



International
Labour
Organization



PEACE, PROSPERITY AND
REGIONAL INTEGRATION



Funded by the European Union

**Free Movement
of Persons and
Transhumance
in the IGAD Region**



SOMALIA

Country report

► Labour Market Assessment

*with focus on migrant
workers from the
IGAD region*



Copyright © ILO (International Labour Organization) 2021

First published 2021

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publishing (Rights and Licensing), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: rights@ilo.org. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with a reproduction rights organization may make copies in accordance with the licences issued to them for this purpose. Visit www.ifrro.org to find the reproduction rights organization in your country.

Labour market assessment with focus on migrant workers from the IGAD region:

Somalia country report

Free Movement of Persons and Transhumance in the IGAD Region: Improving Opportunities for Regular Labour Mobility

ISBN: 9789220344767 (print)

ISBN: 9789220344750 (web pdf)

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

Information on ILO publications and digital products can be found at: www.ilo.org/publns.

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the ILO and do not necessarily reflect the views of the European Union.
--

Contents

Abbreviations and acronyms.....	v
Acknowledgements.....	vi
Foreword.....	vii
Executive summary.....	viii
1. Introduction	1
2. About the report.....	3
2.1. Objective and structure of the report.....	4
2.2. Concepts and definitions.....	5
2.3. Primary data collection.....	6
2.3.1. Quantitative interviews	6
2.3.2. Description of the sample.....	6
2.3.2. Key informant interviews.....	9
2.3.4. Focus group discussions	10
2.4. Secondary data collection	10
2.4.1. Desk review.....	10
2.4.2. Secondary statistics.....	10
2.5 Final technical revision and virtual consultation.....	12
2.6. Limitations to the study.....	12
3. Socio-economic context	15
3.1. Measuring the size of the economy.....	16
3.2. Poverty and inequality levels are high	17
3.3. Population and human development.....	17
3.4. Migration dynamics in Somalia.....	18
3.4.1. Refugees and asylum-seekers	18
3.4.2. Return migration	18
3.4.3. Internal migration	18
3.4.4. Migration outflows.....	19
3.4.5. Remittances	19
3.5. COVID-19 and migrant workers in Somalia	20

4. Labour force characteristics	21
4.1. Labour force.....	22
4.2. Employment by sector and occupation.....	22
4.3. Status in employment.....	23
4.4. Working poverty	24
4.5. Migrant workers.....	24
4.5.1. Estimating labour migration movements in Somalia.....	24
4.5.2. Characteristics of the migrant workers of the sample	25
4.6. Education and skills composition of the Somali labour force	32
4.6.1. Educational attainment of the Somali labour force.....	32
4.6.2. Occupational skill level of the Somali labour force	33
4.6.3. Educational attainment and occupational skill levels of the migrant workers in the sample.....	33
4.7. Conclusions	36
5. Job creation and the private sector	37
5.1. Sectoral growth initiatives and prospects.....	38
5.2. Private sector and business environment	40
5.3. Conclusions.....	41
6. Improved governance for employment and job promotion	43
6.1. Employment policy and legislation.....	44
6.2. Labour market information.....	47
6.3. Employment services	48
6.4. Migrant workers.....	49
6.4.1. Labour market functionality	49
6.4.2. Equal treatment of migrant workers.....	51
6.5. Conclusions.....	53
7. Conclusions and recommendations	55
Bibliography	63
Appendix I. List of key informants.....	65
Appendix II. Quantitative interview questionnaire.....	67
Appendix III. Key informant semi-structured interview template.....	76
Appendix IV. Glossary of terms	77

List of figures

Figure 1. Selected characteristics of the migrant workers sampled.....	26
Figure 2. Status in employment, by migration status and length of stay (n=200).....	27
Figure 3 Type of employee contract, by migration status and length of stay (n=200)	28
Figure 4. Informal employment, by migration status and length of stay (n=200).....	29
Figure 5. Employment in informal enterprises (units of production), by migration status and length of stay (n=200)	30
Figure 6. Informal economy (unit of production), by migration status and length of stay (n=379)	31
Figure 7. Occupational skill levels in Somalia's employed population, by sex.....	33
Figure 8. Migrant workers' educational attainment, by migration status and length of stay (n=402)	34
Figure 9. Employed migrant workers' occupational skill composition, by migration status and length of stay (n=200)	35

List of tables

Table 1. Structure of main body of report and types of data used	4
Table 2. Overview of the sample of migrant workers in Ethiopia, by sex, state and selected indicators	7
Table 3. Overview of stakeholder interviews	9
Table 4. Structure of main body of report and sources of secondary statistical data used.....	11
Table 5. Somalia's ratification of ILO Conventions.....	46

► Abbreviations and acronyms

AMISOM	African Union Mission in Somalia
CEACR	Committee of Experts on the Application of Conventions and Recommendations
GDP	gross domestic product
GNI	gross national income
HDI	Human Development Index
IDP	Internally displaced person
ICLS	International Conference of Labour Statisticians
IGAD	Intergovernmental Authority on Development
IOM	International Organization for Migration
NDP	National Development Plan
NDP-8	Eight National Development Plan, 2017–19
NDP-9	Ninth National Development Plan, 2020–2024
NEP	National Employment Policy
PIMS	Promoting Inclusive Markets in Somalia
SBCF	Somali Business Catalyst Fund
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
YES	UN Joint Programme on Youth Employment Somalia

Acknowledgements

This report was commissioned by the International Labour Organization (ILO) and the Intergovernmental Authority on Development (IGAD) Secretariat and produced by MarketShare Associates, in the framework of the European Union-funded project on “Free Movement of Persons and Transhumance in the IGAD Region: Improving Opportunities for Regular Labour Mobility”.

The report was authored by Richard Horne and Ina Pietschmann from MarketShare Associates. A technical review team composed of two national experts from Somalia, and headed by Nicolas Serrière (international consultant) reviewed the report as part of the validation process. Ben Fowler (MarketShare Associates) provided quality assurance while Ranu Nath (MarketShare Associates) assisted in the finalization of the report. The authors acknowledge the contribution from Forcier Consulting, for the primary data collection.

The ILO wishes to thank the Government of Somalia, social partners as well as the IGAD Secretariat; for their generous sharing of knowledge and information. The report benefitted from experts from other relevant organizations that were interviewed in Somalia and who also took part in the country validation workshop.

From ILO side, a number of specialists and project staff significantly contributed to the review, validation and finalization of the report. The FMPT team in particular Coumba Diop and Ephrem Getnet provided technical guidance, comments on drafts and oversight, while Mintwab Yemane coordinated the editing, proofreading and designing of the final version. Other project team members including the National Project coordinators in Sudan (Gamal Yagoob Abdalla), Uganda (Robert Mawanda), and Kenya (Wycliffe Ouma) made valuable contributions in particular during the validation workshop. Likewise, the authors also recognize the support of Amare Negash from the ILO for coordinating the logistics of the study along with Meghan Bolden (MarketShare Associates). John Maloy provided professional editing for the report.

The ILO and the author acknowledge the contribution of the following ILO specialists from key departments and country offices (STATISTICS, MIGRANT and DWCT-Cairo): Yacouba Diallo, Jean-Marie Hakizimana, Naren Prasad, Aurelia Segatti, Luca Fedi.

This publication is financed by the European Union Emergency Trust Fund of the European Union, under the framework of the ILO-IGAD project “Free Movement of Persons and Transhumance in the IGAD Region: Improving Opportunities for Regular Labour Mobility”.

► Foreword

The ILO in close collaboration with the Intergovernmental Authority on Development (IGAD) Secretariat has produced this report titled ***Labour Market Assessment with a Focus on Migrant Workers from the IGAD Region: Somalia Country Report*** as part of the project on Free Movement of Persons and Transhumance in the IGAD Region: Improving Opportunities for Regular Labour Mobility financed by the European Union. The report forms part of the knowledge-generation component of the project, and provides an evidence base for improving labour migration and mobility governance in the IGAD region.

This Somalia country report sheds light on the overall economic, labour, employment and migration dynamics in the country. The report differs from typical labour market assessments, as it focuses on the participation of migrant workers from IGAD Member States in the labour market in Somalia. It draws on available secondary data and primary information collected as part of the study, including through quantitative interviews, focus group discussions and key informant interviews with migrant workers, government officials, employers' organizations, workers' organizations, international organizations, non-government organizations and other relevant stakeholders.

The report examines labour force characteristics, current and future demand for skills, and job creation patterns, and identifies sectors that have high potential for job creation for nationals and migrants in an integrated regional labour market. It also looks at labour market efficiency and functionality by reviewing institutional arrangements and processes, including policies, legislation, labour market information systems and employment services, among other things. The report then identifies key challenges and opportunities related to improving labour market and labour migration governance and to supporting employment and job promotion for nationals and migrants in the IGAD region. At the end, the report proposes a number of key strategic recommendations to improve access to the labour market in Somalia by migrant workers from IGAD Members and to improve labour migration governance in the region. We advise you consult, in addition to this Somalia country report, the regional report covering an analysis of the IGAD labour market and its inclusiveness of migrant workers from Member States.

We believe that this series of labour market assessments focused on migrant workers will be instrumental towards the implementation of the road map of the IGAD Protocol on Free Movement of Persons. Understanding the challenges migrant workers face and implementing the recommendations proposed in these reports will also pave the way for increased opportunities for regular labour mobility and regional integration.



H.E. Dr. Workneh Gebeyehu
Executive Secretary, Inter
Government Authority on
Development (IGAD)



Alexio Musindo
Director, ILO Country Office
for Ethiopia, Djibouti, Somalia,
South Sudan, Sudan and Special
Representative for AU and
UNECA

► Executive summary

The ILO is implementing the European Union Emergency Trust Fund-financed project entitled Free Movement of Persons and Transhumance in the Intergovernmental Authority on Development (IGAD) Region: Improving Opportunities for Regular Labour Mobility. The overall objective of the project is to improve opportunities for regulated labour mobility and decent work within the IGAD Member States through the development of models of intervention. In the long-term, the project is expected to extend decent work opportunities to current and potential migrants within the region, as well as contribute to regional integration, strengthen links between economic growth, climate change and job creation; and enhance the social and economic integration of migrants.¹

This report is an analysis of Somalia's labour market with a focus on migrant workers. The report is one of a series undertaken in IGAD Member States (Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan and Uganda) to understand the overall economic, labour, employment and migration dynamics in these countries. It focuses on migration-prone areas, particularly places of origin, transit and destination. This analysis falls under a knowledge-building component of the ILO project, which seeks to deepen understanding of migration and labour market dynamics in the region.

The analysis presented in this report looks at labour force characteristics, job creation patterns, and challenges and opportunities for improved labour market governance to support employment and job promotion. It considers labour market information, employment services and migrant workers, as well as labour market efficiency in the wider socio-economic context. Primary data was collected to help inform the analysis, consisting of 402 quantitative interviews with migrant workers; 40 key informant interviews with government officials, employers' organizations, workers' organizations, international organizations, non-government organizations and other relevant stakeholders; and eight focus group discussions with Somali communities and migrant workers. Data collection took place between February and April 2019 in Mogadishu, Dollow and Kismayo. The report concludes with recommendations at the strategy, policy and intervention levels, respective to each of the social partners

► Overview of migration trends and labour market

Inbound migration in Somalia is relatively small in comparison to outbound migration. Inbound migration mostly consists of refugees and asylum-seekers, as well as returnees.

Whereas outbound migration has been driven by persistent economic crises compounded by a lack of economic opportunities. Somalia hosts over 30,000 refugees and asylum-seekers, including from Yemen, Ethiopia, the Syrian Arab Republic, Eritrea and the United Republic of Tanzania (UNHCR 2018a). Recently, there has been an increase in the levels of return migration of Somalis coming back from various destination countries. This return migration has been encouraged by the Government, which has sought the skills and knowledge acquired by Somalis abroad, by incentivizing expatriates as well as investment opportunities in various sectors. This has been made possible by the return of more stable and secure conditions, as well as the implementation of a number of agreements, including a 2013 agreement between the governments of Kenya and Somalia and the United Nations High Commissioner for Refugees to voluntarily repatriate Somali refugees living in Kenya, which has led to the return of close to 90,000 Somali refugees from Kenya between 2014 and 2018 (UNHCR 2018b).

The presence of international aid agencies, the United Nations and the African Union Mission in Somalia (AMISOM) has also prompted an influx of migrant workers, both skilled and unskilled. In addition, migrants from the IGAD region and the Middle East work in Somalia's hospitality, information technology and construction sectors, as well as being domestic workers, teachers and doctors (ILO 2020b).

¹ For more information see the project landing page at: https://www.ilo.org/africa/technical-cooperation/WCMS_631153/lang--en/index.htm

There are an estimated two million Somali migrants worldwide, including those who left in search of better economic opportunities and those who left to seek asylum. The United Kingdom of Great Britain and Northern Ireland has the largest Somali diaspora in Europe, followed by the Netherlands, Norway, Sweden and Italy. Canada and the United States of America also have large Somali diaspora populations, with locations such as Minneapolis, Toronto and Ohio having prominent Somali communities (World Bank 2016). There are three main migration routes from Somalia: crossing by sea to Yemen and travelling on to the Gulf countries; migrating south through Kenya to South Africa; and west through Sudan and Libya to cross the Mediterranean Sea to reach Europe. Most Somalis who arrive in Europe seek asylum, with the most popular countries of asylum including Germany, Sweden, Austria, Belgium, Finland and France. In 2015, 63 per cent of Somali asylum applications in Europe were successful (Wasuge 2018).

Migration outside of the IGAD region is a major source of remittance inflows to Somalia, contributing significantly to GDP. Remittances amounted to US\$1.2 billion in 2013 (FAO 2013), reaching up to US\$1.4 billion in 2015 and accounting for 23 per cent of Somalia's GDP (World Bank 2016b). However, the World Bank projects that the economic recession following the Covid-19 pandemic would lead to a decline in remittances of about 20 per cent, which would affect the sources of income for developing countries like Somalia (World Bank 2020b). Notably, remittances to Somalia from two top regions – North America and Europe – dried up during this period. Prior to the pandemic, it was estimated that Somalia received 26 per cent of its remittances from the United Kingdom, 20 per cent from the United States, 9 per cent from Sweden, and 6 per cent from both Canada and Norway. Djibouti and Kenya are important sources of remittances given their proximity and the strong cross-border and business relationships between them and Somalia (FAO 2013; World Bank 2016b).

Poor quality data compromise the ability to understand the labour market; however, based on the that do data exist, labour force participation is relatively low with high shares of employment in agriculture. According to the 2014 labour force survey, Somalia's labour force participation rate was estimated at 66 per cent (ILO, unpublished). This figure differs from the labour force participation rates estimated elsewhere, including 50.2 per cent as per the Population Estimation Survey conducted by the United Nations Population Fund (UNFPA) in 2014 (UNFPA 2016) and 47 per cent as per the World Bank's High Frequency Survey (World Bank 2018). The share of the employed population engaged in agriculture, livestock and fisheries was estimated to be as high as 63 per cent, according to UNFPA survey (UNFPA 2016). By status in employment, around 46 per cent of the employed population were estimated to be wage and salaried workers, according to the 2014 labour force survey (ILO, unpublished). Around 71.5 per cent of the employed population of Somalia were classified as living in working poverty in 2018, earning less than the international threshold for the extremely poor (less than \$1.90 PPP² per day in 2018) according to ILO modelled estimates (ILO 2020a).

► Migrant worker characteristics from primary data

The lack of data on migrant workers in Somalia was addressed via primary data as part of this assignment, exposing differences by length of stay and migration status. The number of labour migrants in the country is increasing, particularly from Asia, although the exact number of migrant workers remains unknown due to lack of documentation. Primary data obtained as part of this study identified migrant workers' migration status and length of stay, namely, long-term migrant workers who were in the country for more than six months and who had either official documentation (regular migration status) or not (irregular migration status), and short-term migrant workers who were in the country for less than six months, but whose migration status was not captured. While a migrant worker's work permit status can be attached to their migration status, this cannot be assumed in all cases, and so the data presented are by migration status, not migrant worker status.

Somalia is among those African countries whose constitution allows for dual nationality, and which, as a result, benefits from skills brought in through the labour market integration of migrant workers of Somali ethnicity. Findings from the quantitative data collected in this study

2 PPP = purchase power parity.

(and supported by key informant interview findings) suggest that the vast majority (89 per cent) of the migrant workers interviewed have come to Somalia for purposes of work, followed by reasons of conflict (9 per cent), although the mixed migration nature of flows into and through the country make it difficult to ascertain single causes for movement. However, to work legitimately requires documentation (see Section 6.4.) and the Government is favourable to those with any ethnic Somali background. As a result, interviews with key informants reveal that it is common for migrant workers to seek dual citizenship. Around 12 per cent of those interviewed as part of the quantitative data collection in this study were migrant workers who had secured dual national status.

Formal migration processes may hinder job creation opportunities, as reflected by the higher incidence of employers among migrant worker respondents with irregular migration status.

Among the employed migrant workers interviewed as part of this study, 77 per cent were employees, with 14 per cent who were employers and 7 per cent who were own-account workers. While employee status is common across all migrant worker statuses, it was highest among both short-term (less than six months) migrant workers and long-term migrant workers with regular migration status. This is consistent with the work permit process and its one-year renewal terms. The data also suggest that the work permit process (which is tied to residency permits) may present an obstacle to being an employer, that is, to setting up a business that employs others. This can be seen by the paucity of regular migrant worker respondents who were employers; indeed, 72 per cent of employers in the sample were long-term migrant workers with irregular migration status.

The majority of migrant workers interviewed were in informal employment, working for informal units, or both. Findings suggested that short-term migrant workers (less than 6 months) are less likely to find formal jobs (that is, jobs with social security entitlement, paid sick leave entitlement and sick leave entitlement); whereas long-term migrant workers have an equal likelihood of being in informal employment regardless of whether they have regular or irregular migration status.

Migrant workers interviewed were most commonly engaged in high-skilled occupations, reflecting the education profile of the migrant workers interviewed. Short-term migrant workers and long-term migrant workers in Somalia with regular migration status were more likely to be in high-skilled occupations (72 per cent and 64 per cent, respectively). A relatively high share of long-term migrants with irregular migration status were also in higher-skilled occupations, but to a lesser degree. This suggests that there is demand for higher-skilled migrant workers, even in cases where their migration status is irregular. The share of migrant workers who were in lower-skilled occupations was similar for those with irregular migration status and in the country for more than six months (15 per cent) and those in the country for less than six months (16 per cent). It suggests that short-term work is available for the lower-skilled, but also for those with irregular migration status. For those with regular migration status who had been in the country for more than six months, low-skilled work accounted for less than 2 per cent of those interviewed.

► Job creation and the private sector

With economic expansion running alongside peace and greater stability, Somalia is likely to become a more attractive destination for foreign direct investment and new business, with job creation for both Somalis and migrant workers therein. A number of sectors look promising for expansion – including agriculture, construction and services – providing job creation potential for both Somalis and migrant workers, particularly in areas suitable for migrant workers from IGAD Member States, such as labour-intensive and low-skilled sectors. However, the business environment needs substantial improvement in order to allow for private sector-driven growth, not least in addressing basic infrastructure and the regulatory environment. The Government is looking to focus on business constraints, and investment and support by international organizations is helping to achieve this and to bolster the private sector and job creation therein.

Strategic recommendation 1: Effectively implement the National Employment Policy.

In 2019, Somalia finalized the National Employment Policy (NEP), which is a comprehensive document that addresses many of the goals and objectives of the Eighth National Development Plan, 2017–2019. It is also referenced in the Ninth National Development Plan, 2020–2024. At the same time, a new Labour Code has been developed (it is currently awaiting approval at the Cabinet) that will replace the existing Labour Code of 1972. These new developments provide potential for aligning Somalia's labour market governance with international standards, including the ILO fundamental Conventions, and for addressing many of the realities in today's labour market.

The NEP, which is operationalized through a government-endorsed Somalia Employment Programme, is based on an employment diagnostic that identified the main migration movements in Somalia as constituted by internally displaced persons (IDPs) and by return migration. Although IDPs make up close to 10 per cent of the population and pose similar problems of socio-economic integration as international labour migrants, they are not covered by this study, which focuses on international labour migration.

Although Somalia has drafted a new migration policy, it has yet to be implemented. There are no policies or instruments to protect migrant workers in Somalia, or to protect outbound labour migrants from Somalia. The draft updated Labour Code contains clauses that promote the protection of migrant workers in Somalia (ILO 2020b).

The issues associated with labour migration (including returnees) may also be addressed in a labour migration policy to be developed. However, there is a fundamental need to better understand the importance of migrant workers in the labour market and economy in order to devise and adjust legislations and policies accordingly. Supporting the effective implementation of the NEPS is the first of the strategic recommendations:

- **POLICY:** Revise the NEP to ensure social integration and inclusion and to align with any labour migration policy.
- **POLICY:** Establish national coordination mechanisms for migrant workers.
- **POLICY:** Ensure the new labour code complies with international labour standards and outlines guidance for migrant workers in Somalia.
- **INTERVENTION:** Appoint a centralized ministry, department or agency responsible for coordinating and monitoring the NEP.
- **INTERVENTION:** Encourage and facilitate cooperation by employers and workers.

Strategic recommendation 2: Enhance the collection, capacity and coordination of labour market information and analysis.

The lack of a consolidated and comprehensive system for labour market information has been a limiting factor for informed and evidence-based policymaking in Somalia. At present, available data are highly limited. However, the forthcoming results of the 2019 labour force survey, as well as an updated population census will hopefully improve the situation and provide some information on the role of migrant workers. An up-to-date population census will also allow for improved sampling frames for any other forms of nationally representative surveys to be conducted over the medium term. An establishment survey would also be appropriate to understand the composition of labour demand, and again, the role of foreign businesses and migrant workers from this perspective.

Acknowledging the need for systematic labour market information collection in the NEP and the Eight National Development Plan, 2017–2019, was a major step forward in this regard. Nonetheless, it is still necessary to clarify what information is required, and to ensure that there is analytical capacity to use the data effectively. Enhanced capacity and improved coordination of labour market information and analysis is the second strategic recommendation.

- ▶ **POLICY:** Facilitate the establishment of a technical working group or committee on labour market information.

- ▶ **POLICY:** Establish the design of a labour statistics framework that consolidates subnational estimates for key labour market indicators, including information on migrant worker flows and characteristics.

- ▶ **POLICY:** Prioritize a Population Census.

- ▶ **POLICY:** Provide technical support, expert advice and support to the improvement of labour market information and analysis.

- ▶ **INTERVENTION:** Incorporate a labour migration module into the labour force survey.

- ▶ **INTERVENTION:** Implement and/or facilitate implementation of employers and vacancies surveys.

Strategic recommendation 3: Enhance the capacity and coordination of employment services within a wider national employment and jobs strategy.

Employment services play an integral role in the functionality of the labour market and also are an important source of information, particularly around labour demand. Employment services are limited in Somalia. Public employment services appear to be practically non-existent, and limited to the issuance of work permits to migrants. There appear to be no public services that provide basic services such as job matching and information sharing. Instead, private recruitment agencies have some presence in the labour market and largely focus on placing migrant workers in higher-skilled positions and handling the necessary administrative details, such as ensuring a guarantor. However, there is a lack of legislation on and regulation of private recruitment agencies, allowing for potential malpractice to go unchecked.

As such, there are measures that can be taken to help make better use of employment services, in terms of their effectiveness and the information they capture, for the benefit of workers (and jobseekers), employers and the Government. Enhancing the capacity and coordination of employment services within a wider national employment and jobs strategy is the third of the strategic recommendations.

- ▶ **POLICY:** Outline the basics of employment service activities to be provided by the Government and assign roles and responsibilities.

- ▶ **POLICY:** Establish memoranda of understanding between workers' groups and public and private employment agencies on the sharing of labour market information and the sharing of information on workers' rights, including migrant workers' rights.

- ▶ **POLICY:** External stakeholders working with relevant labour market actors, such as refugees, should work closely with employment services and private employment agencies.

- ▶ **INTERVENTION:** Provide sufficient resources to employment services.

- ▶ **INTERVENTION:** Actively promote the use of public employment services, through the encouragement of employers to advertise and seek candidates through these services.

Strategic recommendation 4: Align and establish labour market governance mechanisms to better incorporate migrant workers.

The final strategic recommendation is associated with migrant workers and the implications for labour market governance. In terms of migrant workers and labour market functionality, the system is shaped around a cumbersome process for securing work permits, which are also tied to residency permits, and work permits are limited to one-year renewals. This arrangement, in practice,

basically ensures that only higher-skilled – and therefore higher-paid – potential migrant workers would pursue these formal avenues. Instead, lower-skilled skilled migrant workers enter Somalia via irregular channels and take up work in the informal sector. There is, therefore, a need for a better functioning system that aligns the objectives and capacities of labour market governance, labour migration governance and migration governance.

Regardless of whether workers are higher-skilled or lower-skilled, there is a notion from key informant interviews that equal treatment is generally respected in the workplace. However, there is also a notion that having dual nationality (that is, Somali nationality) makes all the difference in terms of finding work, and so it is possible that lower-skilled migrant workers without dual nationality are in far fewer numbers than those with dual nationality, and are perhaps more likely to face discrimination and difficulties in finding work.

In addition, in February 2020, the council of IGAD Ministers in charge of Labour Affairs and Interiors endorsed the IGAD Protocol on Free Movement of Persons, which Somalia, as a member of the bloc, needs to observe.

Therefore, the fourth strategic recommendation is to align and establish labour market governance mechanisms to better incorporate migrant workers.

-
- **POLICY:** Revise the Labour Code to clarify the position of migrant workers.
-
- **POLICY:** Ratify and comply with the Migration for Employment Convention (Revised), 1949 (No. 97) and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143).
-
- **INTERVENTION:** Design a labour migration policy in alignment with existing policies and strategies on employment, including the NEP.
-

Chapter 1

▶ Introduction

The Intergovernmental Authority on Development (IGAD) region is characterized by a range of migratory movements driven by political, economic and environmental factors, and encompassing different categories of migrants, including economic migrants, refugees and forcibly displaced persons. To date, IGAD and its Member States have already taken numerous steps to govern and address the issue of migration in the region, including adoption of the IGAD Regional Migration Policy Framework and the Migration Action Plan and promising steps taken towards the adoption of the IGAD Protocol on Free Movement of Persons. Both the Regional Migration Policy Framework and the Migration Action Plan have identified the facilitation of labour mobility, transhumance and free movement of persons as a strategic priority. In addition, in 2013, the Summit of IGAD Heads of State and Government adopted a Minimum Integration Plan to serve as a roadmap for regional integration, in which the free movement of persons is a key pillar. To this end, IGAD Member States endorsed in February 2020 a Free Movement and Transhumance Protocol, and steps are underway to accelerate the adoption of a roadmap for implementation of the protocol.

In order to support IGAD and its Member States aspiration towards a free movement regime, the ILO is implementing the European Union Emergency Trust Fund-financed project Free Movement of Persons and Transhumance in the IGAD Region: Improving Opportunities for Regular Labour Mobility. The overall objective of the project is to improve opportunities for regulated labour mobility and decent work within IGAD Member States through the development of models of intervention, in the broader context of free movement of persons and labour mobility in the region. In the long term, the project is expected to extend decent work opportunities

to current and potential migrants within the region, as well as contribute to regional integration; strengthen links between economic growth, climate change and job creation; and enhance the social and economic integration of migrants. The project has two major components: (i) knowledge-building and (ii) operational implementation. One of the main focal areas of the project is to deepen understanding of migration and labour market dynamics in the region, including the constraints and opportunities for employment creation and causes of skills shortages. As part of this knowledge generation component of the project, labour market analyses have been undertaken in IGAD Member States to understand the overall economic, labour, employment and migration dynamics in the countries, focusing on migration prone areas, particularly places of origin, transit and destination.

In this regard, the ILO has commissioned MarketShare Associates to conduct these labour market analyses in IGAD Member States: Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan and Uganda. These are captured in country reports and a regional synthesis report. Each report consists of an analysis of labour force characteristics, job creation patterns, and challenges and opportunities for improved labour market governance to support employment and job promotion. It considers labour market information, employment services and migrant workers, as well as labour market efficiency in the wider socio-economic context. Notably, each of these areas is focused on their relevance to employment and jobs promotion. Finally, the reports provide recommendations on each of these components, at the strategy, policy and intervention levels, respective to each of the social partners. Both primary and secondary data are used in this analysis.

Chapter 2

► **About the report**

This chapter is structured as follows: Section 2.1. outlines the study objective and structure of the report; Section 2.2. provides an overview of definitions and concepts used in the study; Section 2.3. provides an overview

of the primary data approach; Section 2.4. provides an overview of the secondary data approach; and Section 2.5 presents limitations of the study.

► 2.1. Objective and structure of the report

This labour market assessment (henceforth also referred to as “the report”) aims to help deepen understanding of the labour migration and labour market structures and dynamics in the IGAD region. Against this backdrop, the report provides an analysis of Ethiopia’s labour market, paying particular attention to labour migration and opportunities for productive employment for migrants and nationals.

Accordingly, the report provides an analysis of labour force characteristics, an overview of job creation and private sector development, and areas for improved governance for

employment and jobs creation. It draws from available secondary data and new primary data and information collected as part of the study. This primary data and information consist of quantitative information collected through a questionnaire and qualitative data from interviews and focus group discussions with key stakeholders and seeks to fill information gaps and validate secondary data findings. The structure of the main body of the report and the main source of information are as follows in table 1:

► **Table 1. Structure of main body of report and types of data used**

Section of report	Type of data
3. Socio-economic context	
3.1. Socio-economic context	Secondary data
4. Labour force characteristics	
4.1. Labour force	Secondary data
4.2. Migrant workers	Secondary data and primary data
4.3. Skills composition	Secondary data and primary data
5. Job creation and the private sector	
5.1. Economic growth and trends	Secondary data
5.2. Private sector development	Secondary data
6. Labour force characteristics	
6.1. Employment policy and legislation	Secondary data and primary data
6.2. Labour market information	Secondary data and primary data
6.3. Employment services	Secondary data and primary data
6.4. Migrant workers	Secondary data and primary data

The report concludes with recommendations and next steps at the strategy, policy and intervention level, addressed at each of the

social partners, that is, the Government, employers' groups and workers' groups.

► 2.2. Concepts and definitions

Appendix IV provides a glossary of definitions and concepts used in the study. As detailed in this section, the labour market definitions are consistent with the 19th International Conference of Labour Statisticians (ICLS)

resolution on statistics of work, employment and labour underutilization (ILO 2013, and see box 1 below). For clarity, the definition of migrant workers as used in this study is presented below.

► Box 1. The importance of compliance with ICLS definitions and guidelines

The ICLS is the global standard-setting body in the area of labour statistics that convenes every five years. The ICLS sets guidelines for concepts and definitions that allow for consistent measurement and use of terms for all social partners, including labour ministries and national statistics offices, employers' groups and workers' groups. In the context of this study, secondary sources of labour market statistics and primary data and information were collected and compiled. It is important to highlight that these statistics and information are consistent with ICLS standards to allow for effective policymaking in Djibouti and comparability of findings among IGAD Member States.

Source: ILO 2018b.

"Migrant worker" or "international migrant worker" refers to all persons of working age (in this case, aged 15+ is used) present in the country of measurement, who were during the specified reference period in one of the following two categories:

- i. usual residents – International migrants who were in the labour force of the country of their usual residence, either in employment or in unemployment; or
- ii. Not usual residents (or "non-resident foreign workers") – Persons who, during

a specified reference period, were not usual residents of the country, but were present in the country and had labour attachment to the country, that is, were either in employment supplying labour to resident producer units of that country or were seeking employment in that country.

Given the primary data collection element of this study, this definition is in line with the 20th ICLS Guidelines Concerning Statistics for International Labour Migration (ILO 2018b).

► 2.3. Primary data collection

Under the terms of reference for this assignment, primary data collection was prescribed at 400 quantitative interviews, 40 key informant interviews and eight focus group discussions, per country. Data collection focused on migrant prone locations. Quotas were fixed, and a sampling process and fieldwork plan were devised to maximize the value of the data gathered for both for the objectives of this study and for the wider research community. The following sub-sections provide information of the data collection for each component. Primary data collection took place between March and April 2019.

► 2.3.1. Quantitative interviews

Quantitative interviews were conducted in Mogadishu (152 interviews), Dollow (125 interviews), and Kismayo (125 interviews). Enumerators were trained as part of the fieldwork process in each site and were briefed on the objectives of the assignment, the data collection tools and the selection process. Pilots were conducted in each location and verified by team leaders.

Interviews were conducted face-to-face with a standardized questionnaire (provided in Appendix II). The questionnaire was designed to capture the necessary information to be able to calculate variables that complied with ICLS adopted labour statistics concepts and definitions (see Section 2.2.). It should be noted that the structure of the questions is similar to a Labour Force Survey questionnaire in order to allow comparability, however the primary data collection was fundamentally different in that it was conducted as an individual assessment and not a household survey, and was focused only on a subset of variables with additional questions to capture information on migrant workers. The questionnaire contained four modules to capture information in the following areas:

- **Module 1:** Socio-economic characteristics of migrant workers
- **Module 2:** Labour force status of migrant workers

- **Module 3:** Characteristics of employed migrant workers

- **Module 4:** Nature of migrant workers

The locations of Mogadishu, Dollow and Kismayo were proposed for quantitative data collection during the inception phase of the study and agreed upon with the ILO. Each location was selected on the basis that it was a major recipient of migrant workers.

The questionnaire allowed for the identification of migrant workers from IGAD Member States, their migration status and length of stay, distinguishing between those that were in the country for more than six months (long-term migrant workers) and less than six months (short-term migrant workers). Long-term migrant workers were broken down into those who had official documentation (regular migration status) and those who didn't (irregular migration status). While typically a migrant worker's migration status is attached to his or her work permit status, this cannot be assumed in all cases, and so the data presented are by migration status, not migrant worker status.

► 2.3.2. Description of the sample

The sample sought to capture information on migrant workers from IGAD Member States on a range of basic demographic characteristics (see Section 2.6. for sampling process and limitations). Table 2 below provides an overview of the sample, by region, sex and selected indicators. The sample consisted of around 80 per cent male respondents, the median age was 30 years old, and around 66 per cent were married.

As with all samples in this series of reports, the migrant workers interviewed were mainly above 25 years old – 347 respondents out of 402, or 86 per cent, in the case of Somalia. About a fifth of the sample were short-term migrant workers, meaning that they had been in the country for less than six months. Another fifth had been in the country for more than six months and had regular status, and the rest of the sample – 254 persons, or 63 per cent – had

been in the country for more than six months and had irregular status.

The sample as a whole shows very low levels of educational attainment, with almost half of it (189 persons, or 47 per cent) having attained a primary level of education or less. However, at the other extreme, there were 111 respondents who had achieved a tertiary or more level of education, which is a very high proportion when compared to the overall Somali labour force.

The fact that 197 persons in the sample (50 per cent) are classified as being outside of the labour force may seem surprising considering that the methodology specifically targeted migrant workers. Of all IGAD countries surveyed in this series of report, this is the highest incidence of respondents classified as out of the labour force. This may be due to the strict definition of unemployment used to classify respondents for the assessment. Under this definition, three criteria need to be fulfilled to define a situation of unemployment: not having a job, actively searching for a job, and being immediately available to start a job should an opportunity arise. In labour markets that are largely informal, these criteria cannot always be fully observed, and the application of the strict definition results in classifying more people as out of the labour force than if a relaxed definition were to be applied. This explanation is supported by the fact that very few people in the sample (just five) were actually classified as openly unemployed, indicating that working conditions were particularly difficult for respondents. Another explanation to the high level of inactivity among the sample may be that a large proportion of non-working

respondents said they were “looking for work” but not necessarily during the reference period, which would suggest that they arrive first and then pursue opportunities when ready.

The measurement for occupational skills levels is therefore done on a reduced sample, as only those who were classified as employed (n=200) were probed for the skill level of their jobs. Here too the results run contrary to what can normally be observed at the level of the national labour force, with 117 respondents – 59 per cent of the sample – classified as being in high-skilled occupations, and with a minority of the sample (25 respondents, or 13 per cent) classified as being in low-skilled occupations.

Status in employment is, quite obviously, also calculated only out of those classified as employed. Three-quarters of the employed sample (154 respondents out 200) were in wage employment, and 15 per cent (29 out of 200) indicated employing one or more employees. Most work carried out was informal, however, with 162 respondents declaring being informally employed and 51 declaring working in an informal unit. It should be noted that these two categories are not mutually exclusive; in other words, one interviewee may well be both employed informally (that is, without rights to social security, pension, etc.) and at the same time be working for an informal unit (that is, an economic unit that is either not registered or doesn't keep a book of accounts). This indication of high prevalence of informality is consistent with the high levels of informality that can be observed on the Somali labour market (see notably Federal Government of Somalia 2019).

► **Table 2.** Overview of the sample of migrant workers in Ethiopia, by sex, state and selected indicators

Location or indicator	Male	Female	Total
State	319	83	402
Dollow	97	28	125
Kismayo	107	18	125
Mogadishu	115	37	152
Age	319	83	402
15–24	29	26	55
25+	290	57	347

Migration status	319	83	402
Less than 6 months	69	9	78
Irregular status (more than 6 months)	196	58	254
Regular status (more than 6 months)	54	16	70
Educational attainment	319	83	402
Less than primary	47	24	71
Primary	91	27	118
Secondary	71	20	91
Tertiary	101	10	111
Not stated	9	2	11
Labour force status	319	83	402
Employed	175	25	200
Unemployed	1	4	5
Out of labour force	143	54	197
Status in employment	175	25	200
Wage employed	132	22	154
Employer	27	2	29
Own account worker	14	–	14
Contributing family member	1	1	2
No response / unclassifiable	1	–	1
Occupational skills level	175	25	200
Low-skilled	20	5	25
Medium-skilled	50	7	57
High-skilled	104	13	117
Not elsewhere classified	1	–	1
Informality	n.a.	n.a.	n.a.
Informally employed	138	24	162
Working for an informal unit	44	7	51

– = nil; n.a. = not applicable.

Source: Primary quantitative data collection

2.3.2. Key informant interviews

A total of 45 key informant interviews were conducted in Dollow (16 interviews), Kismayo (14 interviews), and Mogadishu (15 interviews).

Interviews were conducted face-to-face in a semi-structured format (see Appendix III). However, interviewers were encouraged to probe outside of the semi-structured guides depending on the type of stakeholder and depending on how the interview was proceeding. A core semi structured interview guide was focused on identifying key drivers of labour migration in the broader economic context, including economic disparities and decent and productive work deficits; formal and informal rules around labour migration governance; and the role of employment

services to facilitate labour migration. Each interview lasted a maximum of one hour.

Interviews were conducted with a wide range of key labour market stakeholders at local, regional and national levels. Consultations with government officials in each locality were also used to identify respondents who could provide information. Respondents included government officials; economists and specialists focusing on rural development and migration; employers across a variety of sectors, community members who are economically active or part of the potential labour force; as well as civil society organizations and non-governmental organizations (NGOs) working in this area. Table 3 below presents an overview of the types of stakeholders interviewed, and the full list of interviewees is presented in Appendix I.

► **Table 3.** Overview of stakeholder interviews

Type of stakeholder	No. of interviews	Examples of stakeholders interviewed
Social partners		
Government	17	Ministry of Foreign Affairs; Ministry of Information; Ministry of Interior; Ministry of Justice; Ministry of Security; Department of Statistics.
Employers and employers' groups	9	Business association leaders; Business owners
Workers and workers' groups	7	Vegetables cooperative; Farmers' cooperative
Other		
International organizations	2	International Organization for Migration (IOM)
GOs, civil society organizations and others	10	American Refugee Committee; Religious community leader; Community leaders

► 2.3.4. Focus group discussions

Focus group discussions were conducted in Dollow (three group discussions), Kismayo (three group discussions), and Mogadishu (two group discussions).

Discussions were conducted in groups of eight to ten people, with a facilitator who used a semi-structured guide to steer conversations around specific areas. The discussions were conducted with host communities and migrant workers, in male and female split groups to prevent social-cultural norms

from undermining open discussions. The discussions sought to gather perspectives around labour migration, including the perceived impact on the economy and local community. Each discussion lasted on average one hour. Quotes from the discussants presented in this report are translated; as such, the authors of the report have lightly edited the translated versions at their discretion to repair typos or basic grammatical errors believed to be the result of translation issues.

► 2.4. Secondary data collection

► 2.4.1. Desk review

A comprehensive desk review of secondary information was conducted to understand the situation and trends related to labour markets and labour migration in Somalia. The labour market analysis took into consideration information published in key planning documents as well as recent labour market analysis and research conducted. It also reviewed labour migration relevant legislation and policies as well as institutional mechanisms related to employment services. A full list of resources reviewed as part of this study is provided in the bibliography.

► 2.4.2. Secondary statistics

A wide range of available secondary statistics were compiled from key statistics sources to support the identification of socio-economic issues, labour market dynamics and labour migration corridors that offer decent and productive employment growth potentials. The main secondary statistics sources used are listed in table 4 below (please note this does not include primary data or reports that were not focused on statistics):

► **Table 4.** Structure of main body of report and sources of secondary statistical data used

Section of report and type of data	Main source(s) of secondary statistics
3. Socio-economic context	
Gross domestic product (GDP)	World Bank – “The World Bank in Somalia”, available at: https://www.worldbank.org/en/country/somalia/overview .
Population	United Nations Department of Economic and Social Affairs (UNDESA), Population Division – World Population Prospects: The 2017 Revision.
Urbanization	UNDESA, Population Division – World Urbanization Prospects: The 2018 Revision.
Poverty and inequality	World Bank – <i>Somali Poverty Profile: Findings from Wave 1 of the Somali High Frequency Survey (2017)</i> ; United Nations Children’s Fund (UNICEF) – <i>Somali Poverty Profile 2016: Findings from Wave 1 of the Somali High Frequency Survey (2016)</i> .
Human development	UNDP – Human Development Indices and Indicators: 2018 Statistical Update.
Migrant stock	UNDESA, Population Division – Trends in International Migrant Stock: The 2017 Revision
Refugee stock	United Nations High Commissioner for Refugees (UNHCR) – UNHCR Population Statistics Database
Remittances	Food and Agriculture Organization (FAO) – Family Ties: Remittances and Livelihoods (2013); World Bank – “World Bank Makes Progress to Support Remittance Flows to Somalia”, press release (2016)
4. Labour market supply	
Labour force	2014 Labour Force Survey; United Nations Population Fund (UNFPA) Population Estimation Survey
Skills composition	2014 Labour Force Survey; United Nations Population Fund (UNFPA) Population Estimation Survey
5. Job creation and private sector	
Economic growth and trends	IOM – <i>Labour Market and Service Skills Assessment in Selected Locations: Somalia Report (2019)</i> ; United Nations Conference on Trade and Development (UNCTAD) – UNCTADstat database.

ILO modelled estimates were used sparingly for regional and country comparisons. The modelled estimates use a combination of data from available household surveys applied to other wider datasets, including United Nations World Population Projections. Nonetheless, data from ILO modelled estimates are not

always comparable with the underlying labour force survey data due to deviations in definitions, among other considerations. Therefore, they are not presented in a comparable manner and where appropriate a footnote is applied to draw attention to this.

► 2.5 Final technical revision and virtual consultation

In its finalization phase, the report underwent a technical revision exercise and was presented to a broad group of stakeholders during a virtual workshop. The technical revision addressed the fact that, due to exceptional circumstances, such as the advent of the Covid-19 pandemic, the publication date of the report was delayed, with the effect that some of the data and information informing the socio-economic and policy sections of the report had to be updated. However, this delay allowed the technical review team (composed of two national and one international experts) to include some last-minute information

about country responses to the pandemic (see Section 3.5.).

The report was then further enriched with comments collected during a final consultation workshop which brought together a large group of stakeholders. In line with restrictions adopted in the wake of the Covid-19 pandemic, the workshop was held virtually. It was organized around four parallel sessions, giving participants the opportunity to intervene in structured discussions along the themes of the report.

► 2.6. Limitations to the study

The above sections have listed some limitations according to each methodological component to the study; however, it is necessary to clarify what this Somalia labour market analysis is and what it is not. This Somalia report is one of a series undertaken in select IGAD Member States (Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan and Uganda) to understand the overall economic, labour, employment and labour migration dynamics in these countries with a focus on migration-prone areas, particularly places of origin, transit and destination. As mentioned above, it contributes to the ILO project's efforts to deepen understanding of migrant workers and labour market dynamics in the region, including the constraints and

opportunities for employment creation and causes of skills shortages.

Firstly, owing to the focus on migrant workers from IGAD Member States, this report is not a standard labour market analysis. This labour market analysis places emphasis on the role of migrant workers in the wider labour market and socio-economic context, and considers how migrant workers can contribute to improved decent and productive employment in Somalia.

Secondly, while a labour force survey exists for Somalia and provides descriptive information of the labour force, the data is fraught with inconsistencies and irregularities that undermine its potential accuracy.

Nonetheless, the data is still used in official channels and so is also drawn upon in Section 4.1. on the characteristics of the labour force. The shortage of data and information on migrant workers in Somalia is addressed through new primary data and information collected on migrant workers, providing new and unique insights into the characteristics of migrant workers in Somalia.

Thirdly, it was initially envisioned that the quantitative interviews would be conducted with migrant workers and national workers in order to allow for comparison between the two groups. This would have been conducted using a random sampling process. However, the required sample of 400 interviews was considered too small to have statistical significance in analysing the differences between the two groups, especially when disaggregating the data further. It should also be underscored that a representative sample was not feasible with 400 interviewees. As a result, the sample targeted migrant workers only using purposeful sampling. Enumerators with local context were able to identify individuals who were engaged in some form of work or actively looking for and available to work, and then to conduct

interviews. Marginal oversampling (a total of 402 interviews were eventually conducted) allowed for the eventuality that some of those who were interviewed were ultimately not be classified as migrant workers according to ICLS guidelines. Those who were classified as out of the labour force are still included in the dataset for analysis and comparison, where appropriate.

Finally, labour migration governance is very relevant to this analysis; however, a parallel study was also commissioned entitled *An Assessment of Labour Migration and Mobility Governance: Country Report Somalia* (ILO 2020b). With this in mind, this Somalia labour market analysis seeks to complement not replicate this other report. The two reports should be seen as accompanying each other. It should also be noted that in this Somalia labour market analysis, migrant workers are considered from the perspective of the labour market and not from a migration perspective. The aforementioned ILO (2020b) report also looks at labour migration governance in the context of wider migration policy and should be consulted to get more information related to this angle.

Chapter 3

► **Socio-economic context**

Somalia is a country located at the tip of the Horn of Africa, bordering Ethiopia to the west, Djibouti to the north-west, the Gulf of Aden to the north, the Somali Sea and Guardafui Channel to the east, and Kenya to the south-west. It holds a strategic location with access to the Bab Al Mandab and Suez Canal. Somalia has a recent history plagued with conflict and instability. Several transition governments have been formed as part of political reconciliation efforts since 2000, and the first internationally recognized Federal Government of Somalia was formed in 2012. Peaceful elections held in 2017 saw a new Government committed to charting a sustainable development path (World Bank n.d.).

The prolonged period of conflict and fragility has left the country with a number of significant challenges resulting in widespread poverty, which is further exacerbated by the country's vulnerability to trade and climatic shocks. Despite this, there are promising signs as the country displays evidence of structural transformation, particularly from traditional pastoralism to services, corresponding to increasing urbanization. However, recurrent drought and terror attacks continue to impact the economy. Nevertheless, GDP growth is expected to continue at around 3 per cent per annum in the short term (World Bank n.d.).

► 3.1. Measuring the size of the economy

Due to shortfalls in macroeconomic accounts, it is difficult to determine the real size of the Somali economy. In 2016, economic activity is estimated to have expanded by 4.4 per cent, primarily driven by growth in the primary and secondary sector (World Bank n.d.). However, Somalia's real GDP growth declined by 2.3 per cent in 2017 as a result of drought. Although Somalia narrowly escaped a famine in 2017, the drought that followed resulted in massive food insecurity that affected over 6 million people. The agriculture sector almost collapsed completely with the loss of crops and livestock, and water and pasture became scarce. This, in turn, led to inflation, as the price of available crops and livestock increased significantly.

Somalia is considered a low-income economy according to the World Bank Atlas method. For the fiscal year 2019, lower-income economies

were categorized as those with a gross national income (GNI) per capita in 2017 of less than \$995 (World Bank 2019b). Somalia's GNI per capita (current US\$) was estimated at \$314 in 2018 (latest year with data available), one of the lowest levels of all countries worldwide (World Bank 2019a).

Pastoralism is widespread and, although there are signs of transitions away from these activities into more modern and urban economic activities, in 2014 as much as a quarter of the population were estimated to be nomadic and engaged in pastoralism (UNFPA 2016). However, continued and worsening climatic events as a result of climate change are driving Somali pastoralists to move further afield in search of pasture. These pastoral communities are highly exposed to drought and degradation owing to the ecologically hostile environments in which they live.

► 3.2. Poverty and inequality levels are high

Data from 2016 suggested that around 51 per cent of the Somali population was living below the poverty line and 31 per cent were living in extreme poverty (World Bank 2017). While there is no national survey measuring changes in poverty levels over time, trends in poverty in the North-West region, home to 25 per cent of the population were measured between 2013 and 2016 (World Bank 2017). Poverty incidence decreased for both urban and rural households, but remains more widespread in rural areas. In urban areas, poverty incidence was 52 per cent in 2016, down from 57 per cent in 2013, compared to rural areas with 64 per cent in 2016, down from 69 per cent in 2013 (UNICEF 2016).

Poverty varies considerably across the Somali population, ranging from 26 to 70 per cent. Regional differences in poverty between the North-East (27 per cent) and the North-West (50 per cent) are much larger than urban/rural variation (45 per cent and 52 per cent, respectively) (World Bank 2017). In urban areas, poverty ranges from 26 per cent in the North-East to 57 per cent in Mogadishu. In rural areas, poverty ranges from 34 per cent in the North-East to 61 per cent in the

North-West. Poverty incidence is highest in internally displaced person (IDP) settlements, where seven out of ten people are poor, with more than 1.1 million Somalis (9 per cent of the population) considered internally displaced (World Bank 2017).

According to the Gini Index, inequality among the Somali population is 0.37 (where 1 is perfect inequality and 0 is perfect equality). This is relatively high, but still significantly lower in comparison to some low-income countries in the region, such as Rwanda which has a Gini Index of 0.50 and the Central African Republic which has a Gini Index of 0.56. Conversely, inequality levels are similar to other countries in the region, such as in Ethiopia (0.33). Within the Somali population, there is greater inequality among urban households than rural households. When looking at urban and rural areas separately, poverty and inequality are positively correlated: the North-East region, where poverty incidence is lowest, has the lowest level of inequality, followed by North-West and Mogadishu, and poverty and inequality in IDP settlements are higher than in any other subgroup or region (World Bank 2017).

► 3.3. Population and human development

Somalia's population was estimated at 15.2 million for 2018 and continues to grow rapidly (UNDESA 2017a). The population is anticipated to grow by 646,000 per year (equivalent to 2.7 per cent growth per annum) between 2018 and 2050. Somalia has a very young population, with 66 per cent under the age of 25 (forecast to decrease to 58 per cent by 2050). At the same time, urbanization is steadily increasing, with 63.8 per cent of the population forecast to be living in urban areas by 2050. In 2015, around 43.2 per cent of the Somali population were living in urban areas, up from 33.2 per cent in 2000 (UNDESA 2018).

Classified as a least developed country Somalia has some of the lowest development indicators in the world, including a very low Human Development Index (HDI) value of 0.285, which ranks it below countries such as Chad, Niger and the Central African Republic that currently occupy the 186th, 187th and 188th places on the HDI ranking list. Somalia's low HDI has remained relatively unchanged over the last decade. The UNDP notes that "inequalities across different social groups, a major driver of conflict, have been widening" (UNDP 2012, xviii). A 2012 survey in Somalia reported that more than 60 per cent of young people plan to leave the country to look for better work opportunities (UNDP 2016).

Reports from the World Food Programme (2020) indicate that Somalia's food security situation is worsening, after a slow recovery from the food security and famine of 2011. The situation is particularly acute in rural areas dealing with poor rainfall and low river water levels, which have stifled the output of the agricultural sector and led to near total crop failures and an increase in livestock prices. As food prices increase, poor households have less access to food thus compromising their

nutrition. Currently, over 2 million people in Somalia cannot meet their daily food requirements, with more than half a million of these people facing imminent starvation. An additional 2 million Somalis will require livelihood support to prevent them from falling into extreme poverty. Roughly 300,000 children under age 5 are malnourished, including an estimated 50,000 who are severely malnourished and at risk of disease and possibly death.

► 3.4. Migration dynamics in Somalia

Inbound and outbound migration in Somalia change on a regular basis. Inbound migration is driven mostly by refugees and asylum-seekers and returnees. Whereas outbound migration is largely driven by the persistent economic crises compounded by the lack of economic opportunities as well as concerns over safety and security.

► 3.4.1. Refugees and asylum-seekers

Somalia hosts over 30,000 refugees and asylum-seekers, including from Yemen, Ethiopia, the Syrian Arab Republic, Eritrea, and the United Republic of Tanzania (UNHCR 2018a). Following the drought of 2017, the number of IDPs in Somalia surpassed 2 million in 2018. Recently, there has been an increase in the levels of return migration of Somalis. This is due to the return of more stable and secure conditions as well as the implementation of a number of agreements, including the 2013 agreement between the governments of Kenya and Somalia and UNHCR to voluntarily repatriate Somali refugees living in Kenya, which led to the return of close to 90,000 Somali refugees from Kenya between 2014 and 2018 (UNHCR 2018b).

► 3.4.2. Return migration

Since 2012, there has also been a wave of Somali expatriates who have returned to Mogadishu and other urban areas in search

of investment opportunities and to take part in the ongoing post-conflict reconstruction process. Through both private efforts and public initiatives like the Somali Diaspora Corps or initiatives by international organizations, such as the IOM's Migration for Development in Africa programme, these Somali expatriates are actively involved in the reconstruction of schools, hospitals, financial institutions and other infrastructure that are contributing to boosting the local economy (Mulupi 2012).

► 3.4.3. Internal migration

Outside of the urban areas of Mogadishu, many Somalis communities are largely nomadic pastoralists or agro-pastoralists. They move and migrate regularly across the country and beyond borders to Djibouti, Ethiopia and Kenya in search of water and grazing land for their livestock. They also migrate for trade and to look for work within or beyond the border. However, since the drought of 2016, estimates suggest that over 700,000 Somalis have been displaced, including these nomadic and agro-pastoralist communities (Bulut and Mohamed 2018). Many Somalis have migrated to Europe, the United States of America and the Middle East to take up jobs as construction workers, drivers, house cleaners, maids and guards. Some have also been successful in landing more technical and professional roles. This has contributed to a significant increase in the amount of money flowing into Somalia through remittances.

3.4.4. Migration outflows

Currently, there are an estimated 2 million Somali migrants worldwide, including those who left in search of better economic opportunities and those who left to seek asylum. The United Kingdom of Great Britain and Northern Ireland has the largest Somali diaspora in Europe, followed by the Netherlands, Norway, Sweden and Italy. Canada and the United States have large Somali diaspora populations as well, with locations such as Minneapolis, Toronto and Ohio having prominent Somali communities (World Bank 2016).

One of the key features of migration out of Somalia is that a lot of the migrants are young. In the face of insecurity, conflict and other economic and social factors, Somalia is witnessing unprecedented levels of youth emigration. Youth in both urban and rural areas are acutely affected by the lack of employment and livelihood opportunities as well as marginalization. Reports indicate that the current migration issue is affecting different regions differently, with some regions such as Beledwenye, Burco and Bosaso experiencing higher rates of youth migration than others (Wasuge 2018). Although located in more volatile and insecure locations, Baydhabo, Mogadishu, Gaalkacyo and Kismaayo have lower rates of youth migration compared to other regions.

There are twice as many young men embarking on the migration journey as young women, possibly related to the extreme hardship and difficult circumstances that mark the process, as recounted by those who have attempted the journey. Burco is a place of origin for more female migrants than most cities, but even in this city outbound migration by young male migrants still outnumbered that of young female migrants. Due to high demand, well established human smugglers and strong smuggling networks have emerged to encourage and facilitate the mass youth migration. There are three

main migration routes currently: (i) crossing by sea to Yemen and travelling on to the Gulf countries; (ii) migrating south through Kenya to South Africa; and (iii) west through Sudan and Libya to cross the Mediterranean Sea to reach Europe. Most Somalis who arrive in Europe seek asylum, with the most popular countries of asylum including Germany, Sweden, Austria, Belgium, Finland and France. In 2015, 63 per cent of Somali asylum applications in Europe were successful (Wasuge 2018).

3.4.5. Remittances

Migration outside of the IGAD region is a major source of remittance inflows to Somalia and points to the need to better understand, track and manage migration flows. Remittances accounted for US\$1.2 billion in 2013 (FAO 2013), reaching up to 1.4 billion US\$ in 2015 and accounting for 23 per cent of Somalia's GDP (World Bank 2016b). However, the World Bank (2020b) projects that the economic recession due to the Covid-19 pandemic would lead to a decline in remittances of about 20 per cent, which would affect the sources of income for developing countries like Somalia. Notably, remittances to Somalia are largely from two regions: North America and Europe. Based on data from previous years, in normal times Somalia would typically receive 26 per cent of all remittances from the United Kingdom, 20 per cent from the United States, 9 per cent from Sweden and 6 per cent from both Canada and Norway. Germany is also gaining prominence as a preferred migrant destination for the Somali diaspora. Other regions of significance in terms of remittance flows to Somalia include the Gulf countries, in particular Saudi Arabia and the United Arab Emirates. Djibouti and Kenya are also important sources of remittances given their close proximity and the strong cross-border and business relationships with Somalia (FAO 2013; World Bank 2016b).

► 3.5. COVID-19 and migrant workers in Somalia ³

There is little existing data on how many migrants in Somalia have contracted or died as a result of COVID-19. Healthcare in Somalia is limited and many people who are believed to have died of COVID-19 were not able to visit a hospital or receive appropriate healthcare.

The Covid-19 testing capacity in Somalia is limited. When the first cases were diagnosed in Somalia, there were no laboratories that could be used to test the virus. Testing kits were sent to other countries, such as Kenya. After a few months, three testing laboratories were established in Mogadishu, Garowe and Hargeisa. More recently, over 40 laboratories used for tuberculosis were readjusted and are currently used to test a limited number of suspected COVID-19 cases per day. However, there were no testing facilities conducted in places where IDPs and migrants usually live.

Migrant workers in Somalia are engaged in some occupations considered as frontline occupations, specifically in the service industry, such as restaurant workers. They are not usually present in other hotspot occupations such as healthcare, transportation, construction and/or agro-food processing.

Some of the local and informal sectors that COVID-19 has had the greatest impact on either directly or indirectly include small- and medium-sized businesses such as roadside cafes, milk and tea vendors, hawkers, vegetable and fruit sellers, restaurants, teashops, shoe shiners, travel agencies, khat traders/sellers, remittances, Bajaj drivers, school and university teachers, clothes businesses and other imported goods businesses (Abdullahi and Sharif 2020). Considering the extent of informality in Somalia, both among national and migrant workers (see figures 4 and 5 below), many workers are at a high risk of contracting the virus.

A number of measures have been taken by the Somali Government to curb the spread of the virus, such as stopping all domestic and international flights, restricting the movement of people and businesses, and imposing a night curfew in Mogadishu. Economic measures have also been taken to cushion the economic impact of COVID-19, for instance by rolling out a 100 per cent tax exemption for commodities like rice and dates, and a 50 per cent tax waiver for wheat flour and cooking oil. However, none of these measures apply specifically to migrants or migrant workers.

³ This is an early qualitative assessment, following the methodology set out by the ILO Policy Brief of April 2020 “[Protecting Migrant Workers during the COVID-19 Pandemic – Recommendations for Policy-makers and Constituents](#)”.

Chapter 4

► Labour force characteristics

This chapter provides an analysis of labour force characteristics in Somalia and is structured as follows: Section 4.1. outlines the overall labour force including the state of employment by sector and status; Section 4.2. provides a snapshot of the labour market characteristics of migrant workers, as derived from primary data collected as part of this study as well as secondary data; Section 4.3. examines the skills composition of the Somali labour market including migrant workers in Somalia; and Section 4.4. summarizes the findings of the chapter in relation to labour force characteristics in Somalia.

The main challenge in Somalia for understanding the labour force characteristics of the population is the absence of quality data on the labour market (see Section 6.2.). Promisingly, a labour force survey was undertaken in 2019–20 and the report is due

for release in November 2020, but not in time for the finalization of this labour market study. Instead, the main source of information is a labour force survey conducted in 2014. However, the report remains unpublished; the data are not publicly available; and the report has not yet been officially validated by the ILO. In addition, there are data quality issues in the report. Nonetheless, the Government has used findings from this report in the National Development Plan (NDP) and elsewhere, and so despite the shortfalls this source is also used to support this chapter. The chapter also refers to findings in the ILO (2019) employment diagnostic report that was conducted in support of the development of the draft National Employment Policy (NEP). In addition, alternative sources are highlighted where relevant, often highlighting vastly different findings.

► 4.1. Labour force

According to the 2014 labour force survey, Somalia's labour force participation rate was estimated at 66 per cent (ILO, unpublished). This figure differs from the labour force participation rates quoted elsewhere, including 50.2 per cent as per the Population Estimation Survey conducted by the UNFPA in 2014 (UNFPA 2016) and 47 per cent as per the World Bank's High Frequency Survey (World Bank 2018). Such diverging figures

can be attributed to a number of possible components, including differing definitions, differing areas of coverage as well as the lack of a recent Population Census and therefore a common sampling frame. There are also some peculiarities in the labour force participation rates and inactivity rates cited in the 2014 labour force survey report, leading to significant doubts over the accuracy of the data.

► 4.2. Employment by sector and occupation

While data is provided for employment by sector and occupation in the 2014 labour force survey, the findings are mixed with regard to the share of workers engaged in agriculture. Employment by sector data suggests that around 28.5 per cent of the population were engaged in the agriculture sector across the regions interviewed in the survey. A much greater proportion of women (50.7

per cent) were recorded as being engaged in agriculture, compared to 27.1 per cent for men. Employment in agriculture was highest in Middle Shabelle (68.3 per cent) and Lower Shabelle (40.1 per cent) (ILO, unpublished). However, according to the UNFPA (2016), the share of the employed population engaged in agriculture, livestock and fisheries was estimated at 62.8 per cent, with 9.8 per cent

in skilled agriculture, forestry or fishery work. According to the World Bank and the Food and Agriculture Organization (2018), around 46 per cent of the employed population were engaged in agriculture, of which 25 per cent were in crop cultivation, 9 per cent in herding, 4 per cent in fishing and 7 per cent in related activities, such as forestry and agro-processing.

Regarding the service sector, around 12.8 per cent of the employed population were engaged in human health and social work, 10.9 per cent in education, 7.2 per cent in transport and communication, and 8.6 per cent in domestic work, according to the 2014 labour force survey. While occupational categories in the survey do not align directly

with sectoral activities, certain occupations that are more service oriented include service and sales workers, which accounted for 14.1 per cent of the employed, and craft and related trade workers, 4.8 per cent (ILO, unpublished).

The 2014 labour force survey captures a negligible number of workers engaged in the industrial sector (besides one seeming outlier that suggests half of women are working in mining and quarrying) (ILO, unpublished). Although a report on artisanal and small-scale mining across the world suggests that such activities are likely to take place in Somalia, there are no estimates for those engaged in these activities (IGF 2017).

► 4.3. Status in employment

By status in employment, around 46 per cent of the employed population were estimated to be wage and salaried workers according to the 2014 labour force survey (ILO, unpublished). The share was higher among those in rural areas at 58.4 per cent compared to 44.5 per cent among workers in urban areas. By sex, women were less likely to be wage and salaried workers at 28.5 per cent, compared to 51.9 per cent for men.

Around 36.7 per cent of the employed were estimated to be own-account workers according to the 2014 labour force survey (ILO, unpublished). Women (46.6 per cent) were more likely to be employed as own-account workers than men (33.5 per cent). Own-account work was less common in rural areas (33.7 per cent of workers) than in urban areas (38.5 per cent). Typically, own-account work is higher in rural areas in countries like Somalia where there is high incidence of agricultural employment. The higher share in urban areas would therefore suggest a prevalence of informal employment in the services sector.

Contributing family work is relatively low according to the 2014 labour force survey, at around 3.3 per cent of all workers (ILO, unpublished). Contributing family work accounted for a higher share of women workers (6.7 per cent) than men workers (2.1 per cent). It is likely that there are errors in the data, however, as the survey found no incidences of contributing family work in rural areas. It is unclear if these workers were not classified as employed or were misclassified in other employment statuses.

A total of 9.9 per cent of the employed population are classified as employers, with employer status being more common among employed women (11.6 per cent) than men (9.3 per cent). Again, this finding is atypical of countries in the region and of Somalia's level of economic development, however, alternative sources of information on women in the private sector suggest that women may run as many as 60 per cent of all businesses in Somalia (AfDB 2017). The share of workers classified as employers was higher in urban areas at 11 per cent, compared to 7 per cent in rural areas (ILO, unpublished).

► 4.4. Working poverty

Around 71.5 per cent of the employed population of Somalia were classified as living in working poverty in 2018, earning less than the international threshold for the extremely poor (less than \$1.90 PPP ⁴per day in 2018), according to ILO modelled estimates (ILO

2020a). According to these estimates there has only been a marginal decline in poverty levels over the previous two decades, with the proportion of those living in working poverty estimated at 74.3 per cent in 2000.

► 4.5. Migrant workers

► 4.5.1. Estimating labour migration movements in Somalia

There is a shortage of information on international migrant workers in Somalia. As detailed in Section 6.2. (on labour market information), the only data that exist on migrant workers is work permit data collected by the Government. This is therefore limited to formal and typically higher-skilled migrant workers, such as those from international aid agencies and the African Union Mission in Somalia (AMISOM) (ILO 2020b).

Key informant interviews suggest that the vast majority of migrant workers in the country are informal and therefore unlikely to be captured in the database of work permits issued. This would include migrants from the IGAD region and the Middle East who may work in the hospitality, information technology and construction sectors, and also as domestic workers. At the same time, Somalia hosts refugees and asylum-seekers, mostly from the Horn of Africa region and Yemen (ILO 2020b).

Somalia also presents a relatively unique case with regard to migrant workers, this being around dual nationality. Findings from the quantitative data collected in this study (and supported by key informant interview

findings) show that the main reason invoked by respondents to justify their moving to Somalia is for purposes of work (89 per cent), followed by reasons of conflict (9 per cent), although this is complicated by the mixed migration nature of flows into and through the country. However, to work legitimately requires documentation (see Section 6.4.) and the Government is favourable to those with any ethnic Somali background. As a result, as revealed during interviews with key informants, it is common for migrant workers to seek dual citizenship – that is, Somali citizenship in addition to that of their country of origin. Around 12 per cent of those interviewed as part of the quantitative data collection in this study had dual citizenship.

A second unique finding in the quantitative data for Somalia was that a high proportion of migrants were classified as being out of the labour force. As detailed in Section 2.2., international migrant workers refer to those who were either working or unemployed. In the case of the sample in Somalia, many considered themselves unemployed or looking and available for work, although upon analysis, it was found that they did not necessarily satisfy the ILO's strict criteria of actively looking for work in a given reference period. They were therefore classified as out of the labour force rather than unemployed.

4 PPP = Purchase power parity.

As supported by key informant interview findings, members of the Somali diaspora have clan and family connections in Somalia, even if they had lived their entire lives in a neighbouring country (that is, they may be able to secure dual nationality status). As detailed above, it is relatively easier for those with dual nationality to come to Somalia without a job in hand and look for opportunities, either as investors or entrepreneurs, or in the labour market. As they tend to have access to networks of families and clans that can help them find a job, it is less of a problem to arrive without arranging a job in advance and they are under less pressure to do so. As the country has become more stable, the influx of those who can claim Somali dual nationality moving to Somalia to pursue potential opportunities has increased dramatically, which is reflected in this data.

Finally, a large proportion of non-working respondents said they were “looking for work” but not necessarily during the reference period, as it would suggest that they arrive first and then pursue opportunities when ready. As a result, the information is primarily shaped around migrant workers who are employed; however, findings on the non-employed (unemployed and outside the labour force) are referred to where appropriate.

“The process of getting job is very challenging, full and hectic for both male and females. You need to get a council of elders known from the city or someone working for the Government to help you to get the job. After successfully getting the job, you submit all required documents and you finally pass security checks, and once you get the job you can freely work peacefully.” – Focus group discussant

4.5.2. Characteristics of the migrant workers of the sample

Primary data collected as part of this study identified migrant workers' migration status and length of stay. Namely, those that were in the country for more than six months in terms of whether the migrant had official documentation (regular migration status) or not (irregular migration status). It was not captured for those in the country for less than six months. While a migrant worker's work permit status can be attached to their migration status, this cannot be assumed in all cases, and so the data presented are by migration status, not migrant worker status.

Characteristics of the migrant workers in the sample are represented in figure 1 below. This graph is designed to put a spotlight on the salient characteristics of the sample in review. Some of the labour market indicators are expressed out the total number of employed respondents in the sample (n=200, see section 2.3.2 for additional explanations), such as status in employment, occupational skill level, and formal or informal employment. Other indicators are expressed out of the whole sample (n=402), including age, migration status and educational attainment.

The Somali labour force does not seem to attract youth or skilled workers, as 86 per cent of the sample was above 25 years old, and 48 per cent had attained a primary level of education or less. The relatively high age among the migrants of the sample is actually a recurring trait for all countries covered by this study.

Among those who were employed, a high share (59 per cent), especially when compared with other countries of this report series, were engaged in high-skill occupations. This does not necessarily translate into quality jobs, as 81 per cent of these workers in high-skilled employment were employed informally and 63 per cent had irregular migration status.

Among the employed migrant workers interviewed as part of this study, 77 per cent were employees; 14 per cent were employers; 7 per cent were own-account workers; and a negligible amount were contributing family

workers. This should be treated as a sampling characteristic rather than a reflection of the composition of the migrant worker population in Somalia.

► **Figure 1.** Selected characteristics of the migrant workers sampled

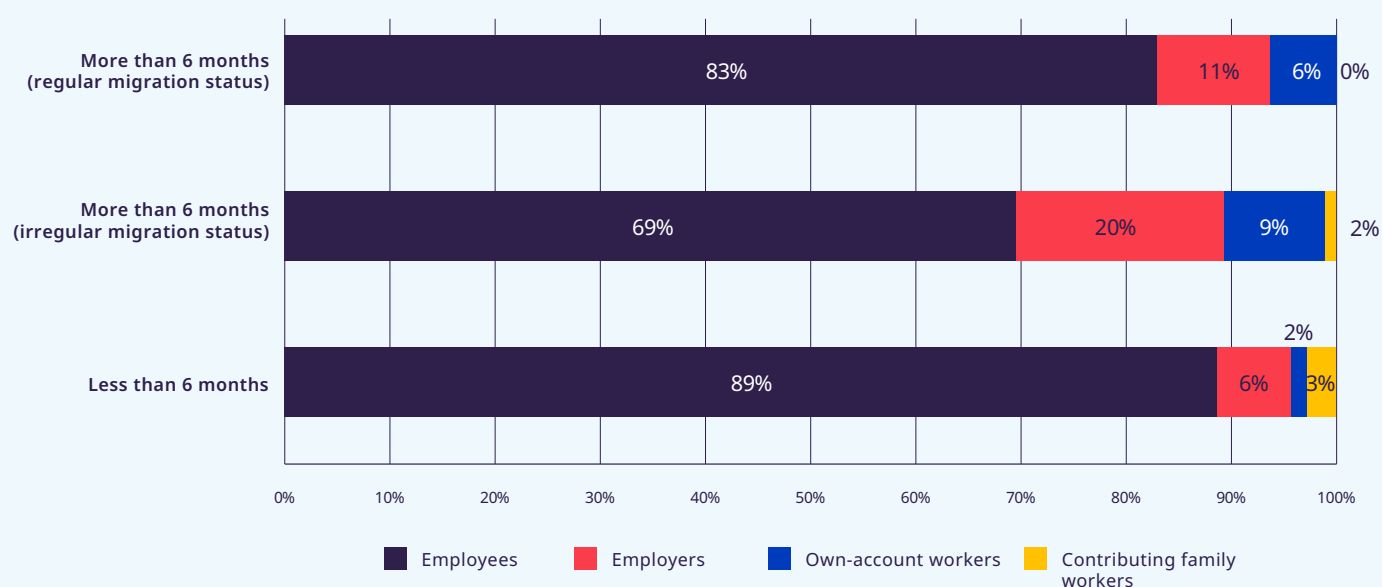


Note: The sample group for occupational skills level, status in employment, and informality only includes employed respondents (n=200). All respondents (n=402) are considered for education attainment, migration status, and age. Source: Primary quantitative data collection.

However, comparisons by length of stay and migration status do shed some further light on their relationship with status in employment. Figure 2 shows that while “employee” status is common across the three categories, it is highest among short term (less than six months) migrant workers and among those with regular migration status. This is consistent with the work permit process and its one-year renewal terms

(see Section 6.4.). It also suggests that the work permit process (which is tied to one’s residency permit) may present an obstacle to being an employer, that is to setting up a business that employs others. This can be seen by the paucity of regular migrant worker respondents who were employers; indeed, 72 per cent of employers in the sample had irregular migration status and had been in the country for more than six months.

► **Figure 2.** Status in employment, by migration status and length of stay (n=200)

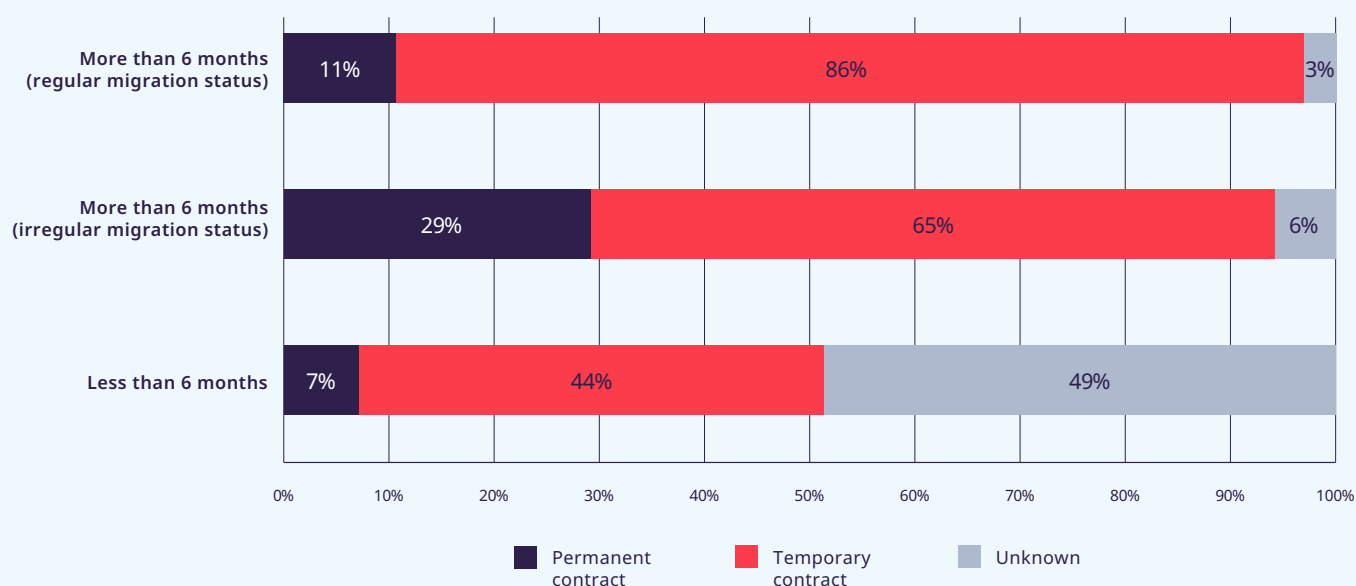


Source: Primary quantitative data collection.

A breakdown of types of employee contracts suggests that the vast majority were on temporary contracts. Again, this is consistent with the regulations in place for work permits and their annual renewal basis. The data shows that long-term migrant workers with regular migration status were most likely to have temporary contracts at 86 per cent, compared to 65 per cent for long-term migrant workers with irregular migration status. On the other hand, 29 per cent of long-term migrant workers with irregular migration

status had permanent contracts, suggesting that increased employment stability was more feasible in an irregular migration context and underlining the fact that current procedures are counterproductive. For short-term migrants, however, the situation was very unclear, as for 49 per cent of them it was not possible to define the type of contract they had. It is possible that these workers were working without any form of written or oral contract.

► **Figure 3** Type of employee contract, by migration status and length of stay (n=200)



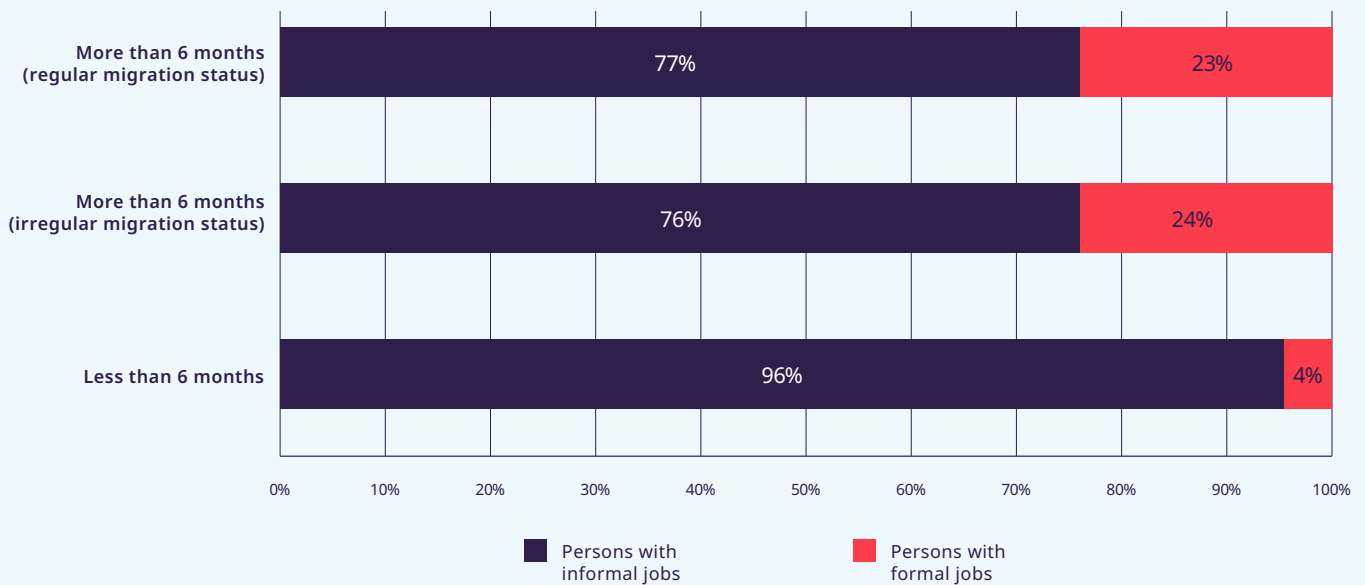
Source: Primary quantitative data collection.

The incidence of informality is gauged through two metrics. The first metric estimates the share of informal employment (figure 4), whereby a respondent's employment is assessed through criteria such as social security, paid leave and sick leave entitlements. The second metric assesses the unit of production employing the migrant worker (figure 5), on the basis of its registration status and whether or not the business keeps a book of account (see Module 3 from the questionnaire in Appendix II). The combination of the two provides insights not only into the prevalence of informal employment, but also into the intersection

and overlap of formality and informality in employment and in the economy.

Around 81 per cent of employed migrant workers interviewed were in informal employment, that is, employment with no social security entitlement, paid sick leave entitlement or sick leave entitlement. The share was highest among short-term migrant workers (96 per cent), compared to longer-term migrants whose shares of informal employment were similar (around 76 per cent for both), regardless of their migration status (figure 4).

► **Figure 4.** Informal employment, by migration status and length of stay (n=200)



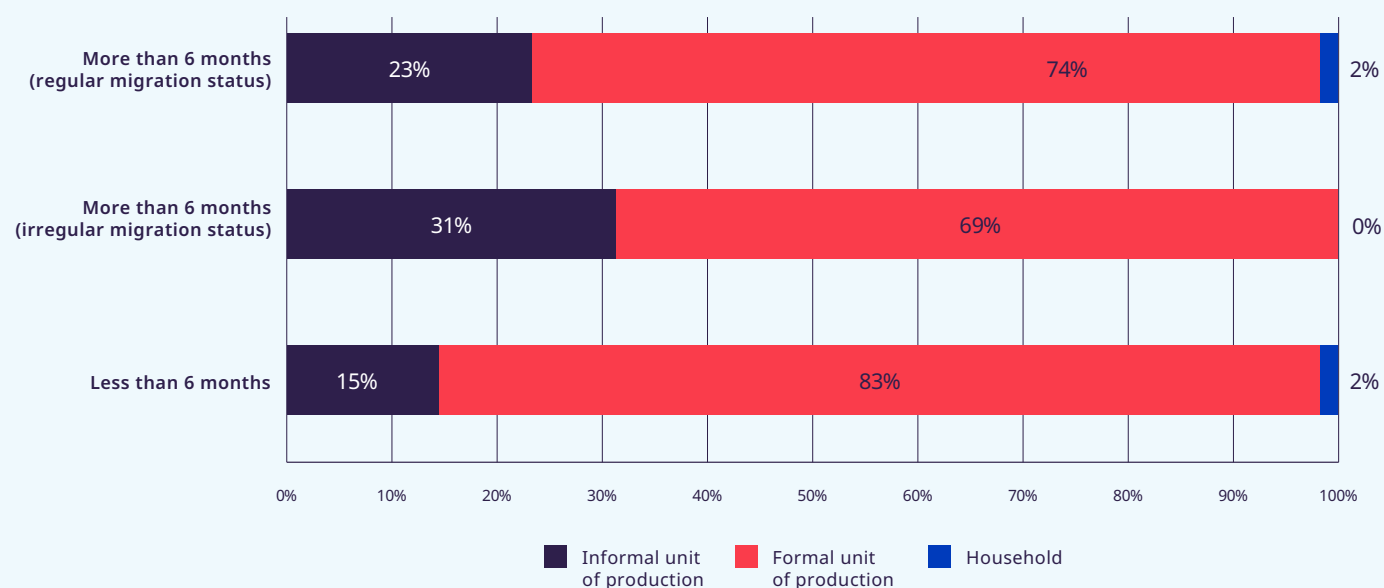
Source: Primary quantitative data collection.

While the regular or irregular migration status bore little impact on the access to formal employment, it did have some bearing on the likelihood of working in a formal enterprise (unit of production). Nearly three-quarters of long-term migrant workers with regular migration status were in formal enterprises compared to 69 per cent of those with irregular migration status (figure 5).

As mentioned above, the results shown in figures 4 and 5 are complementary. It is perfectly possible for a respondent who is informally employed to be working for either a formal or informal unit. This is because formality and informality are often closely

intertwined. Furthermore, in the case of Somalia, the quantitative data suggests that migrant workers from the sample do not follow the national pattern, where informality among economic units is much more prevalent at national level (see for instance, Federal Government of Somalia 2019, and informality reports in the National Employment Policy). Migrant workers from the sample are more likely to be employers than national workers in formal enterprises, but this does not always translate into better and formal jobs. This points to issues that more effective labour inspection should address.

► **Figure 5.** Employment in informal enterprises (units of production), by migration status and length of stay (n=200)

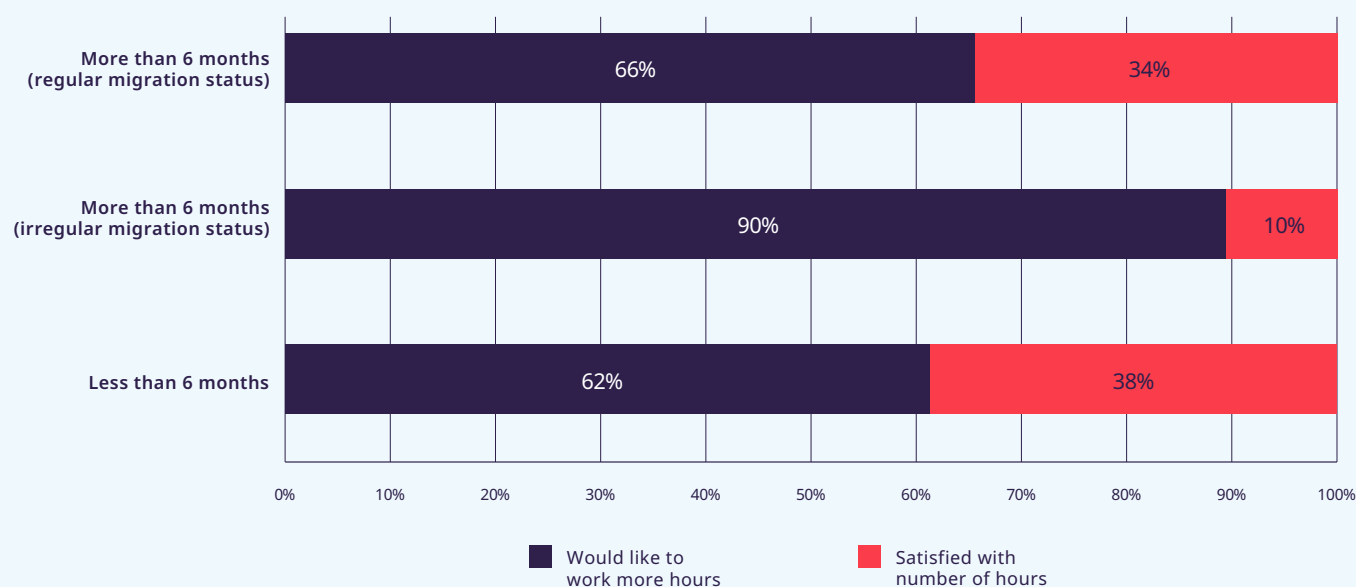


Source: Primary quantitative data collection.

Underemployment appears to be fairly common among the employed migrant workers interviewed as part of this study. For instance, 60 per cent of employed respondents were looking for another job. This is consistent with the fact that 77 per cent were considered to be in time-related underemployment (figure 6). The respondent grouping with the largest share of time-related underemployment were long-term migrant workers with irregular migration status (at 90 per cent).

Underemployment was less prominent – but still high – for both long-term migrant workers with regular migration status (66 per cent) and short-term migrant workers (62 per cent). The findings largely correspond to average earnings, with those with irregular migration status earning less on average relative to their more regular counterparts. These indications of underemployment point to the lack of decent and productive opportunities available to migrant workers in Somalia.

► **Figure 6.** Informal economy (unit of production), by migration status and length of stay (n=379)



Source: Primary quantitative data collection.

► 4.6. Education and skills composition of the Somali labour force

This section provides an overview of the skill and education composition of the labour force. It looks at the education and skill composition as per the 2014 labour force survey and presents findings on the skills composition of migrant workers, as per primary quantitative data collected and key informant interview findings. It also highlights some implementation issues around the provision of technical and vocational skills training as drawn from key informant interview findings.

► 4.6.1. Educational attainment of the Somali labour force

According to latest available labour force survey data, 36.4 per cent of the labour force in Somalia had attained some form of primary level of education (either lower primary or upper primary); a further 36.9 per cent had attained a secondary level of education (this includes vocational education for the purpose of this study); and around 24.8 per cent had attained a tertiary level of education, with 1.9 per cent classified as “other” (ILO, unpublished). These figures present an unusually high level of educational attainment across the labour force, and suggest that possibly those who had never studied were not included in the distribution. As a result, it is difficult to know if this figure is the distribution of only those who had at least some degree of attainment, and if so, what share of the working-age population had a less than primary level of education.

The UNFPA Population Estimation Survey was able to provide some education characteristics of the working age population and the labour force, but did not provide numbers to be able to ascertain the distribution. Nonetheless, it suggested that among those who had no

education, 44.9 per cent were employed, 12.7 per cent were unemployed and 42.5 per cent were economically inactive (UNFPA 2016). For those with a primary level of education the share who were employed was lower (38.4 per cent), with a higher share of both unemployed (16.8 per cent) and economically inactive (37 per cent). For those with a secondary level of education, the share who were employed rose again to 44.8 per cent, but with a higher share who were unemployed (18.2 per cent) and a lower share who were inactive (37 per cent). This trait was extended for those with a tertiary level of education, at 59.8 per cent employed, 19.1 per cent unemployed, and 21.2 per cent inactive. This suggests that while the share who are employed increases at higher levels of education (secondary and tertiary), the increasing unemployment rate suggests that decent and productive opportunities are unavailable to all those with these levels of education.

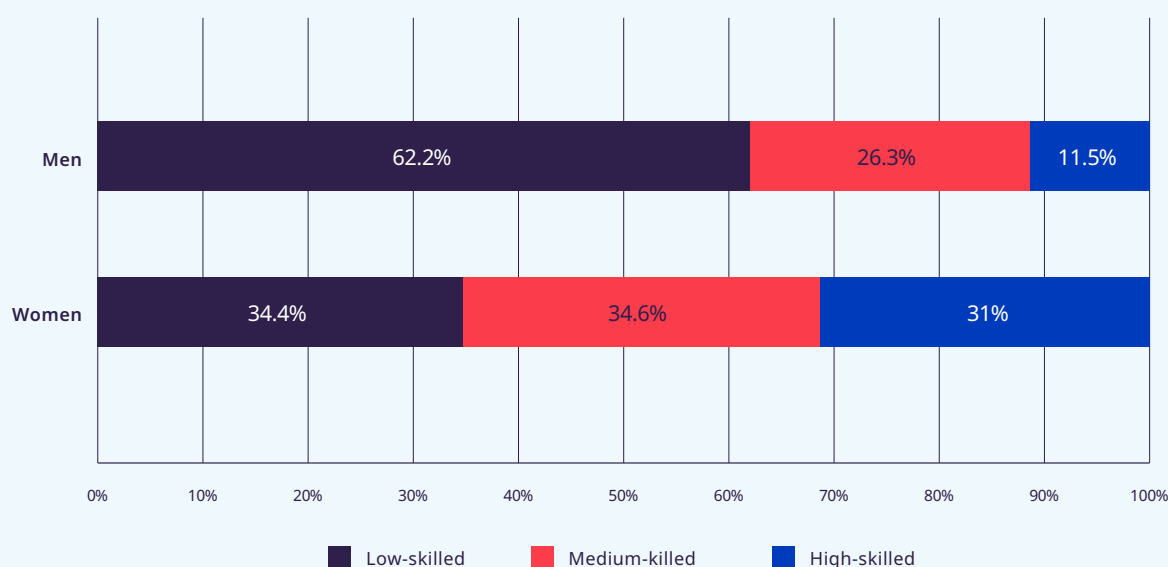
Gender gaps in educational attainment have direct implications on the types of occupations men and women have access to and therefore earnings and the likelihood of obtaining wage and salaried work. There is little information on education characteristics of the employed population disaggregated by sex, but certain traits in the general population point to likely widespread gender disparities in access to education and therefore in the educational composition of the working-age population. For instance, around 36.3 per cent of men and 29.7 per cent of females had completed secondary school education, while an estimated 20.8 per cent of males compared to only 9.5 per cent of females have completed university education. The overall literacy rate for males and females were 73.1 per cent and 50.6 per cent, respectively (ILO 2019).

4.6.2. Occupational skill level of the Somali labour force

According to the labour force survey, the largest share of the employed population worked in low-skilled occupations (41.0 per cent), which consist of elementary occupations. A further 32.6 per cent were in medium-skilled occupations, including

services and sales, skilled agriculture, and crafts and related activities. The remaining 26.3 per cent were in higher-skilled occupations, namely managers, professionals, and technicians and associates. The share of employed women in low-skilled occupations was considerably higher than men, at 62.2 per cent compared to 34.4 per cent, respectively (figure 7).

► **Figure 7.** Occupational skill levels in Somalia's employed population, by sex



Source: ILO, unpublished.

While primary data was collected on migrant workers displaying their education and skill composition, the shortfalls in data for the Somali labour force and employed population make it difficult to draw comparisons. Some comparisons are feasible concerning occupational skill levels, however.

4.6.3. Educational attainment and occupational skill levels of the migrant workers in the sample

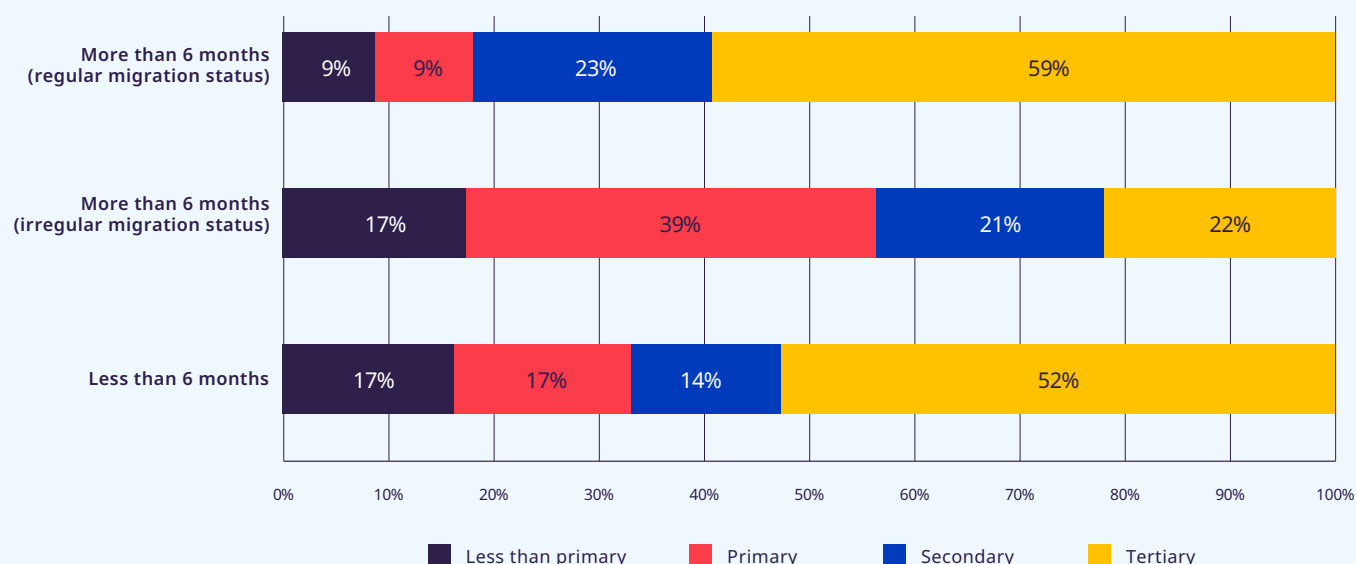
The educational composition of employed migrant workers interviewed as part of this study showed that 40.5 per cent had attained a primary level of education or less and that 19.0 per cent had a secondary level of educational attainment. A total of 35.5 per cent had a tertiary level of education. Notably, there were significant differences between

the employed migrant workers interviewed and those who were unemployed or out of the labour force. This latter collective group were instead more likely to have a primary or less level of education (53.5 per cent).

By migration status and length of stay, there were some differences, most significantly between long-term migrants with regular migration status and those with irregular

migration status (figure 8). The main difference was the higher share of those with a tertiary level of education, which stood at 59 per cent for those with regular migration status compared to 22 per cent for those with irregular status. The distribution by educational attainment was similar for short-term migrant workers and long-term regular migrant workers.

► **Figure 8.** Migrant workers' educational attainment, by migration status and length of stay (n=402)



Source: Primary quantitative data collection.

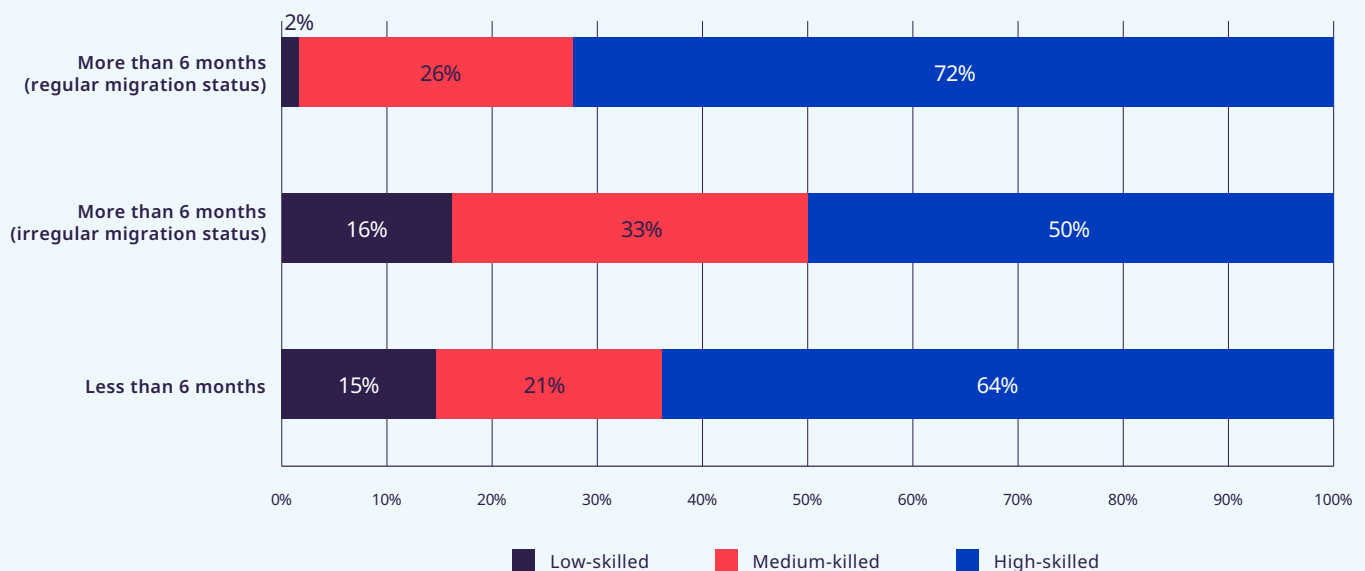
Consistent with the education profile of the migrant workers interviewed, long-term migrant workers with regular migration status and short-term migrant workers were more likely to be in high-skilled occupations (72 per cent and 64 per cent, respectively) (figure 9). A relatively high share of long-term migrant workers with irregular migration status also were in higher-skilled occupations, but to

a lesser degree. This suggests that there is demand for higher-skilled migrant workers, even in cases where their migration status might be irregular. It should be noted that key informants highlighted the higher propensity for skilled migrant workers to be based in Mogadishu, which can also explain the higher share displayed in this sample.

"Migrants normally do skilled jobs, technical jobs that are hard for most people to do; because these people coming to the country in search of a job are mostly educated. Getting a job depends on the individual's hard work and experience. For example, someone with PhD or master's degree has more chance of getting a job early than someone with a diploma or secondary level [degree]. Though there is no specific jobs for locals and for migrants, the local people mostly do unskilled jobs. They take part in construction making breaks and slabs and helping the engineers. Therefore, if the migrants are not educated, it's very hard for them to get non-skilled jobs." – Focus group discussant

The share of migrant workers who were in lower-skilled occupations was similar for long-term migrant workers with irregular migration status (15 per cent) and for short-term migrant workers (16 per cent). It suggests that short-term work is more available for the lower skilled, but also that it is available for those with irregular migration status. For those with regular migration status and in the country for more than six months, low-skilled work accounted for less than 2 per cent of those interviewed.

► **Figure 9.** Employed migrant workers' occupational skill composition, by migration status and length of stay (n=200)



Source: Primary quantitative data collection.

Vocational training is only accessible in urban areas and availability is limited, so that only a small share of the population take part. ILO (2019b) estimates suggest that only 3 per cent of men and 2 per cent of women in urban

areas have gone through vocational skills training, with nomadic populations receiving no vocational or skills training at all. It is not clear whether migrant workers have access to vocational training facilities.

► 4.7. Conclusions

The main challenge with understanding labour force characteristics in Somalia is the lack of reliable and robust data to draw from. There is data available, such as the UNFPA Population Estimation Survey, but it does not provide the comprehensiveness of a labour force survey. Further, it does not comply with ICLS recommended definitions. The forthcoming 2019–20 labour force survey will be a welcome development in this regard, and presuming the data are of high quality, will also allow for more evidence-based policymaking around employment and job creation.

Nonetheless, drawing from data from all surveys available, key informant interviews and the formal stance of the Government in its NDP, Somalia appears to have relatively low labour force participation rates, though it is difficult to ascertain exactly how low. For those who have jobs, informality is widespread. Working poverty is also widespread, with

more than seven in 10 workers and their households estimated to be earning less than the \$1.90 a day (PPP) extreme poverty line.

Primary data collected as part of this study provided a unique insight into a sample of migrant workers. It found that migrant workers were typically higher-skilled and often landed work of an equivalent level. Notably, key informant interviews suggested that it can be challenging to obtain the paperwork and go through the process to secure a work permit, and instead, it was more common for eligible IGAD nationalities to claim dual citizenship to facilitate the process of working and living in Somalia. Similarly, those with any Somali ethnicity (that is, dual nationals) were in a more favourable position owing to family and clan links. This was considered such an important factor in finding work that a number of focus group discussants and key informants suggested it was a game changer for many migrant workers.

Chapter 5

- ▶ **Job creation
and the private
sector**

Job creation is recognized as a central avenue to achieving sustainable and inclusive growth, as reflected in the National Employment Policy (NEP). This is consistent with the stance portrayed in the National Development Plan (NDP), which includes jobs targets of the creation of at least 50,000 formal jobs per year and a reduction in the cost of doing business by at least 5 per cent per year between 2016 and 2019 (Federal Government of Somalia 2017). Job creation is also considered fundamental in contributing to political stability and for reintegration of former combatants and lasting peace:

"[The NEP] rests on the recognition that job-rich, sustainable and inclusive growth is growth that makes good use of Somalia's key asset, its labour force. This requires, in turn, an economic policy mix that extends beyond one-sided approaches to opening up and to business environment reforms, into a pro-employment policy agenda." – National Employment Policy (Federal Government of Somalia 2019, 2)

While job creation and the composition of labour demand is most accurately gauged by vacancies or employer surveys and information collected by public employment services and labour ministries, such information is not readily available for Somalia. It is therefore necessary to use proxies, such as the state of the business environment and the conduciveness for job creation, as well as gauging expansion of different sectors and their potential for job creation. The implications this has for migrant workers depends on factors such as their engagement in these sectors and also their eligibility to be involved in funded programmes in different sectors.

This chapter is structured as follows: Section 5.1. outlines what sectors are likely to see expansion in the medium term; Section 5.2. presents an overview of the private sector and the business environment in the country and the capacity for creating jobs; Section 5.3. concludes.

► 5.1. Sectoral growth initiatives and prospects

Sectoral growth initiatives in development plans and trends in investment can help identify where job creation may occur in the medium to long term. When considered in the context of economic transformation and industrialization, these initiatives and trends can shed further light on job creation potential by sector. Somalia's economic transformation is somewhat undeveloped, with a reliance on agriculture and limited industrial growth. There has been, however, progress in a number of services sectors, such as telecommunications, construction and retail.

A study by the IOM (2019) on returnees included a sectoral analysis, primarily on the suitability of various sectors for returnees. The study's focus on Somali returnees makes it also relevant for migrant workers in Somalia, as the study assessed sectors it considered

to be favourable to self-employment and entrepreneurship and with jobs that require low levels of education. This section draws largely from this IOM study.

Half of Somalia's population are estimated to reside in rural areas (World Bank and FAO 2018). Half of this rural population are estimated to be nomadic pastoralists, with the other half pursuing agro-pastoral livelihoods that combine crop growing with livestock. Agro-processing, transport and export contribute further to jobs associated with the sector. As a result, agriculture is the mainstay of the economy and is estimated to contribute as much as 75 per cent of GDP and more than 90 per cent of exports. Agriculture has, however, undergone significant change over the past few decades, which suggest it is below full capacity with potential to expand significantly.

However, a number of the changes that have taken place over the preceding decades also limit the potential for agriculture to expand to its former glory. For instance, significant deforestation has seen forested areas drop from 62 per cent of the country in 1970 to around 10 per cent more recently, and environmental degradation that can have a serious effect on soil erosion and water resource management. Nonetheless, yields are still lower than their potential, and with investment and the support of international organizations may see a dramatic rise.

The IOM (2019) identifies agriculture as a key growth sector and highlights characteristics that could facilitate job creation, for instance, an expansion of more value-added activities in agro-processing. However, the report also highlights the ongoing challenges that may impede expanding the sector, including the presence of the militant group Al Shabaab in rural areas, and the aforementioned environmental degradation from ongoing deforestation and soil erosion. Recurrent droughts and extreme weather events also pose a challenge. Few migrant workers interviewed in the primary data collected as part of this study mentioned agriculture as a sector where migrant workers were known to work, suggesting that the degree to which migrant workers are likely to benefit from expansion of agriculture is limited. Fishing has also been identified as a sector that Somalia could expand and create jobs in. However, it would require a shift to large-scale operations, as currently the sector is characterized by artisanal fishing with little potential for hiring workers.

Industry is somewhat underdeveloped in Somalia. Manufacturing is focused on agro-processing, but is still largely undeveloped. The IOM (2019) considers construction to be a major growth sector in the medium to long term, as urbanization, improved security, and increasing investment in infrastructure, residential and commercial properties are all likely to contribute to an expanding construction sector. The sector is particularly suitable for migrant workers owing to the largely low-skilled labour-intensive nature of work. The main consideration will be to what degree this low-skilled labour is already available in the Somali labour market without migrant workers.

The IOM (2019) highlights the growth and potential of the retail and wholesale sector, and suggests that the ease of opening a small business in this sector allows for self-employment opportunities. While the IOM study is focused on returnees, this situation is true for migrant workers, who, according to primary data collected as part of this study, have limited access to paid employment opportunities, and employers and own-account workers were common within the migrant worker population sampled. The extent to which the sector has potential for migrant workers does, however, depend on the ease with which migrant workers can set up a business, and little information is available to this end. At the same time, a challenge cited in focus group discussions and key informant interviews was the language barrier, even when the difference is more a matter of dialect. This issue would probably prevent access to job opportunities in occupations that require client interactions, which is the case for most workers in the retail and wholesale sector.

Paid employment opportunities do exist, however, in other areas of the services sector, including tailors, barbershops and restaurants (IOM 2019). Each of these sectors were mentioned in focus group discussions as areas where migrant workers could find work in Somalia. Additionally, higher-skilled jobs for migrant workers were common in education, international organizations, NGOs and other professional services.

Telecommunications is perhaps the most prolific growth sector. The IOM (2019) suggested that high mobile phone penetration was resulting in significant expansion of the sector and job opportunities to accompany it. Small-scale telecommunications retail provides an opportunity for low-skilled migrant workers. However, there is still some degree of start-up capital required, which may not be feasible for migrant workers. With limited financing available for Somalis, expansion of opportunities for migrant workers would require that they arrive with capital. This is not unfeasible as the country expands and attracts investment and interest from abroad for business opportunities, particularly from neighbouring IGAD Member States. At present, key informant interviews suggest that most foreign investment and business opportunities are driven by the Somali diaspora rather than IGAD Member States.

A number of initiatives are underway that focus on many of the key sectors highlighted above. One such example is the World Bank's Somali Business Catalyst Fund (SBCF), which seeks to target businesses that focus on innovative processes, products and markets that are new to the region. The SBCF aims to catalyse the business and technical services industry to develop sector expertise in agriculture, livestock and energy. In the first six months following its launch, the SBCF selected 101 small- and medium-sized enterprises across the country to receive financial and technical support. The selected

firms are expected to generate more than 2,000 jobs (World Bank 2018b).

The analysis of key sectors discussed above presents an assessment of the potential implications for migrant workers. Primary data collected as part of this study suggest that the focus is largely on expanding opportunities for Somalis and also Somali returnees. However, with economic expansion running alongside peace and greater stability, Somalia is likely to become a more attractive destination for foreign direct investment and new business, with job creation for both Somalis and migrant workers.

► 5.2. Private sector and business environment

Somalia has a challenging business environment. As an indication, Somali ranks last on the World Bank's Ease of Doing Business Index (World Bank 2020a). This is recognized by the Government and reflected in the NDP, such that the Government is seeking to improve the business environment and help drive job creation. The main business environment challenges can be categorized into four main areas:

- i. weak regulatory environment;
- ii. infrastructural shortfalls;
- iii. underdeveloped financial sector; and
- iv. conflict and insecurity.

Each of these are tied to the informal economy and the high degree of informality in the private sector, and therefore its regulation and operation.

Weak regulatory environment: Lack of strong regulatory oversight and the weakened capacity of institutions – particularly in key enabling sectors of the economy such as finance and information and communication technology – create an uneven playing field that limits economic growth and the potential of these sectors. Given the lack of oversight and intervention on the part of the Government in recent years, private entrepreneurs have taken informal routes

to regulating their business relationships to keep their enterprises going. In some cases, private enterprises have resorted to relying on clans and trusted local networks to enforce business contracts and insurance agreements and to protect the transmission of funds between entities. To regulate business relationships, enterprises have also resorted to simplifying transactions to avoid any chance of ambiguity or lack of clarity in interpretation of agreements (Taraboulsi-McCarthy, Majid, and Willitts-King 2017).

Infrastructural shortfalls: Infrastructure was severely impacted by the war, and current limitations weigh heavily on the ease of doing business. Electricity rates in Somalia are expensive (roughly US\$0.50 per kilowatt-hour), and as a result electricity usage is among the lowest in the world. As electricity is vital to the efficiency of most businesses, the high cost of electricity invariably drives up the cost of maintaining a business and drives up the prices of goods and services (World Bank 2018c). At the same time, the cost of other essential services, including water, further exacerbates the situation (ILO 2019). The World Bank and FAO (2018) also highlight the impact that the lack of infrastructure has had on agricultural development, acting as a major constraint to growth. The lack of transport infrastructure impacts agriculture and other sectors by impeding access to

markets. Planned infrastructure investment does, however, have the potential to address these bottlenecks and spur business creation. The potential for job creation in construction is outlined in Section 5.1. above.

Underdeveloped financial sector: Access to finance is severely limited in Somalia as a result of an undeveloped financial sector. Access to credit instead relies largely on informal lending channels, often supported by the diaspora. Despite this, access to finance through mobile money is making strides, and in 2014 nearly 40 per cent of those interviewed reported having a bank account with a mobile money app (Demirguc-Kunt et al. 2020). Women face particular challenges in accessing finance as a result of socio-cultural barriers on top of an already limited financial sector. It is recognized that expansion of microenterprise activities has been driven by women, yet despite this, women still face major hurdles in accessing credit, often requiring a male guarantor (World Bank 2018c). For migrant workers, self-employment and entrepreneurship opportunities are constrained even further by limited access to credit, as they do not have access to the informal clan networks of their Somali counterparts.

“The market requires having capital money to start a business, and labour migrants don’t have investment and money to start businesses.” – Focus group discussant

Conflict and insecurity: A number of key informant interviews highlighted the impact of greater stability and peace in Somalia on migration trends, investment and growth. Nonetheless, conflict and insecurity cannot be overlooked as a major impediment to the business environment. Al Shabaab still has an influence in areas of the country and presents a disincentive to investment and business, not to mention security risk for workers and the general population.

In terms of migrant workers starting a business, the Government’s focus is mostly on large-scale foreign investors, rather than on small-scale migrant workers starting a business. The informal nature of migrant workers, as portrayed in the primary data collected as part of this study and from key informant interviews, suggests that small-scale informal enterprises are established by migrant workers, but mostly on an own-account worker basis with little opportunity for job creation. This however, would be more accurately gauged from an establishment survey that collects data on micro-, small- and medium-sized enterprises, including in the informal sector.

► 5.3. Conclusions

Somalia is one of the least developed countries in the world and has suffered an extended period of conflict and instability. Its economy has suffered setbacks and the lack of decent and productive opportunities has driven outbound migration, particularly of youth. Despite this, the economy has turned a corner, and with increasing stability and peace, the Somali diaspora is returning to the country and migrant workers are arriving looking for opportunities. A number of sectors look promising for expansion

– including agriculture, construction and services – providing job creation potential for both Somalis and migrant workers. However, the business environment needs substantial improvement in order to allow for private sector-driven growth, not least in addressing basic infrastructure and the regulatory environment. The Government is looking to focus on business constraints, and investment and support by international organizations is helping to achieve this and bolster the private sector and job creation therein.

Chapter 6

- ▶ **Improved governance for employment and job promotion**

Effective and appropriate labour market governance is imperative to the good functioning of labour markets (see box 2). The effectiveness of labour market governance rests largely on the availability of regular, up-to-date and comprehensive labour market statistics and information. Migrant workers are also a crucial consideration in labour market governance, but they also occupy a space that is covered by labour migration

governance, with the potential for overlap and coordination issues. This chapter provides a critical assessment of select labour market governance mechanisms (employment policy, labour market information, employment services and migrant workers) related to employment and job promotion, and how each can contribute to improved productive opportunities.

► Box 2. Labour market governance

Labour market governance refers to both employment governance and labour governance. The former is focused on pro-employment management and strategy and how to create decent and productive jobs; while the latter is focused more on the relationship between employers and employees, encompassing workers' rights, social protection, occupational safety and health. The traditional approach is to focus on:

- i. human capital development, including skills development and improved capacity of the workforce, and/or
- ii. private sector development, including business environment reforms and other policies designed to facilitate business growth.

These two approaches can be considered as supply-side and demand-side, respectively. Labour market governance is imperative to the success of each of these approaches and helps to find the appropriate balance.

This chapter is structured as follows: Section 6.1. provides an overview on Somalia's employment policy; Section 6.2. provides a critical assessment of labour market information; Section 6.3. presents an overview of the effectiveness of employment

services in regards to job-matching; Section 6.4. looks at migrant workers in a labour market governance context and in relation to employment and job creation; and Section 6.5. concludes.

► 6.1. Employment policy and legislation

The National Employment Policy (NEP) was developed in 2019 in collaboration with the ILO and under the Government of Somalia and UN Joint Programme on Youth Employment Somalia (YES). The NEP was approved by the Federal Council of Ministers in December 2019. The NEP claims to adopt a whole-of-government approach, aligning with a range

of other initiatives to contribute to a collective drive towards growth and employment, in a manner that encourages collaboration with social partners, civil society institutions, financial institutions and the aid community (Federal Government of Somalia 2019). The NEP is shaped around three core pillars:

- i. establishing an employment governance system;
- ii. promoting the growth of micro-, small- and medium-sized enterprises; and
- iii. promoting key sectors for job rich growth.

The NEP is based on an employment diagnostic that identified the main migration movements in Somalia as constituted by internally displaced persons (IDPs) and by return migration. Although IDPs make up close to 10 per cent of the population and pose similar problems of socio-economic integration as international labour migrants, they are not covered by this study, which focuses on international labour migration. In the absence of further data, inbound labour migration is not covered by the NEP.

There is, however, a recognition in the Eighth National Development Plan, 2017–2019 (NDP-8) and the NEP that the lack of opportunities in Somalia is contributing significantly to the outflow of Somali youth. The NDP-8 explicitly included the mission statement to “[m]ake labour migration a safe and successful enterprise for Somali youth that benefit them and the country. Migration will also become regularized to facilitate the repatriation of labour migrants and refugees” (Federal Government of Somalia 2017, para. 9.7.4). The NEP was developed in the context of the NDP-8, which incorporated a number of strategies, action plans and frameworks, including the:

- ▶ NEP
- ▶ Foreign Employment Policy
- ▶ Somalia National Occupational Classification Standards
- ▶ Wages and Remuneration Policy, including minimum wages, and
- ▶ Child Labour Policy (Federal Government of Somalia 2020).

However, surprisingly, the Ninth National Development Plan, 2020–2024 (NDP-9), has lost this focus, even though it remains relevant and important. Fundamentally, the NDP-8 recognized employment as vital to the structural transformation of the economy and

it included a number of labour market targets, such as reduction of youth unemployment and increasing the labour force participation of women. Accordingly, it encapsulated a range of labour market governance initiatives from the development of a NEP and enhancing of labour laws and social dialogue. While the ambitions of the NDP-8 (see section 6.4) and the NEP were positive steps to the enhancement of employment and job creation, these seem to have been lost in the new NDP-9. The NDP-9 incorporates the NEP, but does not cover other policies, strategies and frameworks necessary for employment. However, the NDP-9 governance framework could address issues related to foreign employment, occupational classification standards, wages and child labour by establishing a coordination mechanism among relevant public institutions that have a mandate to work on these issues.

While Somalia has not ratified Employment Policy Convention, 1964 (No. 122), the 2019 General Survey on Certain Instruments Related to the Strategic Objective of Employment report to be published by the Committee of Experts on the Application of Conventions and Recommendations (CEACR) will provide an opportunity to assess the degree to which Somalia’s NEP fulfils components of Convention No. 122 and other employment-related Conventions.

International labour standards are partly reflected in the Labour Code (Law No. 65 of 18 October 1972). However, this law pre-existed Somalia’s ratification of a number of ILO fundamental Conventions, including the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); the Right to Organise and Collective Bargaining Convention, 1949 (No. 98); and the Worst Forms of Child Labour Convention, 1999 (No. 182). A new Labour Code, which is currently waiting for cabinet approval, has been developed with support from the ILO and incorporates components in line with international labour standards (ILO 2020b). But for the moment, the current Labour Code (1972) is still the principal source of labour governance in the country, and it provides guidance around areas such as freedom of association and collective bargaining, contracts and remuneration.

Somalia has ratified six of the eight ILO fundamental conventions. Those that it has not ratified are the Equal Remuneration Convention, 1951 (No. 100), and the Minimum Age Convention, 1973 (No. 138) (table 5). Even so, Labour Code includes a minimum working age of 15 years with different minimum ages for different types of hazardous activity, and discrimination on the basis of a range

of considerations, including race, sex and language, is prohibited. However, there are signs that compliance is not always upheld, and there is a need for both an updated Labour Code as well as improved capacity to inspect workplaces. The Ministry of Labour and Social Affairs is responsible for the Labour Code and its application, including adherence to international labour Conventions.

► **Table 5.** Somalia's ratification of ILO Conventions

Fundamental Conventions	Status
Forced Labour Convention, 1930 (No. 29)	In force (1964)
Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	Not ratified
Right to Organise and Collective Bargaining Convention, 1949 (No. 98)	In force (1964)
Equal Remuneration Convention, 1951 (No. 100)	In force (2001)
Abolition of Forced Labour Convention, 1957 (No. 105)	In force (1964)
Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	In force (2001)
Minimum Age Convention, 1973 (No. 138)	In force (1979)
Worst Forms of Child Labour Convention, 1999 (No. 182)	In force (2001)
Other relevant Conventions	Status
Migration for Employment Convention (Revised), 1949 (No. 97)	Not ratified
Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143)	Not ratified
Employment Policy Convention, 1964 (No. 122)	Not ratified
Private Employment Agencies Convention, 1997 (No. 181)	Not ratified
Domestic Workers Convention, 2011 (No. 189)	Not ratified

Source: ILO n.d.-b.

► 6.2. Labour market information

A subset of labour market governance, labour market information provides the foundation for effective and evidence-based labour market governance and for labour migration and mobility governance. Systematic labour market information and analysis refers to institutional mechanisms that:

- i. collect and compile data and information relevant to the labour market;
- ii. act as a repository for such information;
- iii. provide analytical capacities and tools; and
- iv. facilitate institutional arrangements and networks.⁵

There is a shortage of labour market data in Somalia and both the NDP-8 and NEP recognize the development of a functional labour market information system as imperative for the country's employment and job creation goals (Federal Government of Somalia 2019). The NDP-8 stipulated the need to "establish a national labour market information system to better plan and manage the labour and employment sector based on better quality, up-to-date, timely, reliable, and accurate data, analysis and reporting" (Federal Government of Somalia 2017, para. 7.6.5).

In terms of information on labour supply, a labour force survey has been finalized and its data are in the processing stage (the data validation and publication are expected in November 2020). This survey is supported by the ILO and the Federal Government of Somalia and the YES programme. This is a welcome development, as existing labour supply data from the 2014 labour force survey are conflicting and unclear, with findings that contain inconsistencies in the interpretation of both the concepts behind and presentation of headline indicators (ILO 2019). Despite this, the 2014 survey is the main source of data on the labour market used in publications and even in the NEP – which acknowledges the survey's shortfalls. The objective under the NEP is

that an annual or bi-annual labour force survey will be conducted, led by the National Bureau of Statistics and allowing for regular publication of labour market statistics that will form the basis of a Labour Market Information System (Federal Government of Somalia 2019).

Alternative data are available and do provide some labour market characteristics, including a 2016 Population Estimation Survey by UNFPA (2016) and high-frequency poverty surveys by the World Bank. However, such data paint distorted pictures of the labour market as a result of different sampling frames, concepts and definitions, and fundamental objectives. They also highlight the urgent need for an up-to-date Population Census upon which new surveys can base their sampling frame. The last publicly available Population Census was conducted in 1975 and is severely out of date.

At the same time there is a shortage of information on labour demand. There are no enterprise, establishment or vacancies surveys; although in 2020, the Ministry of Commerce and Industry, with the support of the World Bank, established an online business registration system. A Census of Establishments is necessary in order to start collecting information on labour demand. There is no such mention in either the NEP or NDP-9 of any initiatives to collect information on establishments and incorporate that information into a labour market information system. According to interviews conducted by the ILO (2020b), the Ministry of Education, Culture and Higher Education suggested that labour market data are captured for specific development projects, primarily to determine which skills are needed in the labour market for a specific region in Somalia. For example, the Federal Ministry of Economic Cooperation and Development from Germany, BMZ and Save the Children Somalia completed a Labour Market Skills Survey of Mogadishu in January 2018, collecting information on skills gaps, including specific types of jobs

⁵ Adapted from ILO n.d.-b.

available in different locations and the skill levels required (ILO 2020b).

It is unclear whether the new labour force survey will capture information on migrant workers. In the absence of such data, the main sources of information on migrant workers are work permit data collected by the Ministry of Labour and Social Affairs. This information contains details such as employer's name, contract length and nationality. It also contains information on what the job entails. However, such information is limited to formal migrant workers only, and according to key informant interviews, these are predominantly higher-skilled migrants working for international organizations and NGOs. As a result, the vast majority of migrant workers, who either enter the job market informally or are engaged in informal employment, will not be captured. Further, while the Immigration and Naturalization Directorate captures information on the movement of persons across borders, it cannot distinguish those who are migrant workers, both entering or

exiting. Information captured and recorded about the Somali diaspora is mostly related to remittance flows. Some information is captured by World Bank surveys and similar studies that look at the sources, uses and delivery mechanisms for remittances (Majid, Abdirahman, and Hassan 2017).

A distinct shortfall on the demand side is the lack of a skills anticipation mechanism that can be used to forecast future skills needs and therefore to inform economic policy, education policy and migration policy. The lack of such a mechanism undermines the ability to:

- design active labour market programmes;
- inform curriculum development and technical and vocational education and training (TVET) programmes; and
- better manage both the inflows and outflows of migrant workers according to skill needs and mismatches.

► 6.3. Employment services

The functions of employment services are largely resigned to private employment agencies. The NEP highlights the lack of public employment services and therefore the functions that such services would traditionally provide to the labour market. While the NEP outlines a policy objective shaped around spending on TVET and employment services, the bulk of the relevant text focuses primarily on TVET. Public employment services do appear to exist, but key informant interviews displayed a mixed understanding as to their functions. This suggests that the Ministry of Labour and Social Affairs conducts certain activities that could be considered as fitting the role of employment services, such as registration of workers, but this was most commonly cited within the context of the employing of migrant workers.

This being the case, employment services are typically provided by private employment agencies. These private employment agencies or recruitment firms operate on the basis of provision of job matching services through the advertising of employers' job vacancies to providing placement services on behalf of employers. Often these job matching services are provided using digital services with online platforms, and cover both domestic and international vacancies. Key informant interviews suggested that private employment agencies were mostly focused on the hiring of high-skilled migrant workers. At the same time, it was also apparent that NGOs, hotels, universities and companies in general would typically advertise their own posts on online platforms rather than use a recruiter.

Somalia has not ratified the Employment Service Convention, 1948 (No. 88) or the Private Employment Agencies Convention, 1997 (No. 181). There is also no policy or governance structure for regulating private employment agencies except for requiring the registration of these agencies with the Ministry of Labour and Social Affairs.

However, there is no standard licensing and monitoring system in place (ILO 2020b). There are suggestions from key informant interviews that private employment agencies are expected to ensure the security of migrant workers in Somalia and ensure they have a guarantor to be responsible for each migrant worker.

► 6.4. Migrant workers

For a comprehensive overview of labour migration and mobility governance in Somalia, detailed information is provided in the parallel study *An Assessment of Labour Migration and Mobility Governance: Country Report Somalia* (ILO 2020b). Certain key findings from this report are highlighted in this section.

► 6.4.1. Labour market functionality

Somalia does not yet have a migration policy or a labour migration policy. Key informant interviews suggest that the Government's approach is largely to ensure that jobs only go to migrant workers once it is clear that a Somali cannot do the job. This, however, is mostly relevant to higher-skilled migrant workers looking to work for NGOs or international organizations. Another priority that was frequently mentioned by key informants is the need for establishing a guarantor for the migrant worker to protect against fraud and other crimes. This reflects a general sentiment in the key informant interview findings, which suggests that security is an ongoing factor of consideration.

"There are laws that state citizens must be first when it comes to hiring employees, although the companies and the NGOs make criteria for skills and job experience that are unsuitable to find youth living in the country. When this happens, it allows migrant workers to apply to the jobs in the country, but the Government is trying hard to make citizens first." – Key informant

"If your contract expires and you try to look for another job, unless you have someone from the local people or council of elders to support you, it will be difficult for some migrants to get a job." – Focus group discussant

A key labour market friction in Somalia identified by an IOM (2019) study was "limited access to the recruitment channels used by businesses". The study found that businesses tended to rely on informal networks when recruiting, meaning that returnees could often find themselves outside of these networks and struggle to find work. This corresponds with primary data collected as part of this study that suggested that migrant workers would often struggle to access the labour market without family or clan connections, and even more so without Somali dual nationality.

The 2015 Foreign Employment Act outlines the necessary procedures regarding the obtaining of work permits for migrant workers. The Act stipulates that work permits can be renewed for only one year at a time. An ILO (2020b) study highlights that there is a lack of information on immigration procedures, thereby resulting in both employers and potential migrant workers being mis- or under-informed with regards to the process. This is problematic with regards to migrant workers understanding their rights, but also disrupts smooth functioning of the labour market in terms of job matching, hiring and firing.

In terms of Somalis going abroad, there are two main focuses with regard to labour market functionality (Federal Government of Somalia 2017). The first is recognition that these migrant workers are obtaining skills that could be of use to Somalia if they were to return. Economic and social integration for Somalia's diaspora (as well as refugee returnees) is considered of great importance, and specific initiatives are planned to be in place to facilitate reintegration. Second, Somalis seeking tahriib (the Arabic term used in reference to the hazardous crossing to Europe, typically undertaken by youth) is recognized as an inevitability as a result of the lack of opportunities in Somalia, and enhancing opportunities in Somalia for youth is a high priority to attempt to offset tahriib or encourage return of the diaspora, with some consideration towards knowledge transfer.

There is a lack of bilateral labour agreements between Somalia and other countries, resulting in both the inability to protect Somali migrant workers abroad, and also an inability to manage the flow and return of migrant workers with an eye towards knowledge transfer. According to the ILO (2020b), a bilateral agreement is being developed with Qatar, to which the ILO is providing support. In the absence of such agreements, key informant interviews instead cited the prevalence of informal understandings with neighbouring countries on the basis of either socio-ethnic similarities and the ease of crossing borders to work, both for migrant workers coming to Somalia and Somalis going abroad.

“There are no agreements between these countries and the only rules they follow is understanding between these countries and the good relationship that we have. We go to Ethiopia and they come here without a visa or any other conditions.” – Key informant

Another concern around returnees (including IDPs, refugees and the diaspora in general) with regard to labour market functionality is their exposure to forced labour and exploitation as a result of their vulnerability. The NDP-8 highlighted the need to enhance vocational skills and employment opportunities to prevent forced

labour situations, which, implicitly was being addressed by initiatives such as the:

- YES programme;
- Promoting Inclusive Markets in Somalia (PIMS) programme;
- social protection initiatives by the United Nations Children's Fund (UNICEF), World Food Programme and the Ministry of Labour and Social Affairs;
- job creation initiatives by UN-HABITAT and the Ministry of Public Works and Reconstruction, among others.

The NDP-8 took into consideration the protection of labour rights and the promotion of safe and secure working environments for all workers, including migrant workers (in particular women migrants) and those in precarious employment. However, the Plan did not provide a focus on the role of migrant workers in terms of their contributions and roles in Somalia's labour market. The entry of migrant workers into Somalia is a growing phenomenon despite the security challenges. Workers who migrated from Yemen and Ethiopia work in various sectors in Somalia. This reveals the need for labour migration policy in Somalia. As migrant workers are not featured in the NEP, it will have to be recognized instead in any labour migration policy that is developed. Aligning a labour migration policy with the NEP will require drawing on data on migrant workers, and consequently improvement in the collection of data both on the labour market and on migrant workers will be imperative.

Labour migration governance should in theory be able to support the labour market by allowing for management of the mismatches between labour supply and demand, particularly around skills. As detailed in the previous section, while there are signs of marked improvements with regard to labour market information, there still lacks an indication as to whether a consolidated database of skills can be established. Moreover, there is a shortage of information on the skills composition of irregular migrant workers – both for Somalis abroad and migrant workers in Somalia. Such information would need to feed into labour migration management. Harmonization of qualifications, curricula and accreditation across IGAD Member States would facilitate regional labour migration management.

6.4.2. Equal treatment of migrant workers

For migrant workers to contribute positively to the Somali labour market and as part of their integration into Somali society, there is a need for protection of and equal treatment of migrant workers. Some key informant interviews suggest that regardless of the law, migrant workers are treated equally to Somalis. However, this may not be true in all contexts. For instance, migrants from Yemen may be treated and welcomed better than migrants from Ethiopia primarily due to Yemenis' Muslim background. Further, there are some key considerations that came out of the primary data collected as part of this assignment, namely that:

- i. securing dual nationality status was key for migrant workers being able to

access networks and opportunities in the labour market, and also for side-stepping bureaucratic work permit processes; and

- ii. while equal treatment may be recognized, it may also apply more to factors such as workplace treatment rather than access to remedy and redress in a court of law, where irregular migrant workers in the country would lack rights.

"The legal framework comes under the national policy because national policy says as the person belongs to Somali ethnicity [he or she] has to get equal rights as the general population, no matter the country they come from." – Key informant

► Box 3. Equality of opportunity and treatment for migrant workers with nationals

Article 6(1) of the ILO Migration for Employment Convention (Revised), 1949 (No. 97), provides that each Member for which this Convention is in force undertakes to apply, without discrimination in respect of nationality, race, religion or sex, to immigrants lawfully within its territory, treatment no less favourable than that which it applies to its own nationals in respect of: remuneration, membership of trade unions and rights to collective bargaining, accommodation, social security, employment taxes and legal proceedings related to matters referred to in this Convention.

Article 10 of the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143), (Part II on Equality of Opportunity and Treatment) provides that: "Each Member for which the Convention is in force undertakes to declare and pursue a national policy designed to promote and to guarantee, by methods appropriate to national conditions and practice, equality of opportunity and treatment in respect of employment and occupation, of social security, of trade union and cultural rights and of individual and collective freedoms for persons who as migrant workers or as members of their families are lawfully within its territory."

Source: ILO Conventions Nos 97 and 143.

Findings from key informant interviews and focus group discussions suggested that migrant workers, regular or irregular, could still access certain services, including sending their children to local schools and being able to approach the police for assistance. However, there was also a notion that the lack of public services in general for Somalis, meant that there the bar was already set low.

The current 1972 Labour Code does not adequately address migrant workers' rights. However, the new Labour Code currently awaiting cabinet approval will address this matter (ILO 2020b). The 2015 Foreign Employment Act, which regulates labour migration to Somalia, does not offer protection to migrant workers in Somalia, and instead only outlines the procedures for

securing work permits. As other laws are also under revision, including the immigration law and penal law, there is currently an opportunity to align migrant worker rights across these different laws.

The Government has not ratified the Migration for Employment Convention (Revised), 1949 (No. 97), or the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143), which concern themselves with migrations in abusive conditions and the promotion of equality of opportunity and treatment of migrant workers. Somalia has also not ratified the International Convention on the Protection of the Rights of all Migrant Workers and Members of Their Families (1990). Interviews conducted with the Government as part of a study by the ILO (2020b) suggested that ratification of these Conventions is being considered. There is therefore potential that certain components will be incorporated into the revised Labour Code.

“As Somalia is getting stable and recovering from civil war [there is] an opportunity for other IGAD countries [to view Somalia] as a source of job creation for their jobless people who are migrating to Somalia in search of jobs. However, this also has its own challenges, as the migrant workers are more vulnerable to violations of fundamental rights, in that the local people will perceive them as if they are grabbing their opportunities.” – Focus group discussant

The CEACR published an in-depth an in-depth General Survey Concerning the Migrant Workers Instruments in 2016. However, Somalia was one of a handful of Governments not to submit information to the survey.

Regarding migrant workers abroad, the Government is keen to facilitate the return of those who want to come back to Somalia, as detailed above. However, there is a lack of systems in place to protect Somali migrant workers while abroad. In part, this is due to the irregular nature in which most Somalis leave the country and therefore leave themselves vulnerable to forced labour and exploitation, but it is also due to the lack of bilateral labour agreements. The forthcoming bilateral agreement with Qatar will be a positive step in this regard, and may pave the way for further agreements with other countries. At the same time, further efforts to work with any recruitment firms that are facilitating the exit of migrant workers and placements abroad could also benefit from initiatives taken by other IGAD Member States, including tighter regulation of recruitment agencies and their licensing, and even establishing labour bureaus abroad.

In early 2020, the council of IGAD Ministers in charge of Labour Affairs and Interiors gathered in Khartoum, Sudan, in a meeting facilitated by the IGAD Secretariat and the ILO to endorse the IGAD Protocol on Free Movement of Persons. Effective implementation of this protocol must now be ensured.

► 6.5. Conclusions

Somalia has drafted a National Employment Plan (NEP) that was approved by the Federal Council of Ministers in December 2019. The NEP is comprehensive, responds to the labour and employment goals of the NDP, and clarifies the need for improvement in the systematic collection of labour market information. In the context of international labour migration, the NEP identifies refugees and returnees as groups requiring specific attention. Within the NEP, migrant workers are considered only within the perspective of emigration caused by lack of opportunities in Somalia.

As detailed in the NEP, improvement of the country's labour market information is imperative for developing a better understanding of the labour market and allowing for evidence-based policymaking. At present, available data are highly limited. However, the forthcoming (November 2020) results of the 2019 labour force survey, as well as an updated population census, will hopefully improve the situation and provide some information on the role of migrant workers. An up-to-date population census will also allow for improved sampling frames for any other forms of nationally representative surveys to be conducted over the medium term. An establishment census or survey would also be appropriate to understand the composition of labour demand, and again, the role of foreign businesses and migrant workers from this perspective.

Employment services are limited in Somalia. Public employment services appear to be largely non-existent, limited largely to the issuance of work permits to migrants. There appear to be no public employment

services that provide basic services such as job matching and information sharing. Instead, private recruitment agencies have some presence in the labour market and largely focus on placing migrant workers in higher-skilled positions and handling the necessary administrative details, such as ensuring a guarantor. However, there is a lack of legislation on and regulation of private recruitment agencies, allowing for potential malpractice to go unchecked.

In terms of migrant workers and labour market functionality, the system is shaped around a cumbersome process for securing work permits, which are also tied to residency permits, and work permits are limited to one-year renewals. This arrangement, in practice, basically ensures that only higher-skilled – and therefore higher-paid – potential migrant workers would pursue these formal avenues. Instead, lower-skilled skilled migrant workers enter Somalia via irregular channels and take up work in the informal sector. There is, therefore, a need for a better functioning system that aligns the objectives and capacities of labour market governance, labour migration governance and migration governance. Regardless of whether workers are higher-skilled or lower-skilled, there is a notion from key informant interviews that equal treatment is generally respected in the workplace. However, there is also a notion that having dual nationality (that is, Somali nationality) makes all the difference in terms of finding work, and so it is possible that lower-skilled migrant workers without dual nationality are in far fewer numbers and perhaps more likely to face discrimination and difficulties in finding work.

Chapter 7

► Conclusions and recommendations

This report has presented a labour market study with a focus on labour migration from and to IGAD Member States, or more specifically on migrant workers from IGAD Member States in a labour market context. On the basis of the findings of this report, key recommendations are proposed at the strategy, policy and intervention levels. Each level of recommendation is broken down according to the responsibility of different social partners, namely Government, employers' groups and workers' groups, as well as other key stakeholders.

Strategic recommendation 1: Effectively implement the National Employment Policy.

Somalia's prolonged period of conflict and instability has impacted the economy and has encouraged a mass movement of migration out of the country, especially among young people. The causes for this migration are multiple, including lack of decent employment opportunities, accessibility of smuggling networks operating in the country, as well as institutional weakness for regulating trafficking and human smuggling (Wasuge 2018). With more than 60 per cent of the population under 25 years of age, many young Somali are prepared to take the risky journey across the Mediterranean.

At the same time, this report has indicated that Somalia is in a period of recovery. The return to relative peace and increasing stability has resulted in inbound flows of both returnees and migrant workers from neighbouring countries such as Kenya, Ethiopia, Uganda, Djibouti and Yemen who are increasingly looking to Somalia for potential job opportunities. In addition, the continued presence of international development organizations, like the United

Nations and the African Union Mission in Somalia (AMISOM), has attracted many skilled and unskilled labour migrants, thereby contributing to a growing phenomenon that the Somali Government needs to take into account, notably at the policy level. The issues associated with labour migration (including returnees) should therefore be addressed in a labour migration policy.

A number of challenges remain, particularly in the business environment. However, prospects are promising, with a number of initiatives underway or planned to move the country forward. One such development is the National Employment Policy (NEP). Finalized in 2019, the NEP is a comprehensive document that addresses many of the goals and objectives of the Eighth National Development Plan, 2017–2019. It is also referenced in the current Ninth National Development Plan, 2020–2024 NDP. At the same time, the outdated 1972 Labour Code is about to be replaced by a new code, which will put the Ministry of Labour and Social Affairs in a better position to administer, supervise and inspect the labour force of the country. The new code has been finalized and its bill of implementation is currently waiting for cabinet approval. In addition, other acts (such as the Company Act) have been approved by the Government, all of which provide potential for aligning Somalia's labour market governance with international standards, including the ILO fundamental Conventions, and addressing many of the realities in today's labour market.

However, as there is a fundamental need to better comprehend the importance of migrant workers in the labour market and economy in order to devise and adjust legislation and policy accordingly. Therefore, supporting the effective implementation of the NEP is the first of the strategic recommendations.

Recommended action	Anticipated benefit	Relevant bodies
POLICY: Revise the NEP to ensure social integration and inclusion, and align with any labour migration policy.	Government to undertake activities to integrate labour migrants, including in education other social services Inputs from all social partners and external stakeholders (particularly those working with migrants, such as ILO, UNHCR) are necessary to ensure that government investments towards employment and job creation are targeted to the areas with the greatest potential return in job creation and employment (from the perspective of employers and workers) and to maximize the benefits of migrant workers to the labour market.	Ministry of Labour and Social Affairs; Directorate of Immigration and Naturalization, in a tripartite setting (with social partners)
POLICY: Establish national coordination mechanisms for migrant workers.	Enhancing the role of migrant worker on the economy and labour markets. Supporting functions for participation in the labour market, including access to information, education and skills recognition. Update and adjustment of labour policies and legislation.	Government of Somalia (Directorate of Immigration and Naturalization; Ministry of Labour and Social Affairs)
POLICY: Ensure the new labour code complies with international labour standards and outlines guidance for migrant workers in Somalia.	The new labour code provides an opportunity to update legislation, guidance and procedures for today's labour market. It also provides an opportunity to incorporate components that align with international labour standards, paving the way for ratification of existing unratified Conventions and ultimately attracting greater foreign direct investment as a result.	Government, social partners
INTERVENTION: Appoint a centralized ministry, department or agency responsible for coordinating and monitoring the NEP.	Ensure there is clarity on which entities are responsible for implementing various components of the strategy. Ensure that progress in implementing the strategy and achieving targeted outcomes is clear to all stakeholders.	Government

Recommended action	Anticipated benefit	Relevant bodies
INTERVENTION: Encourage and facilitate cooperation by Government, employers and workers.	All social partners have a responsibility in components of labour market governance. For instance, labour inspections require cooperation of Government, employers and workers.	All social partners

Strategic recommendation 2:
Enhance the collection, capacity and coordination of labour market information and analysis.

The lack of a consolidated and comprehensive system for labour market information has been a limiting factor for informed and evidence-based policymaking in Somalia. At present, available data are highly limited. However, the forthcoming results of the 2019 labour force survey, as well as an updated population census will hopefully improve the situation and provide some information on the role of migrant workers. An up-to-date population census will also allow for improved sampling frames for any other forms of nationally representative surveys to be conducted over the medium term. An establishment survey would also be appropriate to understand the composition of labour demand, and again, the role of foreign

businesses and migrant workers from this perspective.

Acknowledging the need of systematic labour market information collection in the NEP and NDP-9 was a major step forward in this regard. Nonetheless, it is still necessary to clarify what information is required, and to ensure that there is analytical capacity to use the data effectively. For instance, Somalia needs to capture more information on migrant workers and nurture a two-way flow of information between government and migrant workers. Improved labour migration data will help the government design informed migration policy, and in turn, migrant workers will gain access to information that will help their social integration.

Enhanced capacity and improved coordination of labour market information and analysis is therefore the second strategic recommendation.

Recommended action	Anticipated benefit	Relevant bodies
POLICY: Facilitate the establishment of a technical working group or committee on labour market information	Such a group will bring together key labour market stakeholders on a regular basis and establish institutional roles and responsibilities. This is necessary to prevent competition for resources and responsibilities in different components of data collection and analysis. It is also necessary to shape a labour statistics framework to address all the data needs in a comprehensive manner.	Government

Recommended action	Anticipated benefit	Relevant bodies
POLICY: Establish the design of a labour statistics framework that consolidates subnational estimates for key labour market indicators, including information on migrant worker flows and characteristics.	To allow for consolidation of subnational estimates for key labour market indicators, including information on migrant worker flows and characteristics. The design of a framework provides transparency and foresight into data needs for policymaking.	Government (led by the National Bureau of Statistics)
POLICY: Prioritize a Population Census	A population census provides invaluable information in itself, including on the labour market and understanding migrant and migrant worker characteristics. Moreover, it is also imperative for accurate and representative data collection by providing the basis of sample frames, including for the labour force survey	Government (led by the National Bureau of Statistics)
POLICY: Provide technical support, expert advice and support to the improvement of labour market information and analysis.	To help ensure compliance with international standards and international best practice, support by the IOM and ILO for the improvement of labour market information and analysis is imperative.	Other stakeholders
INTERVENTION: Incorporate a labour migration module into the labour force survey.	To allow for identification of migrant workers' countries of origin as well as a more comprehensive set of statistics and information.	Federal Government of Somalia
INTERVENTION: Implement and/or facilitate implementation of employers and vacancies surveys.	Needed to help gauge labour market demand, and to support and assist the sharing of labour market information with a technical working group or committee on labour market information.	Employers' groups

Strategic recommendation 3: Enhance the capacity and coordination of employment services within a wider national employment and jobs strategy.

Employment services play an integral role in the functionality of the labour market and also are an important source of information, particularly around labour demand. Employment services are limited in Somalia. Public employment services appear to be practically non-existent, and limited to the issuance of work permits to migrants. There appear to be no public services that provide basic services such as job matching and information sharing. Instead, private recruitment agencies have some presence in

the labour market and largely focus on placing migrant workers in higher-skilled positions and handling the necessary administrative details, such as ensuring a guarantor. However, there is a lack of legislation on and regulation of private recruitment agencies, allowing for potential malpractice to go unchecked.

As such, there are measures that can be taken to help make better use of employment services, in terms of their effectiveness and the information they capture, for the benefit of workers (and jobseekers), employers and the Government. Enhancing the capacity and coordination of employment services within a wider national employment and jobs strategy is the third of the strategic recommendations.

Recommended action	Anticipated benefit	Relevant bodies
POLICY: Outline the basics of employment service activities to be provided by the Government and assign roles and responsibilities.	Before being able to undertake employment services, there needs to be an understanding of what is expected in terms of basic employment services and the potential benefits of any such services. This also provides an opportunity to outline the responsibilities of various Government departments, as well as employers' and workers' groups.	All social partners, led by Government
POLICY: Establish memoranda of understanding between workers' groups and public and private employment agencies on the sharing of labour market information and the sharing of information on workers' rights, including migrant workers' rights.	Private employment agencies have access to information that can help inform employment policymaking and labour migration policymaking. Therefore, it can be beneficial to facilitate knowledge sharing. But also, it is necessary to provide channels to ensure that migrant workers and potential migrant workers are fully informed of their rights and obligations as they look for work and start new work. Employment services can provide such information.	All social partners, led by Government

Recommended action	Anticipated benefit	Relevant bodies
POLICY: External stakeholders working with relevant labour market actors, such as refugees, should work closely with employment services and private employment agencies.	To facilitate knowledge transfer, international best practice and other information from those working closely with these topics and that are outside of Government or other social partners.	Other stakeholders
INTERVENTION: Provide sufficient resources to employment services.	To ensure and allow for capacity building of staff for improved access to employment services.	Government
INTERVENTION: Actively promote the use of public employment services, through the encouragement of employers to advertise and seek candidates through these services.	Greater promotion of public employment services would allow for more confidence and understanding of the services available. It would also allow for improved job matching if companies advertise through the public services more and jobseekers are encouraged to use these services.	Social partners

Strategic recommendation 4: Align and establish labour market governance mechanisms to better incorporate migrant workers.

The final strategic recommendation is associated with migrant workers and the implications for labour market governance. In terms of migrant workers and labour market functionality, the system is shaped around a cumbersome process for securing work permits, which are also tied to residency permits, and work permits are limited to one-year renewals. This arrangement, in practice, basically ensures that only higher-skilled – and therefore higher-paid – potential migrant workers would pursue these formal avenues. Instead, lower-skilled skilled migrant workers enter Somalia via irregular channels and take up work in the informal sector. There is, therefore, a need for a better functioning system that aligns the objectives and capacities of labour market governance, labour migration governance and migration governance.

Regardless of whether workers are higher-skilled or lower-skilled, there is a notion from key informant interviews that equal treatment is generally respected in the workplace. However, there is also a notion that having dual nationality (that is, Somali nationality) makes all the difference in terms of finding work, and so it is possible that lower-skilled migrant workers without dual nationality are in far fewer numbers and perhaps more likely to face discrimination and difficulties in finding work.

In February 2020, the council of IGAD Ministers in charge of Labour Affairs and Interiors endorsed the IGAD Protocol on Free Movement of Persons, which Somalia, as a member of the bloc, needs to observe.

Therefore, the fourth strategic recommendation is to align and establish labour market governance mechanisms to better incorporate migrant workers.

Recommended action	Anticipated benefit	Relevant bodies
POLICY: Revise the Labour Code to clarify the position of migrant workers.	To allow for more rights for migrant workers, including around the strictness of work permits, and more explicit provisions for equal treatment of migrant workers. Labour market governance components on migrant workers need to be developed in a tripartite-plus setting, with inputs from other relevant stakeholders, including the UNHCR and IOM.	All social partners and other stakeholders
POLICY: Ratify and comply with the Migration for Employment Convention (Revised), 1949 (No. 97) and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143).	To help align rights for migrant workers with international best practice and ILO Recommendations. Through dialogue, social partners have a responsibility to draw on international best practice as well as to highlight sectoral priority areas to ensure their inclusion and reflection in labour market governance and to ensure that policies are perceived by all social partners as efficient, equitable and fair, including for migrant workers.	All social partners and other stakeholders (tripartite-plus setting)
INTERVENTION: Design a labour migration policy in alignment with existing policies and strategies on employment, including the NEP.	The NEP currently does not address migrant workers beyond implicitly addressing outbound migration from the perspective there being a lack of opportunities in Somalia. As data collection on the labour market and migrant workers expands, it is necessary that both the NEP and any labour migration policy that is developed are aligned and consistent in their objectives and stance towards migrant workers.	All social partners and other stakeholders

► Bibliography

- Abdullahi, Abdimalik, and Mohamed Sharif. 2020. "The impact of Covid-19 on the informal economy of Mogadishu", 4 June 2020. Available at: <https://somalipublicagenda.org/the-impact-of-covid-19-on-the-informal-economy-of-mogadishu/>.
- AfDB (African Development Bank). 2017. *Somalia: Bank Group Country Brief 2017–2020*.
- Ahmed, Osman Sheikh. 2017. "Enhancing the Development of the Private Sector for Inclusive Growth and Job Creation in the IGAD", HESPI Working Paper No. 02.
- Bulut, Erol, and Abdiqadir Abdignani Mohamed. 2018. "Remittances and Poverty Reduction in Somalia." *Fiscaoeconomia* 2 (3): 1–37.
- COMESA (Common Market for Eastern and Southern Africa). 2009. "Policy Framework for Food Security in Pastoral Areas", consultative draft, December.
- Demircuc-Kunt, Asli, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden. 2020. "The Global Findex Database, 2014: Measuring Financial Inclusion around the World", World Bank Policy Research Working Paper No. 7255.
- EIU (Economist Intelligence Unit). 2019. "Somalia Country Report", February.
- FAO (Food and Agriculture Association). 2013. *Family Ties: Remittances and Livelihoods Support in Puntland and Somaliland*.
- Federal Government of Somalia. 2017. National Development Plan 2017–2019.
- ———. 2019. National Employment Policy.
- IGAD (Intergovernmental Authority on Development). 2017. "Roadmap and Results Framework of the Nairobi Action Plan", available at: <https://igad.int/documents/14-roadmap-and-results-framework-of-the-nairobi-action-plan/file%20>.
- ———. 2020a. "Communiqué of the Sectoral Ministerial Meeting on the Protocol on Free Movement of Persons in the IGAD Region, 26th February 2020, Khartoum, Republic of Sudan".
- ———. 2020b. "Protocol on Free Movement of Persons Endorsed at Ministerial Meeting", press release, 26 February 2020.
- IGF (Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development). 2017. *Global Trends in Artisanal and Small-Scale Mining: A Review of Key Numbers and Issues*.
- ILO. 2006. ILO Multilateral Framework on Labour Migration: Non-binding Principles and Guidelines for a Rights-based Approach to Labour Migration.
- ———. 2013. Resolutions concerning statistics of work, employment and labour underutilization, STATI-1311114-1.
- ———. 2014. "Somalia Ratifies Three Fundamental ILO Conventions", news release, 20 March 2014.
- ———. 2016. *General Survey Concerning the Migrant Workers Instruments*, ILC.105/III/1B.
- ———. 2018a. *ILO Global Estimates on International Migrant Workers: Results and Methodology*.
- ———. 2018b. *Guidelines Concerning Statistics of International Labour Migration*, ICLS/20/2018/Guidelines.
- ———. 2019. "Employment Diagnostic: Somalia – Prepared in connection with the National Employment Policy".
- ———. 2020a. Employment by Sex, Age and Economic Class — ILO Modelled Estimates", ILOSTAT database. Available at: <https://ilostat.ilo.org/>.
- ———. 2020b. *An Assessment of Labour Migration and Mobility Governance in the IGAD Region: Country Report for Somalia*.
- ———. 2020c. *The Potential of Skills Development and Recognition for Regulated Labour Mobility in the IGAD Region: A scoping study covering Djibouti, Ethiopia, Kenya, Uganda and Sudan*.
- ———. n.d.-a. "Ratifications for Somalia", ILO NORMLEX database. Available at: <https://www.ilo.org/normlex>. Accessed April 2020.
- ———. n.d.-b "DW4SD Resource Platform: Thematic area 14. Labour Market Information Systems", available at: <https://www.ilo.org/global/topics/dw4sd/themes/lm-info-systems/lang--en/index.htm>.
- ———. Unpublished. "2014 Labour Force Survey Report".
- IOM (International Organization for Migration). 2019. *Labour Market and Service Skills Assessment in Selected Locations: Somalia Report*.
- Maastricht Graduate School of Governance, 2017. *Somalia Migration Profile: Study on Migration Routes in the East and Horn of Africa*.
- Majid, Nasir, Khalif Abdirahman, and Shamsa Hassan. 2017. *Remittances and Vulnerability in Somalia: Assessing Sources, Uses and Delivery Mechanisms*. Rift Valley Institute.
- Mulupi, Dinfin. 2012. "Mogadishu: East Africa's Newest Business Destination?" *Africa Business Insight*, 21 June. Available at: <https://www.howwemadeitinafrica.com/mogadishu-east-africas-newest-business-destination/17661/>.
- Pavanello, Sara. 2010. "Working Across Borders: Harnessing the Potential of Cross-Border Activities to Improve Livelihood Security in the Horn of Africa Drylands", HPG Policy Brief No. 41.
- Taraboulsi-McCarthy, Sherine, Nisar Majid, and Barnaby Willits-King. 2017. *Private Sector Engagement in Complex Emergencies: Case Studies from Yemen and Southern Somalia*. Overseas Development Institute.
- UNCTAD (United Nations Conference on Trade and Development). 2019. "Merchandise Trade Matrix – Imports of Individual Economies in Thousands of United States Dollars, Annual", UNCTADstat database. Available at: <https://unctadstat.unctad.org/wds>.
- UNDESA (United Nations Department of Economic and Social Affairs), Population Division. 2017a. World Population Prospects: The 2017 Revision.
- ———. 2017b. "International Migrant Stock: The 2017 Revision", available at: <https://www.un.org/en/development/desa/population/migration/data/estimates2/estimates17.asp>.
- ———. 2018. "World Urbanization Prospects: The 2018 Revision", available at: <https://population.un.org/wup/>.
- UNDP (United Nations Development Programme). 2012. *Somalia Human Development Report 2012: Empowering Youth for Peace and Development*.
- ———. 2016. *Human Development Report 2016: Human Development for Everyone*.
- UNFPA (United Nations Population Fund). 2014. *Population Estimation Survey 2014 for the 18 Pre-War Regions of Somalia*.

- ———. 2016. *Looking Towards a Brighter Tomorrow: Economic Characteristics of Somali People – Volume 4*.
- UNHCR (United Nations High Commissioner for Refugees). 2018a. "Somalia: 1–31 August", factsheet. Available at: <https://reliefweb.int/report/somalia/unhcr-somalia-factsheet-1-31-august-2018>.
- ———. 2018b. *Global Trends: Forced Displacement in 2018*.
- ———. 2019. "Population Figures: UNHCR Data on Displacement", UNCHR Population Statistics database. Available at: http://popstats.unhcr.org/en/overview#_ga=2.41911841.2004116986.1556308745-1913952495.1551960330
- UNICEF (United Nations Children's Fund). 2016. *Somali Poverty Profile 2016: Findings from Wave 1 of the Somali High Frequency Survey*.
- US State Department. 2017. *Ethiopia 2017 Human Rights Report*.
- Wasuge, Mahad. 2018. *Youth Migration in Somalia: Causes, Consequences and Possible Remedies*. Heritage Institute for Policy Studies.
- World Bank, 2016a. *Somalia: Social Protection – Stocktaking of Evidence for a Social Protection Policy and Framework*.
- ———. 2016b. "World Bank Makes Progress to Support Remittance Flows to Somalia", press release, 10 June 2016.
- ———. 2017. *Somali Poverty Profile: Findings from Wave 1 of the Somali High Frequency Survey*.
- ———. 2018a. "Somalia – Somali High Frequency Survey - December 2017, Wave 2", available at http://microdata.worldbank.org/index.php/catalog/3181/related_materials.
- ———. 2018b. "Somaliland Launches Flagship Job Creation Program", press release, 1 November 2017.
- ———. 2018c. "Somalia Capacity Advancement, Livelihoods and Entrepreneurship, through Digital Uplift Program (SCALED-UP)", available at: <http://documents.banquemondiale.org/curated/fr/700541548580273682/text/Project-Information-Document-Integrated-Safeguards-Data-Sheet-Somalia-Capacity-Advancement-Livelihoods-and-Entrepreneurship-through-Digital-Uplift-Program.txt>.
- ———. 2019. "Historical Classification by Income", World Bank Country and Lending Groups database. Available at: <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>.
- ———. 2020a. *Doing Business 2020: Economy Profile Somalia*.
- ———. 2020b. "World Bank Predicts Sharpest Decline of Remittances in Recent History", press release, 22 April 2020.
- ———. n.d. "The World Bank in Somalia", available at: <https://www.worldbank.org/en/country/somalia/overview>.
- World Bank and FAO (Food and Agricultural Organization). 2018. *Rebuilding Resilient and Sustainable Agriculture in Somalia: Somalia Country Economic Memorandum – Volume 1*.
- World Food Programme. 2020. "WFP Somalia Country Brief", March 2020.

► Appendix I. List of key informants

No.	Position and/or organization	Location
1	Business association leader	Dollow
2	Business owner	Dollow
3	Business owner	Dollow
4	Community leader	Dollow
5	Community leader	Dollow
6	Community member	Dollow
7	Community member	Dollow
8	Director General – Ministry of Justice	Dollow
9	Farmers' cooperative leader	Dollow
10	Farmers' cooperative member	Dollow
11	District Migration Officer	Dollow
12	Local government member	Dollow
13	IOM Team Leader	Dollow
14	Porters Association Leader	Dollow
15	Restaurant owner	Dollow
16	Stores Union Association	Dollow
17	Area Manager – American Refugee Committee	Kismayo
18	Business owner	Kismayo
19	Business owner	Kismayo
20	Business owner	Kismayo
21	Chairman of Fishery	Kismayo
22	Civil Service Commission	Kismayo
23	Community leader	Kismayo
24	Community leader	Kismayo
25	International Office for Migration	Kismayo
26	Jubaland Chamber of Commerce and Industry	Kismayo
27	Ministry of Justice	Kismayo
28	Ministry of Labour	Kismayo
29	Religious community leader	Kismayo
30	Vegetables cooperative	Kismayo

31	Centre for Social and Economic Transformation	Mogadishu
32	Community Leader	Mogadishu
33	Department of Statistics	Mogadishu
34	Envoy for Child and Migrant Rights	Mogadishu
35	Former MP, Federal Government	Mogadishu
36	Labour Migration Department	Mogadishu
37	Labour union	Mogadishu
38	Labour union	Mogadishu
39	Labour union	Mogadishu
40	Ministry of Foreign Affairs	Mogadishu

► Appendix II. Quantitative interview questionnaire

The following questionnaire is consistent with the 19th ICLS resolution on statistics of work, employment and labour underutilization and the 20th ICLS statistical guideline on labour migration. It seeks to capture the nature of

labour migration between IGAD countries, and collects information on the characteristics of migrant workers and their labour force status.

► Module 1 - Socio-economic characteristics of labour migrants

OBJECTIVES AND SCOPE

Covers basic demographics on sex, age, marital status, education level, field of study and current educational attainment of migrant workers

IMPLEMENTATION NOTES

The module should be asked to pre-selected migrant workers regardless of labour force status. The module should be asked to migrant workers 15 years old and over.

A01 Full Name

A02 Marital Status

- 1=Single
- 2=Married
- 3=Divorced
- 4=Widowed

A03 Sex

- 1 Male
- 2 Female

A04 How old are you currently? (Record age in completed years or estimated years)

A05 What is your highest level of educational attainment (finalized education level)

- 1=No formal education
- 2= Primary education
- 3=Lower secondary education (O-level)
- 4= Upper secondary education (A- level)
- 5= Post-secondary (TVET and TVET college)
- 6= Tertiary education (University)
- 7= Other (Specify)

A06 Did you study in a public institution? Yes/No

A07 Did you learn any specialized trade or profession? Yes/No

A08 What type of trade or profession did you learn?
Specify (e.g. Driver, electrician, doctors, teacher)

..... ISCO

CODE

► Module 2 - Labour force status

[illegible]

[illegible]

Module 3 - Characteristics of employed labour migrants

OBJECTIVE AND SCOPE To capture the nature of employment of labour migrants Captures the sector of employment, status of employment, occupation, informal employment and informal/formal sector employment.
--

OBJECTIVE AND SCOPE To capture the nature of employment of labour migrants Captures the sector of employment, status of employment, occupation, informal employment and informal/formal sector employment.
--

IMPLEMENTATION NOTES Aligned with the latest 19th ICLS guidelines concerning employment Should be asked to all labour migrants 15 years old and older that could be identified as employed in Module 2.

IMPLEMENTATION NOTES Aligned with the latest 19th ICLS guidelines concerning employment Should be asked to all labour migrants 15 years old and older that could be identified as employed in Module 2.

C01. What is the name of your place of work?
1= Domestic worker in private household
2= Without name
3= Name:

C01. What is the name of your place of work?
1= Domestic worker in private household
2= Without name
3= Name:

C01. What is the name of your place of work?
1= Domestic worker in private household
2= Without name
3= Name:

C01. What is the name of your place of work?
1= Domestic worker in private household
2= Without name
3= Name:

C02. What are the main goods or services produced at your place of work or its main function?
Examples: selling fish, teaching children to read and write, caring for the sick, livestock farming
ISIC CODE

C02. What are the main goods or services produced at your place of work or its main function?
Examples: selling fish, teaching children to read and write, caring for the sick, livestock farming
ISIC CODE

C02. What are the main goods or services produced at your place of work or its main function?
Examples: selling fish, teaching children to read and write, caring for the sick, livestock farming
ISIC CODE

C03a In the main job / business that you had last week, what kind of work do you usually do?
Examples: policeman, primary school teacher, registered nurse, domestic worker, truck driver)

C03a In the main job / business that you had last week, what kind of work do you usually do?
Examples: policeman, primary school teacher, registered nurse, domestic worker, truck driver)

C03b What are your main tasks and duties? ISCO ISIC CODE

C03b What are your main tasks and duties? ISCO ISIC CODE

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

C05. Have you been employed on the basis of:
1=Written contract
2=Oral agreement

C05. Have you been employed on the basis of:
1=Written contract
2=Oral agreement

C05. Have you been employed on the basis of:
1=Written contract
2=Oral agreement

C06. Is your contract or agreement a:
1= Permanent arrangement
2= Temporary arrangement

C06. Is your contract or agreement a:
1= Permanent arrangement
2= Temporary arrangement

C06. Is your contract or agreement a:
1= Permanent arrangement
2= Temporary arrangement

C07. Does your employer pay contributions for social security on his/her behalf (e.g. pension fund, etc.)?

1=Yes
2=No
3= Do not know

C07. Does your employer pay contributions for social security on his/her behalf (e.g. pension fund, etc.)?

1=Yes
2=No
3= Do not know

C07. Does your employer pay contributions for social security on his/her behalf (e.g. pension fund, etc.)?

1=Yes

2=No

3= Do not know

C07. Does your employer pay contributions for social security on his/her behalf (e.g. pension fund, etc.)?

1=Yes

2=No

3= Do not know

C08. Do you benefit from paid annual leave or /payment compensation for leave not taken?
1=Yes
2=No
3= Do not know

C08. Do you benefit from paid annual leave or /payment compensation for leave not taken?
1=Yes
2=No
3= Do not know

C08. Do you benefit from paid annual leave or /payment compensation for leave not taken?
1=Yes
2=No
3= Do not know

C08. Do you benefit from paid annual leave or /payment compensation for leave not taken?
1=Yes
2=No
3= Do not know

C09. Do you benefit from paid sick leave in case of illness or injury? 1=Yes 2=No 3= Do not know
C10. Was your main activity carried out in...? (READ) 1= Government (federal, state, local) 2= State owned enterprise 3=Private business or farm 4= International org., foreign embassy 5=Others
C11. Is the enterprise/business where you work? (READ) 1= An incorporated company 2= An independent, personal family business 3= Do not know
C12. Is the enterprise/business where you worked registered with (relevant authority)? 1=Yes 2=In the process of being registered 3=No 4=Do not know
C13. Does the business keep a book of accounts (assets and expenditures)? 1=Yes 2=No 3= Do not know
C14. How many persons, including the owner, work at your place of work? 1= 1 persons 2= 1-4 persons 3= 5-9 persons 4= 10-19 persons 5= 20-49 persons 6= 50+
C15. In what type of place do you usually work? 1=At home 2=Structure attached to the home 3= At the client/employer's home 4= At an office, shop factory, or other fixed place of work 5= Fixed stall in market/mobile 6= Land, forest, sea, ... 7=Without fixed location/mobile 8= Construction site 9= Other (specify)
C16. How long have you worked for this employer/in this business? 1= Less than 6 months 2= 6 months to less than 1 year 3= 1 year to less than 3 years 4= 3 years to less than 5 years 5= 5 years or more
C17. What is the net daily/weekly/monthly earnings of (NAME) from his/her business or activity? (Please round up and specify currency unit) C16a=Daily C16b= Weekly C16c= Monthly

Module 4– Nature of labour migration

OBJECTIVE AND SCOPE

To capture international migration status

Captures basic essential characteristics needed to identify the foreign-born and foreign populations in the country of destination. This includes: country of birth, date of last arrival to country of current residence, reason for move, and country of citizenship.

It allows distinction between recent and long-term international migrants.

The module covers also transit migration, short-term -, circular, and irregular migration.

The module does not cover internal migration and returnees.

IMPLEMENTATION NOTES

Aligned with the latest 20th ICLS guidelines concerning international labour migration

Aligned with the recommendations included in the Handbook on Measuring International Migration through Population Censuses (UN 2017).

The module should be asked to labour migrants 15 years old and over.

D01 In which country were you born? (please specify)

NAME OF COUNTRY

CODE OF COUNTRY

D02 What is the country of your citizenship/nationality (please specify)? If you have dual citizenship please name both countries

D02a=Country 1.....

D02b=country 2.....

D03 What is your current resident status in this country?

1=Non-usual resident⁶ (short-term business) (e.g. frontier workers, seasonal workers, other short-term migrant workers, volunteer workers and nomads)

a=Yes b=No

2=Usual residents⁷ but have no official documentation of residence a=Yes b=No

3=Usual resident a=Yes b=No

D04 In what month and year did you [did NAME] leave your country of birth?

Interviewer: Use 2 digits for the month and 4 digits for the year; Record 00 if the month is unknown

D04a= Month: MM

D04b=Year: YYYY

D05 In which month and year did (you/NAME) most recently arrive to live in [COUNTRY]?

MONTH YEAR

97=DONT KNOW 9997=DON'T KNOW

⁶ Less than 6-monhts

⁷ More than 6-months

D06 How long have you been living in this [COUNTRY]...? 1=Three months or less 2=Three to 12 months 3=One year to less than 5 years 4=Five years to less than 10 years 5=Ten years or more
D07 What was the main reason for you to leave your home country? 1= In search for an opportunity to make money 2= In search of establishing a business 3= Promised a job 4= To take up a new job 5= Job transfer 6= Study/Training 7= Marriage 8= Family moved/ to live with a relative/dependent 9= Health reasons 10= Natural disaster/ environment 11= Conflict 12= Others (specify)
D08 Have you ever lived in another country than this one continuously for 3 months or more? 1 = Yes, in another country 2= No, except my birth place >>>>>>>>>>>>>>>>D12 3= No >>>>>>>>>>>>>>>>D12
D09 In which country did you live before moving here?
D10 What was the main reason for you to move here? 1= In search of job for pay 2= In search of establishing a business 3= Promised a job 4= To take up a new job 5= Job transfer 6= Study/Training 7= Marriage 8= Family moved/ to live with a relative/ dependent 9= Health reasons 10= Natural disaster/ environment 11= Conflict 12= Others (specify)
D11 Have you ever travelled outside of this country even if only for a short period? 1= Yes 2= No
D12 In the past 12 months, how many times did you travel abroad? 1= Every day 2= Every week 3= Few times a month 4= Once every month 5= Few times a year 6= Only travelled once/ once a year

[illegible]

► Appendix III. Key informant semi-structured interview template

The following key informant interview guide was provided to field researchers conducting interviews with government officials, non-governmental organizations and relevant stakeholders from international organizations

(such as the IOM) and others, for capturing information specifically around the legal framework for labour migration, perspectives towards migrant labour rights from a policy perspective, and other information.

INFORMATION TO BE CAPTURED ► Perspectives on labour migration trends ► Legal framework and structural arrangements ► Perspectives on labour migration management ► Perspectives around rights of migrant workers
A01 Full Name and position in organization
A02 Please briefly outline the characteristics and trends of labour migration as well as the positive and negative impacts of labour migration in your country. Is your country a country of destination, origin or both?
A03 What is the most common type of labour migration in your country (in and outbound). For example, circular migration, seasonal migration, long-term, qualified workers or low skilled workers migration? [field researcher to explain the difference as needed]
A04 What do you think are the main driving forces of labour migration? (past, present and future)
A05 Does your country have bilateral or regional labour migration agreements/schemes? Please briefly outline its content and purpose.
A06 What are the priorities of the national policy concerning labour migration in your country?
A07 What is the main legal framework for labour migration management (governance) in your country. If possible, please also present the background to the existing legislation in terms of labour needs, employment/job creation, and political/historical linkages to other countries
A08 Are migrant workers and the general population treated any differently in your country?
A09 Do you think it is necessary to have provisions or a system in place to allow migrant workers to have equivalent or equal treatment to workers from the general population? If so, how would you ensure equal treatment of migrant workers?
A10 Are there international agreements (or other forms of cooperation) on rights of labour migrants has your country concluded with other IGAD countries?
A11 What are the roles of the national employment services (or equivalent bodies) and private recruitment agencies (if existent) in the process of migrant employment?
A12 What are the challenges in your current local content laws that would require adjustments to promote labour mobility?
END OF INTERVIEW:

► Appendix IV. Glossary of terms

Bilateral labour agreements refer to agreements between two entities which create legally binding rights and obligations governed by international law and are usually more specific and action-oriented, non-binding memoranda of understanding which set out a broad framework of cooperation to address common concerns, as well as other arrangements, including between specific government ministries or agencies in destination and origin countries.⁸

Domestic worker refers to a person engaged in domestic work within an employment relationship. A person who performs domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker.⁹

Employment by education refers to those in employment by level of educational attainment, which is classified according to International Standard Classification of Education (ISCED) levels, namely: less than primary education (ISCED level 0); primary education (ISCED level 1); secondary education (ISCED levels 2 and 3); and tertiary education (ISCED levels 5 to 8).¹⁰

Employment by occupation refers to employed persons classified according to the International Standard Classification of Occupations (ISCO).

Employment by sector refers to employed persons classified according to the International Standard Industry Classification (ISIC), Revision 3.

Employment by skill level refers to employed persons classified according to low (skill level 1), medium (skill level 2) and high (skill levels 3 and 4) skill levels that correspond to ISCO guidelines.

Employment in the informal economy refers to those employed in the informal sector and those in informal employment (that is, it also includes informal employment outside of the informal sector).

Employment in the informal sector (informal enterprises): According to the international standards adopted by the 15th ICLS, the informal sector consists of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. The informal sector is a subset of unincorporated enterprises not constituted as separate legal entities independently of their owners. They are owned by individual household members or several members of the same or different households. Typically, they are operating at a low level of organization, on a small scale and with little or no division between labour and capital as factors of production.¹¹

Forced labour refers to all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.¹²

Informal employment: The concept of informal employment refers to jobs as observation units. In the case of own-account workers and employers, the informal employment status of the job is determined by the informal sector nature of the enterprise. Thus, own-account workers (without hired workers) operating an informal enterprise are classified as in informal employment. Similarly, employers (with hired workers) operating an informal enterprise are classified as in informal employment. All contributing family workers are classified as having informal employment, irrespective of whether they work in formal or informal sector enterprises.¹³

⁸ ILO, Addressing Governance Challenges in a Changing Labour Migration Landscape, ILC.106/IV (2017), para. 68.

⁹ ILO Domestic Workers Convention, 2011 (No. 189), Article 1(b–c).

¹⁰ UNESCO Institute for Statistics, International Classification of Education 2011, 2012.

¹¹ ILO, Women and Men in the Informal Economy: A Statistical Picture, 2018, box 2.

¹² ILO Forced Labour Convention, 1930 (No. 29), Article 2(1).

¹³ ILO, Women and Men in the Informal Economy: A Statistical Picture, 2018, box 2.

Irregular migrant worker refers to a migrant worker considered to be in an irregular situation or non-documented situation if they are unauthorized to enter, to stay and to engage in a remunerated activity in the State of employment pursuant to the law of that State and to international agreement to which that State is a party.¹⁴

Labour force refers to the current supply of labour for the production of goods and services in exchange for pay or profit.

Labour mobility refers to temporary or short-term movements of persons for employment-related purposes, particularly in the context of the free movement of workers in regional economic communities.¹⁵

Labour underutilization refers to mismatches between labour supply and demand, which translate into an unmet need for employment among the population. Measures of labour underutilization include, but may not be restricted to, time-related unemployment, unemployment and the potential labour force.

Less than primary education: Less than primary education (ISCED-A level 0) refers to a broad level of educational attainment covering no participation in education, some participation in early childhood education and/or some participation in primary education.

Migrant worker or international migrant worker refers to all persons of working age (in this case, those aged 15+) present in the country of measurement, who were during the specified reference period in one of the following two categories:

- i. Usual residents: International migrants who were in the labour force of the country of their usual residence, either in employment or in unemployment; or
- ii. Not usual residents (or “non-resident foreign workers”): Persons who, during a specified reference period, were not usual residents of the country but were present in the country and had labour attachment to the country, that is, were either in employment supplying labour to resident producer units of that country

or were seeking employment in that country.

Given the primary data collection element of this study, the definition is in line with the 20th ICLS Guidelines Concerning Statistics for International Labour Migration.

Mixed migration lacks a standard definition however the principal characteristics of mixed migration flows include the multiplicity of factors driving such movements and the differentiated needs and motivations of the persons involved. Many migration streams include people who are on the move for different reasons but share the same routes or modes of travel. They may include refugees, asylum-seekers, forcibly displaced persons, smuggled persons, economic migrants, victims of human trafficking and stranded migrants. People may also move between these categories during the course of their migration. Increasing recognition of these complex migration dynamics has led to the rise of the notion of “mixed migration”.¹⁶

Permanent migrant refers to a person who enters with the right of permanent residence or with a visa or permit which is indefinitely renewable. Permanent immigrants would generally include marriage immigrants, family members of permanent residents, refugees, certain labour migrants, etc.¹⁷

Persons in employment are defined as all those of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit.

Persons in time-related underemployment are defined as all persons in employment who, during a short reference period, wanted to work additional hours, whose working time in all jobs was less than a specified hours threshold, and who were available to work additional hours given an opportunity for more work.

Persons in unemployment are defined as all those of working age who were not in employment, carried out activities to seek employment during a specified recent period, and were currently available to take up employment given a job opportunity.

14 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, Article 5.

15 ILO, Addressing Governance Challenges in a Changing Labour Migration Landscape, ILC.106/IV (2017), para. 6, footnote 8.

16 ILO, “Media-Friendly Glossary on Migration: Middle East Edition”.

17 ILO, “Media-Friendly Glossary on Migration: Middle East Edition”.

Persons outside the labour force are those of working age who were neither in employment nor in unemployment in the short reference period.

Potential labour force refers to persons not in employment who express an interest in this form of work but for whom existing conditions limit their active job search and/or their availability.

Primary education: Primary education (ISCED level 1) provides learning and educational activities typically designed to provide students with fundamental skills in reading, writing and mathematics (that is, literacy and numeracy) and establish a solid foundation for learning and understanding core areas of knowledge and personal development, preparing learners for lower secondary education. It focuses on learning at a basic level of complexity with little, if any, specialization.

Private employment agencies refer to any private individual or enterprise (that is, independent of the public authorities) which provides one or more of the following labour market services: (i) services for matching offers of and applications for employment; (ii) services consisting of employing workers with a view to making them available to a third party; or (iii) other services relating to jobseeking.¹⁸

Public employment services are usually the primary government institution responsible for implementing a variety of active labour market programmes including the provision of career guidance and labour exchange services. The basic mandate of Public Employment Services is to facilitate the adjustment of firms and workers to changing labour market conditions.¹⁹

Recruitment agencies are used for the purpose of this report synonymously with the term “labour recruiter”, and refer to both public employment services and to

private employment agencies and all other intermediaries or subagents that offer labour recruitment and placement services. Labour recruiters can take many forms, whether for profit or non-profit, or operating within or outside legal and regulatory frameworks.²⁰

Refugee refers to someone who has been forced to flee his or her country because of persecution, war or violence. A refugee has a well-founded fear of persecution for reasons of race, religion, nationality, political opinion or membership in a particular social group. A person is an asylum-seeker until they are determined to be a refugee in accordance with national and international law.²¹

Seasonal worker refers to a migrant worker whose work by its character is dependent on seasonal conditions and is performed only during certain part of the year.²²

Secondary education: Secondary education (ISCED levels 2 and 3) provides learning and educational activities building on primary education and preparing for labour market entry, post-secondary non-tertiary education, and tertiary education. Broadly speaking, secondary education aims at learning at an intermediate level of complexity. ISCED distinguishes between lower and upper secondary education.

Smuggling of migrants is defined as the procurement, in order to obtain, directly or indirectly, a financial or other material benefit, of the illegal entry of a person into a State Party of which the person is not a national or a permanent resident.²³

Status in employment refers to employed persons classified according to the International Standard Classification of Employment (ISCE)-93 as either an employee, employer, own-account worker, contributing family worker or member of producer’s cooperative or employee, depending on the characteristics of the job.

18 Adapted from Private Employment Agencies Convention, 1997 (No. 181), Article 1.

19 ILO, “Public Employment Services”.

20 ILO General Principles and Operational Guidelines for Fair Recruitment.

21 UN Convention Relating to the Status of Refugees, 1951; see also ILO, Background Paper and Draft ILO Guiding Principles for Discussion at the ILO Tripartite Technical Meeting on the Access of Refugees and Other Forcible Displaced Persons to the Labour Market, TMARLM/2016 (2016).

22 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, Article 2(1)

23 Protocol against the Smuggling of Migrants by Land, Sea and Air, Supplementing the United Nations Convention Against Transnational Organised Crime, Article 3(a).

Temporary migrant refers to a person of foreign nationality who enters a country with a visa or who receives a permit which is either not renewable or only renewable on a limited basis. Temporary immigrants are seasonal workers, international students, service providers, persons on international exchange, etc.²⁴

Tertiary education: Tertiary education (ISCED levels 5 to 8) builds on secondary education, providing learning activities in specialized fields of education. It aims at learning at a high level of complexity and specialization. Tertiary education includes what is commonly

understood as academic education but also includes advanced vocational or professional education.

Trafficking in persons is defined as the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.²⁵

²⁴ OAS and OECD, International Migration in the Americas: Third Report of the Continuous Reporting System on International Migration in the Americas (SICREMI), 2015, 3; ILO, Addressing Governance Challenges in a Changing Labour Migration Landscape, ILC.106/IV (2017), para. 21

²⁵ Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the United Nations Convention against Transnational Organised Crime, Article 3(a)



Free Movement of Persons and Transhumance in the IGAD Region



International
Labour
Organization



PEACE, PROSPERITY AND
REGIONAL INTEGRATION



Funded by the European Union

ilo.org



International Labour Organization



@ILO



ILOTV