

INTRODUCTION

The number of internally displaced people in Somalia has been increasing for the last several years. In total, 2.6 million internally displaced people live in 2,000 sites across Somalia, the majority of whom were found to be in need of humanitarian assistance and protection.¹

Mogadishu continues to be the primary destination for displaced people, with many people moving there from other regions in the country. In January 2020, the Somalia Camp Coordination and Camp Management (CCCM) Cluster estimated that nearly one-third of all internally displaced persons (IDPs) in Somalia or about 845,000 people are currently displaced into Mogadishu.² In addition, since March 2020, the outbreak of COVID-19 and the subsequent measures are likely to negatively impact the access to livelihoods of already-vulnerable people, further aggravating their humanitarian needs.

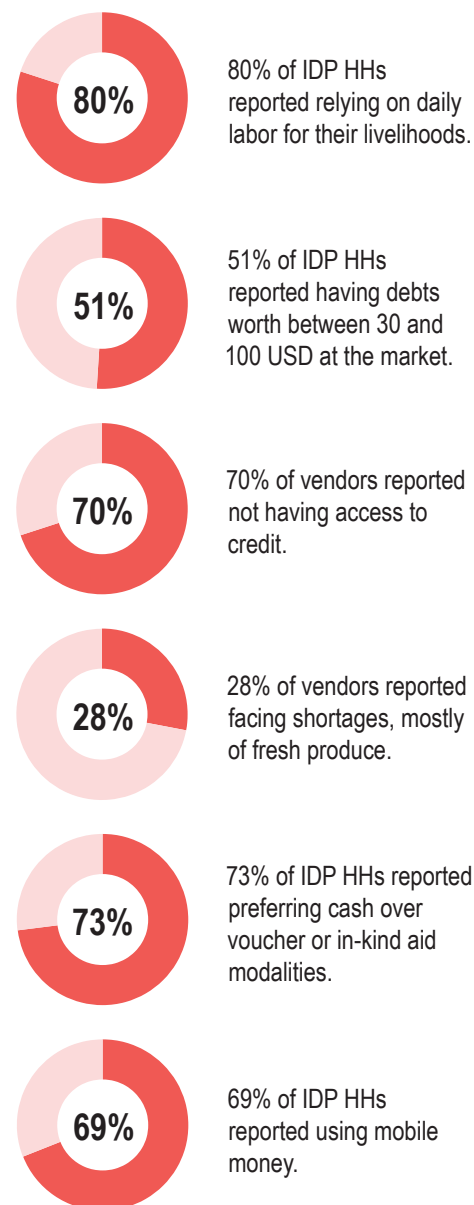
Within this context, REACH conducted a market feasibility study in Mogadishu, in consultation with the Somalia Cash Working Group (CWG), aiming at understanding IDP household (HH) needs and preferences, as well as vendor capacity in the main markets in Mogadishu. Through assessing HHs' market needs and preferences and vendor expansion capacities, the assessment aims to support cash actors in Mogadishu to make evidence-based decisions related to the viability of cash and voucher assistance (CVA) and market based programming (MBP).

Findings are based on 118 HH surveys with IDP HHs and 101 structured key informant interviews with market vendors. Due to the purposive nature of the sampling strategy, findings are to be considered indicative only. For a detailed overview of the methodology, please refer to page 3.

KEY FINDINGS

- While 24% of the assessed IDP HHs reported moving to Mogadishu for its perceived livelihood opportunities, the majority (80%) relies on precarious daily labor. In total, 41% reported losing access to at least one of the reported sources of livelihood in the 3 months prior to data collection.
- Among pull factors of displacement, health services, food security, and education were reported by nearly the same number of IDP HHs surveyed. However, once in Mogadishu, food seems to become the most urgent need, reported as a top priority by 52% of HHs.
- IDP HHs' debt appears to be a serious issue with potential to affect local markets' supply. About half of the HHs (51%) reported having debts between 30-100 USD at the market.
- Of all HHs who reported having a debt higher than 5 USD (83%), 70% reported believing they would not be able to repay this debt, indicating that vendors' liquidity might be compromised.
- The main needs reported by HHs for assuming debts are food (64%), water (33%), healthcare (19%), nutrition (19%), and shelter (17%).
- The majority of vendors (70%) interviewed reported not having access to any sources of credit to conduct business. Among the 28% of vendors who reported recent shortages of at least one item, 39% reported not being able to restock because of limited funds.
- Despite 28% of vendors reporting having faced shortage of at least one item that they would normally sell in the weeks prior to data collection, virtually all items included in the assessment were reported by the majority of

Figure 1: Key findings



IDP HHs to have been commonly available in the markets in the 30 days prior to data collection, while prices reportedly remained relatively stable as well.

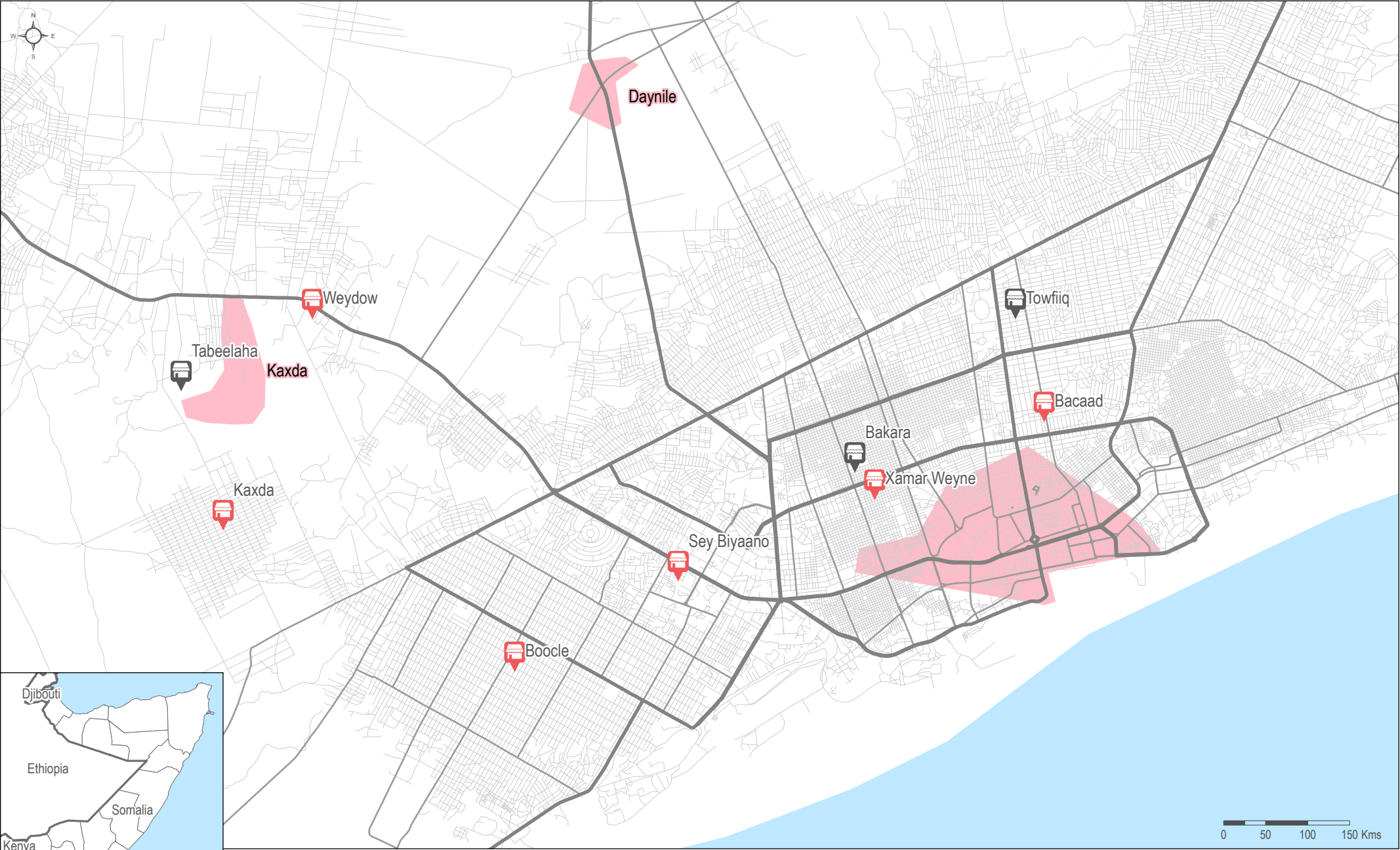
- At the same time, some of the food items most affordable to IDP HHs - like vegetables, sorghum, onions, and wheat flour - were also among the items reportedly more difficult to increase stock, according to market vendors.
- IDP HHs most commonly reported cash to be their preferred modality of aid (73%). According to IDP HHs who reported having received aid in the three months prior to data collection (20%), cash was also the most commonly received aid modality (62%).

CASH FEASIBILITY

- Compared to other types of barriers (e.g. transportation or security related barriers), vendors most commonly reported facing financial barriers (89%), such as limited cash (35%) and a limited purchasing power (23%).
- While mobile money appears to only be used by the minority of cash aid beneficiaries (20%), IDP HHs more commonly reported being familiar with mobile money than with banks (69% and 18%, respectively).

COVID-19

- Nearly half of IDP HHs (47%) reported using hand sanitizer, which indicates that HHs were attentive to the importance of personal hygiene.
- Half of the sampled vendors (50%) reported using hand sanitizer while working, among other protective measures.



Markets

Assessed

Not assessed

Assessed households coverage

Roads

Data sources:
Assessment data: REACH (2020)
Roads: OpenStreetmap Contributors

Coordinate System: GCS WGS 1984

Note: Data, designations and boundaries contained on this map are not warranted to be error-free and do not imply acceptance by the REACH partners, associates or donors mentioned on this map.

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METHODOLOGY

The study applied a quantitative methodology entailing primary data collection through household surveys and individual interviews with vendors. Sampling was strongly influenced by the atypical circumstances of the COVID-19 outbreak.

Data was collected by REACH enumerators between 19 and 23 April 2020. Contact information for both groups was collected within two days, face-to-face. The surveys and majority of the interviews were conducted remotely. Due to the purposive sampling strategy and the limited sample sizes, findings for this assessment are indicative only.

HOUSEHOLD SURVEYS

Household surveys targeted only internally displaced HHs in settlements in three main areas of Mogadishu: the city center, Kaxda, and Deynile (see Map 1). Households were selected purposively, based on settlement and population data from both OCHA and REACH Detailed Site Assessment³ (DSA).

A total of 118 HHs were surveyed in this assessment. Household surveys were answered by the head of household (HoHH), and in case of their absence, by someone else able to report on behalf of the household. The majority of the interviewed HoHHs were women aged 18-59 (64%), followed by men within the same age range (30%), women older than 60 (5%), and men older than 60 (1%). Nearly half are located in Daynile, another third in Kaxda, and the remaining in the more central districts of Mogadishu.

KEY INFORMANT INTERVIEWS

Individual vendor interviews targeted mostly retailers (88%) and wholesalers selling food items, hygiene items, and other non-food items that inform the Somalia Minimum Expenditure Basket (MEB). Given the protective measures to prevent the spread of COVID-19, enumerators spent only a few hours in the markets and many interviews were conducted remotely. While a relative balance between vendors selling different items was intended, under the aforementioned limitations vendors selling food items were prioritized.

Vendors were purposively selected from six markets: Bacaad, Boocle, Kaxda, Seybiaano, Weydow, Xamarweyne (see Map 1). These markets were selected based on their location, size, and accessibility. Enumerators targeted medium to large accessible markets in key areas across the city and especially those near to a higher concentration of IDP settlements. For security reasons, the largest market in the city, Bakara, was not assessed.

About two thirds of vendors interviewed were male and one third was female. Most of them were retailers (88%) but also a few wholesalers were interviewed (12%).

For questions where respondents were able to choose more than one answer, the total of percentages for all options may exceed 100%. Figures reported in Somali shillings (SOS) have been converted to USD at an estimated market rate of 1 USD = 25,000 SOS.

HOUSEHOLDS

DISPLACEMENT PATTERNS

The majority of IDP HHs (56%) reported having arrived in their current settlement less than a year prior to the time of data collection, while another fifth (22%) reported having arrived within the three years prior to data collection. The majority reportedly come from Lower Shabelle (60%) and Bay (24%) regions, more specifically Qoryooley, Afgooye, Marka, and Baidoa districts (see Map 2).

Since 2011, much of the violent conflict has moved from Mogadishu to adjacent regions. Recent clan-related tensions in Lower Shabelle further aggravated the security situation.⁴ This situation might be reflected in the fact that the majority of IDP HHs reported insecurity to be the main push factor for their displacement.

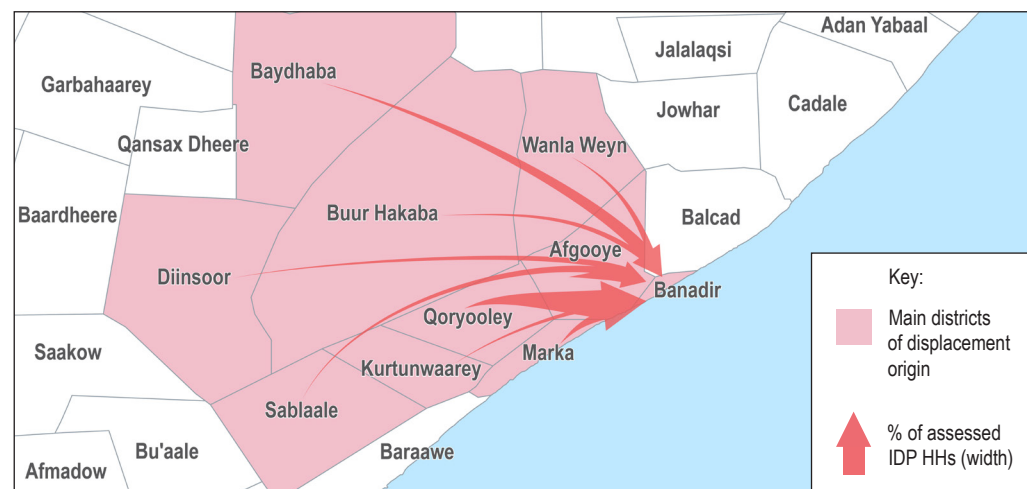
More than two thirds of IDP HHs reported the main driver of their displacement to be escaping conflict (69%), while a few HHs reportedly left their previous

area because they had received personal threats (8%). However, other commonly reported factors driving displacement such as food insecurity (37%), lack of water (26%) and drought (16%) highlight the complex nature of the crisis where natural shocks have compounded the damage of conflict.

Conversely, the absence of conflict in Mogadishu (68%) was reported as the main pull factor, followed by the availability of livelihood opportunities (24%), presence of health services (23%), presence of food aid (19%), presence of education services (13%), shelter (8%), water (7%), and finally to join family or friends (1%).

As it will be discussed further, findings suggest that the majority of IDP HHs in Mogadishu are in a constant struggle to find livelihoods opportunities and meet basic needs, especially food. Future further drivers of displacement towards Mogadishu might include the heavy Gu rains of 2020, especially in the regions flooded by the overflow of the rivers Shabelle and Juba, to migrate to Mogadishu.

Map 2: Main reported displacement origins

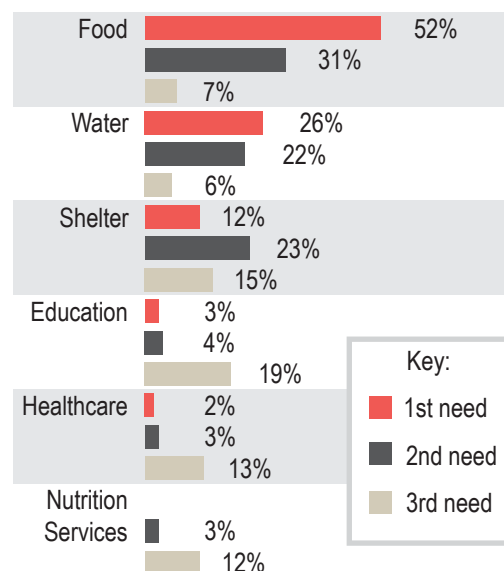


NEEDS

When HHs were asked to rank the three basic needs that they had most difficulty accessing in the last three months, the vast majority reported food (90%) in either first, second, or third place (see Figure 2). Next are water (54%), shelter (50%), education (26%), healthcare (17%), nutrition services (14%), and security (12%). Hygiene, shelter repair, household non-food items (NFIs), latrines, and fuel, add up to 23%.

Considering the displacement patterns identified, it is clear that food is principal, although other basic needs, including water, health, education, and shelter are also important. The difference between the percentage of HHs with difficulty to access food and other needs suggests the precariousness under which most IDP HHs live in Mogadishu.

Figure 2: Top three unmet needs reported by IDP HHs



Unable to access food, HHs end up placing less importance in education and healthcare, which were initially reported alongside food as displacement pull factors. Even when considering only the first reported unmet need, food is reported by the majority of IDP HHs (52%) in Mogadishu. This proportion is higher than for IDP HHs in other locations that were assessed for previous market feasibility studies⁵.

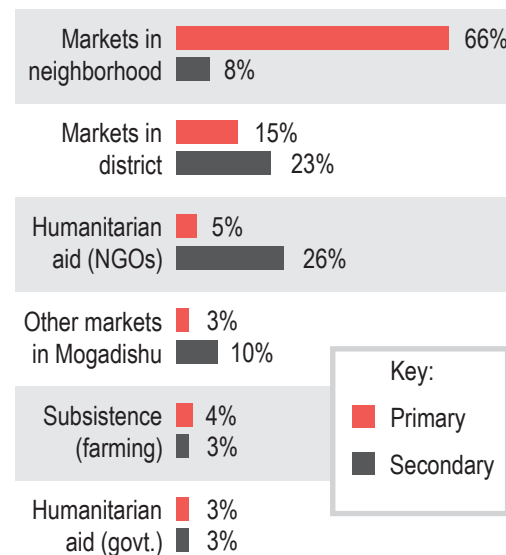
ACCESS TO KEY ITEMS

Most HHs reported using markets in the same neighborhood (74%) or in the same district as they live (38%) as either their primary or secondary sources of access to key items. Concurrently, around one third of the HHs reported humanitarian aid, either from NGOs (31%) or the government (6%) to be among their primary or secondary sources. Only a few HHs reported subsistence farming or fishing as either their primary or secondary sources of access to key items.

The higher proportion of HHs reportedly using nearby markets supports the idea that the price difference between neighborhood markets and large markets, if any, is offset by the money and time saved in transportation and access to credit at shops where customers develop a personal relation with vendors. Main markets might be visited less frequently, focusing on larger purchases or items that neighborhood markets cannot supply.

These initial findings indicate a dependence on markets of the majority of HHs surveyed. It is also important to notice that humanitarian aid from NGOs is reported as the main secondary source of key items, while the dependence on subsistence farming is naturally low when compared to more rural areas of Somalia.

Figure 3: Most commonly reported primary and secondary sources of access to key items by IDP HHs



MARKET BEHAVIOR

Among the main markets identified in this assessment, 36% of IDP HHs reported mainly buying items at Bakara, the largest market in Mogadishu. Kaxda (19%) and Weydow (14%) come next, while only a few HHs reported Bacaad (7%), Boocle (3%), and Tabeelaha (2%). The remaining (19%) did not report which market they mostly access.

While the majority of IDP HHs accessed the aforementioned markets by bus (59%), walking was also reported by a large part of HHs (37%). Car and taxi were only reported by 4%. Among those using the bus, 75% reported spending less than 1 USD in transportation, while 4% reportedly pay between 1-2 USD and 15% between 2-3 USD.

In terms of frequency, HHs reported accessing the market only once a week (46%), followed by twice a week (25%), more than twice in a week (20%), and less than once in a week (9%). At the same time, 14% HHs reported having access to water trucking, and 13% said food delivery was available.

Usually the access to Bakara market is facilitated for those living in Deynile by privately operated vans commonly known as "BLs". These buses normally traverse different neighborhoods in the city, including the neighborhoods where the IDP settlements are situated, at a relatively affordable price. Similarly, the proximity of Weydow and Kaxda markets to a large number of IDP settlements in the Kaxda district could explain the preference for these markets.

The relatively high proportion of HHs reportedly accessing markets by foot might be due to an inability or an unwillingness to pay for transportation. Furthermore, when main streets are blocked for security purposes, buses, rickshaws (known as "Bajaaj") and other means of transportation cannot enter the interior part of the neighborhoods, likely increasing the incentive to walk to the market instead.

BARRIERS

The vast majority of HHs reported not experiencing either access (93%) or financial (89%) barriers in relation to markets. Key access barriers that were reported included the long distance to markets (3%) and perceived insecurity at the market (2%). Regarding financial barriers to markets, 7% of HHs reported considering the price of items to be a barrier.

AFFORDABILITY

The question about the affordability of different items was posed with two different time frames: HHs were asked to report the affordability of key items during the three months and the two weeks prior to data collection. The second time frame was included to measure particular differences in the weeks leading up to Ramadan, and the onset of the COVID-19 outbreak in Somalia.

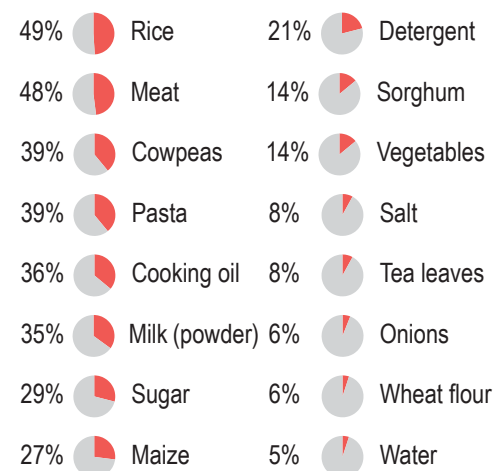
Since answers are based on perceptions and HHs might not always be able to separate recent experiences from those of a few months ago, findings might not perfectly reflect reality. The majority of items assessed were reported to be slightly less affordable in the two weeks prior to data collection, which could indicate either a price increase and/or loss of household income.

Respondents were asked to list the items that were unaffordable to their HHs. Therefore low reported numbers do not necessarily indicate that items were affordable, as it might also be the case that these items were less common or more easily forgotten by assessed HHs.

The items listed in Figure 4 are all items reported by at least 5% of the assessed HHs as unaffordable, in response to the question framed with the two weeks prior to data collection timeframe. Rice and meat were reported by nearly half of the HHs (49% and 48% respectively). Key food items of the Somali MEB appear next, including cowpeas (39%), cooking oil (36%), milk (35%), and sugar (29%). Detergent (21%) and bottled water (5%) were the only two non-food items reported by more than 5% of the sample.

Comparing the responses from the two different time frames posed, it is possible to calculate the change of reported affordability of each item,

Figure 4: % of HHs reporting not being able to purchase the following main items due to financial constraints, in the two weeks prior to data collection



between three months and the two weeks prior to data collection. The items with a higher change in reported unaffordability were water (200%), tea leaves (125%), sorghum (70%), salt (50%), detergent (25%), vegetable oil (19%), maize (19%), and rice (14%). These numbers indicate that water, for example, was reported as unaffordable by twice as much IDP HHs when asked about the two weeks prior to data collection, than when asked about the three months prior to data collection. On the other hand, wheat flour (33%), tomatoes (25%), sugar (8%) and meat (2%) were affordable by a higher percentage of HHs in the two weeks prior to data collection.

AVAILABILITY

Mogadishu has a distinct advantage considering the supply chain in the country. It is connected to different rural regions from where local crops and fresh produce can be sourced, and has one of largest deep sea ports of the country that facilitates imports of key items like rice and vegetable oil. As such, key items were commonly reported to be available most of the time, with perhaps one exception being timber, which was reported by 18% of the HHs to be only available between 1-5 days within a month.

The majority of food items were reported by at least half of the HHs to be available in the markets at least 25 days in the month prior to data collection. Vegetables were the least available, with only 36% reported having them available nearly always, while 29% reported having them only 16-25 days and 24% only 6-15 days within a month.

Most HHs also perceived a slight or significant increase in availability of these key items in the month prior to data collection (Figure 6). These findings are in line with reports by the World Food Programme (WFP) and data from the Food Security and Nutrition Analysis Unit for Somalia (FSNAU), both summarized in the quarterly dashboard released by the Cash Working Group (CWG)⁶.

It is possible that this increase in availability is a result of vendors preemptively increasing their stocks in anticipation of COVID-19 restrictions and the high demand that typically precedes Ramadan, which started immediately after the data was collected for this assessment.

Looking at NFIs, several HHs reported not knowing the availability of key hygiene items, such as bleach (27%) and sanitizer (14%). They were even less aware of how their availability changed. This

might indicate that hygiene items are not part of the regular items purchased by IDP HHs.

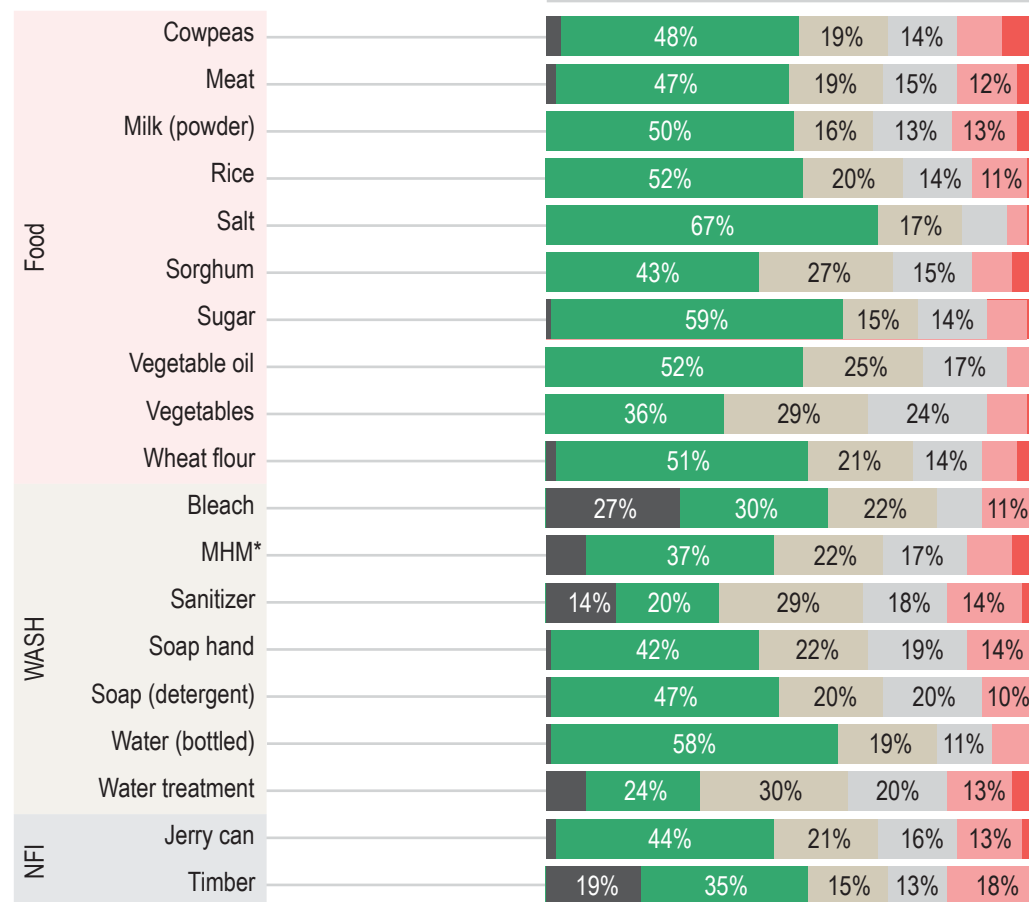
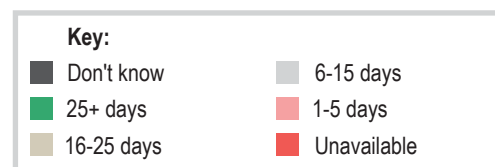
PRICE CHANGE

With the exception of salt, the majority of HHs reported increases in the price of food items. When looking at recent trends from FSNAU data, prices were relatively stable in Mogadishu in the three months prior to data collection, with a very slight monthly decrease (-2%) in the overall price of the MEB⁷. While local crops had significant price decreases (cowpeas -23%), a few imported items were noted to have a slight increase in price, such as vegetable oil (13%).

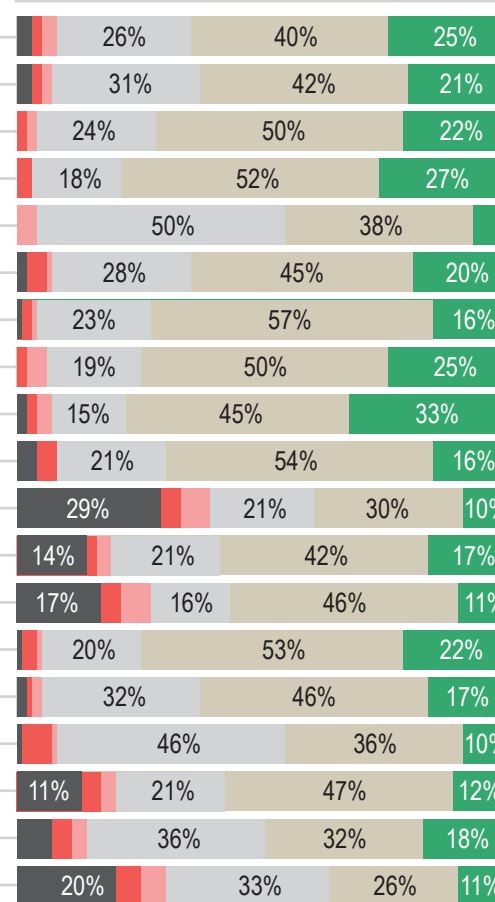
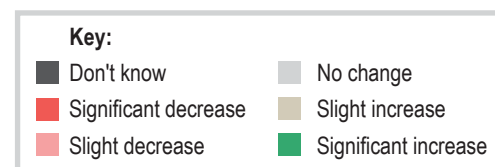
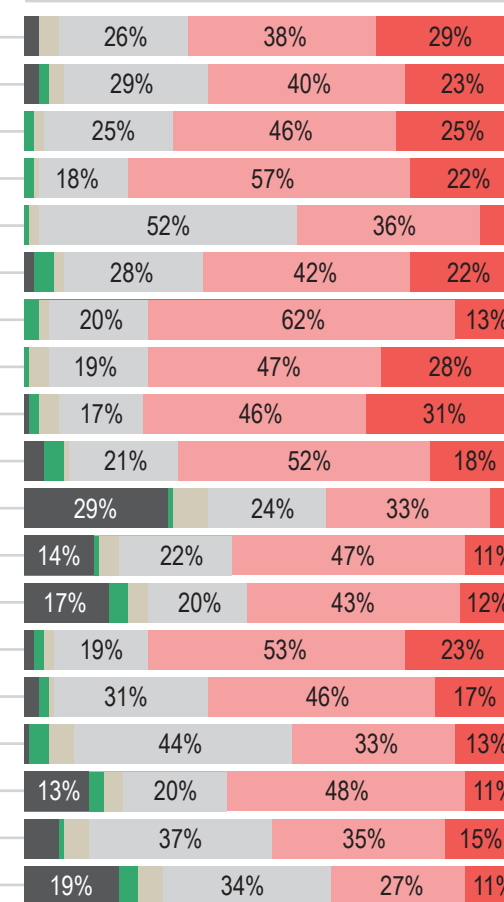
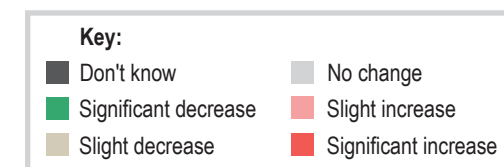
Intuitively, a simultaneous increase of both availability and prices of goods seems contradictory. It is important to highlight that these findings are based on a subjective perception of HHs, rather than an objective measuring of prices and availability.

Indeed, it is important to highlight that decreasing prices in Mogadishu are a notable exception, as nearly all other districts observed a price increase. In that way, it is possible that responses from the surveyed HHs are influenced by the prices in other districts or that a few specific increases contributed to a general feeling of price increase.

Another factor that might still not have reflected on regular price monitoring reports is the effect of Ramadan. The period usually comes with an increase in demand, which naturally translates to higher prices. Similarly, COVID-19 restrictions could have led to an even higher demand. This factor, compounded with a reduction in purchasing power, linked to high job insecurity (see 'Livelihoods'), may have contributed to the perception of price increases despite the increase in availability.

Figure 5: % of HHs reporting perceived market availability (days per month) of key items

* Menstrual Hygiene Management
(more commonly, "sanitary pads")

Figure 6: % of HHs reporting perceived change in availability of key items, compared with the month prior to data collection**Figure 7:** % of HHs reporting perceived price change of key items, compared with the month prior to data collection

Looking forward, the impact of flooding and road damage caused by heavy Gu rains might also drive prices upwards, especially for local crops and fresh produce. According to WFP, port activity remained relatively normal in April while the closure of terrestrial borders with Ethiopia and Kenya might translate to higher prices and lower availability of imported items in the near future.⁸

Similar to the question on the availability of key items, several HHs reported not being aware of any price changes for key hygiene items, such as bleach (29%), sanitizer (17%) and MHM (14%). This is another indication that hygiene items are not regularly purchased by IDP HHs. Finally, it is possible that the question was not well understood, and/or that some HHs adjusted their answers based on an expectation of financial assistance.

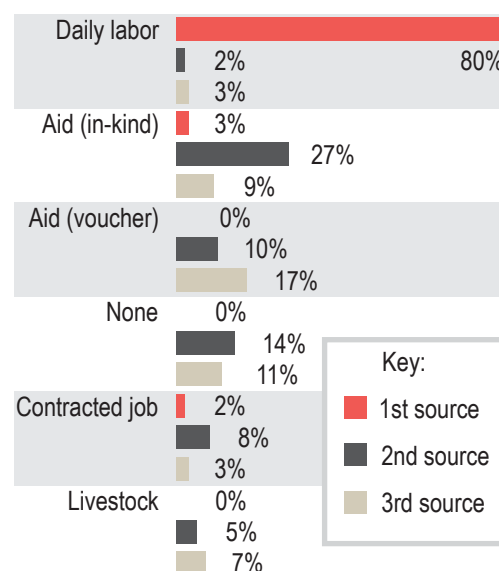
LIVELIHOODS

When asked about the three main sources of livelihood in the 12 months prior to data collection the majority of HHs reported daily labor as their households' main livelihoods source (85%, of which 80% reported as their primary source). Humanitarian aid in form of in-kind assistance (39%) and voucher (27%) came after. Cash assistance (8%) was one of the least reported sources, along with sale of in-kind assistance and the revenue from farming or fishing (8% each).

In addition, findings highlighted that 14% of the assessed IDP HHs were reportedly dependent on a single livelihoods source, while another 11% did not have a third main livelihoods source to rely on. Contracted jobs were reported by only 14% of HHs, followed by livestock production (12%), subsistence farming or fishing (12%), business (9%), and remittances (8%).

The average household income⁹ in the three preceding months was commonly reported between 0-100 USD per month. Approximately one fifth (22%) of HHs reported having an average income of less than 30 USD per month, while 17% reported between 31-60 USD and 16% between 61-100 USD. Only 9% reported more than 100 USD per month, and 3% reported not knowing. Nearly one third (32%) reported having zero income, which seems to contradict their account on main sources indicating that 85% engages in daily labor. This inconsistency could indicate a delay or absence in the payment received for daily labour, and/or that some HHs have indeed lost their sources of income very recently (see 'Debt'). Another explanation could be that HHs have given answers that they think would increase their chances of receiving financial assistance.

Figure 8: Three most commonly sources of livelihood, as reported by IDP HHs



Findings suggest a relative balance in the gender of main income earners. However, responses indicated various interpretations of who the main earners were, suggesting that HHs might have multiple income earners, while having no clear distinction between main income earners and other earning HH members.

DEBT

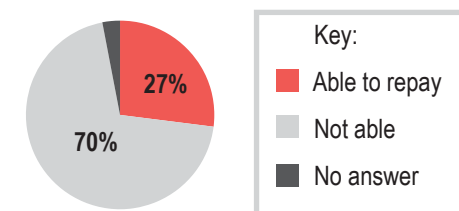
The dependency on daily labor puts IDP HHs under high job insecurity. In total, 41% reported losing access to at least one of their reported sources of livelihood in the three months prior to data collection. They reported having lost sources of livelihood in the week they were surveyed (11%), in the week prior to data collection (5%), the month they were surveyed (April, 19%), the month prior to data collection (March, 9%), and the month before (February, 5%).

Assuming debts with relatives and with market vendors is reportedly a common practice, with 83% of the HHs surveyed reporting having assumed at least one debt in the three months prior to data collection higher than 5 USD. About half of all HHs (51%) reported having debts between 30-100 USD at the market, while 28% reported having debts within the same range with relatives or neighbors.

The main needs reported for assuming these debts are food (64%), water (33%), healthcare (19%), nutrition (19%), and shelter (17%). While such reasons have some resonance with the top needs reported, shelter is down to fifth place and education is absent. This could offer an alternative indication of how IDP HHs prioritize their needs.

It is apparent that IDP HHs are facing challenges in fulfilling basic needs. The commonly reported priority need for food indicates the precarious

Figure 9: % of HHs with a debt higher than 5 USD (83%) reporting their ability to repay debts within one year



situation in which they live, pushing other needs that might be less vital for survival to a secondary place. Another factor that might contribute to this focus on food is that IDP HHs are under a high risk of eviction¹⁰, and therefore make less investments in their shelter.

Among all HHs that reported having assumed any debts in the three months prior to data collection, only 27% believe that they will be able to repay this debt over the next year. The other 70% do not believe they will be able to repay, and 3% preferred not to answer.

Household debt at the market is an important factor limiting vendors' access to liquidity and capacity to increase supply if needed, particularly aggravated by the low probability of repayment.

FINANCIAL SERVICE PROVIDERS

About 69% of the HHs reported using mobile money, while only 18% used banks in the three months prior to data collection. Other reported financial service providers used recently were microfinance institutions (MFI, 8%), village savings and loan associations (VSLA, 4%), and savings and credit

cooperative organizations (SACCO, 1%). A small proportion of HHs (5%) reported not having access to any financial service provider and 8% of the HHs did not know or preferred not to answer.

The most commonly reported time needed to reach these financial services is between 31-60 minutes (37%), while 33% of HHs reportedly take 10-30 minutes and 20% take less than 10 minutes. Another 3% of HHs reported taking more than an hour and 6% do not know. For 41% of the HHs, the transportation cost is less than 1 USD, while 23% pay between 1-2 USD and 15% pay between 2-3 USD. Only 7% of HHs reported having any sort of barriers accessing these financial services, most of which were associated with security.

What these numbers suggest is that most IDP HHs choose to use mobile money, despite not facing any barriers to other financial service providers. Transportation time and costs could be a factor, as well as limited information about alternatives such as microfinance and village savings.

Regardless of the reasons, IDP HHs are more familiar with mobile money than banks, which is an important protection indicator to considering how cash assistance is delivered. When storing the assistance received, the adoption of a modality which IDP HHs are already familiar can increase safety.

AID

Humanitarian aid was reportedly received by about one fifth of HHs (20%) in the three months prior to data collection. Considering the size of this subset, findings in this section should be treated as indications, which could be further explored in a future assessment.

Among HHs receiving aid, cash (62%) was the most prevalent type, followed by services (25%), voucher (21%), in-kind (12%), and training (4%). The cash modality most commonly reported was currency (73%), followed by mobile cash (20%) and prepaid card (7%). Overall, only 2% of the HHs received aid in the form of mobile cash. Compared to the reported 69% using mobile money, this could suggest that this cash modality could be expanded in Mogadishu.

Among the recipients who had reportedly received aid in the three months prior to data collection, the majority reported they were satisfied with the aid received. The remaining 29% mostly suggested that the assistance received was not enough to meet their needs. This could be linked to the length of assistance received.

Figure 10: Types of humanitarian aid received, among IDP HHs reportedly receiving aid (20%)

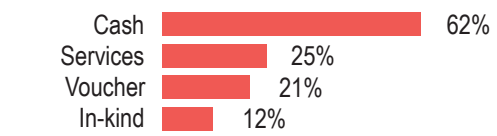
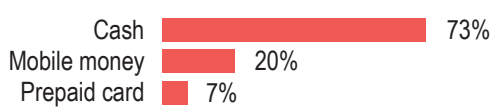


Figure 11: Modalities of cash received among IDP HHs reportedly receiving cash aid (n=15)



The low number of HHs reportedly receiving humanitarian aid in the three months prior to data collection, compared with livelihood data from the 12 months prior to data collection (Figure 8), suggest a short length of assistance received. When considering only those reportedly receiving cash or voucher assistance (17% of total sample), nearly half (48%) had received aid for just two months in the 24 months prior to data collection. About a third (29%) reported receiving aid for three months, followed by one month (9%), five months (9%), and 10 months (5%).

All HHs were asked which type of assistance presents their household with the best value. Cash (73%) is the preferred type by far, followed by in-kind (13%), services (2%) and voucher (2%). Among those who preferred cash, the main reasons reported were greater dignity (52%), more freedom to purchase preferred items (31%), and ease to carry (20%). Among those who preferred in-kind, the main reasons reported were preference to not visit the market (40%), poor quality of items at the market (33%), inability to access market (27%), and instability of currency (13%).

Cash is reportedly not only the prevalent type of aid among HHs receiving aid, but also the preferred type of assistance among all HHs. Further research can focus on important questions linking the length of assistance to satisfaction, and preference between cash modalities.

PROTECTION

Decision-making on IDP HH expenditure seems to be relatively balanced between women and men, as IDP HHs reported women (58%) and men (42%) to be the main decision-maker. Overall, nearly half of HHs (45%) reported being satisfied with how

their preferences are included when deciding about HH expenditure. One third (33%) reported being mostly satisfied, followed by sometimes satisfied (14%), and never satisfied (2%). The remaining 7% preferred not to answer.

Aid was reportedly primarily received by females aged between 18-59 years old (58% of HHs receiving aid), followed by males between 18-59 years old (37%), and females (17%) and males (4%) older than 60.

Among the HHs reporting having at least one member receiving humanitarian aid (n=24), the majority (54%) did not report any change in household tensions. Other HHs reported a slight increase in tensions (21%), followed by a slight decrease (17%), and a significant decrease (8%). From those who reported change in household tensions, nearly half (45%) reported conflict with their spouse. Other tensions reported were disagreements over the use of resources (27%), jealousy in polygamous HHs (9%), and tensions with neighbors (9%).

Between male respondents, 32% reported only feeling comfortable with their spouse having a mobile phone and 27% reported feeling comfortable with both mobile phone and bank account. Among female respondents, 18% reported thinking their spouse would be comfortable with them having a mobile phone and 18% would be comfortable with both. This could indicate that despite the majority of men being comfortable with mobile phones, delivering aid as mobile cash to women in some HHs could contribute to escalating tensions.

VENDORS

INFRASTRUCTURE

The most commonly reported infrastructure types of vendors' shops were solid buildings (41%) and makeshift stalls with improvised roofs (43%), while 14% of vendors reported selling their items in the open air. The majority of vendors keep their stock in the shop premises (59%), while others keep it either at their residence (17%) or in a separate building used only for storage (14%). Among vendors working from improvised stalls or open air, 45% reportedly keep their stock in the shop premises, which could make them more vulnerable to theft.

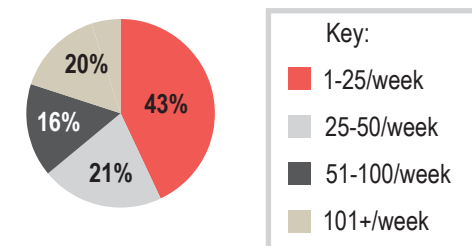
Half of the vendors interviewed reported paying rent for their shop and nearly a quarter (24%) reported paying rent for extra storage space. Other types of business-related fees that vendors reportedly pay are market administrative fees (16%), local authorities (7%), and traders association (1%). Only 5% reported not paying any fees.

Among those vendors who reported paying fees, 19% reported the monthly cost for running the shop to be 50 USD. Half of the vendors (interquartile range) pay between 30-85 USD monthly, and the maximum reported is 100 USD. Considering issues like items rotting due to water leakages or flooding and contaminations by rodents or pests (see 'Barriers'), it is important to further understand the relationship between infrastructure type and running costs.

CUSTOMER BASE

Nearly half of vendors reportedly serve between 1 and 25 customers per week (43%), while other vendors reported serving between 26-50 (21%), 51-100 (16%), 101-105 (15%), or more than 151 (5%). The majority of these vendors reported usually being open for either 7 days (58%) or 6 days (35%) per week. However 33% of vendors reported opening less frequently in the two weeks prior to data collection due to COVID-19 restrictions.

Figure 12: % of vendors reported number of customers per week



While 10% of the vendors interviewed reported a decrease in number of customers in the two weeks prior to data collection and more than a third (37%) reported no change, nearly a third (30%) reported a slight increase and one fifth (20%) reported a significant increase. The reported increase in customers might be linked to the reduced opening hours as a result of COVID-19 preventative measures, which might lead to an increase in customers for vendors who chose to stay open. Additionally, it might also be driven by usual stockpiling behavior leading up to Ramadan.

Some vendors reported offering home delivery of food items (22%), gas, (4%) water (4%), and/or bakery goods (1%).

SUPPLY

Vendors most commonly reported stocking once per week (42%), followed by twice per week (22%), more than twice (17%), or less than once per week (17%). Among vendors reportedly selling vegetables, which normally go stale quicker, a similar proportion is observed. Most vendors selling vegetables reported stocking once per week (39%), followed by twice per week (9%), more than twice (26%), or less than once per week (21%).

Figure 13: Number of vendors selling each item included in this assessment

Item	n	Item	n
Sugar	30	Sorghum	17
Vegetable oil	27	Salt	16
Rice	27	Onions	15
Pasta	23	Maize	14
Vegetables	23	Milk (powder)	14
Cowpeas	19	Tea leaves	13
Tomatoes	19	Wheat flour	11
Meat	18		
Detergent	21	MHM	4
Water bottle	13	Bleach	3
Soap hand	8	Water treat.	3
Sanitizer	6		
Charcoal	11	Plastic sheet	4
Firewood	11	Iron sheet	3
Buckets	10	Mosquito net	3
Cooking uten.	9	Jerry can	2
Timber	9	Sleeping mat	2
Cement	5	Batteries	1
Wooden pole	5	Blankets	1
Building nails	4	Torch	1

ITEMS SOLD

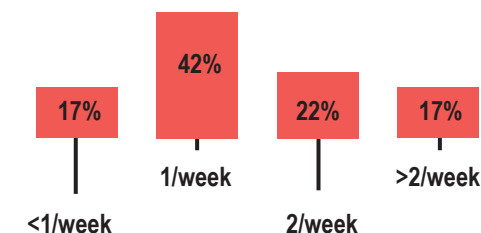
While the assessment originally intended to include a balanced variety of vendors selling different types of items, the COVID-19 related measures and restrictions limited this intention, hence, due to the relative availability and price sensitivity, vendors selling food items were prioritized, followed by vendors selling WASH and other non-food items.

Figure 13 summarizes the total number of interviewed vendors selling each item included in this assessment. Even though this data is not representative, it still provides useful to interpret other indicators about item availability and supply.

Food imports such as sugar (30), vegetable oil (27), and rice (27) were the most common. Local crops and fresh produce, including vegetables (23), cowpeas (19) and sorghum (17) seemed to be slightly less widely available.

Only 5% of vendors reported selling WASH items, with the exception of bottled water and detergent, which were more commonly reported to be sold, and were also reportedly sold by food vendors. Other non-food items are sold by also around 5% of vendors. Exceptions are vendors selling fuel and a few household items.

Figure 14: Reported frequency of stocking among interviewed vendors



Nearly half of vendors reported having either one (21%) or two (22%) suppliers. Less vendors reported having three (19%), four (6%), or five (13%) suppliers. The remaining 9% reported having up to 13 different suppliers. The overall relatively low number of suppliers per vendor might indicate a general vulnerability of vendors to disruptions in the supply change.

In addition, vendors most commonly reported working with suppliers who were wholesalers on their market (38%), which suggests that the aforementioned vulnerability to supply chain disruptions is likely shared among other vendors, potentially limiting the potential for local support in response to disruptions, as many vendors might be impacted by the same disruption. Local producers and farmers (34%) and wholesalers in other parts of Mogadishu (33%) are also important suppliers which could imply some resilience to the markets. Only 5% reported buying from a supplier from another city.

Most vendors reported using a hired vehicle to transport their stock (73%), but some do the transportation using their own vehicle (17%). Only 6% reported having their the supplier deliver to them and 1% reported using professional transporters. The remaining 3% did not know or preferred not to answer.

The large number of markets in Mogadishu, and its strategic position in the supply chain, confer relative stability in price and availability. However, characteristics of its supply chain, such as the dependence on a low number of suppliers, reveal a potential to disruptions that needs to be monitored in order to avoid market disruptions or an increase in demand from cash programming.

SHORTAGES

In the same period that data was collected, Gu rains began damaging critical transportation infrastructure, blocking supply corridors between main markets in several regions across the country¹¹. Nearly one third of vendors (28%) interviewed reported facing shortage of at least one item that they normally sell at one point in the two weeks prior to data collection.

Of all food items, vendors most commonly reported having experienced shortages of tomatoes, onions, meat, and vegetables in the two weeks prior to data collection. The detailed list is displayed in Figure 15. As fewer vendors sampled sell WASH

Figure 15: Number of vendors reportedly selling the following items reporting having experienced shortages in the two weeks prior to data collection

	Item	n	Item	n
Food	Tomatoes	7/19	Tea leaves	1/13
	Onions	5/15	Vegetable oil	2/27
	Meat	6/18	Rice	2/27
	Vegetables	6/23	Milk (powder)	1/14
	Maize	3/14	Sugar	1/30
	Cowpeas	4/19		
WASH	Sanitizer	4/6	Detergent	5/21
	Soap hand	4/8	Water bottle	1/13
	MHM	2/4		
NFI	Iron sheet	2/3	Cooking uten.	2/9
	Cement	3/5	Timber	2/9
	Jerry can	1/2	Charcoal	2/11
	Mosquito net	1/3	Buckets	1/10
	Building nails	1/4	Firewood	1/11

items, findings are less representative. Detergent was reported by 5 of the 21 vendors selling it (24%), while other items had fewer vendors selling it.

Of all vendors reporting shortages (n=28), vendors most commonly reported shortages were due to limited funds (39% of vendors), closed roads (36%), unusable roads (21%), shortage from the supplier (29%), and/or sudden increase in demand (7%). Considering that only few vendors reportedly have access to credit, especially from formal institutions, understanding what is keeping them from accessing banks and other credit and microfinance organizations is essential to prevent shortages in the markets.

In the weeks leading to Ramadan, when stockpiling behavior is generally expected, 26% of vendors reported noticing customers purchasing items in larger quantities than usual. In these periods, markets could be particularly vulnerable to disruptions, so it is especially important to make sure that vendors are able to access credit to keep up with the increased demand.

ABILITY TO MEET DEMAND

When asked what their response would be to a hypothetical increase in demand, vendors most commonly reported raising stock (44%) and/or prices (37%). Only 12% said they would not change anything. Lowering stock (5%) and prices (11%) were also reported.

Figure 16 illustrates the number of vendors who believe they would be able to increase their supply of each item they reported selling. As an example, 21 of the 30 vendors who usually sell sugar believe they would be able to increase their supply of sugar.

The proportion of vendors selling food items reporting being able to increase supply varies. While sorghum and wheat flours were only reported by a quarter of vendors selling those items, maize and vegetables were reported by over a half of them. Salt seems to be the hardest food item to increase supply of, while meat seems to be the easiest.

Figure 16: Number of vendors selling the following items reporting being able to increase supply

	Item	n	Item	n
Food	Meat	17/18	Cowpeas	9/19
	Rice	22/27	Tomatoes	8/19
	Sugar	21/30	Tea leaves	5/13
	Maize	9/14	Onions	5/15
	Vegetables	12/23	Sorghum	5/17
	Pasta	12/23	Wheat flour	3/11
	Vegetable oil	14/27	Salt	2/16
	Milk (powder)	7/14		
WASH	Detergent	15/21	Soap hand	2/4
	Water bottle	9/13	Water treat.	0/3
	Sanitizer	4/6	Bleach	0/3
	MHM	4/8		
NFI	Charcoal	11/11	Wooden pole	3/5
	Cement	5/5	Timber	5/9
	Iron sheet	3/3	Plastic sheet	2/4
	Torch	1/1	Sleeping mat	1/2
	Buckets	8/10	Mosquito net	1/3
	Cooking uten.	7/9	Jerry can	0/2
	Building nails	3/4	Batteries	0/1
	Firewood	8/11	Blankets	0/1

WASH items are divided between items of relative easy supply (e.g. detergent and water bottles) and difficult supply (e.g. bleach and water treatment products). In addition, only half of the vendors selling body soap and MHM, two key hygiene items, expected being able to increase supply.

NFIs face a similar issue. Batteries, blankets, and jerry cans are items for which it is reportedly difficult to increase supply, while other items seem to be relatively easy.

CREDIT

The majority of vendors (70%) interviewed reported not having access to any sources of credit to conduct business, which may limit their capacity to scale up and respond to disruptions.

Among the few who do have access, borrowing from family or friends is by far the most commonly reported source. Borrowing from those living in Mogadishu was reported by 52% of vendors who had access to credit, while borrowing from family or friends living outside of Mogadishu was reported by 49%. Nearly one third (31%) reported having loans from banks, 7% reported loans from informal savings groups and associations, and 3% reportedly had accessed credit through micro-finance organizations. Hawalas and savings and credit cooperative organizations (SACCOs) were not reported.

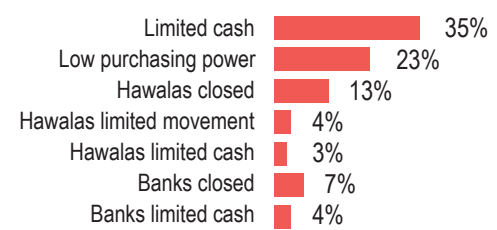
On the other hand, the majority of interviewed vendors reported offering credit, albeit only to trusted customers (63%). Other vendors, however, seemed to be a bit more flexible, as they reportedly offered credit to all customers (24%), while some vendors reported not offering credit to anyone (10%).

FINANCIAL ISSUES

The majority of vendors (89%) reported facing financial issues, such as limited cash (35% of all vendors) and a low purchasing power (23%). Other, less frequently reported issues were hawalas¹² either being closed (13%), having limited movement (4%), or limited cash (3%), and banks either being closed (7%) or having limited cash (4%).

The relatively high proportion of vendors reportedly having financial issues might be associated with the limited access to sources of credit reported, and the reported dependency on family or friends for credit. Since SACCOs were not reportedly accessed for credit (see 'Credit'), it is possible that vendors are not familiar with other sources of credit that could alleviate their financial issues. Another possibility is that vendors are aware but for other reasons cannot access these sources of credit. If that is the case, addressing these issues could increase the ability of vendors to scale up and meet an eventual increase in demand.

Figure 17: Financial issues, reported by IDP HHs



BARRIERS

Beyond financial issues, vendors might encounter different types of barriers when conducting their business in Somalia. These barriers have been grouped in three categories to facilitate the interviews, but have a minor overlap: transportation from suppliers to the shop, security issues in the vendors' operations, and non-security issues in the vendors' operations. The majority of vendors did not report facing many of these barriers, but it is nevertheless important to understand what issues are most common.

Overall, 16% of vendors reported facing transportation barriers. However, as 38% of vendors reportedly source from wholesalers in the same market, vendors might be less exposed to such barriers. Among vendors reportedly facing transportation barriers (n=16), the main reported issue was risk of bombings during transportation (44%), followed by arbitrary detention (31%), closure of roads by authorities (31%), risk of theft during transportation (19%), closure of roads by armed groups (19%), and poor quality of roads (6%).

When asked specifically about security barriers, 16% of all vendors interviewed reported facing security barriers in their operations. Among these (n=16), risk of bombings (44%) and arbitrary detention (31%) top the list, followed by risk of theft (25%), risk of attacks for other purposes than robbery (12%), and forced closure of shop/market by authorities (12%).

Non-security barriers reportedly only affect 11% of vendors, the majority of whom (n=11) reported facing shortages from the supplier (45%) and/or limited supply (36%). Other reported issues related to their supplier were curfew¹³ limitations

(27%) and suppliers being unwilling to sell (18%). Price inflation was reported by 18%, while items rotting due to water leakages or flooding and contaminations by rodents or pests were reported by 9% each.

COVID-19

At the time of data collection, between April 19-23, Mogadishu was beginning to implement preventive measures associated with the COVID-19 outbreak.

Considering that such measures are likely to impact local market dynamics, additional indicators were added to both household surveys and vendor interviews to assess such possible impact.

HOUSEHOLDS

While the majority (57%) of IDP HHs reported not being aware of any market closures, a considerable part (31%) reported knowing of one market closing and the remaining (12%) reported between 2-6 closures. At the same time, only 15% were aware of movement restrictions.

Awareness of protective measures against the spread of the virus seemed to be most commonly related to personal hygiene. Nearly half of IDP HHs (47%) reported using hand sanitizer, which, regardless of this being an accurate representation of daily habits or not, indicates that HHs were attentive to the importance of personal hygiene. Washing hands with soap before going to markets was reported by 23% of HHs, while washing hands after going to the market was reported by 14%. Using gloves (14%) and facial masks (15%) was also reported.

MARKETS

Nearly half of vendors (43%) reported a slight increase in demand since the COVID-19 outbreak started to be discussed in March. Another 17% reported a significant increase in demand, which is also in line with the reported changes of availability

and price by the HHs. Only 7% reported a decrease and 30% reported no change.

To prevent stockpiling, a small proportion of the interviewed vendors (16%) limited purchases to a number of items. Most vendors reported shops were indeed closing in the markets where they work.

To prevent spreading the virus, half of the sampled vendors reported using hand sanitizer while working (50%). Other commonly reported measures implemented are the use of gloves (44% of vendors), face masks (33%), and washing hands (33%). These numbers suggest that not all vendors were able or willing to implement the COVID-19 preventative measures, or that some vendors were not fully aware of these measures, at the time of data collection.

ABOUT REACH

REACH facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research's Operational Satellite Applications Programme (UNITAR-UNOSAT). For more information, please visit our website at www.reach-initiative.org, contact us directly at geneva@reach-initiative.org, or follow us on Twitter at [@REACH_info](https://twitter.com/REACH_info).

ENDNOTES

1. OCHA. [Somalia Humanitarian Response Plan 2020](#) (p.5). January 2020
2. Ibid. p.96
3. CCCM Somalia. [Detailed Site Assessment \(DSA\)](#) January 2019
4. Doboš, Bohumil. "Shapeshifter of Somalia: Evolution of the political territoriality of Al-Shabaab." *Small Wars & Insurgencies* 27, no. 5 (2016): 937-957.
5. REACH. Market Feasibility Study - Baidoa. March 2020; REACH. Market Feasibility Study - Hargeisa. 2019; REACH. Market Feasibility Study - Kismayo. 2019
6. CWG. [Cash and Markets Quarterly Dashboard Jan-Mar 2020](#). April 2020
7. Ibid.
8. Ibid
9. Income in this case includes paid work, cash aid, remittance, and other sources of money
10. For at least the past five years, the number of evictions have more than doubled, from an average of 10,000 individuals evicted each month in 2015 to about 25,000 in 2018; OCHA. [Somalia Humanitarian Response Plan – Revised](#) (p.9). July 2018
11. CWG. [Cash and Markets Quarterly Dashboard Jan-Mar 2020](#). April 2020
12. Money transfer system whereby money is paid to an operator in one location who then directs a counterpart in another location to pay the final recipient.

13. In Mogadishu, large vehicles including those commonly used to transport items are not usually permitted to operate during daytime. Normally these vehicles operate during late hours but when curfews are imposed, in this case due to COVID-19, the operations of those vehicles is further limited.