

Building a Transparent & Inclusive Commodity Market Infrastructure Across Somalia

Concept Note — Integrated Agricultural Exchange Platform

Geographic focus: **Mogadishu · Garowe · Kismayo · Dhuusamareeb** Duration: **24–36 months**

Sector: **Food Security & Economic Resilience**

VISION

"A Somalia defined by food self-sufficiency, where inclusive and transparent market structures empower every community to thrive."

MISSION

"To empower Somali communities through sustainable economic development, we'll train farmers, strengthened local markets, and enhanced food sovereignty."

THE PROBLEM

Challenge & Context

Somalia faces chronic food insecurity driven by climate shocks, recurring drought, market fragmentation, and heavy reliance on food imports. Prolonged drought seasons devastate harvests, deplete water sources, and force farming communities into crisis — pushing rural populations further into poverty and aid dependency. These challenges are compounded by a lack of trust between market actors, weak infrastructure, and inefficient distribution networks — constraining a sector with significant untapped potential.

Our mitigation strategy:

- **Develop farming talent** — Partner with universities and rural communities to deliver advanced, practical training that transforms local farmers into skilled, market-ready producers.
- **Addressing water shortage & drought** — FSF leads community-driven water infrastructure program including the digging of wells and boreholes, construction of hafir dams and earth ponds, installation of rainwater harvesting systems, and deployment of drip irrigation networks to secure year-round water access for farming communities across Somalia.
- **Benchmarking excellence** — studying regional and global exchanges to adapt proven frameworks to the Somali context.
- **Systems-based resilience** — localized Commodity Exchange Hubs that enable surplus production in one region to meet deficit in another.
- **Technical integrity** — robust risk management tools and standardized trading procedures to stabilize prices and protect smallholders.

THE FSF INTEGRATED MODEL

5 Interconnected Model

Five interconnected functional centers forming a comprehensive agricultural value chain platform.

1	Agricultural Training & Skills Development Partner with universities and rural communities to deliver advanced, practical training that transforms local farmers into skilled, market-ready producers
2	Market & Trading Centers Structured spaces for equitable trade and price discovery
3	Data & Information Center Real-time market analytics and climate data
4	Logistics & Distribution Centers Transport networks and aggregation to reduce post-harvest losses
5	Financial & Investor Centers Finance access, digital payments & impact investment channels

LAND & RESOURCE PROGRAM

Farming Training, Soil Study & Water Conservation

FSF invests deeply in the knowledge and physical infrastructure that makes sustainable farming possible. Through structured training academies, scientific soil assessment, and community-led water conservation projects, we equip Somali farmers with the tools to cultivate productive, resilient land — even in the face of drought and climate stress.

ACADEMY Farmer Training - Seasonal crop planning curricula - Pest and disease management - Fertilizer use and composting - Climate-adaptive farming practices - Women & youth-focused cohorts - Field demonstration plots - Digital literacy for market access	SCIENCE Soil Study - Regional soil mapping & profiling - pH, nutrient & salinity testing - Erosion risk assessment - Organic matter restoration plans - Crop-soil match recommendations - Community soil data sharing - Partnership with agronomic labs	INFRASTRUCTURE Water Conservation - Community well digging program - Borehole drilling & rehabilitation - Rainwater harvesting systems - Hafir dams & earth ponds - Drip & furrow irrigation training - Catchment area restoration - Water user committee formation
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WATER CONSERVATION TECHNIQUES IN PRACTICE

Well digging	Hand-dug and mechanically drilled wells reaching shallow aquifers for year-round water access
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Borehole drilling	Deep boreholes for communities in arid regions with no surface water availability
Rainwater harvesting	Rooftop and runoff collection tanks to store seasonal rains for dry-season farming
Hafir dams	Traditional earth embankments that capture seasonal flood water for livestock and crops
Drip irrigation	Low-cost drip lines delivering water directly to plant roots, cutting usage by up to 60%
Terracing & contouring	Earthwork structures on slopes to slow runoff, reduce erosion and retain soil moisture

ROBUST FARMING PROGRAM

Latest Farming Techniques for Maximum Productivity

FSF equips Somali farmers with access to the most advanced, proven, and climate-appropriate farming techniques available globally. By integrating modern agricultural science with local knowledge, FSF's Robust Farming Program transforms traditional subsistence farming into high-yield, sustainable agricultural production capable of feeding communities and supplying markets.

PRECISION FARMING Smart Agriculture • GPS-guided field mapping & zoning • Drone-assisted crop monitoring • Remote soil moisture sensors • Variable rate fertilizer application • Satellite imagery for yield prediction • Mobile agri-advisory apps • Digital farm record keeping	CROP SCIENCE Advanced Crop Management • High-yield & drought-tolerant seed varieties • Integrated pest & disease management • Crop rotation & intercropping systems • Organic composting & biofertilizers • Greenhouse & shade-net cultivation • Hydroponics for water-scarce areas • Post-harvest loss reduction techniques	SUSTAINABILITY Climate-Smart Practices • Agroforestry & windbreak planting • Conservation tillage & no-till farming • Mulching for moisture retention • Integrated water & energy management • Livestock-crop integration systems • Carbon-smart land management • Community seed banks & biodiversity
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DELIVERY MODEL How Farmers Access Training • On-farm demonstration plots in each region • Mobile training units reaching remote areas	TECHNOLOGY ACCESS Tools & Equipment Support • Subsidized access to modern farming tools • Shared machinery hubs in regional centers
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| <ul style="list-style-type: none"> • Partnerships with Somali agricultural universities • Seasonal short courses & hands-on workshops • Farmer-to-farmer peer learning networks | <ul style="list-style-type: none"> • Solar-powered irrigation pumps • Low-cost greenhouse construction support • Input supply chains for seeds & fertilizers |
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COMMODITY EXCHANGE

Connecting Somali Produce to Local & Global Markets

FSF establishes structured Commodity Exchange Hubs that link farmers directly to buyers at both the domestic and international level. By standardizing grades, weights, and pricing mechanisms, the exchange removes exploitative middlemen, ensures fair value for producers, and builds Somalia's reputation as a reliable agricultural trading partner.

LOCAL MARKETS	GLOBAL MARKETS
Domestic Commodity Exchange • Structured trading floors in major regional hubs • Standardized grading, weights & price boards • Real-time SMS & app-based price broadcasting • Linkages between surplus & deficit regions • Aggregation centers for smallholder pooling • Contracts between farmers, traders & retailers • Dispute resolution & transparent settlement	International Commodity Exchange • Export certification & phytosanitary compliance • Connections to Gulf, East African & EU buyers • Diaspora trade network & buyer matchmaking • International quality & packaging standards • Foreign exchange management & trade finance • Digital commodity trading platform • Import sourcing for seeds, equipment & inputs

Key trading commodities

Sorghum · Maize · Sesame · Cowpea · Banana · Mango · Vegetables · Livestock & livestock products · Frankincense & myrrh · Hides & skins

FARMER SUPPORT PROGRAM

Helping Local Farmers Grow, Trade & Export

FSF provides end-to-end support to Somali smallholder farmers — from preparing land and accessing seeds, to trading locally and connecting to regional and international export markets. By removing the barriers that have historically excluded rural producers from global trade, FSF turns subsistence farming into a viable commercial enterprise.

ON-FARM SUPPORT Farming Assistance	POST-HARVEST Storage & Processing
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• Access to quality seeds, tools & irrigation • Agronomist training and field coaching • Climate-resilient crop guidance • Soil testing and land preparation • Cooperative formation support	• Access to FSF aggregation warehouses • Cold-chain and drying facilities • Grading and quality certification • Packaging for domestic & export standards • Reduced post-harvest losses
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DOMESTIC TRADE Local Market Access • Direct listing on FSF trading platforms • Transparent price discovery boards • Connections to urban buyers & retailers • Mobile market alerts via SMS/app • Dispute resolution mechanisms	INTERNATIONAL TRADE Import & Export Gateway • Export documentation & compliance support • Links to regional buyers (Gulf, East Africa) • Import facilitation for farming inputs • Customs and logistics coordination • Diaspora trade network activation
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TRADE PATHWAY

FARM Local Production Farmer grows & harvests with FSF technical support	AGGREGATE FSF Hub Collected, graded, certified & stored	DOMESTIC Local Market Sold at fair prices across Somali regions	EXPORT Global Markets Gulf states, East Africa & diaspora channels
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KEY CROPS SUPPORTED

Sorghum · Maize · Sesame · Cowpea · Banana · Mango · Livestock feed crops · Vegetables · Frankincense & myrrh

ECOSYSTEM

Key Stakeholders

Federal Government	Regulatory alignment, policy support & sovereign backing for market formalization
Farmers & Producers	Primary actors gaining access to fair pricing, aggregation services, and reliable trading channels
Investors	Local, diaspora, and international partners seeking impact-focused opportunities
Financial Institutions	Banks and credit agencies providing digital payments, microfinance, and liquidity
Technical Experts	Advisors specializing in standards, quality control, and logistics architecture

OUTCOMES

Expected Impact

Economic Empowerment Increased incomes for smallholders; new employment opportunities for women & youth	Market Stability Price transparency and reduced food waste through better distribution and storage	Financial Sustainability Surplus revenue reinvested into the ecosystem; reduced reliance on donor funding
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