Galkacyo North, Somalia, July 2019

#### Introduction

Since 1991, the multi-layered crisis in Somalia has been primarily driven by armed conflict and recurrent droughts and floods. Damages and losses from the most recent drought are estimated to exceed \$3.25 billion, approximately half the value of the country's Gross Domestic Product (GDP) in 2016. As a result, previously common livelihoods were lost; for example, whilst an estimated 60% of the population were dependent on livestock for their livelihoods before the recent drought, just 24% of host community and 7% of internally displaced person (IDP) households reported owning livestock in 2018. More broadly, a report published last year by REACH found that approximately half of all households lost access to one or more income sources over the past year. Almost half of the population is unemployed or underemployed, while youth unemployment is among the highest in the world.

The primary drivers of the crisis led to large-scale internal displacement by people in search of livelihood, typically in urban areas. As of July 2018, more than 2.6 millions people are estimated to be internally displaced in Somalia. Use of agricultural income sources – including livestock – and the rapid urbanisation of the country, casual labour has become the main income source for around 30 to 50 percent of households in Somalia. However, an increased reliance on daily labour as a major income source may further entrench the tenuous socio-economic position of vulnerable households, particularly IDP households.

Within this context, there is a significant gap in information regarding the potential for migration and associated change in livelihood. Particularly little is known about individuals under 30 years old, who are estimated to represent over 70% of the population. In partnership with the Durable Solutions for IDPs and Returnees in Somalia (DSIRS) Consortium, REACH conducted a "Youth engagement and livelihoods" assessment in Galkacyo North. It aimed to fill information gaps on the employment status and occupation choices of young people between the ages of 18 and 35, and ultimately to provide consortium implementers in Galkacyo North with potential avenues for interventions.

<sup>1</sup>World bank, <u>Somalia Drought Impact and Needs Assessment</u>, July 2017

<sup>2</sup> Ibid

<sup>3</sup>REACH, Somalia Joint Multi Cluster Needs Assessment (JMCNA), August 2018

<sup>4</sup>World Bank, Somali Poverty Profile 2016: Findings from Wave 1 of the Somali High Frequency Survey, June 2017

<sup>5</sup>UNICEF, Education in Somalia, 2015

<sup>6</sup> REACH, Somalia Joint Multi Cluster Needs Assessment (JMCNA), August 2018

<sup>7,8</sup> UNHCR, <u>Somalia Factsheet</u>, March 2019

<sup>9</sup> Somalia Food Security Cluster and WFP, Adapting to an urban world, 2016

<sup>10,11</sup>See Statistical Annex, "Sampling methodology" for greater details.

<sup>12</sup>UN, news.un <u>Displacement continues amid recurrent clashes in North central Somalia.</u> 2016

### Methodology

This situation overview is based on quantitative and qualitative data collected from the 23rd of June to the 7<sup>th</sup> of July 2019 in Galkacyo North. The quantitative component consisted of individual surveys (with some questions asked at the household level) that measured trends in access and barriers to livelihood sources, as well as drivers of migration and migratory intentions, for displaced and host community youth (aged 18-35). In total, 460 host community and 69 displaced youth were interviewed as part of this assessment. The sample was stratified by host community and displaced households at the district level. 10 Findings for host community youth are representative with a 95% confidence level and a 5% margin of error while those for displaced youth are representative with a 95% confidence level and a 10% margin of error at district level. 11 The quantitative data were complemented by



**five Key Informant (KI) interviews** (including long-term IDP residents and business men and women). These latter provided a deeper and richer understanding of the factors influencing youth's access to economic activities and youth's intentions of movements. Findings from KI interviews should be considered as indicative only.

#### Snapshot of Galkacyo North<sup>12</sup>

- Galkacyo is a city divided between the Puntland and Galmudug administrations. The town is an important regional hub for commerce between southern and central Somalia, the Somali region of Ethiopia and the port of Bosaso. The service sector is very important in Galkayo's economy and is strongly linked to livestock and livestock products trade.
- Recurrent droughts and conflicts displaced many families in the city and its environs, including due to tensions and recurrent clashes between armed actors.













### Galkacyo North, Somalia, July 2019

### **Key findings**

#### **Displacement**

• Findings showed that displaced youth generally reported fleeing from insecurity and drought, and were pulled to Galkacyo North by perceived safety, the presence of health services and presence of shelter. The presence of livelihoods/ income opportunities was also highlighted as an important factor by almost all KIs.

#### Social cohesion

• The relationships between host community and displaced populations were reported to be generally good by all Kls, and was especially improved by marriages and the fact that kids attend the same schools. Host communities were reported to be hospitable by two Kls, especially since competition from IDP youth in the labour market was considered low.

#### Livelihoods

- Unemployment/ lack of economic opportunities was perceived to be one of the main issues faced by youth in their communities.
- Host community and displaced youth were found not to have the same sources of livelihoods, as a significantly higher proportion of displaced youth reported day labour/ casual work and humanitarian assistance as their main sources of livelihood, while the inverse is true for the proportion of youth being involved in business/ self-employed activities and contracted jobs.
- Findings from KI interviews showed that network and distinct skill sets are factors that explain differences in the livelihood sources of displaced and host community youth.
- A significantly higher proportion of displaced youth than host community youth said they had lost their livelihood sources in the year prior to data collection
- 55% of youth (both young men and women) -irrespective of their status (host community/displaced)- reported that they view themselves as self-employed.
- Host community female youth was the population group that most commonly reported being involved in entrepreneurial activities, followed by host community young men.

#### Livelihood sources' coping strategies<sup>13</sup>

- Almost all youth -irrespective of their status- reported that their households have used one or more coping strategies in the year prior to data collection, and most households are highly dependent on employed family members.
- However, displaced youth households were significantly more likely to limit the size of their meals as a coping strategy than host community youth households.

#### Women involvement in economic activities

• KIs generally agreed there were discrimination against women in terms of access to labour market, but also that women had specific difficulties in accessing training/schools.

#### **Pastoralism**

- 28% of the youth who reported having lost their source of income in the year prior to data collection said that this latter was related to field crops or livestock rearing.<sup>3</sup>
- Findings from this assessment suggest that most host community and displaced youth neither own nor manage livestock.

#### **Vocational training program**

- A significantly higher proportion of displaced youth said they did not receive any vocational training in the year prior to data collection (88% vs. 34%).
- 126 of the 164 (77%) youth who reported receiving a vocational training said that the **training allowed them to engage in an economic activity**, and 119 said that this training was directly related to the economic activity they were undertaking at the time of data collection.

#### Entrepreneurship

- An overwhelming majority of both host community and displaced youth reported being interested in starting their own business. Most youth were interested in launching a petty trade business. According to the youth and Kls, The lack of access to capital/ liquidities was found to be the main barrier faced by youth in setting up a business.
- A quarter of youth reported the lack of knowledge on agriculture as a barrier to accessing the
  economic activities available in their communities.

#### Skills and trainings needed to access economic activities

• Computer, entrepreneurial, literacy, marketing and language skills (in particular English), were the most mentioned skills needed by youth –irrespective of their status- to be able to engage in economic activities. Life skills and entrepreneurship training were considered the most useful trainings to access jobs by host community youth and the second most useful training by displaced youth (behind carpentry).

#### **Migration intentions**

• 3% (4/460) of host community youth and 7% (5/69) of displaced youth reported intending to move to another location in the coming year. The search for food aid, the availability of health services and better economic opportunities were reported to be the main pull factors for migration. The vast majority of these youth said they intended to move to another location within Somalia

<sup>&</sup>lt;sup>13</sup> Question related to livelihoods' coping strategies was asked at the household level.

Galkacyo North, Somalia, July 2019

# † Demographics

Total host community population in Galkacyo District<sup>14</sup> **270,000**Total IDP population in Galkacyo North<sup>15</sup> **65,174** 

	population population	Displaced population <sup>16</sup>
Number of youth interviewed	460	69
% of households headed by men	55%	48%
Average age of household head	42 y.o	44 y.o
Average number of youth (18-35 y.o.) per household	d <b>2.7</b>	2.9

45% (209/460) of host community households reported hosting people who were not usually members of their households and with whom they were sharing resources such as food and water. 47% (217) of host community and 49% (34) of displaced youth were females. 49% of host community and 52% of displaced youth reported being the head of household. On average, host community youth and displaced youth were 26 years old.

# **%**→ Displacement

- ▶ 91% (63/69) of the displaced youth reported being internally displaced.<sup>17</sup>
- ▶ 8% (5/69) of the displaced youth reported being Somalis, returning from Ethiopia
- ▶ 1% (1/69) of the displaced youth reported being Saudi

Top 5 most commonly reported **regions of origin of internally displaced youth**:

		•
Mudug	24%	
Banadir	16%	
Lower Shabelle	16%	
Bay	8%	
Middle Shabelle	6%	

Top 5 most commonly reported settlements of origin of internally displaced youth:

		,
Galdogob	10%	
Jariiban	8%	
Afgooye	6%	
Diinsoor	5%	
Galkacyo	5%	

All KIs confirmed that IDPs were either from the central or the southern regions of the country. Only 23% of displaced youth (15/65) reported having been displaced in at least another location before reaching the locations where they were settled at the time of data collection (referred as "current one"). On average, 8 months elapsed between the moment of their departure and the moment they reached their current area of residency.

**IDPs** generally reported fleeing from general insecurity in areas under the influence of armed groups. Drought was also mentioned by almost all of KIs as to why displaced people initially decided to leave their areas of origin. All KIs agreed that the lack of livelihoods in youth's areas of origin was also acting as a push factor in population movements.

Top 3 reasons reported by displaced youth for choosing to move to their present locations<sup>18</sup>:

	First most reported	Second most reported	Third most reported
<b>^</b>	Absence of conflict 61% (42/69)	Presence of health services 30% (21/69)	Presence of shelter 29% (20/69)

Safety, presence of health services and presence of shelter were reported as the most important pull factors by displaced youth. Safety/ locations' relative stability was unanimously reported as being one of the main pull factors for displaced populations by KIs, with families who reportedly came to Galkacyo to ensure that armed groups did not enroll their teenage boys, as per one KI.

The presence of livelihood/ income opportunities was also highlighted as an important pull factor by almost all KIs. Finally, one KI mentioned that displaced populations were also attracted to Galkacyo North for its numerous schools and its universities, while another KI reported that youth were using Galkacyo North as a starting point to go to Europe or the Gulf countries afterwards.

#### **Community relationships**

All KIs agreed that relationships between host communities and IDPs were generally good in their communities. One KI mentioned that several factors helped improving host community/IDPs relationships, including law enforcement, marriage between both population groups or the fact that both host community and displaced children were attending classes in the same schools.

2 KIs reported that **host community members in their communities were hospitable towards displaced populations** and that many displaced youth were employed by host community, without creating competition in the labour market.

<sup>14</sup> UNFPA, 2014

<sup>&</sup>lt;sup>15</sup> REACH in partnership with the CCCM Cluster, Detailed Site Assessment (DSA), November 2019

<sup>&</sup>lt;sup>16</sup> For this analysis, "displaced population" includes (1) Somali youth who have moved within Somalia as well as (2) Ethiopian youth who moved to Somalia and (3) Somalis returning from Ethiopia.

<sup>&</sup>lt;sup>17</sup> i.e. coming from a different location in Somalia.

<sup>&</sup>lt;sup>18</sup> Several answers could be selected.

### Galkacyo North, Somalia, July 2019



# Livelihoods<sup>19</sup>

All KIs agreed on the fact that **many youth were unemployed** in their areas due to both the limited economic opportunities available and the fact that they were lacking marketable skills, even for those who had graduated from universities according to one KI.

Example of youth's livelihood sources mentioned by KIs included: petty trade, hotel receptionists, teachers, salesperson, taxi drivers, employees for private businesses (telecommunication companies, beauty salons), tailoring, construction work, carpentry, cleaning and laundry work.

Top 3 most commonly reported youth's livelihoods sources at the time of data collection: 20,21



A significantly higher proportion of displaced youth reported day labour/ casual work and humanitarian assistance as their main sources of livelihood<sup>3,4</sup>, while the inverse is true for the proportion of youth being involved in business/ self-employed activities<sup>1</sup> which might also indicate a differentiated access to start-up capital.

This idea according to which host community and displaced youth were not carrying out the same type of jobs was corroborated by most KIs who usually agreed that displaced youth were carrying out low skilled jobs. Host community members were said to be provided with the best job opportunities available, thanks to their network but also to their skill sets. This is corroborated by the higher proportion of host community youth reporting having contracted jobs\*2 (in positions such as in official companies, NGOs or government offices).

A fair proportion of both groups reported remittances as their main sources of income (16% for host community vs.10% for displaced youth), and allowances/ community support (4% vs. 9%) . Finally, a significantly higher proportion of host community youth reported selling livestock as their main source of income (10% vs.1%).\* $^{5}$ 



1% (3/460) of host community youth reported having **no** livelihood source at the time of data collection.

3% (2/69) of displaced youth reported having **no** livelihood source at the time of data collection.

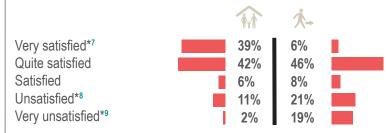
Almost all youth reported having a livelihood source at the time of data collection, with a comparable proportion between both groups, and the majority of youth (82% (433/529)) reported that their main livelihood sources at the time of data collection included at least one income generating activity. However, these two last findings should not be over-interpreted as they do not necessarily reflect durable, full-time sources of livelihood. As highlighted by 3 out of 5 of the Kls, unemployment/lack of economic opportunities was one of the major issues affecting youth in their communities.

#### Youth's main employers

55% of the youth (236/433) stated that they viewed themselves as self-employed, when asked to identify their main employer. Among the 236 youth who reported being their own employers, only 47% (111/236) said that one of their (if not the only) most common source(s) of income at the time of data collection was business/self-employment activities, while 55% (129/236) reported being engaged in daily job/casual work and 19% (45/236) reported that they had contracted jobs. This highlights the fact that the demarcation between self-employment and other forms of work is not clear-cut.

27% (119/433) of youth reported being mainly employed by the private sector, with a significantly higher proportion from host community youth (29% vs. 15%)\*12, and 5% (22/433) reported being employed by the government. Finally, only 7% (32/433) reported being employed by local business owners. This, in addition to the fact that findings also showed difficulties with accessing liquidities, might suggest that those enterprises generally do not expand to a size that would permit them to hire staff.

Youth's satisfaction towards their livelihood sources<sup>24</sup>



<sup>&</sup>lt;sup>22</sup> Income generating activities include business/self-employment, contracted jobs, selling of livestock, selling of agricultural farm products, casual work/day labour.

<sup>&</sup>lt;sup>19</sup>Throughout this section, indicators for which the differences between host community and displaced youth were found to be significant are marked with an asterisk. Superscripts in turquoise have their corresponding references placed in the statistical annex.

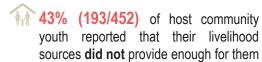
<sup>&</sup>lt;sup>20</sup> Several answers could be selected.

<sup>&</sup>lt;sup>21</sup> As part of this survey, "Livelihood sources" includes both economic activities and other sources of livelihood such as remittances, community suppoort, and humanitarian assistance.

<sup>&</sup>lt;sup>24</sup> Question was asked to all youth but the ones reporting having no livelihood source (i.e. 644 host community youth and 95 displaced youth answered the question related to livelihood sources' satisfaction).

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The majority of youth with at least one livelihood source said they were either very satisfied, quite satisfied or satisfied with this source of livelihood. However, a significantly higher proportion of host community than displaced youth reported being very satisfied with their livelihood sources.\*7 Conversely, the proportion of displaced youth who reported being either unsatisfied or very unsatisfied with their means of subsistence was significantly higher than host community youth.\*8 In the Somali context, the fact that youth reported being generally satisfied with their personal sources of income seems to have a religious connotation (related to the necessity of gratitude). KIs and FGD participants unanimously agreed on the fact that most of the youth were unsatisfied with the available jobs/economic opportunities in their communities due to low salaries, an opinion confirmed by the findings below.



and their households.

43% (193/452) of host community  $\sqrt[3]{-79}\%^{*10,11}$  (53/67) of displaced youth reported that their livelihood sources did not provide enough for them and their households.

Furthermore, a significantly higher proportion of displaced youth reported that their livelihood sources did not provide enough income; which corroborates the idea that displaced youth have access to lower paid and low-skills opportunities.



#### Snapshot on youth entrepreneurship

- 30% of the youth (164/549) -irrespective of their status- reported that selfemployment was one of their (if not their only) main source(s) of livelihoods.
- 50% (83/164) of self-employed youth reported that it was their sole source of livelihood. The others (81/164) reported combining self-employment with at least another source of livelihood (including remittances, rent of land or property, contracted job, day labour/ casual work or selling of livestock).
- The population group most involved in entrepreneurship activities as such were host community female youth (39%; 80/217), followed by host community male youth (27%; 76/278), displaced males (14%, 5/35) and displaced females (9%, 3/34). <sup>25</sup> When asked who their employer was, women were also more likely than men to report being self-employed (25% vs 19%).
- 76% (63/83) of youth (displaced and host community combined) who reported selfemployment as one of their livelihood source said they were either very satisfied, quite satisfied or satisfied with it.

#### Loss of livelihood source



(114/460) community youth said that they lost their livelihood source in the year prior to data collection.



46%\*14 (32/69) of displaced youth said that they lost their livelihood source in the year prior to data collection.

A significantly higher proportion of displaced youth than host community youth said they had lost their livelihood sources in the year prior to data collection (46% vs 25%)\*14, which might be again explained by the lower level of skill set and less important network. More generally, one KI explicited that "youth's long term unemployment was typically inducing loss of skills and productivity which was damageable to economic growth in the long term".

Top 3 most commonly reported lost livelihood sources in year prior to data collection:<sup>26</sup>

	First most reported	Second most reported	Third most reported
111	Day labour/casual work 34% (39/114)	Business/ self employed*15 Contracted job 18% (20/114)	Livestock rearing for personal consumption 13% (15/114)
<b>^</b>	Day labour/casual work 44% (14/32)	Livestock rearing for personal consumption 19% (6/32)	Selling of livestock 16% (5/32)

17% (9/53) of the youth (displaced and host community combined) who said that labour/casual work was the source of livelihood they lost in the year prior to data collection explained that they ran out of money to keep their own business going. This further emphasizes the fact that the lines of demarcation between casual work and self-employment were not always clear-cut for youth and that the proportion of youth reporting being "self-employed" is likely to under-estimate the proportion of youth engaged in entrepreneurship activities.

Top 3 most commonly reported reasons by youth for having lost their livelihood source (all types of livelihood sources combined) in the year prior to data collection:<sup>27,28</sup>



- 1 There was no work anymore, got laid off (25/114)
- 2 Livestock or land was destroyed (15/114)
- 3 Moved to an urban area and could not find the same work (9/114)



- 1 There was no work anymore, got laid off (9/32)
- 2 Moved to an urban area and could not find the same work (5/32)
- 3 ran out of money to keep the business running (4/32)

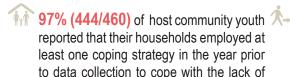
<sup>&</sup>lt;sup>25</sup>The fact that the lines of demarcation between casual work and self-employment are not always clear-cut might have distorted those findings. However, the greater likelihood of women to be self-employed than men seems to be consistent with ILO Estimates and Projections for Somalia. According to ILO Estimates and Projections for Somalia, 87.9% of females (of all ages) are self-employed vs 70.2% of males.

### Galkacyo North, Somalia, July 2019

Interestingly, one local government representative KI mentioned that large businesses had left the area in the last years due to conflict, hence reducing the local economic activity, which partially explains the fact that most youth reported having been laid off due to the absence of work.

Use of negative coping strategies<sup>29</sup>

they used two.



livelihood source, 34% (157/460) said

99% (1/69) of displaced youth reported that their households employed at least one coping strategy in the year prior to data collection to cope with the lack of livelihood source, 48% (33/69) said they used two.

The finding above demonstrate that the general lack of livelihood led many youth households to rely on coping strategies to meet their needs, as almost all youth reported that their household have used at least one coping strategy in the year prior to data collection. It also show to a certain extent that youths from both communities are facing many of the same challenges in accessing income-generating activities.

**Top 5 most commonly reported coping strategies** adopted by youth households to deal with a lack of livelihood source in the year prior to data collection:<sup>30</sup>



These findings are in line with what most of the KIs reported, according to which households usually struggle to meet their basics needs and are highly dependent on employed household members to survive. Finally, displaced youth households were significantly more likely to limit the size of their meals as a coping strategy than host community youth households.\*13

#### **Pastoralism**

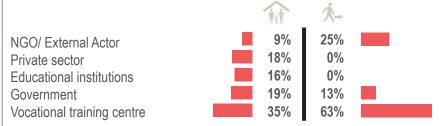
29% (43/146) of the youth (displaced and host community combined) who reported having lost a source of income in the year prior to data collection said that this latter was related to field crops or livestock rearing<sup>31</sup>. Among them, 20 mentioned that their livestock or land was destroyed either during flooding or drought, and 14 said they lost their livelihood sources because they moved from a rural to urban area (which prevented them from keeping working in farming/livestock related activities).

A similar proportion of youth from both population groups reported owning livestock, with 22% of host community and 12% of displaced youth. Additionally, 12% of displaced youth and 19% of host community youth reported managing someone's else livestock.<sup>32</sup>

#### Vocational training participation<sup>32</sup>

A relatively high proportion of youth reported having not received any vocational training in the year prior to data collection, with a significantly higher proportion of youth displaced (88% vs. 66%).\*16 Only 8 displaced youth and 156 host community youth reported having received a vocational training in the year prior to data collection.

#### Top 5 most commonly reported vocational training providers<sup>33</sup>



Vocational training centres were the most commonly reported vocational training providers for youth.

Top 3 most commonly reported places where youth got offered their vocational training:

training taken by youth:

Top 3 most commonly reported vocational

- **1 -** School (69/164)
- 2 Program centre (69/164)
- **3 -** Offices (21/164)



- **1 -** Computer skills (63/164)
- 2 Marketing (32/164)
- 3 Accounting and finance (21/164)



<sup>&</sup>lt;sup>26</sup> Findings relating to subsets of a population and therefore have a lower confidence level and a wider margin of error.

<sup>&</sup>lt;sup>27</sup> Several answers could be selected.

<sup>&</sup>lt;sup>28</sup> Findings relating to subsets of a population may have a lower confidence level and a wider margin of error.

<sup>&</sup>lt;sup>29</sup> Question related to livelihood sources' coping strategies was asked at the household level.

<sup>&</sup>lt;sup>30</sup> Several coping strategies could be selected.

<sup>&</sup>lt;sup>31</sup> This includes the following income sources: Selling of livestock, Selling of agricultural/farm goods, Farming for personal/ household consumption (not for sale), Livestock production for personal/household use (not for sale).

<sup>&</sup>lt;sup>32</sup> A snapshot on the Technical and Vocational Education and Training (TVET) activities under this project can be found on the last page of this situation overview.

<sup>&</sup>lt;sup>33</sup> Findings relating to subsets of a population and may have a lower confidence level and a wider margin of error.

### Galkacyo North, Somalia, July 2019



77% (120/156) of host community youth reported that the training they received had allowed them to engage in an economic activity.

75% (6/8) of displaced youth reported that the training they received had allowed them to engage in an economic activity.

Out of the 164 youth who mentioned having received a vocational training in the year prior to data collection, 73% (119) reported that the training was directly related to the economic activity they were engaged in at the time of data collection, 10 reported that the skills they got were somewhat transferable to the job they were carrying out at the time of data collection and 31 that there was no relation between the training they were offered and their current occupation.

#### Availability of livelihood sources

Top 3 most commonly reported livelihood sources available in youth's locations:

Day labour / casual work Business/ self-employed\*17 Contracted jobs\*18



The proportion of displaced youth who reported day labour/ casual work as one of the **most** available livelihood sources in their locations was significantly higher than the proportion of host community youth, while the opposite is true with regards to contracted jobs.\*17,18

These findings are in line with the livelihood sources each population group reported having access to at the time of data collection, but also with the idea that certain kind of jobs are only accessible to certain population groups.

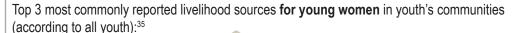
#### Women involvement in economic activities<sup>34</sup>



47% of youth (135/287) said that they did not perceive that there had been an increase in the number of young women among their coworkers in their place of work since they started working there;

**19%** (54/287) reported having seen an increase in the number of young women at their workplaces;

30% (85/287) did not know.





The type of livelihood sources that youth women were reported to be involved in was quite different to the activities that youth, of each status, reported being engaged in. Kls generally agreed there were discrimination against women in terms of access to labour market, but also that women had specific difficulties in accessing training/schools, hence limited skills/education. In the same vein, one Kl reported that privately owned businesses' workforce was mainly composed of men and that they were usually occupying more prominent positions than women.

#### Barriers to access to economic activities

Top 3 most commonly reported barriers preventing youth from accessing the economic activities available in their communities:<sup>36</sup>

	First most reported	Second most reported	Third most reported
	Lack of finances to start the business 66% (89/135)	No knowledge on agriculture 24% (33/135)	No training available 15% (20/135)
<b>^</b>	Lack of finances to start the business 68% (15/22)	No knowledge on agriculture 27% (6/22)	Insecurity 14% (3/22) <sup>22</sup>

Both youth population groups agreed that the **lack of finance and access to capital to start the business** was the main barrier preventing them from accessing economic activities available in their community, which was corroborated by two Kls. Interestingly, around a quarter of youth reported the lack of knowledge on agriculture as such a barrier.

Additionally, all KIs but one also identified the **lack of education and of (marketable) skills** as barriers to youth's access to economic opportunities. **Nepotistic hiring practices** was also perceived to be a barrier to economic opportunities' access for youth by most of the KIs interviewed. Youth coming from poor households and/or displaced families were said by one KI to be the first to suffer from these practices, but also youth coming from non-dominant clans.

<sup>&</sup>lt;sup>34</sup> Question was only asked to youth reporting "selling livestock" and/or "selling agricultural products" and/or being involved in "livestock production for personal consumption", and/or "agricultural production for personal consumption", and/or being engaged in "day labour/casual work" and/or "having a contracted job".

<sup>35,36</sup> Several answers could be selected.

### Galkacyo North, Somalia, July 2019

#### **Economic activities intentions and preferences**

A significantly higher proportion of host community youth reported that they intended to continue the same activity for the coming year, <sup>37,\*21</sup> which might suggest that they have access to more gratifying / interesting / remunerative jobs than their displaced counterparts.



78% (229/287) of host community youth reported that they intended to continue their current economic activity during the year following data collection.

67% (31/45) of displaced youth reported that they intended to continue their current economic activity during the year following data collection.

Top 3 most commonly reported youth's preferred livelihood sources:<sup>38</sup>

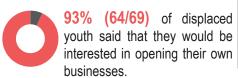
	First most reported	Second most reported	Third most reported
	Business/ self-employed 49% (140/287)	Contracted job <b>22% (63/287)</b>	Day labour / casual job 14% (40/287)
<b>∱</b> →	Business/ self-employed 47% (21/45)	Day labour / casual job <b>27% (12/45)*</b> <sup>23</sup>	Contracted job 13% (6/45)

The most reported preferred livelihood sources was being engaged in business/ being self-employed, which corroborates findings from KI interviews who unanimously reported that youth would be willing to start their own businesses. Youth were also said to be interested in doing office work for private companies, taxi driving, commercial activities, employees for hairdresser or in beauty salons or farming/livestock trading. 4 out of 5 KIs reported that working conditions (including job security and decent pay) were factors influencing youth's preferred economic activities). Finally, one KI reported that some displaced youth would be interested in carrying out farming activities.

These findings are further emphasized by the fact that an overwhelming majority of host community and displaced youth responded positively when asked whether or not they would be interested in starting their own businesses.



**91% (420/460)** of host community youth said that they would be interested in opening their own businesses.



<sup>&</sup>lt;sup>37,38</sup> Questions were only asked to youth reporting "selling livestock" and/or "selling agricultural products" and/or being involved in "livestock production for personal consumption", and/or "agricultural production for personal consumption", and/or being engaged in "day labour/casual work" and/or "having a contracted job"; i.e. 287 host community youth and 45 displaced youth.

Top 5 most commonly reported types of businesses/services youth would be interested in opening/offering:<sup>39</sup>



Petty trade was the type of business youth - regardless of their status and gender - were the most interested in launching, with a significantly higher proportion of displaced youth. 24 Displaced young men tend to be slightly more interested in starting electricity and livestock businesses than other population groups, while displaced young women tend to be more interested in petty trade (71% of youth). Host community women are more interested in opening beauty services than any other population groups (32% of youth)

Top 3 most commonly reported issues faced by youth for setting up their own businesses: 40,41



- **1 -** Lack of finance 84% (352/420)
- 2 Little to no knowledge of how to set up a business 29% (123/420)
- **3** Lack of land ownership 28% (117/420)
- \ <del>-</del> 1
  - 1 Lack of finance 91% (58/64)
  - 2 Little to no knowledge of how to set up a business 27% (17/64)
  - 3 Lack of land ownership 23% (15/64)

According to youth, lack of capital and access to liquidity is the main barrier they face when setting up a business. These findings were further emphasized by KIs who highlighted the need to facilitate youth's access to finance capital. They also mentioned youth's absence of entrepreneurial skills/ innovative start-up business ideas, and their lack of marketable skills. The sluggish demand and the existing competition on the market were also said to be factors discouraging youth to launch their own businesses.

Finally, it should be noted that only 14% of both population groups (22/157) mentioned the lack of vocational training program as a factor that prevented them from launching their own businesses.

<sup>&</sup>lt;sup>39,40</sup> Question was only asked to youth reporting being interested in starting ther own businesses, i.e. 420 host community youth and 64 displaced youth.

<sup>41</sup> Several answers could be selected.

### Galkacyo North, Somalia, July 2019

#### Labour market

#### Factors facilitating the access of youth to economic activities

Top 5 most commonly reported factors determining youth's ability to access economic opportunities in their communities:<sup>42</sup>



Host community and displaced youth generally agreed on the most important factors influencing youth's ability to access economic activities in their communities. However, significantly more displaced than host community youth reported the presence of NGOs/ external actors as an important factor to access economic opportunities, which might indicate their stronger presence in displaced youth daily life. Interestingly, 3 KIs out of 5 also mentioned **the necessity to set up job centers** where unemployed youth could obtain information about the jobs available in their areas.

KIs generally deplored the lack of awareness with regards to trainings and the fact that those with network/good connections usually were better aware –and more likely to attend trainings-than the others. Women and displaced youth were said to be the population groups the least present in these trainings.

Top 5 most commonly reported skills needed by youth to access economic opportunities:<sup>43</sup>

			<b>X</b> -
Computer skills Entrepreneurial skills Literacy skills Language skills Mathematic skills	63% 49% 35% 34% 26%	Computer skills Entrepreneurial skills Marketing skills*27 Literacy skills Language skills	52% 46% 36% 33% 28%

Computer and entrepreneurial skills were the most important skills needed to access economic opportunities, according to host community and displaced youth. Literacy, marketing and language skills were also mentioned among the skills the most needed by youth, and were also highlighted by Kls. Among the youth who reported that language skills were among the top 3 skills needed to access economic activities, 72% mentioned that English would be the most useful one. Finally, a significantly higher proportion of displaced youth reported marketing (36% vs. 24%)\*27 and agriculture (19% vs. 6%)\*28 as being important skills to access economic opportunities.

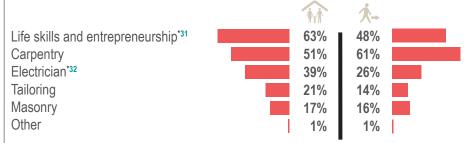
#### Youth's access to economic opportunities

Top 3 most commonly reported **most accessible economic opportunities for youth** in their communities:



These findings are in line with the reported overall available sources of livelihood in youth locations. It is noticeable however that business/ self-employment was perceived as being less accessible to youth (28% for host youth, 16% for displaced youth) than it is perceived to be available for the rest of the population (respectively 50% and 28%, see page 7). A significantly higher proportion of displaced youth reported day labour/ casual work as the most accessible economic opportunities for them (75% vs 48%), while the opposite was true with regards to contracted jobs (16% vs.13%)<sup>29,30</sup> These significant differences are in line with findings from KI interviews according to which certain kind of jobs are only available to certain population groups.

Most useful vocational trainings for youth to be engaged in economic activities in their communities:<sup>44</sup>



Host community and displaced youth generally agreed that **life skills and entrepreneurship skills** were the types of training that were the most useful for them and other young people in order to increase their access to economic opportunities in their communities. However, a significantly higher proportion of host community youth mentioned life skills and entrepreneurship\*31 and electricity skills\*32 as the most useful vocational training.

KIs further emphasized the necessity for youth to possess skills such as tailoring, plumbing, carpentry and electrical skills to access economic opportunities.

<sup>&</sup>lt;sup>42</sup> Several answers could be selected.

<sup>&</sup>lt;sup>43</sup> Youth could select up to 3 choices.

<sup>44</sup> Several answers could be selected

### Galkacyo North, Somalia, July 2019

#### Youth's occupation

Top 5 most commonly reported activities youth engage in during their free time<sup>45</sup>:

Household chores Spending time with friends Taking care of family member(s) Religious activity Watching sports



Youth reported being engaged in similar activities in their free time, as no significant differences can be observed between the two population groups. According to KIs, the main activities of youth during their spare time included doing sports (playing football), watching television, and relaxing/ drinking tea in teashops with their friends. Unemployed youth were reported to have the same activities as above.

Top 3 most commonly reported activities youth engage in during their free time<sup>46</sup>



- 1 Spending time with friends (59%)2 Household chores (52%)
- **3** Playing / watching sports (**43**%)
- 1 Household chores (94%)
- 2 Spending time with friends (59%)
- 3 Taking care of family member(s) (51%)

The top 3 most reported activities by male and female youth were rather different, as a much larger proportion of young women than young men reported doing household chores during their free time (94% vs 52%). Women were also more likely to report taking care of family members during their free time than men (59% vs 35%).

Finally, one KI reported that women were excluded from public spaces and were lacking **spaces** where they could socialize and interact with each other.



### Intentions of movements

Proportion of youth reporting intending to change location in the coming year



**3% (6/460)** of host community youth said that they intended to change location in the coming year.

32% (146/460) were not sure about this decision yet



7% (5/69) of displaced youth said that they intended to change location in the coming year.

36% (25/69) were not sure about this decision yet.

The majority of youth -regardless of their status- reported intending to remain in the same location for the coming year. Youth who have already been displaced were slightly more inclined than host community youth to intend to change location in the coming year (however not significantly).

Distribution of food aid and the availability of health services were reported to be the main potential pull factors for migration. Among the youth intending to change location in the coming year, the vast majority -regardless of their status- said they intended to move to another location within Somalia (although these findings refer to very small subset of the population).<sup>47</sup>

By way of comparison with quantitative findings, KIs generally reported that most youth in their communities would be willing to migrate to access better economic opportunities. The main barriers to emigration mentioned by the KIs were transportation costs, insecurity and disaproval from the youth's family. The difference between intentions and willingness to move to new locations tends to suggest that youth would be interested in moving for economic opportunities; however, these desires are not concrete plans.

#### Conclusion

Unemployment/ lack of economic opportunities was widely perceived as one of the main issues faced by both youth groups in their communities, and almost all youth -irrespective of their status- reported that their households used one or more coping strategies in the year prior to data collection. The results of this assessment also highlighted differences in the source of livelihood for host community and displaced youth, as displaced youth have access to lower paid and low-skill opportunities and enjoy a lesser economic integration than host community youth.

The lack of access to vocational training appears to be a worsening factor in terms of economic integration of displaced youth, as a significantly higher proportion of host community youth reported having received vocational training in the year before the assessment, but also since two-third of youth who reported having received one said that it allowed them to engage in an economic activity. Furthermore, the most commonly reported factor determining youth's ability to access economic opportunities in their communities was the link with training programs. Interestingly, KIs generally deplored the lack of awareness with regards to trainings and the fact that those with network/good connections usually were better aware -and more likely to attend trainings- than the others. Women and displaced youth were said to be the population groups the least present in these trainings.

<sup>&</sup>lt;sup>47</sup> Question was only asked to a very small subset of population, i.e. youth who reporting being interested in changing location in the coming year, i.e. 6 host community youth and 5 displaced youth

<sup>45,46</sup> Several answers could be selected.

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Though "only" 30% of the youth reported self-employment as one (if not the only) source(s) of income, more than half of youth viewed themselves as self-employed. This result highlights that the distinction between casual work and self-employment is not always clear-cut and that the proportion of youth reporting being "self-employed" likely under-estimates the proportion of youth engaged in entrepreneurial activities. **Entrepreneurship appeared to be extremely appealing to host community and displaced youth**, as it was also the most reported preferred livelihood source for youth. However, a lack of capital and access to liquidity were reported to be the main barriers to setting up a business. Furthermore, a very low proportion of youth reported being employed by local business owners, which could suggest that local businesses do not expand the number of employees past a relatively small size (if at all).

In sum, possible entry points for DSIRS consortium partners and government stakeholders for supporting youth's livelihoods in Galkacyo district are:

Increase youth's access to Technical, Vocational Education and Training (TVET) programs and especially those that introduce the concept of entrepreneurship. Computer skills were reported among the most important reported skills for youth to access economic opportunities; while carpentry, electrician and tailoring vocational training programs were perceived as very useful for youth to engage in livelihoods in their communities. Systematically undertake market/labour and value chain assessments so as to ensure that training curricula are tailor-made according to actual market dynamics. Given youth's appeal for entrepreneurship, promoting micro-credit schemes that are accessible to them could be an essential complementary activity, to allow youth to launch themselves into the business sector. Finally, increase youth' access to financial capital by supporting and upscaling traditional financial mechanisms such as "ayuuto"/SHG/VSLAs and linking them up with financial institutions such as banks and micro-financial institutions to help them secure loans for businesses. This could prove essential to tap into youth's economic aspirations.

This assessment has been conducted on behalf of the DSRIS consortium which aims, among other, at improving relevant and sustainable livelihood opportunities for youth in Puntland and Galmudug regions. See below the details of the TVET activities undertaken in Galkacyo North:

# TVET activities under the DSRIS consortium in Galkacyo North Total number of beneficiaries per course, disaggregated by gender

Course	Male	Female	Total
Beauty Salon	0	31	31
Carpentry	22	0	22
Cooking	28	0	28
Electronics	21	0	21
Tailoring	0	34	34
Total	93	43	136

#### **Statistical Annexes**

#### Sampling methodology

To obtain findings generalizable at the district level, the number of interviews that have been conducted in each settlement was proportional to the population size of the settlement (irrespective of whether DSRIS programming is implemented in the district). Since age-disaggregated population data is not available at the district or settlement level, the total population size has been used as a proxy for the distribution of the youth subset of the population being targeted for this assessment, assuming a smaller overall population correlates with a smaller youth population and vice-versa. Based on REACH's experience in Somalia, youth populations generally trend along with the overall population. However, some settlements may not follow this trend and there is a risk that the youth populations from these districts will be over or under-represented in district-level results. In general, given that total population figures have been used as proxies for the youth's figures, sample sizes are likely to allow for the findings to be statistically more accurate than the 95/5 and 95/10 outlined in the methodology section.

#### HCP: Host Community Population, DP: Displaced Population

- 1. HCP (M=0.34; SD=0.47) where N=460 and DP (M=0.12; SD=0.32) where N=69, P Value = 0.00 thus significant difference.
- 2. HCP (M=0.23; SD=0.42) where N=460 and DP (M=0.09;SD=0.28) where N=69, P Value = 0.01, thus significant difference.
- 3. HCP (M=0.38; SD=0.49) where N=460 and DP (M=0.58; SD=0.5) where N=69, P Value = 0.00 thus significant difference.
- **4.** HCP (M=0.03; SD=0.17) where N=460 and DP (M=0.16; SD=0.37) where N=69, P Value = 0.00 thus significant difference.
- **5.** HCP (M=0.1; SD=0.3) where N=460 and DP (M=0.01; SD=0.12) where N=69, P Value = 0.02, thus significant difference.
- **6.** HCP (M=0.01; SD=0.08) where N=460 and DP (M=0.03;SD=0.17) where N=69, P Value = 0.07, thus significant difference.
- 7. HCP (M=0.39; SD=0.49) where N=385 and DP (M=0.06; SD=0.24) where N=48, P Value = 0,00 thus significant difference.
- **8.** HCP (M=0.11; SD=0.31) where N=385 and DP (M=0.21;SD=0.41) where N=48, P Value = 0.04, thus significant difference.
- 9. HCP (M=0.02; SD=0.14) where N=385 and DP (M=0.19; SD=0.39) where N=48, P Value = 0,00 thus significant difference.
- **10.** HCP (M=0.35; SD=0.48) where N=452 and DP (M=0.55;SD=0.5) where N=67, P Value = 0,00 thus significant difference.
- 11. HCP (M=0.08; SD=0.26) where N=452 and DP (M=0.24; SD=0.43) where N=67, P Value = 0,00 thus significant difference.
- **12.** HCP (M=0.29; SD=0.45) where N=385 and DP (M=0.15; SD=0.36) where N=48, P Value = 0.03, thus significant difference.

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- 13. HCP (M=0.13; SD=0.34) where N=460 and DP (M=0.26; SD=0.44) where N=69, P Value = 0.00 thus significant difference.
- **14.** HCP (M=0.25; SD=0.43) where N=460 and DP (M=0.46;SD=0.5) where N=69, P Value = 0,00 thus significant difference.
- **15.** HCP (M=0.18; SD=0.38) where N=114 and DP (M=0;SD=0) where N=32, P Value = 0.01, thus significant difference.
- **16.** HCP (M=0.66; SD=0.47) where N=156 and DP (M=0.88;SD=0.32) where N=8, P Value = 0,00 thus significant difference.
- 17. HCP (M=0.5; SD=0.5) where N=460 and DP (M=0.28; SD=0.45) where N=69, P Value = 0,00 thus significant difference.
- **18.** HCP (M=0.4; SD=0.49) where N=460 and DP (M=0.2;SD=0.41) where N=69, P Value = 0,00 thus significant difference.
- **19.** HCP (M=0.5; SD=0.5) where N=460 and DP (M=0.35;SD=0.48) where N=69, P Value = 0.02, thus significant difference.
- **20.** HCP (M=0.38; SD=0.48) where N=460 and DP (M=0.17;SD=0.38) where N=69, P Value = 0,00 thus significant difference.
- **21.** HCP (M=0.49; SD=0.5) where N=460 and DP (M=0.68;SD=0.47) where N=69, P Value = 0,00 thus significant difference.
- 22. HCP (M=0.02; SD=0.15) where N=135 and DP (M=0.14;SD=0.35) where N=22, P Value = 0.01, thus significant difference.
- 23. HCP (M=0.14; SD=0.35) where N=287 and DP (M=0.27;SD=0.45) where N=45, P Value = 0.03, thus significant difference.
- **24.** HCP (M=0.48; SD=0.5) where N=420 and DP (M=0.64;SD=0.48) where N=64, P Value = 0.02, thus significant difference.
- 25. HCP (M=0.43; SD=0.5) where N=460 and DP (M=0.2;SD=0.41) where N=69, P Value = 0, thus significant difference.
- **26.** HCP (M=0.12; SD=0.33) where N=460 and DP (M=0.22;SD=0.42) where N=69, P Value = 0.03, thus significant difference.
- **27.** HCP (M=0.24; SD=0.43) where N=460 and DP (M=0.36;SD=0.48) where N=69, P Value = 0.03, thus significant difference.
- 28. HCP (M=0.06; SD=0.23) where N=460 and DP (M=0.19; SD=0.39) where N=69, P Value = 0,00 thus significant difference.
- **29.** HCP (M=0.48; SD=0.5) where N=460 and DP (M=0.75;SD=0.43) where N=69, P Value = 0,00 thus significant difference.
- 30. HCP (M=0.16; SD=0.36) where N=460 and DP (M=0.03; SD=0.17) where N=69, P Value = 0.00 thus significant difference.
- 31. HCP (M=0.63; SD=0.48) where N=460 and DP (M=0.48; SD=0.5) where N=69, P Value = 0.02, thus significant difference.
- **32.** HCP (M=0.39; SD=0.49) where N=460 and DP (M=0.26; SD=0.44) where N=69, P Value = 0.04, thus significant difference.