



Germany contributes €10 Million into Somalia's Economic Development through the Somalia Stability Fund (SSF)

March 6th, 2018, Mogadishu – Germany's contribution will support economic development opportunities for youth, and marginalized women and men in Somalia.

Economic Development Key to Addressing Drivers of Conflict in Somalia

Overall unemployment rates in Somalia are as high as 50%, with youth unemployment soaring even higher at almost 70% – making it one of the highest youth unemployment rates in the world. The lack of employment opportunities is a key driver of youth migration and conflict in Somalia. Additionally, many of those employed lack skills to progress and the private sector environment and investment opportunities are generally fragile and lack coordination. Addressing economic development in Somalia, from improving the business environment to skills development, holds huge potential to support state-building and economic growth for the country.

The new partnership between the German Government and the Somalia Stability Fund will contribute to stability in Somalia, with special focus on economic opportunities and livelihood programmes for young people and socially excluded groups. This support comes at a crucial time, when youth radicalization and migration pose a major challenge and piracy may be once again on the rise off Somalia's coastline. By tackling economic exclusion in Somalia, alongside wider work on inclusive politics, the Stability Fund aims to improve the prospects and earning potential of vulnerable young people, working closely with government counterparts to help build trust and contribute to government legitimacy.

Supporting Stabilization and State-Building through Economic Empowerment

The German Federal Ministry for Economic Cooperation and Development (BMZ) contributes €10 Million via KfW development bank to the Somalia Stability Fund to support Somalia's economic development, with a particular focus on vulnerable youth, women and marginalized men. Joining a pool of donors which includes the UK Department for International Development, Norway, Denmark, the Netherlands, Sweden and the European Union. Germany's support to the Stability Fund forms part of its wider support to Somalia that focuses on resilience and economic growth/job creation. Activities under the contribution to the Stability Fund will focus on demand driven skills development for unemployed youth, access to finance, private sector development (creating linkages between businesses, communities and the Somali government), as well as support to cooperatives to improve productivity and market access. Additionally, the German contribution will support the rehabilitation of local infrastructure through construction activities (roads, canal rehabilitation, electrification) that enable commerce and strengthen resilience, with a focus on incorporating young and/or marginalized workers into the work force.

"The Stability Fund is delighted to welcome the German Government as our newest donor. This additional funding from Germany will help us build on our ongoing stabilization efforts and implement new projects designed to support inclusive economic recovery in close partnership with the Somali government, private sector and communities." – Karen Mahy, Head of the Somalia Stability Fund.

ABOUT SSF

The Somalia Stability Fund (SSF) is a multi-donor fund for Somalia with a stabilisation and conflict prevention mandate. The Fund works to enhance the participation and representation of women and excluded groups in governance structures; and to support community-level recovery, reconciliation, and local governance. Since its inception in 2013, the Fund has successfully supported state formation, processes, helped the emerging federal member states to develop the core functions of government, and delivered both infrastructure projects and support to local reconciliation efforts.

For any media inquiries or more information on the support of the Germany government towards the SSF program, please contact: Kete Shabani, Senior Communications Advisor Africa – Adam Smith International: Kete.shabani@adamsmithinternational.com