Transforming Energy Access

Case Study II: Colad Hussein Isack - From Displacement to Self-Reliance

T The Enter Energy Somalia (EES) Phase One Project, funded through the UK Government's Transforming Energy Access (TEA) initiative, sought to improve electricity access while promoting the productive use of energy (PUE) to strengthen livelihoods in Barwaaqo settlement, Baidoa. As part of the programme, 149 vulnerable small businesses, including Colad's enterprise, received productive energy equipment, mentorship, and business support aimed at enabling internally displaced and host community entrepreneurs to establish sustainable, energy-enabled livelihoods and improve household resilience.

Colad Hussein Isack, a 34-year-old father of seven, lives in Barwaaqo settlement in Baidoa, Southwest State of Somalia. Originally from Laascaanood, he was forcibly displaced from his place of residence and arrived in Barwaaqo with no assets, no savings, and no stable source of income. As the sole provider for a large family, Colad faced immense pressure to meet basic household needs, including food, healthcare, and education for his children.

Upon arriving in Barwaaqo, Colad struggled to provide even the most basic necessities for his family. He initially relied on casual labor to feed his family and to build small savings in order to start a small business at the camp. With little business experience, no collateral, and no access to formal financing, he lacked the means to start an income-generating activity. His family's financial hardship affected every aspect of their lives. School fees for his children were unaffordable, healthcare access was limited, and the family depended on inconsistent and unreliable support from humanitarian actors, supplemented by daily labor wages from casual work in Baidoa city. Through these struggles, Colad eventually started a small petty trade business selling household food items in the camp. After operating his small shop for approximately one year, he still had a limited business, serving around 20 customers per day and generating an average monthly income of about 120 USD, making it difficult to meet his family's basic needs and keep his children in school consistently.

Through the EES programme, Mercy Corps partnered with IBS Bank to provide Colad with a blended financing package combining grant support and formal credit. This package included productive-use energy equipment such as a refrigerator, blender, and ice storage facilities, while IBS Bank also provided a 1,000 USD loan to support business expansion. The financing enabled Colad to establish a fully operational retail business in Barwaaqo equipped with productive energy appliances, including electric freezers and refrigerators. These assets allowed him to preserve and sell perishable goods, improve product quality, reduce spoilage, and diversify the range of products available in his shop. Colad was also introduced to formal financial systems and responsible credit management, helping strengthen both his business operations and financial confidence. Within six months of receiving the equipment and business support, Colad's average monthly income increased from approximately 120 USD to about 300 USD, while the number of customers visiting his shop rose from around 20 to nearly 40 per day. The availability of chilled drinks, dairy products, and other refrigerated goods enabled him to attract new customers, reduce product spoilage, and build a more reliable source of income.


Colad's retail shop

As a result, Colad now operates a thriving retail business that generates a stable daily income. Access to electricity-powered equipment has enabled him to improve service reliability, reduce spoilage, and compete more effectively in the local market. The increased income has significantly improved his household's wellbeing, allowing him to cover essential expenses such as food, healthcare, and other daily needs. Most importantly, the business now provides sufficient and predictable income for him to consistently pay school fees for his seven children.

"*At first, I never imagined I could achieve financial progress or own a fully functioning business. But today, I feel that the right effort and the right support can bring real positive change. I deeply thank the EES program for creating this business opportunity for me, and the IBS Bank for facilitating the loan component. I hope this type of support is expanded to other community members so that more businesses can grow and more families can improve their lives*.".