



EUROPEAN BUSINESS IN SOMALIA

HOW EUROPEAN INVESTMENT AND TRADE
CONTRIBUTE TO SUSTAINABLE DEVELOPMENT



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FOREWORD



TIINA INTELMAANN

HEAD OF THE DELEGATION
OF THE EUROPEAN UNION
TO THE FEDERAL REPUBLIC OF SOMALIA

“ This brochure showcases the presence of European businesses in Somalia. This analysis, made by the EU Delegation and the EU Member States (incl. Norway and Switzerland), contains data provided on a voluntary basis by European companies. These figures indicate their profile, sectors of activity, investment characteristics, economic impact and corporate social responsibility. The report also intends to highlight key opportunities and barriers to trade and investment.

The European Union and Somalia have been close partners for decades. Ever since, both have been working hand in hand, closely collaborating in political, social, cultural and economic matters and bringing prosperity to the Somali people. The Somali diaspora in Europe plays an active role in this relationship.

As the country's largest development partner, the European Union wishes to promote favorable investment climate and business environment to support country's efforts towards economic transformation and the green transition, where the private sector contributes to sustainable growth and the creation of decent jobs for all, in particular women and young people. The fact that two European Development Banks are already financing SME investments in Somalia shows the scope of our cooperation.

Mapping out the EU business presence in-country together with the Somali authorities, local private and financial sectors is aimed at promoting an effective public-private dialogue. It is a step towards strengthening the contribution of private sector, in line with the National Development Plans, the EU-Africa Partnership for Sustainable Growth and Jobs and the EU External Investment Plan.

I wish to express my appreciation to the EU Member States, the government, business support organizations and the private companies that have contributed to this product. I trust this brochure will be instrumental in our partnership and highlight the strong linkages between Europe and Somalia.

Enjoy the reading!



EUROPE-SOMALIA ECONOMIC OVERVIEW



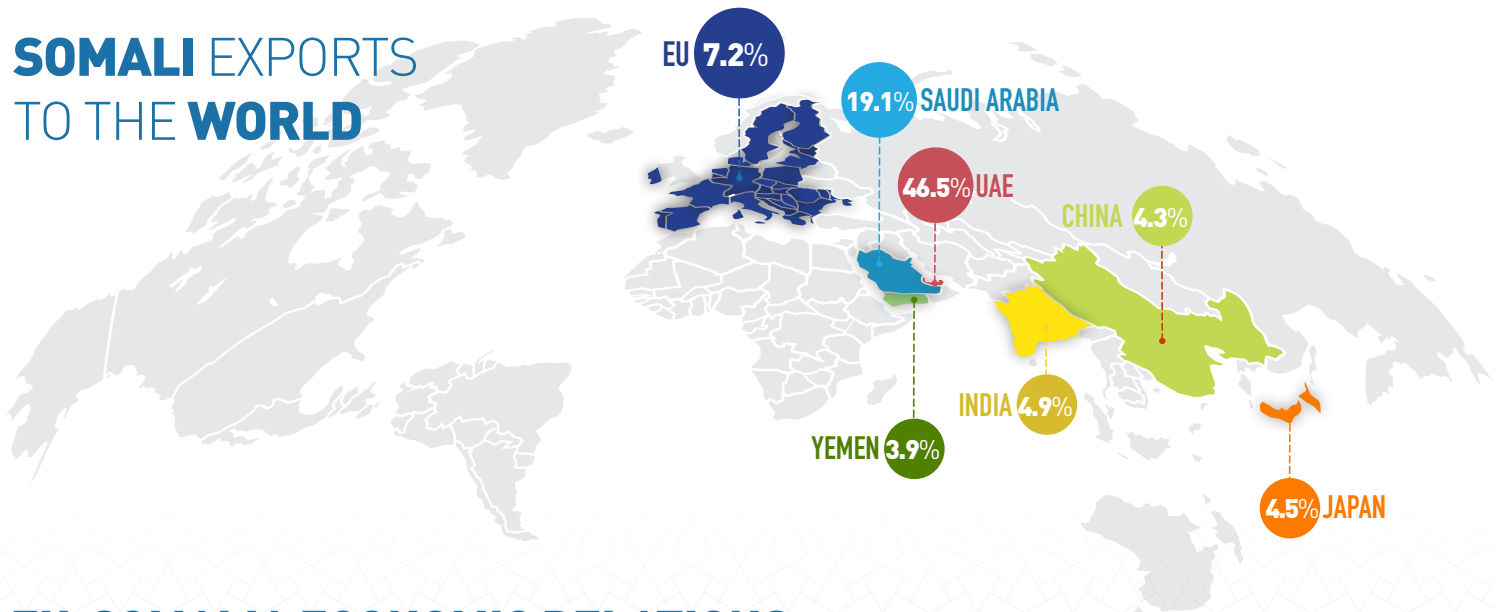
EUROPEAN UNION



SOMALIA



SOMALI EXPORTS TO THE WORLD



EU-SOMALIA ECONOMIC RELATIONS

The European Union (EU) and the EU Member States implement a comprehensive approach bringing together institutions, expertise, capacities and instruments to contribute to sustainable peace in Somalia.

One of the EU priorities in Somalia is to support an inclusive and green economic growth. Relations in this area are guided by the National Development Plan.

EU engagement focuses on improving:

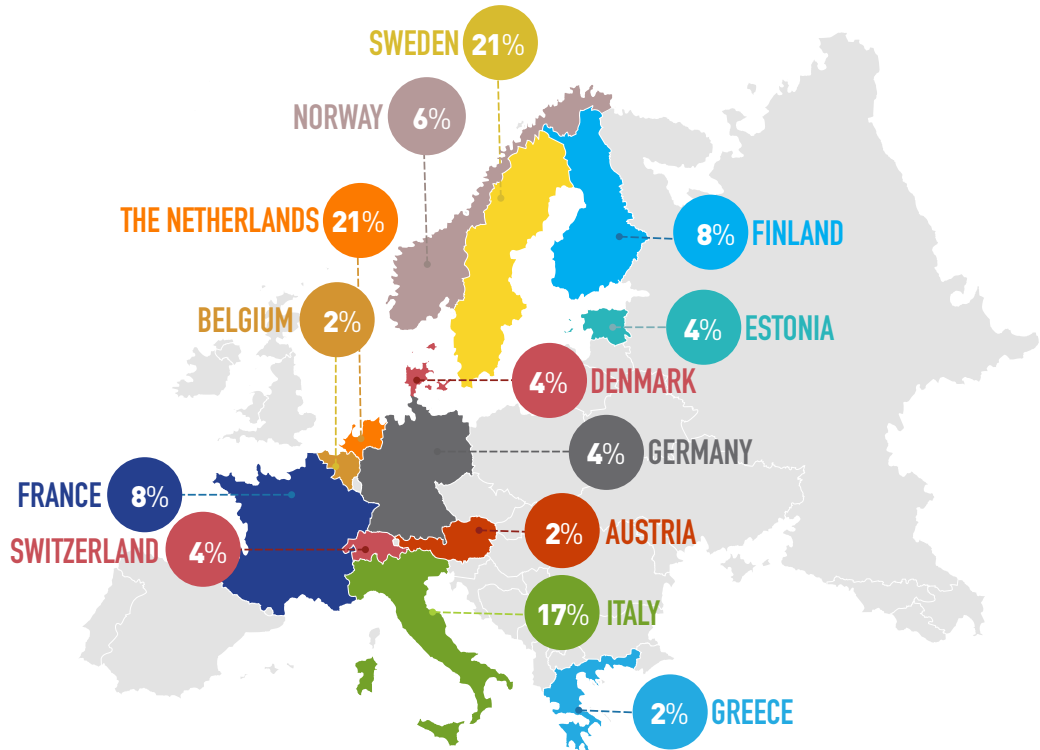
- Financial and economic governance
- Addressing obstacles to investments in key value chains and market access
- Access to quality education and supporting the development of skills

Special attention is paid to improving economic opportunities for women and young people, ensuring they have greater access to decent income-generating activities

Source: 2020 Eurostat This is the trade statistical value, i.e. the amount that would be invoiced in the event of sale or purchase at the national border. FOB valuation for exports and dispatches, and a CIF valuation for imports and arrivals.

EUROPEAN COMPANIES IN SOMALIA

FIRMS COUNTRY OF ORIGIN



RELATION WITH EUROPE

FIRMS CAN BE LINKED TO EUROPE IN SEVERAL WAYS

69% COMPANIES LINKED TO THE SOMALI DIASPORA IN EUROPE

54% COMPANIES WITH EUROPEAN SHAREHOLDERS

50% COMPANIES WITH EUROPE AS MAIN EXPORT MARKET

50% COMPANIES WITH A EUROPEAN CEO IN SOMALIA

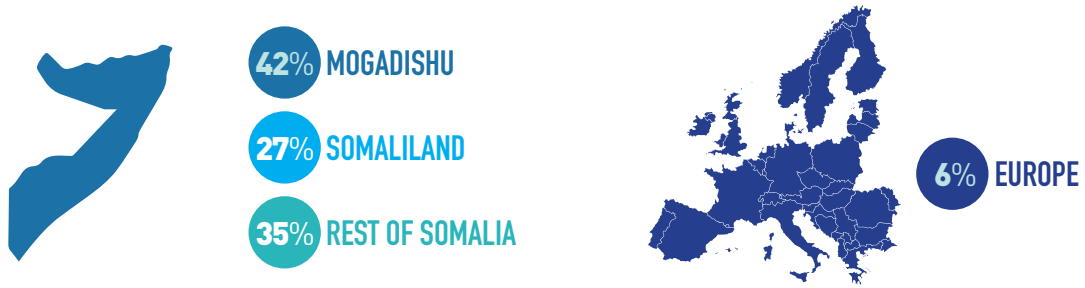
50% COMPANIES WITH EUROPEAN CAPITAL

33% COMPANIES WITH EUROPEAN REGISTRATION

33% COMPANIES REPRESENTING A EUROPEAN BRAND IN SOMALIA

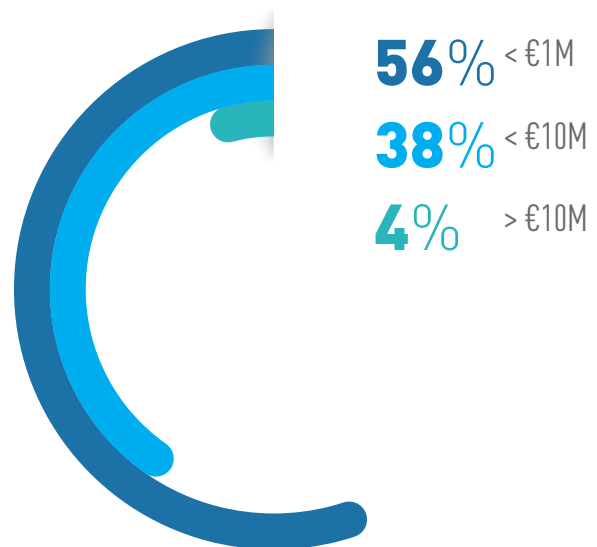
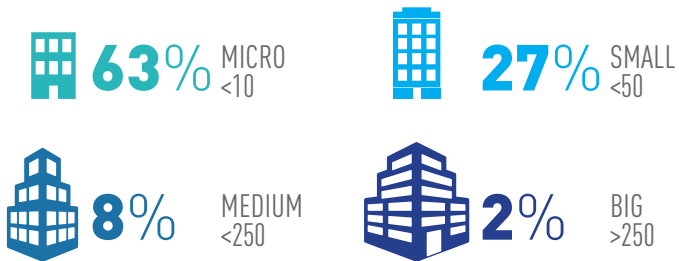
31% COMPANIES WITH EUROPEAN HEADQUARTERS

COMPANY LOCATION



COMPANY SIZE

COMPANY REVENUE



COMPANY ESTABLISHMENT IN SOMALIA



SOMALI EXPORTS TO EUROPE

BULGARIA



EUR 9,172,602
USD 10,456,767
57%

FRANCE



EUR 2,142,432
USD 2,442,373
13%

SPAIN



EUR 1,735,202
USD 1,987,131
11%

GERMANY



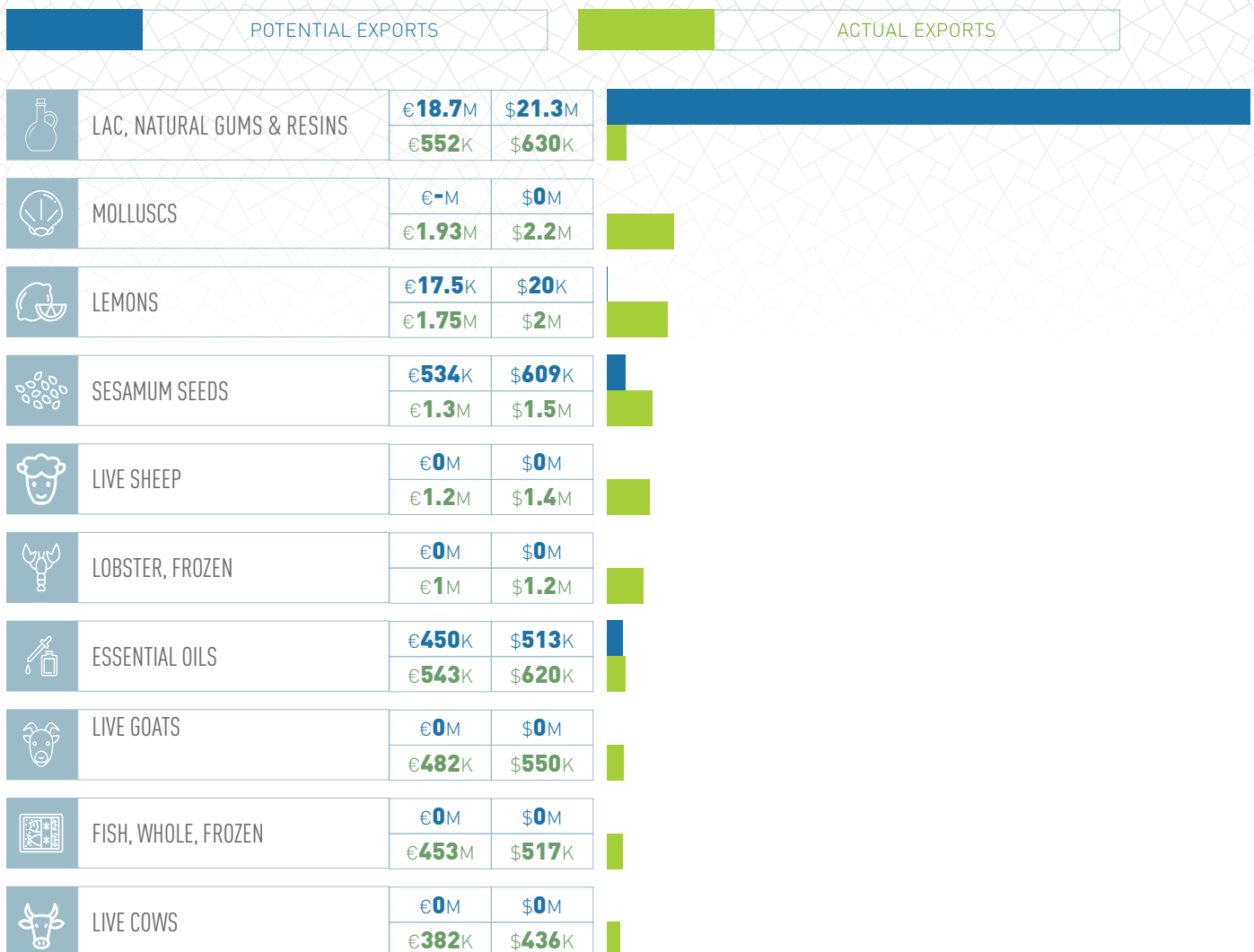
EUR 1,706,148
USD 1,945,009
11%

ITALY



EUR 672,416
USD 766,555
4%

SOMALIA TRADE POTENTIAL IN THE EUROPEAN MARKET



This section on Somali Trade Potential in the European Market provides sparse information for now as it is limited to products which the country already proves to be internationally competitive and relies on data in whole or parts from the source country. Somali producers are rapidly increasing their frequency of formal export with examples of marked success in commodities such as grains and pulses, fisheries and seafood, livestock, and gums and resins. Though until now, the full capture, analysis and sharing of critical economic data tracking such progress have not kept full pace with advances in trade, therefore the true picture of Somali potential to be internationally competitive is only now beginning to emerge. Simply, the formal data collection have not yet caught up to the activity.

Having recently established the Somalia National Bureau of Statistics (SNBS), and increased collaboration between the SNBS and Ministry of Commerce and Industries, as well as the National Investment Promotion Department at the Ministry of Planning, Investment and Economic Development and other related agencies, business, trade and economic data collection and dissemination as a whole is now elevated to among the highest of national priorities.

Though sparse, the data below are included as a representation of what data is available today and acts as a snapshot reference to European trade potential 'before', which we expect to reflect against in future years as Somali businesses increasingly improve product excellence and compliance with international standards.

EUROPEAN EXPORTS TO SOMALIA

GERMANY



EUR 25,327,473

USD 28,873,320

21%

ITALY



EUR 23,202,978

USD 26,451,396

19%

NETHERLANDS



EUR 19,394,232

USD 22,109,425

16%

FRANCE



EUR 11,088,828

USD 12,641,265

9%

SPAIN

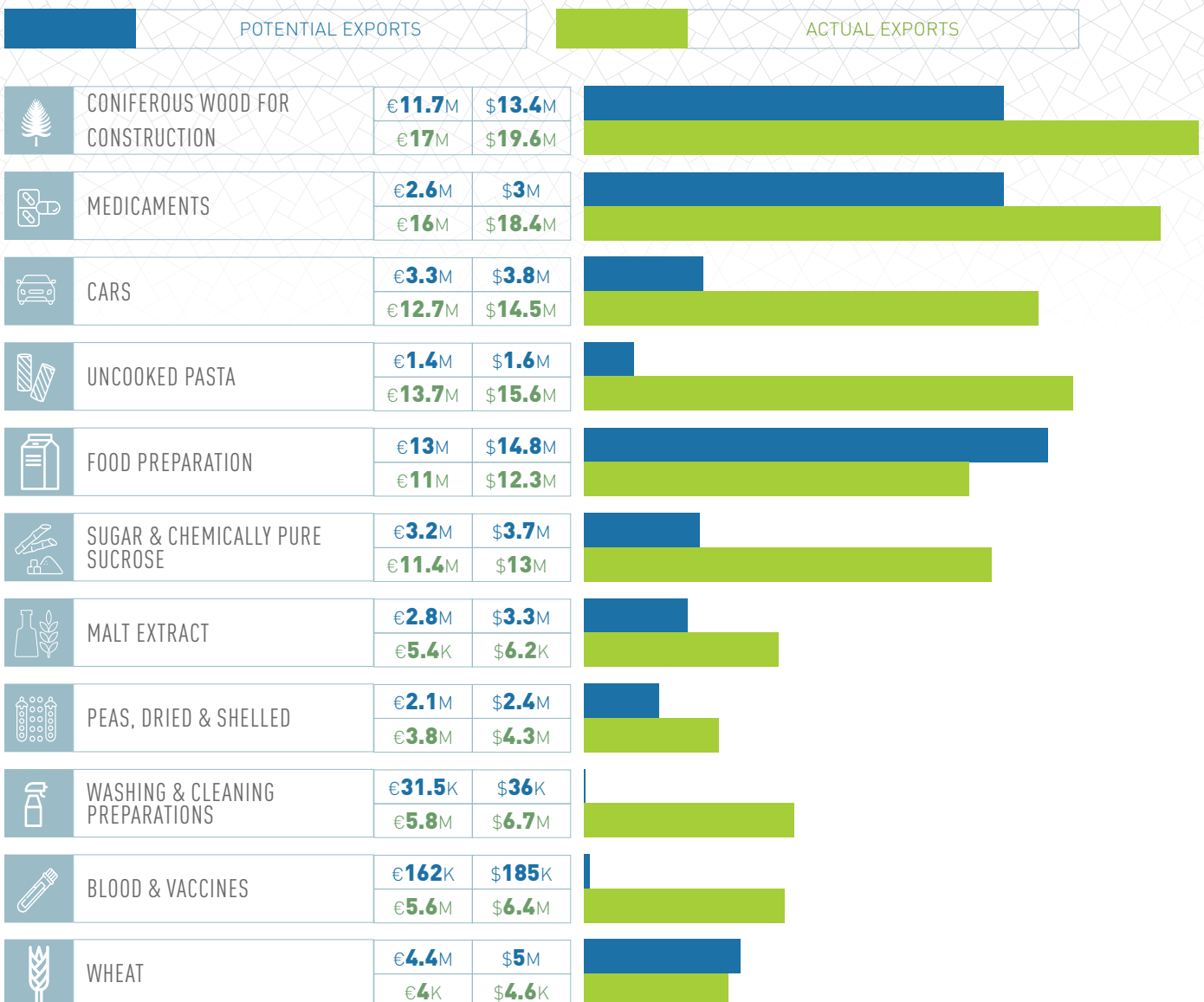


EUR 10,304,458

USD 11,747,083

9%

EUROPEAN TRADE POTENTIAL IN THE SOMALI MARKET



INVESTMENT MOTIVATION



TO EXPLORE THE LOCAL MARKET

67%



TO EXPLORE THE INTERNATIONAL MARKET

44%



TO EXPLORE THE REGIONAL MARKET (EAC)

35%

IMPORTANCE OF THE LOCAL MARKET FOR FIRMS



LITTLE IMPORTANCE **19%**



AVERAGE IMPORTANCE **21%**



IMPORTANT OR VERY IMPORTANT **54%**

IMPORTANCE OF THE REGIONAL MARKET FOR FIRMS



LITTLE IMPORTANCE **25%**



AVERAGE IMPORTANCE **21%**



IMPORTANT OR VERY IMPORTANT **52%**

MARKET OUTLOOK

THE LOCAL MARKET IN 5 YEARS



TOUGHER **9%**



THE SAME **2%**



FAIR GROWTH **44%**



HIGH GROWTH **44%**

COMPANIES' SOURCE OF FINANCIAL CAPITAL

FIRMS CAN HAVE SEVERAL SOURCES OF FINANCE



54%

COMPANY PROFITS



31%

PRIVATE EQUITY/
VENTURE CAPITAL FUNDS



27%

RELATIVES FRIENDS OR CLOSE RELATIONSHIPS



21%

BANKS/
FINANCIAL INSTITUTIONS



15%

HEADQUARTERS FUNDS



2%

STOCK EXCHANGE

ECONOMIC IMPACT

ANNUAL REVENUE
 EUR **88 M**
 USD **100.2 M**

INVESTMENT PLACED
 EUR **13 M**
 USD **14.5 M**

INVESTMENT FORECASTED (2021-2025)
 EUR **62 M**
 USD **71 M**

SOCIAL IMPACT

EMPLOYEES
3,197

SOMALI EMPLOYEES
93%

WOMEN EMPLOYEES
14%

LOCAL SUPPLIERS
1,662

ECONOMIC ACTIVITY



FRESH AGRO PRODUCTS & FISHERIES
25%



ENERGY & ENVIRONMENTAL SERVICES
15%



HEALTH & SOCIAL SERVICES
10%



OIL, GAS AND RAW MATERIALS
10%



CONSTRUCTION & ENGINEERING SERVICES
8%



PROCESSED AGRO PRODUCTS & FISHERIES
6%



EDUCATION SERVICES
6%



CONSTRUCTION MATERIALS
4%



TRANSPORT SERVICES
4%



COMMUNICATION SERVICES
2%



DISTRIBUTION SERVICES
2%



COMPUTER & ELECTRONICS
2%



MISCELLANEOUS MANUFACTURING
2%



LEGAL SERVICES
2%

CORPORATE SOCIAL RESPONSIBILITY



GREEN ACTIONS

ANNUAL ACTIONS PER FIRM

8

ANNUAL BUDGET PER FIRM

EUR **4,934**

USD **5,625**



SOCIAL ACTIONS

ANNUAL ACTIONS PER FIRM

11

ANNUAL BUDGET PER FIRM

EUR **22,204**

USD **25,313**



INNOVATION ACTIONS

ANNUAL ACTIONS PER FIRM

6

ANNUAL BUDGET PER FIRM

EUR **19,279**

USD **21,979**

TOTAL CORPORATE SOCIAL RESPONSIBILITY

ANNUAL ACTIONS PER FIRM

25

ANNUAL BUDGET PER FIRM

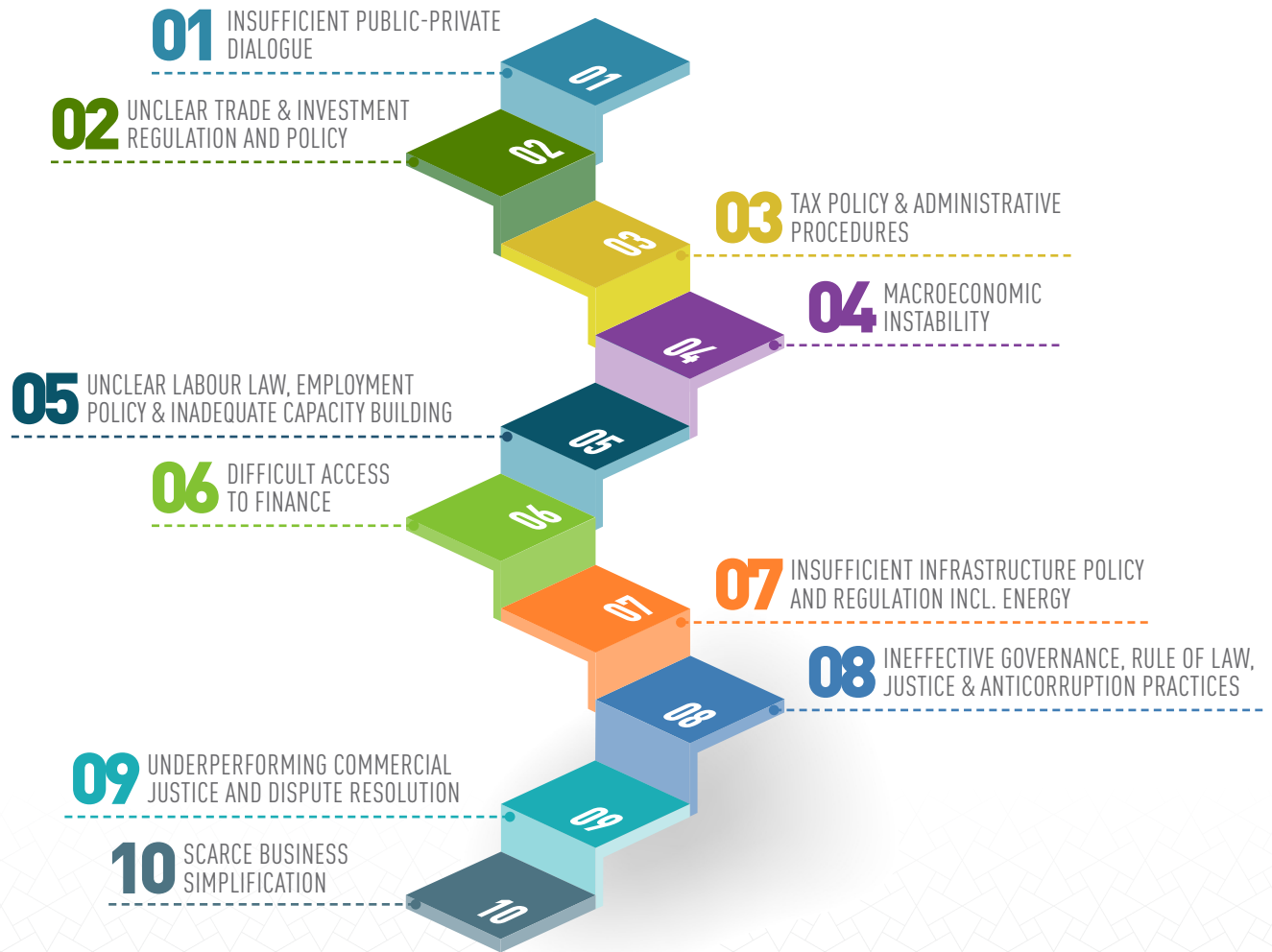
EUR **46,418**

USD **52,917**

Source: 2021 EU investment mapping

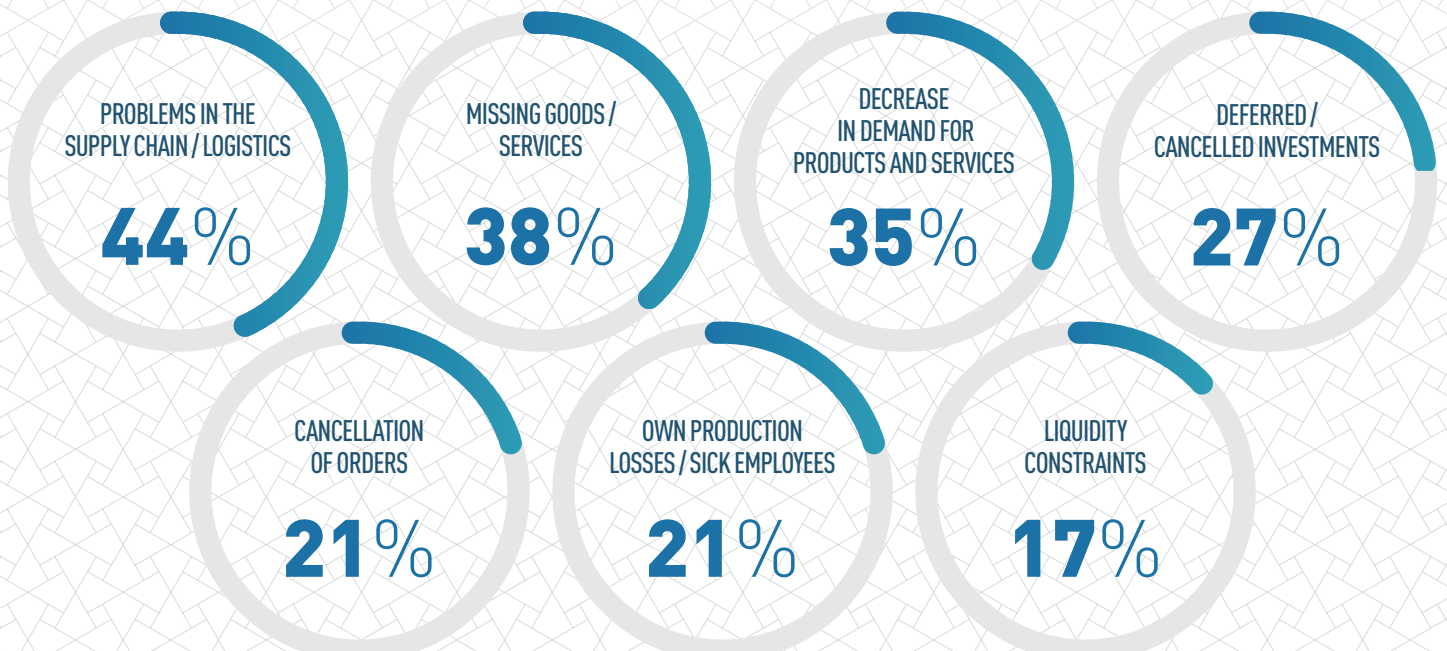


BARRIERS TO FIRMS (RANKING OF IMPORTANCE)










COVID IMPACT ON FIRMS (% OF FIRMS AFFECTED)

FIRMS MAY BE AFFECTED BY COVID IN SEVERAL WAYS











EUROPEAN INVESTMENT MAPPING PER SECTOR

SOCIAL IMPACT

	 AGRICULTURE	 INDUSTRY	 SERVICES
 EMPLOYEES	239	134	2,787
 SOMALI EMPLOYEES	93.7%	78.4%	93.8%
 WOMEN EMPLOYEES	39%	24%	11%
 LOCAL SUPPLIERS	559	188	1,086








COMPANIES' SOURCE OF FINANCIAL CAPITAL

FIRMS CAN HAVE SEVERAL SOURCES OF FINANCE

	 AGRICULTURE	 INDUSTRY	 SERVICES
 Company profits	47%	50%	24%
 Private equity/Venture capital funds	20%	25%	10%
 Banks/Financial institutions	27%		14%
 Headquarters funds	13%	25%	7%
 Relatives friends or close relationships	13%		38%

MARKET OUTLOOK




THE LOCAL MARKET IN 5 YEARS

	 AGRICULTURE	 INDUSTRY	 SERVICES
 TOUGHER	8%	25%	7%
 THE SAME	8%	0%	0%
 FAIR GROWTH	62%	0%	43%
 HIGH GROWTH	23%	75%	50%






















BARRIERS TO FIRMS (RANKING OF IMPORTANCE)

		
1 Unclear Trade regulation & policy	1 Insufficient Public-private dialogue	1 Insufficient Public-private dialogue
2 Insufficient Public-private dialogue	2 Unclear Trade & investment regulation and policy	2 Unclear Trade & investment regulation and policy
3 Tax policy & administrative procedures	3 Tax policy & administrative procedures	3 Tax policy & administrative procedures
4 Unclear Labour Law, employment policy & inadequate capacity building	4 Unclear Labour Law, employment policy & inadequate capacity building	4 Macroeconomic instability
5 Difficult access to finance	5 Underperforming commercial justice and dispute resolution	5 Ineffective governance, rule of law, justice & anticorruption practices

COVID IMPACT ON FIRMS (% of firms affected)

		
53% MISSING GOODS / SERVICES	50% OWN PRODUCTION LOSSES / SICK EMPLOYEES	48% PROBLEMS IN THE SUPPLY CHAIN / LOGISTICS
33% PROBLEMS IN THE SUPPLY CHAIN / LOGISTICS	50% PROBLEMS IN THE SUPPLY CHAIN / LOGISTICS	38% DECREASE IN DEMAND FOR PRODUCTS AND SERVICES
33% DECREASE IN DEMAND FOR PRODUCTS AND SERVICES	25% DECREASE IN DEMAND FOR PRODUCTS AND SERVICES	34% MISSING GOODS / SERVICES
27% DEFERRED / CANCELLED INVESTMENTS	25% CANCELLATION OF ORDERS	31% DEFERRED / CANCELLED INVESTMENTS
20% OWN PRODUCTION LOSSES / SICK EMPLOYEES		28% CANCELLATION OF ORDERS
13% LIQUIDITY CONSTRAINTS		21% LIQUIDITY CONSTRAINTS
7% CANCELLATION OF ORDERS		17% OWN PRODUCTION LOSSES / SICK EMPLOYEES

CORPORATE SOCIAL RESPONSIBILITY

ENVIRONMENT 			SOCIAL 			INNOVATION 		
ANNUAL ACTION PER FIRM			ANNUAL ACTION PER FIRM			ANNUAL ACTION PER FIRM		
								
8	8	241	5	8	408	10	9	128
ANNUAL BUDGET PER FIRM			ANNUAL BUDGET PER FIRM			ANNUAL BUDGET PER FIRM		
								
€ 7,310	€ 1,097	€ 122,807	€ 11,696	€ 1,097	€ 885,965	€ 52,925	€ 1,097	€ 127,191
\$ 8,333	\$ 1,250	\$ 140,000	\$ 13,333	\$ 1,250	\$ 1,010,000	\$ 60,333	\$ 1,250	\$ 145,000

KEY SERVICES TO BUSINESS

SOMALIA TRADE INFORMATION PORTAL

The Somali Trade Information Portal - STIP (www.stip.gov.so) is a comprehensive, authoritative source of regulatory information related to all cross-border transactions on a single, easily searchable platform.

In order to bring National Harmony, Stabilization and Growth to the Economy, the Federal Government of Somalia (FGS) is committed to implementing trade facilitation measures with a view to future accession to the World Trade Organization (WTO). The International Finance Corporation (IFC), a division of the World Bank Group (WBG), supports the FGS in these efforts.

To increase the transparency of trade-related information and improve access to this information by the traders both within the Somali business community as well as in the regional and international trade fraternity, the FGS, through the Ministry of Commerce and Industry (MOCI) developed and implemented the STIP, sponsored by the Somalia Investment Climate Reform Project phase 2 (SICRP2) managed by the IFC with contributions from development partners (Denmark, European Union and UK Foreign Commonwealth Development Office). Since the portal's launch on 25 August 2021, it receives approximately 1,000 visits per month.

As a result, the STIP offers faster, fairer, more predictable and transparent processing of assessments and clearance of imports/exports, all at a reduced cost to the trading community.



SOMALI BUSINESS REGISTRATION AND LICENSING

Somali Business Registration and Licensing System (SBRL) is brought to you by Ministry of Commerce and Industry which has an overall responsibility for the formulation, implementation and monitoring of Somali's internal and external trade & Manufacturing Policy.

www.ebusiness.gov.so/

FOREIGN DIRECT INVESTMENT PROCESS AND REGULATIONS

The Foreign Investment Law (FIL) 2015 mandates the Somalia Investment Promotion Office (SOMINVEST) to help investors access information and application forms to be submitted and approved by the Foreign Investment Board (FIB). Applications, registration process information, Visa Regime, Tax Regime and Labor Law can be found on the link below.

www.sominvest.gov.so/procedures/

ACCESS TO THE EU MARKET

The Access to Market website (previously known as the Export / Trade Helpdesk) is an online service to facilitate market access in particular for developing countries to the European Union.

This free & user friendly platform for exporters, importers, trade associations & governments, provides information on EU & Member States' import requirements as well as internal taxes applicable to products, tariffs & other export measures. Importantly, you can check the EU preferential import regimes benefiting developing countries.

www.trade.ec.europa.eu/access-to-markets

USEFUL PUBLIC CONTACTS

MINISTRY OF COMMERCE AND INDUSTRY (MOCI)

The MOCI administers two departments, the Department of Commerce and the Department for Promotion of Industry & Internal Trade (formerly Department of Industrial Policy & Promotion).

The MOCI has overall responsibility for the formulation, implementation and monitoring of Somalia's internal and external trade & Manufacturing Policy. It is the mandate of MOCI to ensure that Somalia derives maximum benefit from internal & external trade relations and that domestic trade is conducted in a smooth and orderly manner.

 www.moci.gov.so/#

SOMALI CHAMBER OF COMMERCE AND INDUSTRY (SCCI)

SCCI is a vibrant organization focused on enhancing business opportunity. We are dedicated to ensuring our members take advantage of business opportunities locally, regionally and internationally. The Chamber is here to help you prosper! We invite you to explore what the SCCI has to offer you and your business. SCCI offers a wide range of services to its Members, including commercial documentation services, research and publications, business development and promotion, training and development and many more.

 www.somalichamber.so

CENTRAL BANK OF SOMALIA

The Central Bank of Somalia is responsible for formulating monetary policy to achieve and maintain price stability. The Central Bank also promotes financial stability; an effective and efficient payment, clearing and settlement system; formulates and implements foreign exchange policies; holds and manages foreign exchange reserves; issuing of currency; and is the banker for, adviser to and fiscal agent of the Government.

 www.centralbank.gov.so

ALL OTHER MINISTRIES

 www.somalia.gov.so/ministries/

MINISTRY OF PLANNING, INVESTMENT AND ECONOMIC DEVELOPMENT (MOPIED)

The MOPIED coordinates the whole government agencies and provide advice to the government on medium and long-term strategies for socio-economic development and sustainable economic growth. The Ministry is also responsible for analyzing and monitoring development directions on macro-economic and sector strategic plans as well as broad socio-economic development issues. MOPIED, in partnering with the federal member states line ministries of planning, private sector and development partners promotes long-term sector strategic policies, socio-economic development issues and sustainable economic growth nationwide. The Ministry has undergone an essential reform and restructuring in order to recover the devastating civil war in 1991 and meet the wide expectations of the public.

 <https://mop.gov.so/>

SOMINVEST

The Investment Promotion Office (SOMINVEST) at the Ministry of Planning, Investment and Economic Development is a statutory body established under Article 6 (sections 1-8) of the Foreign Investment Law of 2015 to: promote foreign investment; rebrand Somalia; facilitate investment entry and retain; and continuously advocate for improved investment policies. SOMINVEST focuses on sector-specific investor targeting and development of new partnerships to enable sustainable investments in Somalia

 <https://sominvest.gov.so/>

MINISTRY OF FINANCE (MOF)

The MOF is the central authority of the Federal Government of Somalia charged with the responsibilities devising and administering economic and financial policy of the country. Moreover, the key role of the Ministry lies with the more rationale allocation of resources; better management of public expenditure; enhanced mobilization of both internal and external resources; greater performance in public investments and strengthening of public enterprises productive capacity; open and simple foreign exchange policies and regulation, and prudent fiscal and monetary policies.

 www.mof.gov.so

USEFUL CONTACTS IN SOMALILAND

MINISTRY OF PLANNING & NATIONAL DEVELOPMENT - SOMALILAND (MOP)

The MOP is responsible for public policy development institution of its Government. The ministry undertakes research studies and state policy development initiatives for the growth of the national economy and the expansion of the public and state infrastructure of the country.

 www.mopnd.govsomaliland.org

MINISTRY OF TRADE AND TOURISM - SOMALILAND (MOTT)

The MOTT mandate is to formulate the economic sector legal and regulatory framework, enhance the business enabling environment, and establish a system that can ascertain that import goods are sold at the appropriate price. The mandate also includes developing and implement business demarcation strategy, integrate Somaliland into the regional and international economy, undertake price studies relating to basic commodities and services that require price control and regulate the qualities of export and import of goods that do not conform with the required standards in collaboration with the concerned government sectors including the Quality Control Commission.

 <https://mott.govsomaliland.org/>

SOMALILAND CHAMBER OF COMMERCE, INDUSTRY AND AGRICULTURE (SCCIA)

The SCCIA was established in 25th October 1993 under a public law No. 35 as an independent entity owned by the business community. The SCCIA strive to forge new bonds of commercial cooperation and opportunities between Somaliland and the rest of the world and to make the country a world class trade market. To offer guidance and assistance in all types of businesses and to assist exporters and importers in local and the international arena through the provision of market information, training and organization of trade events and opportunities.

Phone Number: +252-2-52-3143

ALL MINISTRIES - SOMALILAND

 www.govsomaliland.org/article/departments

MINISTRY OF INVESTMENT AND INDUSTRIAL DEVELOPMENT – SOMALILAND (MOIID)

The MOIID was created in 2017 for coordinating the fragmented investment projects into a single window. MOIID is responsible for formulating strategies, policies, goals and programs aimed at developing local and foreign investments, improving the investment image of the country, quickly creating opportunities for entrepreneurs and cooperating in socio-economic development programs with United Nations and international organizations. The MOIID mandate is to formulate investment and development policies, strategies and programs and monitoring their implementation, development of specialized economic zones and coordination of regional integration. To promote private sector development and to boost domestic and foreign investment by creating a conducive investment climate, as part of its effort to establish a market oriented economic system in Somaliland. The MOIID is responsible for drafting, negotiating and approving bilateral Investment Promotion and Protection Agreements and serves as a focal department for all Somaliland investment related affairs.

 <https://moiid.govsomaliland.org/>

MINISTRY OF FINANCE DEVELOPMENT SOMALILAND (SL MOF)

The MOF derives its mandate from the Constitution of Somaliland, which provides for proper budgetary and expenditure management of the government financial resources. It also has a responsibility for ensuring that systems are in place for efficient monitoring and reporting of all Government's transactions

 <https://mofd.govsomaliland.org/>

BANK OF SOMALILAND (BOS)

The BOS mission is to promote the wellbeing of the people of the Republic of Somaliland by maintaining price and exchange rate stability , fostering a sound financial system and sustainable economic growth to be one of the strongest and most reputable central banks in Africa

 <https://cb.govsomaliland.org/>

SOME KEY SUPPORT ACTORS

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)

UNIDO is a specialized implementing agency of the United Nations with a mandate to reduce poverty and improve the living conditions of people through the design, development, and implementation of locally appropriate technical assistance initiatives that provide tailor-made solutions for sustainable industrial development. Inclusive and Sustainable Industrial Development (ISID) is a key driver for the successful integration of the economic, social and environmental dimensions, required to fully realize sustainable development for the benefit of future generations. UNIDO therefore advances ISID by building and improving the necessary industrial capacities in its Member States. Through technical cooperation and policy advisory, UNIDO promotes a conducive policy environment for inclusive and sustainable industrial development and builds capacities in public and private institutions to support the growth of industry and related services.

With this organizational background, since 2019 UNIDO has started to work with the Federal Government of Somalia, the Somali Chamber of Commerce and Industry and other national and international partners to implement a number of technical cooperation initiatives designed to support the development of Somalia Productive sectors in an inclusive and sustainable manner. By unlocking the potential for the Somali economy to create jobs and expand economic opportunities, particularly among youth and women, UNIDO has been making efforts to 1) strengthen the governance of public and private economic institutions to support productive sectors and Small and Medium Enterprise (SME) development; 2) address binding constraints to value chain development ; 3) support all Somalis in gaining access to economic development initiatives such as skills and entrepreneurship training programmes; and, 4) develop facilities, technology, resources, infrastructure, and opportunities for concessional financing across the productive sectors.

 <https://open.unido.org/projects/SO/projects/>

SUPPORT TO POLICY DIALOGUE ON INVESTMENT CLIMATE IN SOMALIA PROJECT (SPDI)

The EU Support to Policy Dialogue on Investment Climate in Somalia project is implemented by DAI Brussels, with the aim to enhance the investment climate and business environment by improving access to finance, markets, and essential services for medium, small, and micro enterprises.

Our team provides support to reinforce the capacities of key public institutions and the private sector to strengthen public-private dialogue; support Somalia's exports and access to regional markets; and promote responsible business conduct across the private sector.

By improving the policy, regulatory, and institutional environments for investment promotion and facilitation, trade, and value chain development, the project facilitates socioeconomic resilience, especially in the era of COVID-19. We focus in particular on the financial sector, business linkages with Europe, food security, and nutrition. To better integrate Somalia's economy in the Horn of Africa, the project encourages dialogue between Somalis on private sector matters. Our efforts align with the Africa-Europe Alliance on Sustainable Investments and Jobs, the EU External Investment Plan approach and EU economic diplomacy objectives and guidelines.

Main Activities:

- Addressing obstacles to EU DFI engagement in Somalia
- PPD for Innovative Financing with emphasis on Group Financial Products
- EU/Somalia Structured Dialogue on Investment, Trade, and Business
- Enhancing Agricultural Inspection and Standards for Export and Food Security
- Support PPD on National Trade Policy
- Promote Investment and Trade along the Berbera Corridor
- Formalising Cooperatives for Enhanced Access to Markets and Finance

 <https://www.dai.com/our-work/projects/somalia-eu-support-to-policy-dialogue-on-investment-climate>

INVESTMENT OPPORTUNITIES

For many foreign companies and investors, obtaining specific information on Somali markets or business investment opportunities is still rather difficult. While relevant MDAs such as MOCI, SOMINVEST, and the Chamber of Commerce can share significant information on the business environment and investment climate, in cooperation with local MDAs, UNIDO have gone a step further and are now profiling actual business investment opportunities and can facilitate contacts with the local firms described.

The business investment opportunities found herein are drawn from the Catalogue of Business Opportunities in Somalia – volume 1. This catalogue was prepared by team of experts from UNIDO Somalia Programme and UNIDO Investment Technology Promotion Office in Italy, within the framework of the “Agro-technology development for Economic Growth in South and Central Somalia” project, implemented by UNIDO, in collaboration with the Federal and state level Ministry of Commerce and Industry, the Somali Chamber of Commerce and Industry and the respective Enterprise Development Units (EDU) in Mogadishu, Kismayo, Baidoa and Beletwayne. The project is funded by the Italian Agency for Development Cooperation. The business investment opportunities highlighted are only a fraction of the total opportunities found in the current catalogue, with additional catalogue listings to be published very soon.

Find the full catalogue and contact details



AGRICULTURE



PROJECT CODE: SOM/001/2106

PROJECT DESCRIPTION

The company deals with agricultural products. It exports dry lemons to Dubai & Iran and fresh Mango & Banana to Kenya, where there is high demand. The company have two firms in Gobweyn and Yontooy villages in Kismayo.

TYPE OF PARTNERSHIP REQUIRED

They are looking for possibility of joint ventures, access to the foreign markets and technology transfers.

DATE OF ESTABLISHMENT: 2015

STRENGTHS

Excellent quality of the products technical and managerial skills.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/002/2106

PROJECT DESCRIPTION

The company owns a bigfarm that produces a large variety of crops, suchas lemons, pawpaws, sesame and banana. Theyexport to Dubai every year (around 1800 tonsof sesame and 1,500 tons of dry lemons). Thecompany also trades agricultural and construction machineries.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities and access to the foreign markets to expand their business.

DATE OF ESTABLISHMENT: 2010

STRENGTHS

Experience in the production of agricultural products, technical and managerial skills.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/003/2106**PROJECT DESCRIPTION**

The company has been growing different vegetables and other food crops on 3.5 acres of land in Gobweyn village in Kismayo District since 2010. They are preparing to purchase a farm in the same region to move and expand their current operations. The new farm will provide opportunity for important business growth while allowing them to maintain their existing markets and core customer base in the area.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities, access to the foreign markets and technology transfer.

DATE OF ESTABLISHMENT: 2010**STRENGTHS**

Good knowledge on Agricultural concept, excellent production, technical and managerial skills.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/010/2106**PROJECT DESCRIPTION**

The company is involved in the production of several fruits and vegetables, such as Lemon, Mango, Papaya, Sesame and cash crops, as well as fresh honey. They export dry lemons in Turkey and UAE.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities and access to the foreign market.

DATE OF ESTABLISHMENT: 2001**STRENGTHS**

Good quality of the products, great experience in the sector.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/015/2106**PROJECT DESCRIPTION**

The company is a leading distributor of agro-chemical products, fertilizers, seeds and agricultural equipment in South-West State. They also provide customized technical field training.

TYPE OF PARTNERSHIP REQUIRED

They are looking for market access, technology transfer and partnerships with international investors.

DATE OF ESTABLISHMENT: 2019**STRENGTHS**

High variety of the products and services provided.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/017/2106**PROJECT DESCRIPTION**

This very well organized cooperative is involved in the production of different crops, such as cereals and fruits. They are interested in agricultural machines to improve their production, namely tractors, harvesting machines, sprayers or solar panels to produce electricity.

The company also provides services related to the building/ construction sector.

TYPE OF PARTNERSHIP REQUIRED

Market access, technology transfer and Joint-ventures.

DATE OF ESTABLISHMENT: 1995**STRENGTHS**

High quality of the products, technical and managerial skills.

CLASSIFICATION

Expansion



FISHERY

PROJECT CODE: SOM/018/2106



PROJECT DESCRIPTION

The company is based in Raskamboni with a special interest in marine resources production. It is designed to target a currently unsatisfied and expanding market for quality fish products, in the mostly urban areas of greater Somalia. The close proximity of the company facility to such an urban neighbourhood will ensure that fish production assumes a fast and steady trading growth. They intend to develop a socially and environmentally responsible product-based enterprise whose goal is to exceed customer's expectations, as well as increase production.

TYPE OF PARTNERSHIP REQUIRED

They are looking for possible joint ventures, market access, technical and managerial skills, marketing skills and new technologies.

DATE OF ESTABLISHMENT: 2016

STRENGTHS

Good position (at the border between Kenya and Somalia).
Big market potential.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/019/2106



PROJECT DESCRIPTION

The company is involved in catching, processing, storing, packaging and selling fishery products at local and international level (Africa and Asia). This is done through a team of fishermen, skilled fish processors and a network of retailers and marketers.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access, technology transfer and possible joint- ventures.

DATE OF ESTABLISHMENT: 2005

STRENGTHS

Since its inception the company has created a strong business presence in Somalia with deep reaching retail and supply networks. The service provision in marine products has earned the exceptional reputation by being consistent in service delivery.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/022/2106



PROJECT DESCRIPTION

The company is engaged in selling fishing equipment to the local fisheries, due to increase in demand they extended their activities to other cities in South-West State.

TYPE OF PARTNERSHIP REQUIRED

Technology transfer, market access and partnerships.

DATE OF ESTABLISHMENT: 2014

STRENGTHS

Provide sustainable fishing standard with competitive price.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/023/2106



PROJECT DESCRIPTION

This is a young fishing company based in Mogadishu, with a focus on processing and delivering fish to local and export markets. The company supplies fish to hotels, restaurants, and supermarkets in all of the regions of Somalia. Moreover, the owner is working on establishing connections with foreign companies for export activities.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access and possible jointventures.

DATE OF ESTABLISHMENT: 2019

STRENGTHS

Large customer base, high quality of the products.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/024/2106



PROJECT DESCRIPTION

This is a large-scale fishing company with a focus on processing and delivering fish to local and foreign markets. They supply fish to hotels, restaurants, and supermarkets in Somalia. They also export to the neighbouring Countries like Djibouti or Oman.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access and possible jointventures.

DATE OF ESTABLISHMENT: 2015

STRENGTHS

The founders and shareholders come from different background, their combined experience (more than 20 years) is an important strength. Great experience in the fishery industry and knowledge of cold chain solutions as well as needs of foreign companies interested in Somali fishery products.

CLASSIFICATION

Expansion



BUILDING, CONSTRUCTION, LOGISTIC

PROJECT CODE: SOM/025/2106



PROJECT DESCRIPTION

The company is formed by a group of business practitioners and engineers who want to make a real difference in the sectors of road transport and other logistics solutions between Lower Juba, South and Central regions of Somalia and neighbouring countries.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities and access to the foreign markets.

DATE OF ESTABLISHMENT: 2005

STRENGTHS

Great experience in the field, technical and managerial skills.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/026/2106



PROJECT DESCRIPTION

The company deals with construction of roads, schools, hospitals and real estates. It also provides services like transportation of goods.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities and access to the foreign markets.

DATE OF ESTABLISHMENT: 2010

STRENGTHS

Great experience in the construction and logistics sectors.

CLASSIFICATION

Expansion



LIVESTOCK, POULTRY, DAIRY

PROJECT CODE: SOM/028/2106



PROJECT DESCRIPTION

The company is interested to undertake all issues related to improve human consumption of meat, from farm to fork. It means to invest in the standards, slaughtering, training, product development (hides and skins) and delivery methods necessary to produce quality hygienic meat suitable for human consumption and promote trust of meat consumers. They would like to extend their services to the region and nationwide, as well as to export local meat to the international markets.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access and possible jointventures.

DATE OF ESTABLISHMENT: 2015

STRENGTHS

It's the company which deals with these activities at the state level and has accreditation from the Ministry of livestock, trade and health.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/029/2106



PROJECT DESCRIPTION

The company is currently supplying high quality, optimum nutritious dairy products such as high-quality Yoghurt (around 500 lt/day) from cow milk. The firm is planning to expand the production and introduce new dairy products in the market, such as ice creams and cheese. It also envisages to produce tetra packed ultra-heat treated milk.

Through this product diversification the company would attract new customers, and create new employment opportunities.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access, technology transfer and possible joint-ventures.

DATE OF ESTABLISHMENT: 2015

STRENGTHS

First yoghurt manufacturer in Somalia, technical and managerial skills.

CLASSIFICATION

Diversification/expansion

PROJECT CODE: SOM/030/2106



PROJECT DESCRIPTION

The company produces 700 lt. of milk per day and supplies nutritious and tasty dairy products that include milk in sachets and yoghurt. It encompasses 47 Holstein milkproducing cows and 21 calves and targets to reach 500 producing milk cows within a few years. The firm also aims at establishing a small-scale milk processing plant.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for equipment purchase and possible jointventures.

DATE OF ESTABLISHMENT: 2016

STRENGTHS

The company is the largest cow milk producing farm in Somalia. The milk comes from Holstein Friesian Cows, the world's top milk producing breed.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/034/2106



PROJECT DESCRIPTION

The company is composed by a group of meat exporters involved in the production and export of quality, wholesome, and disease-free meat, which is fit for human consumption by applying HALAL slaughtering and adopting of HACCP program with fresh & frozen meat.

TYPE OF PARTNERSHIP REQUIRED

Market access and possible Joint-ventures.

DATE OF ESTABLISHMENT: 2019

STRENGTHS

High quality of meat and rigorous health programs in order to discover fatal animal diseases, inspection made before & after slaughtering.

CLASSIFICATION

Expansion

OTHER SECTORS

PROJECT CODE: SOM/035/2106

SECTOR:

Trade oxygen and nitrogen liquid and gas.

PROJECT DESCRIPTION

This is a youthful and dynamic company specialized in the production and distribution of oxygen and nitrogen in both liquid and gas for medical and industrial use.

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access and possible jointventures.

DATE OF ESTABLISHMENT: 2016

STRENGTHS

High reliability, high quality of the oxygen useful for health centres countrywide.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/036/2106

SECTOR:

Renewable energies.

PROJECT DESCRIPTION

This is a renewable energy company that delivers affordable and reliable solar energy systems for medium and large users in Somalia (mainly commercial and industrial buildings).

TYPE OF PARTNERSHIP REQUIRED

The company is looking for market access and possible jointventures.

DATE OF ESTABLISHMENT: 2019

STRENGTHS

They assist customers in securing finance and investments to procure the systems by collaborating with local and international financial institutions. Moreover, the company is dedicated to contribute towards the global energy transition by stimulating the use of renewables as the primary source of energy.

They provide holistic, high quality and reliable energy solutions to businesses such as hotels, large office buildings, universities, hospitals and industries in Somalia. They have the capacity and skills to deliver systems between 30kW and 5mW.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/037/2106

SECTOR:

General trading.

PROJECT DESCRIPTION

This company is one of the leading supplier of food, construction materials and cosmetics. They are engaged in importing and distributing, as well as marketing of high quality products.

TYPE OF PARTNERSHIP REQUIRED

Marketing skills and new technologies.

DATE OF ESTABLISHMENT: 2015

STRENGTHS

Great experience in the field, operational at the State level.

CLASSIFICATION

Expansion

PROJECT CODE: SOM/038/2106

SECTOR:

General trading.

PROJECT DESCRIPTION

This company provides a range of business activities such as import/export in different fields (food and non-food items), as well as promotion and marketing of the items they deal with.

TYPE OF PARTNERSHIP REQUIRED

They are looking for joint-venture opportunities and access to the foreign markets.

DATE OF ESTABLISHMENT: 2005

STRENGTHS

High experience in the general trading.

CLASSIFICATION

Expansion



**DELEGATION OF THE EUROPEAN UNION
TO SOMALIA**

EU Delegation to Somalia

P.O. Box 30475 - 00100

Nairobi, Kenya

Tel: +254 20 2802000 (Nairobi office)

Tel: +32 2 335 2651 Ext 1113 / 1117 (Mogadishu office)

Delegation-Somalia@eeas.europa.eu

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