

# **A Study on Small Businesses Proposed in Ninawa Governorate**

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# The idea

- Study of current economic and social situation and development prospects in Nenawa province to Adopt strategies for development and social stability

# Objectives

- New life and incomes for 100 Iraqi women, by Small business opportunities.
- To reinforce and facilitate the development of a culture of civil society.
- To help increase the level of cooperation and mutual knowledge between civil society and local authorities in the Northern Area of Iraq, notably the city of Mosul and the Region of Ninawa.
- To enhance the cooperation of civil society and local authorities to provide social services according to the idea of **subsidiarity**.
- To reinforce the capacity building of the Iraqi society, through women empowerment.

# The tools

- Using scientific ways to determine the most successful projects, according to:
- Competitive Advantage of the product (Availability, Scarcity, High cost of imitation, Difficult to replace it).
- Target market.
- Competitive Analysis.
- Market Analysis.
- Market Mix.
- Internal Analysis (Supply Chain, Future Market Situation).
- External Analysis (Macro Environment, Micro Environment).
- Conclusions.

# University of Mosul: an overview

- A [public university](#) located in [Mosul](#). It is one of the largest educational and research centers in the [Middle East](#), and the second largest in [Iraq](#), behind the [University of Baghdad](#).
- Founded in April 1967, (In 1959 College of Medicine, under the control of the Ministry of Health).
- The University offers accredited Bachelor's, Master's, and Doctorate degrees in more than 100 scientific specializations. More than 80,000 students have graduated since the foundation of the University.

# Faculty of Administration and Economic

- Represents one of the various faculties take proper position as one of the academic institutions, with more than six thousand students in the morning and evening studies.
- The enhanced role of the college directed to provide to the community professional outcomes in the area of accounting and business management which is what the community needs with its various institutions significantly day after day.

# General Overview of Iraq's economy

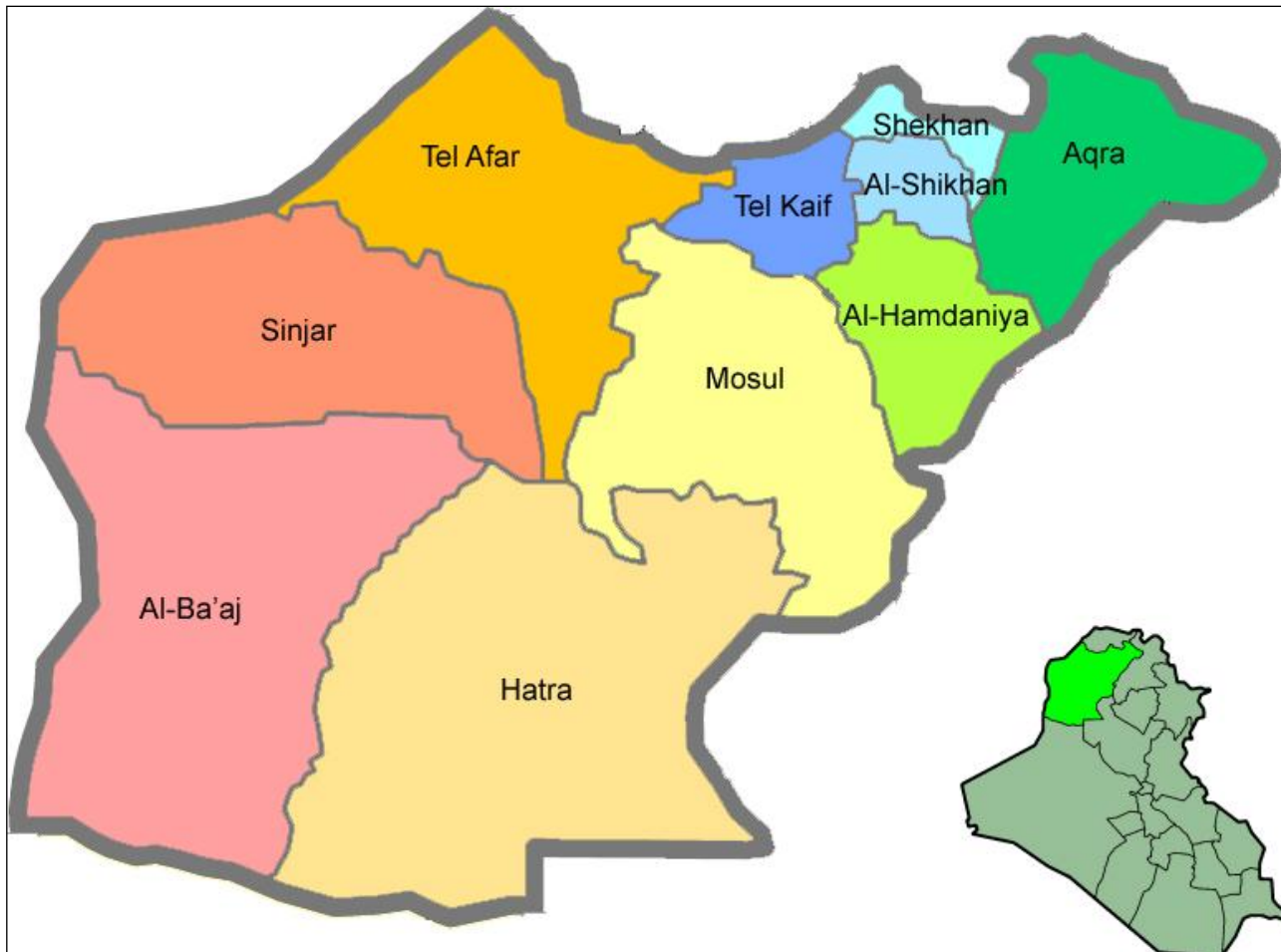
- In 2003, a decisions tacking towards encouraging and supporting the private sector in Iraq, called privatization of state facilities especially in the oil sector. Foreign companies were allowed to own interests in Iraq, and %15 taxes were imposed on those companies.
- One of the main obstacles facing the recovery of Iraq's economy is the huge debts of this country that date back to Gulf War I and Gulf War II.

# Map of Iraq





# Map of Ninawa province



# General facts

1	Population	33,000,000 million
2	Area	438,000 square kilometers
3	Capital City	Baghdad
4	Government	Federal, Parliamentary Republic
5	Currency	Iraqi Dinar
6	Annual average of National Income	\$100 billion
7	Iraq's rank in the world regarding national income average	60
8	Annual income per capita	\$3,030
9	Inflation rate	%20
10	Country's workforce	7 million people
11	Unemployment rate	%20 - %30
12	Iraq's annual exports	\$15 billion
13	Countries importing from Iraq	U.S. (%54.7), Canada (%9.8), Italy (%8.8), Taiwan (%4.2) and Jordan (%4.2)

# General facts (cont.)

15	Electric power production	10,600 GWh
16	Electric power consumption	17,600 GWh
17	Oil production	2,750,000 barrels a day
18	Oil domestic consumption	400,000 barrels a day
19	Exports	oil (%83.9), raw materials (%8), animal products and food stuff (%5)
20	Work and poverty	7 million (%23) live in poverty (spends less than ID 80,000 a month, or ID 2,600 a day).
21	Unemployment rate	%20 (%7 of males and %13 of females)
22	Modern technology usage	%80 of Iraqis using cellphones and %15 of them owning personal computers
23	Youth	Unemployment rate (among 15-24 year-old %30 in 2008 - %22.8 in 2011) half of the citizens are below 21 years old
24	Women	Working or looking for a job is only %18. They only get %7 of job opportunities in non-agricultural sectors,
25	Rate of women working for wages in non-agricultural sectors	Went up from %12.1 in 2008 to %14.7 in 2011.

# General facts (cont.)

26	Factors affect women's role	Violence acts, social and traditional perceptions, lack of security and the poor role of state facilities
27	Education and eradication of illiteracy	One out of five from ages between 10-49 years old in Iraq is illiterate.
28	Factors contributed in the deteriorating educational process	old-fashioned teaching methods and weak infrastructure
29	Rate of illiteracy among women	%24; whereas the rate is only %11 among men
30	Industry	Good quality products despite the outdated factories and machines and abnormal conditions (construction materials, petrochemicals, tobacco and leather)
31	Main banks and financial institutions in Iraq	17
32	Oil Fields	12 (Southern Area), 12 (Northern Area)
33	Names of Nienavah (Ninawa) province	Um al-Rabeain, Al-Hadbaa, Um al-Ula, City of Rimah, the Heaven on earth, al-Faihaa, the Green City, Kuchuk Istanbul, the White City

# Ninawa Governorate

- Destination for many rulers, leaders and scientists over different times in history. They loved it and lived in it for its nice weather and its kind people and gave it several different names, it has deep-rooted history that dates back to the fifth millennium B.C
- Lies in north of Iraq, with 32,308 square kilometres Area, its capital city is Mosul, which is 402 kilometers north of Baghdad, is the second largest city in Iraq, with 3,524,347 Population in 2014 , half of which live in the city of Mosul.

- According to the Industries Union in Iraq, the industrial categories include (Food industries (271), Textiles industries (109), Strategic industries (245), Construction industries (239), Wood industries (123), Paper industries (80), Chemical industries (88), Plastic industries, Services industries (59)).

# Manufacturing industries include :

- Food stuff industries (Meat packing, Fruit and vegetables packing, Dairy products, Grain products, Animal fodder products, Pastries products, Candy products, Wheat products such as spaghetti, Refreshment non-alcoholic products, Natural honey making).
- Textiles industry include (Textile fibres spun, Ready non-clothing textile products, Carpet industry), and Clothes industry (Clothes making with the exception of fur, Fur making and painting).
- Leather products industry (Leather tannery, Bags and suitcase products making, Shoe making).
- Wood products industry (Wood cutting and carpentry, Various wood products making).
- Paper industry (Paper products making, Printing).

- Non-metal mining industries (Glass products making, Non-heated Ceramic products making, Non-heated pottery making, White cement making, Stone cutting and decorating).
- Metal industries (Casting iron and steel, Casting non-iron metals).
- Metal advanced products making (Construction metal products making, Metal tanker making, Metal equipment and cutting devices making, Other metal products making).
- Machines industries (Engines and turbines making, Agricultural machines making).
- Furniture industry and other miscellaneous industries (Furniture making, Jewelry making, Toys making).



**Table 2: Number of small businesses, laborers and their wages**  
**Source: Data of Central Body of Statistics/ Ministry of Planning**

Year	Number of businesses	Number of laborers			Wages (ID 1000)
		With wages	Without wages	total	
2011	3,529	8,024	4,548	12,572	29,004,180
2012	3,575	7,838	4,635	12,473	30,924,974

**Table 3: Classification of people (aged 15+) in Ninawa regarding marital status**  
**Source: Data of Central Body of Statistics/ Ministry of Planning**

Marital status	Total in Iraq			Ninawa		
	Males	Females	Total	Males	Females	Total
Single	37.7	26.8	32.2	36.1	26.6	31.4
Married	61.3	62.2	62	62.9	63.4	63.2
Widowed	0.7	9.3	5	0.6	9.1	4.8
Divorced	0.2	1.4	0.8	0.4	0.9	0.7

Table 4: Estimates of poverty, unemployment and Accommodation percentage in Ninawa Governorate in year 2014

Town	Estimated population	Percentage of poverty line	Estimated population living below poverty line	Economic activity of people aged 15+	Unemployment rate among people aged 15+	Illiteracy rate among people aged 10+	Rate of families owning a house
Mosul	1,810,867	32.9	595,775	43.1	20.5	20.2	55.6
Hamdaniya	196,991	24.5	48,263	39.8	4.9	17.5	89.8
Tel Keif	196,627	32.3	63,511	37.3	5.3	26.9	81.9
Semel	71,390	6.3	4,498	41.5	9.5	28.9	67.6
Sinjar	308,315	37.2	114,693	31.2	2.7	33.1	96.8
Tel Afar	479,705	50.9	244,170	33.9	12.7	38.3	90.7
Shekhan	41,279	3.7	1,527	42.9	6.9	31.2	79.6
Hatra	55,567	38.5	21,393	32.9	24.7	40.5	90.1
Baaj	168,805	61.1	103,140	30.4	4.0	37.9	93.5
Makhmur	194,801	12.7	24,740	46.6	1.8	34.5	94.4
Total in Ninawa	3,524,347	34.50	1,221,709	39.8	14.6	26.2	71.9
Iraq	0	18.9	0	42.9	11.9	20.5	70.8

Note: Poverty line was measured as ID 105,000 monthly. So individuals earning less than this amount were considered living under poverty line.

Source: Date of Central Body of Statistics/Ministry of Planning

# Problems facing small business in Ninawa

- Funding problems, represented by the following factors:
- Scarcity of funding sources.
- Refusing to deal with interest banks.
- Lack of understanding of developed styles of funding.
- Difficulty and long measures of getting funding.

# Problems facing small business in Ninawa (cont.)

- Managerial and organizational problems, represented by the following factors:
  - - Difficult measures of registration and getting licenses and certificates.
  - - Absence of the role of state bodies such as Central Body of Quality Control in Iraq.
  - - Appearance of unlicensed factories and small businesses.
  - - Lack of technology of packaging.
  - - Poor technical experience in management and marketing.
  - - Difficulties and restrictions such as lack of security that affect importing raw materials and production supplies.
  - - Old nature of machines used.
  - - High cost of services provided by the government.
  - - Difficulty of making agreements with large companies.
  - - Lack of care of health measures and workers safety.
  - - Low educational level of workers.
  - - Poor data base about small businesses, and the resulting lack of coordination among them.

# Proposed Projects

- 1. Memorabilia tourist heritage.
- 2. local Sweets (sajacat / Man al samaa).
- 3. Manual heritage wall carpets.
- 4. Tahinia factory (sesame paste).
- 5. Peltry and Mosul cloak.
- 6. Ba'shiqa olive oil soap.
- 7. Medical dry herbs.
- 8. Tel Afar Bulgur.
- 9. Aljazeera animal fat .
- 10. Manual heritage clothes (Nineveh Plain).
- 11. Natural honey (Individual apiary).

# Motives and reasons in general

- If opened, the proposed projects would produce goods that are related to the local identity in order to maintain identity of areas and towns where the proposed projects would operate.
- Availability of basic supplies and convenient locations locally for opening the proposed projects.
- Availability of raw materials required to operate the proposed projects at the local market.
- Availability of skilled and specialized labourers especially among women, as well as men to operate the proposed projects.
- Some of the proposed projects products are already made in local markets, but with primitive styles making these products of low quality. Besides, these products do not meet local needs. In return, there is a possibility to increase the production of these projects already running and restore them with more developed techniques in order to improve the quality of their products. As a result, they will produce better products and with more quantities that can meet local and regional demand.

# Motives and reasons in general (cont.)

- It is recommended that size of the proposed project take into consideration the limits of budget set for those projects, and in accordance with Iraqi rules and regulations.
- The proposed project aims to provide job opportunities as one of the top goals of opening those projects.
- Possibility of implementing the proposed projects in a timely manner, no more than four months, once budget is available.
- Increasing demand on products that can be produced by the proposed projects in Iraq and a number of neighbouring countries.
- The proposed projects can help in keeping what is left of Ninawa governorate legacy and restoring what has vanished, and maintaining its traditional identity.
- Possibility of monitoring the activity of the proposed projects by certain government bodies in Ninawa to make sure these projects achieve the ultimate goals.



# Motives related to each project

## **a. Memorabilia tourist heritage**

1. Total lack of producing of any type of tourist memorabilia in local markets.
2. The strong need to document milestones of Ninawa and publish them locally and internationally through different types of these memorabilia.
3. Availability of skilled labourers, especially women, to produce such products.

## **b. Manual heritage wall carpets**

1. Availability of skilled workers, men and women, in Ninawa to produce this type of carpets.
2. Availability of suitable conditions for this type of industry which used to exist and then vanished.
3. Availability of raw materials such as yarn, wool and other technical supplies in the governorate.

# Motives related to each project

## **c. Local Sweets (sajacat / Man al samaa)**

1. Limited availability of this type of industry and the need to expand it for the purpose of exporting its products.
2. There are families in Ninawa that are skilled in making the products of this type of industry in their houses.
3. Availability of raw materials locally.
4. It is one of the types of industry whose products have high demand in the market especially during religious occasions.

## **d. Tahinia factory (sesame paste)**

1. Raw material, sesame, is available as it is grown in Iraq.
2. Availability of skilled workers for this industry in areas of Ninawa governorate.

# Motives related to each project

## **e. Pelt coats and Mosul cloak**

1. This industry is related to the identity of Ninawa more than other parts of Iraq.
2. Women contribute effectively in making these products.
3. Increasing demand on these products locally among young men as well as the elderly.

## **f. Ba'ashiqqa olive oil soap**

1. This product is produced in Ba'ashiqqa, north of Mosul, more than any other place in Iraq. It is linked to its identity.
2. Raw material used in making this product is olive oil which is widely produced in Ba'ashiqqa, and in some other places in Ninawa.

## **g. Medical dry herbs**

1. Ninawa governorate and the northern area of Iraq in general are famous for growing medical herbs.
2. High demand on this product in Ninawa and in Iraq in general.

# Motives related to each project

## **h. Tel Afar burgle**

1. Burgle industry and its other products are widespread in several areas of Ninawa.
2. Ninawa is known among all Iraq's governorates in that its people consume a lot of burgle and even make other dishes out of it such as the famous Mosul Kubba, especially in Mosul city.

## **i. Al-Jazira area animal fat**

1. Availability of stock especially goats and sheep which produce this kind of fat, in Ninawa in great numbers.
2. Use of this product in several food stuff industries and making popular sweets such as Mosul baklava.
3. The big role played by women in performing the processes of this type of industry.

# Motives related to each project

## **j. Manual heritage clothes in Ninawa Plain**

1. Variety of styles and collections of popular and heritage clothes known in Ninawa Plain.
2. Availability of skilled women workforce who can produce such clothes.
3. Increasing demand on these products by Iraqi expats living in countries around the world.

## **k. Natural honey (single apiary)**

1. Availability of farmlands in Ninawa groves suitable for breeding bees that produce honey.
2. Use of natural honey as a raw material in producing natural medicines.
3. Availability of farmers skilled in breeding honey bees in Ninawa governorate.

# **Contents of each proposed project study**

- Internal Analysis**
- Supply Chain**
- Future Market Situation**
- External Analysis\**
- Macro Environment**
- Micro Environment**
- Conclusion**

# The project team

- **Prof. dr. Obay Saeed Aldewachi** *supervisor in general*
- **Prof. dr. Moyassar Ibraheem Al juboury** *Researcher*
- **Prof. dr. Mowafaq Ahmed Al saydia** *coordinator*
- **Asst. prof. Waheed Mahmood Ramo** *Administrator*