

## CASE STUDY: Diourbel Region, Senegal

### Overcoming the challenges of small businesses for community well-being and cohesion

Global Programme on Making Migration Work for Sustainable Development (M4SD)

**KEY WORDS:** entrepreneurship, financing for growth, women's empowerment, youth, return migrants, rural areas, local development, community cohesion, social protection, resilience.



#### MEET MAME FATOU

In western Senegal, Mame Fatou lives in Dianatou Mahwa, a district of the town of Touba in the Mbacké department, a semi-arid area whose economy is based on agro-pastoral activities and trade. President of the Economic Interest Group (GIE) Wakeur Serigne Saliou Mbacke, Mame Fatou runs a cereal processing, juice and syrup production business employing 38 people, almost all of them women (92%). Mame Fatou is worried because the three main machines in her factory are obsolete or out of order, forcing employees to work by hand. In heat ranging from 35 to 40 degrees Celsius, the women work themselves to exhaustion pounding millet piles with wooden pestles, the grain that is central to the daily diet in Senegal. Mame Fatou would like to invest in new machinery, but rising electricity and raw material prices make this impossible. She fears for her business, but above all for the future of the employees who depend on this income to provide for their families, especially single women whose husbands have left in search of work in Dakar or beyond Senegal's borders.

#### THE SOLUTION?

Faced with high unemployment and difficulties in accessing financing for small businesses in the Diourbel region, the Regional Development Agency (ARD) acts as a business incubator or accelerator. The ARD supports small and medium-sized businesses run by women, young people or returning migrants, businesses which demonstrate strong potential for growth, job creation and a positive impact on communities. Selected businesses receive training to enhance their ability to manage their activities, as well as materials and equipment to help boost their productivity. By creating the conditions for inclusive growth, the ARD enables everyone, including migrants and returnees, to become active players in local development and the well-being of their communities.



*“This project is innovative in that it proposes an integrated approach to contribute to the territorial development of our region. Young people, women and migrants with an entrepreneurial project with strong growth potential are supported, guided, trained and also receive a financial boost for their activities.”*

**Mr. Samba Lawbé MBAYE, Director of the Diourbel ARD**

# HOW IS IT DONE?

## 17 PARTNERSHIPS FOR THE GOALS



This is a whole-of-government approach involving multiple partners: **regional and local authorities** (ARD of Diourbel), **national authorities** (The Director General of Support for Senegalese Abroad) in conjunction with **civil society** (Association “Let’s Be Together”), **various institutions involved in promoting employment** (ANPEJ, DER, 3FPT, ADEPME, etc.) with the support of **UN agencies** (International Organization for Migration and United Nations Development Programme) to serve **local businesses** (individual companies and Economic Interest Groups).

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

## 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



By providing more modern equipment, small and medium-sized businesses can use their resources more efficiently and reduce waste, improving the management of both raw materials and natural resources such as water and electricity. This builds on a corporate culture focused on sustainable resource management and supports the implementation of clean, environmentally friendly technologies and industrial processes.

## 8 DECENT WORK AND ECONOMIC GROWTH



**33 individual businesses or economic interest groups** (20 men and 13 women) in the fields of crafts, industry, market gardening, fish farming or livestock breeding **benefited from equipment** to strengthen their activities. This equipment is helping to boost the productivity and income of these small businesses located in rural areas, stimulating their growth and their ability to **create decent jobs** in the region.

## 2 ZERO HUNGER



By supporting the productivity of small and medium-sized enterprises (SMEs), initiatives increase the income of small-scale food producers, and improve local food production. As a result, the project contributes to **strengthening the food security** of the region’s communities by increasing local production, diversifying crops and boosting the food supply.

## 4 QUALITY EDUCATION



In addition to the provision of equipment, **33 entrepreneurs** (16 returning migrants, 29 young people and 13 women) have **benefited from training** in business management, commercial marketing and financial management. This training strengthened their capacity in various areas such as accounting management, marketing strategy, communication, sales strategies and channels, etc. By capitalizing on the benefits gained from the new equipment and skills, the entrepreneurs were also able to take a step back from their activities and better plan for their future growth.

## 5 GENDER EQUALITY



The approach aims to **promote women’s empowerment. 40% of businesses supported** in the Diourbel region are **run by women or employ a majority of women.** While women already occupy a central place in the private sphere, their full and effective participation in management functions and in economic and public life position them as essential players and leaders in their communities.



## SUCCESS FACTORS

**TIP 1: Combine technical support with financial backing to maximize impact.** To help companies adapt to a changing and increasingly competitive local and international environment, these small businesses with high growth potential need both technical and financial support. Technical support takes the form of capacity-building activities and improvements in their environmental, social and governance practices (energy management solutions, human resources management, financial transparency, etc.). To increase impact, financial support must be given alongside technical support. Financial backing allows purchase of materials and equipment that can increase production in a thoughtful and responsible way.

**TIP 2: Capitalize on the knowledge acquired in past projects to avoid “reinventing the wheel”.**

The initiatives presented were developed and adapted on the basis of recommendations from previous projects. For example, in the Diourbel region, the mapping of private sector contributions to the migrant cycle<sup>1</sup> provided a better understanding of the issues and challenges facing the private sector in promoting employment and synergies in the region. Subsequently, the results of this mapping exercise were shared at a seminar with private sector stakeholders to encourage the mobilization of this sector and the establishment of multi-stakeholder platforms and joint funding of future projects to increase access to employment for people on the move. Other similar initiatives, such as the PLASEPRI/PASPED project<sup>2</sup> and the GMD project<sup>3</sup>, housed in the Office of Reception, Orientation, and Follow-up for Senegalese Living Abroad (BAOS) in conjunction with ARD, are also helping to improve the performance of small and medium-sized businesses.

**TIP 3: Support women entrepreneurs means investing in the well-being of the community as a whole by fostering cohesion.** This initiative revealed a direct correlation between companies run by women and the creation of community savings groups. For example, when small and medium-sized businesses increased their revenues, the women employees systematically chose to channel this extra income into a communal savings pot rather than receive personal salary increases. These social and solidarity funds are managed in a collective manner to encourage the establishment of positive economic, social and environmental links within communities. Supporting women entrepreneurs in Diourbel multiplied the impact on local development by creating a social fund to help communities become more resilient.

**TIP 4: Inspire knowledge sharing and networking between community members.**

Whether they were factory managers, craftsmen, market gardeners or farmers, all the entrepreneurs were in the process of developing their businesses. ARD capitalized on the various meetings and training courses organized as part of this initiative to encourage companies to discuss the challenges and issues they faced. These exchanges have instilled a real dynamic of networking between these companies, contributing to the sustainability of the project's positive impacts. Entrepreneurs feel supported and understood by their peers, who are able to provide them with advice and training (e.g.: raw materials management, team management, etc.) with an understanding of their context, as well as creating business opportunities beyond the period of support.

<sup>1</sup> The initiatives implemented by the M4SD Programme build on the results of past projects. Through synergies and capitalizing on actions already carried out, the M4SD Programme ensures that funds are used to maximum effect and that the whole community is involved. Therefore, not all the activities described here have been exclusively funded by the M4SD Program.

<sup>2</sup> The Platform of Support for the Private Sector and the Valuation of the Senegalese Diaspora in Italy (PLASEPRI) is a Programme aimed at creating and strengthening local SMEs by promoting investment by Senegalese living in Italy in their country of origin. PASPED complements the second phase of PLASEPRI, with the aim of reducing irregular migration by supporting the private sector and job creation in Senegal through the creation of a platform providing financial and technical assistance to Senegalese SMEs.

<sup>3</sup> The Governance Migration and Development (GMD) project aims to strengthen inclusive governance of migration in Senegal, with a view to improving the synergy between migration and development.

## These activities have improved the lives of Mame Fatou and her neighbors in Diourbel

Mame Fatou, manager of GIE Wakeur Serigne Saliou Mbacke, heard about the support offered by Diourbel ARD via a friend who was concerned to see her so preoccupied with her company's expenses. After applying to the ARD for assistance in modernizing her equipment, the news of her company's selection was widely celebrated. This joy was multiplied when the company received the three new machines: a millet mill, a millet huller and a couscous mixer (SDG 9 – Industry, Innovation, and Infrastructure).

The results are breathtaking: a threefold increase in productivity, saving three hours a day and a substantial reduction in manual labour for employees (SDG 8 – Decent Work and Economic Growth).

The new machines have also cut electricity bills by half (SDG 12 – Responsible Consumption and Production).

Thanks to the profits generated by these new machines, Mame Fatou has offered her employees a pay rise (SDG 1 – No Poverty).



After collective reflection, the women employees suggested the creation of a social and solidarity fund into which a portion of the company's profits would be paid each month (SDG 5 – Gender Equality).



The funds are allocated on a collective basis according to the employees' needs. This financial support helps people address life events, such as births, weddings, christenings, deaths and health problems (SDG 3 – Good Health and Wellbeing).



It also strengthens communities' resilience and ability to adapt to recent challenges such as climate hazards and disasters, notably by helping those affected by flooding (SDG 13 – Climate Action).



As a result, machines have not only improved the industry's economic performance, but also strengthened community cohesion (SDG 11 – Sustainable Cities and Communities).

[Watch the video about M4SD in Senegal](#)

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