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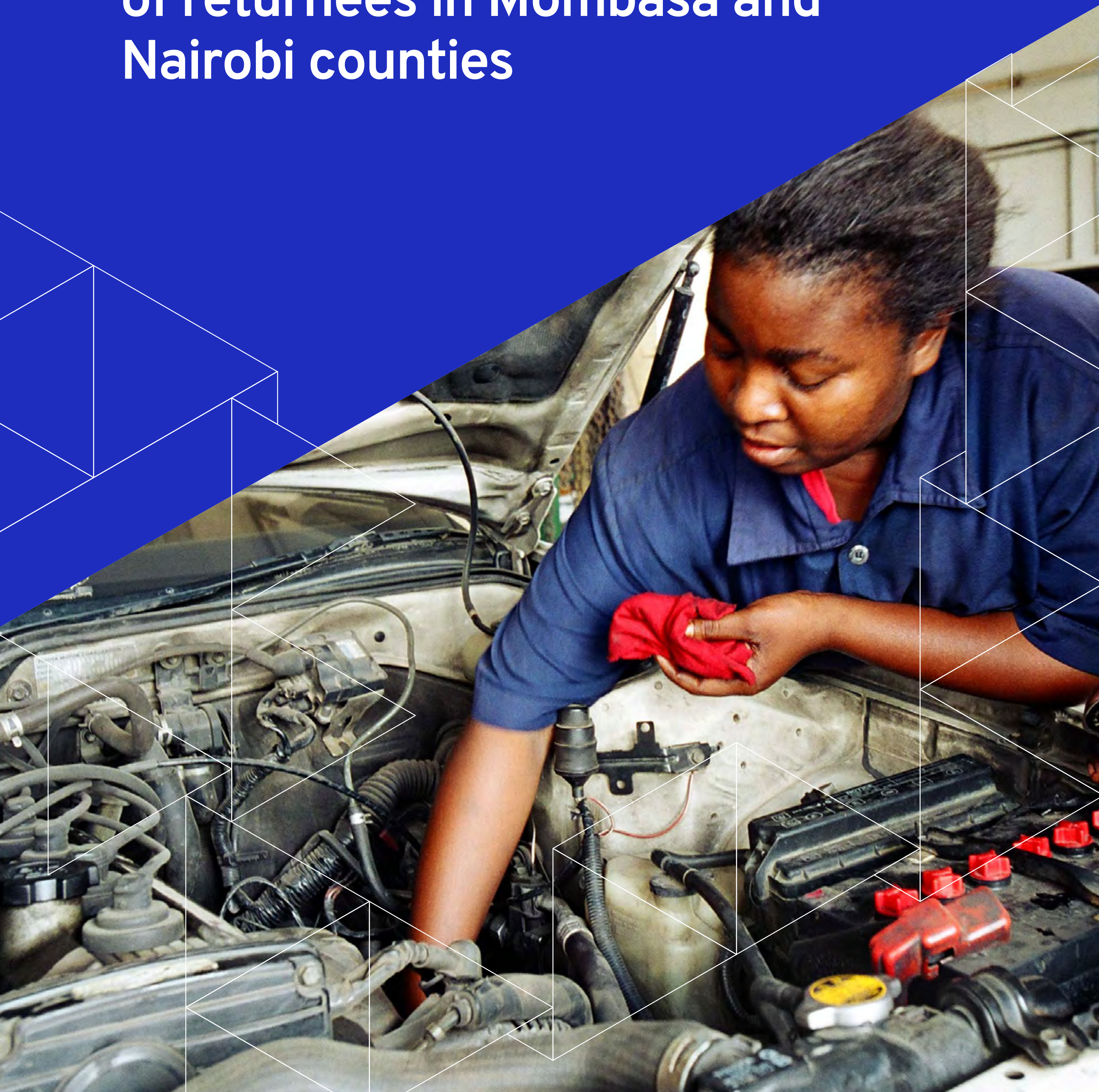
# Assessment of skills development and training needs of returnees in Mombasa and Nairobi counties



# Assessment of skills development and training needs of returnees in Mombasa and Nairobi counties

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# Abbreviations & acronyms

| | |
|---|---|
| **AHP** | Affordable Housing Programme |
| **ASAL** | Arid and Semi-Arid Land |
| **CAPI** | Computer-Assisted Personal Interviews |
| **CSOs** | Civil Society Organization |
| **FGD** | Focused Group Discussion |
| **GCC** | Gulf Cooperation Council |
| **GPS** | Global Positioning System |
| **ID** | Identity Card |
| **IGAD** | Intergovernmental Authority on Development |
| **KII** | Key informant Interview |
| **KIPPRA** | Kenya Institute for Public Policy Research and Analysis |
| **NCA** | National Construction Authority |
| **NEA** | National Employment Authority |
| **NEET** | Not Engaged in Education, Employment or Training |
| **NGOs** | Non-governmental Organizations |
| **NITA** | National Industrial Training Authority |
| **ODK** | Open Data Kit |
| **PRA** | Participatory Rural Appraisal |
| **RDS** | Respondent-Driven-Sampling |
| **RPL** | Recognition of Prior Learning |
| **SPSS** | Statistical Package for Social Sciences |
| **SWOT** | Strengths, Weaknesses, Opportunities and Threats |
| **The ILO** | International Labour Organization |
| **TORs** | Terms of Reference |
| **TREE** | Training for Rural Economic Empowerment |
| **TVET** | Technical and Vocational Education and Training |
| **UK** | United Kingdom |
| **UN** | United Nations |
| **UNEG** | United Nations Evaluation Group |
| **UNHCR** | United Nations High Commissioner for Refugees |
| **US** | United States |

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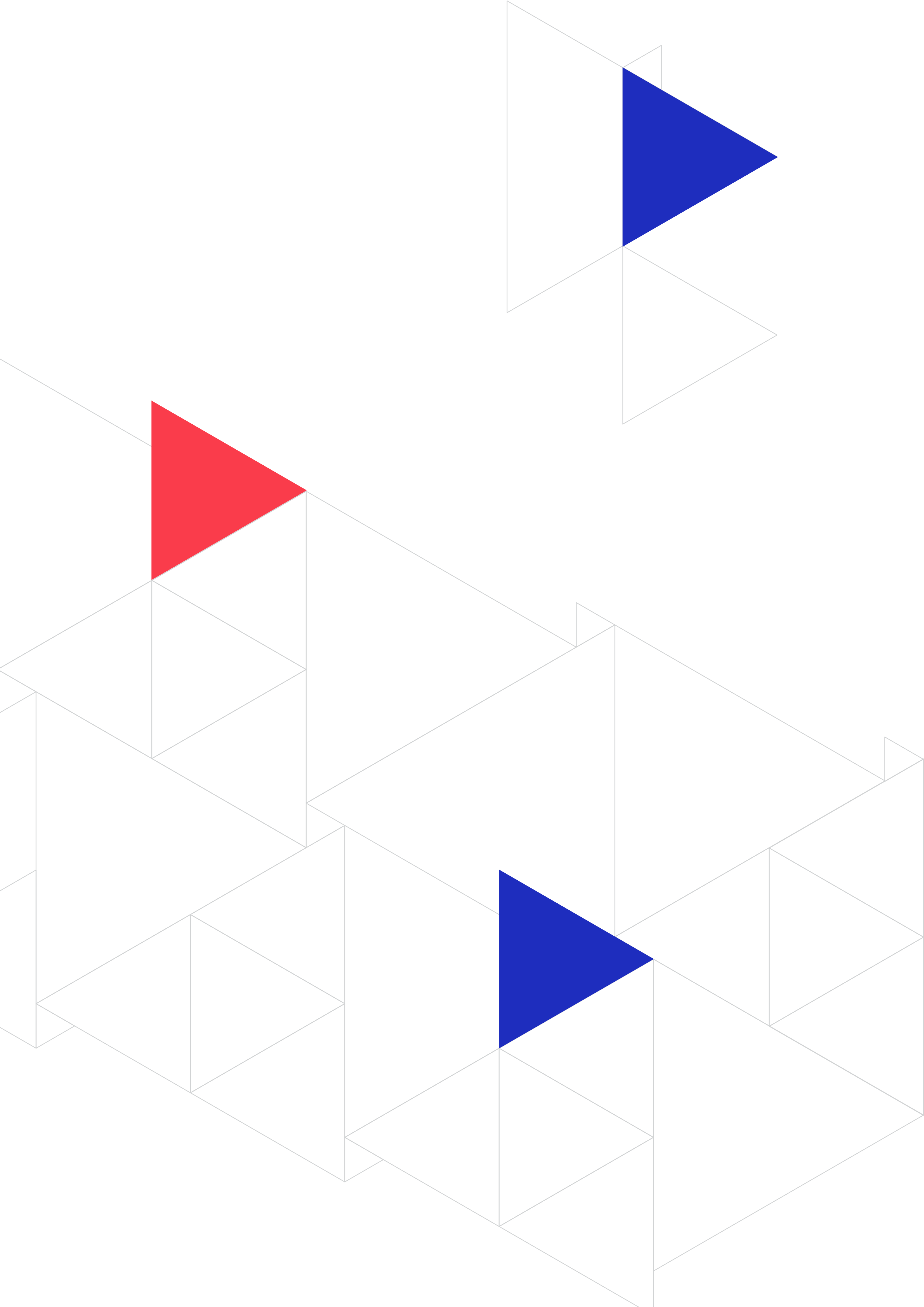

# Foreword

Kenya continues to be a key player in regional and international labour mobility, with thousands of Kenyan nationals seeking employment abroad every year. Labour migration offers immense opportunities for employment, income generation, skills acquisition, and diaspora engagement. However, with this opportunity comes the responsibility to ensure that Kenyan migrant workers who return home are adequately supported in their reintegration journey.

The Assessment of Skills Development and Training Needs of Returnees in Mombasa and Nairobi Counties comes at a timely moment, responding to the growing need for structured support systems to harness the potential of returning migrant workers. While many Kenyans working abroad acquire valuable experiences and practical skills, the full reintegration of returnees into Kenya's economy remains a persistent challenge. Returnees often face limited access to skills recognition, inadequate training and job placement services, lack of start-up capital, and insufficient access to business development support, barriers that prevent them from maximising their economic potential upon return.

This rapid assessment, conducted in Nairobi and Mombasa, two counties with a high concentration of returnees, provides essential insights into the skills profiles, training backgrounds, and aspirations of returning migrants. It explores the socio-economic challenges they face and identifies key gaps in Kenya's current reintegration frameworks. The report also highlights gendered dimensions of return, particularly the experiences of women who previously worked in domestic or caregiving roles in the Gulf countries, and whose reintegration needs require specific attention.

The findings indicate that while returnees often possess a combination of technical, entrepreneurial, and soft skills acquired abroad, these capacities are underutilised due to a lack of coordination among service providers, limited access to finance, and the absence of dedicated policy framework to guide inclusive economic reintegration of returning migrants. . This reality underscores the urgent need to reframe reintegration not only as a social protection concern but also as a strategic opportunity for national development.

As a country, Kenya must do more to create enabling environments where returnees are empowered to reintegrate successfully, contribute productively to their communities, and become agents of change. This includes strengthening linkages between returnees and Technical and Vocational Education and Training (TVET) institutions, enhancing skills recognition systems, improving financial literacy and access to capital, and developing tailored entrepreneurship programmes aligned with the current labour market.

The Ministry of Labour and Social Protection reaffirm its commitment to building comprehensive, inclusive, and gender-responsive reintegration systems that respond to the unique needs of returning migrants. This requires collaborative partnerships between national and county governments, employers, workers' organizations, financial institutions, development partners, and civil society actors. A whole-of-government and whole-of-society approach is crucial to ensure returnees are not left behind.

This report was made possible with the technical and financial support of the International Labour Organization (ILO) under the Better Regional Migration Management (BRMM) Programme, funded by the UK Government's Foreign, Commonwealth and Development Office (FCDO). We extend our gratitude to all stakeholders who contributed to this assessment, including county governments, training institutions, private sector actors, civil society organizations, and, most importantly, the returnee migrant workers who generously shared their stories, experiences, and aspirations.

As we move forward, we will leverage on the findings and recommendations of this assessment to form policy and programme responses that are evidence-based, future-oriented, and firmly anchored in the principles of decent work.

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Cabinet Secretary
Ministry of Labour and Social Protection,
The Republic of Kenya

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Director CO-Dar es Salaam
ILO Country Office for United Republic of Tanzania,
Burundi, Kenya, Rwanda and Uganda

# Executive Summary

## 1. Introduction

Kenya has a growing number of returnee migrant workers, many of whom have acquired valuable skills abroad. However, their reintegration into the local labour market remains a significant challenge due to a lack of formal skill recognition, financial barriers and limited access to structured job placement services. This assessment focuses on Nairobi and Mombasa, two key urban centres with strong economic activity, to evaluate returnees' skillsets, training gaps, employment prospects and reintegration challenges.

Despite their experience, many returnees struggle to secure formal employment or start businesses due to mismatched skills, regulatory hurdles and capital constraints. The study provides evidence-based insights to inform policies and programmes that can enhance labour market inclusion, improve training accessibility, and support business development for returnees.

## 2. Objectives

The assessment sought to:

1. Profile returnees' skills and competencies to understand their potential in the labour market.
2. Identify training gaps that hinder employment and self-employment opportunities.
3. Map employment and entrepreneurship opportunities in key sectors.
4. Evaluate the capacity of training institutions to provide market-relevant skills.
5. Examine job placement and business support services available to returnees.
6. Provide policy and programmatic recommendations for effective reintegration.

## 3. Methodology

A **mixed-methods approach** was used to collect data through:

- Quantitative Surveys: Structured interviews with returnees in Nairobi and Mombasa to assess employment status, skills and training needs.
- Key Informant Interviews (KIIs): Discussions with government agencies, training institutions, private sector representatives and NGOs.
- Focus Group Discussions (FGDs): Insights from returnees, employers and community leaders to understand real challenges and experiences.
- Literature Review: Analysis of existing policies, labour market trends and reintegration programmes to align findings with broader national frameworks.
- TREE (Training for Rural Economic Empowerment)
- Methodology: Used to assess labour market gaps and economic opportunities for returnees.

## 4. Findings

### 4.1 Returnees' Skills Profile

Returnees bring a diverse range of skills in sectors such as construction, beauty, retail, tourism, hospitality and transport, making them valuable assets to the local economy. However, the slow process of certifying foreign-acquired skills creates a significant barrier to accessing formal employment. While many returnees have transferable skills, they often struggle to align them with the specific demands of the local labour market, limiting their ability to secure stable and well-paying jobs.

### 4.2 Training Gaps and Needs

Many returnees face significant challenges in securing employment or starting businesses due to a lack of financial literacy, business management and digital skills, which are essential in today's job market. However, training institutions often fail to provide industry-aligned programmes in key sectors such as e-commerce, fintech and advanced manufacturing, limiting returnees' access to emerging job opportunities. Additionally, the scarcity of retraining programmes further hampers their ability to transition into new or evolving industries, leaving them ill-equipped to adapt to the rapidly changing economic landscape.

### 4.3 Employment and Market Opportunities

Tourism, retail, beauty, transport and fisheries present strong employment opportunities, yet returnees often face significant challenges in accessing them. Many struggle with capital constraints that hinder their ability to start businesses, limiting their entrepreneurial prospects. Additionally, formal employers in these industries often require industry-specific experience, which returnees may lack, making it difficult for them to secure jobs. Furthermore, licensing and regulatory barriers add another layer of complexity, restricting entry into high-potential sectors and reducing their chances of economic reintegration.

### 4.4 Training Institutions' Capacity

While some TVET and vocational institutions offer quality training, many struggle with outdated curricula, inadequate industry linkages and a lack of modern equipment, limiting their ability to provide market-relevant skills. Additionally, limited employer engagement results in a skills mismatch, where the training offered does not align with labour market demands, leaving returnees ill-prepared for available job opportunities. Strengthening collaboration between training institutions and industry stakeholders, updating curricula and investing in modern training facilities are essential to bridge this gap and improving employment outcomes for returnees.

### 4.5 Limited job placement and business support

Returnees face significant challenges in securing employment and starting businesses due to the lack of structured job placement services, forcing many to rely on informal networks that offer limited opportunities. Additionally, mentorship programmes and business development support are not adequately designed to address the specific needs of returnees, making it difficult for them to transition into self-employment or formal jobs. Access to financial support for business startups is also a major hurdle, as strict eligibility criteria and the absence of targeted funding programmes prevent returnees from obtaining the necessary capital to establish sustainable enterprises. Strengthening job placement systems, tailoring mentorship programmes, and expanding inclusive financing options is essential for improving their economic reintegration.

### 4.6 Policy and Structural Barriers

The absence of a national framework for returnee reintegration has resulted in fragmented and inconsistent support services, leaving many returnees without structured assistance. Additionally, limited access to government funding, such as the Hustler Fund and other financial initiatives, makes it difficult for returnees to secure capital for entrepreneurship, further restricting their economic opportunities. Bureaucratic processes related to business registration and licensing also pose significant challenges, delaying returnees' ability to establish businesses and integrate into the formal economy.

# 5. Conclusion

Despite their valuable skills, returnees face structural, financial, and institutional barriers that hinder their economic reintegration. The lack of skill recognition, inadequate training opportunities, capital constraints and weak job placement systems prevent them from fully contributing to the labour market. To address these challenges, comprehensive reintegration policies are needed, focusing on the expansion of industry-aligned training programmes, improved access to financial support and business development services, and stronger job placement and labour market linkages. A multi-stakeholder approach involving government, the private sector, TVET institutions and development organizations is essential to ensure that returnees can effectively reintegrate and contribute to Kenya's economy.

# 6. Recommendations

## 6.1 Expand and Modernize Training Programmes

To meet evolving market demands, technical, financial literacy and digital skills training should be strengthened. This can be achieved through competency-based training models and blended learning approaches.

## 6.2 Strengthen Job Placement and Career Services

Formal job-matching platforms should be established to connect returnees with employers, while expanding internship and apprenticeship programmes can help bridge experience gaps. Additionally, mentorship programmes linking returnees with industry professionals will enhance their career development and integration into the workforce.

## 6.3 Improve Business Development and Financial Support

Low-interest loan programs and startup grants tailored to returnees can support their entrepreneurial ventures, while simplifying business registration and licensing will encourage more participation in the economy. Additionally, providing tax incentives for returnees investing in high-potential sectors can stimulate business growth and job creation.

## 6.4 Upgrade Training Institutions and Curricula

Modernizing TVET institutions by upgrading infrastructure, curricula and faculty expertise will improve the quality of training. Strengthening partnerships between training providers and industry players will further ensure practical, market-relevant skills development.

## 6.5 Implement a Comprehensive Returnee Reintegration Policy

A national policy framework integrating skill recognition, employment and financial inclusion is essential for the effective reintegration of returnees. Additionally, addressing bureaucratic barriers to government support and funding, along with establishing a centralized returnee support programme, will streamline reintegration efforts and improve access to opportunities.

# 1 Introduction

## 1.1. Background

Kenya is a key migration hub in East Africa, serving as a country of origin, transit and destination for various types of migrants, including asylum seekers, refugees and economic migrants. High-skilled Kenyans often migrate to countries in Europe (UK, Germany and so on), North America (US, Canada) and Australia, while low-skilled workers increasingly head to the Gulf. In 2021, an estimated 4 million Kenyans lived abroad, primarily in the US and UK, with rising numbers migrating to the Gulf for temporary labour contracts.

Most Kenyans migrate through regular pathways, though some face irregular status due to overstaying or non-renewal of documents. The government has reported facilitating nearly 88,000 jobs for Kenyans in the Middle East, mainly in domestic work, construction and hospitality. Latest data show that nearly 4 million Kenyans are living abroad. Diaspora remittances, which are a strong indication of emigrants in Kenya has risen to almost 4.951billion surpassing earnings from agricultural exports, tourism and other sources of foreign income flows.

Most Kenyans emigrate in search of Economic opportunities; others do so for educational purposes. Despite risks associated with working abroad, especially in the GCC as their destination countries, significant number of Kenyans, 34 per cent of respondents, mostly youth, with post-secondary education living in urban areas are still contemplating emigration for work[2].

Official data about returning migrant workers is not readily available because such data is currently not systematically collected. However, most recent reports indicate that returning migrant workers

1 Central bank of Kenya 2025

2 Afrobarometer survey 9th edition


face persistent challenges in their effort to reintegrate, such as limited employment opportunities, lack of access to credit and skills development opportunities3. Current efforts to support labour market reintegration remain fragmented, with inadequate coordination and policy frameworks. Few programmes, mostly run by development partners and non-state actors, address livelihood and economic empowerment that include business development or access to finance and there is limited use of labour market data to inform reintegration efforts.

## 1.2. Economic opportunities

The Kenya Kwanza Government's Bottom-Up Economic Transformation Agenda (BETA) includes the Affordable Housing Programme (AHP) as a flagship project, aimed at providing decent affordable housing to Kenyans in urban areas but also to create hundreds of thousands of jobs along the construction sector value chain. Although the pace has been slow, the Government has, since January 2023, commissioned 33 affordable housing projects in different counties. During May Day 2024, the president announced that 140,000 direct and indirect jobs have been created through the affordable housing programme, which is a boost in job creation in the construction sector and its value chains[4]. The target set by the Government is to deliver 200,000 affordable housing units every year, translating to 1,000,000 houses in five years[5].

3 Rapid assessment on the protection needs, risks and vulnerabilities

4 https://www.citizen.digital/news/140000-youths-now-working-under-affordable-housing-plan-ruto-says-n341374

5 https://cytonn.com/media/article/the-progress-of-affordable-housing-in-kenya#:~:text=The-percent20Affordablepercent20Housingpercent20Programmepercent20(AHP,bypercent-202022percent2Cpercent20inpercent20fivepercent20years](https://cytonn.com/media/article/the-progress-of-affordable-housing-in-kenya#:~:text=Thepercent20Affordablepercent20Housingpercent20Programme-percent20(AHP,bypercent202022percent2Cpercent20inpercent20fivepercent20years)

It is therefore not known whether the set targets will be met, given the slow pace of implementation. The project is designed to collaborate with Technical and Vocational Education and Training (TVET), the National Construction Authority (NCA) and the National Industrial Training Authority (NITA) to involve Jua Kali artisans in the fabrication of steel casement doors and windows, therefore supporting local craftsmanship[6]. While this is not the only job creation scheme championed by the Government of Kenya, if realized, it carries immense opportunities for job creation for thousands of youths for years to come. Other schemes such as, Hustler Fund, preferential procurement opportunities provided to youth-led enterprises, Ajira digital and Youth and Women Entrepreneurship Development Funds, are some of the measures put in place to boost wages and self-employment.

Kenya's economy presents a diverse range of opportunities driven by key sectors such as agriculture, manufacturing, services and the digital economy. With a growing youthful population and an expanding middle class, the country continues to implement policies aimed at enhancing both wage and self-employment opportunities. However, unemployment and underemployment remain significant challenges, particularly among young people and women, necessitating targeted interventions to foster economic inclusion. The employment promotion initiatives established aim to expand access to financial, digital skills, and entrepreneurial growth among young people and women, providing avenues for self-employment and business expansion.

Labour migration has emerged as an important aspect of Kenya's employment promotion strategy. The Government is supporting this by seeking and facilitating regular labour migration channels through BLAs and MOUs with several destination countries. These efforts are enabling many Kenyans seeking job opportunities abroad to navigate the complex overseas employment process. Remittances from migrant workers contribute significantly to household incomes and the national economy, as stated above.

## 1.3. Return and reintegration

Reintegration is the process of re-insertion of returnees into the social, labour and economic context of their country of origin. Due to diversity and sometimes complexity of issues that returning migrant workers face, reintegration is never an automatic process but rather requires specific and concerted effort and approach depending on the needs of returning migrants.

Re-integration measures may include the recognition of skills acquired abroad, assistance with access to social services (such as housing, education, legal services, healthcare, food and water) and psychosocial support. Economic reintegration helps returnees establish economic self-sufficiency upon their return. Many reintegration programmes include support, such as skills development or resources to (re) establish adequate and sustained income generation for themselves and their families. It may also entail counselling and information on possible sources of employment or livelihood opportunities[7].

However, effective reintegration programmes for returnees remain largely absent, especially for the majority of semi-and-low-skilled workers, many of whom face barriers upon return. Yet, it remains a critical support service for the successful and sustainable participation of returning migrant workers in the economies upon return home. To address employment challenges, the government has introduced various economic empowerment schemes, including the Hustler Fund, Preferential Procurement for Youth-Led Enterprises, Ajira Digital and the Youth and Women Entrepreneurship Development Funds. These initiatives aim to enhance financial access, digital skills and entrepreneurial growth among young people and women, providing avenues for self-employment and business expansion.

6 https://www.capitalfm.co.ke/news/2024/01/affordable-housing-projects-to-generate-over-10000-jobs-for youthwom-en/#:~:text=Toppercent20stories,Affordablepercent20Housingpercent20Projectspercent20topercent20Generateper-cent20Overpercent2010percent2C00

7 https://reintegrationhb.iom.int/module/economic-reintegration-assistance#:~:text=Economicpercent20reintegration-percent20assistancepercent20helpspercent20returnees,forpercent20themselvespercent20andpercent20theirpercent-20families.

## 1.4. Skills development needs

The opportunities highlighted above will benefit youth with skills to either perform work, produce a product, or offer a service. For the majority, due to not having a training background or recognized skills, it is more difficult to benefit. They will work as labourers or miss the opportunities altogether. In Kenya, access to formal training is still limited. While almost 1.3 million children qualified to transit to high school from primary school in 2023, reports indicate that about 10 per cent fail to transit due to various reasons, with regional disparities showing that some counties register only a transition rate of around 60 per cent. The latest enrolment figures at the TVET level indicate that around 367,925 were enrolled in TVET and 563,000 into university as of October 2023[8]. This means that more than 360,000 young people fail to join formal training annually for various reasons. This does not include those who drop out at different levels of the education system before completing the full cycle. The main reason for drop out in Kenya is the lack of school fees[9]. Many of these youth end up in the *Jua Kali*[10] sector to acquire skills and eventually work there.

The education profile of Kenyan migrant workers documented so far indicates that Kenyan migrant workers living abroad tend to be high-skilled workers (with a higher level of educational attainment). According to the central bank's diaspora remittance survey, 60 per cent of diaspora respondents had a minimum bachelor's degree[11]. However, this is mostly true for diaspora living in wealthy countries such as the US, UK, Canada, Australia, New Zealand and other European countries, who are also the majority according to the official data. In contrast, the majority of migrants living in the Gulf Cooperation Council (GCC) countries have low education attainment levels. Kenya does not yet have data or information capturing the profile of returning migrant workers; therefore, their profiles are not well documented. However, a recent AIMS assessment conducted by the ILO in Mombasa and Nairobi found that the majority of returned migrant workers from the Middle East were women with low skills.

Due to lack of properly documented and disaggregated information on returnees' skills profiles (skills/training needs) *vis-à-vis* comprehensive analysis of market opportunity and needs, the ILO commissioned this study to assess the skills and competency profile of returning migrants in Nairobi and Mombasa to determine training and/or recognition needs for those who bring back skills, knowledge and experience from abroad.

## 1.5. Labour Migration in Kenya

Kenya is a significant migration hub in East Africa, serving as both a transit and destination country. A notable portion of its population emigrates abroad in search of employment, with increasing numbers heading to the GCC countries. Between 2016 and 2020, approximately 535,000 Kenyans migrated internationally, with 47 per cent being male (253,000) and 53 per cent female (282,000) (SIHMA, 2024). The most popular migration destinations for Kenyans include the United States (157,000), the United Kingdom (139,000), Uganda (34,000), Canada (29,000), Australia (25,000) and Germany (17,000) (SIHMA, 2024). While precise data on Kenyan migrants in the GCC remains scarce and the available data is inconsistent, some estimates put the figure at more than 416,548 according to the most recent figures provided by the Ministry of Foreign Affairs[12]. These reports suggest a rising trend, especially among domestic workers (Le Monde, 2024). In 2021, the Senate Committee on Labour Migration reported that nearly 80,000 Kenyans live in the Kingdom of Saudi Arabia alone, the majority of them being women domestic workers.

Educational attainment is a key factor in migration patterns. A significant 27.2 per cent of Kenyan emigrants in OECD countries have attained tertiary education, highlighting concerns about a possible brain drain, particularly in the healthcare sector, where the emigration rate has reached **51 per cent**

8 https://www.tveta.go.ke/female-students-join-tvet-ranks-in-large-numbers/#:~:text=Overallpercent2Cpercent20TVET-percent20enrolmentpercent20inpercent20TVET,werepercent2045.4percent25percent20(167032)

9 https://dalberg.com/wp-content/uploads/2019/10/191011_Porticus-Youth-NEET-Kenya_Report_vF_0.pdf

10 Juakali- is the local name for Kenyan informal sector

11 Kenya diaspora remittance survey report 2021 pg. 6.

12 https://www.the-star.co.ke/news/2024-07-10-mudavadi-416-548-kenyans-are-in-gulf-states-iraq-accounts-for-150

(Academia.edu, 2009; Migrants & Refugees, 2024). Migration pathways are influenced by colonial ties, economic opportunities and gender dynamics. Many Kenyans also emigrate in search of further studies, with Europe, North America, and Asia as major destination regions[13].

Despite these trends, more detailed and disaggregated data is needed to fully understand the migration experiences of Kenyans, particularly in relation to gender, education level and employment sectors. Upon their return, many migrant workers, especially women, face significant challenges in reintegrating into Kenya's labour market. Most returnees lack the skills, knowledge and access to resources necessary for effective reintegration.

This report highlights the skills profile based on responses from sampled respondents. It also provides insights on the skills needed by returning migrants and their perceptions of sectors with potential opportunities for employment In Mombasa and Nairobi Counties, two key urban centres where many returnees resettle. It will also provide recommendations on how to align training programmes with market needs to facilitate the successful economic reintegration of returnees.

## 1.6. County Profile

### 1.6.1. Nairobi

Nairobi County hosts the capital and largest city in Kenya. The county is non-ASAL, experiencing less than 10 per cent aridity. The county land size stands at 696.1 km$^2$ and has11 Sub-Counties, namely: Dagoretti, Embakasi, Kamukunji, Kasarani, Kibra, Langata, Makadara, Mathare, Njiru, Starehe, and Westlands. The percentage of male and female workers in Nairobi County is almost equal t (KIPPRA 2024). The top employing sectors in the county are:

The services sector is the highest employer, absorbing 74.59 per cent of the employed; followed by the industry sector at 23.76 per cent and then agriculture at 1.65 per cent. The majority of those working in the service sector are in wholesale and retail trade, with employment concentrated in retail of other goods in specialized stores at 36.78 per cent followed by transport and storage at 10.34 per cent. Within the sector, information and communication has 1.84 per cent share of employment in Nairobi, which is the least, followed by real estate (2.15 per cent), human health (2.20 per cent), financial and insurance services (2.76 per cent), public administration (3.79 per cent), accommodation and food services (4.68 per cent).

In the industry sector, manufacturing has the highest share of employment at 53.14 per cent, followed by construction at 43.22 per cent. The majority of Nairobi workers in the manufacturing sector are found in low-technology sub-sectors such as textiles and apparel (24.32 per cent), food products (19.90 per cent) and fabricated metal products (15.22 per cent).

The transport sector in Nairobi is dominated by the public transport (the matatu), private motorists, the motorbike taxis *(bodas*) and the growing e-hailing taxis. The majority of workers employed in this subsector are located in urban and suburban areas, mostly in land transport services at about 55.2 per cent of all workers in the subsector, followed by freight transport (land) at 14. 90 per cent and transport support services 9.38 per cent of total workers in the subsectors in Nairobi. Absolute employment figures are not available for the whole subsector; however, a recent report by the International Transport Workers Federation (ITF) estimates that public commuter buses (matatu) alone employ 70,000 people[14]. These figures are only part of the employment absorption rate of the subsector, with many more employed informally, making it difficult to get absolute numbers along the value chain.

Overall, Nairobi's economy is projected to grow in manufacturing, ICT, construction and retail. The private sector expanded in early 2025, though retail saw declines. Economic growth is expected to rise to 5.3 per cent in 2025-2026 (Reuters, 2025). The housing sector faces a deficit of 200,000 units annually, driven

13 The Kenya diaspora remittance survey report

14 https://www.itfglobal.org/sites/default/files/node/resources/files/BRTpercent20executivepercent20summary.pdf#:~:text=Thepercent20commonpercent20practicepercent20ofpercent20includingpercent20'operators'percent20in,involvingpercent20apercent20complexpercent20setpercent20ofpercent20employmentpercent20relationships.

by urbanization and high costs. Streamlining approvals and improving financing access are key to addressing this gap (Standard, 2024). In digital financial services, high costs hinder access, with mobile broadband at $4.64 (2GB) and fixed broadband at $26.92 (5GB)—higher than in Ghana or Vietnam. Lowering costs and improving digital infrastructure are recommended (UNDP, 2023).

## 1.7. Mombasa County

Mombasa County is a member of the Jumuiya ya Kaunti za Pwani (JKP) economic bloc and hosts the country's second-largest city. The country is classified as a non-ASAL county experiencing less than 10 per cent aridity levels. Mombasa County covers an area of 294.7 km$^2$ and has six sub-counties, namely: Changamwe, Jomvu, Kisauni, Likoni, Mvita and Nyali.

Mombasa County's economy is predominantly driven by the ***services sector,*** which contributes approximately 65.52 per cent to its Gross Value Added (GVA). Within the services sector, *transportation* and *storage services* are particularly significant, reflecting Mombasa's strategic position as a coastal city and major port. The services sector also leads in employment at 70.22 per cent, with wholesale, retail trade and motor vehicle repair being predominant and leading at 41.27 per cent. Employment within this sector is heavily concentrated in "other retail" (that is, retail that occurs outside of traditional stalls, stores, or markets), a trend attributed to the county's reliance on an informal and small-scale trading environment.

The industry sector follows, accounting for about 33.74 per cent of the GVA, with manufacturing being the largest component within this sector, accounting for 52.54 per cent of the gross county product (GCP) and providing approximately 363,000 direct jobs (27.08 per cent), making it the second-largest employment sector after the public sector. Within manufacturing, significant employment is found in the production of textiles and wearing apparel, as well as food and beverages. The subsector's resilience is evident despite challenges like high operational costs and regulatory hurdles. Efforts are underway to increase manufacturing's GDP contribution to 20 per cent by 2030, aiming to enhance job creation and economic stability. *The construction* subsector also plays a significant role in employment. In 2023, employment in this subsector increased modestly by 1.9 per cent, rising from 231,700 individuals in 2022 to 236,000[15]. This growth was largely driven by government initiatives such as the Affordable Housing Program, which saw spending escalate from KSh 9.1 billion in 2022/23 to KSh 92.5 billion in 2023/24, leading to the completion of 3,357 housing units in 2023, up from 1,390 units the previous year.

The agriculture sector contributes around 0.7 per cent, with activities such as diversified poultry farming, with broilers as the most common poultry type. Fishing/fish farming is a very common and notable activity in the sector. Crop production includes maize, fruit and vegetable production. Livestock farming is on a small scale, with the most common livestock being meat goats and beef. Milk, poultry meat and eggs have the highest economic values among the livestock products. Employment wise, agriculture contributes 2.70 per cent of total employment in the county.

Nairobi and Mombasa counties generally align with national labour quality indicators but face specific challenges that require targeted interventions. Secondary school enrollment rates remain a concern. For example, the enrolment rates in Mombasa County are below the national average (67.40 and 31.90 per cent against the national average of 77.72 and 54.18 per cent for primary and secondary school, respectively). Likewise, Nairobi enrolment figures are also below the national average, at 61.80 and 28.80 per cent for primary and secondary school, respectively. Given their urban status, enrollment rates may be higher than in rural areas, but disparities likely exist, particularly in low-income settlements. Child poverty remains a pressing issue. Nationally, 33.1 per cent of children experience food poverty. In Nairobi, the rate is 19 per cent, affecting approximately 1.8 million children, though no comparable data is available for Mombasa. Given its coastal economic significance and pockets of urban poverty, Mombasa likely faces similar challenges, requiring further study to establish precise figures. Internet connectivity is relatively high, with 64.7 per cent of Nairobi's population and 46.9 per cent of Mombasa's population accessing the internet, surpassing the national average of 35 per cent. However, affordability and infrastructure gaps still limit digital access, particularly in informal settlements. There is limited comprehensive disaggregated data for Nairobi and Mombasa.

15 These figures differ from the ones found in the Government delivery website which show significant new jobs created of more than 186,000

## 1.7. Study Objectives

The key objectives of the study were:

7. Profile the skills and competencies of returnees in Mombasa and Nairobi.
8. Identify training needs and gaps among returnees that hinder their reintegration into the labour market.
9. Map market opportunities for wage and self-employment in key sectors such as tourism and hospitality, retail, fisheries, beauty, and transport.
10. Assess the capacity of existing training institutions to deliver relevant skills training programmes.
11. Identify and evaluate labour market intermediation services and business development support for returnees.
12. Provide recommendations to improve labour market reintegration programmes and strengthen support systems for returnees.

Table 1-1 below provides a summary of the key components of this assessment:

### ▶ Table 1-1: Key deliverables

| Component | Key deliverables |
|---|---|
| Demand | ▶ Map occupations and/or sectors with employment (wage or self-employment) opportunities for which relevant skills development is needed in the affordable housing programme (construction value chain)<br>▶ Map/assess market dynamics to identify skills needed, services needed, commodities needed for which returnees could venture into through skills development and at what level of competencies in relevant sectors.<br>▶ Conduct a market systems analysis to identify priority sectors/occupations and assess skills shortages in the identified sectors/occupations value chains. For Mombasa, the four value chains selected are **tourism and hospitality, retail, fisheries and transport.** For Nairobi, the three value chains selected are **beauty, retail and transport.** |
| Supply | ▶ Map and identify returnees' skills development/training profiles.<br>▶ Document training/skills development needs of returnees, specifying the type of training, duration category (short or long time) and qualification/certification type (level qualification or certificate of competency or modular certificate or RPL)<br>▶ Map existing training providers that can or do provide training in the identified occupations at the identified level and duration.<br>▶ Map and identify skills recognition needs from the returnees (for those who acquired skills formally or non-formally but have yet to receive any formal recognition of their skills and competencies).<br>▶ Map the business development service (BDS) providers, NGOs, public and private employment agencies, TVET centres, chambers of commerce and industry associations to gain a comprehensive view of training, job placement and mentorship support available for returnees' skills development and reintegration. |
| Labour market intermediation services | ▶ Map and identify skills development and labour market information- related barriers that returnees face in trying to successfully reintegrate into the economies at home.<br>▶ Map and analyze organizations that are available to facilitate reintegration into local economies, either through wage or self-employment (business development services, guidance support systems, referral and job search assistance)<br>▶ Identify specific service providers and their capacity to engage in the project as implementing partners.<br>▶ Assess the potential and limitations of service providers for supporting the successful reintegration of returnees. |

# 2 Methodology

## 2.1. Skills development and training needs of returned migrant workers.

The skills development and training needs assessment for returnees in Mombasa and Nairobi employed a fully participatory, mixed-method approach, combining both quantitative and qualitative research methods. This approach maximizes the strengths of each method while minimizing weaknesses, as noted by Drew et al. (2008). To assess skills demand and supply in the local economy, the ILO's Training for Rural Economic Empowerment (TREE) methodology was also selectively and adaptively applied, particularly community profiling tools, to frame questions aligning with the scope, focusing on skills and training needs assessments within a shorter timeframe and targeting specific reintegration goals, aiming to improve participants' income through wage or self-employment, with a focus on long-term, sustainable community development. For details about the TREE[16] methodology visit the TREE website.

## 2.2. Key TREE approaches used for different components of this assessment

### 2.2.1. Supply study (Returnees)

Under this component, personal interviews as well as focus group discussions were conducted among returnees to:

16 https://www.ilo.org/topics-and-sectors/skills-and-lifelong-learning/treepedia-training-rural-economic-empowerment/introduction-tree-methodology

**a.** Map and identify returnees skills development/training profile.

**b.** Document training/skills development needs of returnees, specifying the type of training, duration category (short or long time) and qualification/certification type (level qualification, certificate of competency, modular certificate or RPL)

**c.** Map existing training providers that can or do provide training in the identified occupations at the identified level and duration.

**d.** Map and identify skills recognition needs from returnees (for those who acquired skills formally or non-formally but are yet to receive any formal recognition of their skills and competencies).

Additionally, key informant interviews with purposively selected training centres and institutions (formal, non-formal, or informal), Ministry of Labour and Social Protection, private sector alliances, Chamber of Commerce and Industry, private sector associations, traders' associations, labour agencies, CSOs, Technical Vocational Education and Training (TVET), Ministry of Education, Commission for Higher Education, National Construction Authority, employment agencies, NITA and TVET.

### 2.2.2. Market demand assessment -Consumer Demand Survey (Employers in targeted value chains)

The purpose of this component was to interview employers, specifically in construction (both in Nairobi and Mombasa), **tourism** and **hospitality, retail, fisheries and transport in Mombasa**; and beauty, **retail and transport in Nairobi**. The interviews help to:

Map occupations and/or sectors with employment (wage or self) opportunities for which relevant skills development is needed

Map/assess market dynamics to **identify skills needed, services needed, commodities needed** for which returnees could venture into through skills development and at what level of competencies in relevant sectors.

Conduct a market systems analysis to identify priority sectors/occupations and assess skills shortages in the identified sectors /occupations value chains.

### 2.2.3. Labour market intermediation services

To gain insight into the dynamics between various labour market elements and related issues, focus group discussions (FGDs) with returnees and consumers were held. Utilizing pre-prepared guide questions, each FGD comprised 6-12 participants. Separate sessions were held for male and female participants to capture diverse experiences across age groups and genders. A purposive sampling method ensured representation from key study populations in Nairobi and Mombasa, resulting in a total of four FGDs with returnees. The responses were subsequently validated during the data analysis phase. Specifically, the following objectives were answered under this component.

a. Map and identify skills development and labour market information-related barriers that returnees face in trying to successfully reintegrate into the economies at home.

b. Map and analyze organizations that are available to facilitate reintegration into local economies, either through wage or self-employment (business development services, guidance support systems, referral and job search assistance)

c. Identify specific service providers and their capacity to engage in the project as implementing partners.

d. Assess the potential and limitations of service providers for supporting the successful reintegration of returnees

## 2.3. Data Collection Methods

The evaluation relied on a range of data collection methods, ensuring comprehensive coverage of the evaluation objectives. A combination of primary and secondary data collection techniques was used to triangulate findings.

### 2.3.1. Review of Relevant Documentation

The data collection process commenced with an extensive review of project documents to assess progress since the inception. This review evaluated project status, implementation strategies, management approaches and delivery structures. Key documents reviewed included the approved project proposal, economic development plans, ILO reports and information from relevant programmes and stakeholders in Nairobi and Mombasa. The desk review aimed to identify key economic and livelihood activities in the area, determine market opportunities in sectors with growth potential, map training institutions, assess existing skills and qualifications recognition mechanisms, evaluate economic reintegration support for returned migrants, identify available business development and guidance services, and document job search assistance or placement services.

Specific documents that informed the work include:

- County Integrated Development Plan 2023 – 2027, for Nairobi and Mombasa
- Kenya National Bureau of Statistics Economic Survey, 2024
- Kenya Market Systems Analysis Report
- National Bureau of Statistics Census Report, 2019

- Kenya National Bureau of Statistics Quarterly Labour Force Surveys
- Department for International Development (DFID) publication addressing the causes of youth unemployment in Mombasa County
- Publications by employer organizations specifically Federation of Kenya Employers (FKE), Kenya Association of Manufacturers (KAM) and Kenya Private Sector Alliance (KEPSA)
- Society for International Development publications, for Nairobi and Mombasa, on Employment
- Policy brief by KIPPRA nos. 70&77/2023-24 on Labour productivity for Mombasa and for Nairobi counties, respectively.

## 2.3.2. Field Work

The assessment was conducted in Nairobi and Mombasa, targeting male and female returnees, as well as employers in sectors such as construction (both cities), tourism and hospitality, retail, fisheries and transport (Mombasa), and beauty, retail, and transport (Nairobi). Interviews were conducted in English or Kiswahili, with provisions for local languages as needed.

### 2.3.2.1. Study population

This study was done in Nairobi and Mombasa and involved returnees. The languages used were English and Kiswahili.

### 2.3.2.2. Sample size for returnees and employers in the sectors of interest

The following sample size formula by Steve Bennet[17] used to determine the number of households needed from each area.

C=p(1-p) *D/(S^2*b)

Where:

C= Number of clusters (enumeration areas)

b= cluster size (we take 15 per cluster).

D= Design effect. Normally, it ranges from 1.1 to 2, depending on cluster variability expected (we assume 1.5).

p= probability of key outcome of interest (e.g. percent of returnees unemployed). The advice is to take 50 per cent when not sure

S = is the standard deviation in a similar study. This is set to 0.05 to give a reasonable number of respondents

The above computation generates 8 clusters, resulting in a total of 120 interviews (15x8=120).

Based on the calculation above, Table 2-1 below provides a summary of the targeted samples per category.

17 Bennett, S., et al., A simplified general method for cluster sample surveys in developing countries. 1990.

## ▶ Table 2-1: Targeted quantitative sample per county and sub-sector

| Cluster | Total sample computed |
|---|---|
| Men and women Returnees in Nairobi | 120 |
| Men and women Returnees in Mombasa | 120 |
| **Sub-total** | **240** |
| **Employers** | |
| Employers in the construction industry (Mombasa), out of which: | |
| Construction of commercial properties | 3 |
| Construction of residential properties (not involved in affordable housing) | 3 |
| Construction of residential properties (specifically affordable housing) | 3 |
| Construction of roads/water and sewer line and related structures construction | 3 |
| **Sub-total** | **12** |
| **Employers in the retail sub-sector (Mombasa) out of which**: | |
| Retail sale of food, beverages and tobacco in specialized stores | 3 |
| Retail sale of hardware, paints and glass | 3 |
| Retail sale of clothing, footwear and leather | 3 |
| Retail sale of information and communications equipment /Retail sale of textiles/Retail sale of electrical household appliances, furniture, lighting equipment and other household articles/Retail sale of books, newspapers and stationery | 3 |
| **Sub-total** | **12** |
| **Employers in fisheries sub-sector (Mombasa), out of which:** | |
| Harvesting | 3 |
| Wholesalers, retailers (national, global) | 3 |
| Processing plants | 3 |
| Transporters: individuals, bicycles, lorries, vans and so on/marketing/eco-system (for example, environmental NGOs, tourism interests, fisheries authority, fisheries popular organizations) Input suppliers (for example, Information and data providers, financial providers, innovation platforms, boats, motors and so on) | 3 |
| **Sub-total** | **12** |
| **Employers in Tourism and Hospitality (Mombasa) out of which:** | |
| Accommodation | 3 |
| Restaurants | 3 |
| Pubs & Nightclubs | 3 |
| Travel Services/Visitor attractions | 3 |
| **Sub-total** | **12** |
| **Employers in Transport (Mombasa), out of which:** | |
| Clearing and Forwarding Services | 3 |
| Taxi services | 3 |
| Motor vehicle/motor passenger services | 3 |
| Warehousing and storage | 3 |
| **Sub-total** | **12** |
| **Total Employers sample (Mombasa)** | **60** |
| **Employers in the construction industry (Nairobi) out of which:** | |
| Construction of commercial properties | 3 |
| Construction of residential properties (not involved in affordable housing) | 3 |
| Construction of residential properties (specifically affordable housing) | 3 |
| Construction of roads/Water and Sewer Line, and Related Structures Construction | 3 |
| **Sub-total** | **12** |

| Cluster | Total sample computed |
|---|---|
| **Employers in the retail sub-sector (Nairobi), out of which:** | |
| Retail sale of food, beverages and tobacco in specialized stores | 3 |
| Retail sale of hardware, paints and glass | 3 |
| Retail sale of clothing, footwear and leather | 3 |
| Retail sale of information and communications equipment /Retail sale of textiles/Retail sale of electrical household appliances, furniture, lighting equipment and other household articles/Retail sale of books, newspapers and stationery | 3 |
| **Sub-total** | 12 |
| **Employers in the retail sub-sector (Nairobi), out of which:** | |
| Employers in Transport (Nairobi), out of which: | |
| Clearing and Forwarding Services | 3 |
| Taxi services | 3 |
| Motor vehicle/motor passenger services | 3 |
| Warehousing and storage | 3 |
| **Sub-total** | **12** |
| **Employers in Beauty (Nairobi), out of which:** | |
| Salons/Spa and wellness | 4 |
| Barber shop | 4 |
| Sale of cosmetics and personal care products | 4 |
| **Sub-total** | **12** |
| **Total Employers sample (Mombasa)** | **48** |
| **Total Employer sample** | **108** |

### 2.3.3. Inclusion criteria

1. Male or female returnees
2. Lives within the geographic boundaries of Nairobi or Mombasa counties
3. Contained in the returnee list generated by the ILO
4. Employers of returnees, that is, returnees who are now employers

### 2.3.4. Exclusion criteria

1. Males or females who are not returnees
2. Does not live within the geographic boundaries of Nairobi or Mombasa

### 2.3.5. Recruitment Process

A list of returnees provided by the International Labour Organization (ILO) as the primary sampling frame. To enhance this list and address potential biases, Respondent-Driven Sampling (RDS) was applied, a method effective for reaching hidden or hard-to-reach populations. RDS begins with the selection of initial participants, known as "seeds," who are members of the target population. These seeds recruit peers from their social networks, who in turn recruit others, creating successive waves of participants until the desired sample size is achieved.

To ensure diverse representation and mitigate barriers to participation, seeds were selected based on various factors, including geographic location, gender, age and social subgroups. Recruitment commenced with a limited number of seeds identified through key informants and the consultant's network. Collaboration with organizations supporting returnees in Nairobi and Mombasa facilitated the identification of additional seeds and provided insights into the returnee community.

Each seed, upon consenting and completing the survey, received up to three uniquely coded, non-replicable coupons to recruit peers fitting the study's eligibility criteria. This peer recruitment strategy leveraged existing social networks to expand the sample. Safeguards, such as cross-referencing identification cards and maintaining detailed records, were implemented to prevent duplicate enrollments and ensure data integrity.

Throughout the recruitment process, the composition and progression of recruitment chains were closely monitored. Additional seeds were introduced as necessary to maintain momentum and ensure comprehensive coverage of the target population. This adaptive approach allowed for effective engagement with a diverse range of returnees, thereby enhancing the robustness and inclusivity of the assessment.

### 2.3.6. Survey instruments

The study employed Computer-Assisted Personal Interviewing (CAPI) using Android mobile devices for data collection. This approach involved scripting questionnaires for returnees, employers and training institutions onto a mobile platform, facilitating efficient and user-friendly data gathering. Informed consent was obtained from all participants and data privacy was ensured through anonymization and secure storage, adhering to ethical guidelines throughout the process. Respondents engaged with semi-structured questionnaires via personal interviews, with data collected on a central online server using KOBO Collect. This electronic method proved time- and cost-effective, as responses were entered directly into devices and immediately available in the database, eliminating the need for manual data entry. Notably, the application functioned independently of network connectivity, ensuring uninterrupted data collection. The final database was ready at the conclusion of fieldwork, allowing for prompt data cleaning and analysis within days of data collection completion.

### 2.3.7. Key Informant Interviews (KIIs)

During the planning phase of the study, key informants were identified for interviews, including ILO project staff, partners and stakeholders knowledgeable in skills development and the economic reintegration of returnee migrant workers in Kenya. These stakeholders encompassed providers of business development services, such as advisory support, access to finance, coaching, market access and service provision—as well as guidance services and other support institutions. Notably, public and private employment agencies, NGOs offering economic empowerment and reintegration support to returnees in livelihood and economic activities, job search assistance and placement or matching services were included.

A stakeholder analysis was conducted using Participatory Rural Appraisal (PRA) tools to identify the most crucial informants. Stakeholders were purposively selected based on information gathered during the preliminary analysis and each institution's known role in the areas of interest. In total, 25 key informants were interviewed to the point of saturation of data. Table 2-2 below provides a summary of the total KIIs which were planned to be carried out in Nairobi and Nairobi.

▶ **Table 2-2: Breakdown of Proposed KIIs for the assessment**

| Description of the key informant | Nairobi | Mombasa | Total |
|---|---|---|---|
| KIIs<br>Among business development service (BDS) providers, NGOs, public and private employment agencies, NITA, Ministry of Labour and Social Protection, County government of Nairobi and Mombasa County Executives and Chief Officers responsible for Labour, TVET centres, chambers of commerce, and industry associations | 4 | 3 | 7 |
| Business development services available (including advisory support, access to finance, coaching, access to markets and service providers), | 3 | 3 | 6 |
| Guidance services and other support institutions, such as public or private employment agencies | 3 | 3 | 6 |
| NGOs that provide economic empowerment and reintegration support to returnees on livelihood and economic activities, job search assistance or placement/ referencing/ matching services and other similar stakeholders | 3 | 3 | 6 |
| **Total** | **13** | **12** | **25** |

## 2.3.8. Focus Group Discussions (FGDs)

To gain insights into the dynamics of the labour market and related issues, focus group discussions (FGDs) with returnees and consumers were conducted. Utilizing pre-prepared guide questions, each FGD comprised 6 to 12 participants. Separate sessions were held for males and females to capture experiences across different age groups and genders. A purposive sampling method was employed to ensure representation from key study populations in Nairobi and Mombasa, facilitating a broad spectrum of perspectives. In total, four FGDs were conducted with returnees. The responses were subsequently validated during the data analysis stage to ensure accuracy and reliability. Table 2-3 below provides a breakdown of the number of FGDs per category.

▶ **Table 2-3: Number of proposed FGDs per participants' category**

| Description of the FGDs participants | Targeted # Nairobi | Targeted # Mombasa | Total |
|---|---|---|---|
| Men Returnees | 1 | 1 | 2 |
| Women Returnees | 1 | 1 | 2 |
| **Total** | **2** | **2** | **4** |

## 2.3.9. SWOT analysis of partner organizations

A comprehensive mapping and SWOT analysis of potential partner training institutions and colleges was conducted. This approach aimed to assess their capacities and identify synergies for mainstreaming. By evaluating each institution's strengths, weaknesses, opportunities and threats, valuable insights were gained into their current performance and areas for future growth. This analysis made recommendations for building a more integrated and comprehensive training delivery system.

## 2.3.10. Risk assessment

The consultant conducted a comprehensive risk assessment of selected training institutions and colleges to evaluate their capacity to deliver the identified courses and training sessions. This assessment involved observations and interviews with two institutions in each sector, located in Nairobi and Mombasa, aiming to identify potential threats and analyze their consequences. The evaluation focused on the institutions' ability to engage in partnerships for training delivery or labour mediation support services, categorizing their capacity as follows:

- **Level 4—Outstanding Capacity**: The institution possesses more than sufficient capacity to deliver the required programmes.

- **Level 3—Strong Capacity**: The institution meets all necessary programme and operational standards and has adequate capacity to respond effectively, though it may benefit from strengthening certain processes.
- **Level 2—Moderate Capacity**: The institution demonstrates adequate capacity in some areas but falls short in others, meeting some functional outcomes but not all, with varying competence across different parts of the team.
- **Level 1—Low Capacity**: The institution lacks sufficient capacity in most areas.

This structured assessment provided a clear understanding of each institution's strengths and areas needing improvement, informing decisions on potential partnerships for effective training delivery and labour mediation support services.

Table 2-4 below provides a breakdown of the number of capacity assessments which were targeted by sector. The institutions were either private, government-owned, faith-based or NGOs.

**▶ Table 2-4: Number of proposed training institutions/colleges earmarked for competency/capacity assessment**

| Description of the FGDs participants | Targeted # Nairobi | Targeted # Mombasa | Total |
|---|---|---|---|
| Tourism and Hospitality | - | 2 | 2 |
| Retail | 2 | 2 | 4 |
| Construction | 2 | 2 | 4 |
| Beauty | 2 | - | 2 |
| Transport | 2 | 2 | 4 |
| Fisheries | | 2 | 2 |
| **Total** | **8** | **10** | **18** |

# 2.4. Data Analysis

## 2.4.1. Qualitative Data Analysis

The qualitative data collected through KIIs, FGDs, and desk reviews were analyzed using thematic analysis. The consultant:

a. Transcribed and coded all interviews and discussions.

b. Identified recurring themes, patterns and emerging findings related to the assessment criteria.

c. Compared responses from different stakeholder groups to identify differences in perception and experience.

*Qualitative data analysis software (for example, **NVivo, Atlas.ti**) will be used to facilitate the organization and coding of the data, ensuring systematic analysis.*

## 2.4.2. Quantitative Data Analysis

Quantitative data gathered through surveys were analyzed using the Statistical Package for Social Sciences (SPSS). The analysis focused on identifying trends and correlations related to key project outcomes, including the business or establishment profile, returnees' profile, their skills and competencies and the training needs and gaps of returnees. Additionally, the study examined market opportunities and employment trends, labour market intermediation and business support, as well as the recommendations and support systems proposed to enhance training implementation. Descriptive statistics were employed to present the findings in a clear and accessible manner and a comparative analysis between the baseline and endline data was conducted where appropriate.

## 2.5. Data quality checks procedures

Quality control during the study was rigorously maintained through a series of deliberate measures. Firstly, the recruitment process focused on selecting highly qualified research assistants and enumerators, each holding a university degree with proven experience in data collection and data entry, coupled with strong communication and interpersonal skills. Secondly, all enumerators underwent comprehensive training prior to deployment. This training encompassed the overall purpose and objectives of the study, detailed procedures for data collection, effective interview techniques, proper methods for recording responses and appropriate conduct during fieldwork.

Furthermore, the study utilized standard data collection tools and forms that were designed to be straightforward and unambiguous. These instruments were pre-tested to ensure they could be used efficiently without any difficulties. Finally, robust supervision mechanisms were in place throughout the exercise. Supervisors accompanied enumerators during interviews to confirm that data collection was conducted according to plan, while the collection of mobile phone contacts facilitated telephone back checks. Detailed accompaniment reports were generated and shared with the project steering team, ensuring continuous oversight and adherence to quality standards during the study.

## 2.6. Ethical Considerations

**Ethical clearance:** To ensure ethical compliance and safeguard participants while minimizing any unwarranted risks, several deliberate steps were taken during the evaluation. An Assessment Authorization letter was obtained from the Ministry of Labour and Social Protection, State Department of Labour and Skills Development, and the relevant Skills Development departments in Nairobi and Mombasa were duly informed and their support secured. The consultant adhered to established United Nations standards and procedures, including the UNEG Standards for Evaluation in the UN System and the UNEG Norms for Evaluation, which emphasize impartiality, independence, quality, transparency and a consultative process. In addition, the evaluation followed the Ethical Guidelines for UN Evaluations and was conducted with a human rights-based, disability-inclusive and gender-sensitive approach, underpinned by results-based management principles and logical framework analysis. Finally, the process incorporated the UN Disability Inclusive Evaluations guidance, ensuring that all measures were in place to protect participants and maintain rigorous ethical standards throughout the study.

**Informed Consent:** During the study, all participants provided informed consent in their language of choice—either English or Kiswahili. The informed consent document clearly outlined the study procedures, explained the risks and benefits of participation, and described the alternatives available to participants. The assessment was conducted independently and impartially and participation in the survey was strictly voluntary. Moreover, there were no risks or benefits associated with individual participation.

**Confidentiality and Protection from Risk:** Every effort was made to maintain confidentiality and minimize the risk of disclosing participants' information throughout the assessment process. No study documents, whether electronic or paper-based, contained participants’ names, aside from the consent document and locator sheet. Additionally, telephone numbers for the study investigators were provided so that participants could call for further information and receive guidance. All recruited staff completed research ethics training prior to participation. Moreover, all procedures used in the study were reviewed and cleared by the ILO, and the study adhered to a strict human rights code of ethics.

## 2.7. Assessment Limitations

Upon completing the study, several limitations were identified and addressed through targeted measures. Limited access to some returnees was overcome by collaborating with community leaders to expand our reach, while time constraints were managed by focusing discussion guides to extract rich insights from fewer sessions. Participant reluctance was mitigated with a robust community engagement strategy designed to build trust. Data quality was ensured through comprehensive training for enumerators and real-time monitoring, and facilitator training helped balance contributions during focus group discussions. Additionally, adaptive scheduling and contingency planning effectively countered logistical and environmental challenges.

# 3

# Main findings

## 3.1. Response Rate

**▶Table 3-1:Response Rate**

| Study Population | Target sample | | | Actual Achieved | | | Response Rate (percent) | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Nairobi** | **Mombasa** | **Total** | **Nairobi** | **Mombasa** | **Total** | **Nairobi** | **Mombasa** | **Total** |
| **Quantitative** | | | | | | | | | |
| Returnees | 120 | 120 | **240** | 128 | 122 | **250** | 106.7 | 101.7 | 104.2 |
| Employers | 48 | 60 | **108** | 50 | 63 | **113** | 104.2 | 105.0 | 104.6 |
| Training institutions assessed | 8 | 10 | **18** | 8 | 11 | **19** | 100.0 | 110.0 | 105.6 |
| **Qualitative** | | | | | | | | | |
| **KIIs** | | | | | | | | | |
| Business development service (BDS) providers, NGOs, public and private employment agencies, NITA, Ministry of Labour and Social Protection, County government of Nairobi and Mombasa County Executives and Chief Officers responsible for Labour, TVET centres, chambers of commerce, and industry associations | 4 | 3 | **7** | 4 | 3 | **7** | 100 | 100 | 100 |
| Business development services available (including advisory support, access to finance, coaching, access to markets and service providers), | 3 | 3 | **6** | 3 | 3 | **6** | 100 | 100 | 100 |

| Study Population | Target sample | | | Actual Achieved | | | Response Rate (percent) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Nairobi | Mombasa | Total | Nairobi | Mombasa | Total | Nairobi | Mombasa | Total |
| Guidance services and other support institutions such as Public or private employment agencies | 3 | 3 | **6** | 3 | 3 | **6** | 100 | 100 | 100 |
| NGOs that provide economic empowerment and reintegration support to returnees on livelihood and economic activities, job search assistance or placement/referencing/ matching services and other similar stakeholder | 3 | 3 | **6** | 3 | 3 | **6** | 100 | 100 | 100 |
| **sub-total** | **13** | **12** | **25** | **13** | **12** | **25** | **100** | **100** | **100** |
| **FGDs** | | | | | | | | | |
| Men Returnees | 1 | 1 | **2** | 1 | 1 | **2** | 100 | 100 | 100 |
| Women Returnees | 1 | 1 | **2** | 1 | 1 | **2** | 100 | 100 | 100 |
| **sub-total** | **2** | **2** | 4 | 2 | 2 | 4 | 100 | 100 | 100 |

The high response rates, particularly the 100 per cent participation in qualitative sections (key informant interviews and focus group discussions), suggest that the study gathered comprehensive perspectives from all relevant stakeholders. This is crucial for ensuring the reliability of the findings, as it indicates that all voices were heard and key viewpoints were likely captured. The implications of this include increased confidence in the findings and their generalizability to other regions or programmes focused on returnees, employers and training institutions. It also suggests that the conclusions drawn from the data will have a broad applicability, which can inform future policy decisions or interventions in similar contexts.

## 3.2. Mombasa county sectoral economic overview

Mombasa County's economic landscape is characterized by a predominant services sector, contributing approximately 65.52 per cent to its Gross Value Added (GVA), with the industrial sector following at 33.74 per cent and agriculture contributing a marginal 0.71 per cent (County Integrated Development Plan, 2023–2027). This economic structure is largely driven by the county's strategic position as Kenya's coastal gateway, where the Port of Mombasa and related logistics and trade operations underpin much of the local employment. The presence of critical infrastructure, such as the Standard Gauge Railway, further enhances transport efficiency, supporting a dynamic labour market that spans multiple sectors (Kenya National Bureau of Statistics Economic Survey, 2024).

### 3.2.1. Services

Within the Service sector, Mombasa's strategic position as Kenya's coastal gateway makes it a hub for trade, logistics, tourism and maritime activities. **Transport, logistics and trade sector**s are the backbone of the county's economy, anchored by the Port of Mombasa, the largest seaport in East Africa. This port serves not only Kenya but also neighbouring countries such as Uganda, Rwanda, South Sudan and the Democratic Republic of Congo (DRC), facilitating international trade and commerce. Employment opportunities in this sector are vast, spanning port operations, freight handling, warehousing, customs clearance and logistics management. Additionally, the Standard Gauge Railway (SGR) linking Mombasa to Nairobi has significantly boosted transport and trade efficiency, reinforcing Mombasa's role as a key economic hub.

#### 3.2.1.1. Tourism

Tourism is another major contributor, given Mombasa's renowned coastal attractions such as Fort Jesus, Diani Beach, and Marine National Parks. The hospitality industry provides thousands of jobs in hotels, resorts, restaurants, and travel agencies. However, the sector is highly sensitive to external factors such as global economic trends and security concerns, which can influence visitor numbers.

#### 3.2.1.2. Real Estate

Real estate services buoyed by rising urbanization and infrastructure development. The expansion of transport networks, such as the construction of the Mombasa-Mariakani highway and other road projects, has stimulated the real estate sector. Demand for both commercial and residential properties has surged, leading investments in housing, office spaces, and retail developments.

### 3.2.2. Industry

Within the industry sector, **manufacturing and industrial activities** are pivotal to Mombasa County's economy, with the Export Processing Zone (EPZ) playing a central role. The EPZ hosts numerous textile and apparel firms, significantly contributing to employment, particularly among youth and women. Notably, approximately 81.2 per cent of EPZ employees are in apparel companies (World Bank, 2015). Beyond textiles, Mombasa's industrial landscape includes cement production, food processing, shipbuilding, and previously, oil refining, which collectively bolster the county's economic development and provide diverse employment opportunities (World Bank, 2015). To further enhance industrial capacity, the county government, in collaboration with national authorities, is advancing the Dongo Kundu Special Economic Zone (SEZ). This initiative aims to attract investors and generate employment by establishing a regional logistics and manufacturing hub. The SEZ is designed to accommodate various industries, including processing, manufacturing, assembly and value addition (Special Economic Zones Authority, 2024).

#### 3.2.2.1. Construction

Within the construction value chain, a diverse array of occupations emerges. Direct construction roles include skilled trades such as masons, carpenters, electricians, plumbers, and welders. These workers are fundamental to the construction process, ensuring that housing projects are built to high standards and within budgetary constraints (County Integrated Development Plan, 2023–2027).

The integration of modern construction technologies, including green building practices and digital methods, underscores the need and opportunity for advanced technical skills. To remain competitive, there is an increasing demand for training programmes that encompass both traditional trade skills and emerging technological competencies. This dual demand is echoed in the findings of the Kenya National Bureau of Statistics quarterly labour force surveys, which indicate that while the demand for skilled workers in construction is high, there is a notable gap in the supply of workers who possess both the technical, green and digital skills required[18]

The construction sector is a key driver of socioeconomic growth, with rising demand for skilled labour in technical and digital fields. However, absorption rates remain uneven due to skill gaps. For returnees, reintegration challenges include skills mismatches, credential and skills recognition and limited access to formal jobs. Opportunities exist in green buildings[19] Though to date, not many training institutions are offering a course in green buildings. Many, such as the Technical University of Kenya offer environment management and construction programmes under which components of green building are incorporated. Recently, the University of Nairobi signed an MOU with IFC to raise awareness on green building[20]. Opportunities also exist in modular construction and infrastructure projects, requiring targeted upskilling and policy interventions to enhance workforce readiness and economic participation. One primary barrier is the skills mismatch; many returnees possess informal skills that do not align with the modern construction sector. Limited access to accredited or modular tailored vocational training and certification in new emerging construction skills exacerbates this issue. Lack of current, reliable labour market information on emerging trends is a hindrance to knowing where opportunities are.

To address this gap, the government has implemented the Kenya Labour Market Information System (KLMIS), a web-based portal designed to provide timely and accurate labour market information to various stakeholders, including job seekers and employers. KLMIS aims to serve as a labour market observatory, offering data on employment opportunities, earnings, and in-demand skills to facilitate informed decision-making. Additionally, the government has launched the National Skills Inventory Database to enhance job placement by aligning available skills with international labour markets. This digital platform allows individuals including youth, to register their skills, creating a pool of talent for potential employers. However, it is unclear whether the KLMIS also posts emerging employment opportunities or trends in emerging skills needs.

Moreover, socio-cultural and institutional constraints compound these challenges. The absence of well-structured mentorship programmes and professional networking opportunities often leaves returnees isolated, reducing their ability to effectively bridge the gap between informal skills and formal qualifications. Employer organizations, such as the Federation of Kenya Employers, Kenya Association of Manufacturers and Kenya Private Sector Alliance, have highlighted the need for policies that support credential recognition and targeted upskilling initiatives, thereby facilitating smoother transitions for returnees into the modern workforce. In this context, targeted interventions—such as public–private partnerships, enhanced vocational training programmes, and comprehensive labour market information systems—are essential to address these multifaceted barriers and to fully leverage the employment opportunities presented by the affordable housing programme.

### 3.2.3. Economic and Employment Analysis of Mombasa County

Mombasa, like Nairobi, is Kenya's second most significant economic centre, yet its economic structures, key industries and employment patterns differ from those of Nairobi due to its distinct geographic, infrastructural and sectoral characteristics. While Mombasa's economy is heavily reliant on maritime trade and tourism, Nairobi stands as the country's financial, commercial and industrial hub.

Mombasa's economy is largely driven by its maritime activities, including shipping, logistics and the broader blue economy. The Port of Mombasa serves as a vital gateway for Kenya's imports and exports, playing a crucial role in regional trade with countries such as Uganda, Rwanda and South Sudan (World

18 https://www.kgbs.co.ke/the-top-green-skills-kenyan-employers-want-in-2025/

19 https://kmrc.co.ke/assets/file/KMRC-Green-Buildings-and-Industry-Report-Issue-3--August-2022-FA.pdf

20 https://www.uonbi.ac.ke/news/uon-and-ifc-partner-promote-green-building-practices-kenya

Bank, 2023). However, inefficiencies in port operations, high logistical costs and competition from other regional ports have posed challenges to its growth (Kenya Ports Authority, 2023). Fishing has also historically provided a livelihood for many coastal communities, but inadequate infrastructure, such as cold storage facilities and modern fishing vessels, has limited its full potential. In response, the government has launched initiatives under the Blue Economy Strategy to promote aquaculture, improve fish landing sites and invest in fish processing plants to boost productivity and market access (Kenya Ministry of Fisheries, 2024).

Employment in Mombasa is distributed across several key sectors, reflecting the county's diverse economic activities. Wholesale and retail trade employ the largest share of the workforce at approximately 30.3 per cent, followed by transport and storage at 25.6 per cent, owing to the county's logistics and shipping industries (Kenya National Bureau of Statistics [KNBS], 2024). The hospitality and tourism sector accounts for 17.2 per cent of employment, though this sector remains highly vulnerable to external shocks such as global economic downturns and security concerns (Mombasa County Government, 2023). Manufacturing, particularly through the Export Processing Zone (EPZ) and food processing plants, employs 12.1 per cent of the population. Meanwhile, public administration and social services account for 7.8 per cent, while fishing and other maritime-related occupations make up 5 per cent (Mombasa County Integrated Development Plan [CIDP], 2022). To enhance economic growth and job creation, Mombasa's CIDP for 2018-2022 emphasized investments in infrastructure, the expansion of tourism, industrial development and strengthening the blue economy. The county government has also prioritized youth employment programmes and support for small and medium-sized enterprises (SMEs) to foster economic inclusivity (Mombasa CIDP, 2022).

## 3.3. Nairobi county's sectoral economic overview

Nairobi's economic landscape presents significant opportunities for employment and skills development across multiple sectors. The city's position as Kenya's economic hub makes it a focal point for labour market trends and workforce requirements. This review examines employment opportunities, market dynamics and skill shortages in key industries such as construction, beauty, retail and transport. It draws insights from the Kenya National Bureau of Statistics (KNBS), the Nairobi County Integrated Development Plan (CIDP) and other national economic reports to provide a comprehensive analysis.

The Affordable Housing Programme (AHP), a key pillar of Kenya's Big Four Agenda, seeks to address the housing deficit by constructing 200,000 units annually. This initiative has created numerous job opportunities in the construction sector, both in wage employment and self-employment. According to the KNBS Economic Survey (2024), the construction sector contributed 7.6 per cent to Kenya's Gross Domestic Product (GDP) in 2023, signaling its role as a major driver of economic growth.

### 3.3.1. Services

#### 3.3.1.1. Beauty and cosmetic industry

Nairobi's beauty industry is growing at 8-10 per cent annually, driven by urbanization and rising consumer demand (KNBS, 2024). Key skills include cosmetology, hairdressing and SPA services, with business and customer service expertise also essential. However, only 40 per cent of workers have formal certification, leading to shortages of properly skilled workers and skills gaps, especially in advanced skincare and wellness therapies (TVET Authority, 2023). The sector absorbs a good number of workers, with many opting for self-employment. Expanding vocational training and certification is crucial to improving service quality and job prospects. Exact employment data in the Beauty and Cosmetic industry disaggregated by county is not readily available. However, reports indicate that the industry is a significant employer in Kenya as a whole. According to Statista, in 2025, the Beauty & Personal Care market in Kenya generated a revenue of US$2.44bn[21]. It is also projected that for the next 5 years (2025-30) the market is expected to experience annual growth of 5.1 per cent[22]. Other interesting information about this industry is that

21

22

per capita revenue is $45, and online sales will contribute to slightly more than 1 per cent of total revenue generated, providing an opportunity for flexibility and ease of entry.

It must be noted that data does not disaggregate as to whether the revenue is for the beauty and personal care products only or products and services. Also worth noting is that the data may reflect only international high and mid-market brands, meaning that the actual revenue may be higher, than this. Nairobi, being the commercial and political capital and the hub for trade and business with the highest population of urban dwellers, obviously leads both in business volume and employment rate absorption in this industry, with opportunities for job creation/employment available for returnees.

#### 3.3.1.2. Retail

Specific data for Nairobi is not readily available, but retail activities is by far the largest employing activity outside agriculture in Kenya, taking almost 27 per cent of all employment (KCHSP 2019), Similarly, the most popular skilled occupation in Kenya was salesperson at almost 14 per cent (ibid). The retail sector demands competencies in sales, inventory management and customer relations

#### 3.3.1.3. Transport

The public transport system in Nairobi is primarily privately operated, involving matatus (minibuses), taxis, motorcycles (boda-bodas) and tuk-tuks. Additionally, the transport sector contributes 8.3 per cent to Kenya's total GDP. Land transport is among the top three employers in the country. In Nairobi, the urban public transport services are largely informal and privately owned. Other transport services are e-hailing taxis, motorbikes and rickshaws. Other transport services involved trucks, which transport mainly goods. The matatu (public commuter buses) employs the bulk of workers in the passenger vehicle sector. Workers encompass various roles, such as stage attendants, drivers and conductors, who collect fares and announce routes, but also other informal roles, including callers, touts, managers and security workers. The sector is largely informal, and therefore, estimating the size of its workforce may be difficult, but it may employ around 160,000 people nationally (Wright 2018, 32). The transport sector needs skilled drivers, vehicle maintenance personnel and logistics coordinators. Driving was ranked the first occupation with the most employment opportunities in Kenya (KCHSP 2019)[23] confirming the employment popularity of the transport sector.

The two subsectors (retail and transport) absorb much of the workforce but are dominated by informality, low-paying jobs and therefore a deficiency in decent work conditions. They require and employ skilled, semi-skilled and mostly low-skilled workers.

### 3.3.2. Economic and employment analysis of Nairobi County

Nairobi serves as Kenya’s financial and economic powerhouse, hosting regional headquarters for multinational corporations, banks, insurance firms and technology startups. The city benefits from a highly urbanized economy, primarily driven by trade, financial services, ICT, real estate and transport (African Development Bank, 2024). Unlike Mombasa, which depends on maritime trade and tourism, Nairobi thrives on its dynamic business environment, serving as a commercial hub for both local and international enterprises. Its integrated public transport network, including the Standard Gauge Railway (SGR) and the Bus Rapid Transit (BRT) system, enhances mobility and economic connectivity, facilitating trade and investment (KNBS, 2024).

The employment structure in Nairobi reflects the dominance of the services sector, which contributes over 60 per cent of the county’s GDP (Economic Survey, 2024) and employs 74.9 per cent of the total labour force. Though disaggregated data is not readily available, financial, insurance, and professional services account for a significant portion of the jobs as the city remains a regional hub for banking and business services. Trade and retail activities are also major employers, supported by the city’s large consumer base and growing middle class. The industry sector follows with 23.76 per cent of total employment. While manufacturing was historically strong in Nairobi’s Industrial Area, the sector has

23 https://www.labourmarket.go.ke/media/resources/Employment_outlook_LFS.pdf

stagnated due to high production costs, competition from cheaper imports and infrastructure challenges (Nairobi County Government, 2023). Nevertheless, real estate and construction have witnessed rapid growth, fueled by urbanization and the government's Affordable Housing Programme (Economic Survey, 2024). Public sector employment also remains substantial, given that Nairobi is home to both the county and national government offices.

The Nairobi County Integrated Development Plan (CIDP) has prioritized urban infrastructure improvements, business-friendly policies, and the expansion of affordable housing projects to cater to the city's growing population (Nairobi CIDP, 2022). However, despite these efforts, challenges such as rising living costs, unemployment, traffic congestion and the expansion of informal settlements pose risks to Nairobi's economic sustainability (World Bank, 2023). While the Economic Survey of 2024 confirms that the services sector remains the largest contributor to GDP nationally, followed by industry and agriculture, there is an urgent need for policies that revitalize, expand public transport and address housing affordability in the capital (KNBS, 2024).

In conclusion, both Mombasa and Nairobi play crucial roles in Kenya's economic landscape, yet their paths to growth depend on different strategic interventions. Mombasa's economic expansion will largely depend on maritime sector reforms, improved port efficiency and industrial diversification through Special Economic Zones (SEZs) (Kenya Ports Authority, 2023). Investments in blue economy projects, tourism recovery and fishing infrastructure will also be key to enhancing employment opportunities. Meanwhile, Nairobi's economic growth will continue to be services-driven, with a strong focus on finance, ICT and real estate. However, to sustain its economic position, the city must invest in infrastructure development, improve the ease of doing business and create policies that encourage industrial automation and manufacturing growth (African Development Bank, 2024).

The findings from this study suggest several important implications for both the design and implementation of future projects aimed at supporting returnees, employers and training institutions in Nairobi and Mombasa, as well as for the broader approach to data collection in similar contexts.

The study's findings not only reflect successful data collection efforts but also offer valuable insights into how future interventions and research can be designed, resourced and implemented. The implications of these results are far-reaching, providing a clearer path for improving programmes aimed at supporting returnees and other vulnerable groups, ensuring they receive the services and opportunities they need to successfully reintegrate and thrive.

## 3.4. Employment and Economic Impact of Kenya's Construction Sector

### 3.4.1. Growth of the Construction Sector and demand trends

Kenya's construction sector has experienced significant growth over the past decade, driven by rapid urbanization, population growth and government-led infrastructure development. The sector has been a key contributor to GDP, growing at an average rate of 6-7 per cent annually (Kenya National Bureau of Statistics [KNBS], 2024). Increased public and private sector investments in roads, railways, bridges, airports and housing have fueled this expansion. The demand for housing has been particularly high, with Kenya facing a housing deficit of approximately 200,000 units per year against an annual supply of only 50,000 units (Centre for Affordable Housing Finance in Africa [CAHF], 2023). This shortfall has spurred the government to initiate large-scale housing projects under the Affordable Housing Programme (AHP) to bridge the gap and stimulate employment in the construction sector.

#### 3.4.1.1. Affordable Housing Programme (AHP): Targets and Economic Impact

The AHP, launched under Kenya's Big Four Agenda, aims to deliver 200,000 housing units annually, with an estimated 500,000 units targeted by 2027 (State Department for Housing and Urban Development, 2024). The programme is expected to create substantial employment opportunities across the construction value chain, supporting job creation in both formal and informal sectors. The government estimates that for every housing unit constructed, approximately five direct and indirect jobs are created, spanning skilled labour, technical roles, and support services (Kenya Affordable Housing Report, 2024).

By mid-2024, over 50,000 units had been completed or were under construction, generating an estimated 250,000 jobs. These jobs include masons, carpenters, electricians, plumbers and welders, as well as technical positions such as site supervisors and quantity surveyors (KNBS, 2024). The Nairobi County Integrated Development Plan (CIDP) 2023-2027 underscores the importance of vocational training to meet the growing labour demands of the AHP. Training programmes in modern construction techniques, sustainable building practices and regulatory compliance are ensuring adherence to quality and safety standards.

In this context, the construction value chain presents significant employment opportunities, both in wage and self-employment. The construction value chain is an expansive ecosystem that supports many businesses and jobs, hence the need for a well-trained workforce to meet the growing demand for skills in one of the fastest-growing industries. Yet, the job creation potential is dampened by the fact that only 30 per cent of workers have formal training, leading to skills shortages in masonry, plumbing and electrical work (TVET Authority, 2023).

### 3.4.1.2. Job Creation in the Construction Sector

Employment opportunities in the construction industry span several roles, from skilled labour to managerial and entrepreneurial ventures. Skilled labour positions such as masonry, plumbing, electrical installation, carpentry and welding are in high demand due to the surge in housing and infrastructure projects. Technical roles, including project management, structural engineering, and quantity surveying, play a crucial role in ensuring the efficiency and compliance of construction activities. Additionally, support services such as logistics, supply chain management and safety compliance are integral to the sector's operations.

Entrepreneurial opportunities also exist within the construction value chain, including small-scale contracting, building material supply and real estate development. Small and medium-sized enterprises (SMEs) involved in cement production, steel fabrication and interior finishing have particularly benefited from increased demand driven by the AHP and broader infrastructure projects. The Kenya Private Sector Alliance (KEPSA) has emphasized the need for policies that support SME growth in construction-related businesses (KEPSA, 2023).

### 3.4.1.3. Barriers to Employment in the Construction Sector

Despite the employment potential in the construction sector, several barriers limit access to jobs, particularly for youth, women and returnees. One major challenge is the mismatch between skills and market demands. Many job seekers lack technical expertise in modern construction methods, making them less competitive in the labour market (KNBS, 2024). The shortage of vocational training programmes has further exacerbated this issue, with only 30 per cent of construction workers having received formal training in technical fields (TVET Authority, 2023).

Another barrier is the informal nature of employment in the sector. A significant portion of construction jobs are casual or contract-based, lacking social protection and long-term stability. This instability discourages many potential workers, particularly those seeking career growth and job security.

Financial constraints also limit access to employment, as job seekers often require tools, safety gear and certification before securing work. Additionally, gender disparities persist, with women facing cultural and systemic challenges in entering technical construction roles. Less than 10 per cent of workers in skilled trades such as masonry and electrical work are women, despite efforts to increase female participation in the industry (Kenya Women in Construction Report, 2024).

### 3.4.1.4. Challenges for Returnees in the Construction Industry

Returnees, migrants who have come back to Kenya after working abroad, face unique barriers in accessing employment in the construction sector. Many returnees possess valuable skills acquired from foreign labour markets, particularly in the Middle East and Europe, where they have gained experience in advanced construction techniques. However, their reintegration into the local job market is often hindered by a lack of recognition of foreign-acquired skills and certifications (International Organization for Migration [IOM], 2024).

Additionally, returnees may struggle with adapting to Kenya's labour market conditions, which differ from those abroad in terms of wage structures, work culture and employment contracts. The absence of robust labour market information systems further compounds this issue, as many returnees are unaware of available job opportunities or the specific skill requirements of local employers (ILO, 2024). Limited access to financial resources also makes it difficult for returnees to start their own construction-related businesses, despite having technical expertise to do so.

## 3.5. Opportunities /skills demand in the priority sectors

The sectors with significant employment potential include construction, beauty, retail and transport. In construction, there is a demand for site supervisors, safety inspectors, and material testers.

The beauty industry offers opportunities in cosmetology, skincare and spa services, but faces shortages of trained professionals in cosmetology, skincare, and beauty therapy. To address this gap, targeted training programmes in hairdressing, spa and wellness treatments and makeup artistry are necessary.

In the retail sector, there are opportunities in inventory management, digital marketing, and e-commerce, yet faces, shortages of skills in customer relationship management, merchandising, and digital marketing. Training in e-commerce and inventory management will enhance the efficiency and profitability of retail businesses. Meanwhile, the transport industry has opportunities in logistics coordination, fleet management and vehicle maintenance, yet faces skills shortages in professional drivers, fleet maintenance specialists and logistics coordinators, which presents a challenge. Developing competencies in supply chain management and transportation safety regulations is essential to improving efficiency in this industry (ILO, 2024).

Beyond skills, various services and commodities are crucial to sustaining these sectors. The construction industry relies on the supply of cement, bricks, roofing materials and electrical fittings. Retail businesses require access to consumer goods, textiles and fast-moving consumer goods (FMCGs). The transport sector depends on the availability of spare parts, fuel stations and vehicle leasing services. The level of competency required varies across industries. Basic skills are essential for entry-level roles, while specialized training is necessary for intermediate technical positions. Advanced competencies, including managerial and entrepreneurial skills, are critical for business owners and industry leaders. Reports from KNBS (2024) and the Nairobi CIDP (2023-2027) emphasize the importance of vocational and technical training to bridge the skills gap in these sectors.

The Kenya Private Sector Alliance (KEPSA, 2024) underscores the need for industry-specific training programmes to enhance workforce capabilities. Addressing these skills shortages through structured training initiatives will promote sustainable economic growth and improve employment prospects in Nairobi. There is evidence of weak collaboration between government agencies, private sector players and training institutions in skills development. A report by the Kenya Private Sector Alliance (KEPSA, 2023) highlights a disconnect between industry needs and training curricula, with many graduates lacking job-ready skills. The TVET Authority (2023) also notes that only 30 per cent of vocational training programmes align with labour market demands, limiting their impact on employment. Additionally, employers frequently cite difficulties in finding skilled workers, particularly in construction, digital services and specialized trades, despite high unemployment (KNBS, 2024).

However, skills shortages are not the only barrier to employment in Nairobi. Structural issues such as slow formal job creation, high competition for limited positions and reliance on informal hiring networks exclude many qualified job seekers (World Bank, 2024). Returnees and youth face additional challenges, including a lack of work experience, unrecognized foreign-acquired knowledge and competencies, and limited access to financing for entrepreneurship (IOM, 2024). Addressing these challenges requires not only improved training but also the creation and implementation of inclusive pathways that facilitate transition to the labour market upon return but also stronger public-private partnerships, expanded job placement services and policies that foster formal job growth. `

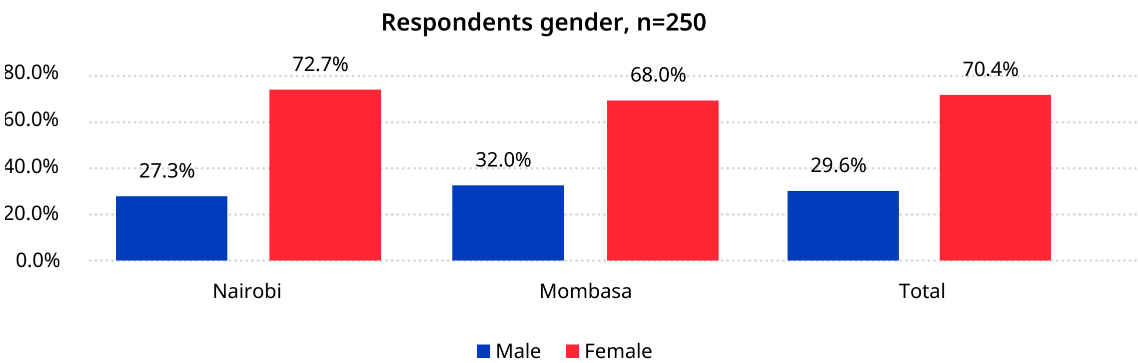
# 4 Returnees Profiles

## 4.1. Personal Profile

### 4.1.1. Gender

The study sample was predominantly female, with 72.7 per cent of participants in Nairobi and 68.0 per cent in Mombasa identifying as female, leading to an overall female representation of 70.4 per cent. Male participants accounted for 27.3 per cent in Nairobi, 32.0 per cent in Mombasa, and 29.6 per cent across both locations. This indicates a consistent trend of female predominance in both cities, with a slightly higher male representation in Mombasa compared to Nairobi.

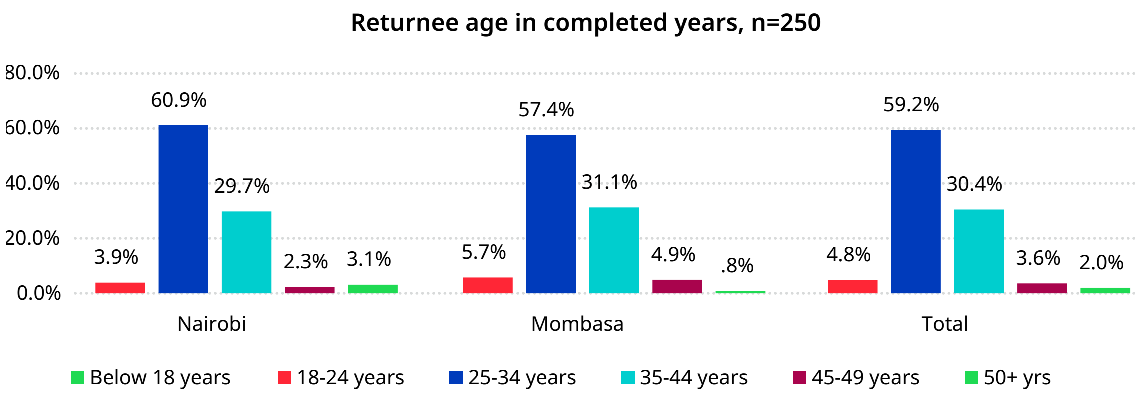
**Figure 4-1: Gender**



## 4.1.2. Age

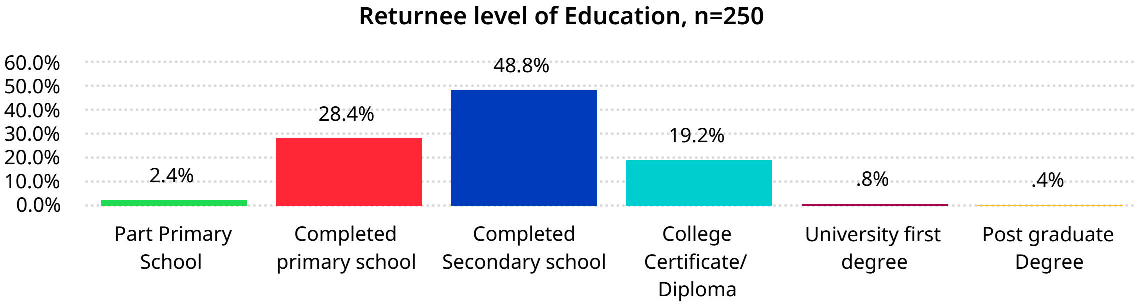
The study's participants were predominantly adults aged 25 to 44, with the largest group being those between 25 and 34 years old, making up to 59 per cent of the total sample. This was followed by participants aged 35 to 44, who accounted for 30.4 per cent of the sample. Younger adults aged 18 to 24 years made up a smaller portion, at 4.8 per cent overall, while those under 18 were not included at all. Fewer participants were in the 45 to 49 age range, comprising 3.6 per cent of the total, with slightly more representation in Mombasa (4.9 per cent) compared to Nairobi (2.3 per cent). The 50+ age group was the least represented, making up only 2.0 per cent of the sample, with a notably lower proportion in Mombasa (0.8 per cent) compared to Nairobi (3.1 per cent). Overall, the study primarily focused on a working-age population (18-60) years old is the official working age in Kenya.

**▶ Figure 4-2: Returnee Age**



### 4.1.3. Level of Education

▶ **Figure 4-3: Level of Education**




The educational attainment of the study participants varied, with most having completed at least secondary school. A small percentage (2.4 per cent overall) had only partial primary school education, while 28.4 per cent had completed primary school, with a higher proportion in Mombasa (38.5 per cent) compared to Nairobi (18.8 per cent). Most participants, 48.8 per cent overall, completed secondary school, with 51.6 per cent in Nairobi and 45.9 per cent in Mombasa. This indicates that secondary school education was the most common level of education among the participants. A notable portion of the sample had pursued post-secondary education, with 19.2 per cent holding a college certificate or diploma. Nairobi had a higher representation in this category (25.0 per cent) compared to Mombasa (13.1 per cent). University graduates were a minority, comprising just 0.8 per cent of the total sample, with no representation in Mombasa. Similarly, those with postgraduate degrees were even less common, making up only 0.4 per cent overall, with none from Nairobi and a small representation from Mombasa (0.8 per cent). The study sample was largely composed of individuals with secondary education, followed by those with college diplomas or certificates. Advanced degrees were rare, indicating a generally well-educated but not highly advanced educational level among the participants.

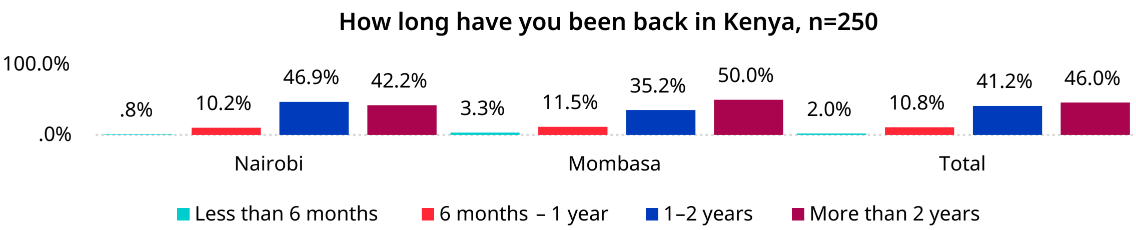
## 4.2. Migration Profile

### 4.2.1. Length of Stay after coming back to Kenya

Most participants in the study had lived in Nairobi or Mombasa for an extended period. A significant portion, 46.0 per cent overall, had been in these counties for more than two years, with Mombasa showing a slightly higher proportion (50.0 per cent) compared to Nairobi (42.2 per cent). Additionally, 41.2 per cent of participants lived in the counties for 1 to 2 years, with Nairobi having a higher representation (46.9 per cent) compared to Mombasa (35.2 per cent).

Fewer participants were relatively new to the counties, with only 2.0 per cent of the total sample having been in Nairobi or Mombasa for less than six months. The percentage was slightly higher in Mombasa (3.3 per cent) than in Nairobi (0.8 per cent). A moderate portion, 10.8 per cent overall, lived in the counties for between six months and a year, with a slightly higher per cent in Mombasa (11.5 per cent) than in

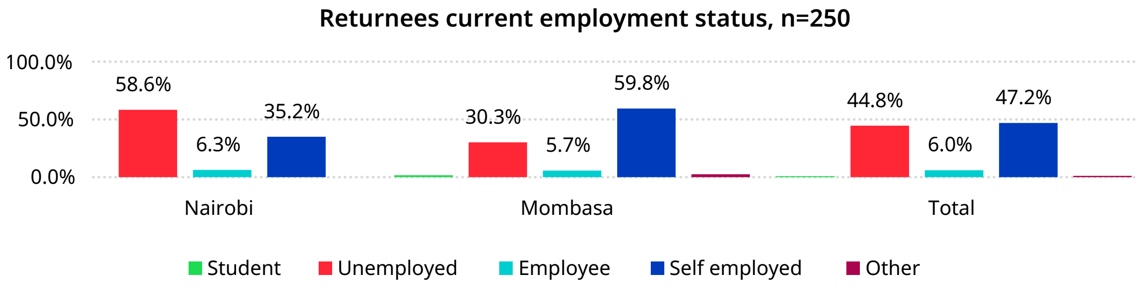
▶ **Figure 4-4: Length of stay after coming back to Kenya**



Nairobi (10.2 per cent). Indeed, most participants were relatively established residents of Nairobi or Mombasa, with the majority having lived in these areas for at least a year, while fewer participants were newer to the counties.

### 4.2.2. Returnees' Current Employment Status

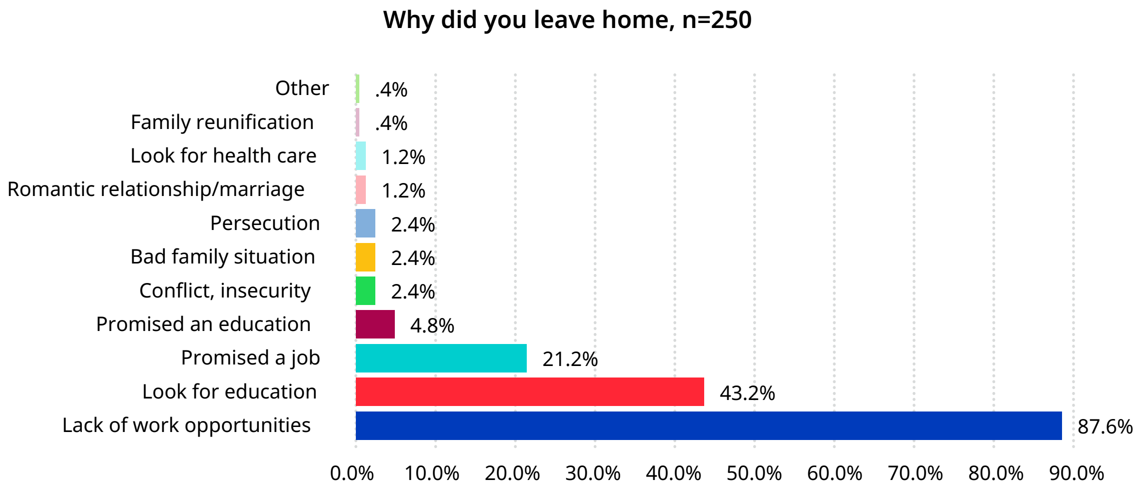
▶ **Figure 4-5: Returnees Current employment**




Unemployment was higher in Nairobi (58.6 per cent) than in Mombasa (30.3 per cent), resulting in an overall rate of 44.8 per cent. Self-employment was more common in Mombasa (59.8 per cent) than in Nairobi (35.2 per cent), with 47.2 per cent of participants across both counties working independently. Formal employment was low, with only 6.3 per cent in Nairobi and 5.7 per cent in Mombasa, averaging 6.0 per cent. Students made up 0.8 per cent, while 1.2 per cent fell into the "other" category, which was higher in Mombasa (2.5 per cent). Many in this category are engaged in casual labour, reflecting reliance on informal, short-term work for survival.

### 4.2.3. Reason for Leaving Home

▶ **Figure 4-6: Reason for Leaving Home**

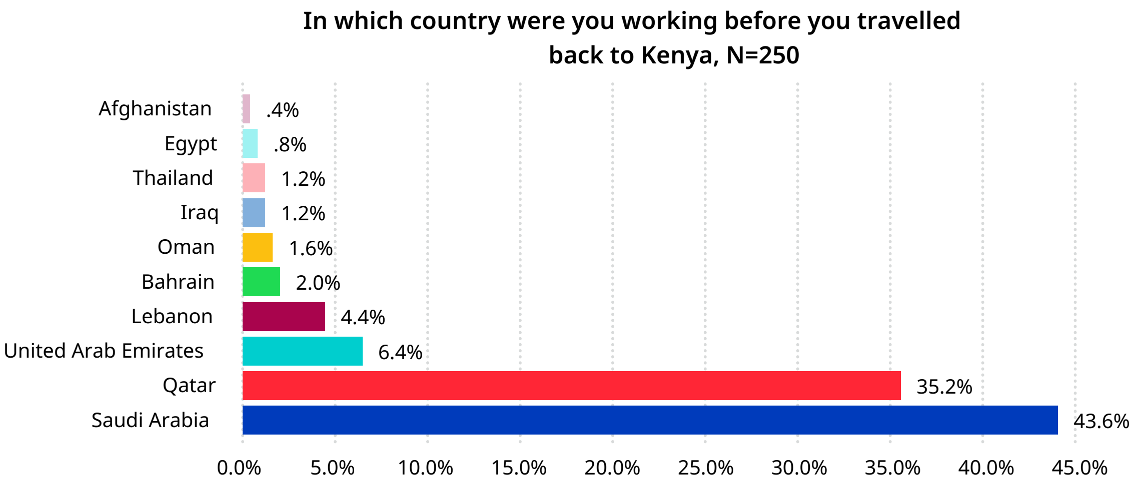



The reasons for migration were primarily driven by economic hardship, education, and aspirations for better opportunities. Lack of work was the leading factor, affecting 87.6 per cent of participants—higher in Mombasa (92.6 per cent) than in Nairobi (82.8 per cent). Education was motivated 43.2 per cent overall, with more in Mombasa (59.0 per cent) than in Nairobi (28.1 per cent). Promises of jobs influenced 21.2 per cent, particularly in Nairobi (34.4 per cent) compared to Mombasa (7.4 per cent). Other reasons included promises of education (4.8 per cent), conflict (2.4 per cent), personal circumstances like family struggles (2.4 per cent), persecution (2.4 per cent), relationships (1.2 per cent), healthcare (1.2 per cent), and family reunification (0.4 per cent). Mombasa had a slightly higher share in the "other" category (0.8 per cent)

## 4.2.4. Country of destination

The highest proportion of participants had worked in Saudi Arabia, Qatar and the United Arab Emirates, as indicated in figure 3-7 above. The three GCC countries have shown a high appetite for migrant workers of various skill levels, not only from Kenya but from all major sending countries around the globe, due to growing labour demand especially in construction, security and domestic work. Kenya's labour agreements with Gulf countries, coupled with high wages compared to local earnings, drive labour migration. Additionally, recruitment agencies, which are ubiquitous in the two counties where unemployment is high, actively facilitate migration to these top destination countries.

▶ **Figure 4-7: Country Travelled before Coming back to Kenya**

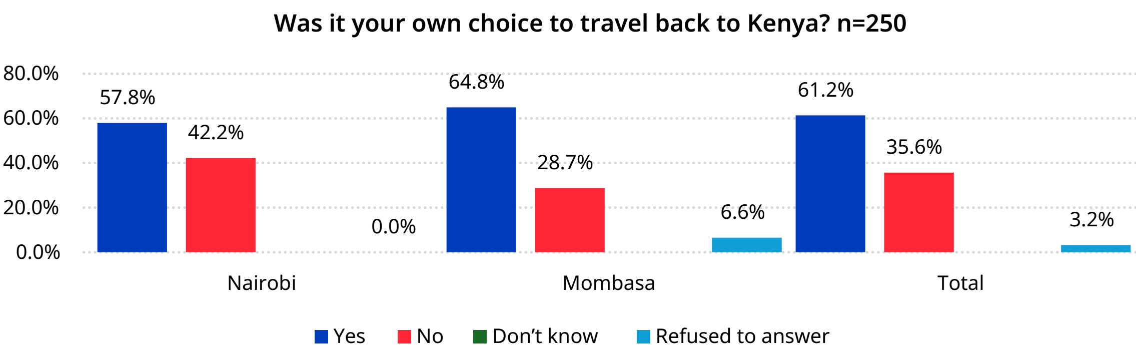



Other countries mentioned are Oman (1.6 per cent), Iraq (1.2 per cent), Thailand (1.2 per cent), and Egypt (0.8 per cent). Several countries had only a very small representation, such as Afghanistan, Australia, Canada, China, Colombia, Jordan, Malaysia, Seychelles, and Sudan, each contributing 0.4 per cent to the total. These figures have limitations in that the sample respondents happened to have returned mainly from the GCC. The variety of countries reflects the broad geographic spread of Kenyan migrant workers, although the Middle East remains the dominant region for employment.

## 4.2.5. Travelling Back to Kenya as a Choice

The decision to return to Kenya was largely influenced by the participants' personal choices, with 61.2 per cent signaling a successful completion of their migration cycle.

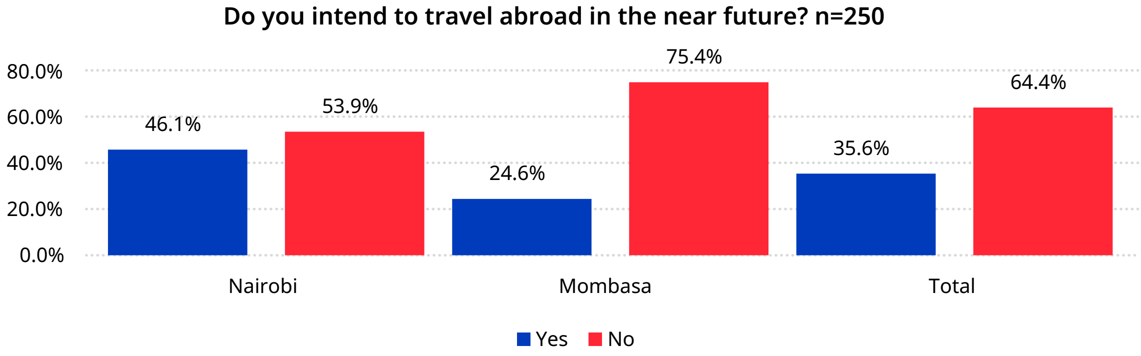
▶ **Figure 4-8: Travelling back to Kenya as a Choice**



However, a significant portion of participants (35.6 per cent) did not choose to return on their own accord, indicating an interrupted/incomplete migration cycle. The forced or involuntary return may be due to repatriation, premature contract termination, or unsuccessful job placement, or any other external or personal reasons.

### 4.2.6. Intention to Travel in the Future

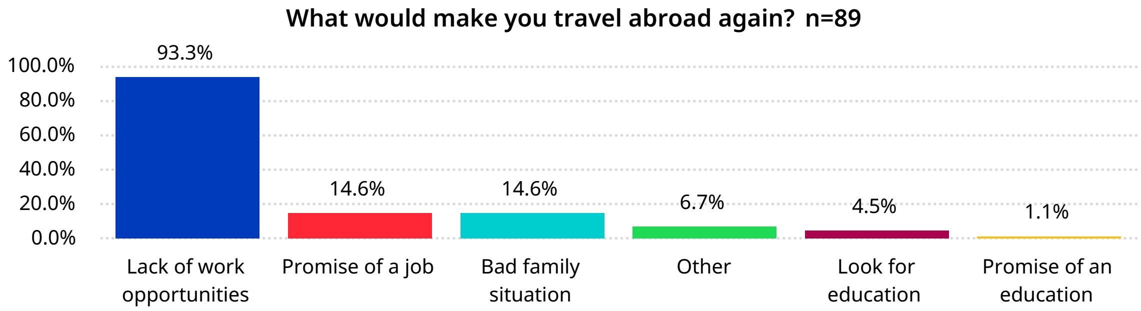
▶ **Figure 4-9: Intention to Travel in the Future**




Overall, the majority of returnees do not intend to re-emigrate even though they still face precarious employment conditions and a high unemployment rate back at home. This may signal a negative experience during their migration. This also further confirms the need for targeted reintegration programmes to assist with not only settling back home but also navigating the local labour market.

### 4.2.7. Reasons to Travel Again

▶ **Figure 4-10: Reasons to Travel again**



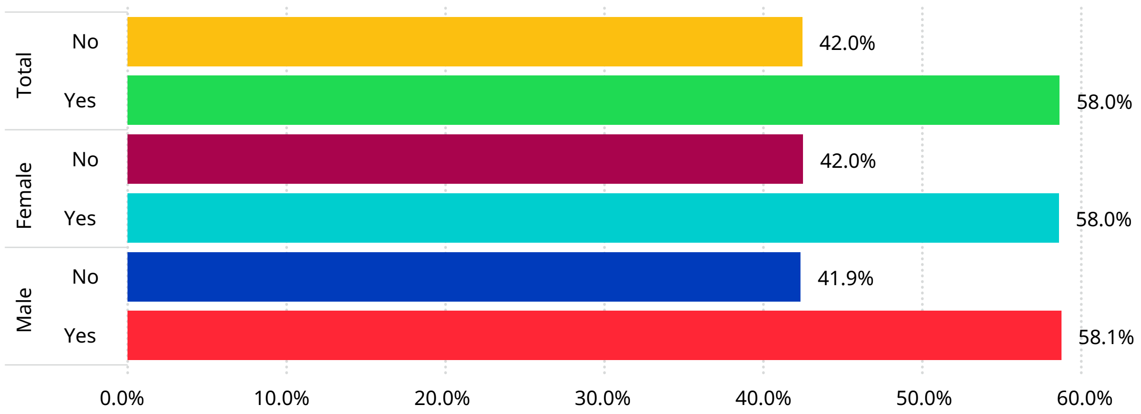

For those who are open and are considering travelling abroad again, the main reason would still be for work opportunities (93.3 per cent). A good number of those would only do so if there was a real job offer. Other reasons for remigration include bad family situations and searching for better education prospects, career advancement and personal growth that may be more accessible abroad than at home.

The opportunity for better pay and the ability to secure a job were key drivers, as many respondents viewed working abroad to earn more than they could in Kenya. Additionally, deteriorating economic conditions and hardships in Kenya were frequently mentioned, indicating that the economic challenges within the country make migration an appealing option for those seeking a more stable and prosperous future.

# 4.3. Training/skills profile

## 4.3.1. Training Gaps and Needs

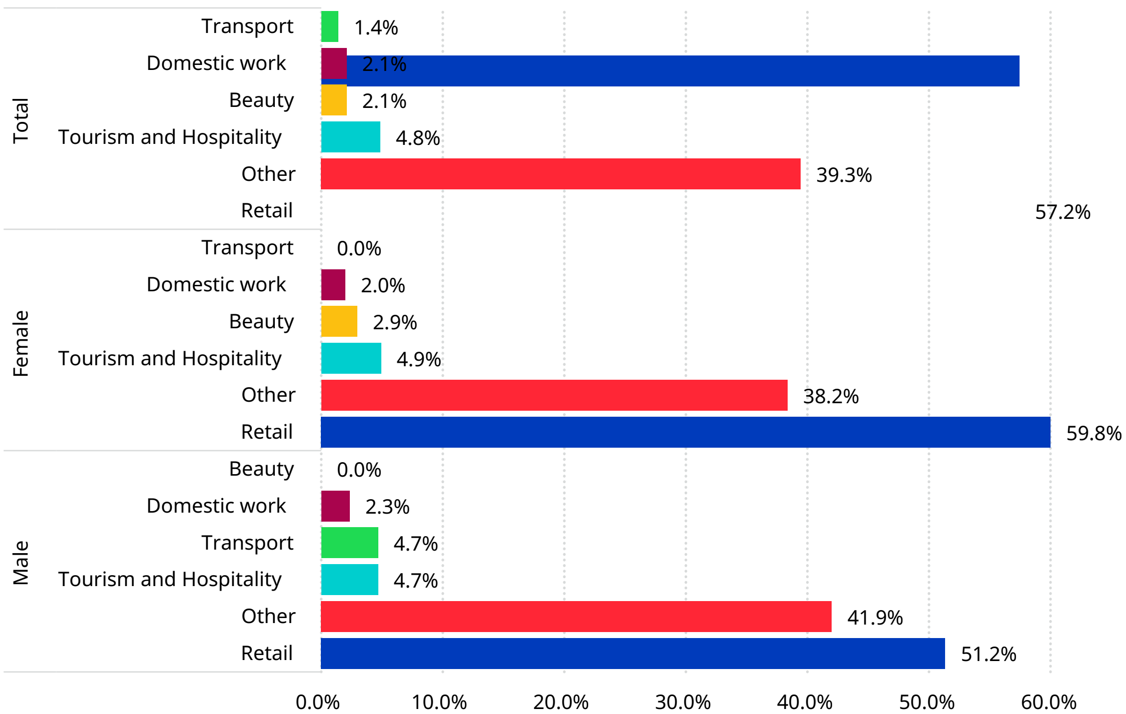
**Figure 4-11: Training in reintegration**




Though there are variations between the counties, more than half of the respondents have received some kind of training since returning, indicating the existence of efforts to assist returnees navigate their way back into the local labour market. Still, many haven't had similar opportunities.

## 4.3.2. Training areas

**Figure 4-12: Training Sector**

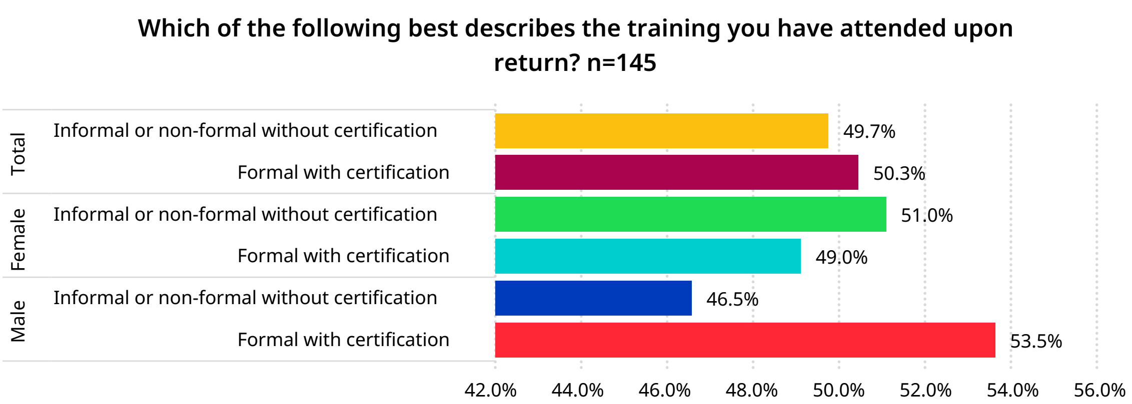


For those who have had a chance to receive training, most were trained in retail for both male and female respondents, particularly among Nairobi participants, with 77.8 per cent of males and 87.5 per cent of females trained in this field. In Mombasa, training was mostly in "other" areas, which covered mostly **entrepreneurship and business development for self-employment**. Other training courses were in tourism and hospitality, beauty, domestic work and transport.

### 4.3.3. Classification of Training received

The data shows that 77.8 per cent of Nairobi returnees attended formal training with certification, while 22.2 per cent attended informal training without certification. In Mombasa, 64.0 per cent participated in informal training and 36.0 per cent attended formal certified programmes. Overall, 53.5 per cent of returnees across both counties received certified training, while 46.5 per cent pursued informal training.

▶ Figure 4-13: Classification of Training Received




Nairobi returnees were more likely to seek formal certification, while those in Mombasa favoured informal training. This variation may stem from differences in training availability, regional economic factors, or perceptions of the value of certificates.

### 4.3.4. Skills and training needs of returnees by county

Nairobi and Mombasa exhibit distinct economic dynamics that shape the reintegration of returnees into the labour market. Nairobi, as Kenya's commercial hub, presents opportunities in retail, construction, transport, and the beauty industry, while Mombasa, with its strong maritime and tourism-driven economy, offers employment prospects in hospitality, fisheries and marine-related trades.

Returnees in Nairobi show a higher demand for retail training, particularly in marketing (18.0 per cent), selling (10.4 per cent), and retail operations (9.2 per cent), reflecting the city's vibrant commercial sector. The beauty industry is also a key focus, with 28.0 per cent of returnees seeking beautician training, 21.6 per cent hairstyling and 19.6 per cent makeup artistry. Additionally, Nairobi's returnees' express interest in construction-related skills, including electrical work (8.4 per cent), plumbing (7.6 per cent) and masonry (4.0 per cent), aligning with the city's ongoing infrastructure projects. Transport-related skills such as driving (12.4 per cent) and fleet management (3.6 per cent) also feature prominently.

Mombasa's returnees, on the other hand, show more interest and need for training in hospitality, with food production/cooking (24.4 per cent) ranking high. The fisheries sector also plays a role, with interest in aquaculture training (2.0 per cent) and seafood processing (2.0 per cent). Furthermore, demand for domestic work training is particularly high among Mombasa returnees (96.3 per cent), indicating a reliance on this sector for employment. Interest in hospitality and fishing is aligned with actual opportunities in Mombasa.  70.2 per cent of people are employed in the tourism and recreation sector in hotels and recreation activities within the coastal and marine value chains (WB 2022)[24]. The Fishing industry absorbs 16.90 per cent of the labour force, where most people work as artisanal fishers, small-scale aquaculture workers and industrial fishers[25].

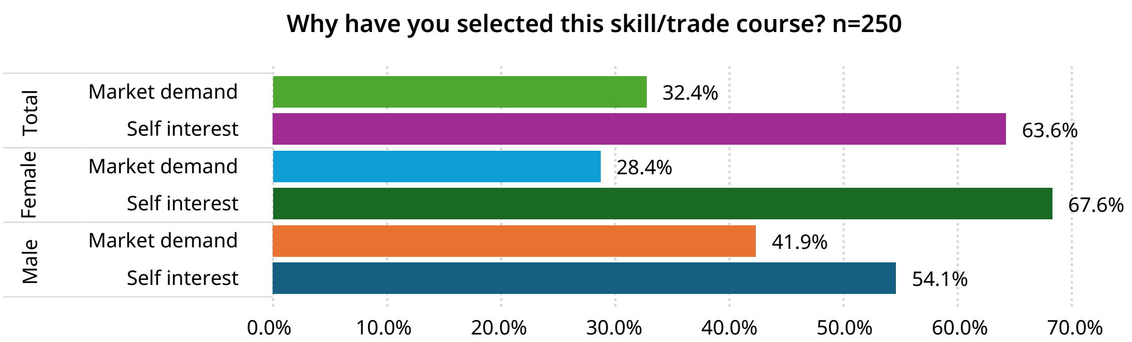
Other training needs were expressed in tailoring, software engineering, social work, security management and poultry farming. These preferences suggest that while Nairobi's economy is more service- and commerce-oriented, Mombasa offers greater opportunities in tourism, hospitality and fisheries. Addressing skill gaps through targeted training programmes in both countries will enhance returnees' employability and economic integration.

## 4.3.5. Reasons for the choice of Trade

Personal interest, which is a key factor in training uptake and is often linked to the demand or relevance of that training in the labour market, dominated respondents' choice of training programmes, with almost 63 per cent citing it as the reason.  Only 32 per cent cited market demand. Popular activities like beauty and hairdressing activities are seen as quick ways to make money.

However, choosing training based on interest alone may lead to mismatches, especially if demand is insufficient or there is an oversupply of skills.  People's choices may be influenced by others, without considering market dynamics, leading to an oversupply of skilled workers.  A good match should consider available demand and market trends to ensure skills acquired are utilized in the labour market. A small group (1.2 per cent) attended training due to sponsorship. Other factors include ease of entry into business due to low costs. Returnees' choices reflect practical considerations such as market demand and income generation, as well as personal aspirations like passion and community impact.

▶ **Figure 4-14: Reasons for the choice of Trade**




Most returnees prefer self-employment (63 per cent), indicating a desire for training that facilitates starting their own business or becoming freelance service providers. A significant portion (38.8 per cent), showed interest in training for wage employment.

## 4.3.6. Training Received Prior to Migrating

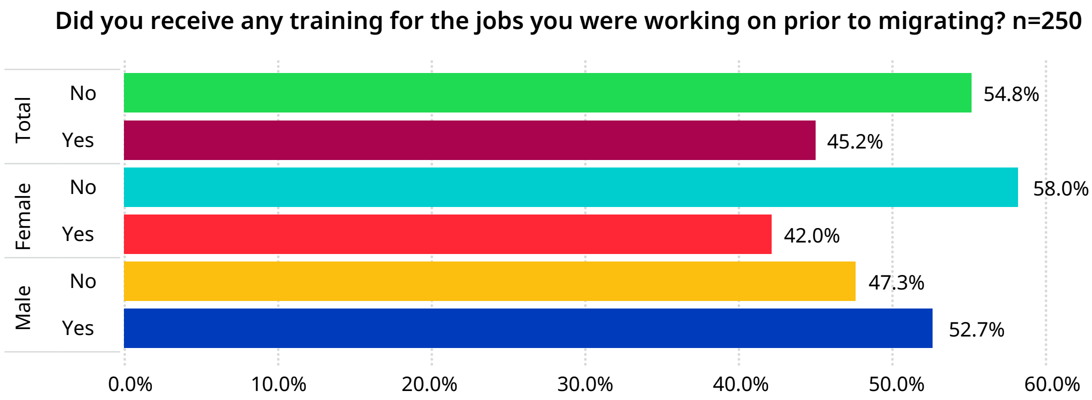
A higher proportion of male respondents reported receiving training prior to migrating (71.4 per cent in Nairobi and 35.9 per cent in Mombasa) compared to female respondents (52.7 per cent in Nairobi and 30.1 per cent in Mombasa) with an overall total of 42.0 percent of respondents received training for their jobs abroad, highlighting a gap in skills preparation.

Across both counties, 45.2 per cent of all respondents received training for the jobs they held abroad, highlighting a notable difference between those who were trained and those who were not. Over

24 Retrieved from https://kippra.or.ke/unlocking-blue-economy-jobs-in-kenya-through-coastal-and-marine-value-chain/2/

25 (Reference to be confirmed)

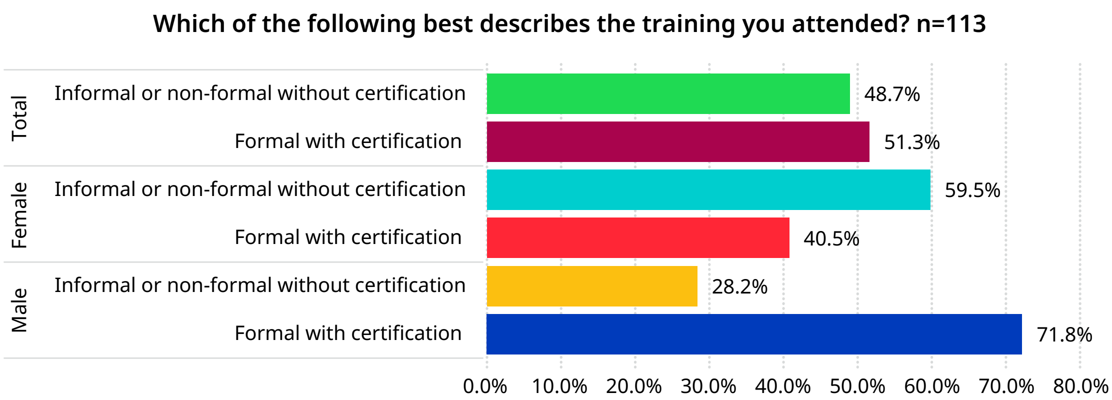
▶ **Figure 4-15: Training Received Prior to Migrating**




half (54.8 per cent) reported no prior training for the jobs they undertook while abroad. For migrant workers, lack of training or low skills is associated with high risk of exploitation, rights violation and decent work deficit.

## 4.3.7. Category of Training Received Prior to Migrating

▶ **Figure 4-16: Category of Training**




Male migrants were more likely to have received formal training than their female counterparts (71.8 per cent compared to 40.5 per cent, respectively). Formal training is associated with certification, which facilitates skills portability and visibility, easing labour market entry. Informal or non-formal training often lacks recognition or certification, as posing a barrier to labour market entrance. Overall, 51.3 per cent of respondents had received formal training with certification, while 48.7 per cent had participated in informal or non-formal training without certification, indicating that many returned migrants lack formal qualifications in their skills and competencies.

## 4.3.8. Skills that returnees have/bring back

Returnees acquired diverse skill sets, including technical skills like forklift operation, scaffolding and digital marketing, as well as soft skills like customer service, adaptability and cultural awareness. Many initially took low-skilled jobs but gained additional competencies through training or hands-on experience. A respondent noted: *"I went abroad as a cleaner, but once there, I was trained in machine operation and other technical skills. The good working hours and salary motivated me to work harder, and the additional training I received really improved my skills."*

Another respondent appreciated experience gained in a new cultural setting:

*"I learned how to navigate different cultures, understand diverse perspectives, and communicate effectively. Living abroad taught me how to adapt to new situations quickly and think on my feet."*

Despite these skills, returnees are unaware of how to make these skills, knowledge and experiences acquired abroad visible back home. The formal recognition process for qualifications obtained is unclear, despite Kenya's recent launch an RPL programme. Returnees would like their acquired skills to be recognized, should such a service be made available. Training programmes linked to business, entrepreneurial development and financial literacy are preferred. Barriers to skills recognition, including lack of awareness, accessibility, and associated costs, were cited as reasons for not pursuing skills recognition services.

The table below highlights respondents' reflections on skills recognition relevance

### ▶ Table 3-2: some of the reasons for skills recognition

| Why is the recognition/certification required? | |
|---|---|
| For proof, I took the course | For my documentation and future |
| To get recognized | For my documentation / reference to clients and legal working |
| For recognition | For proof, I have taken the training/course |
| For easier job searching | For recognition and trust |
| For job-seeking | For seeking employment |
| To attract clients | In the current market, what we need is a certificate |
| Getting more clients | seeking employment. |
| To get the upper hand in the application | There are places where it could act as proof |
| As a record that I am certified | To attract customers |
| As proof | To attract more customers |
| At least I can train others | To avoid police arrest and harassment |
| Every company you go to, you are asked if you have papers to show that you are qualified | To be able to help me in the search for clients |
| For the ease of customers to trust me and an easy way for clients to trust me | To get more customers and make more profits |
| For future reference | Will help when advertising my businesses |
| For job-seeking purposes | It can help when maneuvering around the labour market |
| For the licensing of my business | |

Sources: *response from participants of the study*

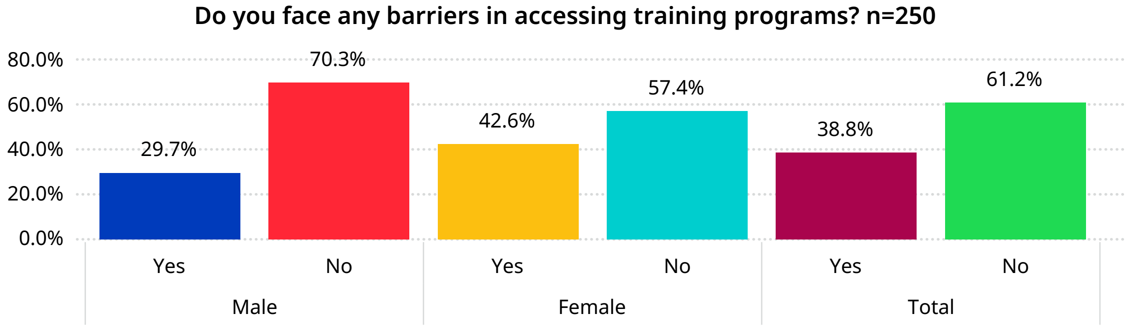
Recognition and certification of skills are valued by the returnees for several key reasons. Many respondents see recognition and certification as vital proof of completed training, serving as formal documentation and a reference for future needs.

Certification is also desired for compliance with egal and regulatory requirements, such as those set by the National Construction Authority (NCA). Having certification can help avoid issues like police harassment or complications when establishing a legitimate business, serving as proof of legitimacy for those entering the formal job market or starting their own business. Furthermore, certification is seen to enhance credibility, attract customers and generate higher profits for those interested in self-employment or starting their own businesses. It allows individuals to market their services effectively and differentiate themselves from competitors.

Certification is also viewed as an essential steppingstone for those interested in training others, expanding their influence and establishing themselves as trusted professionals. It provides credibility, enhances market competitiveness, ensures legal compliance and opens opportunities for self-employment and business growth. It is seen as an essential tool for both personal development and professional success.

### 4.3.9. Barriers to Training

▶ **Figure 4-17: Barriers to Training**




Though the nature of barriers or challenges was not reported, the majority of respondents do not face any barriers to accessing training. Female respondent disproportionately face more barriers than male respondents with nearly half (42.6 per cent) reporting barriers compared to 29.7 per cent for men. Common barriers to training may include awareness of programme availability, costs, distance from training locations, or other personal or systemic barriers. Some respondents expressed a desire for more practical training, as business skills gradually develop and require more hand-on experience. Others appreciated the business development training they received.

Notwithstanding the challenges and barriers, returnees see value and importance of training in entrepreneurship, financial literacy, and digital marketing to help them establish their own businesses.

## 4.4. Perception of viable economic opportunities

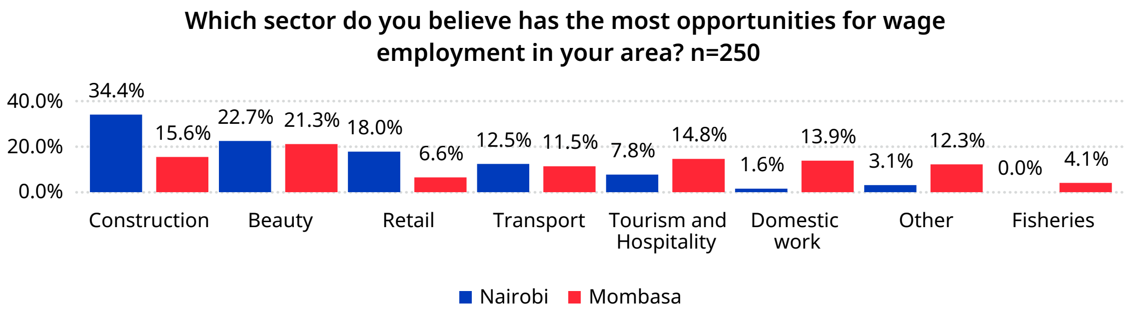
### 4.4.1. Perceived business/job opportunities for Returnees back home

Given the fact that most return migrants prefer self-employment, their perceptions of business opportunities for economic reintegration are diverse. Opportunities are perceived to be in beauty and personal care (barber and beauty shops, salons and SPAs), retail, food and hospitality and agribusiness. Retail businesses, such as selling clothes and shoes, are viewed positively. Food and hospitality ventures are popular in Mombasa and agribusiness, especially poultry farming, is another key focus.

Other perceived opportunities include construction (plumbing and masonry), technology-based ventures (cyber cafés and MPESA businesses), and niche markets like transport (Uber/taxis), daycare services, vending and tailoring. Some returnees have already started businesses in boutiques, food vending, real estate, and transport (boda boda operations). Despite entrepreneurial enthusiasm, challenges remain. Some returnees struggle with capital or knowledge gaps in underdeveloped sectors like fisheries. Nonetheless, the data reflects a strong entrepreneurial spirit, with many seeing self-employment as their best path to financial stability while also exploring international opportunities.

There are gender differences in perceived opportunities. Men perceive construction, transport services, retail, beauty and personal care and tourism as viable opportunities, in that order. Women perceive beauty and personal care activities as the most feasible opportunities. Construction-related activities are also ranked high by women (notably, construction is a predominantly male occupation), followed by retail activities, tourism and transport services, in that order. A few respondents also listed food vending, small-scale restaurant businesses, small-scale retail and tool rental (wheelbarrow, tents, chairs and so on) as viable businesses. Despite its contribution to the county economy, activities related to fishing were not mentioned at least in Mombasa. Perhaps it might be hidden in retail activities.

▶ **Figure 4-18: Sector with perceived most opportunities**



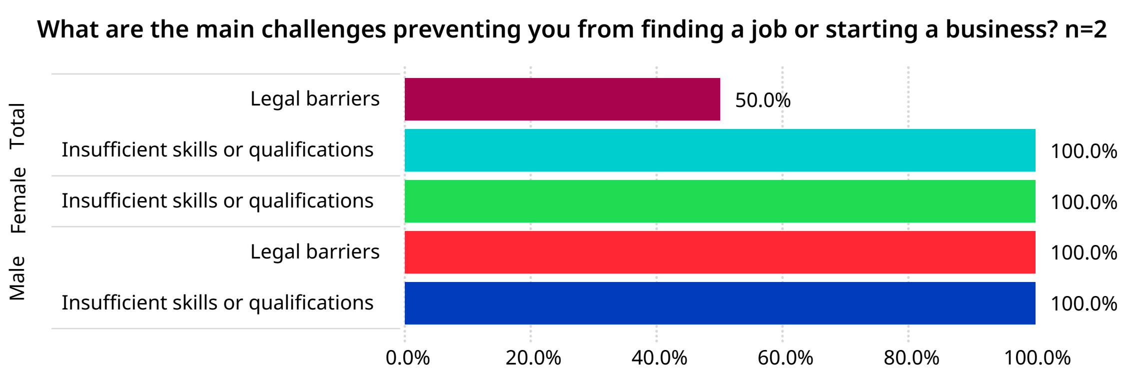

## 4.4.2. Reasons for choice of business

Returnees choose business opportunities based on several key factors. Market demand ensures profitability, as seen in clothing sales, which offer good margins and easy inventory management. Possession of relevant skills and experience boosts confidence, while passion for a business keeps them committed. Market gaps also drive choices, such as water vending in areas with shortages or essential goods that remain in constant demand. Businesses that are easy to manage with low labour requirements, like snack sales targeting students, are attractive for their simplicity and profitability. Job creation is another motivator, with returnees aiming to generate employment while securing their own income. Many opt for ventures with low capital investment and accessible business spaces, making them feasible despite financial constraints. Prior business experience further reinforces their decisions, ensuring they invest in sustainable and market-driven opportunities.

## 4.4.3. Challenges to accessing market opportunities and Employment

Returnees face significant challenges in finding employment or starting a business. In Mombasa, both male and female returnees report a lack of sufficient skills or qualifications as a primary barrier, with 100 per cent of the respondents identifying this as a challenge. Although legal barriers are also cited, the report does not delve into the specificity of the barriers being referred to. Literature indicates that access to finance is a common barrier that young people and, by extension, returnees face when thinking of starting a business. This is coupled with limited financial literacy and specific skills related to business management, market analysis and customer relations, among others. Kenya, considered among the most entrepreneurial countries in the subregion, given their strong Jua kali sector, has had a good share of youth empowerment and employment creation programmes such as the World Bank- supported KYEOP[26], which can provide models to replicate.

▶ **Figure 4-19: Challenges in Finding a job or starting a business**



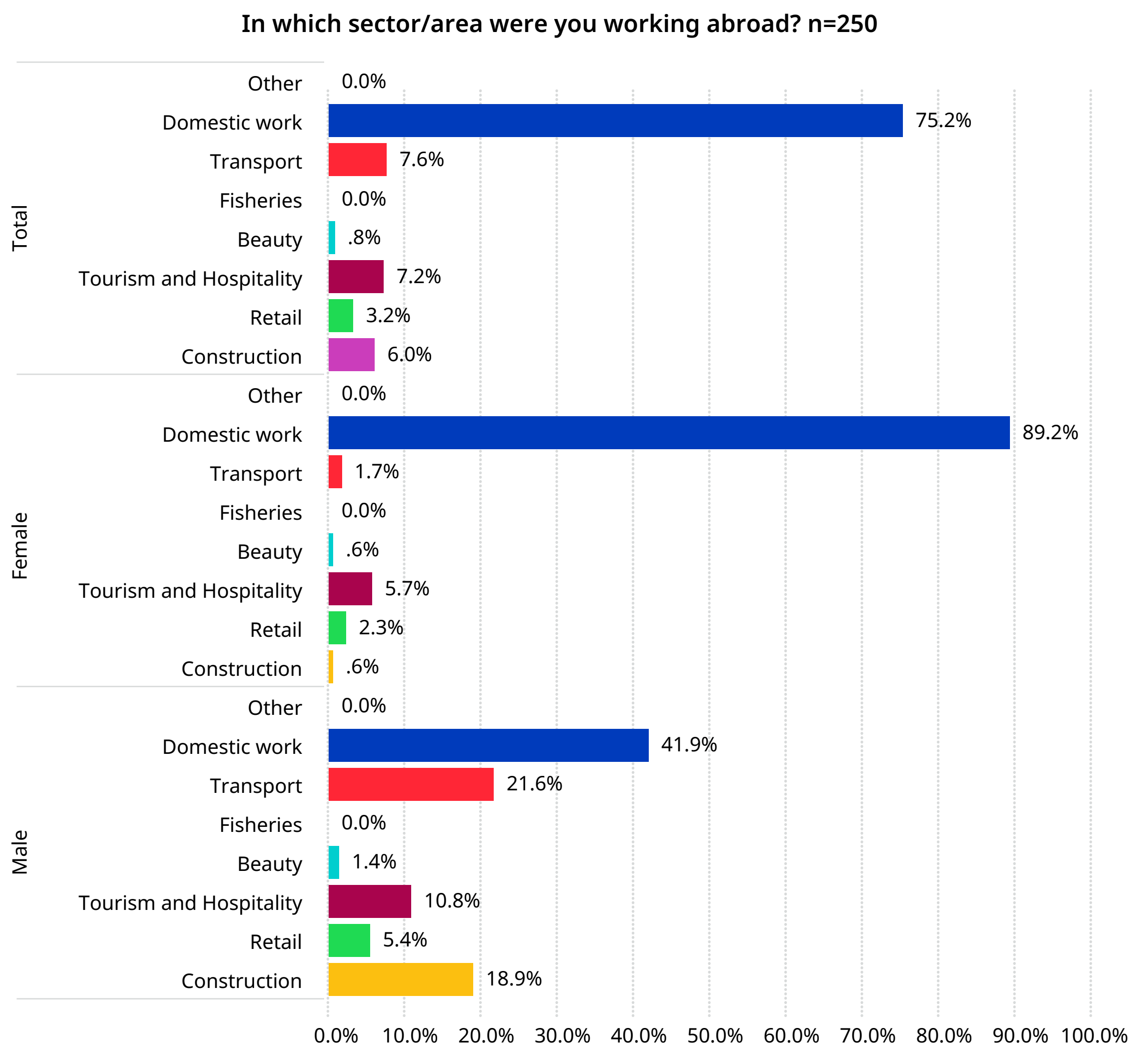

26 Kenya Youth Employment and Opportunity t programme (KYEOP)

The challenge of insufficient skills or qualifications appears as the primary concern across all respondents, indicating a clear need for additional training and qualifications to improve employability and entrepreneurship opportunities.

## 4.4.4. Sector worked in while abroad

There are some variations amongst the sexes regarding sectors and occupations they worked in while abroad, although the majority report working as domestic workers. Male returnees were primarily employed in domestic work (41.9 per cent), transport (21.6 per cent), and Construction (18.9 per cent), with fewer in tourism and hospitality (10.8 per cent) and retail (5.4 per cent). Female returnees overwhelmingly worked in domestic work (89.2 per cent) with fewer in tourism and hospitality (5.7 per cent). Males had a more diverse employment distribution, notably in transport and construction, which is also reflected in the occupations list in the graph below. Additionally, some returnees, particularly men, were engaged in security guard services, especially in construction sites, highlighting another key employment area abroad. It must be noted that the respondents sampled were largely returning migrants from Arab countries where the domestic work sector employs the most migrant workers from Kenya.

▶ **Figure 4-20: Sector worked in while abroad**

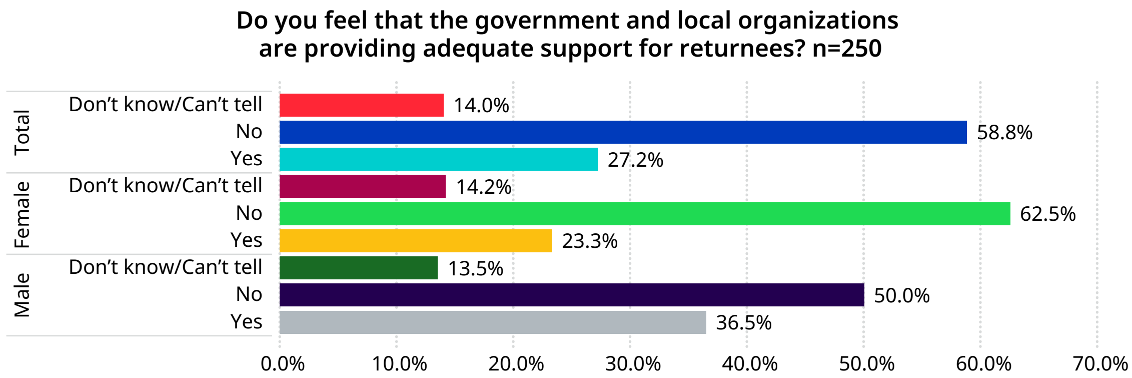


# 4.5. Reintegration Support services

## 4.5.1. Perception towards government and local organizations support

Overall, only about 27.2 per cent of respondents believe that the government and local organizations provide adequate support for returnees, while a majority—58.8 per cent—feel that the support is lacking. This sentiment is consistent across genders and locations, although there are some variations. Among male respondents, 36.5 per cent indicated that support is adequate compared to 23.3 per cent of female respondents. Conversely, a higher percentage of females (62.5 per cent) than males (50.0 per cent) feel that the support is insufficient. The "Don't know/Can't tell" responses also vary, with a notable 23.1 per cent of males in Mombasa expressing uncertainty compared to lower levels in Nairobi.

▶ **Figure 4-21: Feeling About Support**



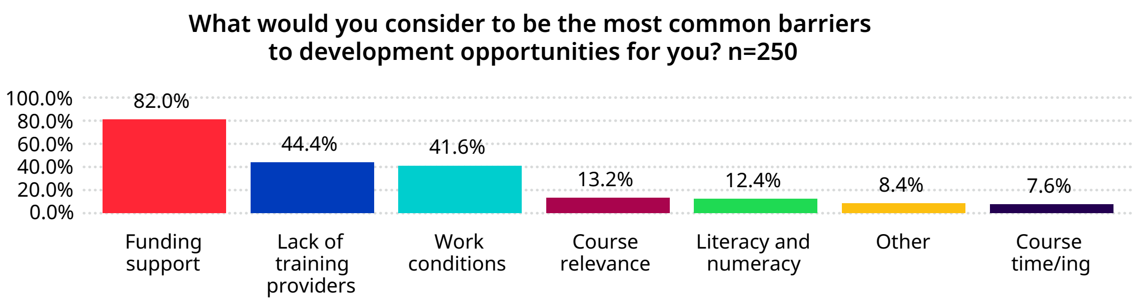

However, a key distinction emerges in the level of uncertainty: 24.6 per cent of respondents in Mombasa were unsure about the adequacy of support, compared to just 3.9 per cent in Nairobi.

This higher level of uncertainty in Mombasa suggests gaps in awareness or accessibility of support programmes. Additionally, dissatisfaction is particularly pronounced, with nearly half (48.4 per cent) of Mombasa respondents indicating that the support available is inadequate. The data highlights the need for targeted interventions, particularly in Mombasa, to improve access to information and services for returnees.

## 4.5.2. Common barriers to personal development opportunities and growth

*F*unding support emerges as the most significant factor, with approximately 82.0 *per cent* of respondents overall identifying it as a key concern. This high *percentage* is consistent across both groups, with 82.8 *per cent* in one and 81.1 *per cent* in the other, underscoring the critical need for adequate financial backing in training and professional development. In contrast, the lack of training providers is a moderately

▶ **Figure 4-22: Common Barriers to Development Opportunities**

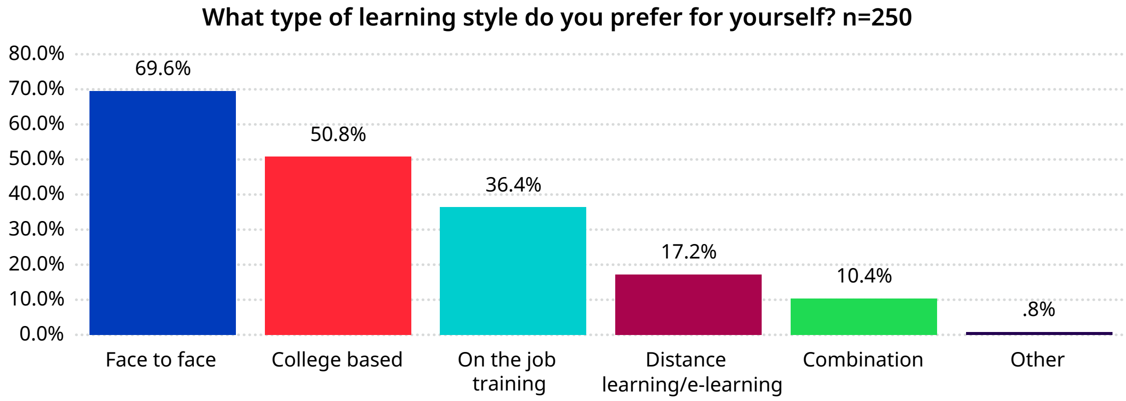


significant challenge, affecting 44.4 *per cent* of respondents overall—though notably, this concern is more pronounced in one group (51.6 *per cent*) compared to the other (37.5 *per cent*).

*Unsupportive working conditions* are the primary barrier to training, cited by 41.6 *per cent* of respondents, with a notable disparity between groups (31.3 *per cent* vs. 52.5 *per cent*). Other challenges include course relevance (13.2 *per cent*), literacy and numeracy (12.4 *per cent*), and course timing (7.6 *per cent*). An additional 8.4 *per cent* reported "Other" challenges, indicating issues like limited awareness, accessibility, or lack of personalized support. Addressing these barriers requires flexible scheduling, market-aligned training and targeted literacy support, *as well as support from employers and community members*.

## 4.5.3. Learning Style preferred

▶ **Figure 4:23: Type of learning Preferred**




In-person training is the most favored approach, with 69.6 per cent of respondents preferring face-to-face sessions. This preference is stronger in Mombasa (79.5 per cent) than in Nairobi (60.2 per cent). College-based training is more popular in Nairobi (65.6 per cent) than in Mombasa (35.2 per cent), resulting in an overall preference of 50.8 per cent. On-the-job training is consistently valued across both regions (36.4 per cent), while online learning is less preferred, especially in Mombasa (9.0 per cent) compared to Nairobi (25.0 per cent). A blended approach, combining multiple methods, is chosen by 10.4 per cent of respondents, with higher acceptance in Nairobi (14.8 per cent) than in Mombasa (5.7 per cent). Other training methods are rarely used (0.8 per cent). The findings highlight a strong preference for traditional, in-person learning, with regional differences influencing training choices.

## 4.5.4. Training services provisions

### 4.5.4.1. Training Institutions Profile

The colleges and institutions in Nairobi and Mombasa offer a variety of courses across different sectors, including construction, retail, tourism and hospitality, beauty, fisheries, and transport. A breakdown of their offerings is provided below (see annex on quantitative data analysis outputs).

### 4.5.4.2. Institutions in Nairobi

Nairobi hosts a diverse range of institutions, including technical colleges, beauty schools and driving schools. Many of these institutions exhibit strong or outstanding capacity in key areas such as training personnel, lecture halls, and accreditation. Notable institutions, such as The Kenya Institute of Development Studies, Ashley's Beauty School and Bimz Beauty College demonstrate outstanding capacity across most parameters.

However, some institutions face infrastructure disparities. For example, Kenya Institute of Highways & Building Technology shows moderate capacity in lecture halls despite strong accreditation. Edulink

International College also has moderate capacity in physical infrastructure, but maintains a strong reputation in other aspects.

**a. Comprehensive Institutions**

- *ICS Technical College and the Kenya Institute of Development Studies* stand out as they offer courses in multiple fields, including construction, retail, tourism, beauty and transport.
- *Edulink International College and ICS Technical College (Moi Avenue)* provide a mix of courses, particularly in retail, tourism, beauty and transport.

**b. Specialized Institutions**

- *Petanns and Big Role Driving School* are exclusively focused on transport.
- *Bimz Beauty College and Ashley's Beauty School* specialize in beauty.
- Kenya Institute of Highways & Building Technology focuses on construction.

### 4.5.4.3. Institutions in Mombasa

Mombasa-based institutions show a mix of outstanding and moderate capacities. Kenya Coast National Polytechnic, Technical University of Mombasa and Unik Driving School standout with outstanding capacity across all categories, indicating well-established facilities and training programmes. However, Milele Africa Institute of Development and Technology in Changamwe shows low capacity in lecture halls and sanitation, suggesting infrastructure challenges.

Despite this, many institutions in Mombasa demonstrate strong leadership, accreditation, and gender-sensitive training programmes, ensuring an inclusive learning environment.

**a. Comprehensive Institutions**

- Technical University of Mombasa is one of the most diverse, offering courses in construction, retail, tourism, beauty, fisheries and transport.
- Ahmed Shahame Mwidani TTI also covers multiple fields except for fisheries and transport.
- Kisauni Vocational Training Institute offers training in all sectors except fisheries.

**b. Specialized Institutions**

- Bandari College is the only institution offering fisheries and transport-related courses.
- Istiqama and Unik Driving Schools are dedicated to transport.
- Mombasa Airways Training College focuses on retail, tourism and beauty.

### 4.5.3. Key Observations on training provision:

- Construction courses are more available in Nairobi than in Mombasa, with institutions like Kenya Institute of Highways & Building Technology leading in this field.
- Tourism and hospitality courses are common in both cities, with ICS Technical College, Kenya Coast National Polytechnic and Technical University of Mombasa offering strong programmes.
- Beauty courses are well-supported in both regions, with multiple dedicated colleges.
- Fisheries training is limited to Mombasa, mainly at Bandari College and Technical University of Mombasa.
- Transport courses are mainly offered by specialized driving schools and technical institutions.
- Most institutions have capacity and are accredited by relevant authorities, ensuring credibility.
- Beauty and technical colleges are well-equipped in Nairobi, while polytechnics and driving schools dominate in Mombasa.
- Infrastructure remains a challenge for some institutions, particularly in Mombasa.
- Gender-sensitive training programmes vary, with some institutions excelling while others remain at a moderate level.

Training services are available for different categories of people at different levels of skill and with varied flexibility. Some institutions target more formal training clients with entry requirements, mostly institutions based. Others offer short courses; flexible modularized courses tailored to the needs of the clients. All training services available incur costs. Access to these services is also limited to certain locations (mostly urban), meaning those who are outside have fewer chances of access.

# 5

# Market opportunities and employment

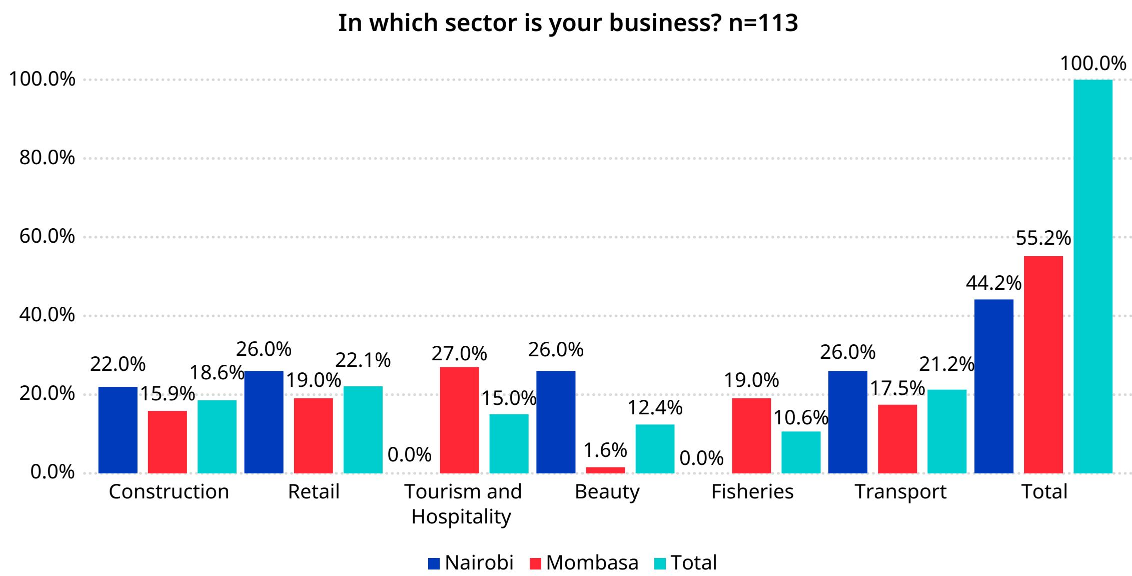
## 5.1. Profile of employer respondents

The study also consulted demand-side stakeholders to get their perspectives on opportunities that exist in the market that can absorb or make use of returnees' skills and experiences. A total of 133 respondents in this category were consulted. 55.8 per cent of them were from Nairobi, and 44.2 per cent were from Mombasa. 66.4 per cent male and 33.6 per cent female. The majority of respondents identified themselves as business owners (42.5 per cent), followed by directors (22. 1 per cent); and Human Resources Managers (18.6 per cent) and Managing Directors/CEOs (16.8 per cent). Most businesses, 50.1 per cent consulted, had been in existence for more than 4 years (4-9 years), with 31 per cent of businesses operating for more than 10 years, showing considerable experience and presence in the local economies. The remaining 18 per cent had less than 4 years of operational experience. The number of business respondents was 113 (44.2 per cent from Nairobi and 55.8 per cent from Mombasa) across the two counties.

### 5.1.1. Sectors

The data reveals the distribution of businesses across different sectors in Nairobi and Mombasa, as represented by respondents. In the construction sector, 18.6 per cent of respondents' business was in the construction sector; 22.1 per cent in retail; 15.0 per cent in tourism and hospitality; 12.4 per cent in the beauty sector; 10.6 per cent in fisheries; and 21.2 per cent in transport. Overall, Nairobi has a higher concentration of businesses in construction, retail, beauty, and transport, while Mombasa's business landscape is more heavily influenced by tourism, hospitality and fisheries. This highlights the sectoral diversity across the two counties.

▶ **Figure 4:24: Type of learning Preferred**



#### 5.1.1.1. Business Sub-Sectors in Nairobi and Mombasa

The data presents business sub-sectors as reported by respondents in Nairobi and Mombasa. In *construction*, Nairobi business respondents deal more with the construction of *residential properties/ affordable housing* (63.6 per cent) compared to Mombasa (30.0 per cent), contributing to a combined total of 47.6 per cent. Mombasa respondents deal more with the construction *of commercial properties* (30.0 per cent), with Nairobi at 27.3 per cent, resulting in a combined total of 28.6 per cent. The *construction of roads* is more significant in Mombasa, which has 20.0 per cent, compared to Nairobi's 9.1 per cent, contributing to a total of 14.3 per cent (source: field data).

In *retail,* Nairobi has a stronger presence in the sale of *hardware, paints, and glass* (46.2 per cent) compared to Mombasa (25.0 per cent), resulting in a combined total of 36.0 per cent. Nairobi also dominates the sale of *cosmetics and personal care products* (61.5 per cent) while Mombasa leads the sale of *food, beverages and tobacco in specialized stores* (30.8 per cent). Mombasa also has a notable share in the sale of *pharmaceutical and medical goods, cosmetics and toilet* items (8.3 per cent), contributing to a total of 4.0 per cent. In the tourism and *hospitality sector*, Mombasa significantly outpaces Nairobi in accommodation (29.4 per cent) and restaurants (17.6 per cent). Similarly, pubs & nightclubs (23.5 per cent) and travel services (17.6 per cent) are notable in Mombasa, with a combined total of 23.5 per cent for the latter.

Nairobi reported more barber shops (23.1 per cent) and sales of cosmetics and personal care products (16.0 per cent), while Mombasa focuses on harvesting (25.0 per cent), including fishermen. Both counties have a moderate share of transportation, with Nairobi having more taxi services (30.8 per cent) and motor vehicle services (23.1 per cent). In warehousing and storage, Mombasa leads with 36.4 per cent, contributing to a combined total of 29.2 per cent. Clearing and forwarding services are evenly distributed between both counties, with 23.1 per cent in Nairobi and 27.3 per cent in Mombasa, totalling 25.0 per cent. Though not scientifically representative, the data provides insight into more popular businesses, indirectly indicating their relevance and possible entry points for returnees wishing to venture into either self or wage employment.

### 5.1.2. Factors affecting business growth

Business acknowledges some **unsatisfied demand for goods**[27] particularly in the beauty and cosmetic sector, especially in Mombasa and somewhat in Nairobi. However, it is unclear what specific products and services are not adequately supplied. Other sectors experiencing shortages in product supply are in construction and retail. In the beauty and cosmetic sector almost 50 per cent of products are imported, closely followed by retail which imports 48 percent of products. Overall, businesses do not experience significant supply shortages due to international trade, which allows for importation of products and services. Only 32 per cent of businesses in Nairobi and 25.4 per cent in Mombasa reported experiencing supply shortages of products and services they need to expand their business. However, the specificity of services and products was not provided, making it difficult to pinpoint business opportunities, calling for more analysis. This indicates a potential business opportunity for returnees to produce beauty products, some of which require moderate skills training and low initial capital investment.

In the two counties, mostly businesses report **availability of workers with required skills and experience.** Only 19 per cent of businesses (n=113) reported difficulty in finding suitable workers. This is to be expected, given Kenya's young population (75-80 per cent aged between 15-35) and well-educated workforce compared to peers in the subregion. However, for those businesses reporting difficulty in filling up vacancies, skills gaps were a major issue followed by competition from other businesses in poaching properly skilled and experienced workers. Poor working conditions were also cited as a reason for higher worker attrition, especially in SMEs, as workers seek better opportunities. **Sector-wise**, construction and beauty reported difficulty in filling vacancies due to lack of properly trained workers, albeit in smaller to moderate percentages. 34 per cent of businesses in construction reported this difficulty, indicating shortages of properly trained workers in the sector, especially those who may acquire the necessary skills . 28 per cent of businesses in beauty and 23 per cent in tourism and hospitality also reported similar challenges. The research did not delve deeply to identify the

27 Unsatisfied demand of good is often measured from consumer perspectives. In this context, it was measured from business highlighting tradable products and or services that are not readily available and or those that they have to import

specific occupations facing these challenges. Tourism and hospitality reported that it is becoming harder to fill vacancies, though no reason is provided.

Access to capital is acknowledged as a main barrier to business growth, alongside the lack of properly trained workers. Businesses participating in the survey indicated that training opportunities for themselves or their employees are rare and that they prefer workplace-based training programmes that are short, flexible and allow workers to continue working while learning. Training costs are a major barrier to many businesses supporting workers/employees to acquire skills either through reskilling or upskilling, affecting professional growth. In response, many businesses resort to informal or formal in-house training and non-formal training arrangements, such as short-term workshops. Businesses that can afford it hire already trained graduates. Recognized qualifications facilitate an easier transition into the labour market. This highlights the need for training providers to co-design training programmes with businesses to ensure expectations and delivery methods are aligned. These reflections align with the views of returnees described in the previous section of this report.

## 5.2. Further findings

There is a strong belief among respondents that enhanced knowledge and training are critical for business growth. Many advocate for workplace training offered at affordable rates, emphasizing that such initiatives can empower businesses and boost the labour market. Specific recommendations include investing in promising sectors, such as the fishing industry, which is seen as offering significant opportunities. Furthermore, the idea of training trainers is proposed so that skills acquired can be disseminated throughout the workforce, ensuring that learning is continuously shared and applied on the job.

Policy recommendations are also a central theme in the feedback. Respondents urge institutions such as the ILO and county governments to actively support the labour market by providing free or subsidized training programmes, especially given that businesses already contribute through licensing fees. There is a call for training institutions to host seminars that include employers, raising awareness about learning opportunities and ensuring that training sessions are informed by recent research. These suggestions highlight a collective push for more inclusive, affordable and targeted training initiatives to meet the evolving needs of the business community and labour market.

# 6

# Conclusions and recommendations

## 6.1. Conclusions

- **Training Gaps**: Returnees face limited access to affordable, relevant and industry-aligned training, particularly in financial literacy, business management, digital skills and emerging sectors like fintech and e-commerce.
- **Employment Barriers**: Despite opportunities in key sectors (for example, tourism, hospitality, retail, beauty, fisheries, and transport), returnees encounter accessing jobs due to capital constraints, lack of industry connections, and regulatory barriers.
- **Skills Mismatch**: While training institutions in Nairobi and Mombasa often lack updated curricula, industry linkages, and necessary resources, contributing to a mismatch between skills provided and labour market demands.
- **Limited Job Placement and Business Support**: Returnees have limited access to structured job-matching platforms, mentorship programmes or financial support options, hindering formal employment and entrepreneurship.
- **Need for Comprehensive Reintegration Policies**: Addressing these challenges requires recognizing foreign-acquired skills, expanding industry-aligned training and improving access to job placement and financial support to maximize returnees' contribution to Kenya’s economy.

## 6.2. Recommendations for strengthening reintegration programmes in Kenya

Participants provided several recommendations to improve support programmes for returnees, ranging from skill recognition, training, financial access, job placement, and business development support. These suggestions aim to address the structural and practical challenges returnees face in re-entering Kenya's labour market and business environment.

### 6.2.1. Improve access to recognition of foreign-acquired skills, knowledge and competences for returnees

A significant number of returnees have gained valuable skills abroad, but the lack of formal recognition in Kenya limits their employability. Many are either unaware of or unable to access Recognition of Prior Learning (RPL) certification services, which would help validate their experience and facilitate entry into formal employment.

- Increase awareness and accessibility of RPL programmes among returnees.
- Establish fast-tracked certification programmes to formally recognize skills acquired abroad.
- Support those who are unable to cover the costs or logistical requirements for RPL services

### 6.2.2. Expand and Improve quality of tailor-made training programs for returnees

While various business and vocational training programmes exist, returnees noted that these programmes often lack depth, sector-specific focus, and post-training support. Strengthening these programmes can enhance their effectiveness.

- Increase the duration and practical content of business training programmes to ensure returnees gain hands-on experience.
- Introduce sector-specific training in high-growth areas such as agribusiness, digital marketing and technology.
- Provide post-training mentorship and follow-ups to help returnees successfully implement their skills.

### 6.2.3. Enhance and expand financial access for returnees

Limited access to capital remains a major barrier for returnees looking to start businesses. Although Kenya has initiatives such as the Hustler Fund, many returnees are either unaware or face challenges meeting eligibility criteria or find them not suitably tailored to their specific needs.

- Develop dedicated business funds and low-interest loan programmes tailored for returnees.
- Increase awareness and accessibility of existing funding opportunities, including government and private-sector financial programmes.
- Encourage partnerships with microfinance institutions to provide returnee-friendly financial products.

### 6.2.4. Strengthening Job Placement, business development support services and Networking Opportunities for returnees

Many returnees struggle to secure formal employment despite being Kenyan citizens. While there is no official exclusion based on migration status, challenges such as skill recognition, lack of networks and employer perceptions hinder their reintegration into the job market.

- Establish and integrate structured job placement services and other post-training support measures in reintegration programmes to connect returnees with employers.
- Create networking platforms for returnees to engage with potential employers, business partners and professional associations, and raise awareness among returnees about existing platforms such as KLMIS and NEAMIS.
- Promote employer awareness campaigns to highlight the value of returnee skills and experiences.
- Strengthen of public and private employment agencies to expand labour market intermediation services to returnees

### 6.2.5. Streamline Business Registration and Support

Entrepreneurship remains a key pathway to employment for returnees, but bureaucratic hurdles make business registration and operation difficult. Simplifying these processes can encourage more returnees to establish sustainable businesses.

- Simplify business registration processes, particularly for small enterprises.
- Provide tax incentives or grants for returnees starting businesses in high-potential sectors.
- Offer one-stop advisory services to guide returnees through business setup and compliance requirements.

### 6.2.6. Develop Targeted Reintegration Policies

Implement policy frameworks that recognize returnees' economic potential, streamline bureaucratic processes, and expand funding options to support their transition into Kenya's labour market.

Evidently, economic reintegration programmes should be all-rounded and comprehensive. One participant summed up the need for holistic support: *"Training alone is not enough. We need financial support, mentorship and follow-up to make sure we actually succeed."* Another participant emphasized the importance of financial assistance: *"Without capital, even the best business idea will fail. We need access to loans or grants to get started."*

This report confirms that returnees bring valuable skills and experiences back to Kenya, but systemic barriers hinder their full reintegration. While some have successfully transitioned into entrepreneurship, many face challenges related to job placement, training access, business registration and financial constraints. A coordinated approach involving government agencies, private sector stakeholders and development partners is essential to bridge these gaps and create a supportive environment for returnees to thrive. With the right policies, training, financial support and mentorship, returnees can significantly contribute to Kenya's economic growth and workforce.

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# Annexes

1. **Skills Assessment Survey Questionnaire: Returnees:**
https://www.ilo.org/publications/skills-assessment-survey-questionnaire-returnees

2. **Skills Assessment Survey Questionnaire: Employer Survey:**
https://www.ilo.org/publications/skills-assessment-survey-questionnaire-employer-survey

3. **Focus Group Discussion Guide among returnees:**
https://www.ilo.org/publications/focus-group-discussion-guide-among-returnees

4. **Key Informant Discussion Guide Training Institutions:**
https://www.ilo.org/publications/key-informant-discussion-guide-training-institutions

5. **Training Institution's Capacity Assessment, Swot Analysis And Risk Assessment Questionnaire:**
https://www.ilo.org/publications/training-institution%E2%80%99s-capacity-assessment-swot-analysis-and-risk-0

6. **Key Informant Discussion Guide:**
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7. **Returnees Analysis:**
https://www.ilo.org/publications/returnees-analysis

8. **Employers Analysis:**
https://www.ilo.org/publications/employers-analysis

9. **ILO Training Institution Assessment:**
https://www.ilo.org/publications/ilo-training-institution-assessment

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