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# STABILIZATION OF LIVELIHOODS THROUGH CREATION OF YOUTH EMPLOYMENT IN EASTERN SUDAN



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Form the People of Japan



Empowered lives.  
Resilient nations.



Promote and fund  
business idea



A different saving  
approach



Microfinance  
for  
sustainability





## A 3x6 Approach

A new methodology for employment creation

The UNDP project “Stabilization of Livelihoods Through Creation of Youth Employment in Eastern Sudan” is starting to collect its results thanks to the cooperation of the government, UNDP and local organizations working at a community level. It has been an intensive year. Very aware of it are the beneficiaries who have participated in the programme, besides all the responsible partners who have made it possible.

It seemed a big challenge when UNDP started to think of implementing the 3x6 approach in Sudan. The 3x6 is a new methodology for employment creation that had been already successfully implemented in Yemen, Jordan, Rwanda and Burundi.

It focuses on **capacity building** at the same time offers financial help to start-up a small business in order to secure a sustainable livelihood and help poverty.

**Phase One** offers vocational trainings and participants engage in intensive labour activities in order to save part of their incomes.

**Phase Two** has focused on business trainings and entrepreneurial skills and participants' savings have been topped up with a grant from UNDP according to their effort. With the initial capital, they start-up a business and begins to get connected to the markets during the most recent **Phase Three**. In the last stage successful businesses expand their possibilities through microfinances services.

The results of these three phases are what we cover with this newsletter #2.



Females saving group, Aroma Town

## Saving boxes



In Sudan, a saving practice called “Sandoog” is common. It shares the same principles as a self helping group in which a group of people save money together to raise a higher amount and eventually members make use of the money gradually in turns.

And this is how the groups in Kassala and Gedaref states have organized themselves to optimize their savings in the Stabilization of Livelihoods programme.

In some places in Sudan this practice is still made traditionally by physical saving boxes, although in Kassala and Gedaref the participants of the Sustainable Livelihoods for the first time have opened **group bank accounts**. Groups are formed by 30 participants who have got together according to their interest and initial vocational training they followed at the beginning of the programme.

In these states the **grants offered by the programme have been distributed equally between all the saving groups** and participants themselves have managed to redistribute the amounts between the members of the group. The redistribution of funds has been made according to the status of the project and the performance that

participants did during the programme. In average, around 5 projects per group have been able to receive funds in the first round. Members are now already working hard to return the money and let other groups benefit and make their projects materialize.

Between the projects initially funded we can count the **biscuits and ice cream production project** from Nabyla Ousman and Hayat Ali Al Awad, two participants from **Alshowak town**. With the money received the two ladies have bought machinery to produce biscuits and ice cream. “At the moment we are producing at home and selling through different shops in Alshowak market. If we go on like this, we will eventually be able to get a bigger oven and a freezer what would improve very much the production. We have also started to return the money by a quota fee every month. Like this other groups will soon benefit from the funds”.

## Training of Trainers

Against the clock

The Stabilization of Livelihoods through Creation of Youth Employment in Eastern Sudan has been an ambitious programme to secure the livelihood of 3,000 participants in the 3 states of Eastern Sudan: Kassala, Gedaref and Red Sea states. It comprises 3 phases and every one of them included a training component in which the participants learn skills to apply in the practical world. Phase One “Inclusiveness”

is about vocational skills, while Phase Two “Ownership” offers business and marketing skills. Phase Three “Sustainability” teaches how to expand the business market and access to further credit.

Due to the tight schedule of the programme and the large amount of beneficiaries targeted, the responsible partners appealed to a Training of Trainers approach to commit to the educa-

tional needs in the due time. In order to do so, all beneficiaries were divided into groups and from each group two representatives were selected. They followed the trainings in the first place and then passed the knowledge onto the rest of the group, increasing their knowledge sharing skills and ownership; and has helped to save time and make sure that all the beneficiaries followed all the trainings accordingly.

# A men's job?



Port Sudan, Red Sea State

**Lena, a participant from Port Sudan in Red Sea State, represents the gender equality component that the programme promotes.**



One of the project's objectives has been **empowering women and promoting gender equality**, which it's also one of the Sustainable Development Goals of the UN 2030 Development Agenda. Thanks to the project, in some places like Aroma Locality, the number of females has outnumbered males participants. In other locations like Port Sudan some women are taking roles traditionally reserved for men. Lena is an example!

She likes to challenge herself and others around her... She has opened **the first car maintenance products shop run by a woman in the city of Port Sudan**: "My gender doesn't stop me to work hard for what I want. And I know it's a men's job but there's nothing to prevent me from doing it. Maybe it's something new for the Sudanese society but I always liked to do different things. I am different". Indeed she is.

Lena joined the handicrafts workshop during Phase One of the programme, but what she enjoyed the most, was the **training on business**

**management and marketing** from Phase Two. During that time she realized she wanted to start a retailing outlet. Her business plan was selected by the Business Idea Competition celebrated by the project in the Red Sea State. Her feasibility study ranked between the highest and she got herself into the first batch of beneficiaries selected for funding.

Lena is brave, she likes risks and doesn't give up easily. On top of that she is ambitious. She hasn't given up handicrafts though, she is just waiting for her new business to prosper and then she will start a handicraft's shop. She is very clear about it: **"Now I know how to get funding. People in Sudan are afraid to be funded, so they don't risk when investing. But I believe risking a bit will make you prosper. This time I had benefited myself of the programme's trainings and its micro-grant but soon I will invest with my own money and ask for further financial help from microfinance institutions."**

## When women become the protagonists

Sudan and specially eastern Sudan feel high gender sensitivity that predicted limitations for women to do labour activities, since the traditions and culture in this region have always made uncommon for women to do hard labor, duties that have traditionally been done only by men.

Since the project targeted 50% of its participants females, it was expected to be a great challenge. However, during the whole programme, implementation has proven that the situation in the region might be changing. At the beginning, it was successfully achieved a quota of 50% of female participants. Since then, women in the programme have showed a special motivation.

It's true that limitations to engage women in paid jobs materialized, but the project encouraged them to engage in self-generating activities using the skills gained during the vocational trainings undertaken during Phase One. This way, many women started to earn an average of between SDG 20 to 60 daily and were able to save money and qualify for Phase Two. These income activities have also proven to empower specifically women, and specially in the most traditional areas like Kassala State, where after Phase One, some men dropped out and eventually women actually outnumbered male participants.

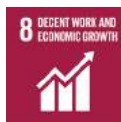


In Aroma locality, in Kassala State, women participating in Phase Two reached the 82% of all participants. A total of 22 out of 30 groups formed in Kassala state between its two localities for Phase Two were of women. In the same state, during Phase Three, 15 projects out of the 18 that have initially been funded with extra credit by the microfinance institutions belong to women. So far, adding the three states up, the majority of business projects started out of the programme are by women.



Yahia Edris Mohammed in his new leather workshop in Gedaref town

## Leather fashion made in Sudan



Gedaref Town, Gedaref State

"Give a man a fish, and you feed him for a day. Teach a man how to fish, and you feed him for a lifetime".

Yahia Edris Mohammed is far from being a fisherman but with that famous quotation he summarizes in quite decent English his participation in the Sustainable Livelihoods through Creation of Youth Employment in Eastern Sudan project.

He couldn't finish his education due to lack of resources at home and felt somehow outcast until he joined the UNDP programme funded by the Japanese Government. And then his life changed!

He recently opened a shop in Gedaref Town. It's his fish tank, although it doesn't really contain fishes but shoes, sandals, bags and other products made of leather.

Almost one year after joining the programme Yahia proudly shows the results of what he considers one of the most intensive years of his life.

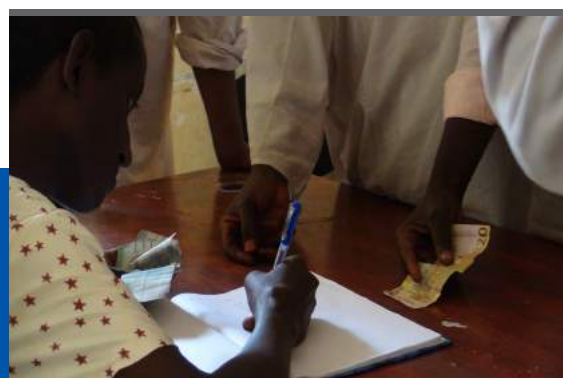
"I learnt valuable skills to manufacture my own leather products. I have learnt business management and marketing and with some financial help I could open this workshop".

You can feel Yahia's enthusiasm while he talks. He is now thinking about getting married and having a family. But before that he would like to expand his business. Selling his creations, Yahia makes between SDG 500 to 600 a week. "Now I'm saving with a big motivation since I have also learnt that with a little money, I will be able to be funded by micro credits institutions. I only need 20% of the initial capital".



Phase 3 of the programme has taught participants about establishment of small businesses, financial management, micro finance concepts and policies and how to get feasible support for youth and start-up projects through micro finance service providers.

Yahia's motivation can be felt in every product he manufactures. Every day he is becoming more creative and willing to risk new patterns. He was inspired by some Italian designs and he dreams of the day when his products will be sold in Italy and will inspire Italian designers, he says playfully. He probably doesn't realize, but he is already a model to follow and with his performance he is inspiring other colleagues who also joined the programme and are in the process of starting their own businesses.



### Access to more credit

Sustainability

The final goal of the Stabilization of Livelihoods project is to secure a sustainable professional activity for the participants. To do so the programme during the different phases facilitates the trainings to acquire the knowledge and skills, and eventually the funds to start their own businesses.

During Phase Three, once the businesses are already running, beneficiaries

get assistance to connect with finance institutions in order to access credit to expand and scale up their activities.

At the closure of the programme, a total of 31 business projects have found extra credit to grow up on the way to make their business sustainable. 18 projects from Kassala State through the Kassala Microfinance Institution, 6 projects from Gedaref State through the Gedaref

Microfinance Institution, and 7 from Red Sea State through PASED, have been successfully granted further credit. All projects add up an overall amount of SDG 165,850 of extra credit. And besides the projects already funded, some other 30 business projects were under assessment, a process that will take the programme's results beyond the lifespan of the programme.

# Business Trainings

Phase  
#2

ASCA MODEL



2,476 Participants



All participants in the three states started the Phase Two with an **introduction to how to create a small business**. After the introduction participants have been attending classes for around a month. The training follows the so called ASCA Model, from the Autonomous Saving and Credit Association.

The topics covered by the ASCA Model training include:

- Definitions and Key concepts of small business.
- Role of small businesses to contribute to the household, the community and the national economy.
- Small business ideas development
- Mistakes and risks associated to small businesses.
- Small business context: internal and external business environment.
- Business relations, customers and competition.
- Policies, regulations, taxes and licenses

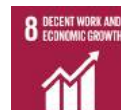
After the business training, participants followed up with a workshop on **"Business plan development"** during which beneficiaries applied everything they had learnt altogether with a feasibility study for a business idea of their own or in a group. This business idea is the project they realize with the help of UNDP funds.

The Wali of Red Sea State, the Ambassador of Japan and UNDP Country Director



## BUSINESS IDEA COMPETITION

### Micro-grants for start-ups



One of the components of the project has been promoting ownership and competitiveness as a way for the beneficiaries to do a bigger effort and overcome themselves to stand out in a busy business market.

56 projects selected for initial capital

After the trainings on small business creation and management, delivered during Phase 2 of the programme, participants were required to develop a business plan with a feasibility study for an individual or group business project. All projects participated in a contest for funding: **The Business Idea Competition**.

In Red Sea State **80 projects were presented**, and **56 out of them have been selected for funding**. The Wali of Red Sea State, the Ambassador of Japan and UNDP's Country Director attended in Port Sudan the ceremony that celebrated the awarded projects.

During the ceremony the Japanese Ambassador in perfect Arabic conveyed a message from the people of Japan to the people of Sudan. **"Japanese people are happy to support Sudan with this kind of projects that pave the way for the Sudanese youth to improve their opportunities for securing productive livelihoods, at the same time as**

**they enhance stronger relations between Japan and Sudan"**.

A milking cows farm, a bricks factory, a cars maintenance products shop, a perfumes producer and retailer shop and a beauty saloon, all in Port Sudan city; and a collective vegetable garden, a sheeps farm and a family mesquita trees charcoal small producer, both in Arbaat, Al Gonnob and Al Oleb Locality, were between the selected projects in Red Sea.

In total **the programme have granted around 2,700.000 Sudanese pounds in the 3 states** where it has been implemented, always with the same goal: to help the participants of the programme to start their own business.

Approximately 800 beneficiaries have received initial capital for their start-up businesses.

Ownership

## On the way to Sustainability



During Phase Three of the Sustainable Livelihoods project, participants learn **how to make business initiatives sustainable and successful** in the long run, becoming a stable activity with the possibility to grow even bigger. To do that, some extra business trainings were delivered.

After a general Introduction on finance, beneficiaries learn specific topics such as: **microfinance concepts, objectives, lending methods, policies, guarantees and the Islamic mode of finance.** Trainings were quite comprehensive and completely adapted to the Sudan context.

In addition, a series of workshops in partnership with finance institutions and insurance companies were organized. This paves the way to networking and allow beneficiaries to get the **full ownership of their business initiatives.** All implementing partners will always be there for further mentoring and assistance but the new entrepreneurs have to take full control of their activities and get the confidence to take all decisions by themselves. This way business projects will secure a definitive and sustainable management.



Bricks factory funded in Port Sudan

## The Japanese Ambassador visits business projects funded by the programme

During the visit to Port Sudan, the Japanese Ambassador H.E. Mr. Hideki Ito had the chance to visit some of the projects funded by the Stabilization of Livelihoods through Creation of Youth Employment in Eastern Sudan programme. Accompanied by the Ministry of Finance of Red Sea and UNDP's Country Director, Selva Ramachandran, the committee witnessed how participants have improved their life conditions through their own earned income.

A new small bricks factory that has been running for two months in a suburb of Port Sudan showed the Ambassador how it gets into business. The responsible beneficiaries for the project shared their experience as entrepreneurs. Talking to Mr. Hideki Ito they thanked him and the people of Japan for the initiative and their support. Thanks to the project, four families can provide themselves with enough income. Although the factory is in its initial phase, it's already working very well and it's expected to improve its production with additional machinery.

**"We would like to buy better equipment in order to produce better bricks and increase business. At the moment we sell this bricks produced manu-**

**ally for SDG 6 pounds but if we acquire an automatic machine, bricks will be stronger and sold at a higher price, for SDG 9 pounds. That's our next goal and what we are working for"** one of the project's member told the Ambassador.

### Sustainability

Another project visited by the committee was a **handicraft shop** installed in the popular and touristic area of the Cigala on the shore of the Red Sea. The project has been started by a disable couple, both having participated in the programme. They both live with a disability and move in a wheelchair but that doesn't impede them to create beautiful sea shells decorations, the must-have souvenir when visiting Port Sudan. And they not only manufacture them but also sell them in their little shop.

### PROJECT FUNDED BY



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