



FROM INFORMAL SIDELINE TO NATIONAL BUSINESS IN TUNISIA

Mohammed Yahya is an entrepreneur engaged in the production and sale of essential oils. Getting his enterprise established was not easy. However, things improved when he started receiving support from Youth Participation and Employment (YPE) programme partner the Local Initiative and Development Forum (FIDEL). FIDEL was instrumental in facilitating business grants and business development support. With this more focused approach, Mohammed managed to register his business, participated in national fairs, and opened new market segments. He successfully graduated from the informal labour market to the self-employed category. The training he received from FIDEL helped him to increase the sale of his products. In the future, he hopes to explore the international market and reduce his imports of raw materials by growing ingredients locally.

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Cover photo: Mohammed Yahya with his products. Credit: Tarek AbdelKrim.

1 INTRODUCTION

Mohammed Yahya is a 39-year-old Tunisian entrepreneur from El Métouia in the Gabès region. He launched his business extracting and selling essential oils six years ago, but it never fully took off. Mohammed had difficulties in marketing his product and sourcing funding to expand. But since joining the YPE project, his business has improved greatly.

2 LACKING OPPORTUNITIES

Mohammed holds a master's degree in earth and life sciences, as well as a professional master's degree in drilling technology. Despite his qualifications, he did not have a stable job for years and went through a long period of unemployment, suffering from financial instability. The region of Gabès lacks economic opportunities and is among the areas of Tunisia most affected by unemployment.

The entrepreneur joined the Local Initiative and Development Forum (FIDEL), a YPE partner, in 2018, responding to a call for projects posted on the association's Facebook page. Mohammed's business was by then several years old, but he was not satisfied with his professional situation. While he was working for private companies in the region, doing odd jobs, the idea came to him to launch his own business with a share of self-financing. He worked for four years on a minor scale, selling a small range of products locally, but he lacked technical skills and could not afford to expand his business. His products were poorly packaged, and he had difficulty marketing them.

3 SUPPORT WITHIN THE YPE FRAMEWORK

Since Mohammed started working with FIDEL, his professional situation has changed dramatically. The association supported him in two ways, firstly through two grants of about 6000TD (\$2,196), and then by helping him apply for a 35,000 TD (about \$12,811) loan with the Tunisian Solidarity Bank, which is still pending.

'The essential oil extraction project is original, especially in the Gabès region, where this activity is not developed', explains Nizar, project coordinator at FIDEL. 'Mohammed basically needed a boost to improve his product.'

The money enabled Mohammed to invest in equipment such as a new distiller to expand his range of products, and to repackage his bottles. Mohammed now works with 10 essential oils and 60 vegetable oils, such as eucalyptus and clove, each of which has different benefits.

Soon after starting to work with FIDEL, Mohammed decided to leave the informal job circuit. The association helped him to register his business formally, with legal support to apply to the authorities. 'Now that I have my licence, I can get in touch with retailers to distribute my products legally. The formalization of my activity allowed me to increase my income', he says.

The association also opened new markets to Mohammed, through participation in national fairs and the opening of several points of sale across Tunisia. Participation in the Kram Fair was particularly helpful for him. 'After participating in the fair, I knew that my project could be a real success. It was a great experience', he says. This opening in the national market allowed him to meet new customers, observe the competition and build an address book.

Professionally, Nizar observed a change in the project and in Mohammed's vision as an entrepreneur. 'Mohammed improved his project', he says. 'He listened to the trainers' instructions, which enabled him to increase the sale of his products. Little by little, he built a network on a national scale.'

On a personal level, Mohammed has benefitted greatly from the training. Coming from a scientific background, he had little knowledge of marketing or accounting. 'Digital marketing training has helped me enormously', he says. 'I apply what I learned daily in my work. I have customers who order from all over Tunisia on my online store.' The skills he acquired following the training allowed him to significantly increase sales.

The determination Mohammed has always shown in pursuing his project is being rewarded. 'Mohammed always managed to participate in fairs, even when we weren't covering travel and transport expenses', says Nizar.

4 PLANS FOR THE FUTURE

The coronavirus pandemic has greatly affected Mohammed's economic activity, especially through the cancellation of fairs – for him an important place of meeting and exchange, where he could build a network and make important sales.

Yet Mohammed still feels motivated about the future and is thinking about how to sustain his business over the long term. 'It's true that I feel motivated, but I still have a lot of challenges to overcome', he says. He particularly wants to work with local farmers to produce the raw material, essential oils, locally, to avoid importing them. He also wants to reach the international market, exporting his products once the pandemic has passed.



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