OVERVIEW
Dubur Farm (Dubur) is an organic vegetable farm located in Burao, Somaliland. The farm was established in 2012 by Ahmed Dirir, a member of the Somali diaspora. Dubur uses eco-friendly farming techniques to grow chili and bell pepper seedlings which it sells to wholesale customers in Burao. Mr. Dirir began selling chili and bell peppers to market wholesalers in 2012 to address the local demand for increased seasonal availability of locally grown produce. The farm is able to grow and harvest peppers for longer periods of time because it uses innovative farming techniques such as a polytunnel nursery system, organic pesticides, drip irrigation, and crop rotation. Dubur has become an expert in organic farming and has created a sustainable business model that can be replicated in farms across Somaliland.

THE CHALLENGE
Sustainable farming technologies are not readily available in Somali markets. Many farmers do not have access to modern equipment, nor do they have the technical know-how to implement the technology. After living abroad in the UK, Mr. Dirir saw the benefits of using renewable energy applications to drive down costs and build a sustainable business. However, when Mr. Dirir returned to Somaliland 10 years ago, there were limited opportunities to access financing, especially in capital-intensive industries like agriculture. It was difficult for him to find those willing to invest in a country where their investments were not guaranteed. Mr. Dirir soon came to realize that there are many Somalis living abroad who want to invest back home but do not have the proper mechanisms to hedge against risk. Mr. Dirir saw an opportunity to leverage diaspora investment to scale his farm using sustainable technologies.

THE SOLUTION
Mr. Dirir learned of the Somali AgriFood Fund and was immediately attracted to its financing structure. By partnering with the fund, Mr. Dirir was able to attract a diaspora investor living in the UK, who was keen to invest after learning that the fund would finance 20% of the investment with a grant. The AgriFood grant also helped Mr. Dirir secure an investment from Dahabshil Bank, a Somali bank that was encouraged to co-invest in the farm when it learned of the added incentive.

With the Somali AgriFood investment, Mr. Dirir purchased high-yield, pest-resistant seed varieties and purchased and installed a polytunnel nursery and solar pump system. In preparation for growing its peppers, Dubur used the investment to plow and level land. The farm subsequently purchased and installed a drip irrigation system, designed and constructed a post-harvest washing and treatment structure, and supplied it with organic growth inhibitors and sprayers. Dubur also purchased and installed a security fence.

"If you want things like agriculture to move forward, then you really need an investment mechanism, because people just....don’t take returns as quickly as other kinds of businesses."

Ahmed Dirir
Dubur Farm Founder
New technology acquired through AgriFood investments:

- High-yield, pest-resistant seeds
- Polytunnel nursery system
- Solar pump system
- Drip irrigation

Creates higher yield for Dubur Farm, while minimizing environmental impact.

RESULTS

The Somali AgriFood Fund catalyzes diaspora and external investments by providing additional guarantees and encouraging a higher return on investment. The diaspora investor offered value beyond her monetary commitment and gave Mr. Dirir sound advice on how to grow his business. The investment from Dahabshiil allowed Mr. Dirir to establish credit and credibility with the bank to fast-track him for future loans and transactions. With the investors supporting him, Mr. Dirir was able to follow his dream of operating an organic farm in Somaliland.

After implementing the new technology that Dubur acquired through the AgriFood investments, Mr. Dirir decided to sell his land and pay off his investors to start a new farm where he can better utilize the hard assets purchased with the AgriFood investment and collect a higher yield. The new location of Dubur is focused on minimizing environmental impact and creating a sustainable bell and chili pepper business for its future. Historically, Dubur used a diesel generator, but now the solar equipment lowers daily fuel operating costs and helps protect the environment by decreasing the amount of fossil fuels burned. The use of a drip irrigation system substantially improves the conservation of water. Dubur Farm is committed to educating the surrounding community about its innovative and sustainable farming techniques. The farm also creates opportunities for women to earn an income selling peppers at retail stalls in local markets. Dubur is building capacity for chili and bell pepper harvesting and has successfully demonstrated its ability to create jobs, employ women, and implement plans for sustainable development while remaining profitable.

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A lot of people in the diaspora want to come back, and want to invest, back here.

Ahmed Dirir
Dubur Farm Founder

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