



**Sixth High Level Aid Coordination  
Forum Hargeisa  
Republic of Somaliland**



# Partnership for Economic Growth



## Partnership for Economic Growth

### PARTNERSHIP FUND

#### Round 2

#### Business Matching Grants Program

## Overview



### Project Overview

- *Purpose: To help local authorities and private sector groups improve the enabling environment for investment in order to generate more productive employment and improve livelihoods activities*
- USAID's first economic development project in 20 years
- Inclusive economic growth as a driver of stability
- First Phase: 2.5 years (May 2011 - Aug 2013)
- Extension: 2 years (Sept 2013 - Aug 2015)

#### Methodology:

- Assess – Analyze – Prioritize – Design - Implement

## Overview of Partnership Fund

- The Partnership Fund is a business matching grants activity whereby the Partnership Program co-invests in Somali businesses
- The grant mechanism supports innovative solutions to:
  - generate employment
  - grow the local economy
  - cultivate ownership
  - share risks
  - and address value chain constraints.

## Overview of Round 1: 2012-2013

- \$1 million in matching grants distributed
- 13 finalists awarded grants between \$30,000 and \$100,000

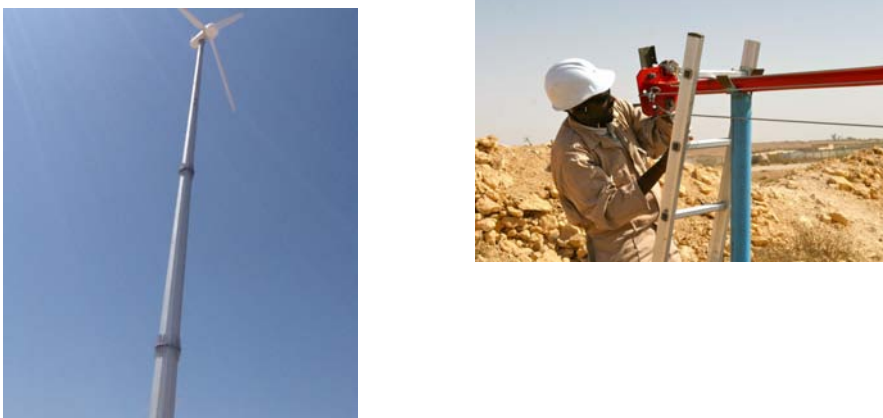
Region	Number	Sector	Number	Duration	Number
Awdal	1	Energy	2	Start-up	4
Togdheer	4	Livestock	4	Existing	9
Maroodijeex	4	Fisheries	2		
Sahil	3	Salt	1		
Multiple regions	1 (Awdal + Maroodijex)	Finance	2		
		Other	2		

- An estimated 1500 new and better employment created - one-third for women, and over 50% for youth  
(*monitoring, evaluation and learning ongoing*)

**Examples of Partnership Fund Round 1 Grantees**  
Somaliland's first salt processing plant in Borama



**Examples of Partnership Fund Round 1 Grantees**  
First commercial wind farm in Berbera to support fish cold storage



Quarantine facilities, holding pens, business management support and drip irrigation systems for fattening farms and trader associations in Burao



**Examples of Partnership Fund Round 1 Grantees**  
Portable solar fridges for camel dairy outgrower scheme



## Examples of Partnership Fund Round 1 Grantees

### Propane cooking stove lease-to-pay business



## Examples of Partnership Fund Round 1 Grantees

### Freezer chests, ice block making machines, and new fishing boats and nets



## Overview of Partnership Fund Round 2

### ***Overview of Partnership Fund Round 2: Funding Level***

- Total amount of funding available for Partnership Fund Round 2: **\$1,000,000**
- **Small Grants (\$30,000 to \$50,000):**
  - Requires a minimum of 50% cost-share from applicant
- **Large Grants (\$50,001 - \$250,000):**
  - Requires a minimum of 1 to 1 cost share from applicant
- NOTE: Cost-share can be cash or in-kind contribution

## ***Overview of Partnership Fund Round 2:***

### **Eligible Entities**

- Private businesses:
  - Sole proprietorships
  - Partnership
  - Corporation
  - Joint Venture
  - Commercially-oriented cooperatives and associations in productive sectors

## ***Overview of Partnership Fund Round 2:***

### **Eligible Businesses**

**Business activities from productive livestock and agriculture sectors of the economy, such as:**

- Crop agriculture
- Agro-processing
- Livestock
- Dairy
- Poultry
- Energy
- Fisheries
- Gums and resins
- Beekeeping
- Other



## ***Partnership Fund Round 2 Concept Paper Template:***

### **Business Idea**

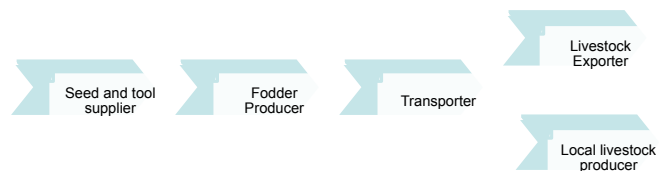
- Provide a brief overview of your business idea

### **Selection Criteria: Economic Growth and Development Impact**

- *What are the expected impacts on:*
  - *Local employment within your business*
  - *Economic impact for suppliers you work with;*
  - *Opportunities to improve employee skills;*
  - *Income, wealth creation and increased local production;*
  - *Impact on women in business and youth employment;*
  - *Increased markets access for local suppliers and increased local consumption*



### **Fodder example:**



### **Economic growth impacts in Somaliland**

- More suppliers selling products
- Business making more profit, supplying more products
- More people employed upstream and down stream
- More competitive market for goods/services

### Components of Concept Note (Selection Criteria):

- Technical Experience and Technical Feasibility
- Financial Viability and Cost Effectiveness
- Analysis of Supply and Demand
- Business management experience

*The 2013-2014 Somaliland Investment Guide can be used as a reference: [www.SomalilandInvest.net](http://www.SomalilandInvest.net)*

### Applications Review Process

- To receive Concept Paper instructions and template, Applicants email: [PartnershipFund@dai.com](mailto:PartnershipFund@dai.com)
- Issuance Date: 25 November 2013
- Questions from Applicants Due By: 8 December 2013
- Responses to Questions Sent to Applicant: 15 December 2013
- Deadline for Concept Papers Submission: 4 January 2014, by 5:00pm
- Notification of Short-Listed Applicants: 16 February 2014
- Short-listed Applicants Information Session: 23 February & 25 February 2014
- Submission of Full Proposal: 16 March 2014
- Evaluation Committee retreat: 22-23 March 2014
- Field visits and due diligence process: 25 March – 12 April
- Announcement of Final grantees: 15 April 2014
- Contract negotiations; grant disbursements: April - June 2014



## Summary of Submitted Concept Notes

Sector	Number	Percent
Crop Agriculture	178	23%
Livestock	132	17%
Other	121	16%
Poultry and Chicken Farming	55	7%
Fishing	56	7%
Dairy	50	7%
Agro-processing	44	6%
Beekeeping	35	5%
Energy	33	4%
Crop Agriculture (with Livestock/Dairy, or or Energy)	22	3%
Gums, Resins and Frankincense	19	2%
Agriculture	7	1%
Salt	5	1%
Livestock with (Crop Agriculture)	3	0%
Hides and Leather making	2	0%
Bakery	2	0%
Inputs - Vet Pharmacy, farm tools	1	0%
<b>Total</b>	<b>765</b>	<b>100%</b>

Region	Number	Percent
Maroodi Jeeh	357	46.70%
Togdheer	123	16.10%
Sool	89	11.60%
Awdal	86	11.20%
Sahil	55	7.20%
Sanaag	51	6.70%
Unknown	4	0.50%
<b>Total</b>	<b>765</b>	<b>100</b>



## Summary of Short-Listed Concept Notes

<u>SECTOR</u>		
Crop Agriculture	7	18%
Livestock & Dairy	7	18%
Agro-processing	6	16%
Fisheries	6	16%
Energy	3	8%
Poultry	3	8%
Beekeeping	2	5%
Leather and Tanning	2	5%
Gums and Resins	2	5%
<b>Total</b>	<b>38</b>	

<u>REGION</u>		
Maroodijeex	15	39%
Toghdeer	7	18%
Awdal	4	11%
Sahil	4	11%
Sanaag	4	11%
Sool	2	5%
Sahil/Maroodijeex	1	3%
Toghdeer/Maroodijeex	1	3%
<b>Total</b>	<b>38</b>	



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## Partnership Fund Review Process and Next Steps

