



Sheep and Goat Fattening Farm | Halimaale and Borama, Somaliland

OVERVIEW

Ray's Farm (Ray's) is a pioneer in the fattening of sheep and goats—together, commonly referred to as shoats—for local and international markets since 2013. In fact, Ray's was the first farm operation to develop a business model for shoat fattening in the Awdal Region of Somaliland. Managed by Saajin Saad and Fowsi Deep, Ray's is located in Halimaale and is committed to developing agribusiness for the benefit of the local community. Shoats are the primary livestock export of Somalia, and a million dollar industry. There is consistent demand, both domestically and internationally, for sheep and goats, a staple of local diets and required for many Islamic religious events. In addition to its shoat fattening business, Ray's produces its own feed and offers several ancillary services, including animal health services and agricultural production. Its business model is unique for the region as shoats are carefully inspected and certified before they are sold to independent traders and a network of local slaughterhouses and meat distributors throughout Somaliland. Ray's is committed to establishing itself as the leader of shoat fattening and other agribusiness efforts in the Awdal region of Somaliland.

through traditional lenders, who often shy away from large agribusiness loans. Ray's owner decided to partner with the AgriFood Fund after learning it would finance up to 20% of the investment with a grant and offer other benefits like investment in capital production.

THE SOLUTION

The Somali AgriFood Fund enabled Ray's to connect with a diaspora investor and a local investor who offered technical know-how and support for production and expansion. Mr. Saad and the management at Ray's Farms first acquired an investment from a business-minded member of the Somali diaspora in Canada. This diaspora investor heard about the AgriFood Fund after doing research on ways to leverage remittances she was sending to family in Somaliland. The AgriFood Fund offered an innovative financial product that would leverage her assets by providing a matching grant to maximize her investment. With the diaspora investor on board, Ray's was able to attract an investment from a local financial institution, Al-Najah Money Exchange. The partnership between the diaspora investor and a local financial institution offered unique benefits to Ray's and to the surrounding community.

THE CHALLENGE

Ray's established an effective business model but wanted to further develop its value chain and increase capacity to keep up with the growing demand for quality meat and agricultural products. Ray's sought an investment to develop additional farmland so it could expand into new markets. Due to the size of the loan needed, the owner had trouble obtaining financing

PARTNERSHIP

The investors receive an annual dividend of 20% and 10% as a part of their profit-sharing agreement. In return, Ray's Farm gains two new partners in its business with vested interest in the success of the company.

“ Having that investment kind of opened up the window for us to help other individuals. To provide a livelihood for these people. To help people learn about farming, have a passion about farming, and find a way to be self-sustaining. ”

Fowsi Deep
Ray's Farm Manager

“ In this part of the world, investment is extremely hard to come by. ”

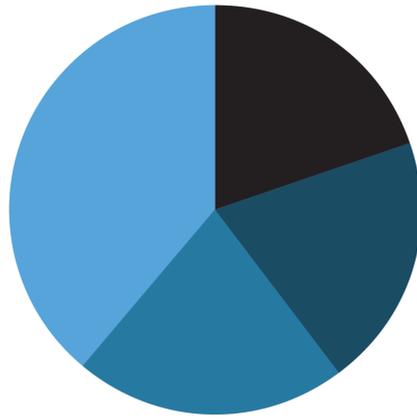


Sponsor

Project Manager

Fund Manager

After receiving the AgriFood Fund money, Ray's established an additional farm to increase the production of meat and agricultural products. The second farm is situated in Borama, Somaliland. The investments acquired through the AgriFood Fund helped Ray's owner purchase solar systems that he installed in wells, reducing reliance on expensive fossil fuels he previously used to irrigate his farms. The investment was also used to finance equipment and materials such as a tractor, pipes, and solar pumps.



	Aj-Najah Money Exchange	\$22,136
	Somali AgriFood Seed Capital	\$22,237
	Owner's Contribution	\$23,873
	Diaspora Investor	\$42,938

\$111,184 USD

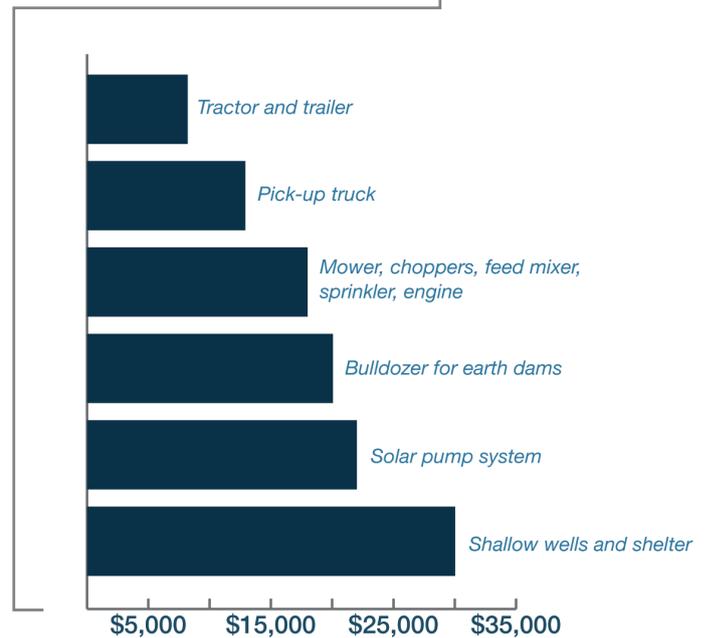
TOTAL PROJECT INVESTMENT

Ray's completed the initial preparation of the property within three months of the purchase of the project equipment. This included clearing and leveling of land, digging of two shallow wells, the purchase of solar water pumps, pipes and sprinklers, the growing of feed, and the construction of a shelter. Ray's was then able to continue its fattening activities with the purchase of approximately 1,500 sheep and goats.

RESULTS

Ray's Farms is focused on reducing its environmental impact and creating a sustainable shoat fattening operation. With this investment, Ray's was able to cultivate its farmland in a sustainable way while successfully fattening its stock of sheep and goats. Ray's active farming of corn, Rhodes grass, and alfalfa for animal feed has transformed formerly desolate land into productive farmland and has improved the environmental health of the area. In addition, solar pumps reduce diesel consumption, and the upgraded irrigation system uses water more efficiently.

Ray's Farms is focused on building capacity for sustainable shoat breeding and has been successful in creating jobs, employing women, and implementing plans for sustainable development while remaining profitable. Ray's is a model for other livestock rearing businesses in the region as shoats have proven to result in a strong return on investment. In addition, the farm contributes to a more commercial, large-scale livestock sector and supports supplementary services such as veterinarians



and slaughterhouses. Finally, Ray's has increased food security in the region and is committed to providing skilled jobs and livelihoods for the local community.

