



DUALEH FARM

Fruit and Vegetable Farm | *Gabilay, Somaliland*

OVERVIEW

Dualeh Farm was founded by Farah Ali Osman, a member of the Somali diaspora in Kuwait. In 2013, Mr. Osman returned to Somaliland and established Dualeh Farm (Dualeh), a fruit and vegetable farm located in the fertile Gabilay Region of Somaliland that is focused on maintaining sustainable farming operations with eco-friendly solutions. For example,



the farm uses Berkads, manually dug reservoirs used to store and conserve rainfall irrigation. The farm sells its fruits and vegetables as well as honey products, to local markets in Hargeisa and Djibouti.

THE CHALLENGE

Dry weather and access to water pose a significant challenge to many farmers in the Somali region, severely limiting crop production. Even with the use of Berkads, it is often difficult for farmers to efficiently irrigate crops without extensive irrigation systems. While living abroad in Kuwait, Mr. Osman was introduced to greenhouse technology and quickly realized its potential in Somaliland's dry climate. Greenhouse technology coupled with modern irrigation systems would allow Mr. Osman to maximize his production capacity by cultivating crops year round. Financing modern irrigation equipment is a challenge for many small and medium size enterprises in Somaliland because credit is not easily accessible. Even when credit is available, banks often charge high interest rates

and demand quick repayment schedules. After finding out about the AgriFood Fund and the matching grant it offered, Mr. Osman sought an investment to install a greenhouse, integrate drip irrigation, and buy a truck to transport his products to market.

THE SOLUTION

Mr. Osman partnered with the AgriFood Fund to maximize the benefit of a seed capital matching investment fund and grow his business. The grant helped Mr. Osman attract an additional investment from a member of the Somali diaspora living in Finland. The diaspora investor is a family friend of Mr. Osman and owns businesses in Somaliland. After learning the AgriFood Fund would finance up to 20% of Mr. Osman's greenhouse project, the investor agreed to finance an additional 60% toward a greenhouse, drip irrigation pipeline, and a flatbed truck. The modern farming equipment allows Dualeh to grow and supply crops year round and transport products to local markets and ports for export.

With this investment, Dualeh's commercial crop production has grown and the farm has acquired additional land to support its expanding business. This expansion also required a greater, more sophisticated irrigation system. Dualeh procured and installed drip irrigation pipes that connected water tanks, the Berkads and the existing irrigation system to its crops; completing a robust, modern irrigation system. By coupling an efficient irrigation system with greenhouse technology that controls temperature and protects crops, Dualeh Farm now produces crops year round.

“ *Diaspora are not only bringing money, but they're bringing knowledge as well.* ”

“ *I am very happy to come back to my homeland.* ”

Farah Ali Osman
Dualeh Farm Founder



Sponsor

Project Manager

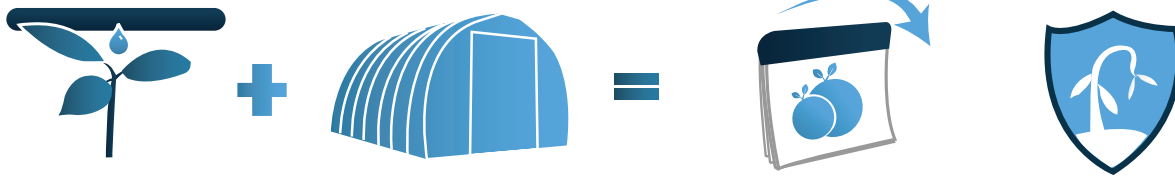
Fund Manager

**Modern Technologies
on Dualeh Farm**
like drip irrigation and greenhouse technology

led to

**Year-Round
Crop Production**

**Protection Against
Environmental
Risks**



RESULTS

The AgriFood Fund drives diaspora and external investments in Somali agriculture and rural businesses. Added security on the loan from the international donor's seed capital grant, fund partners' investment due diligence, and investor matchmaking, offered Mr. Osman several advantages beyond those of a traditional lender.

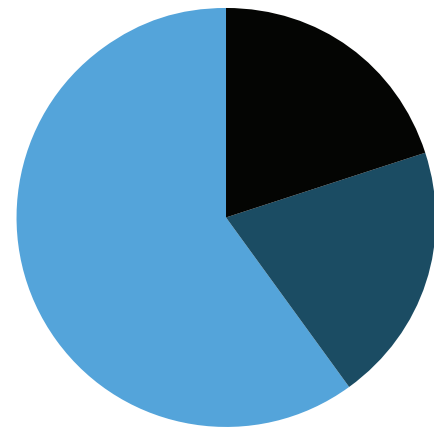
PARTNERSHIP

The diaspora investor made an equity investment in Dualeh Farm to purchase 10% of the company in exchange for a cash contribution. An equity structure was considered as a way to limit Mr. Osman's debt obligations while creating opportunities for expansion. As 10% owner in the farm, the investor is now a long-term partner with a vested interest in the sustainable success of the company.

The expansion had a large positive impact on Dualeh's revenue, and has allowed the farm to manage its growth effectively. Dualeh hired seven more employees after acquiring the financing through the AgriFood Fund. Mr. Osman hired several workers to cultivate the farm, and experienced staff to manage the greenhouse and to monitor operations.

Dualeh's main engineer, also a member of the Somali diaspora and someone Mr. Osman met while living in Kuwait, had previous experience working with greenhouse

technology while abroad. Together, they have educated the community on greenhouse farming techniques and drip irrigation, offering technical advice to farmers in the area who would otherwise not have been exposed to the modern technology. Dualeh's operations serve as an example for the local community of how modern farming techniques can extend crop production year round while helping protect against environmental risks such as drought.



	<i>Somali AgriFood</i> Seed Capital Grant	\$11,400
	<i>Dualeh Farm</i> Owners' Contribution	\$11,400
	<i>Diaspora Investor</i>	\$34,200

\$57,000 USD

**TOTAL PROJECT
INVESTMENT**

