

Hargeisa Urban Household Economy Assessment

February – March 2003



Participants:

FEWS Net

Abdi Musa Mohamed (Consultant)
Sidow Ibrahim Addou (FEWS-Net Representative)
Alexandra King (Consultant)

FSAU

Abdi Hussein Roble (Field Monitor Belet Weyn)
Ahmed Nur Hussein (Field Monitor Hargeisa)
Mohamed Salad Mohamud (Field Monitor Galkayo)
Abdirahman Mohamed Yusuf (Field Monitor Bosasso)

Save the Children UK

Musa Awaleh
Abdiwahid Ali Ibrahim

Municipality of Hargeisa

Mohamoud Abdi Younis (Head of Statistics)

Candlelight

Ayan Mohamed Elmi (Volunteer)

Report prepared by Alexandra King
With contributions from Abdi Musa Mohamed and Sidow Ibrahim Addou

Final report: 24 April 2003

Map of Somaliland and Hargeisa

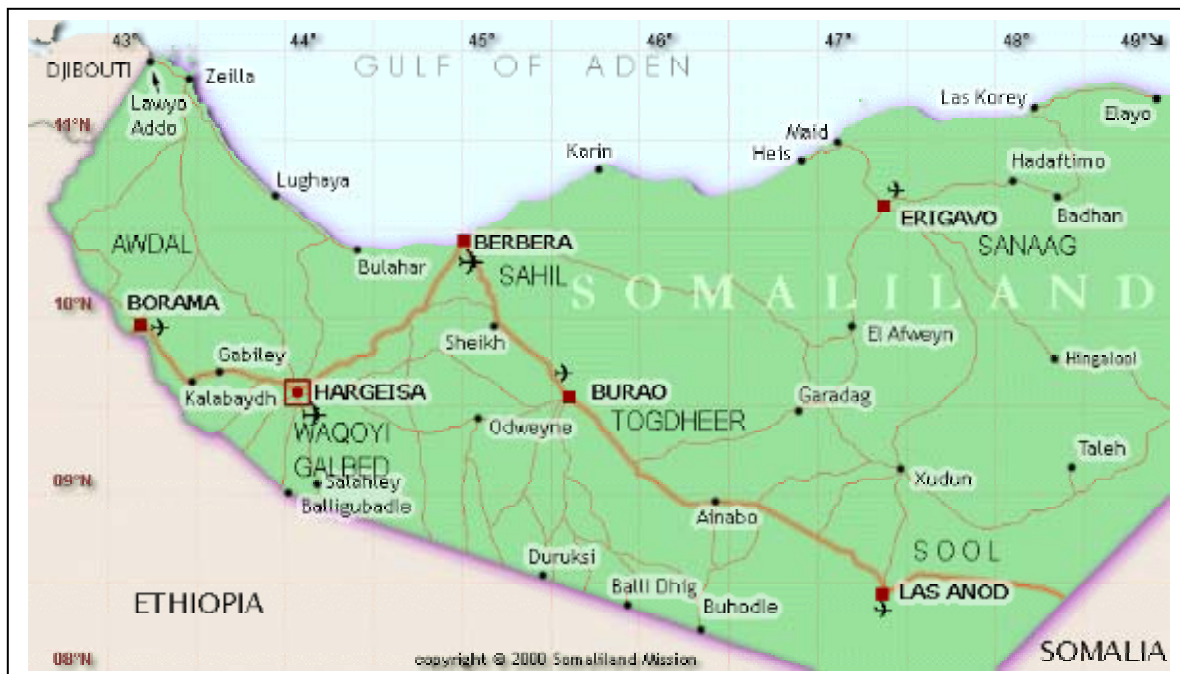
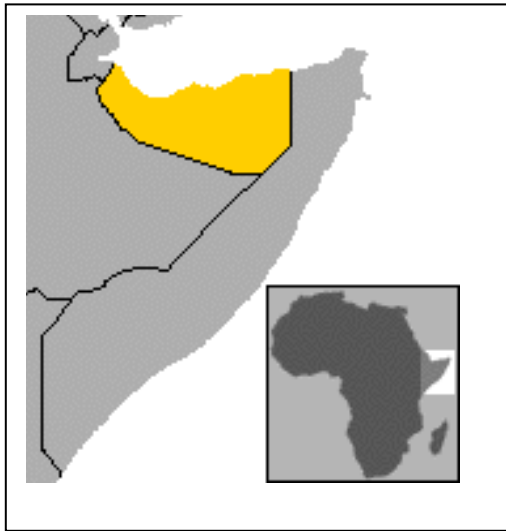


TABLE OF CONTENTS

SUMMARY	5
INTRODUCTION	9
METHODOLOGY	9
BRIEF HISTORY AND TIMELINE OF EVENTS	12
GEOGRAPHY AND POPULATION	13
PREVIOUS ASSESSMENTS AND SURVEYS	15
WEALTH BREAKDOWN	16
SOURCES OF INCOME	19
SECTORAL INVENTORY	21
Livestock Sector	
Construction Sector	
<i>Khat</i> Trade	
Fruit and Vegetable Trade	
Food and Non-Food Trade and Services	
Public Sector	
Remittances	
NGO/UN Employment	
Water Sector	
Transport Sector	
Charcoal Sector	
Summary of Sectoral Inventory	
EXPENDITURE PATTERNS	28
SOURCES OF FOOD	30
COMPARISON WITH 1998 ASSESSMENT FINDINGS	31
LINKS WITH RURAL AREAS	32
SEASONALITY	33
WHAT SHOCKS ARE HOUSEHOLDS VULNERABLE TO?	33
MONITORING	34
ANNEX 1: Documents consulted	37
ANNEX 2: Interviews	38
ANNEX 3: Hargeisa Municipality Population Information	41
ANNEX 4: Expenditure patterns in detail	42
ANNEX 5: Sectoral inventory: food and non-food trade and services sector	49

ANNEX 6: List of participants at Hargeisa presentation

51

ANNEX 7: Acronyms

51

SUMMARY

The Somalia Food Security Assessment Unit (FSAU) has embraced household food economy analysis to assess food security in rural areas of Somalia and Somaliland for the past seven years. Although one urban assessment was conducted in Hargeisa in 1998, urban areas have largely been neglected despite hosting a large percentage of the total population. With this in mind, the main objectives of this exercise were to develop for FSAU and FEWS-Net a common analytical framework for the baseline assessment and monitoring of food access in urban populations, and to use baseline food economy information to better monitor food security in Somalia. The main activity was to carry out primary and secondary data collection in Hargeisa, using key informants, to develop livelihood profiles of poor, middle income and better off households.

Geography: The first step in any household economy assessment is to define the food economy or livelihood zone within which the assessment is to be conducted. In Hargeisa, the team explored whether the physical limits of the town include households that fall into only one food economy zone (the urban zone) or also include populations that are essentially part of other food economy zones (e.g. agricultural or pastoral). In the end, the town was treated as one food economy zone. There are few household residents in Hargeisa that depend *mainly* on land or livestock in rural areas.

There are nine ‘camps’ or poor ‘resettlement’ areas spread throughout the city. These are areas of the town where poor households are concentrated, including recent returnees from the Ethiopian camps, and migrants from the south of Somalia and ethnic Somali and Oromo from Ethiopia. All of the other areas of Hargeisa are ‘mixed’ in terms of the wealth groups that inhabit them.

Wealth breakdown: In a rural setting, wealth groups are usually defined by their main productive assets (usually livestock or land holdings). In an urban setting, this definition is less relevant because large percentages of the population do not have any productive assets other than their ability to trade and their own labour. As a result, wealth groups are categorised primarily by their income levels.

Households with access to less than SSh 15,000 (roughly \$2.25) per day are generally regarded as ‘very poor’. This group includes both the destitute (who rely almost entirely on begging or gifts from relatives and neighbours) and the lowest level of economically active households (who generally obtain SSh 10-15,000 per day through work and gifts). Households with access to SSh 15-25,000 per day are regarded as ‘poor’ and represent approximately 20-35% of households. ‘Middle’ households form the largest wealth group (40-60% of households) and earn SSh 25-80,000 per day, while the ‘better off’ earn more than SSh 80,000 per day and represent 10-15% of households.

Wealth breakdowns were obtained for different parts of the city (‘mixed’ and ‘poor’) and then merged using a working population figure of 375,000 for the town as a whole and, within this, 60,000 for the ‘poor’ areas. In the ‘poor’ areas of Hargeisa town (primarily the ‘camps’ or resettlement areas), there is a much larger percentage of households falling into the very poor and poor wealth groups than in the ‘mixed’ areas, and the percentage of households in the better off group is very small or non-existent. In the ‘mixed’ areas, the middle is the largest wealth group, representing just over half of households. The overall wealth breakdown for Hargeisa looks more like the ‘mixed’ area wealth breakdown than the one for the ‘poor’ areas because of the estimated percentage of households residing in these areas of town.

Although the average household size for Harare is roughly 7-8, at each income level it is obviously easier for smaller households to manage than households with large numbers of small children. The dependency ratio within a household (the ratio of income-earning able-bodied adults to inactive children or elderly people) is a key determinant of standard of living at any given income level. But because it is very difficult for large families to live on very low incomes, families at the lower end of the income scale often send some of their

children to live with relatives. The team found that households at the bottom of the wealth spectrum are generally smaller than those at higher levels.

Income sources: Within each wealth group, there is a wide range of income sources. Members of economically active very poor and poor households are generally involved in small-scale petty trade, casual unskilled daily labour, and low-level employment. Within the household, women are usually engaged in small-scale petty trade (vegetable, milk, prepared food sales). The overall range of profits for women in this wealth group is generally SSh 5-10,000 per day. An alternative income source for such women is casual work on a daily basis, usually cleaning, sweeping or washing clothes for middle and better off households and businesses.

Men from very poor and poor households are usually engaged in casual, unskilled labour (in the construction sector or market portering), in low-paying self-employment (donkey carts and wheelbarrows), or in low-paying employment (shop assistants and waiters). Construction work generally pays SSh 15-20,000 per day but the frequency of work is quite variable and is considered to be less regular than women's petty trade activities. Portering, donkey carts, and wheelbarrow transport generate about SSh 10-15,000 per day in net income, usually for most days of the month.

Children only work in the poorest households, often where adult labour is lacking. Boys are often engaged in shoe shining, while girls do cleaning or domestic work. A shoe shine boy earns about SSh 3-5,000 per day, while a domestic servant earns SSh 70-100,000 per month, plus all meals.

Gifts are a common source of both food and cash income for very poor and poor households. Usually these are not remittances from abroad, but rather gifts from local relatives or neighbours. Gifts of cash income of about SSh 100,000 (US \$15) per household per month were frequently mentioned for poor households.

In most active very poor and poor households, two members of the family are earning an income in one way or another. Usually this is the parents, but in some cases a child and an adult work. While one income might be reasonably regular (e.g. petty trading every day), the other is usually irregular (e.g. unskilled construction labour).

Income sources for the middle group include skilled labour (e.g. masons and carpenters); mid-level employment in the government, NGOs and other organisations, and in private sector companies; mid-level petty trade (including *khat*, clothes and larger quantities of vegetables and milk); and remittances, which are most common for this wealth group.

The better off and rich include households that are involved in large-scale businesses (including import/export and shops of various types) and senior employees. This group has often invested its money in property and in vehicles (including taxis, buses and trucks) that are now generating additional household income.

Expenditure: The active very poor group spends roughly SSh 13-14,000 per day (or about US\$2) on both food and non-food items for a family of 7 people. The standard of living of these households is low compared to other wealth groups. Essential food items include rice, wheat flour, maize, sorghum, sugar, vegetable oil, and very small quantities of vegetables (onions and tomatoes), cowpeas, meat, milk powder, salt and tea leaves. Very poor households tend to purchase food daily in small quantities, which means that they end up paying more per kilo than better off households that can purchase in bulk. The vast majority of calories consumed by these households come from cereals, sugar and oil. The main non-food items that are purchased daily are water, charcoal, and kerosene. Items that are purchased less frequently include soap, second-hand clothes, and *khat*. Spending on schooling and health care is minimal

Households in the poor group, spend about US\$3 per day on food and non-food items for a family of 7 people. They tend to purchase slightly less of the cheaper cereals than the 'very poor' group and purchase more of almost everything else. Wealthier households can afford a better quality and more diverse diet, purchasing much larger quantities of vegetables, fruit, meat and milk. Expenditure on water, health care, education, transport, clothing and *khat* increases as households become richer. In addition, lower middle, upper middle and better off households all indicated that they give gifts in cash or in kind to poorer relatives (both in rural and urban areas) and neighbours.

In general, the percentage of household expenditure (and income) spent on food decreases as wealth increases. While very poor households spend about 65-70% of their income on food, lower middle households spend about 50% and better off households only about 20%.

Food sources: Typically, there are only two sources of food for urban households: market purchase and gifts of food (for poorer households). Gifts of food tend to be given by middle and better off households to their poorer neighbours and relatives. Both cooked food and dry food are given, and in some cases this assistance is given daily, particularly to neighbours.

Shocks: Households are vulnerable to a number of potential shocks. Civil strife and insecurity are obvious potential shocks, given the history of Hargeisa, and this has the potential to affect all households in all wealth groups. However, due to the political progress that has been made in recent years, this shock is not currently regarded as likely, at least in the short to medium term. **Exchange** rate depreciations that lead to increased shilling costs of imported food and non-food items are a particular problem for poor households, if their wages and profits do not keep pace with the changes. Any changes that negatively affect the major sectors in the urban economy will result in a general slowdown of trade and market activities and will affect many households throughout the wealth spectrum. Examples include: restrictions on trade with Ethiopia and other countries that cannot be circumvented (the current livestock ban is one example), restrictions on or a reduction in remittances from abroad (due to increased financial regulation), and decline in the construction sector (which could be the result of a decline in remittances or because of the periodic bans imposed by the government). Furthermore, households in both the formal and informal sectors, and in all wealth groups, are vulnerable to the illness or death of (or divorce from) the main income earner, and this can result in a major drop in standard of living.

Monitoring: In order to update the baseline assessment, information is required that monitors the key elements of household economies in Hargeisa. In general terms, it is important to monitor the things that households buy (both food and non-food items) and the things that they do to obtain income, and how these two things change in relation to one another. In terms of tracking changes in the cost of living, FSAU already monitors a number of food and non-food items in Hargeisa each week. A number of additional items that households in urban areas commonly purchase will need to be added to this weekly price survey. The Hargeisa Municipality has agreed to monitor the items that the FSAU is not currently monitoring. FSAU and the municipality will compile and analyse these prices each month into one or two expenditure/consumption baskets that will be tracked over time, keeping in mind any normal seasonal changes.

Tracking incomes is more complicated. The unskilled labour daily wage rate is already being collected weekly by FSAU and this can easily be tracked over time against the cost of living. However, monitoring the availability of work (i.e. the number of days of casual work per week or per month that a worker can find) is more difficult. Similarly, income from petty trade (a major source of income for poor households, and particularly for women) is not as easy to monitor as the going wage rate. One source of information that should indicate what is happening to incomes, at least in general terms, is the Hargeisa Municipality's revenue by sector from licensed businesses. The municipality has agreed to make this information available for analysis on a monthly basis. In addition to this, the assessment team has suggested doing a mini-sectoral analysis for three key sectors periodically: construction, remittances and market petty trade. For all three sectors, it will be important to differentiate normal seasonal changes from more fundamental changes.

Discussions with FEWS-Net and FSAU in Nairobi have led to the conclusion that such a mini-sectoral analysis could be done every 6 months routinely and, in addition, on an *ad hoc* basis whenever there is particular concern about the situation in Hargeisa town.

INTRODUCTION

The Somalia Food Security Assessment Unit (FSAU) has embraced household food economy analysis to assess food security in rural areas of Somalia and Somaliland for the past seven years. Rural food economy zones have been mapped throughout the region and baseline livelihood pictures are now available for many of these zones. Although one urban assessment was conducted in Hargeisa in 1998, urban areas have largely been neglected despite hosting a large percentage of the total population.

With this in mind, the main objectives of this exercise, as outlined in the scope of work, were to:

- develop for FSAU and FEWS-Net a common analytical framework for the baseline assessment and monitoring of food access in urban populations, and
- use baseline food economy information to better monitor food security in Somalia.

The main activities were to:

- fine-tune or modify the urban baseline methodology developed in Harare, Zimbabwe to Somaliland's conditions
- carry out primary and secondary data collection in Hargeisa, using key informants, to develop livelihood profiles of poor, middle income and better off households, and to better understand inter-connections between rural and urban populations, and
- disseminate results and planning for the Hargeisa urban food economy work to all relevant partners in order to strengthen effective collaboration in the area.

Hargeisa was selected as the first town for an urban assessment because of its relatively good security situation and because it is the largest town in Somaliland.

METHODOLOGY

The household food economy approach looks at households' access to basic food and non-food items, through production, purchase and other mechanisms. The household is taken as the unit of reference because it is the chief unit through which populations operate for production, sharing of income, and consumption. The initial focus is on food because the poorer the people are, the greater is the dominance in their lives of one factor: securing access to essential food. However, the approach is also concerned with how households access their non-food needs, and this is a particularly important aspect for urban assessments.

The food economy framework proposes that if we can first understand how households obtain their food and non-food needs, and likewise how they obtain cash with which to buy these things, then we have a basic description of how people survive - how their household economy 'works'. This tells us whether a given population is economically insecure and currently in need of assistance. It also acts as the baseline information against which we can view a new threat to food and non-food access, be it from crop failure or market dislocation caused by conflict or a barrier to normal employment, enabling us to judge the population's vulnerability to different shocks or hazards.

There is a difference in focus between rural and urban assessments. While the overall objective is the same — namely, to analyse the access that different groups have to food and cash income in relation to their food and non-food needs — the details of the analytical approach usually vary from one context to another. In a rural setting, it is often most useful to focus on access to food and income for different wealth groups. This is because members of a particular wealth group generally share the same level of food security and a similar limited set of options for obtaining food and income, pursuing much the same strategies at much the same times of year. The relative homogeneity of rural livelihoods makes enquiry into sources of food and income the most efficient way to generate a rapid understanding of food security in a rural context.

The same homogeneity within wealth groups is less striking in an urban setting. Here, one source of food – the market – usually predominates and so the focus of enquiry generally shifts towards questions of cash income and expenditure. In towns, there is often a wider range of income sources for any one wealth group, and earnings may be less regular than in the countryside. However, while incomes tend to be heterogeneous in urban settings, patterns of expenditure do not. Poor families tend to spend similar amounts of money on similar things, so that an enquiry into patterns of expenditure is often the most useful approach for understanding livelihoods in an urban setting. Since urban economies are primarily market-based, and many of life's essentials have to be purchased in the town, it is critical for these non-food elements to be incorporated into an urban analysis.

One of the lessons learned from previous urban assessments in Harare and elsewhere was that it would be useful to conduct a parallel questionnaire survey to cover two main topics that are difficult to unravel in urban areas using the food economy methodology alone. These included **household composition** (specifically the number of active workers compared with the number of dependants) and the **proportion of people engaged in different types of income-generating activities** in an urban economy.

For three reasons, a questionnaire survey was not conducted as part of this assessment. Regarding the first topic, household composition, it was decided that while a city-wide survey might produce average household composition, it might not produce information on differences in household composition by wealth group, the specific interest of the team. It was thus decided to hold detailed discussions on household composition during the wealth breakdown and household-level interviews. An additional resource available for the poorest neighbourhoods of Hargeisa was the report of the Interagency Returnee Settlement Area Assessment conducted in February – April 2002. This assessment included a household questionnaire with detailed questions on demographics. Since poor households tend to be concentrated in the eight neighbourhoods that were included in that assessment, this information proved useful for understanding household composition of poor households.

Regarding the second topic, the importance of specific income sources, the experience of conducting the previous Hargeisa assessment in 1998 provided an alternative idea on how to gather such information. That assessment analysed specific sectors in the economy and, using information gathered from key informants, 'added up' the number of people engaged in different activities within each sector and their approximate income levels. The current team decided to repeat this exercise and 2-3 people were dedicated to this 'sectoral inventory' throughout the assessment. They gathered available secondary source information on each sector and conducted key informant interviews to ascertain the types of income-generating activities in each sector, the number of people involved in each activity, income or profit levels associated with each activity, and the seasonality of activities and income levels.

Lastly, the team did not have the capacity to conduct a Hargeisa questionnaire survey, from sampling through to analysis stages. As this had not been organized in advance by FEWS-Net, an alternative had to be found.

The team undertook the following steps during this study:

- a review of secondary sources¹,
- a zoning exercise during the initial workshop, interviews with 40 groups of key informants to establish a breakdown of households by wealth and income levels², interviews to establish income and expenditure patterns at household level with 60 focus groups at different income levels in all five districts of Hargeisa,

¹ See Annex 1 for a list of documents consulted and the section below on 'previous assessments' for a brief summary of the most relevant documents.

² See Annex 2 for a list of interviews (wealth breakdowns and focus group discussions).

- interviews with key informants in each economic sector to compile an inventory of the approximate number of people working in each sector, different activities in each sector and their associated income levels,
- analysis of information and compilation of the baseline picture, and
- discussion of a monitoring system.

The assessment aimed to answer basic questions such as: who are the poor, how consumption patterns change as households become poorer, coping mechanisms and capacity, how livelihood strategies have changed, and so on. The assessments did not look at quality of health care, water supplies or education, and these sectors only entered the analysis through household expenditure patterns and gaps in what households can afford. Similarly, there was no specific focus on recent returnee households or the displaced, although the team did interview these groups. This assessment focussed on the current period rather than on getting a detailed picture of a 'normal' year.³ The assessment looked at food and income sources and expenditure patterns, and their seasonality, for different wealth groups over the last 12 months (so that the past year became the baseline).

Participants: A number of organisations were informed about FEWS and FSAU plans to conduct the assessment and were invited to participate in the preliminary workshop, fieldwork and analysis. These included: CARE, SC-UK, WFP, SC-US, Unicef, Candlelight, Handicap International and the Hargeisa Municipality. Some organisations said that they were too busy with their own activities to be able to contribute staff members for the entire exercise. However, two staff from SC-UK, the head of the statistics department from the municipality, and one volunteer from Candlelight (a local NGO) joined four FSAU and three FEWS-Net staff and consultants for the entire exercise. An advisor to the Hargeisa Mayor participated in the preliminary workshop.

The four FSAU and two SC-UK staff members were experienced in conducting household food economy exercises in rural areas, but only one had previously worked in urban areas. Both FEWS-Net consultants (one expatriate and one Somali) had conducted urban household food economy assessments in the past. The municipality officer who joined the team had worked with the Somali FEWS-Net consultant on the original Hargeisa urban assessment in 1998. The full team consisted of 11 people, 5 of whom were Hargeisa residents.

A presentation of findings was made in Hargeisa on 17 March 2003 to an audience of about 20 people from 15 organisations, including Hargeisa Municipality, WFP, UNICEF, SC-US, CARE, CINS, UNDP, DRC, Candlelight, Handicap International, and FSAU. See Annex 6 for a full list of participants.

Assessment timeline: FEWS-Net and FSAU carried out the initial planning for the preliminary workshop and for the assessment on 23-24 February 2003. Discussions included: how urban household food economy work is different from rural, what year to use as a baseline, whether to conduct a parallel household questionnaire survey (see discussion above), and the link to future monitoring. In addition, draft interview formats for wealth breakdown and household-level interviews were reviewed and revised in preparation for the preliminary workshop. A schedule for the workshop was devised, with all FSAU and FEWS-Net participants leading different sessions. Since most participants in the preliminary workshop had previously been trained in household food economy analysis, the two-day workshop (25-26 February 2003) provided a rapid review of food economy concepts and included discussions on how to adapt the methodology to the Hargeisa setting. Fieldwork was conducted between 27 February and 12 March 2003. This period included

³ This was partly because it was difficult to define 'normal' in a place where the entire population has been displaced at least once since 1988, the population has been steadily increasing since 1997, and there have been a series of economic 'events' (such as the two livestock bans and the current trade restrictions imposed by the Ethiopian Government) that are 'abnormal'.

two days to consolidate information and conduct a preliminary analysis (mainly to identify remaining key questions and gaps). Final analysis was conducted between 13-16 March, including the preparation of the presentation that was made in Hargeisa.

BRIEF HISTORY AND TIMELINE OF EVENTS

Siad Barre took control of Somalia in October 1969. Relations began to worsen between the Siad Barre regime in Mogadishu and the Somaliland people from the mid-1970s onward. Relations became openly hostile as the Barre regime reneged on previous pledges of posts for Somalilanders in the public administration and government and neglected investments in the region. From 1982 to early 1988, political instability started in Somalia, and the Siad Barre regime placed restrictions on, threatened, harassed and even killed opponents, particularly in the northwest (Somaliland), northeast (Bari) and central regions of the country. During 1988 – 91, instability increased to the point of civil war, spreading from the northwest regions and later extending to southern Somalia. Factional and clan-based armed conflict increased and the regime collapsed in January 1991. Large numbers of civilians fled from conflict-affected areas of Somaliland and Somalia to refugee camps in eastern Ethiopia and northeastern Kenya.

After peace was restored in Somaliland, in May 1991, the main Somaliland political armed group, Somalia National Movement (SNM), declared the northern area of Somalia (with similar boundaries as British Somaliland) as the independent Republic of Somaliland. People who had fled the region started to return home. During 1991-92, the people of Somaliland worked to achieve and maintain peace and stability through a participatory consensus process. That process culminated in the election of the late president, Mohamed Ibrahim Egal, in 1993 and the establishment of an administrative body with judicial, legislative, and executive branches. However, in 1992-93 there was some disagreement between the SNM and the newly established government, and some SNM groups (Isak sub-clan) defected from the Egal administration. President Egal introduced a new Somaliland currency and prohibited use of the existing Somali currency in October 1994. Partly as a result of this, civil war broke out in 1994, forcing many to flee from Hargeisa and Burao to the refugee camps in Ethiopia and to the rural areas surrounding the towns.

A five-month long reconciliation conference held in Hargeisa between October 1996 and March 1997 facilitated the termination of the armed conflict and extended the term of Egal's government by 5 years. Political stability and the security situation have improved since then, which has resulted in the return of most refugees from Ethiopia (both spontaneously and through UNHCR-assisted programmes). In terms of recent political events, the council of elders approved a constitution for Somaliland in May 2001 and even the death of long-standing President Egal in May 2002 did not disrupt the process that was established at that time. The elders quickly chose an interim president, local government elections were held in December 2002 and presidential elections were held on 15 April 2003.

Although the economy started to recover from 1997, especially crop and livestock production and the urban economy, there have been a number of shocks to the economy over the past 6 years.

Saudi Arabia imposed a ban on the import of livestock from Somaliland in February 1998, lasting until May 1999. The impact of this ban was limited because the livestock export route through the Yemen remained open. However, due to Rift Valley Fever (RVF) and subsequent outbreaks of the disease in humans, another livestock ban was imposed by Saudi Arabia in September 2000 and subsequently by 8 other Arabian Peninsula governments. This second import ban, far more extensive in scope, has lasted up to today. It has forced many livestock exporters out of the business and forced others to diversify. Pastoralists have lost their main income source and have become more vulnerable to shocks. A significant reduction of livestock prices, especially for export quality animals, has been observed over the last three years.

Due to a dispute over trade issues, especially over cigarette suppliers, the Somaliland Government imposed heavy taxes on cigarettes imported from Djibouti. Consequently, the Djibouti Government retaliated by closing its border with Somaliland from early April 2001 until June 2002.

Following the terrorist attacks in the US in September 2001, the US Government shut down Somalia's largest company for remittances (Al-Barakaat) and placed increased restrictions on international money transfers. Despite initial fears that this would negatively affect this key source of foreign exchange, there are no indications that the overall amount of remittances has been reduced.

In October 2002, the Ethiopian government imposed restrictions on border trade with Somaliland in an effort to control smuggling and insecurity. Following initial disruptions, most traders have managed to circumvent the restrictions in one way or another. Consequently, the restrictions have not had a large impact on the economy, although some individuals have been negatively affected.

The Somaliland shilling depreciated from SSh 3,800 per US dollar in February 1999 to SSh 6,520 in February 2003 due to a combination of factors mentioned above.

The economic situation has not been wholly negative, however. The political stability since 1997 has encouraged many of the Somali Diaspora to increase remittances beyond immediate support to family members and have been purchasing land, constructing homes and setting up businesses. The construction sector has been booming in recent years and employs large numbers of people.

Furthermore, during and after the war between Ethiopia and Eritrea, the Somaliland and Ethiopia governments agreed to use Berbera as the port of entry for commercial goods as well as for relief supplies. The transport of food aid to Ethiopia has increased considerably since 2000, providing revenue for the government at the port and opportunities for business.

GEOGRAPHY AND POPULATION

The first step in any household economy assessment is to define the food economy or livelihood zone within which the assessment is to be conducted. In Hargeisa, the team explored whether the physical limits of the town include households that fall into only one food economy zone (the urban zone) or also include populations that are essentially part of other food economy zones (e.g. agricultural or pastoral). In the end, the town was treated as one food economy zone. There are very few households resident in Hargeisa that depend *mainly* on land or livestock in rural areas. There are some households (a minority) in the middle and better off wealth groups that own land and/or livestock in rural areas, but rural production usually does not form their main sources of income or food. In some cases, men living in urban areas have a second wife and family in rural areas that essentially form a separate rural household. In such situations, the urban household generally has urban food and income sources, although there are links between the two households.

Hargeisa municipality is split into five districts, each of which is sub-divided into 4 or 5 sections, as outlined in the following table.

District	Geographical location	Section
Gaan Libah	Northeast Hargeisa	Sheikh Yusuf
		Sheikh Madar
		Mohamed Harbi
		Sheikh Nur
		Warabe Salaan
26 June	North-central Hargeisa	Durya
		Almis
		Aingal
		Gol-Jano
Ibrahim Kodbur	Northwest Hargeisa	Hero-Alur
		Lihle
		Gul-Alla
		Jigjiga Yar
Mohamed Heybe	Southeast Hargeisa	Jame'o-Weyn
		Burao-Duray
		Sheikh Shukri
		Qudha-Dheer
		Mohamed Moge
Ahmed Dagah	Southwest Hargeisa	Mohamed Ali
		Farah Nur
		18 May
		Sheikh Muse Duale
		Abdi Idan ('Ayaha')

There are nine 'camps' or poor 'resettlement' areas spread throughout the city. These are areas of the town where poor households are concentrated, including recent returnees from the Ethiopian camps, and migrants from the south of Somalia and ethnic Somali and Oromo from Ethiopia. Sheikh Nur and Mohamed Moge are two of these areas and they are listed above as official sections of the town. Out of the seven remaining settlements, three (Aw Aden, Ayaha and Sinia) are permanent and are officially recognised, while the other four (Stadium, State House, Daami and Beerta Xorriyada) are temporary.

All of the other areas of Hargeisa are 'mixed' in terms of the wealth groups that inhabit them. However, the older and more established neighbourhoods seem to have a smaller percentage of poor households than some of the newer neighbourhoods, where recent returnees and migrants are more likely to settle.

Interviews were conducted in 4 sections in each of the 5 districts, or in 20 sections in all, and in 4 of the poor settlements (Sheikh Nur, Daami, State House and Mohamed Moge).

The available population information for Hargeisa town is unclear. The current municipality estimate is 445,000, based on the number of permanent, temporary and illegal houses in each section of the town. This information is summarised in Annex 3. The team was told that the UN uses 300,000 as a working population figure, while the Ministry of Planning uses 375,000. The Water Development Authority estimates the population of the town at 600-700,000. The Electoral Commission estimate is 700,000, although the number of voters in last year's local council elections in Hargeisa town only reached 100,000. It is not clear what percentage of adults voted.

PREVIOUS ASSESSMENTS AND SURVEYS

This section attempts to highlight some of the key findings of a few assessments that are particularly relevant to the current urban baseline assessment. The assessments are presented in chronological order. For more details on these reports, readers are referred to the reports themselves, details for which are listed in Annex 1.

The 1998 urban food economy assessment of Hargeisa divided the population into five wealth groups: 3-7% very poor, 20-25% poor, 40-50% middle, 20-25% better off, and 2-3% rich. The income levels associated with these groups ranged from SSh 5-13,000 per household per day for the very poor, SSh 13-25,000 per day for the poor, SSh 25-35,000 per day for the middle, to more than SSh 35,000 per day for the better off. At the time of the fieldwork (1998), 1 US dollar equaled approximately SSh 3,850. The main source of food for all wealth groups was found to be purchase in the market. Income sources within each wealth group varied considerably but were generally categorised into the following headings: trade and petty trade, employment (formal and casual), self-employment, rental income, gifts and remittances. Very poor and poor households spent a greater proportion of their income on food and essential non-food items. These groups were found to be particularly vulnerable to economic shocks that affected the prices of basic items (especially food) or that affected their ability to find casual work or to earn income through petty trade.

A nutrition survey was conducted in June 2001 by Unicef and MOHL, and in collaboration with the FSAU, in seven poor neighbourhoods of Hargeisa.⁴ The survey found a global acute malnutrition rate of 16.3% and a severe acute malnutrition rate of 6.4%. According to WHO standards, a global acute malnutrition rate greater than 15% is considered “serious” if unaccompanied by aggravating factors or “critical” if accompanied by aggravating factors.⁵ In terms of demography, 9% of the households interviewed were female headed. Two-thirds of households had been living in Hargeisa between 2-6 years, and a similar proportion originated from the refugee camps in Ethiopia, suggesting that many households were still integrating themselves into the local economy and social fabric and its safety-nets. Eighty-eight percent of households reported having only one income source. In terms of health, 22% of the children had diarrhoea and over 36% suffered from acute respiratory infections during the two weeks prior to the survey. Just over half of households owned a toilet, with a very poor sanitation situation reported. The main source of drinking water for most households was a public tap and most households were found to use two 20-litre jerrycans of water per day. At 7-8 members per household, this consumption falls well below international standards of 20 liters per person per day.

The Interagency Returnee Settlement Area Assessment conducted in February – April 2002 provides useful information on the eight neighbourhoods in Hargeisa where poor returnee and internally displaced households are concentrated. The total population of these eight areas was estimated at almost 57,000 people, with an average household size of 6.6 (median 6).⁶ Twenty percent of the households were reported to be headed by women and their households were on average smaller by one member than male-headed households.

Half the population was found to be under 15, while almost two-thirds were under 20 years. More specifically, the following table outlines the age distribution compiled for these surveyed returnee settlement areas of Hargeisa:

⁴ *Hargeisa Nutrition Survey Report*, Unicef and Ministry of Health and Labour in collaboration with FSAU, September 2001. The survey was conducted in Sheikh Nur, Aw Aden, Daami, Mohamed Moge, State House, Stadium and Fadumo Bihi surroundings.

⁵ “Aggravating factors” include poor food availability, disease epidemics, and inadequate water supplies.

⁶ Satellite imagery was used to estimate the number of households. The household survey was used to estimate average household size.

Age range	Percent of population
0-4	20%
5-9	19%
10-14	14%
15-19	11%
20-29	11%
30-59	22%
60+	3%

Many (60%) of the residents of these areas lived in Ethiopian refugee camps prior to arriving in Hargeisa. Eighty percent were originally from Somaliland, 9% from southern Somalia, and 11% from Ethiopia (including ethnic Somalis and non-Somalis). Most of the southern Somalis lived in Daami, while most of the Ethiopians lived in Daami and Sheikh Nur. The average household size of households originally from Somaliland was larger than that for households from other locations. The survey found that southern Somalis and non-Somali Ethiopians ranked lowest in terms of economic indicators, significantly below households originally from Somaliland.

Overall, 73% of men and 32% of women were found to bring cash income into their households, mainly through market activities and casual work. Six percent of children aged 5-14 years were reported to do some form of work, but this differed considerably by household origin.⁷ While only 1% of children in this age group originally from Somaliland worked, 25% of those from southern Somalia, 27% of Somali Ethiopian and a full 43% of non-Somali Ethiopian children in that age group were working. School enrollment rates for boys ranged from 36% in the 5-9 year age group to 74% in the 10-14 age group to 57% for the 15-19 age group. The corresponding figures for girls were 31%, 46% and 28%. The report states that 'after food, all focus groups reported school fees as a family's major expense'. School fees were commonly US\$1 per month per child.

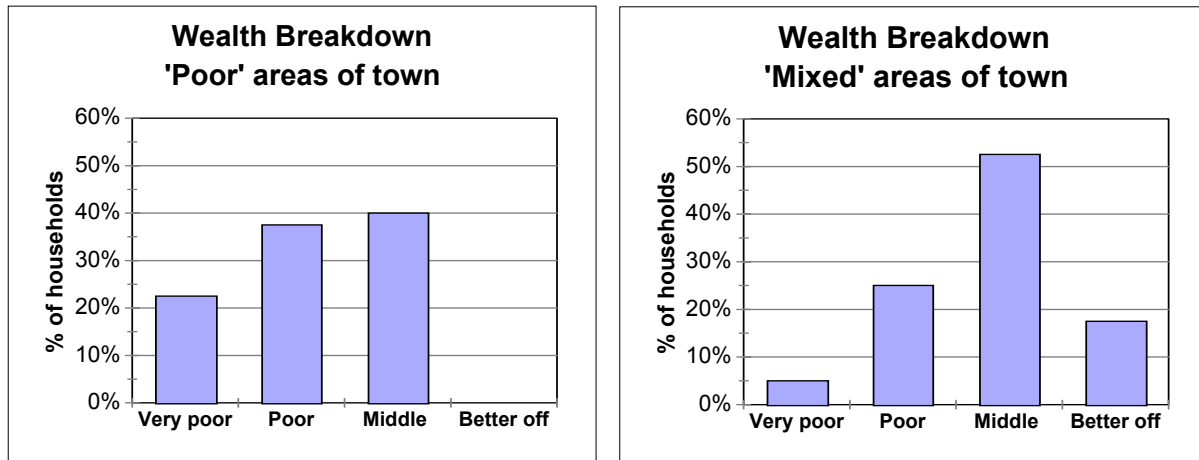
Unicef and the FSAU conducted a more recent nutrition survey in February 2003. Once again, the survey focused specifically on the poor parts of Hargeisa town. The survey found a global acute malnutrition rate of 15.3% and a severe acute malnutrition rate of 3.8%. Further details from the survey, and the final report, are not yet available.

WEALTH BREAKDOWN

The current wealth breakdown for Hargeisa was obtained through interviews with 40 groups of key informants throughout the city. The participants in these interviews included 'elders', section leaders and members of the community (both men and women). Wealth breakdowns were also conducted in some of the focus group interviews with particular wealth groups. Wealth breakdowns were obtained for different parts of the city ('mixed' and 'poor') and then merged using a working population figure of 375,000 for the town as a whole and, within this, 60,000 for the 'poor' areas.⁸ The first two graphics below illustrate the wealth breakdowns that were obtained for the 'mixed' and 'poor' parts of the city. The third graphic is a summary for the city as a whole. None of the percentage figures in these graphics should be regarded as precise – each figure is within a range – which varies from one part of the town to another.

⁷ The assessment report commented that, if anything, the figures on this topic are underestimates.

⁸ The available population information is described in the Geography and Population section, above.



In a rural setting, wealth groups are usually defined by their main productive assets, be they livestock or land holdings. In an urban setting, this definition is less relevant because large percentages of the population do not have any productive assets other than their ability to trade (often with borrowed goods) and their own labour. Wealth groups are categorised primarily by their income levels below. Key informants found it most easy to describe income levels on a daily basis when distinguishing between different wealth groups. There were a number of additional characteristics that key informants used to distinguish between wealth groups, such as specific income-generating activities and type of housing. It was difficult for key informants to make general statements about the capital assets owned by particular wealth groups, although it was clear that the poor have few assets of any sort.

Households earning less than SSh 25,000⁹ per day in February – March 2003 were generally regarded as ‘poor’ and households above that level were considered to be ‘middle’. In some interviews, the boundary between the poor and middle was SSh 20,000, but SSh 25,000 was the more commonly mentioned figure. The definition of the ‘very poor’ varied from one interview to the next. The destitute, who rely almost entirely on begging or gifts from relatives and neighbours, are included within the ‘very poor’ group, but there are also some active households¹⁰ within this group. Key informants spoke of active very poor households earning SSh 5-10,000 per day, but once all income sources (including gifts and irregular income) were explored, these households usually ended up in the SSh 10-15,000 per day range.

Defining the boundary between the ‘middle’ and ‘better off’ was not straightforward and key informant opinions on this varied. Some said that any household earning more than US\$10 (about SSh 67,000) per day was better off. Others said that the better off group started above US\$15 (about SSh 100,000) per day, and others still said that the boundary was somewhere in between these two figures. The team has used a cut off point of SSh 80,000 per day (or approximately US\$12).

In the ‘poor’ areas of Hargeisa town (primarily the ‘camps’ or resettlement areas), there is a much larger percentage of households falling into the very poor and poor wealth groups than in the ‘mixed’ areas, and the percentage of households in the better off group is very small or non-existent. In the ‘mixed’ areas, the middle is the largest wealth group, representing just over half of households. The overall wealth breakdown for Hargeisa looks more like the ‘mixed’ area wealth breakdown than the one for the ‘poor’ areas because of the estimated percentage of households residing in these areas of town.

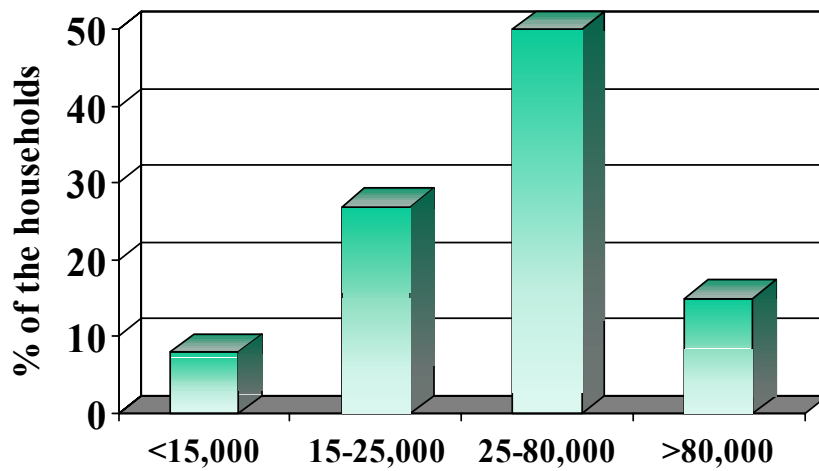
⁹ The exchange rate in February – March 2003 ranged from 6,500 – 6,750 Somaliland Shillings per US dollar. Thus, SSh 25,000 was about \$3.75.

¹⁰ ‘Active’ refers to households that work for an income as opposed to receiving gifts freely.

Wealth breakdown: Hargeisa

Please note that each % figure is the mid-point of a range.

Generally two members of the family are working



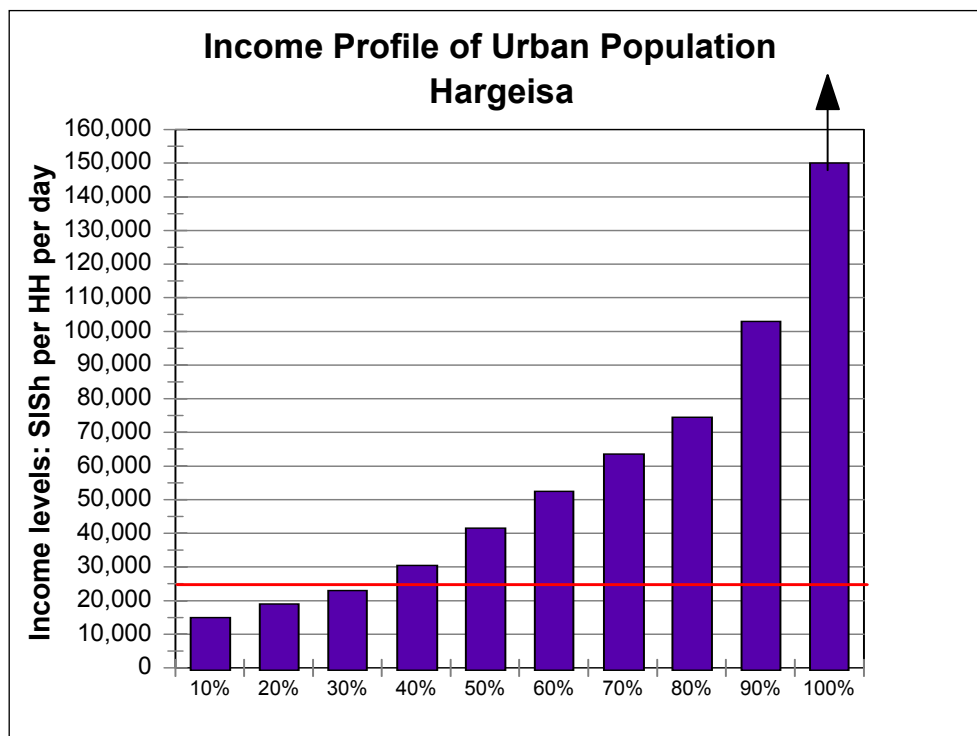
SI\$ per household per day

Very poor and poor
 Small-scale petty trade (veg, milk, prepared food)
 Casual, unskilled labour
 Donkey carts / wheelbarrows
 Children's work: e.g. shoe shine
 Gifts

Lower and upper middle
 Skilled workers
 Mid-level employees
 Mid-level petty trade
 Chat / meat sellers
 Remittances

Better off and rich
 Import/export
 Large shops/traders
 Senior employees
 Large businesses
 Rental income

If the overall wealth breakdown is converted into deciles, the following picture emerges.



Although the average household size for Hargeisa is roughly 7-8, at each income level it is obviously easier for smaller households to manage than households with large numbers of children. The dependency ratio within a household (the ratio of income-earning able-bodied adults to inactive children or elderly people) is a key determinant of standard of living at any given income level. But because it is very difficult for large families to live on very low incomes, families at the lower end of the income scale often send some of their children to live with relatives. The team found that households at the bottom of the wealth spectrum are smaller than those at higher levels. In this analysis, an average household size of 7 is used for the active very poor and poor, 8 for the middle and 10 for the better off. This is because middle and better off households attract additional extended family members and often have domestic staff residing with them. Destitute households tend to be smaller than the active very poor and poor (with perhaps 4-5 members).

SOURCES OF INCOME

Within each wealth group, there is a wide range of income sources. Some information from the household economy assessment will be summarised in this section, and more detail will be provided in the following section on the sectoral inventory.

Members of active very poor and poor households are generally involved in the following income-generating activities:

- Women are usually engaged in small-scale petty trade (vegetable, milk, prepared food sales). Profit rates per day depend on the capital with which the woman works, or the amount that she is loaned per day by her supplier. The overall range of profits for this wealth group is generally SSh 5-10,000 per day, with 'very poor' women at the lower end of the range and 'poor' women at the upper end. Women engaged in petty trade generally work every day of the week.

- An alternative income source for women in these wealth groups is casual work on a daily basis, usually cleaning, sweeping or washing clothes for middle and better off households and businesses.
- Men are usually engaged in casual, unskilled labour (in the construction sector or market portering) or in low-paying self-employment (donkey carts and wheelbarrows). Construction work generally pays SSh 15-20,000 per day but the frequency of work is quite variable. Less successful men work only about 10 days per month, while more successful men can find up to 25 days per month.¹¹ Casual work is considered to be less regular than women's petty trade activities and is often not initially mentioned as a source of household income for this reason. Portering, donkey carts, and wheelbarrow transport generate about SSh 10-15,000 per day in net income, usually for most days of the month.
- Some men are employed at low wages. For example, bus drivers earn about SSh 25,000 per day, while their conductors earn SSh 10-15,000 per day. Assistants in small shops and restaurants also fall into this category, usually at the top end of the 'poor' group.
- Children only work in the poorest households, often where adult labour is lacking. Boys are often engaged in shoe shining, while girls do cleaning or domestic work. A shoe shine boy earns about SSh 3-5,000 per day, while a domestic servant earns SSh 70-100,000 per month, plus all meals.
- Gifts are a common source of both food and cash income for very poor and poor households. Usually these are not remittances from abroad, but rather gifts from local relatives or neighbours. Gifts of cash income about SSh 100,000 (US \$15) per household per month were frequently mentioned for poor households.

In most active very poor and poor households, two members of the family are earning an income in one way or another. Usually these are the parents, but in some cases a child and an adult work. While one income might be reasonably regular (e.g. petty trading every day), the other is usually irregular (e.g. unskilled construction labour). Other surveys have indicated that poor households usually have only one income source, but this may be because 'gifts' and 'irregular' income sources are not included.

The 'middle' forms a large group and includes a variety of income sources, including:

- Skilled labour (e.g. masons and carpenters), which generates about SSh 50-70,000 per day.
- Mid-level employment in the government, NGOs and other organisations, and in private sector companies.
- Mid-level petty trade (including *khat*, clothes and larger quantities of vegetables and milk).
- Remittances, which are most common for this wealth group. Indeed, some households within this group rely solely on remittances from relatives living abroad.

The better off and rich include households that are involved in large-scale businesses (including import/export and shops of various types) and senior employees. This group has often invested its money in property and in vehicles (including taxis, buses and trucks) that are now generating additional household income.

¹¹ 'Success' partly depends on clan contacts since anyone building a house tends to employ known people from his/her own clan.

SECTORAL INVENTORY

This section will outline 12 of the main sectors in which people are employed in urban Hargeisa. All of the figures in this section should be regarded as approximate (the mid-point of a range). The classification of particular 'jobs' into income levels was carried out before the household economy assessment had finalised the wealth group information from community-level interviews. Consequently, this section uses a different income classification scale, for individual jobs as opposed to household income, as follows:

- Very poor: <\$70 per month (\leq SSh 15,600)
- Poor: \$70-150 (= SSh 15,600-33,500)
- Lower middle: \$150-250 (= SSh 33,500-55,800)
- Upper middle: \$250-750 (= SSh 55,800-167,500)
- Better off: \$750-2,000 (= SSh 167,500-4,467,000)
- Rich: >\$2,000 (\geq SSh 4,467,000)

The very poor groups are roughly the same, but the poor group in this section is larger than that established through key informant wealth breakdowns. In addition, the better off group starts at a higher level in this section. An attempt will be made to reconcile these differences at the end of the section. As mentioned above, the sectoral inventory aimed to classify individual 'jobs' or economic activities (rather than households) into particular income categories. In many households, it is common for more than one person to be working, a point to keep in mind when considering the figures in this section, as well as the fact that household-level gifts and remittances are not included.

Livestock Sector

Live Animal Marketing

The main Hargeisa livestock market is the second most important livestock market in Somaliland/Somalia after Burao. Sheep and goats (shoats) and camels are traded for both domestic use and export, and cattle are sold for domestic use (meat). The marketing of each species functions independently and each species occupies a specific location within the marketplace. The analysis of this sector was conducted according to livestock species and purpose of marketing separately for each sub sector.

There have been a number of major changes in the sector since the first livestock ban was introduced in 1998:

- Shrinkage of the Hargeisa livestock market, particularly for shoats, due to strengthened export activities via the alternative Bosasso port in Puntland.
- Shortened marketing chain for shoats, thus reducing the number of middlemen and their incomes.
- Displacement of the previously prominent large export dealers by dozens of junior shoat export dealers capable of dispatching shipments of 2,000 – 2,500 head each during the peak export periods (such as January 2003).
- Monopoly of camel export sub-sector by one or two Egyptian/Sudanese nationals.
- Drastic fall of the number of middle level brokers: approximately 4 out of every 10 have deserted the marketplace.
- The number of brokers and assistant brokers has remained more or less the same but they have seen a reduction in their income levels.
- Finally, the number of people dependent on the live animals market in Hargeisa remains only about 50-60% of the estimated figure during 1998 assessment (approximately 2,255 in the table below versus an estimated 3-5,000 in 1998).

Breakdown of actors in livestock market according to income levels

	Better off	Upper Middle	Lower Middle	Poor	Very Poor	Total
Export dealer	18					18
Collecting agent	5					5
Middle men		90				90
Chief broker		160				160
Broker			30	450		480
Assistant broker				810		810
Physical counter					35	35
Registrar			12			12
Pen owner			110	25		135
Assistant pen owner				30		30
Hay retailer				70	60	130
Camel tending (at market)				200		200
Camel herding towards port			150			150
Total	23	250	302	1585	95	2,255

Meat Marketing

About 1,100–1,200 shoats, 30–40 camels and over 50 cattle are slaughtered in Hargeisa town each day. All of the camels and cattle and about two-thirds of the shoats are officially slaughtered in the municipality-managed abattoir, of which only half of the shoats are properly recorded. All of the information in this section was cross-checked with key informants (livestock brokers, butchers, and hides/skins collecting agents). Regardless of the site of slaughter, there are about 12 market centres where all meat outputs are sold. Over 30% of shroat meat, 75% of camel meat and over 50% of the cattle meat is sold in the central market. The twin markets close to the headquarters of Radio Hargeisa accommodate the sales of over 40% of sheep and goat (shoat) meat, about 40% of cattle meat and less than 10% of camel meat. The remaining 30% of shroat meat is distributed among the remaining nine smaller markets. Only 4 of these 9 markets sell the remaining cattle meat while another 2 markets host the retail of about 5% of camel meat.

Type of Activity	Upper Middle	Lower Middle	Poor	Very Poor	Total
Butchers (owners)	127	353	100		580
Butchers (hired sellers)			150		150
Assistant butchers				50	50
Slaughterers			130		130
Assistant slaughterers			20	70	90
Liver/kidney retailer			155		155
Poor quality meat retailer				150	150
<i>Muqmad</i> ¹² processing/seller				165	165
Hides/skins collecting agents				30	30
Part-time cleaners				55	55
Porters				50	50
Transport: buses/pick ups		20	16		36
Wheelbarrow porters				240	240
Donkey transporters				5	5
Total	127	373	571	815	1,886

¹² *Muqmad* refers to small pieces of beef or camel meat that have been dried in the sun and then fried in oil or ghee. It is normally eaten for breakfast.

Fresh Milk Trade

The total quantity of fresh milk traded in Hargeisa is constant for roughly three-quarters of the year, with the daily supply varying only slightly between 35,000 – 40,000 litres per day. In contrast, the supply of fresh milk during the period between mid January and mid-April drops below 20,000 litres per day (when many consumers switch to powdered milk).

The fresh milk traded in Hargeisa originates from Ethiopia and from rural Somaliland through three main supply routes:

- Fresh milk traded by producers (15-20%)
- Fresh milk supplied to well established market agents (15 – 25%)
- Fresh milk bought by wholesalers from rural producers (60-65%)

Close to 2,000 people are engaged in the milk trade in Hargeisa, including a number of retailers of various sizes. The following table summarises the urban actors in this sub sector.

Type of Activity	Upper Middle	Lower Middle	Poor	Very poor	Total
Wholesalers	36				36
Market Agents		26			26
General retailers		100			100
Retailers – (A)				450	450
Retailers – (B)				1,050	1,050
Retailers – (C)			85		85
Retailers – (D)			131		131
Total	36	126	216	1,500	1,878

The 1998 Hargeisa assessment described the milk marketing system thus: “There are a number of different types of milk retailers, some of whom diversify into other products during the months that milk availability decreases. The main retailers use fixed market stalls for milk sales and may employ others to sell the milk door-to-door or from smaller stalls, especially during periods of increased availability in the wet season... About two-thirds of Hargeisa inhabitants (better off and middle) consume both fresh milk and imported powdered milk in varying proportions according to the season... In the dry season many people drink powdered milk as fresh milk availability is low, the price is high, and the sellers are more likely to dilute the milk.”

Construction Sector

Building construction and associated activities represent the second most important economic sector after the food/non-food trade and services sector. As a result of extensive dialogue with key informants in a few construction companies, the number of ongoing buildings every month has been estimated between 90 – 100. There are about a dozen well-established companies engaged in this sector. The main sources of investment for new building activities include remittances from the Diaspora, local business investment, and projects funded by the UN, INGOs and the Government. Construction activities boom during May to September when most Diaspora members arrive home and initiate their investment plans. This industry is forced to halt activities quite frequently due to restrictions and bans on construction frequently imposed by the central authority to avoid the insecurity risks arising from land disputes.

Construction sector and associated activities

	Very rich	Better off	Upper middle	Lower middle	Poor	Very poor	TOTAL
Directly active in construction:							
Construction managers and workers	6	18	110	2,488		3,625	6,247
Indirectly active in construction:							
Brick makers			7	14		42	63
Joinery workshops			15	60	90	30	195
Carpenters			34	170		68	272
Tipper trucks			50	150	600	200	1,000
Building material stores	5	60	55	120	200	260	700
Total	11	78	271	3,002	890	4,225	8,477

Khat Trade

Khat trade is the fastest growing sector in the urban economy. There are three main import dealers and numerous individuals engaged in this business. The weekly import volume is estimated at 160 metric tons, of which one company manages almost half. The growth rate of this sector is estimated at about 20% annually and, therefore, the quantity of *khat* imports has doubled in the period between the two baselines (1998 and 2003). Key informants from the Ministry of Finance quoted that revenue of from *khat* imports is approximately equivalent to \$10,000 every day.

Many of the small-scale retailers of *khat* are women and income levels depend on the quantity of *khat* traded per day.¹³ Net incomes of as high as \$3-4 per day are not uncommon.

	Very rich	Better off	Upper middle	Lower middle	Poor	Very poor	Total
Import and distribution facilitation	2	34	63	21	71	18	209
General retail		60		65	190	400	715
Over table retail		27		81	81		189
Small-scale retail			330	570	1025	255	2,180
Total	2	121	393	737	1367	673	3,293

Fruit and Vegetable Trade

More than half of the fruits and vegetables consumed in Hargeisa are imported from Ethiopia and Southern Somalia. Ethiopia mainly supplies potatoes, onions, garlic and spices, while southern Somalia supplies fruits. The remaining source of fruit and vegetables is local to Somaliland. Almost every market in Hargeisa (large and small) has a fruit and vegetable retail component. Close to 2,000 people are engaged in this sector, ranging from large-scale importers and distributors, to retailers of various sizes (shops, stalls, petty traders).

¹³ Note that this often does not depend on the amount of capital that the woman possesses, because much of the *khat* trade is based on credit from one level to the next, from the importer down to the consumer.

	Upper middle	Lower middle	Poor	Very poor	Total
All trading activities (large and small-scale)	15	475	680	500	1,670

Food and Non-Food Trade and Services (Formal and Informal)

Over 15,000 people in the city are active in this sector, engaged in both large and small-scale trading and service activities. The Hargeisa Municipality recently conducted a survey of businesses involved in this sector in the main markets in Hargeisa. This was the main source of information on the number of businesses – and their different types – in this sector. Key informant interviews were used to estimate the number of people employed by each type of business and their income levels, and the number of people who are self-employed (including small-scale retail shops, market stalls and teashops). Please see Annex 5 for more details on this sector.

	Very rich	Better off	Upper middle	Lower middle	Poor	Very poor	Total
Formal sector	80	803	1625	2779	2415	1707	9409
Informal sector	0	0	0	3091	2568	245	5904
Total	80	803	1625	5870	4983	1952	15313

Public Sector

As shown in the following table, about 10% of the staff engaged in the public sector are categorized as upper and lower middle wealth group (according to the definition of the group in this section of the report). In this study, the survey team only counted the official payments made to the staff members as salary and allowances, not side income. Almost one-third of the upper middle wealth group are members senior members of government.

	Upper middle	Lower middle	Poor	Very poor	Total
Government Ministries	74	337	1483	1,620	3,514
Ministry of Education (Teachers)	0	24	191	114	329
National Army	150	350	1500	2,000	4,000
Police Force	50	150	800	1,000	2,000
Custodial corps	20	30	100	300	450
Municipality & Hargeisa Water Agency	30	108	250	350	738
Total	324	999	4324	5,384	11,031

In addition to over 320 people involved in the public education sector, private sector schools employ approximately 500 people.

Remittances

In contrast to predictions of a drastic reduction in the inflow of remittance amounts after international currency transfer restrictions were introduced in November 2001, discussions with some of the Hargeisa-based money transfer companies suggest an increase in remittance amounts for the period between the two

baselines (1998 and 2003). According to estimates made by senior officers engaged in this business, Hargeisa inhabitants receive about \$5 million dollars monthly through remittance companies. Dahab Shil manages over 70% of this amount while another 12 or so companies compete for the delivery of the other 30%. Dahab Shil company has 17 sub-offices in Hargeisa City alone where over hundred employees are engaged. After Dahab Shil, Amal and Al-Mustaqbal rank second and third largest in terms of amounts transferred monthly.

Almost one-third of the amount remitted every month is channelled towards investment in the construction industry and related business activities, and the remaining two-thirds contributes to the livelihoods of more than a quarter of households in Hargeisa directly. Key informants suggested that about 10-20% of households may be relying almost entirely on remittances. Discussions with companies suggest that \$100-200 per month is a typical amount received at household level. This corresponds with information provided during interviews with focus groups of middle households.

NGO/UN Employment

There are around 120 institutions/organizations in Hargeisa town, including national and international NGOs and UN agencies. Most of these organizations have different levels of workers, including skilled and non-skilled. During the survey, the team met with representatives of key organisations to get an understanding of:

- Number of staff
- Permanent and temporary staff based on their category (senior, middle and low)
- Staff salaries (from highest to lowest)

Staff numbers per organisation vary between 3 and 40, and staff salaries range between US\$80 – 800 per month. After consultation with key informants, it was decided to use an average of 500 employees in this sector. The table below shows a breakdown of these staff by income category.

	Better off	Upper middle	Lower middle	Poor	Very poor	Total
Employees of NGOs/ international organisations	60	220	110	110	0	500

Water Sector

The Hargeisa Water Agency is responsible for distributing water pumped from Geed-Deeble (about 40 kilometres north of Hargeisa) to the town. To date, about 10,000 households (or about one-fifth of Hargeisa inhabitants) access tap water while the rest rely on public kiosks (of which there are 504) and water deliverers (1,500 – 2,000 donkey-carts).

	Lower middle	Poor	Very poor	Total
Public kiosk operators	504			504
Donkey cart deliverers		1,750		1,750
Total	504	1,750		2,254

Transport Sector

The table below summarises the actors in the Hargeisa transport sector. Within the city bus and taxi category are the vehicle owners, drivers, conductors and facilitators.

The number of large trucks (over 18-ton capacity) in Somaliland is estimated at about 1,500, of which 40% are owned by Hargeisa inhabitants. Before 1999, there were only about 300 of these trucks, of which the same 40% were owned by Hargeisa dwellers.

The EU has used Berbera port for the delivery of relief food to eastern region of Ethiopia from 1999 – 2002. However, most of the truck owners missed the opportunity for transporting food aid. This situation deteriorated further after the restrictions imposed on the Ethiopian border in October 2002. At present about 20% of the trucks owned by Hargeisa residents (120) have double registration and have the opportunity of either working in Somaliland or Ethiopia. Regarding the remaining 480 trucks, only about 30 trucks owned by the import/export dealers and middle-level traders are fully utilized as they are engaged in the delivery of owner's commodities from Berbera to Hargeisa/Borama and Tog-Wajale on a daily basis.

	Upper middle	Lower middle	Poor	Very poor	Total
City buses/taxis	245	541	556	536	1,878
Trucks	600	540		600	1,740
Total	1,385	541	556	1,136	3,618

Charcoal Sector

Charcoal production and trade has increased during the livestock ban, as rural households seek a means to make ends meet. About 200 metric tons of charcoal are consumed every week in Hargeisa and over 1,900 persons are engaged in this sector. Most of the charcoal consumed in Hargeisa is brought from Ethiopia.

	Upper Middle	Lower Middle	Poor	Very poor	Total
Wholesalers	150				150
Retailers		750			750
Petty retailers				950	950
Drivers			40		40
Assistant drivers				40	40
Total	150	750	40	990	1,930

Summary of Sectoral Inventory

As noted at the beginning of this section, the sectoral inventory aimed to classify individual 'jobs' or economic activities (rather than households) into particular income categories. When considering the figures in this section, keep in mind that it is common for more than one household member to be working, thereby augmenting total income at the household level. Also keep in mind that household-level gifts and remittances are not included in this inventory of jobs by income classification.

	Very rich	Better off	Upper middle	Lower middle	Poor	Very poor	Total
Total of above sectors	93	1,085	4,796	13,789	17,072	17,270	54,105
Percentage of total	0%	2%	9%	25%	32%	32%	100%

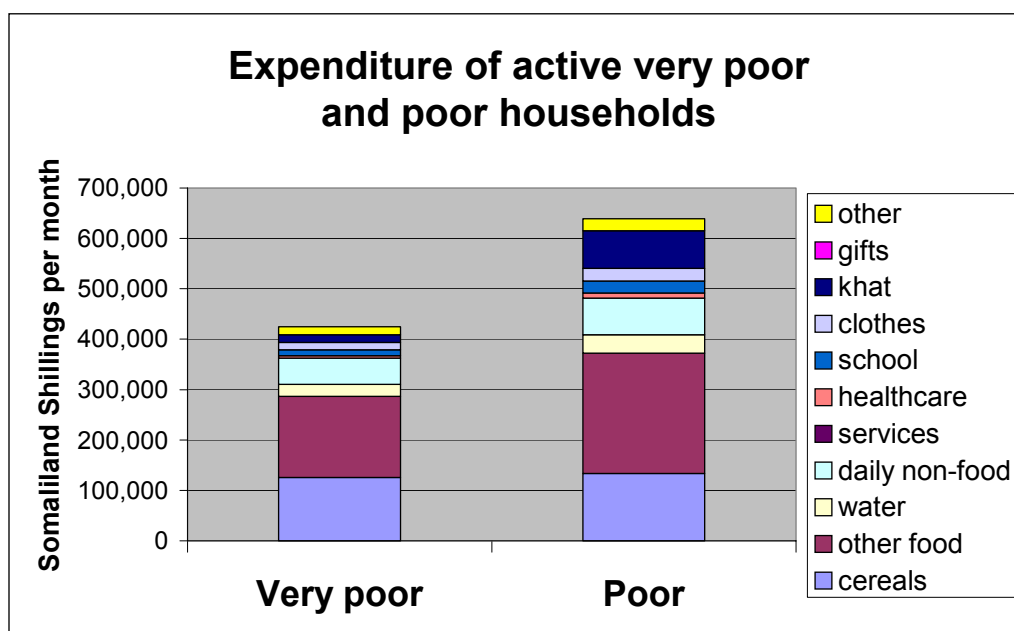
The sectoral inventory aimed to classify the majority of income-generating activities in Hargeisa, not every single job. It is probable that about 20% of active individuals are not included in the above summary. Furthermore, inactive households – both those that are destitute and those that rely purely on remittances – are not included. The number of destitute is quite small – perhaps 1-2% of households in Hargeisa – but the number of households mainly relying on remittances may be between 10-20%.

Nearly one-third of the jobs above are classified as ‘very poor.’ However, those households that have more than one person working in ‘very poor’ jobs and that also receive gifts may shift up into the ‘poor’ wealth category. This is also true for the ‘poor’ category: in many households, more than one person is working and gifts are received from relatives and neighbours, thus shifting the household up to the low end of the middle group. In short, the sum of income of household members with low-paying work can shift that household into a higher wealth category.

A further factor that should be kept in mind when looking at these findings is that the wealth groups are defined differently from the wealth breakdown section above. Individuals holding jobs classified at the top of the ‘poor’ group in this section (Sectoral Inventory) are in fact members of households considered to be at the low end of the ‘middle’ group according to the household economy results (‘wealth breakdown’). The same is true for those with jobs in the ‘upper middle’ group in this section – many of these are part of the ‘better off’ wealth group in the wealth breakdown section above.

EXPENDITURE PATTERNS

A breakdown of expenditure patterns for households at different income levels was obtained through semi-structured interviews with small groups of men and women engaged in a wide variety of economic activities.



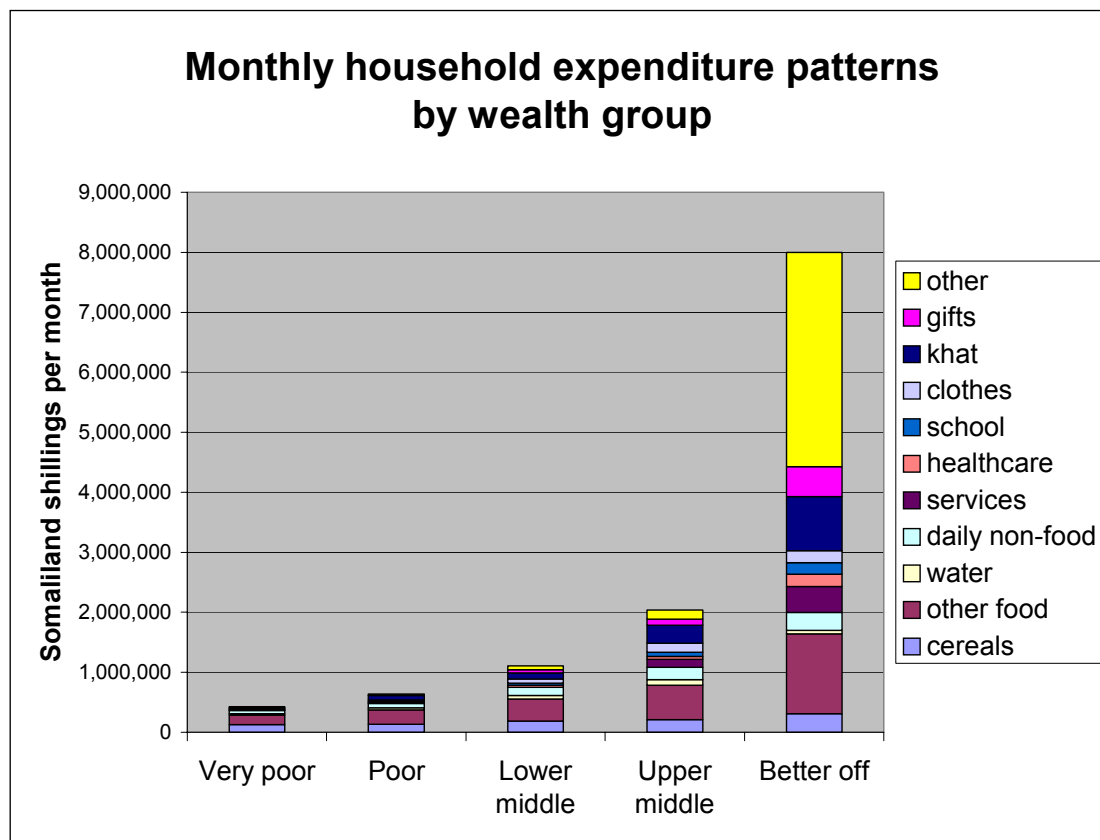
The figure above illustrates the expenditure pattern of some of the poorest households that weren't completely dependent on gifts for all their food and income (i.e. they were not destitute). The active very poor group illustrated here spends roughly SSh 13-14,000 per day (or about US\$2) on both food and non-food items for a family of 7 people. The standard of living of these households is low compared to other wealth groups. Essential food items include rice, wheat flour, maize, sorghum, sugar, vegetable oil, and very small quantities of vegetables (onions and tomatoes especially), cowpeas, meat, milk powder, salt and tea leaves. Very poor households tend to purchase food daily in small quantities, which means that they end up paying more per kilo than better off households that can purchase in bulk. For example, the very poor purchase milk powder approximately every other day in 17 gram units costing SSh 500, tea leaves daily in units that cost SSh 100 or 200, and salt daily in units that cost SSh 100 (each of these items comes as a spoon full wrapped in small pieces of plastic bag). Meat is purchased most days, but in units that are described as a 'small piece' and that weigh about 125 grams. The vast majority of calories consumed by these households come from cereals, sugar and oil. Less than 5% of calories are obtained from vegetables, milk powder and meat. The main non-food items that are purchased daily are water, charcoal, and kerosene. Items that are purchased less frequently include soap, second-hand clothes, and *khat*. Spending on schooling and health care is minimal.

Households in the 'poor' group, spend about US\$3 per day on food and non-food items for a family of 7 people. They tend to purchase slightly less of the cheaper cereals (maize and sorghum) than the 'very poor' group and purchase more of almost everything else.

It is difficult to generalise about very poor and poor household expenditure on water. This was not because of widely different quantities that are purchased per household but rather because of huge differences in prices in different parts of the town, particularly in the assessment period when there was a seasonal peak in prices combined with technical problems. Very poor households tend to purchase two jerrycans (each holding 20 litres) of water per day, while poor households typically purchase three. Current prices vary from SSh 200 – 1,000 per jerrycan. In the rainy season, this price range decreases to SSh 200 – 500 per jerrycan. The most expensive areas are on the outskirts of town, where the public water pipes do not reach, where water is transported by donkey carts or by tanker, and where poor households are concentrated. This does not mean that there are no poor households living in the areas where water is inexpensive, but rather that some areas of town where the poor are concentrated (e.g. Mohamed Moge, Sheikh Nur) are ill served by the public water system. This places a large financial burden on poor households living in these areas, and means that they are making do with less than ideal amounts of water for hygiene and sanitation purposes.

The graph below compares very poor and poor households with middle and better off households. Wealthier households can afford a better quality and more diverse diet, purchasing much larger quantities of vegetables, fruit, meat and milk (in the 'other food' category in the bar chart below). Expenditure on water, health care, education, transport, clothing and *khat* also increases as households become richer. In addition, lower middle, upper middle and better off households all indicated that they give gifts in cash or in kind to poorer relatives (both in rural and urban areas) and neighbours. The wealthier a household is, the more difficult it is to present a 'typical' expenditure pattern, because the household has more discretionary income and therefore has considerable choice in how it spends its money. The illustration for the 'better off' in particular in the graphic below should be regarded as only indicative. For this wealth group, 'other' includes investment.

In general, the percentage of household expenditure (and income) spent on food decreases as wealth increases. While very poor households spend about 65-70% of their income on food, lower middle households spend about 50% and better off households only about 20%.

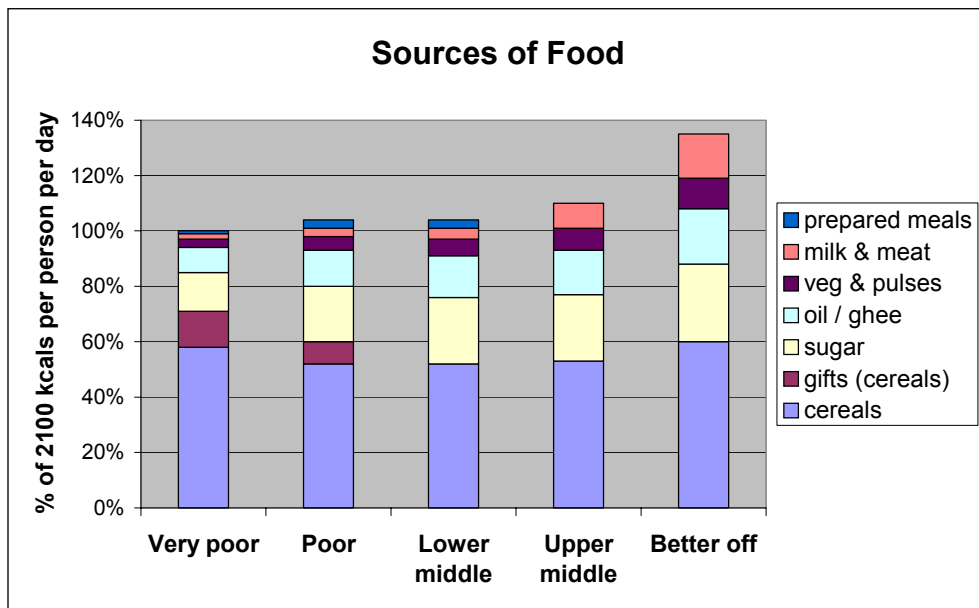


For details of the expenditure baskets compiled for different wealth groups, please refer to Annex 4.

SOURCES OF FOOD

Typically, there are only two sources of food for urban households: market purchase (as described in the Expenditure section above) and gifts of food (for poorer households). Gifts of food tend to be given by middle and better off households to their poorer neighbours and relatives. Both cooked food and dry food are given, and in some cases this assistance is given daily, particularly to neighbours. These two sources of food, market purchase and gifts, are illustrated in the figure below, expressed in terms of 2,100 calories per person per day.¹⁴

¹⁴ According to WHO, 2100 kcal per person per day covers the energy needs of a 'typical' developing country population, assuming standard population distribution, body size, ambient temperature, pre-emergency nutrition status and a light physical activity level. It is the initial reference value for calculating energy requirements for affected populations in emergency situations adopted by WFP and UNHCR.



Note: The better off bar looks very large, but this includes food that is given as gifts to neighbours and relatives and to guests.

The quality of diet improves significantly as households get wealthier. Very poor and poor households can only afford to purchase small quantities of vegetables, meat and milk powder, and the vast majority of their calories come from cereals, sugar and vegetable oil.

Although some middle and better off households own land and livestock in rural areas, these households do not form a majority in either wealth group. Furthermore, those households that do own land or livestock obtain little direct food from rural production, which often serves to feed rural relatives or that portion of the family that is based in rural areas rather than urban.

WFP has started some school feeding programmes in some of the poorest parts of Hargeisa town, but the percentage of the population covered in relation to the town as a whole is quite small. In addition, WFP distributed one month of food aid in December 2002 in Daami (a neighbourhood where minorities are concentrated), but this was a one-off distribution. Food aid is not a regular source of food for any of the wealth groups.

COMPARISON WITH 1998 ASSESSMENT FINDINGS

The findings of the 1998 household food economy assessment in Hargeisa were briefly presented above. The following table summarises the household (HH) wealth breakdowns from the two assessments.

Wealth groups 1998	% of HHs	Income per day SiSh	Income per day US Dollars
Very poor	3-7%	5,000 - 13,000	\$1.30-3.40
Poor	20-25%	13,000 - 25,000	\$3.40-6.50
Middle	40-50%	25,000 - 35,000	\$6.50-9.10
Better off	20-25%	>35,000	> \$9.10
Wealth groups 2003	% of HHs	Income per day SiSh	Income per day US Dollars
Very poor	5-10%	<15,000	<\$2.20
Poor	25-30%	15-25,000	\$2.20-\$3.70
Middle	45-55%	25-80,000	\$3.70-\$11.90
Better off	10-20%	>80,000	>\$11.90

Despite the depreciation of the local currency, the boundary between the poor and middle groups remains the same in shilling terms at SiSh 25,000 per day. In other words, the poor are poorer than they were in 1998 in dollar terms.¹⁵ This is significant in a country where most basic food and non-food items are imported. The percentage of households falling into the groups earning less than this amount (very poor and poor) has increased slightly from 25-35% to 30-40%. This is most probably due to the steady influx both of returnees from the Ethiopian refugee camps during the intervening period and of poor households from rural areas who have lost their livestock.

The cut-off point between the middle and better off seems to have increased from SiSh 35,000 (or about US\$9) to SiSh 80,000 (or US\$12), but the difficulties that were experienced in defining the cut-off point in the current assessment should be borne in mind. In dollar terms, some key informants stated that the cut off is about \$10 currently, which is similar to that in 1998. The percentage of households in the 'middle' wealth group has remained roughly constant, while that in the 'better off' group has decreased.

LINKS WITH RURAL AREAS

As mentioned in the Geography and Population section, it is not typical for any wealth group to farm or keep livestock in rural areas.¹⁶ This does not mean that households do not have links with rural areas. All households have relatives in rural areas and it is common for middle and better off urban households to send assistance (in cash or in kind) to their rural kin. It is less common for assistance to move in the other direction. Another type of assistance is for middle and better off urban households to raise a few of the children of rural relatives so that they can attend school in the town. In very hard times, larger numbers of rural people may migrate to the town in search of casual work, as mentioned in the Seasonality section. Some of these may stay with their urban relatives.

¹⁵ The exchange rate at the time of the 1998 assessment was about SiSh 3,850 per US dollar, while during the current assessment it was SiSh 6,500 – 6,750.

¹⁶ Key informant interviews suggest that up to about a quarter of middle and better off households keep livestock with relatives in rural areas. The contribution of livestock to household food and income is minimal, however, and they are often kept as assets in case of future problems. Similarly, a minority of middle and better off households have land around the outskirts of Hargeisa or in rural areas. In some cases this land is farmed by rural relatives; in other cases it is kept as an asset to be drawn upon in periods of great need.

There are a number of trade linkages between urban and rural areas. Items that are produced in rural areas (such as livestock, livestock products, vegetables and cereals) make their way through the market system to customers in town. Items that are imported from abroad make the reverse journey, through large traders in town to rural consumers through various middlemen and retailers.

SEASONALITY

Although urban households are much less affected by seasonal changes than rural households, they are affected by seasonal changes in some ways.

The prices of many items that households purchase vary from season to season. Milk, meat, vegetables and water, for example, are more expensive in the dry season.¹⁷ Local cereals (maize and sorghum) are cheapest during threshing time, which takes place between 30-45 days after harvesting, and most expensive just before the harvest. Imported items tend to be more expensive during the monsoon high tide season, when only large boats are able to dock and quantities of imports are therefore reduced. These factors influence the quantities and types of items that households buy, as well as the mix of income-generating activities of households involved in selling such items.

The population of the town changes somewhat over the course of the year, for a number of reasons. There is usually an influx of higher income households from Djibouti and the Somaliland coast into Hargeisa during June – August to escape the intense heat of those months. These outsider households have a positive effect on the economy of the town. In contrast, both dry seasons also usually see an influx of poor rural people in search of casual work. Hargeisa and its surrounding areas have attracted Ethiopian migrants in recent years, many of whom also seek out casual work. Although some remain in Hargeisa for long periods of time, others migrate seasonally, returning to Ethiopia to cultivate (the main planting period is April – May). These rural and Ethiopian migrants act compete with poor local people for various types of low-paying work.

The religious calendar also affects urban households, with remittances and gifts larger and more common during Ramadan. Sales of livestock are influenced by the religious calendar, although the effect was more pronounced when Saudi Arabia permitted livestock imports from Somaliland and the Horn.

WHAT SHOCKS ARE HOUSEHOLDS VULNERABLE TO?

Apart from the seasonal changes noted above, households are vulnerable to a number of potential shocks. Civil strife and insecurity are obvious potential shocks, given the history of Hargeisa, and this has the potential to affect all households in all wealth groups. However, due to the political progress that has been made in recent years, this shock is not currently regarded as likely, at least in the short to medium term.

Exchange rate depreciations that lead to increased shilling costs of imported food and non-food items are a particular problem for poor households, if their wages and profits do not keep pace with the changes. In the two-week period after this assessment was conducted, the exchange rate rose from SISh 6,700 per US dollar to SISh 7,300 per US dollar.

Any changes that negatively affect the major sectors in the urban economy will result in a general slowdown of trade and market activities and will affect many households throughout the wealth spectrum. Examples include:

¹⁷ The two dry seasons run from November to March and June to August.

- restrictions on trade with Ethiopia and other countries that cannot be circumvented (the current livestock ban is one example),
- restrictions on or a reduction in remittances from abroad (due to increased financial regulation), and
- decline in the construction sector (which could be the result of a decline in remittances or because of the periodic bans imposed by the government).

Households in both the formal and informal sectors, and in all wealth groups, are vulnerable to the illness or death of (or divorce from) the main income earner, and this can result in a major drop in standard of living.

One mechanism that households employ to cope with negative shocks is to reduce expenditure, or to switch expenditure to cheaper goods, which is obviously easier for wealthier households. Even poor households in Hargeisa have some room to squeeze their non-essential purchases, but it is questionable whether very poor households have. A second mechanism is to seek additional income by sending additional household members out to work, by working longer hours or more days per week, or by seeking additional gifts from relatives and friends both locally and abroad. A third mechanism is to reduce the number of household members dependent on the main earners. One or more household members might migrate to other areas or even to other countries, or be sent to live with or work for better off relatives.

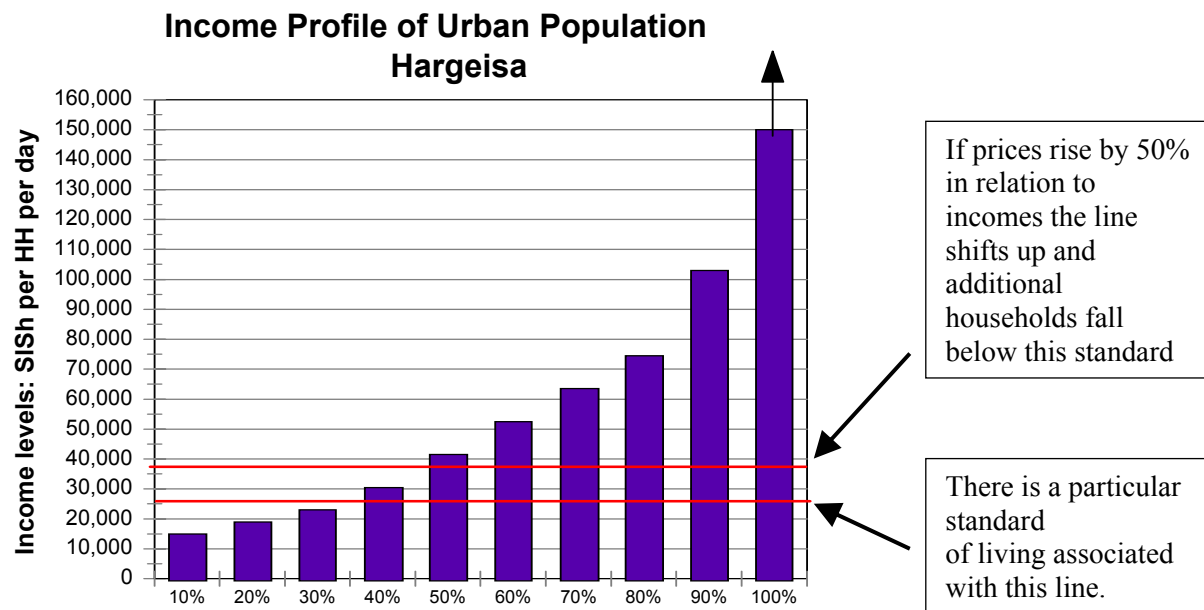
MONITORING

One of the reasons for conducting this rapid baseline assessment of urban livelihoods was to use it as a basis for setting up a simple monitoring system to track changes in access to food and income over time. The figure below illustrates the impact of a 50% rise in prices in relation to incomes. The result is that an increased percentage of households fall below the line (or standard of living) that currently differentiates between the poor and middle wealth groups. Under a possible reverse scenario, if the livestock ban were lifted, the economy in general might improve with increased incomes outstripping increases in the cost of living.

In order to update the baseline assessment, information is required that monitors the key elements of household economies in Hargeisa. In general terms, it is important to monitor the things that households buy (both food and non-food items) and the things that they do to obtain income, and how these two things relate to one another. The following represents some ideas on how this might be carried out, recognising that the details of the system are currently still under discussion between FEWS-Net and FSAU. Other organisations that might like to participate in this process are very welcome to contact either organisation. It is already anticipated that the Hargeisa Municipality will play a key role in the information collection and analysis.

It should be highlighted here that UNDP's Somalia Watching Brief is currently setting up a system to enable valid comparisons between Somalia and other countries in terms of basic economy statistics and poverty monitoring. They envisage setting up a technical unit in the Ministry of Planning in Hargeisa and plan to develop a set of indicators for monitoring that are appropriate to Somalia and cover both the economy and social services (health, education, and water). In addition to tracking a Consumer Price Index (CPI), the aim is to track per capita income and expenditure by wealth group through surveys that will be conducted every 1-2 years. UNDP is very interested in collaborating with other organisations and it should be possible for both systems to be closely linked. Once the UNDP system is up and running, it may be decided that the more informal system set up by FSAU and FEWS is no longer needed.

In terms of tracking changes in the cost of living, FSAU already monitors a number of food and non-food items in Hargeisa each week. A number of additional items that households in urban areas commonly purchase will need to be added to this weekly price survey (such as water, soap, milk powder and the like). The Hargeisa Municipality has agreed to monitor the items that the FSAU is not currently monitoring once a



week (every Monday). As part of this exercise, it will be useful to keep track of differences in prices between central and peripheral parts of the town. FSAU and the municipality will compile and analyse these prices each month into one or two expenditure/ consumption baskets (the baskets presented in Annex 4 for the active (income-earning) very poor and poor households) that will be tracked over time, keeping in mind any normal seasonal changes.

Tracking incomes is more complicated. The unskilled labour daily wage rate is already being collected weekly by FSAU and this can easily be tracked over time against the cost of living. However, monitoring the availability of work (i.e. the number of days of casual work per week or per month that a worker can find) is more difficult. Similarly, income from petty trade (a major source of income for poor households, and particularly for women) is not as easy to monitor as a going wage rate.

One source of information that should indicate what is happening to incomes, at least in general terms, is the Hargeisa Municipality's revenue by sector from licensed businesses. The municipality has agreed to make this information available for analysis on a monthly basis. However, when interpreting the information, it must be kept in mind that the state of the economy is not the only thing that can affect municipality revenues. There is a new mayor and the ability of the authority to chase revenue may also change over time.

In addition to this, the assessment team suggested doing a mini-sectoral analysis for three key sectors periodically:

- construction,
- remittances and
- market petty trade.

Construction was chosen because it employs large numbers of unskilled casual workers; petty trade because it is the main income-generating activity for poor women; and remittances because they are one of the key things driving the urban economy in general. It should be possible to repeat the sectoral inventory process that was conducted for this assessment for both the construction and remittance sectors. The people who were met in these sectors and the key questions that were asked are included in Annex 2. For market petty trade, it is proposed to identify a couple of types of petty trade to focus on (for example, small-scale vegetable trade and wheelbarrows selling a mix of non-food items). Ten to fifteen traders of each type will be interviewed as part of the exercise and turnover and profit levels over time will be compared. For all of the sectors, it will be important to differentiate normal seasonal changes from more fundamental changes.

Discussions with FEWS-Net and FSAU in Nairobi have led to the conclusion that such a mini-sectoral analysis could be done every 6 months routinely and, in addition, on an *ad hoc* basis whenever there is particular concern about the situation in Hargeisa town.

ANNEX 1: Documents consulted

Academy for Peace and Development, The Impact of the War on the Family, Hargeisa, July 2002

Addou, Sidow (FEWS-Net Somalia), Trip report: preliminary information for the Hargeisa urban baseline, February 2003.

Ali, Abdullahi Sheikh (for UNDOS), Remittances in Somalia, December 1997.

Clark, Damon (IRC), Interagency Returnee Settlement Area Assessment: Informational Report Revised, June 2002, Hargeisa, Somaliland. Supported and conducted by CARE, DRC, FSAU, HI, ICD, IRC, SCF-US, UNDP, UNHCR, UNICEF. Facilitated by HM, MoP, MRRR.

Drysdale, John, Somaliland 1991: Report and Reference, 1991.

FEWS-Net and ALRMP, Food Economy Baselines for North East Kenya – Mandera Urban, September 2002.

Frushone, Joel (US Committee for Refugees (USCR)), Welcome home to nothing: refugees repatriate to a forgotten Somaliland, December 2001.

Holleman, Cindy (FEWS-Net Somalia), The Socio-Economic Implications of the Livestock Ban in Somaliland, December 2002.

Musa, Mohammed Abdi (FSAU), Urban food economy: Hargeisa town, Somaliland (including discussion of the impact of the livestock ban), September 1998.

Nathanial, Lola and Hussein Samater Nur (SCF-UK), First Steps to Recovery: Urban Surveys in Somaliland, First and Second Round of Food Security Surveys, March and June 1993.

Steffen, Philip, A. H. Shirwa and Sidow I. Addou (FEWS Somalia), The Livestock Embargo by Saudi Arabia: A report on the economic, financial and social impact on Somaliland and Somalia, June 1998.

UNDP, A Report on Supporting Systems and Procedures for the Effective Regulation and Monitoring of Somali Remittance Companies (Hawala), no date (June 2002?).

ANNEX 2: Interviews**INTERVIEWS CONDUCTED: Household Economy Assessment**

District	Section	Wealth breakdown	Very poor	Poor	Middle	Better off
M. Haybe	B. Duray	1		1	2	
	M. Moge	1		3	1	
	J. Weyn	1	1	1	1	1
	S. Shukri	1		1	1	
G. Libah	W. Salaan	1		1	1	
	S. Yusuf	1		1	1	
	M. Harbi	1			1	
	S. Madar	1		1	1	
	Daami	1		2		
	Sh. Nur	1	1	1	1	
Kodbur	Lihle	1		2	1	1
	Hero Awr	1		1	2	
	Jigjiga Yar	1			1	1
	Gul -Alla	1		1	1	
	State House	1	1	1		
A. Dagah	M. Ali	1		2		1
	Farah Nur	1	1	1		
	S. Musa	1	1	1	1	1
	18 May	2	1	1		
26 June	Durya	1		1	1	
	Almis	1			2	
	Aingal	1		1	1	
	Gol-Jano	1		1	1	1
Sub-total		24	6	25	21	6

KEY PEOPLE MET DURING THE SECTORAL INVENTORY

SECTOR/ JOB	WHO MET	WHERE	INFORMATION
Hargeisa Livestock Market	Mahamed Hersi Tax Collector	Office at Market Place	Provided data on revenue from Hargeisa livestock market for January 2003. Other information included: average number of animals sold for export and for domestic use by species.
	Ibrahim Hugur (Broker)	Livestock Market	Elaborated income levels of various brokers, care takers and others involved in Hargeisa market.
	Farole	Livestock Collecting Agent	Explained mechanism that camel export activity operates (from A – Z). This is a new destination market initiated by a single Egyptian trader.
Local Government Authority	Director of Planning & Statistics Deputy Director	Hargeisa Municipality	Guided us as to the whereabouts of data, surveys and other useful records of Hargeisa Municipality.

	Mahamed Issa Director of the Revenue Collection Deputy Director	Hargeisa Municipality	Described various types of taxes, proportionality and seasonality.
	Ahmed Farah Technical Advisor to the Mayor	Mayor's Office	Regularly consulted at various stages of data collection process
Local NGO (Consultants to the Hargeisa Municipality)	Mahamed Madar	Hargeisa Municipality	Provided methodology used for implementation of latest (October 2002) survey on businesses
Meat/Hides/ Skin Sector	Hides/Skins Collecting Agent Hassan Hussein Muhumed		Provided information on numbers of hides/skins collected from each meat market every day, which indirectly highlighted approximate number of animals slaughtered by type/species.
Ministry of Planning & Coordination	Hassan Abdilahi (CIRRO) Director of Research & Statistics	HQ of MoPC	Discussed information related to the Hargeisa population figures with reference to available reports etc.
UNICEF	Dr. Awil Haji Ali	Unicef Hargeisa	Estimation of Hargeisa population figures in reference to the figures used for the latest immunisation coverage of under 5 children inside Hargeisa
Ministry of Finance	Ali Mahamed 'Qorsef' Director of Customs Department Mahamed Ahmed Said Head of Statistics Section	Ministry of Finance (HQ)	Information related to imports from Ethiopia for the year 2002 (month by month): - Cereals : Sorghum, Maize, Wheat grains - Vegetables/Fruits - <i>Khat</i>
	Hussein Jama Ileeeye Ex Deputy Director of Budget Dept.	Hargeisa University	Somaliland Budget for 2002 (Salary & Allowance of the Public sector)
<i>Khat</i> Trade Sector	Bureqa & Nuradin Distributors of 75% of the total khat retailed in Hargeisa	Al-Najah Khat Importing Store	Quantity of <i>khat</i> consumed in Hargeisa, mechanism for distribution & retail, income levels by various wealth groups.
Building Construction Sector	Almis Construction Co. Eng. Rashid Sh. Ali Asker Eng. Nageeye Muhumed Mire	HQ of Almis Construction Company	Information related to : - # of construction companies operating in Hargeisa - rate of construction activities, i.e. # of on- going buildings per company at present - seasonality of construction - # of employees in the sector and closely related sub sectors, etc
	Consultant Eng. Hussein	At Hargeisa Hotel	Cross check validity of information offered by other engineers. Source of investment

	Abdilaahi		for construction sector.
Fruit/ Vegetable Trade Sector	Fruit/Vegetable Retailer Fadumo Ahmed Abdi	Waheen Market Hargeisa	Fruits and vegetable market activity, average income of retailers and petty retailers in their market
City Buses / Taxi	Ahmed M. Mahamed Association of the City Buses Abdirisaq: Taxi Driver	Association's HQ Office, Hargeisa	Number of buses, bus stations, # of workers income and expenditure levels.
Trucks Association	Ismacil Caymis Founder of the Association & Truck Owner (& Member of Hargeisa Council)	HQ of Kodbur District in Hargeisa	% of the big trucks in Somaliland owned by Hargeisa dwellers, increase rates since 1998, opportunity for work, number of people working, income levels of various workersd.
Chamber of Commerce	Abdilaahi Derie Jama Secretary General of the Chamber	HQ of Hargeisa Chamber of Commerce, Industry & Agriculture	Estimates - # of companies, wholesalers and other interested business registered
Ministry of Commerce	Director of Commerce Department	HQ of the Ministry	Updated information on statistics of wholesale & import/export and distribution companies/businesses in Hargeisa.
Hargeisa Water Agency	Eng. Salah Engineer for HWA		Quantity of water pumped per day, # of houses connected to tap water, average quantity such households consume monthly, # of public kiosks, their distribution and estimate of urban population as the view it
Private Services	Fawsi Haji Abdi Union Restaurant – Hargeisa		Overall operations of restaurants similar to union, number of shoats slaughtered per day, number workers and their wage levels, profit levels and possible business risks.
Ministry of Rural Development and Environment	Charcoal production & trading for domestic use – Hargeisa, market	Check point at Masalaha	Estimates of quantity of charcoal traded to Hargeisa market weekly, number of trucks engaged in charcoal transportation, sources of charcoal, prices and approximate number of people involved in distribution, retail and petty retail and their income levels.
Remittance Company	Remittance	HQ of Dahab Shiil	Amount of remittances, clients, size of the remittance, their market share, employees in Hargeisa etc
Remittance Company	Mahdi Aare	Al-Mustaqbal Office	Amount of remittances, clients, size of the remittance, their market share, employees in Hargeisa etc

ANNEX 3: Hargeisa Municipality Population Information

Hargeisa Population (Municipality figures – calculated from number of houses)					
<i>District</i>	<i>Permanent houses</i>	<i>Temporary houses</i>	<i>Government houses</i>	<i>Illegal houses and new settlements*</i>	<i>Settlements included*</i>
Ibrahim Kodbur	5,944	1,762		637	State House
Ahmed Dagah	4,739	1,212		894	Ayaha + Stadium
Mohamed Haibe	4,927	2,116		2,466	Mohamed Moge
Gaan Libah	9,232	3,200		3,372	Sheikh Nur + Aw Aden
26 June	10,217	1,513		380	Beerta Horiyada + Habalaha June
Total houses	35,059	9,803	1,416	7,749	54,027
No. people per house	10	5	5	5	
Total population	350,590	49,015	7,080	38,745	445,430

* Note: The population of the eight ‘poor’ areas included in the 2002 inter-agency returnee settlement area survey was 57,000. Daami is located in Gaah Libah but is not considered a ‘settlement’ area in the municipality calculations in this table.

ANNEX 4: Expenditure patterns in detail**EXPENDITURE (SISh) – ACTIVE VERY POOR (family size 7)**

Item	Quantity per month	% of kcals	Cost per month
FOOD			
rice	¾ kg per day = 22.5 kg per month	17%	49,500
wheat flour	1 kg per day = 30 kg	23%	49,500
wheat/maize/sorghum	15-30 kg per month = 22.5 kg	18%	27,000
pasta	0	0	0
sugar	½ kg per day = 15 kg	14%	36,000
vegetable oil	2 <i>fidiqo</i> per day = 4.2 kg	9%	30,000
vegetables	1000 per day	1%	30,000
cowpeas	3 kg per month	2%	10,500
milk powder	0-1 small plastic per day = 2.5 kg	0	7,500
meat	1,000 per day (1 small piece)	2%	30,000
salt	100 per day	0	3,000
tea leaves	200 per day	0	6,000
prepared meals	10 days x 500-1,000	1%	7,500
Sub-total food:		87%	286,500 (68%)
NON-FOOD			
water	2 jerrycans per day = 60 @ 400		24,000
charcoal	1000 per day		30,000
kerosene	1-2 <i>fidiqo</i> per day		11,250
soap – all types	2 pieces/bags per week		10,750
medicine	5,000 per month		5,000
clothes	180,000 per year		15,000
clan tax	average per month		5,000
transport	generally walk		0
<i>khat</i>	1-2,000 per day x 10 days		15,000
school fees	1-2 kids primary per mo x 9 mo		6,200
uniform	20,000 per child per year		2,500
notebooks	12-16 per child per year @ 1500		2,600
other			11,000
Sub-total non-food:			138,300 (32%)
GRAND TOTAL			425,000 (= 14,200 per day)

INCOME – ACTIVE VERY POOR

Man: SISh 125,000 per month (e.g. casual work/portering/wheelbarrow @10-15,000 per day x 10 days per month)

Woman: SISh 210,000 per month (e.g. SISh 7,000 per day x 30 days – vegetable or other petty trade, cleaning homes, washing clothes, etc)

Children: generally don't work but possible to earn almost as much as the man – e.g. shoe shine boy earning SISh 3-5,000 per day 30 days per month; or girl working as domestic labour SISh 70-100,000 per month plus meals)

Gifts: average 3000 per day x 30 days = 90,000

TOTAL: SISh 425,000 per month (\$63)

OTHER SOURCES OF FOOD – ACTIVE VERY POOR

Gifts: 10-15% of kcal needs (= 15 kg of cereals or sugar)

EXPENDITURE (SISh) – TYPICAL POOR (family size 7)

Item	Quantity per month	% of kcals	Cost per month
FOOD			
rice	1 kg pd = 30 kg	23%	66,000
wheat flour	$\frac{3}{4}$ kg pd = 22.5 kg	17%	49,500
wheat/maize/sorghum	15 kg	12%	18,000
pasta	0	0	0
sugar	$\frac{3}{4}$ kg pd = 22.5 kg	20%	54,000
vegetable oil	3 <i>fidiqo</i> per day = 6.3 kg per month	13%	37,800
vegetables	1,500 per day	2%	45,000
cowpeas	1kg pw = 4.3 kg	3%	15,000
milk powder	1 plastic per day = 5.1 kg	<1%	15,000
meat	500 – 2,000 pd	2%	37,500
salt	1 small plastic (100) per day	0	3,000
tea leaves	1 small plastic (200) per day	0	6,000
prepared meals	15 days x 1,500-2,000 SISh	3%	26,000
Sub-total food:		95%	372,800 (58%)
NON-FOOD			
water	3 jerrycans per day = 90 @ 400		36,000
charcoal	1 tin per day = 30		37,500
kerosene	1-2 <i>fidiqo</i> per day = 45		11,250
soap – all types	12 pieces/bags per month		15,000
medicine	average 10,000 per month		10,000
clothes	300,000 per year		25,000
clan tax	average per month		5,000
transport	1 bus @ 600 x 15 days		9,000
<i>khat</i>	5,000 per day 15 days per month		75,000
school fees	2 kids primary per month x 9 mo		8,250
	$\frac{1}{2}$ kid secondary per month x 9 mo		4,100
uniform	25-30,000 per child per year		5,700
notebooks	12-16 per child per year @ 2000		5,800
other			19,000
Sub-total non-food:			266,600 (42%)
GRAND TOTAL			640,000 (= 21,300 per day)

INCOME – TYPICAL POOR

Man: SISh 270,000 per month (e.g. casual labour @ SISh 10-20,000 per day for 10-25 (18) days per month)

Woman: SISh 270,000 per month (e.g. petty trade @ SISh 8-10,000 per day for 30 days per month)

Gifts: SISh 100,000 per month

TOTAL: SISh 640,000 per month (\$95)

OTHER SOURCES OF FOOD – TYPICAL POOR

Gifts: 5-10% of kcal needs (= 7-10 kg of cereal or sugar)

EXPENDITURE (SISh) – LOWER MIDDLE (family size 8)

Item	Quantity per month	% of kcals	Cost per month
FOOD			
rice	1 kg per day = 30 kg	20	66,000
wheat flour	$\frac{3}{4}$ kg per day = 22.5 kg	15	49,500
wheat/maize/sorghum	15 kg per month	11	18,000
pasta	1½ kg per week = 6.5 kg	4	31,200
bread	5 pieces x 5 days = 4.2 kg	2	20,000
sugar	1 kg per day = 30 kg	24	72,000
vegetable oil	4 <i>fidigo</i> per day = 8.4 litres	15	60,000
vegetables	3,000 SISh per day	3	90,000
cowpeas	1 kg per week = 4.3 kg	3	15,000
milk powder	2 plastics per day = 1 kg	1	30,000
meat	2,000 per day = 7.5 kg	3	60,000
salt	100 per day or 1 kg per month	0	2,250
tea leaves	200 per day	0	6,000
prepared meals	1,500-2,000 per day x 20 days	3	35,000
Sub-total food:		104%	554,950 (50%)
NON-FOOD			
water	5 jerrycans per day @ 400		60,000
charcoal	1-2 tins per day @ 1250		56,250
kerosene	almost 9 litres per month		20,000
soap – all types	5 pieces per week = 21.5 per mo		27,000
medicine			40,000
clothes			70,000
government tax	40 x 40' = 35,000 per year		3,000
clan tax			10,000
transport	1,300 per day x 30 days		29,000
<i>khat</i>	5,000 per day x 20 days		100,000
gifts			50,000
school fees	2 primary x 5,500 x 9 mo		8,250
	1 secondary x 11,000 x 9 mo		8,250
uniform	30,000 per child per year		7,500
notebooks	12-16 per child per year @ 2,500		8,750
utensils			20,000
other			32,000
Sub-total non-food:			550,000 (50%)
GRAND TOTAL			1,105,000 (= 36,800 per day)

INCOME – LOWER MIDDLE

- Man: SISh 520,000 per month = various average SISh 20,000 per day x 26 days (broker, shop, shoe making, casual labour, prepared food, etc)
- Woman: SISh 585,000 per month = various trading (*khat*, milk, clothes, vegetables, meat, shop, etc) average SISh 20-25,000 per day x 26 days
- Children: generally do not work
- Other: some households in this group receive remittances

TOTAL: SiSh 1,105,000 (\$165)

OTHER SOURCES OF FOOD – LOWER MIDDLE

None

EXPENDITURE (SiSh) – UPPER MIDDLE (family size 8)

Item	Quantity per month	% of kcals	Cost per month
FOOD			
rice	27.5 kg	17	55,000
wheat flour	$\frac{3}{4}$ kg per day = 22.5	15	45,000
wheat/maize/sorghum	15 kg	10	24,000
pasta	10 kg	7	45,000
bread	50 pieces @ 800 each	4	40,000
sugar	1 kg per day = 30 kg	24	66,000
vegetable oil	10 litres	16	50,000
vegetables / fruit	4,000 per day	3	120,000
cowpeas	7 kg per month	5	24,500
milk powder	4 kg	3	104,000
milk fresh	15 litres @ 4,000	2	60,000
meat	9 kg	4	135,000
salt	200 per day	0	6,000
tea leaves	1 kg	0	11,000
prepared meals	usually eat at home	0	0
Sub-total food:		110%	785,500
NON-FOOD			
water	$\frac{1}{2}$ - 1 drum per day @ 4,000		90,000
charcoal	3 bags per mo @ 15,000		45,000
electricity	\$10 per month		67,000
telephone	\$10 per month		67,000
kerosene	5-10 litres per mo @ 2,250		17,000
soap – all types	30 pieces/bags		37,500
shampoo, lotion, etc			30,000
medicine			50,000
clothes			150,000
government tax			5,000
clan tax			30,000
gifts			100,000
transport	2 roundtrips per day (@1300 each)		78,000
<i>khat</i>	10,000 per day		300,000
school fees	2 primary x 5500 x 9 mo		8,250
	1 secondary x 11000 x 9 mo		8,250
private fees	2 kids x 15,000 per month		30,000
uniform	60,000 per child per year		15,000
notebooks	12-16 per child per year @ 2500		8,750
utensils			30,000
domestic staff			70,000
other			0
Sub-total non-food:			1,236,750
GRAND TOTAL			2,022,000 (= 67,400 per day)

INCOME – UPPER MIDDLE

Man:	SISh 750,000 per month (brokering, business, skilled labour)
Woman:	SISh 450,000 per month (SISh 10-20,000 per day from medium-scale petty trade in <i>khat</i> , grain, meat, tea shops, etc)
Children:	do not work
Remittances:	\$100 – 150 per month = \$125 = SSh 835,000
TOTAL:	<u>SISh 2,035,000 (~\$300)</u>

OTHER SOURCES OF FOOD – UPPER MIDDLE

Typically no sources of food apart from purchase.

EXPENDITURE (SiSh) – BETTER OFF (family size 10)

Item	Quantity per month	% of kcals	Cost per month
FOOD			
rice	37.5 kg	20	100,000
wheat flour	37.5 kg	20	75,000
wheat/maize/sorghum	15 kg	8	18,000
pasta	15 kg	8	67,500
bread	60 pieces	4	48,000
sugar	45 kg	28	99,000
vegetable oil	12.5 litres	16	62,500
ghee	3.5 litres	4	210,000
vegetables / fruit	10,000 per day	3	300,000
cowpeas	15 kg	8	52,500
milk powder	4 kg	3	104,000
milk fresh	30 litres	3	120,000
meat	30 kg	10	360,000
salt	2 kg	0	2,400
tea leaves	2 kg	0	22,000
prepared meals	usually eat at home	0	0
Sub-total food:	(lots of guests & share food with poor neighbours)	135%	1,640,900
NON-FOOD			
water	pipied water to house		60,000
charcoal	5 bags		75,000
electricity	\$15		100,000
kerosene	10 litres		22,500
phone	\$50		335,000
soap – all types	40 pieces		40,000
shampoo, lotion, etc			75,000
medicine			200,000
clothes			200,000
government tax			20,000
clan tax			100,000
gifts			500,000
transport			84,000
qat			900,000
school fees	3 primary x 5,500 x 9 mo		12,400
	1 secondary x 11,000 x 9 mo		8,250
private school fees	2 kids x \$10 per month		134,000
uniform	90,000 per child per year		30,000
notebooks	12-16 per child per year @ 2,500		11,700
domestics, drivers, etc			1,500,000
other and savings			1,950,000
Sub-total non-food:			6,357,850
GRAND TOTAL			8,000,000 (= 267,000 per day)

INCOME – BETTER OFF

Man: SiSh 5,000,000 per month (business income)

Woman: many do not work
 Children: do not work
 Rental income: SSh 3,000,000 per month (vehicles, houses, office space)
 TOTAL: SSh 8,000,000 (\$1195)

OTHER SOURCES OF FOOD – BETTER OFF

Typically no sources of food apart from purchase.

PRICES USED IN ANALYSIS (SSh, except where noted)

Item	Price for poor / lower middle	Price for upper middle / better off*
rice	2,200	2,000
wheat flour	2,200	2,000
wheat grain (milled)	2,000	2,000
sorghum	1,200	1,200
maize	1,200	1,200
pasta	4,800	4,500
sugar	2,400	2,200
vegetable oil – litre	6,000	5,000
vegetable oil – <i>fidigo</i>	500	
cowpeas	3,500	3,500
goat meat		15,000
cattle/camel meat	8-10,000	
fresh milk		4,000
milk powder – 2.5kg		65,000
milk powder – plastic	500	
tea leaves – kg		10-12,000
tea leaves – plastic	100 or 200	
salt	1,200	1,200
charcoal – bag		15,000
charcoal – tin	1,000–1,500 (1,250)	
water – cheap	200/ jerrycan in dry/rainy season	800 – 2,000 / drum
water – mid	500 dry and 350 rainy season	5,000 and 3,500
water – expensive	800–1,000 dry and 4-500 rainy	8-10,000 and 4-5000
water – average used	400/ jerrycan	4,000/ drum
soap – bathing	1,200 – 1,300 (1,250)	1,000
soap – laundry	1,250	1,000
soap – powder	1,250	1,000
kerosene – litre		2,000 – 2,500
kerosene – <i>fidigo</i>	250	
school fee – primary	5-6,000 per child per month	
school fee – secondary	10-12,000	
school fee – koranic	5,000	10-15,000
school fee – private		\$10-20
uniform per child	20-30,000	60-90,000
notebook	1,500	2,500

* Some prices are cheaper for the upper middle and rich because they can purchase in bulk.

ANNEX 5: Sectoral inventory – food and non-food trade and services sector

BUSINESS		FORMAL TRADE SECTOR							INFORMAL TRADE SECTOR				
				-			-						
		Nos	V/Rich	B/Off	U/Middle	L/Middle	Poor	V/Poor	Total	L/Middle	Poor	V/Poor	Total
A	Wholesalers (Non-Food)	44	44	0	0	44	264	132	484	232	563	0	795
	Wholesalers (Buil./Elec./water)	87	0	0	0	0	0	0	0	0	0	0	0
	Wholesalers (Food +++)	21	21	0	21	21	63	21	147	0	111	0	111
	Wholesalers (Utensils)	2	0	0	0	0	0	0	0	0	137	0	137
	Wholesalers (Office/House Equip.)	9	9	0	9	27	0	18	63	0	0	0	0
B	Remittance Companies (A)	1	1	10	40	30	10	8	99	0	0	0	0
	Remittance Companies (B)	5	0	5	5	10	10	25	55	0	0	0	0
	Remittance Companies (C)	7	0	0	7	0	7	7	21	0	0	0	0
C	Telecommunication (A)	3	0	9	9	30	15	30	93	0	0	0	0
	Telecommunication (B)	2	0	6	2	10	4	10	32	0	0	0	0
	Telecommunication (Substations)	48	0	0	48	0	48	0	96	0	0	0	0
	Telecommunication (VHF)	13	0	0	13	0	0	13	26	0	0	0	0
D	Airline Companies	5	0	5	10	15	5	0	35	0	0	0	0
	Travel Agency	4	0	0	4	0	4	0	8	0	0	0	0
	NASHA	1	0	0	3	2	20	0	25	0	0	0	0
	Fuel Jet (Star)	1	0	1	1	2	2	2	8	0	0	0	0
E	Fuel Import Companies	5	0	1	5	15	0	10	31	0	0	0	0
	Fuel Stations	30	0	30	30	60	60	60	240	0	14	0	14
	Fuel Tanker-Trucks	30	0	15	15	23	30	30	113	0	0	0	0
F	Clinic/Pharmacy/Mater./Opt. X-ry	6	0	6	0	18	24	6	54	0	0	0	0
	Pharmacy/Vet -Drugs	82	0	0	82	0	164	82	328	0	0	0	0
	Pharmacy	30	0	0	0	30	30	0	60	0	0	0	0
G	Restaurant/Hotel (A)	5	5	0	5	15	0	10	35	0	0	0	0
	Restaurants (B)	41	0	41	82	123	164	82	492	0	0	0	0
	Restaurants (C)	58	0	0	58	116	116	58	348	1003	0	0	1003
	Restaurant/Hotel (D)	23	0	23	46	46	69	115	299	0	0	0	0
	Hotels	30	0	30	0	60	30	90	210	0	0	0	0
H	Spare parts store (A)	6	0	6	0	12	6	18	42	0	0	0	0
	Spare parts store (B)	35	0	35	35	105	0	35	210	0	0	0	0
	Medium Store	7	0	7	7	21	0	7	42	0	0	0	0
	Store	196	0	196	196	588	0	196	1176	0	0	86	86
	Big Shop/Mini-Market/Cosmetic	67	0	67	67	201	0	67	402	0	95	0	95
	Bookshop	16	0	16	16	48	0	16	96	0	0	0	0

I	Mini-store/ Shop	431	0	0	431	0	431	0	862	0	0	0	0
	Mini-Shop	81	0	0	0	81	0	0	81	745	0	0	745
J	Clothes/utensils Emporium (A)	280	0	280	0	560	0	280	1120			0	0
	Clothes/utensils Emporium (B)	156	0	0	156	156	0	156	468	755	0	0	755
K	Soft Drink/Sweets/Stereo (A)	20	0	0	20	0	20	20	60	0	0	0	0
	Soft Drink/Sweets/Stereo (B)	37	0	0	0	37	37	0	74	0	0	0	0
	Tailor shops	42	0	0	42	0	126	0	168	0	178	0	178
	Goldsmith	9	0	0	9	9	18	0	36	0	68	0	68
	Money Exch.	18	0	0	18	0	36	0	54	0	240	0	240
	Torno/Welding w.shop/garage	29	0	0	29	174	232	0	435	0	0	0	0
	Public Toilet/Bath	28	0	0	28	0	56	28	112	0	180	0	180
	Barber	25	0	0	25	0	100	0	125	0	33	0	33
	Blacksmith & Shoemaker	4	0	0	0	4	12	0	16	0	247	0	247
	Laundry	9	0	0	0	0	9		18	0	31	0	31
	Watches/Tape Recorders		0	0	0	0	0		0	44	0	0	44
	Tire Repair & Car wash	2	0	0	0	2	4		6	0	52	0	52
	Local Grains Retail		0	0	0	0	0		0	0	284	0	284
	Grinding Mills	7	0	0	0	7	7	10	24	107	0	0	107
	Used Clothes Wholesale/Retail	6	0	6		6	12	18	42	0	320	0	320
	Miscellaneous Goods at Verenda		0	0	0	0	0		0	201	0	0	201
	Petty Retail on Market stall		0	0	0	0	0		0	0	0	159	159
	Night storing of goods	19	0	0	19	0	38	19	76	0	0	0	0
	Notary/Internet services/Photo etc	23	0	0	5	18	23	0	46	0	0	0	0
	Beauty Saloon	5	0	0	5	0	10	0	15	0	0	0	0
	Electric Supply Company	3	0	0	6	12	24	6	48	0	0	0	0
	Bakeries (Electric)	3	0	3	5	24	39	9	80	0	0	0	0
	Bakeries (Traditional)	20	0	0	10	10	20	0	40	0	0	0	0
	Plastic canvas retailers		0	0	0	0	0		0	4	0	0	4
	Printing Firms	2	0	1	1	4	8		18	0	0	0	0
	Cinema/Video Centre	4	0	4	0	3	8		15	0	15	0	15
	TOTAL	2183	80	803	1625	2779	2415	1707	9409	3091	2568	245	5904

ANNEX 6: List of participants at Hargeisa presentation

Participants for the closing day (March 17, 2003)		
Name	Organization	Address
1- Marco Manzelli	CINS	CINS-Arabsiyo
2- Ali Ismail	CINS	CINS Arabsiyo
3- Gutaye Buman	SC/USA	scusharing@yahoo.com
4- Abdi Hussein Roble	FSAU	Beletweyne -Hiran
5-Mohamed Hamoud	CARE	CARE- Hargeisa
6- Deeqa A. Musa	UNICEF	UNICEF- Hargeisa
7- Amina Ahmed	DRC	DRC Hargeisa
8- Zeinab Aideed	DRC	DRC Hargeisa
9- Victoria Justiniani	DRC	vicjust@hotmail.com
10- Ahmed Ibrahim Awale	Candlelight	candasli@yahoo.com
11- Ahmed Dirie Elmi	Candlelight	candasli@yahoo.com
12- Eng Hussein M. Jiciir	Hargeisa Municipality	Major of Hargeisa
13- Ahmed D. Farah	Hargeisa Municipality	Major of Hargeisa Office
14- Abdiwahid Ali Ibrahim	SC-UK	SC-UK Beletweyne
15- A. Osman Shuke	PDRC	Garowe
16- Nur A. Weheliye	TNG	Mogadishu
17- Abdihakim M. Ahmed	Ministry of Livestock	Hargeisa M/Livestock
18- K.N.S. Nair	UNDP	UNDP/Nairobi
19- Abdi Muse Mohamed	Private Consultant	Hargeisa/FEWS NET
20- Bilaal M	Handicap	Handicap Hargeisa
21- Abdirahman M Yusuf	FSAU	FSAU-Bosasso
22- Mohamed Salad M/oud	FSAU	FSAU Galkayo
23- Mohamoud Abdi Yonis	Hargeisa Municipality	Hargeisa Municipality
24- Muse Awale Godah	SC-UK	SC-UK Hargeisa
25- Ayan Mohamed Cilmi	Candlelight	Candlelight Hargeisa
26- M. Kahin	WFP	WFP- Hargeisa
27- Abdullahi H	FSAU	Togdhere
28-M Yusuf	FSAU	Nairobi
29- Ahmed A Hassan	FSAU	Hargeisa
30- Sidow Addou	FEWS NET	Nairobi

ANNEX 7: Acronyms / abbreviations

CINS	Cooperazione Italiana Nord Sud
DRC	Danish Refugee Council
FEWS-Net	Famine Early Warning System Network (USAID)
FSAU	Food Security Assessment Unit for Somalia (FAO)
SC-UK	Save the Children UK
SC-US	Save the Children US
SISh	Somaliland Shillings
TNG	Transitional National Government (Mogadishu)
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Programme
WFP	World Food Programme