valuable contributions towards the advancement of a sustainable, technology-driven economy within our nation.

In summary, the exhibitions and summits serve as evidence of Somalia's adoption of digitization and recognition of the importance of engaging in the digital economy. To actively engage in the digital economy and foster job creation, it is imperative for Somali youth to enhance their technological proficiency and acquire other essential skills.



**Dhaqane Roble Halane,**  
Researcher,  
ICE Institute





## HARNESSING DIGITALIZATION FOR SYSTEMS EFFICIENCY

YONIS ALI MUKHTAR



### INTRODUCTION

Digital transformation is shifting to applying the latest version of the technology for a business due to its uncountable benefits. These benefits include increasing productivity, costs, and operational efficiency. In the financial service industry, digitalization activities, such as financing, investing, and others, are crucial for work efficiency and productivity. In this article, digital transformation and the importance of financial service digitization are deeply discussed. Then the key five factors/drivers that influence digital transformation in financial institutions. Finally, the conclusion and recommendations are discussed in the opinion article.

### WHAT IS DIGITAL TRANSFORMATION?

When businesses use digital technologies to cut expenses and boost organizational growth, they go through a digital transformation. Digital adoption solutions can make work easier, but for the implementation to be successful, leaders must have a lot of skills. To ensure that every employee of a business can reap the rewards of a new digital strategy, careful preparation is essential for a successful digital transition.

Each route toward a digital transformation is different. Significant IT infrastructure revamps, changes to personnel and customer management software, and a plethora of data security policies may all be part of a huge digital transformation project. A small business, on the other hand, might merely be appreciative of automated procedures at crucial points in its supply chain. Digital solutions that automate manual activities, simplify complex procedures, and maintain safe data flow throughout an organization are generally advantageous to businesses. Additionally, digital transformation in financial services firms can significantly improve client journeys.

By 2027, over 20% of people, according to a survey conducted by the UK credit bureau Finder, could solely have online bank accounts. Financial services companies that don't keep up with demand run the danger of losing out on a sizable portion of the market.



## WHY FINANCE DIGITALIZATION MATTERS TO FINANCIAL SERVICES ORGANIZATIONS?

Because it enables financial services businesses to streamline their procedures, increase productivity, and cut costs, digitalization is becoming more and more crucial. Banks, insurance companies, and other financial institutions can automate complicated processes that were previously carried out manually or via paper-based methods by utilizing digital technology. This aids in increasing decision-making speed and accuracy.

Additionally, as a result of digitalization, financial institutions now have additional options to offer their clients cutting-edge services and goods that simplify account access, money management, and other tasks. In the end, digitalization assists companies in the financial sector in lowering operational costs while enhancing client satisfaction.

## WHAT ARE THE FIVE KEY FACTORS THAT PLAY A CRUCIAL ROLE IN SUCCESSFUL DIGITAL TRANSFORMATION IN THE FINANCIAL SERVICES INDUSTRY?

Digital transformation in the financial services industry is a complex and ongoing process. Here are five key factors that play a crucial role in successful digital transformation. These five key factors will be clearly explained in the following section.

Firstly, the Customer-Centric Approach is one of the essential factors for digital transformation in the financial services industry. It is a strategy and culture in which a business is done and focuses on using customer experiences. Applying this strategy will lead to customer satisfaction and loyalty. Hence, putting customers at the centre of the transformation is paramount in this industry.

Understanding their needs, preferences, and pain points is essential for developing digital solutions that provide to their specific requirements. In the client or customer-centric approach, data analytics and customer feedback have been used to get insights and create personalized experiences that enhance customer satisfaction and loyalty.

The second important factor for financial services' digital transformation is advanced data analytics. Financial institutions routinely deal with massive amounts of data on a daily since data improves the customer journey. Using customer data is vital to deliver the personalization needed for superior customer experiences and value. Leveraging advanced data analytics such as artificial intelligence (AI) and machine learning, enables better decision-making, risk assessment, and fraud detection because AI and machine learning can discover customer patterns that enable future predictions and ideal product offers. These different technologies can provide valuable insights into how customers behave, market trends or changes, and operational efficiency, which can lead to more informed strategies and streamlined processes in the financial service sector. Therefore, financial institutions should apply these advanced data analysis tools.

Seamless Omni-channel Experience is another factor that affects on automation of the financial service sector. Customers expect a seamless experience across various channels, whether it is mobile apps, websites, social media, or in-person interactions. Implementing a robust omnichannel strategy ensures consistent and interconnected customer experiences that allow them to shift between channels without any disruption.

The fourth factor that influences the digital transformation of the financial institution is cybersecurity and compliance. Digitalization in the financial service industry has increased exposure to cybersecurity threats. Financial institutions must prioritize data security and privacy. Investing in robust cybersecurity measures, encryption, and multi-factor authentication is essential to protect customer data and maintain trust. Moreover, staying compliant with relevant rules regulations and standards is critical to avoid legal and reputational risks.

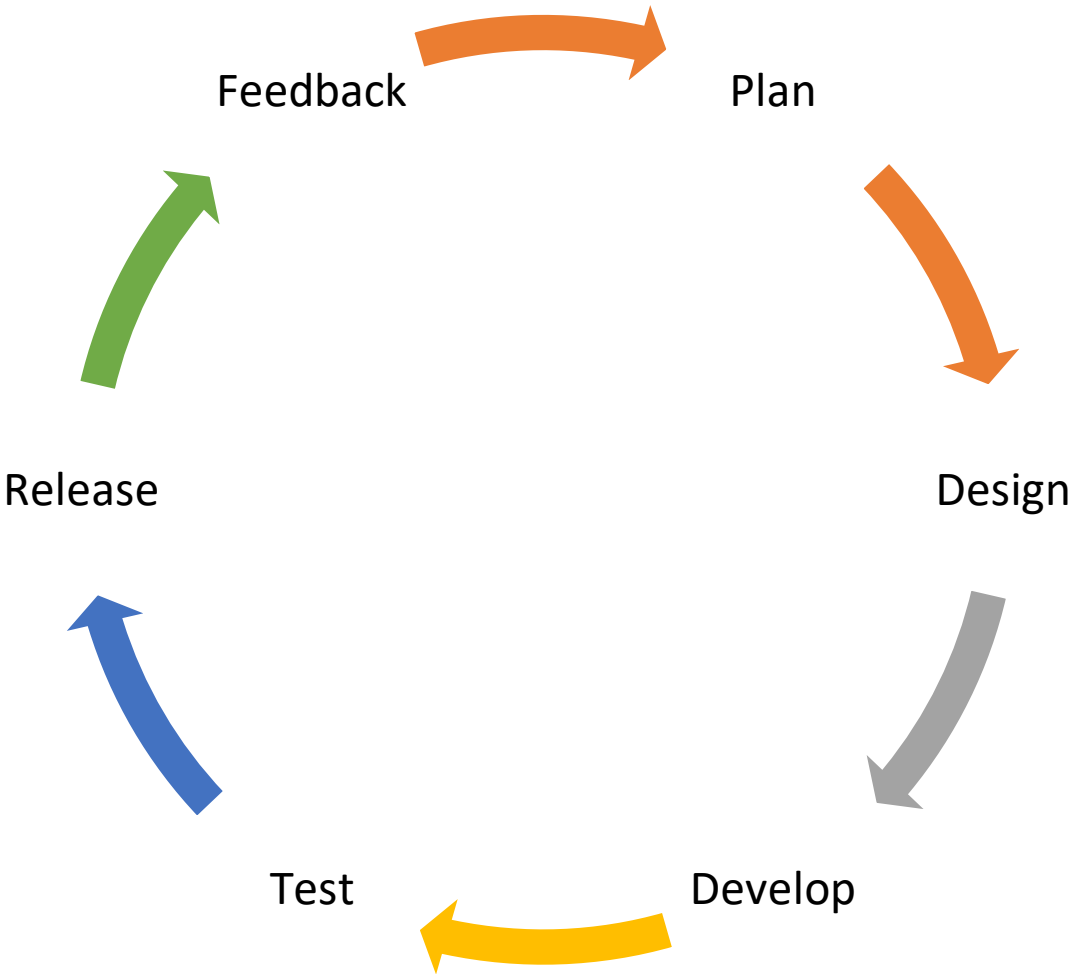


Lastly, Agile Culture and Collaboration is another determinant of digital transformation in this industry. Embracing an agile culture is crucial to adapt quickly to the changing landscape of technology and customer demands. Encourage cross-functional collaboration among IT, marketing, operations, and other departments to foster innovation and develop integrated solutions. Agile methodologies facilitate faster development and deployment of digital products and services. It follows the same project management principles that tech companies apply. Therefore, it is useful throughout the organization to deliver business objectives faster or better and Enables faster improvement to digital banking platforms in response to customer demand. The agile methodology process or cycle is planning, designing, developing, testing, releasing, and feedback as we can see in the below diagram.

CONCLUSION

successful digital transformation in the financial services industry requires a strategic approach that aligns technology with customer needs, emphasizes data-driven decision-making, and ensures robust security measures. Flexibility and adaptability are key, as the industry continues to evolve in response to technological advancements and customer expectations.

Yonis Ali Mukhtar,  
Operations Division,  
SIMAD University





## HOW IS DIGITALIZATION IN THE GOVERNMENT HELPING BUSINESS LANDSCAPE?

AHMED MOHAMED HASSAN



### INTRODUCTION

Over the past 20 years, governments worldwide have made tremendous efforts to transform their landscape from manual functioning to full digitalization. Digitalization in government refers to the use of technology to improve government services. The course of government digital transformation is a ceaseless process that utilizes all types of applications of the newest technology to enhance the government's performance and help meet the needs of its citizens.

This transformation is sometimes referred to as e-government. The citizens' critical goal is the prime linchpin of this digital transformation in government. However, there are other focal points in government-to-business and government-to-government relationships. This includes using government agencies in cloud computing, big data, artificial intelligence, and other digital platforms and technology tools.

Since the beginning of this digital transformation, government activities have improved. Many governments have implemented this strategy in their service-delivery systems. Improvements have been made,

such as people standing at the front doors of administrative offices to receive their services indoors. Citizen engagement and citizens' trust in the government increased. In addition, the complaints of citizens were reduced. One of the most significant contributions of ICT transformation in the government is its contribution to cost savings. The new digital management systems eliminate paperwork costs, such as printing and mailing documents to countrymen. This helped the government generate money. For instance, one study estimated that digitalizing governmental services using current technology could generate over \$ 1 trillion annually worldwide (McKinsey et al., 2016).

The benefits of digitalization in government are enormous, as it speeds up accession to government services, including tax payments, applying for governmental benefits, and filing complaints. It is also easier for disadvantaged people and those living in rural areas.

Furthermore, implementing e-government enhanced public participation because it gave citizens a greater voice and involvement in the political process through online forums, petitions, and voting systems.

However, these benefits have only been felt in some countries due to the digital divide. The Western world earned the greatest benefits from the digital government. The rest of the world, particularly the so-called third-world countries, is yet to take advantage of the inbuilt value of e-government. Some African countries are in the initial stages of digital transformation. They are gradually transforming governments' manual provision of online services.

In the public sector, the benefits of electronic transformation in government have been extensive over the past couple of decades, but how could these electronic transformations in government help the business landscape? This is what this opinion article explores.

### HOW IS DIGITALIZATION IN THE GOVERNMENT HELPING BUSINESS LANDSCAPE?

In today's information age, the usage of digitalization is widespread in the government and business. Despite the government's use of digitalization, online business is the major beneficiary of this automation transformation. Today's most successful and profitable business is online. For example, Amazon is one of the largest retail companies in the world. Many other businesses have also joined online markets. There is a high demand for the skills necessary for digital businesses. Many of today's start-ups will be digital because the number of people purchasing things online has dramatically increased over the past decades.

Besides digital skills, teaching and training have increased as these skills are in high demand in electronic markets worldwide.

The covid-19 pandemic became a major turning point for businesses to adapt their practices to become more virtual, and because of that, we have seen an increasing number of services in the world becoming digital.

Businesses do not exist in a vacuum; they are working under the governmental system. We have seen the benefits of digitalization in both the government and businesses. How does digital government help today's businesses?

**Upgraded efficiency of service provision.** The digital government made business services easier in time and money by automating governmental tasks, lessening paperwork, and improving communication with government agencies. For instance, businesses file taxes online, apply for permits and licenses online, and communicate with government officials through email or online chat. This was impossible before digitalization. In addition, businesses can access government services, regardless of location or size. For example, businesses can apply for loans online, access government procurement opportunities online, and obtain help from government agencies online. As a pioneer of the digital government, the Estonian government has made it easy for businesses to register and operate in Estonia and has provided businesses with access to a wide range of digital services. This has helped Estonia become a hub for e-commerce.





**Augmented transparency and accountability.**

E-government services have made it easier for businesses to trace their interactions with government agencies and to hold government officials accountable for their actions. For example, businesses can now view their tax records online, track the status of their permit applications, and file complaints about government officials.

**New opportunities for innovation.**

The digital government assists businesses in innovating by supplying them with access to fresh data and tools. Real evidence is that the Singapore government has invested heavily in digital infrastructure, making it easy for businesses to access government data. This has helped to create a vibrant ecosystem for innovation in Singapore.

One example of how this has worked in practice is the Singapore Land Authority (SLA). SLA has made it easy for businesses to access land data through its online portal, OneMap. This has allowed businesses to develop new products and services that use land data, such as property valuation tools and real estate apps. Another example is the Singapore Tourism Board (STB). STB has created a number of digital platforms that allow businesses to connect with tourists. For example, STB's Visit Singapore website allows businesses to list their services and products, and STB's SG Travel Pass app allows tourists to book and pay for activities and attractions.

**Enhanced Competitiveness.** Digital government services aid businesses in becoming more competitive by reducing their costs and improving their efficiency. For example, businesses can use digital government services to streamline their supply chains, reduce paperwork, and improve customer service.

**Increased collaboration.** Digital government services can help businesses collaborate with each other and government agencies more easily and effectively. For example, businesses can use digital government services to share information, coordinate projects, and solve problems.

**CONCLUSION**

In the last two decades, governments worldwide have made significant efforts to shift from manual operations to complete digitalization. Government digitalization refers to using technology to enhance the provision of governmental services. The journey of government digital transformation is an ongoing endeavor to incorporate various cutting-edge technological applications, aiming to optimize government efficiency and cater to the requirements of the populace.

In a nutshell, the digital government can provide a number of benefits for businesses, including improved efficiency, increased transparency, enhanced access to government services, new opportunities for innovation, and enhanced competitiveness, although many of these advantages are limited to affluent nations.



Ahmed Mohamed Hassan,  
Head of the Political Science Department,  
SIMAD University







# ENJOY AMAZING FEATURES



TOP UP



TRANSFER MONEY



REQUEST PAYMENT



WITHDRAW



BILL PAYMENTS



MOBILE BANKING



Call Center 2014

info@premierbank.so  
www.premierbank.so

Download This App Now



Powered by:



Follow us



@Premierbankso

## FUELING GROWTH: THE TRANSFORMATIVE POWER OF TRAINING FOR BUSINESS OWNERS

FARTUN AHMED SHEIKH



In the dynamic and ever-evolving landscape of business, the key to success lies in one's ability to innovate, adapt, and remain ahead of competitors. In this opinion article, I aim to discover into the transformative potential of training programs for business owners. These programs offer a accumulation of advantages that empower entrepreneurs to unlock their full potential, drive success, and foster growth. From enhancing skills and knowledge to fostering a culture of continuous learning, the benefits of training programs are multifaceted. They equip business owners with the necessary tools, competencies, and insights required to navigate the complexities of the modern business realm.

Training programs create a structured learning environment that allows business owners to delve into new concepts, gain insights into market dynamics, and acquire invaluable strategies for achieving success. By participating in these programs, business owners and entrepreneurs can expand their skill sets, gain a deeper understanding of market trends, and develop a broader perspective on industry best practices. This newfound knowledge empowers business owners to make more informed decisions, adapt their strategies to accommodate shifting market forces, and identify innovative avenues for growth.

Incorporating training initiatives into a business owner's journey can lead to a numerous of positive outcomes. Firstly, these programs enable individuals to explore and experiment with innovative ideas within a supportive and educational setting. Through hands-on exercises and interactive learning, business owners can refine their creative thinking, leading to the generation of groundbreaking solutions that can set them apart in the competitive landscape.

Furthermore, training programs foster a culture of continuous learning and improvement within businesses. When entrepreneurs engage in ongoing training, they set a precedent for their teams and colleagues to also embrace growth-oriented mindsets. This cultural shift can lead to a more adaptable and forward-thinking organization, capable of responding effectively to changing market conditions and seizing emerging opportunities.

Additionally, these programs provide business owners with the necessary knowledge to navigate complex challenges and disruptions. As industries undergo rapid transformations, entrepreneurs armed with up-to-date insights are better equipped to rotate their strategies, diversify their offerings, and enter new markets with confidence. This adaptability not only safeguards businesses from stagnation but positions them to thrive in the face of uncertainty.

## HOW CAN BUSINESS OWNERS BENEFIT FROM PARTICIPATING IN TRAINING PROGRAMS?

- **The Training Imperative:** The business world is in a constant state of change, shaped by technological breakthroughs, shifting consumer behaviors, and global economic forces. In this environment, static knowledge quickly becomes obsolete. Herein lies the need for continuous training—a strategy that equips business owners with the tools to anticipate change, pivot with agility, and capitalize on emerging opportunities. Embracing continuous learning empowers business owners to stay ahead of the curve, equipping them with the skills needed to navigate uncharted waters. It challenges the notion that mastery is a destination and underscores the importance of remaining open to new insights.

- **Adapting to New Realities:** The saying "you can't teach an old dog new tricks" has no place in the mindset of a modern business owner. Training is the solution to unproductivity, empowering entrepreneurs to break free from their comfort zones and embrace innovation. Whether it's mastering the intricacies of digital marketing or honing leadership skills for a remote workforce, training provides an avenue for growth through adaptation.

Imagine an experienced restaurant owner with a history of managing a thriving network of conventional dining establishments over an extended period. Acknowledging the growing desire for more nutritious dining choices and the prevailing shift towards plant-centered eating habits, this restaurateur chooses to participate in specialized cooking classes centered around vegan gastronomy. Equipped with fresh abilities and outlooks, they transform their menu to showcase inventive, plant-based culinary creations. This strategic decision not only draws in a novel segment of health-conscious patrons but also breathes new life into the brand's identity, further underscoring its dedication to staying adaptable and inventive.

- **From Knowledge to Action:** Training is more than just theoretical knowledge; it's a bridge that connects learning with actionable outcomes. Armed with new insights, business owners can make informed decisions, seize untapped markets, and optimize their operations. The transformative power of training lies in its ability to translate learning into tangible results, propelling businesses to the forefront of their industries. The journey from knowledge to action is the transformational bridge that turns theoretical potential into tangible growth. In this dynamic process, business owners navigate the intricacies of implementation, leveraging their expertise and newly acquired insights to drive innovation, optimize operations, and seize opportunities. By embracing this bridge, businesses evolve from passive repositories of knowledge into active agents of change and progress, propelling themselves to the forefront of their industries and solidifying their position as drivers of transformative growth.





• **Cultivating a Culture of Excellence:** A business is only as strong as its leadership. When business owners invest in their own growth through training, they set a precedent that resonates throughout their organizations. A culture of excellence emerges, where employees are inspired to enhance their skills and contribute creatively. This ripple effect elevates the entire business ecosystem, fostering innovation, productivity, and a shared commitment to success. Take the example of a software development company where the CEO actively participates in coding workshops. This not only enhances the CEO's technical skills but also encourages software developers to engage in cross-functional learning, fostering collaboration and a shared sense of purpose.

• **Mitigating Risks and Embracing Resilience:** Uncertainty is a constant companion in the business world. Yet, a well-trained business owner is better equipped to navigate challenges and mitigate risks. Through training, entrepreneurs develop the acumen to anticipate disruptions, devise contingency plans, and lead with confidence even in the face of adversity. This resilience is the cornerstone of long-term growth and sustainability.

## CONCLUSION

So, in the work of business, where progress harmonizes with change, the increase of transformation resounds through the transformative power of training. As we draw the final notes of this article, the refrain of innovation, adaptability, and resilience echoes with unwavering clarity. In a world ever in change, where the sands of time continually reshape the landscape of commerce, the imperative of continuous learning emerges as a compass guiding us through uncharted waters. Training becomes the Arctic Star that navigates business owners toward growth, enabling them to pivot, reimagine, and recalibrate their paths with a understanding born of knowledge.

Consider a business owner's journey as a vessel navigating the currents of uncertainty. Training serves as the rudder, steering with precision through waves of change and storms of challenge. With each workshop attended, every new skill acquired, and each collaborative insight shared, business owners expand their resource of resilience. Yet, this transformation is not solely a solitary endeavor; it reverberates within the very fabric of organizations. The culture of learning becomes a sewing interwoven with threads of ingenuity, collective endeavor, and shared aspirations. As business owners embrace the rhythm of perpetual learning, their teams follow suit, harmonizing in pursuit of excellence. This harmonious symphony echoes in the products refined, services elevated, and solutions innovated, as the enterprise evolves into a collective force, attuned to the cadence of change.

As we cast our gaze toward the ever-evolving business space, the shining beacon of training stands guard, enlightening the path to sustained success. It is a testament not just to the determined spirit of entrepreneurialism, but to the courage to embrace growth, the courage to challenge convention, and the unwavering commitment to charting a course through the unknown.

In the grand finale of this piece, let it be known that the transformative power of training resonates not only as an instrument of personal and organizational metamorphosis, but as an anthem to the boundless possibilities that await those who dare to learn, adapt, and flourish in the symphony of business evolution.



Fartun Ahmed Sheikh,  
Director, Operations Division,  
SIMAD University



## THINGS YOU SHOULD KNOW ABOUT REAL ESTATE INVESTMENT IN MOGADISHU

AHMED MOHAMED HASSAN



Investing in Somalia real estate can be a very successful endeavour. Investors may unleash the untapped potential of the Somali real estate market by starting their way to financial success by understanding the market dynamics, strategic timing, and important factors. To evaluate possible investment possibilities, it is necessary to be aware of the risks involved with investing in a developing market and to take every relevant factor into consideration. For investors willing to take a long-term view, Somalia's real estate market offers interesting options due to the possibility of sustainable growth, social impact investing, and adoption of technology. Real estate investing in Somalia has the potential to be a highly successful business for those who have an in-depth understanding of the market dynamics and strategic timing. The real estate market in Somalia is a potential area that has experienced enormous transformation, with a clear preference for apartments over traditional land purchases. For those who have an in-depth understanding of the market dynamics, this offers an exceptional chance.

This comprehensive article explores the most popular cities in Somalia for real estate investment, the critical role performed by real estate brokers and agents, the market's determining demographic factors, and the import of current development and infrastructure projects. It also explores the most efficient times to buy and sell property, emphasizing developing strategic opportunities.



### CRITICAL FACTORS FOR REAL ESTATE INVESTMENT DECISIONS

#### #1: Popular areas for investment

It is important to understand the most popular investment places and what makes investors select them. Only a few of the cities in Somalia have active real estate markets including Mogadishu, Hargeisa, and Garowe. Mogadishu is the most populated city of the country, which is also the economic hub of Somalia. The city has served as an important port connecting traders across the Indian Ocean. It is a centre, of commerce, learning, and economy since it has a large port, an airport, and multiple educational institutions.

Hargeisa, the capital of Somaliland, is another city that attracts real estate investors. Due to its stability, economic expansion, and closeness to Ethiopia and Djibouti. Puntland's main city is also attracting investors. It is located on the major highway that connects Somalia's major cities and is close to the port of Bosaso. The political stability and advantageous position of Garowe.

## #2: The Function of Real Estate Brokers and Agents

For buyers and sellers to successfully navigate the market, it might be essential to understand what real estate brokers and agents do in Somalia. Market information, such as property valuations, market trends, and investment possibilities, may be found through real estate brokers. Additionally, they can help buyers and sellers negotiate the best deals and provide guidance on legal and financial matters

## #3: Demographics of Real Estate Buyers and Sellers

In Somalia's real estate industry, demographics are extremely important. Understanding the diverse demographics of real estate buyers and sellers in Somalia is crucial for fostering sustainable growth within this dynamic industry. The predominantly young population, ranging from 15 to 34 years old, contributes to a wide spectrum of housing requirements. Young adults are inclined towards renting or purchasing their first homes, while older generations focus on real estate investments. Varied educational backgrounds and professional experiences influence preferences, with those possessing higher qualifications and stable employment showing a propensity for upscale properties. Both men and women actively participate in the real estate market, potentially mirroring the global trend of increased women's involvement. Social status significantly shapes choices between high-end properties and affordable housing solutions, particularly pertinent due to refugee repatriation and urbanization, resulting in a diverse buyer and seller landscape. Cultural norms, extended families, and refugee returnees further mould real estate decisions. Urbanization drives a rising demand for urban housing, catering to distinct demographic segments. To comprehensively analyze the demographics that impact Somalia's real estate trends, it is advisable to seek insights from local real estate associations, government agencies, and recent academic studies.

## #4: Upcoming developments or infrastructure projects

Real estate investors must closely track upcoming construction and infrastructure projects in Somalia in addition to the aforementioned factors. These initiatives might change the market and offer profitable possibilities. The plan announced by the Somali government to build a new international airport in Mogadishu is a prime example.

The real estate market, especially in the surrounding districts, is anticipated to be significantly impacted by this large-scale infrastructural project. The airport is expected to draw more tourists, businesses, and investors once it becomes operational, increasing demand for real estate nearby. Smart investors who keep up with such changes might take advantage of the situation by purchasing homes in favourable areas before prices rise. Investors may benefit from the changing real estate market in Somalia by using the potential of new developments and maximizing their return on investment.

## APPROPRIATE TIME OF REAL ESTATE TRANSACTIONS"

When is the ideal time to sell or purchase a home? The fact is that it depends. If you purchased it correctly, then any time should be appropriate. Will there, however, be instances when the market is more favourable than others? Consider this for a moment: Typically, consumers and investors go opposing paths. So, while everyone else is buying up real estate, what do you think investors are doing? That is when they sell! When everyone is in a buyer's market, you can normally sell for the greatest price and investors desire to move into various markets, but the contrary is also true.

## BUYING BEFORE AND DURING DHUL-HIJJAH

During the month of Dhul-Hijjah, individuals in Somalia prioritize obtaining quick cash for their pilgrimage journey to Mecca. Consequently, many property owners are willing to sell their assets below market value to secure immediate funds. This creates a favourable buyer's market, where savvy investors can take advantage of lower prices and acquire properties at favourable rates. By strategically purchasing properties before and during Dhul-Hijjah, investors can capitalize on the heightened supply of properties available for purchase. This presents an opportunity to negotiate favourable deals and acquire valuable assets at discounted prices, which may otherwise be out of reach or command higher prices during other periods.

This is a principle held by Warren Buffett. He refers to it as the risk margin. And really, when you talk about the best time to sell a house, that I would like to bring attention to how Warren Buffett has become a multi-billionaire and one of the greatest philanthropists of our time and age; all based on a very simple principle you may have heard called Buy Low, Sell High. Warren is a really great example of an individual who truly lives his principles if you read his book Snowball.



# FUTURE OF WORK: IMPLICATIONS OF THE GIG ECONOMY ON TRADITIONAL EMPLOYMENT MODELS AND LABOR MARKET DYNAMICS

SAFIA ISSE FARAH



The gig economy provided a platform for work in the Fourth Industrial Revolution, presenting the century's most publicized form of work. The gig economy has evolved into a crucial tool for future employment creation. This new type of job is expanding spontaneously and swiftly in various businesses, affecting all fields. Concerns about claiming the costs and benefits as being disputed in the recent debates are just among many that have surfaced throughout practice. The critical question is whether the gig economy can withstand the increased labor market demands, which questions the fundamental determinants of crucial success elements. This chapter develops the idea of a just-in-time workforce and identifies the major forces driving entrepreneurship in this economy.

Regarding the gig economy in Somalia, it's necessary to remember that this country in the Horn of Africa has long endured serious conflicts and economic hardships. Since there are few formal employment opportunities in Somalia, most people rely on informal economic activity. Although Somalia may have yet to fully embrace the gig economy as it is known in developed nations, there are still certain aspects of it there.

For instance, people can make a living through various informal and flexible economic activities. Small-scale businesses, vending on the street, farming, providing transportation services, and other similar endeavors fall under this category.

Additionally, with the rise of digital platforms and increased access to mobile technology, some Somalis have begun to participate in online freelance work such as graphic design, content writing, and virtual assistance. These opportunities allow individuals to work remotely for clients within Somalia and internationally. It's important to note, too, that Somalia's gig economy has particular difficulties because of the nation's poor infrastructure, persistent security issues, and absence of legal protections for workers' rights. Additionally, the availability of dependable internet connectivity and electronic payment methods can be restricted in some locations, which limits the expansion of online gig employment.

He claims that if you want to decrease risk, you must improve your profit margin. So, it's extremely easy: When you buy a property as an investor, you acquire it with a lot of equity since you can sell it successfully whether it's the wrong or appropriate moment to sell! Understanding this theory is critical for the next section: If you acquire the appropriate house, you may sell it at any moment for a large profit.

## SELLING AFTER DHUL-HIJJAH

Following the conclusion of the pilgrimage month, the demand for properties in Somalia rises as individuals return from their journey and seek to establish new homes or invest in real estate. This increased demand subsequently leads to an uptick in real estate prices. Investors who had purchased properties before or during Dhul-Hijjah can take advantage of this surge in demand and sell their properties at higher prices, thereby generating significant profits. By strategically timing their sales, investors can maximize their returns by selling when the market favors buyers during Dhul-Hijjah and later benefiting from the subsequent increase in demand and prices after the pilgrimage concludes.

After the conclusion of Dhul-Hijjah, the investor holds onto the property as the market demand rises. Several months later, they decide to sell the property when prices have steadily increased due to the market dynamics. As a result, the investor realizes a significant profit by selling the property at a higher price than the initial purchase.

## MARKET TRANSFORMATION: THE SHIFTING LANDSCAPE OF SOMALI REAL ESTATE

Somalia's real estate market is experiencing a significant transformation, with investors increasingly favouring apartments over land purchases. This shift in focus has led to the growth and modernization of urban areas across the country. The rising demand for modern living spaces, convenience, and security are driving factors behind this trend. Additionally, population growth and urbanization have contributed to a shortage of available land, making apartments a practical choice for both investors and homebuyers. The potential for rental income further adds to the appeal of apartment investments, fueled by factors such as urban migration and an expanding expatriate community. This shift towards apartments is reshaping Somalia's urban landscape and attracting further investment in the thriving real estate sector.

Overall, the surge in apartment investments in Somalia reflects evolving preferences, changing lifestyles, and the need for contemporary housing options. It offers convenience, security, and the potential for rental income, while also addressing the growing demands of an urbanizing population. This shift not only benefits investors but also contributes to the modernization and vibrancy of Somalia's cities, creating a more attractive and comfortable living environment for residents.

## IN CONCLUSION

- Investing in real estate in Somalia requires an understanding of market dynamics, timing, and key considerations. Popular cities for investment include Mogadishu, Hargeisa, and Garowe, each offering unique advantages and opportunities. Real estate agents play a crucial role in providing market insights and assisting with negotiations. Demographics, such as a young and growing population, urbanization, and the need for affordable housing, should be considered to cater to specific market segments.
- Timing plays a significant role in buying and selling properties. Buying before and during Dhul-Hijjah, when property owners are willing to sell below market value, can present favorable buying opportunities. Selling after Dhul-Hijjah, when demand and prices increase, can generate significant profits for investors.
- Furthermore, the shift towards apartments over land purchases is reshaping Somalia's real estate market. The rising demand for modern living spaces, convenience, and rental income opportunities makes apartments an attractive investment option. It is important to stay informed about upcoming developments and infrastructure projects, as they can impact the market dynamics and present additional investment opportunities.

Overall, by considering these factors and staying updated on market trends, investors can make informed decisions and maximize their returns in Somalia's evolving real estate sector.



Ahmed Mohamed Hassan,  
Head of the Political Science Department,  
SIMAD University

While the gig economy has some presence in Somalia, it remains relatively small-scale and faces significant obstacles. Efforts to improve infrastructure, enhance digital connectivity, and establish supportive regulatory frameworks could facilitate the growth of the gig economy and provide new economic opportunities for the population.

The government provides entrepreneurial support to help gig workers transition into entrepreneurship, encouraging them to develop their businesses. The gig economy has significantly transformed and improved the delivery sector in Somalia; online food delivery has grown in Somalia in recent years, and food companies have increasingly implemented these services based primarily on third-party food-delivery platforms through which consumers can order and receive food products. Gig-based delivery platforms like Rikaab and Egal Eats use algorithms to match orders with available drivers, optimizing delivery routes for faster and more efficient service.

The gig economy revolves around people or businesses exchanging work for cash via digital platforms that instantly link suppliers and customers on a pay-as-you-go basis. As new gig economy apps emerge to address almost every aspect of the service business, the gig economy has exploded in recent years.

## THE GIG ECONOMY: A PARADIGM SHIFT IN EMPLOYMENT

The "gig economy" concept refers to a labor market with standard project-based, transitory, and flexible job arrangements.

Enabled by technological advancements and digital platforms, individuals can now access various gig work opportunities across multiple sectors. This shift from traditional, long-term employment models to short-term, on-demand work has implications for workers and employers.

## ADVANTAGES OF THE GIG ECONOMY:

**Flexibility and autonomy:** Gig workers that appreciate flexibility and the opportunity to work on their terms may find this very intriguing. They may choose which tasks to take on, when and where to work, and how much money to make.

**A wide range of opportunities:** The gig economy offers gig workers a wide range of possibilities and access to a worldwide pool of potential customers and employers.

**The capacity to learn new skills:** Because gig workers are frequently engaged to finish specific jobs or projects, they can learn new abilities and knowledge to benefit their careers.

**Possibility of earning more money:** Since gig workers are frequently paid on a project-by-project basis, they may make more than they would in a regular position that pays a fixed salary.

**The gig economy has significantly impacted traditional employment models and labor market dynamics. Here is a summary of some key points:**

**1: Rise of Flexible Work:** The gig economy has allowed individuals to engage in flexible work arrangements, allowing them to work on their terms and choose when and where they want to work. This flexibility appeals to those seeking autonomy and work-life balance.

**2: Increased Job Insecurity:** Traditional employment models offer job security, benefits, and protections. However, in the gig economy, employees are frequently classed as independent contractors, reducing their job security and limiting their access to healthcare, retirement plans, and paid time off. As a result, many gig workers now experience more financial volatility and job insecurity.

**3: Fragmented Workforce:** The gig economy has contributed to a more fragmented workforce. Instead of a stable, long-term employer-employee relationship, workers engage in short-term, project-based gigs with multiple clients or platforms. This fragmentation can make it challenging for workers to establish a stable income and career progression.

**3: Technological Disruption:** The gig economy relies heavily on digital platforms and technology, connecting workers with clients or customers. This technological disruption has reshaped various industries, efficiently matching demand and supply. However, it has also displaced traditional jobs as automation and digital platforms replace specific roles.

**4: Wage and Labor Market Pressures:** The gig economy has created intense competition and downward pressure on wages in specific sectors. With a larger pool of gig workers, companies often have more options, leading to lower pay rates. Additionally, the lack of collective bargaining power and union representation in the gig economy makes it challenging for workers to negotiate fair wages and working conditions.



In summary, while the gig economy provides flexibility and new opportunities for some, it has also brought about challenges such as job insecurity, wage pressures, regulatory issues, and a fragmented labor market. Adapting to these changes requires a careful balance between protecting worker rights and fostering

More transactional arrangements, where employees are viewed as independent contractors rather than employees, have replaced traditional loyalty and long-term commitment ideas.

## CHALLENGES OF THE GIG ECONOMY:

**1. Lack of job security:** The desire for perceived job security is one of the critical issues with the gig economy. Because gig employment is sometimes transient and unpredictable, employees may want a reliable source of income or access to benefits such as medical coverage or retirement savings plans. Because of this, it may be challenging for gig workers to make financial plans for the future and take care of their families.

**2. Lack of legal safeguards:** Because gig workers are frequently categorized as independent contractors, they have different legal protections and privileges than regular employees. Because of this, it could be difficult for gig workers to file a lawsuit if clients or employers mistreat them.

**3. Difficulty finding quality work:** With so many gig workers competing for a limited number of projects, it can be challenging for workers to stand out and find high-paying, fulfilling careers.

**4. Inability to access benefits:** Gig workers may require access to resources like health insurance or retirement plans, making it difficult to plan for the future and provide for themselves and their families.

**5. Uncertainty and instability:** The gig economy tends to be unpredictable and unstable, leaving employees needing clarification and support.

## LABOR MARKET DYNAMICS:

**a. Shift in Employer-Worker Relationship:** The gig economy has led to a transformation in the employer-worker relationship.

**b. Impact on Traditional Industries:** The rise of the gig economy has new business models that have displaced established sectors like transportation and hotels. Platforms like Uber and Airbnb have challenged established norms and forced industries to adapt to changing consumer preferences and demands.

**c. Skills and Education:** The gig economy places a greater emphasis on specialized skills and adaptability. Workers must continuously update their skills and knowledge to remain competitive in the dynamic gig market. This shift has implications for education and training systems, which must focus on equipping individuals with the necessary skills for the future of work.

## POLICY AND REGULATORY CONSIDERATIONS:

**a. Balancing, Flexibility, and Protection:** Policymakers balancing increasing flexibility with defending the rights and well-being of gig workers is difficult. Developing regulations that address worker benefits

In conclusion, the gig economy has significant implications for traditional employment models and labor market dynamics. While it offers advantages such as flexibility, autonomy, and access to global talent, it also presents challenges regarding job security, limited access to benefits, and worker rights. The gig economy has led to a transformation in the employer-worker relationship and disrupted traditional industries. To navigate these changes successfully, policymakers and stakeholders must balance flexibility and worker protection. As the future of work continues to evolve, it is crucial to address these implications and ensure a fair and sustainable labor market.



Safia Isse Farah,  
Digital Freelancer based in Mogadishu

# Paybill

Ku bixi  
adeegga Paybill  
ee app-ka **Waafi**  
kharaashaadka



waxbarashada



Korontada



TV Cable



Biyaha

Download Waafi app 



Available on the  
App Store



GET IT ON  
Google Play



@waafi

Powered By:



بنك سلام الصومالي  
SALAAM SOMALI BANK

# UNLEASHING CREATIVITY AND ENTREPRENEURSHIP FOR A FAVORABLE ENVIRONMENT IN SOMALIA

SAMIRA ABDULKADIR



## INTRODUCTION

The globe is currently facing a number of major environmental issues, including climate change, pollution, destruction, and the loss of natural resources. This makes Somalia one of the nations that will be most negatively impacted by climate change. According to the Office for the Coordination of Humanitarian Affairs (OCHA), 8.25 million people will be living in Somalia in 2023, an alarming number that will necessitate immediate humanitarian assistance as well as security assistance to safeguard their lives. This astounding figure, which represents over half of the nation's population, highlights the magnitude of how climate change is affecting Somalia's ongoing food crisis. Floods, droughts, and rising sea levels are just a few of the climate change-related effects that are already being felt across the country and are destructive to both people and the environment. The frequency and severity of droughts are increasing.

While these challenges are certainly formidable, they also present an opportunity for revolutionary change, propelled by our innate inventiveness and entrepreneurial spirit. This provides an opportunity to develop creative responses to these environmental challenges that also provide economic rewards.

Through innovation and a strong dedication to sustainability, Somali businesses may have a big impact on the fight against climate change and the settlement of environmental issues affecting their nation. Young business owners are increasingly confronting these difficulties head-on with novel solutions and fresh perspectives in recent years. However, entrepreneurship in Somalia has its problems. These include Lack of access to finance, Insecurity, and Poor infrastructure. By unleashing their creativity and innovation, these entrepreneurs can help to build a more prosperous and resilient Somalia. This article delves into how creativity and entrepreneurship can serve as catalysts for a sustainable and improved environment in Somalia.

There are many jobs that young entrepreneurs in Somalia can do by harnessing their creativity and innovation to improve the environment in Somalia, such as starting eco-friendly initiatives focused on waste management and recycling. They can also explore sustainable agricultural practices to address food security issues and promote organic farming techniques.



Furthermore, young entrepreneurs might use their technology talents to create platforms that enhance environmental awareness and support sustainable habits in the local community. They may have a good impact and pave the road for a greener and more sustainable future in Somalia by actively participating in these activities.

Likewise, young entrepreneurs in Somalia have a pivotal role to play across several domains. Firstly, agricultural entrepreneurs possess the potential to revolutionize farming practices, creating novel methods that are inherently resilient against the repercussions of climate change. This cadre can pioneer the development and distribution of drought-resistant crops, organic fertilizers, and other agricultural innovations. Secondly, renewable energy entrepreneurs can spearhead the implementation of sustainable energy solutions, encompassing the establishment of solar panels and wind turbines. Their endeavours extend to promoting and installing energy-efficient appliances that curtail energy consumption. Thirdly, water conservation entrepreneurs stand as champions of responsible water usage. Through the introduction of water-saving technologies and water harvesting systems, coupled with public awareness campaigns, they contribute to the vital cause of preserving this invaluable resource.

Additionally, waste management entrepreneurs are primed to tackle the pressing issue of waste. Their initiatives encompass the design and execution of waste reduction and recycling programs, alongside the collection and recycling of refuse or provision of composting services. Fifthly, the realm of green businesses is ripe for exploration. Entrepreneurs here are poised to launch enterprises that offer eco-friendly products and services, spanning organic foods, solar panels, and energy-efficient appliances, among others.

The realm of possibilities is abundant for young entrepreneurs in Somalia. Their potent blend of creativity and innovation is a formidable asset in fashioning a more sustainable trajectory for their nation.

By engaging in these diverse pursuits, they contribute not only to their own success but also to the collective endeavor of forging a more resilient and sustainable future.

Beyond the specific roles entrepreneurs play, a fundamental skill set is crucial for young entrepreneurs in Somalia who aspire to champion environmental protection through their entrepreneurial endeavors. These proficiencies encompass the following: Firstly, Problem-solving: Entrepreneurs must possess the acumen to recognize and effectively resolve challenges that inevitably arise. Secondly, Creativity: The ability to think innovatively and generate novel concepts is paramount for entrepreneurs to distinguish themselves in a competitive landscape.

Thirdly, Leadership: Strong leadership skills are imperative for entrepreneurs to motivate their teams and steer their ventures with precision. Fourthly, Communication: Skillful communication with a diverse range of stakeholders is pivotal for entrepreneurs to articulate their vision persuasively and foster productive collaborations. Finally, Resilience: The capacity to rebound from setbacks and conquer obstacles is integral for an entrepreneur's sustained success.

Cultivating these proficiencies empowers young Somali entrepreneurs, enhancing their prospects of triumph. Equipped with these skills, they gain the adaptability required to navigate the dynamic business terrain and adeptly handle unforeseen circumstances. Moreover, these aptitudes enable them to eloquently present their ideas to potential investors, thereby attracting vital funding crucial for their initiatives.

Effective communication not only allows them to foster robust networks but also facilitates strategic partnerships with fellow businesses and organizations. Ultimately, honing these skills not only fosters personal growth but also contributes to Somalia's economic advancement. By leveraging these abilities, young entrepreneurs in Somalia can serve as transformative agents, driving sustainable practices while catalyzing the nation's progress.





## RECOMMENDATION

Young Somali entrepreneurs who have the creativity, ingenuity, and desire to address climate change and environmental issues need to be encouraged and empowered by the international community in light of Somalia's acute environmental challenges and an urgent need for humanitarian help. For this potential to be accomplished through collaboration by international organizations, governments, and private sector entities, it is necessary to have access to funding, mentorship, and training programs targeted to the particular obstacles faced by Somali entrepreneurs. By developing their problem-solving, creative, leadership, communication, and resilience abilities, these businesspeople have the potential to be long-term change agents and contribute to global economic growth, environmental resilience, and better future prospects.

## CONCLUSION

The article highlights worldwide environmental issues, with a particular emphasis on Somalia's vulnerability to the effects of climate change. It emphasizes the urgent need for humanitarian aid due to these challenges. However, it also identifies an opportunity for positive change through the creativity and entrepreneurship of young Somalis. These entrepreneurs can address environmental issues while also promoting economic growth. The article describes different sectors where these entrepreneurs can make an impact, like waste management, farming, renewable energy, and more. Problem-solving, creativity, leadership, communication, and resilience are listed as essential success abilities. The article recommends international collaboration to support and empower these entrepreneurs through funding, mentorship, and training programs, highlighting their potential to drive sustainable change and contribute to both Somalia's development and global environmental improvement.



Samira Abdulkadir,  
Assisatnt Editor,  
SBR

## SOMALIA'S NATURAL ECOSYSTEMS ARE UNDER PRESSURE: SUSTAINABLE PRACTICES CAN HELP

MOHAMED OKASH



Extreme climate events are becoming the norm in Somalia. In the past three decades, the country has faced many ecological crises. The natural environmental ecosystems in Somalia face significant challenges. The country has grappled with climate change, biodiversity loss, land degradation and weak environmental governance. These factors have had detrimental effects on the lives and livelihoods of Somali people. Understanding the four issues damaging Somalia's natural ecosystems is crucial for exploring practical policy options to deal with the crisis and save Somalia from further existential crises of poverty, conflicts and fragility.

### 1. CLIMATE CHANGE

Climate change is one of the biggest threats and injustices of our time. Natural ecosystems, including people, are in danger of dying out. Although the impact of climate change is a universal catastrophe, not everyone is impacted equally. The Global South bears the burden of the crisis more than the Global North. Somalia is one of the countries most vulnerable to the threats and injustice of climate change, suffering the effects of frequent drought cycles, changes in rainfall patterns and floods.

This exacerbates the existing generational crisis of poverty, inequalities, fragility and conflicts. These compounding crises put the existence of Somalia as a nation at risk. In 2023 alone, more than 6 million people are in need of basic necessities and emergency humanitarian assistance following extreme drought. According to the global climate index ND-GAIN, Somalia is the second most climate-vulnerable nation in the world and one of the least prepared to deal with the climate issue. Yet, the country is one of the lowest contributors to global greenhouse gas emissions.

### 2. LAND DEGRADATION

Due mostly to a combination of natural and human causes, Somalia has faced land degradation for several decades. Deforestation, droughts, excessive grazing, soil erosion and unsustainable farming practices are some of the contributing factors. Due to deforestation and the unsuitable use of land, animal populations can not meet their nutritional needs and sustainable crop production is unfeasible. A considerable driver of deforestation in Somalia is the rising charcoal demand for household consumption.



The Food and Agriculture Organization of the United Nations (FAO) divides land degradation into three categories. Firstly, biological degradation, which involves the loss of biomass, plant cover and biodiversity; secondly, soil degradation, caused by water, wind and chemical erosion; and, thirdly, water degradation, a result of increased aridity and a reduction in surface water quality.

The government, local people and foreign partners must work together to solve the issues causing land degradation, which is having a substantial impact on Somalia's environment and its economy. The causes of land degradation can be direct and indirect. Direct causes include human activity exerting pressure on land resources. In Somalia, according to a study by SWALIM, these activities include overgrazing, tree cutting (for fuel and charcoal production) and poor agronomic practices, such as down-slope tillage and the burning of animal manure, instead of incorporating it into the soil. Other causes include the limited use of soil and water conservation practices in crop-production areas and the failure to maintain land degradation control infrastructure. Factors behind the direct causes – such as land tenure, illiteracy, poverty, war and conflict, weak governance and high population density, are considered to be the indirect causes.

### 3. BIODIVERSITY LOSS

Somalia is one of the Horn of Africa's most biodiverse nations, with a high concentration of indigenous species. The variety and endemism of species in Somalia are well known. There are 1,332 animal species and more than 5,000 plant species, with more than 55% of the plant species being indigenous. In terms of floral endemism, Somalia is regarded as a hub; of the 700 species that have been identified, 17% are endemic. Somalia, which has the longest coastline in Africa, is also home to well-developed coral reefs that are rich in species, including fish, dolphins and coral. Biodiversity is declining at an alarmingly rapid rate as a result of poor natural ecosystem involvement.

Somalia is experiencing a grave crisis of biodiversity. A significant portion of the nation's natural ecology has been lost during the past few decades and many plant and animal species are now endangered or extinct. The biggest threats to biodiversity and its ecosystems are violence, overfishing, pollution, invasive alien species and tsunamis. Other dangers include habitat degradation, loss and deterioration. According to the IUCN Red List 2015, Somalia is home to 168 endangered species, including 13 mammal species and 43 plant species.

The loss of biodiversity in Somalia is having a number of negative impacts on the country. If business continues as usual, agricultural products will decline, the loss of livestock will increase and the entire natural habitat will be depleted. As one of the most vulnerable countries to climate change and environmental degradation, the country needs the acceleration of the domestication of the Convention on Biological Diversity (CBD), which is a global legal instrument for "the conservation of biological diversity, the sustainable use of its resources and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources."

### 4. POOR ENVIRONMENTAL GOVERNANCE

Due to fragility and weak governance in Somalia, countless unsustainable behaviours endanger its nature and livelihoods. Ineffective environmental governance has led to overfishing, deforestation, a harmful charcoal trade, illicit logging, wildlife poaching and toxic dumping in the ocean. Natural resources in Somalia, including soil erosion and depletion of water resources, have been degraded because of these issues.

Somalia's existing system of environmental governance is ineffective and fragmented, with insufficient institutional and legislative frameworks, capacity restrictions and ineffective stakeholder cooperation. It was just one year ago that Somalia's first Ministry of Climate Change and Environment was formed.



The creation of the National Environment Policy and the Ministry of Environment and Climate Change are two examples of the government's attempts to address environmental issues, but limited funding and capacity on the part of the government make it difficult to put these policies and initiatives into action.

## THE WAY FORWARD

The natural environmental ecosystems in Somalia are under pressure from multiple factors. Land degradation caused by deforestation, unsustainable farming practices and excessive grazing has led to the loss of biodiversity and reduced crop production. Climate change exacerbates Somalia's vulnerability to droughts, floods and water shortages, impacting agriculture and livelihoods.

Biodiversity loss further threatens Somalia's ecosystems, as deforestation, overgrazing and illegal hunting disrupt habitats and reduce species populations. Ineffective environmental governance and lack of resources hinder efforts to address these challenges. It is imperative for the government, local communities and the private sector to partner and cooperate in implementing sustainable practices, conservation measures and adaptation strategies to protect and restore Somalia's natural environment. Concerted efforts are required to mitigate the negative impact of these factors, ensuring a more sustainable future for Somalia's ecosystems and its people.

*This article was originally published on WEF Agenda*



Mohamed Okash,  
Editor-In-Chief,  
SBR





## COMBATING CLIMATE CHANGE IN SOMALIA REQUIRES STRUCTURAL AND SYSTEMS CHANGE

MOHAMED OKASH

Climate change is one of the gravest risks threatening Somalia. Climatic events including frequent and severe droughts, altered rainfall patterns, and more frequent and intense floods and temperatures had a severe impact on Somalia. Due to its arid and semi-arid environment, Somalia is already vulnerable to droughts and water shortages. According to the global climate index ND-GAIN, Somalia is the second most climate-vulnerable nation in the world and one of the least prepared to deal with the climate issue. Multiple droughts that significantly harmed livestock and crops in Somalia in recent years have resulted in food insecurity, malnutrition, and climate-induced migration. In 2023 alone, rain seasons failed consecutively more than 4 times which resulted in the longest and most severe drought the country faces in decades. Unfortunately, more than 8 million people are indeed in emergency humanitarian response due to food insecurity while over 1 million people are being displaced by the drought. To increase the chance of Somalia's climate resilience and build its adaptive capacity, Somalia should challenge the existing governance structures and systems towards a livable, greener, and sustainable future.



### PRIORITIZING CLIMATE ADAPTATION

Climate Adaption is inevitable in the case of Somalia to tackle the cascading effects of climate change. Somalis are an entrepreneurial society, by tapping their qualities among the communities to adapt to climatic events, this includes innovating new approaches to building resilience and reducing vulnerability. Climate adaption is about taking actions to adapt to the new emerging climatic conditions to both the current and future impacts. These could be investing and innovating new ways of water management, farming, land use and sustainable resource management practices to safeguard livelihoods. In the global south, there number of successful climate adaptation efforts being done which Somalia can borrow from best practices for climate change.

Practically, Adoption-driven or led by the local communities produces extensive results. Therefore, empowering the local communities to explore different ways of adaption whether it's locally led adaption, community-driven adaption or even ecosystem-based adaptation is inviable and essential.



At COP27, countries adopted the loss and damage fund which was a historical achievement towards establishing a special fund for the developing world in building resilience and safeguarding livelihoods. Somalia needs to unlock the global financial mechanisms including the adaption fund. Additionally, Somalia needs to accelerate its process of developing a National Adaption Plan with actionable and overarching goals of addressing the vulnerability of climate change and building adaptive capacity.

## ALLOCATION OF FUNDS

According to the Somalia National Determined Contribution (NDCs), the country needs more than \$50 Billion US Dollars to from 2021 -20230 to adapt to the crisis by hugely investing in the productive sectors. Climate Adaption would mitigate the climate risk and the deepening poverty levels and inequalities which bears its burden by half of the Somali population. currently, this amount of climate finance is more than the current national budget, less than 1 billion US dollars, and its majority is not domestically mobilized. The country is required to unlock climate finances from the existing global financial mechanisms including the loss and damage fund, global green facility, green climate fund and others. Additionally, Somalia can benefit from establishing carbon markets to attract carbon credit finance to bridge the climate and development financial gap to achieve its climate targets. For Somalia to accelerate this pace to face climate change, it has to bridge the funding gap in building resilience and reducing the country's vulnerabilities to climate shocks. Among many policy options, the country should fast-track building a robust climate finance coordination mechanism and climate budget tagging procedures to unlock financial support to invest in adaptation.



## MAINSTREAMING GREEN POLICIES

As Somalia is undergoing efforts to rebuild and reform its public institutions and enact new laws and policies to ensure a functioning state in today's modern world, it's imperative the country is being directed towards inclusive green growth towards sustainable development. Despite all climate catastrophes in the country, Somalia recorded tremendous achievements in developing its Nationally Determined Contribution (NDC), National Climate change policy and national environmental policy, and recently started in developing its National Adaptation Plan (NAP). These new either enacted or upcoming needs to be aligned with The National Development Plan, Paris Agreements, and Sustainable Development Goals so Somalia doesn't leave behind. Greening policies will systemically accelerate the pace of green transition in Somalia. This could be approached by either drafting new national acts to protect and safeguard the natural ecosystem or integrating green components into the existing national, sectoral, and sub-national policies and programmes, especially development strategies, plans and budgets. For example, Somalia should prioritise banning harmful and unsustainable practices including illegal fishing, ocean toxic dumping, deforestation, and charcoal trade. Also, Somalia should pioneer mainstreaming environmentally friendly laws to challenge the mindsets, systems, and institutions to think and act for sustainability. The Private sector investment could be channelled into greening the value chain of businesses or disrupting the conventional way of producing to innovate and adapt sustainable business practices. Greening systems would generate green jobs, accelerate transition, and serve the overarching goal of protecting people and the planet.





## GREENING MINDS

Since the nature of the crisis is planetary, it requires partners' involvement in local communities to tap their indigenous knowledge and address the issue through a bottom-up and whole-society approach. Through this, Somalia can navigate its path to mitigate the crisis, adapt and transform into an economy into green and inclusive. To translate these ambitions, greening the mindsets is a prerequisite. Sustainable practices are preceded by challenging the status quo to more eco-friendly thinking and action from individual to household, to organizations, to a nation and beyond. Academia and civil society could play a major role in raising people's awareness about the climate realities and the best practices to deal with their routine lives.

Apart from the growing climate shocks, most people in Somalia see climate change as more of a natural accuracy rather result of anthropogenic activity. Such thinking will only hinder progress to be made in the fight against climate change. Therefore, changing people's mindsets is a fundamental requirement before greening policies, institutions and economies. A few CSOs and academia in Somalia are now stepping up to pioneer bold steps in this, The Institute of Climate and Environment (ICE Institute) at SIMAD University is taking bold action to sanitize the people about the impact of climate change through advocacy campaigns, action research, capacity, and community building. Greening Minds will bridge the knowledge gap to create sustainable practices around lifestyle.



Mohamed Okash,  
Editor-In-Cheif,  
SBR





## We **Provide**

a comprehensive suite of **technology solutions** designed to meet the diverse needs of **modern businesses**. Our services are tailored to drive innovation, enhance efficiency, and foster growth in an ever-evolving **digital landscape**.



Pioneering  
**Technological**  
Solutions

## Our Core Services:



**Creative &  
Media  
Solutions**

Elevate your brand with our creative expertise, from captivating branding and campaign design to impactful digital marketing strategies, and from professional photo and video production to intuitive UI/UX design.



**Information  
System  
Solutions**

Build a robust digital infrastructure with our information system services, including seamless domain name registration, reliable web hosting and development, innovative mobile app development, and efficient management systems.



**Consulting &  
Training  
Services**

Empower your organization with our consulting and training offerings, covering content development, skill-enhancing training programs, strategic technology consulting, and insightful data analytics and visualization.

For More Information:

 [www.nextone.so](http://www.nextone.so)  [info@nextone.so](mailto:info@nextone.so)  +252 610 938844       nextoneso



# THE RECUPERATING LANDSCAPE OF MOGADISHU: RISING DEMAND FOR AFFORDABLE HOUSING

ABDIKAFI HASSAN ABDI



## 1. INTRODUCTION

Mogadishu, the bustling capital of Somalia, is a recovering city after several decades of civil unrest. As a place with vibrant culture and commerce, the rising demand for affordable housing is reshaping the city's landscape. There is a challenge in the city where the booming population intersects with the pressing need for affordable shelter. The surging rent prices in the city have far outpaced the modest growth in the average citizen's monthly income, which made steady growth for the past decade. As rents soar, many residents, particularly those with limited financial means, find themselves struggling to secure suitable accommodation. Notably, this stark disparity between income and housing costs has fueled the urgent need for affordable housing options. Moreover, the gap between housing costs and citizens' income levels has widened, particularly with increasing rent prices. This underscores the pressing issue that the city faces as it grapples with the rising cost of living, making it imperative for Mogadishu to address this growing housing costs that aligns with the financial realities of its citizens.

## 2. FACTORS DRIVING DEMAND FOR HOUSING

The growth of a burgeoning middle class in Mogadishu has greater purchasing power and is looking for improved living standards, spurring demand for modern and affordable housing options. Thus, the increasing demand for affordable housing in Mogadishu is influenced by a multitude of factors, reflecting the evolving dynamics of the city and the aspirations of its residents. Some of the key contributors to this rising demand include:

**a) Population Growth:** Mogadishu's population has been steadily increasing due to natural population growth and the return of Somalis from abroad. As the city becomes a vibrant hub, more people are drawn to it, intensifying the need for housing. The Somali diaspora, who left during the conflict, is gradually returning to the country and take a pivotal role in economic and political activities. These returned citizens contribute to the demand for housing options that meet international standards and affordability.

**b) Rural-to-urban migration:** The prolonged conflict in Somalia led to the displacement of many people, forcing them to seek refuge in urban areas, particularly Mogadishu. In addition, the people displace due to environmental induced factors, such as climate change, that affect adversely affect environmental susceptible sectors that provides their livelihoods. This displacement created a surge in the urban population, informal settlements, and an increased demand for housing. Also, the city's educational institutions, including universities and schools, attract students from various regions of Somalia. These students, as well as educators, contribute to the demand for housing in the city.

**c) Economic Opportunities:** The speeding up of the economic recovery of Mogadishu and the expansion of various industries have made the city a magnet for job seekers. As the city generates employment opportunities, it attracts individuals from across the country in search of better livelihoods. Additionally, the business sector of the city is thriving, with a surge in entrepreneurship and small enterprises, which has led to increased demand for skilled and unskilled labor.

**d) Urban Development and stability:** As Mogadishu undergoes urban development and modernization, the housing landscape is evolving. Many people are looking for housing that combines contemporary amenities with affordability. Additionally, the improving security situation in Mogadishu has increased the city's appeal, making it a more attractive place to live, work, and invest.

Although this positive perception contributes to the growing demand for housing, the distribution of the stable zones in the capital city is uneven, which makes some villages more expensive compared to others. On top of that, the level of infrastructure development in different areas of the city greatly impacts housing costs. Improved infrastructure, such as well-maintained roads, public transportation, and access to utilities, is associated with higher property values.

### 3. SUPPLY-SIDE FACTORS FOR HOUSING

Besides, Mogadishu faces a substantial housing supply deficit. The existing housing stock is insufficient to cater to the growing population and the increasing demand for modern, affordable homes. The escalating demand for affordable housing in Mogadishu is not only driven by factors on the demand side but also by several supply-side factors. These factors reflect the complex challenges and opportunities faced by real estate developers, local authorities, and other stakeholders in meeting the housing needs of the city. The supply-side factors are included by these:

**a) Real estate property prices:** One of the most significant factors is the limited availability of land within the city. As more people move in and land becomes scarcer, prices rise, pushing property costs upward. Notwithstanding, the significantly higher land prices in Mogadishu compared to many neighboring capital cities is a notable trend that reflects burden.





**b) Construction Costs:** The reliance on imported construction materials and labor has led to relatively high construction costs. It is essential to explore alternative construction methods and identify local sources of materials. This might involve investing in training and skill development for the local workforce, promoting the use of sustainable and locally available building materials, and creating incentives for domestic production.

**c) Finance and Investment:** The available financing and investment in the real estate sector is another challenge. A lack of accessible financing options can impede the construction of affordable housing. The willingness of local and international investors to engage in affordable housing projects is still minimal. When investors are confident in the market and see opportunities for returns, they are more likely to fund housing developments.

**d) Bureaucratic and regulatory barriers:** The approval process for housing projects can slow down development and increase costs. In Mogadishu, there are significant challenges that can hinder the growth of the real estate sector and limit the supply of affordable housing. Specifically, regulatory fees, including application charges for various permits, can be prohibitively high. These costs can significantly increase the overall expenses of a housing project.

## 4. CONCLUSION

As the city experiences rapid urbanization and population growth, it falls upon the government to formulate and implement policies and initiatives that promote affordable housing options for its residents. This includes strategies to incentivize the construction of cheap housing units, encourage private sector involvement in affordable housing projects, and reduce administrative challenges to make homeownership more accessible to low and middle-income families. As Mogadishu continues to evolve, managing land prices and ensuring equitable access to land resources will be critical for sustainable urban development. Finally, exploring innovative and cost-effective construction technologies can help reduce building costs, making affordable housing more achievable.



Abdikafi Hassan Abdi  
Head of Research, ICE Institute  
SIMAD University





# MAIN BARRIERS TO ORGANIZATIONAL TRANSFORMATION ON DIGITALIZATION

DHAQANE ROBLE HALANE,



## 1. INTRODUCTION

Today the business environment is changing dramatically especially technology; many of the largest executives, despite their proven track records are vulnerable. Over-reliance on past success can be misleading because what helps a Business succeed in the future can be very different from what contributed to its past success. These large executives face challenges and to prepare for the digital future, they have significantly increased their investment in transformation and in transit on a digital transformation journey aimed at leveraging digital opportunities to transform their businesses. (Andersson, Movin and Teigland, 2018).

All businesses are experiencing the effects of digitalization, which is a worldwide phenomenon with different intensities and paces. As many leaders and businesses are engaged in it as there are images and meanings associated with the term "digital transformation." The ongoing procedure of modifying how current organizations conduct their operations is known as digital transformation. (Oestreicher-Singer and Zalmanson, 2011). I'll discuss some of the key issues in of main obstacles of digital transformation

Many businesses agree on the idea of digital transformation, but following through on a strategy after committing to it is another matter. The majority of digital changes fail, the fact is. Successful businesses have a few characteristics, such as a detailed preparatory analysis of the risks, problems, and hurdles connected with digital transformation. In the section under "Main Barriers to Digital Transformation," I'll go through a few important subtopics. Digital transformation implementation challenges:

## MAIN BARRIER OF DIGITAL TRANSFORMATION

Here are some of the main barriers to executing a plan that focuses on digitalization. The most significant barrier to our business is included.

### • A lack of IT expertise

Some businesses, especially small ones, that have reached a level of success where using tools for digital transformation would make sense often simply lack the internal IT capacity to do it. This may be the consequence of a labor shortage or the fact that the budget just does not permit it.

The IT labor force is being tapped as more industries implement technologies in general, leaving smaller enterprises with fewer personnel to choose from. Because qualified IT personnel are a crucial component, this hinders digital change. They may not be directly involved in the transformation itself, but they are at least involved with routine troubleshooting, a system setup, and tech connection.

#### • Lack of Resources Strategy

The planning and execution of digital transformation require substantial resources. The employees of the business who need to implement digitization are frequently the same ones who are unwilling to influence others to make the necessary changes. These are the ones who want to see resources used less frequently since they understand how much money the digital transformation will save.

However, we also talk about an idea that is extremely costly to develop or put into practice. Businesses, therefore, postpone implementing the major change and maintain the status quo. The digital transformation needed to be accepted as a long-term business decision in order to succeed.

#### • Insufficient understanding

Different people have different ideas of what "digital transformation" is. Some people confuse the phrase with other technological efforts or areas. If you think that "transformation" has to do with new software or other methods of data storage (such as "in the cloud" or in an app on a phone), then you're wrong. The objective is to automate systems and processes by developing unique digital channels and cutting-edge business technologies (like ERP). Accessing new revenue sources can also be the goal.

The digital transformation strategy is not common. Depending on the sector it belongs to, it may have a distinct appearance. Governments, businesses, and industries will all have certain requirements for digital projects that would be effective.

#### • Neglect to Manage Change

Even when everyone is in agreement on what is meant by "digital transformation," and even when the right resources have been allocated, it might be difficult to carry out the changes. This is due to the well-known fact that humans fear change. A significant development is the digital transition. The largest decision-makers in a business—the bosses—are the ones who make the biggest changes.

However, the rank-and-file personnel are the ones who must continuously implement the chosen modifications. These bugs are worker bees. To properly explain the reasons for the change and how it will benefit the team as a whole and the organization as a whole, leadership must put out a lot of effort.

## CONCLUSION

We are aware of the actual obstacles facing the digital revolution. Making an effective plan for digitization will require diligent preparation, taking into account these obstacles before starting, and coming up with workarounds.

## RECOMMENDATION

I recommend all businesses, whether big or small, to go digital. Due to the following factors

- It creates chances to produce new business models
- It also creates new revenue streams
- It also creates new customer segments
- It creates new connections with customers and potential.



Dhaqane Roble Halane,  
Researcher,  
ICE Institute





## FOUR WAYS FRESH GRADUATES CAN CONTRIBUTE TO COMMUNITY DEVELOPMENT

MR. ABDIRAHMAN SUDI



### 1. INTRODUCTION

Every year, thousands of fresh graduates are released into the labor markets by the countless higher education institutions in Mogadishu. The Job market is very competitive, informal, and unstable. The available jobs are always less than the. Number of job seekers. This has created the ever-growing number of unemployment and underemployment among the young people. The demand and supply of labor market needs to equilibrium. As fresh graduate, I thought to shed the light on various things we can do beyond searching jobs to contribute the overall. These four pathways can contribute the betterment for the community and as well as position yourself to get the job.

### BECOMING A VOLUNTEER

Volunteering allows recent graduates to give back to their communities while also earning vital skills and experience. Volunteering, whether in education, healthcare, social work, or environmental efforts, provides an opportunity to connect with like-minded people and make a genuine difference.

Exploring the benefits of volunteering; sharing inspiring experiences of young volunteers; and offering advice on how to get started. One of the most tempting parts of volunteering is the chance to meet other people who are passionate about making a difference. Graduates can work with mentors, seasoned professionals, and other volunteers to build a diverse network of contacts that will be useful in the future.

Volunteering develops abilities that are not restricted to technical knowledge. Volunteers learn a variety of soft skills, including leadership, communication, problem-solving, and adaptation. These skills not only make graduates more marketable to potential employers, but they also enable them to effect change in their communities. Furthermore, volunteering can have a significant impact. Graduates can offer a tangible and constructive contribution to society by engaging in a community garden project, tutoring impoverished children, or assisting in disaster relief activities. These experiences not only benefit the community, but they also offer graduates with a sense of fulfillment and purpose, which can be crucial when they begin their professions.

## BUILDING STARTUPS

Starting a business or a startup can be a rewarding path for people with an entrepreneurial spirit. Graduates will be able to recognize unmet needs in their communities and develop innovative solutions while becoming self-sufficient. It will go into the entrepreneurial path, covering how to conceptualize, plan, and launch a startup. Furthermore, emphasize success stories of young entrepreneurs who have not only built great enterprises but also impacted their communities. The startup path is not for the faint-hearted, but it offers immense potential for innovation, self-reliance, and community transformation. One of the key advantages of entrepreneurship is the opportunity to identify unmet needs and gaps within the community. Graduates can use their local knowledge to come up with solutions to these problems. They are not only serving their community but also generating a sustainable business by developing a product or service that meets a genuine demand. Entrepreneurs also have a unique ability to have a larger impact on their communities. They contribute to the well-being of their community by creating job opportunities and supporting economic growth. Startups frequently offer new views and creativity to long-standing challenges, opening the way for genuine change and success.

## BECOME AN EMPLOYEE: NAVIGATING THE CORPORATE WORLD

Stepping into the corporate sector may be a big milestone for recent graduates, providing a structured path toward professional progress. This path allows you to obtain experience in a variety of industries, refine particular abilities, and leave a lasting impression on the community. Preparation is the first step toward a successful job as an employee. Fresh grads should design their resumes and cover letters meticulously, emphasizing their schooling, talents, and any relevant internships or projects.

Having a respectable online profile on platforms like LinkedIn might also help them get work. Securing employment necessitates employing efficient job-search tactics, networking, and demonstrating a willingness to learn. This will look at how recent grads can manage the job application process, prepare for interviews, and make the most of their first few years out of college.

Employees can use their positions to contribute to community development once hired. Many corporations have corporate social responsibility (CSR) initiatives, in which graduates can actively participate, bridging the gap between the business world and local communities. Furthermore, the corporate world exposes graduates to industry trends, professional networks, and mentors. These opportunities can help graduates make significant contributions to their organizations, and thus to their communities. Becoming an employee in a corporation entails actively participating in the growth and development of the company as well as the broader community. Fresh graduates may prepare themselves for long-term success while also making significant contributions to the betterment of the world around them by successfully navigating the corporate world.

## FREELANCER: EMBRACING THE GIG ECONOMY

Embracing the gig economy and working as a freelancer offers a dynamic path that combines flexibility, independence, and the opportunity to contribute to the community for recent graduates. This path allows individuals to apply their skills in a variety of industries and projects while shaping their professional path. Freelancing is an appealing option for graduates because it allows them to select projects that match their interests and expertise. It's a path that allows them to take charge of their careers, work on a variety of projects, and set their own schedules. This will explore the intricacies of freelancing, from building a strong online presence on platforms like Upwork and Fiverr to finding and securing freelance opportunities.





The gig economy has grown significantly in recent years, and there is a growing demand for freelancers in a variety of industries. Fresh graduates can market their skills to a global clientele in graphic design, content writing, web development, or digital marketing. Freelancers are more than just self-employed people; they are business owners in their own right. They can develop their personal brand, set their prices, and effectively manage their businesses. The gig economy encourages graduates to constantly upskill and adapt to market trends, resulting in ongoing personal and professional development.

## RECOMMENDATIONS

**Diversify Skills and Networks:** Regardless of the chosen path, fresh graduates should focus on diversifying their skills and building extensive networks. For volunteers, this means collaborating with individuals from various backgrounds. Entrepreneurs should aim to expand their skill set beyond their initial expertise. Employees can benefit from actively participating in workplace networking events, and freelancers should continually seek opportunities to refine their skills and make connections.

**Adapt and Evolve:** In a rapidly changing world, adaptability is a crucial skill. Graduates must be willing to learn and evolve with their chosen paths. The skills acquired from one path can often be transferred to another. For instance, the problem-solving skills developed while volunteering can be equally valuable when starting a business or freelancing. The ability to adapt to new challenges and seize opportunities is essential.

**Embrace Lifelong Learning:** In the modern professional landscape, learning is continuous. Graduates should consider further education, workshops, and online courses to stay updated with the latest industry trends and skills. Lifelong learning ensures that they remain competitive and adaptable in their chosen path.

## CONCLUSION

In conclusion, fresh graduates have a multitude of pathways through which they can contribute to community development while positioning themselves for future employment opportunities. It's important for fresh graduates to realize that these pathways are not mutually exclusive. By following my recommendation and embracing adaptability, graduates can create a dynamic, evolving, and fulfilling career that positively impacts both their communities and themselves. Ultimately, the journey from fresh graduate to a community contributor is one that will test perseverance, adaptability, and determination. Each of these pathways offers a unique set of challenges and opportunities, but the common thread among them is the potential to make a meaningful impact. By actively participating in community development through volunteering, entrepreneurship, employment, or freelancing, fresh graduates have the power to shape their destinies while making lasting contributions to their communities, fostering growth and change in the process. The future is bright for those who are willing to take the initiative and make a difference.

Mr. Abdirahman Sudi,  
Blogger,  
SIMAD University





**AFFORDABLE AND  
COMPASSIONATE  
HEALTHCARE**



**INTENSIVE CARE  
UNITS**



**SURGICAL  
SERVICES**



**NEONATAL  
ICU**



**LABOR AND  
DELIVERY**



**AMBULANCE  
CALL CENTER**



**RADIOLOGY**



**EMERGENCY  
SERVICES**



**PHARMACY**

**STATE-OF-THE-ART  
CT SCANNER!**





# SBR SOMALI BUSINESS REVIEW



+252619924646



sbr@simad.edu.so  
www.sbr.simad.edu.so



SIMAD iLab, Town Campus, SIMAD  
University, Mogadishu-Somalia



P.O. Box 630  
Mogadishu-Somalia

