



Federal Government of Somalia

National Employment Policy

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Executive Summary

A pro-active employment policy is necessary for an economy to deliver growth *as well as* jobs. An explicit employment focused economic policy delivers superior employment outcomes compared to either laissez-faire policies, or policies which are merely concerned with improving the business environment and encouraging individual entrepreneurial behaviour. Somalia does not need just growth; it needs job-rich, sustainable and inclusive growth that makes good use of Somalia's key asset, its labour force.

In line with international best practices, Somalia's National Employment Policy (NEP) represents a commitment for concerted action across the government, in close collaboration with the employers' organizations and workers organizations, civil society organizations, financial institutions and sector associations and organizations. It builds on and calls for linkages with the wider institutional setting in Somalia, including an amended and updated labour code, the proposed law on the civil service, the foreign investment law, and social protection policy. The NEP provides for action to be taken across the range of policy levers which are available to the Government for the stimulation of growth and employment. These include, among others, finance, trade, public investment and labour market regulations and services.

Somalia faces a host of employment challenges, many of the induced by a continuing (albeit much diminished) insecurity across the country. For instance, the destruction of the education system and the absence of a significant vocational and technical training system has resulted in a substantial skills deficit among the youth in Somalia. A second important issue is the confusing, incomplete and often contradictory data on the state of the labour market which makes definitive analysis extremely difficult.

In terms of the labour market, as is common in other poor countries, unemployment rates are not high: the overall rate stands at 12% (9.1% for men and 16.6% for women). This is largely because most people cannot afford not to work; given the extremely informal nature of the labour market and in the absence of labour market institutions such as employment services or unemployment benefits, there is little incentive or reason for anyone to declare themselves without work and actively looking for work. Further, a large number of people are working in vulnerable jobs: the last labour force survey found that these accounted for 40% of total employment (35.6% among male, and 53.3% among females). Underemployment, too, remains relatively high, and over one third of all those employed work in hazardous conditions. A similar number believe that their salaries are not commensurate with either their education or their experience. Compounding these issues are rapid urbanization (driven by a combination of rural distress, climate change, conflict and restructuring of the economy) and periodic droughts and other effects of climate change. Women and youth are particularly disadvantaged in the labour market, as are nomadic populations affected by climatic shocks, internally displaced people and persons living with disabilities.

Somalia cannot address all of these issues at once and trying to do so will risk not achieving the highest priorities. Given the tight public budget and low revenues, the NEP focuses on three key objectives. These are (i) improved employment governance, (ii) job-creation through promotion of micro, small and medium enterprises, and (iii) the promotion of the employment-intensity of key economic sectors. A series of desired outcomes and outputs are associated with each objective. Finally, a series of indicators has been prepared to measure the success of the policy at the level of the broad objectives that the NEP seeks to achieve.

Figure 1 below shows the framework which depicts how the NEP intends to address the main employment problems identified to achieve its vision of creating decent and gainful employment for all.

Figure 1: National Employment Policy Framework

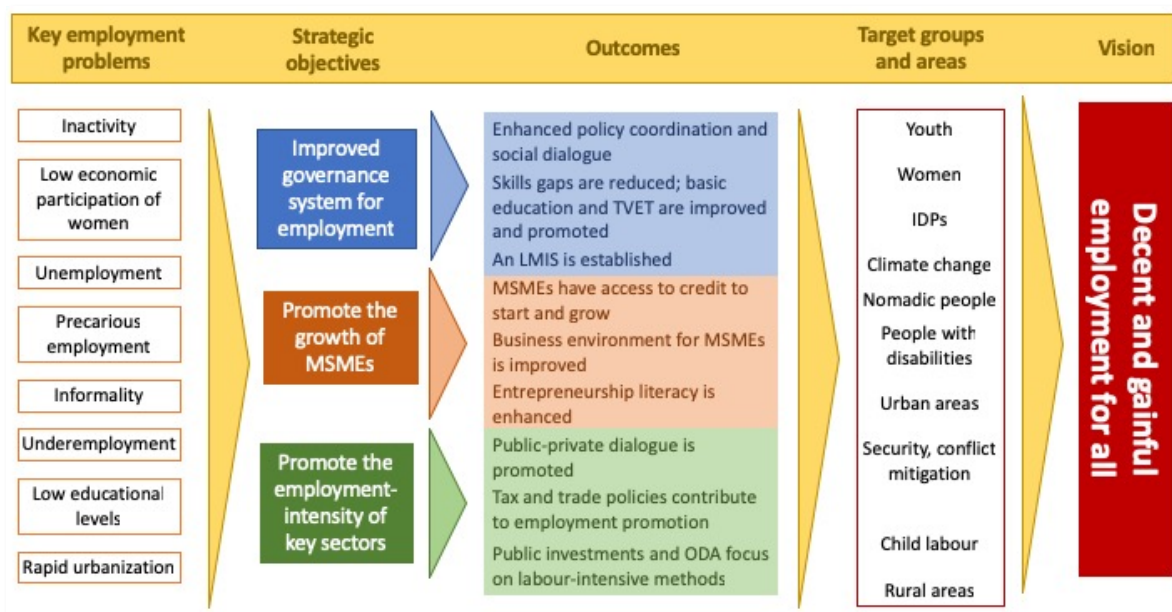


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Part I. ABOUT THE NATIONAL EMPLOYMENT POLICY

1. Situating employment in Somalia's National Development Plan

Employment is one of the areas identified in the Somalia National Development Plan (SNDP, 2017-2019) to provide the foundation for the country's transformation. Taking the measure of the employment challenges facing the country, the SNDP states the need for the Federal Government of Somalia to:

“develop new approaches to create sustainable employment opportunities, ensure compliance with national and international labour laws and practices at the workplace, and industrial harmony. The Government also needs to put in place policies and a legal framework to improve health and safety in work places, promote social security, settle industrial disputes, strengthen collective bargaining and promote social dialogue.

The sector will also promote enterprise development and address the existing constraints to business growth in order to reduce the rate of failure of those enterprises and, secondly, support their growth. The sector in collaboration with other stakeholders involved in human resource development activities will develop an integrated human resource development strategy that will provide linkages between the Labour market and knowledge factories (training institutions) in order to create synergy in the production of skills required by the economy”
(Federal Government of Somalia, 2017)

The SNDP includes labour and employment issues primarily within its “Social and Human Development” pillar (Chapter VII), though references to policies which have an impact on employment are contained to different degrees throughout the document. In the “Labour and Employment” section, the aims of the SNDP are (a) the creation of decent jobs for the productive workforce of the country, and (b) the provision of employable skills critical for socioeconomic transformation of the country through public and private training institutions as well as through the introduction of firm-based training programmes, apprenticeship, learnership, internship and placement programmes. The SNDP also contains explicit targets on employment, including, among others, those related to reduction of vulnerable employment, creation of formal jobs, reduction in rates of child labour and alleviation of youth unemployment.

2. Development of the *Employment Diagnostic: Somalia* and of the *National Employment Policy*

To ensure that it is “Somali-owned” and “Somali-led”, the National Employment Policy (NEP) was developed by the Ministry of Labour and Social Affairs, Federal Republic of Somalia (MOLSA), with technical assistance from the ILO, following a consultative process which started with the creation of a multi-stakeholder Steering Committee in August 2018 and the preparation of an employment diagnostic for Somalia. The Steering Committee met about once a month between August and December 2018 to initiate, follow-up on, and validate the conclusions of the *Employment Diagnostic: Somalia*¹.

The *Employment Diagnostic* relied on the 2014 Labour force survey as a main source of information to document employment outcomes in the country. In addition, it was complemented by exploiting the large number of surveys carried out since, notably those by IOM (*Youth, Employment and Migration in Mogadishu, Kismayo and Baidoa*, 2016), IMF (*Somalia, IMF Country Report No. 18/55*, 2018), the World Bank (*Somalia Economic Updates* and *Somali High Frequency Surveys*), UNFPA (*Population*

¹ Nicolas Serrière and Aditya Sarkar. *Employment Diagnostic: Somalia* (Unpublished).

Estimation Survey 2014 - For the 18 pre-war regions of Somalia, 2014) and many more, the list of which is provided in the bibliography of the *Diagnostic*.

This desk review was complemented by comments received during the consultation events, such as the Steering Committee meetings, the National Consultation of October 2018 and the Donor Consultation of November 2018.

Box 1. Decent Work

Decent work involves opportunities for work that is productive and delivers a fair income, security in the work place and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. It can be a critical factor in breaking the cycle of fragility in Somalia and can act as a foundation for social reconstruction.

ILO promotes decent work through the Decent Work Agenda which focuses on four inseparable, interrelated and mutually supportive objectives: (i) employment creation; (ii) social protection; (iii) social dialogue; and (iv) protection of workers' rights.

In Somalia, Decent Work can contribute to reducing fragility, post-crisis stabilization and paving the way for economic growth and sustainable peace, by:

- (a) generating peace dividends in terms of employment, social protection and opportunities for communities and regions most affected by conflict and climactic disasters;
- (b) providing recovery in such a way that it constitutes groundwork for a new development trajectory;
- (c) enhancing resilience; and
- (d) supporting and protecting the most affected population such as ex-combatants, returnees, and IDPs while sustainable reintegration efforts are put in place.

ILO's Recommendation No. 205 on Employment and Decent Work for Peace and Resilience is concerned with Decent Work in fragile and conflict contexts. It offers guiding principles for taking measures to generate employment and decent work in crisis situations, and presents a phased multitrack approach to promoting peace, preventing crises, enabling recovery and building resilience.

ILO, *Employment and Decent Work in Situations of Fragility, Conflict and Disaster*, 2016.

On the basis of the *Employment Diagnostic* and of the successive rounds of consultation, the NEP identifies 3 key policy areas and provides an integrated and multi-sectoral framework focusing on those 3 key areas, namely (i) Improved employment governance, (ii) Job-creation through promotion of micro, small and medium enterprises, and (iii) Development of key sectors.

3. Bridges with other policies

The NEP, with its interdisciplinary, multi-sector and multi-stakeholder approach to employment creation, will be a critical resource for the preparation of the next national development framework. The necessary integration of employment objectives and their related policy interventions into the future national development framework, will require (a) greater (and more widespread) focus on employment generation, and (b) the creation of specific governance arrangements alongside and/or nested within existing administrative mechanisms.

The NEP is closely connected to a number of key national laws, strategies and policy initiatives (all of which are at various stages in their development). The most important of these is of course, the SNDP. The following table provides a brief summary of the others which are most closely linked to this employment policy:

Key laws, policies, and initiatives	Link to the National Employment Policy
<p>Draft Social Protection Policy (under elaboration)</p>	<p>The draft Social Protection Policy (SPP) is designed to harmonize international assistance, better align humanitarian and developmental objectives, and reduce reliance on short term humanitarian aid. It seeks to build on, in a systematic way, the numerous humanitarian and medium-term cash transfer safety-net programs in Somalia, and in doing so, seeks to strike a balance between the chronic and seasonal needs, as well as economic and social vulnerabilities. Like the NEP, the SPP makes a case for close for close linkages between it, and other policy areas, including the national development framework.</p>
<p>Draft Labour Code (under elaboration)</p>	<p>The draft Labour Code will replace the existing Labour Code (Law No. 65 of 18 October 1972) which governs establishment of trade unions and their federations, contracts of employment, apprenticeship, remuneration, and occupational health and safety. The draft Code makes provisions for administration of labour matters, lays down various rules regarding workplace safety (through provisions on occupational health and safety) creates a labour inspectorate, specifies different forms of employment contracts, and makes provisions for social dialogue and collective bargaining – which is aimed at helping workers organise and negotiate better work conditions and remunerations with their employers.</p>
<p>Foreign Investment Law</p>	<p>The Foreign Investment Law has been finalised but not yet enacted by Somalia’s parliament. It marks an essential step in promoting foreign direct investment into Somalia, and provides for various protections to foreign investors, treating them at par with local investors.</p>
<p>Human Capital Development Mechanism Project</p>	<p>The Human Capital Development Mechanism aims to build on Somalia’s greatest asset, is people, by focusing on improvement of education and skills. Although this initiative is a relatively recent one, it is likely to be critical if the NEP is to be given full effect.</p>
<p>Civil service Law No.11 (pending approval)</p>	<p>This law is pending approval by Parliament. It provides for the regulation of employment in the public sector which continues to be highly sought and remains among the largest employers in the country.</p>
<p>Statistics law</p>	<p>The Statistics Law vests the authority for the production and collection of Statistics with the Ministry of Planning, Investment and Development. It is likely to be critical for the efforts of this NEP to develop a functional labour market information system.</p>
<p>National Education Policy National Education Act National Education Sector Strategy Plan</p>	<p>These policies will play an essential role in overhauling the education system which was completely destroyed by the conflict. What is notable is that less attention seems to have been given to technical and vocational education and training.</p>
<p>Draft Infrastructure Strategy / Vision of Somalia Somali Infrastructure Strategic Plan (2019-2063)</p>	<p>These draft policies/strategies lay down a vision for the rehabilitation of Somalia’s infrastructure. Among the issues taken up for discussion are the ways in which they can contribute to the generation of employment through employment intensive techniques.</p>

Key laws, policies, and initiatives	Link to the National Employment Policy
<p>Draft National Policy on Refugee-Returnees and IDPs</p> <p>Interim Arrangements on Land Distribution for Housing to Eligible Internally Displaces Persons (IDPs) and Refugee-Returnees</p>	<p>This draft policy (and the associated <i>Interim Arrangements</i>) sets out to ensure that IDPs and refugee-returnees (including those repatriated from other countries) enjoy the same rights under the Constitution as all other citizens in Somalia. It includes provisions for ensuring adequate standards of living for IDPs and refugee-returnees, including access to adequate water, food, shelter, health, sanitation and education, as well as restoration of and access to land, housing and property. It is important given the vulnerabilities faced by IDPs and many refugee-returnees in the labour market.</p>

It is also important to note the connections that can be drawn between different policies themselves. For instance, if it were agreed that the foreign investors and firms ought to reduce the number of foreign workers in a gradual manner and after a start-up period (for example, 5 years after a business has started, start to replace foreign with locals; after 10 years, 80% of the workforce, including at least 50% of technical and management staff, need to be local), this could be reflected in both the labour code and the investment code.

Part II. MAJOR EMPLOYMENT CHALLENGES

This NEP and the aforementioned *Employment Diagnostic: Somalia* are complementary documents. For easy reference, the main findings of the *Employment Diagnostic* are provided here as needed to justify the choice of interventions.

The findings of the *Employment Diagnostic* should also be read in light of the continuing insecurity in Somalia which remains a direct cause of some of Somalia's more pressing employment challenges – for instance, the destruction of the education system and the absence of a significant vocational and technical training system has resulted in a substantial skills deficit among the youth in Somalia.

1. Inactivity, unemployment and underemployment

Box 2. Selected employment definitions

Inactivity: People outside the labour force, usually defined as the inactive population, are people of working age who are in education, involved in household duties or unable to work (for instance because of illness or disability).

Open unemployment: defines the situation of people who have not worked even 1 hour in the period of reference (1 week in the case of the 2014 Somali LFS), who are taking active steps to find employment, and who are available immediately to start work.

Underemployment refers to employment at less than desired or normal working hours (for example less than 40 hours a week), or in conditions inferior to those **desired**, expressed by a **willingness to change job** and conditioned on the **ability to change job** at short notice.

Vulnerable employment is defined as the sum of own-account workers and contributing family workers. The rate of vulnerable employment refers to the population in vulnerable employment expressed as a proportion to total employment. Most of the persons working in the informal sector are in vulnerable employment and are engaged in relatively precarious jobs.

Informal employment includes all contributing family workers. Own-account workers, employees or employers are considered in informal employment if their economic unit is informal – which itself is established on the basis of operational criteria such as contributions by the employer to social security, pension/retirement fund or paid leave or sick leave (see ILO, 2018, *Women and Men in the Informal Economy: A Statistical Picture*).

Inactivity in Somalia is difficult to establish precisely, with widely varying rates depending on the sources. On one hand, the 2014 LFS provides low inactivity rates of 11.7% for males and 14.1% for females. Men tended to be more inactive in rural areas than urban areas (12% and 21%, respectively), which was the opposite of women, 16% of whom were inactive in rural areas compared to 14.9% in urban areas. On the other hand, 2014 UNFPA² data provide a very high overall inactivity rate of 49.8% among the population aged 15-64. It will be the goal of the forthcoming 2019 Labour Force Survey, conducted by MoLSA and MoPID, with assistance from the ILO, to provide up to date data on employment outcomes, including inactivity. Further, the NEP includes provisions for the establishment of a labour market information system which will make it possible to have reliable, regular and recent time series on employment outcomes.

Qualitative studies from the World Bank³ indicated that 12% of men reported being inactive due to disability or illness, against 4% of women. This is indicative of the existence of a potential labour force which, with adequate interventions such as health services in this case, could be mobilised to increase the economic

participation of men and women.

Unemployment measurements are very patchy in Somalia, and do not lend themselves to definitive analysis. Considering the extremely informal nature of the labour market and the absence of labour market institutions such as employment services or unemployment benefits, there is little incentive or reason for anyone to declare themselves without work and actively looking for work, as the official definition of open unemployment requires.

² UNFPA, Population Estimation Survey 2014 - For the 18 pre-war regions of Somalia, 2014.

³ World Bank, Somali Poverty Profile - Findings from Wave 1 of the Somali High Frequency Survey, 2017.

The 2014 LFS found rates ranging from 0.5% in Lower Shabele (for both men and women) to 56.5% in Middle Shabele (50.9% for men, and 61.5% for women). The overall rate stands at 12% (9.1% for men and 16.6% for women). Youth (15-24) unemployment rate for Somalia was 22%, with variations from 15.5% in Lower Shabele to over 35% in Banadir and Bay. Female youth unemployment rates tend to be lower than that of young males.

The UNFPA survey also found that higher education is associated with higher unemployment: no formal education (12.7%); primary (16.8%); secondary (18.2%); tertiary (19.1%)⁴. This is an indication that university outcomes are not in line with labour market needs.

According to the 2014 LFS, Somalia has underemployment rate of 19.5%, with highest rates in Middle Shabele (48.3%) and lowest in Banadir (13.3%). The main reasons invoked to explain the willingness to change jobs are inadequate income (73.7% of responses), insufficient use of skills (15.9%) and to decrease working hours (10.4%)⁵.

2. Precarious employment and informality

Precarious employment was probed by the 2014 LFS by asking respondents a number of questions on work-related injuries, safe working environment or discrimination. Salient answers are that 34.7% of respondents report that their work environment is hazardous, that there are significant levels of stress on the job or that 36.5% find that their salaries do not match their experience of education level.

The level of vulnerable employment is high in Somalia given that own account workers (OAW) and contributing family workers (CFW) account for 40% of total employment (35.6% among male, and 53.3% among females⁶). Estimates for nomadic populations in the 2014 LFS seems to be inaccurate, as the level of vulnerable employment among nomadic females is reported as zero.

Informality can be assessed through the review of employment terms and conditions. Only 1 worker in 4 (19%) are entitled to medical benefits, just 9.3% of workers report that income tax is deducted from their wages, and just 5% of workers report that their employers contribute to a pension or retirement fund (21% are unsure).

3. Education and vocational training

Education levels are low in Somalia. Data from the 2014 labour force survey show that 36.3% of males and 29.7% of females have completed secondary school, and 20.8% of males and 9.5% of females have completed university education. Data also show that a mere 1% of labour force participants have gone through vocational training. This is reflected in the profile of employment in the country: almost 63% of those employed work in agriculture in low productive job, and less than 10% of the workforce is engaged in the secondary sector in jobs with higher added value. The main risk is that excess labour in rural areas will be left with no options but to head for informal, precarious work in urban areas, as has been the case in other countries in the region.

4. Social dialogue and labour market regulation

Somalia has ratified six out of eight fundamental ILO Conventions: (a) The Freedom of Association and Protection of the Right to Organize Convention No. 87 of 1948; (b) Right to Organize and Collective Bargaining Convention No. 98 of 1949; (c) Worst Forms of Child Labour Convention No. 182 of 1999; (d) Forced Labour Convention No. 29 of 1930; (e) Abolition of Forced Labour Convention No. 105 of 1957; and (f) Discrimination (Employment and Occupation) Convention No. 111 of 1958. Although ratified, most of these conventions have not yet been given effect in the country's labour law and

⁴ UNFPA, Population Estimation Survey 2014 - For the 18 pre-war regions of Somalia, 2014.

⁵ Federal Republic of Somalia, *Somali Labour Force Survey*, 2014.

⁶ UNDP, *The Role of Somali Women in the Private Sector*, 2014.

labour related regulations. Implementation and enforcement also remain challenging in Somalia's political context. The Employment Policy Convention No. 122 of 1964, has not been ratified.

The existing Labour Code (Law No. 65 of 18 October 1972) governs establishment of trade unions and their federations, contracts of employment, apprenticeship, remuneration, and occupational health and safety.⁷ It has been established under very different circumstances and requires a profound review, as all constituents acknowledge. A new law is being drafted with technical assistance from ILO.

For workers, social dialogue offers an opportunity to exercise their right to collective bargaining for better working conditions, higher wages etc. Employers may see it as a long-term investment for increased productivity as well as for stability and peace in the labour market. Both parties may see it as an opportunity to influence for example government labour laws and other policies shaping conditions in the labour market.

Somalia lacks organised and broadly legitimate workers' and employers' associations, and tripartite structures and social dialogue mechanisms remain under-developed. However, it is important to note that in spite of a, there is a growing number of groups or associations claiming to be representatives of specific occupational groups or of small businesses. There is therefore a need to develop strong, accountable and representative organisations which can enhance the tripartite environment in Somalia.

The challenges facing workers and employers include the inability to organise between urban and rural areas; how to involve sole traders, subsistence workers and the vast majority of people under-employed in industries which are struggling in the face of climate changes and the challenges of global economies. Both workers' and employers' organisations suffer from issues linked to how representative they actually are and to their weak capacity (technical, organisational or otherwise) to effectively engage in policy making. The ILO has supported the creation and establishment and development of business associations, youth networks and cooperatives, but there remains considerable scope to enhance the representativeness and capacity of these structures.

5. The private sector environment

Somalia's businesses are overwhelmingly informal, and the majority of the population lives at the subsistence level. Most of the persons working in the informal sector are in highly precarious forms of employment, with very limited access to social protection. As in many other countries, informal businesses are unable to develop (into small, medium and large enterprises) given their inability to access finance, establish formal partnerships or impartial adjudication of disputes. Somalia's specific constraints include legal and institutional gaps with respect to land and property, lack of economic infrastructure (for example, transportation costs and dependability), a very high price of inputs (electricity, fuel and water) and most fundamentally, continued insecurity.

On the other hand, Somalia can build on a very strong entrepreneurship tradition. Indeed the "resilience" of the Somali private sector in such a fragile environment is impressive in many respects. Key services are delivered exclusively by private means, including telecommunications, money transfer, export infrastructure and transportation. The private sector is the largest provider of utilities, education and healthcare. Much of the funding for these businesses came from remittances, which grew to about 24% of GDP in 2015. In the absence of a fully functional legal system, informal institutions based on clan networks have provided the functions of securing property rights and contract enforcement.

The development of the financial sector in Somalia is extraordinary for a country that has lived for such a long period with no formal government, although its reach remains uneven in rural areas. Private financial actors' total assets and credit to the private sector were about 4% and 1.3% of GDP, respectively. Banks' assets have continued to improve since 2015, and their capitalization remains

⁷ Labour Code (Law No. 65 of 18 October 1972).

broadly adequate. The loan-to-deposit ratio reached 40.1%, up from 33.3% in September 2016, and credit to the private sector increased to 31.2% (as a share of total assets), from 24.8% in the previous year.

However, private financial institutions concentrate the vast majority of their business on real estate and trade. Investing in productive activities involves higher risk: larger upfront, fixed-asset investments and longer profitability timelines. In Somalia these risks related to the longer-term outlook are obviously compounded. It is also important to note that the Somali central bank does not extend lines of credit to the private banks who capitalise themselves directly from savings and remittances, in a largely dollarized environment.

The microfinance market in Somalia is at an early stage of development. Private actors have concentrated on services such as money transfer and mobile network providers have been transitioning towards the provision of financial services, including banking and microfinance. Despite this, it remains difficult for small borrowers to access credit from these institutions without guarantors, or to comply with their collateral requirements. For their part, microfinance institutions (MFIs) continue to struggle with inadequate funding, and to navigate unclear regulatory requirements.

Part III. STRATEGIC OBJECTIVES AND RESULTS-BASED FRAMEWORK

Stemming from the SNDP, the vision of the National Employment Policy (NEP) is to:

*Achieve decent and productive employment for all
in conditions of freedom, equity, security and human dignity.*

In relation to this vision, the NEP is organised around the following outline:

OBJECTIVE 1. ESTABLISH A GOVERNANCE SYSTEM FOR EMPLOYMENT

Outcome 1.1. Enhanced policy coordination and social dialogue

Output 1.1.1. A National Employment Council is created, which reviews and advises on all employment-related public policy matters

Output 1.1.2. Employment objectives/targets are integrated into the national development strategy and in the mandate of key institutions.

Output 1.1.3. Capacities at MoLSA, NEMPC Ministries and among the social partners to implement the NEP are strengthened.

Outcome 1.2. A labour market information and analysis system is established

Output 1.2.1. A labour force survey is conducted at the national level on a yearly or bi-yearly basis

Output 1.2.2. MoLSA and other stakeholders' capacity to conduct labour market analysis are strengthened

Outcome 1.3. Skills gaps are reduced, and basic education and vocational training are improved and promoted

Output 1.3.1. Short-cycle vocational training is expanded in high-demand occupations

Output 1.3.2. Technical and vocational education programmes are substantially upgraded beginning with the list of priority sectors identified in this policy

OBJECTIVE 2. PROMOTE THE GROWTH OF MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES

Outcome 2.1. MSMEs have access to credit to start and grow

Output 2.1.1. Access to credit is enhanced for MSMEs and in key sectors

Output 2.1.2. The expansion of the microfinance market, including improving access to credit for farmers

Outcome 2.2. Improved business environment for MSMEs

Output 2.2.1. The regulatory and fiscal environment is improved for micro and small enterprises

Outcome 2.3. Enhance entrepreneurship capacities

Output 2.3.1. Entrepreneurial literacy is broadened particularly for the most vulnerable

Output 2.3.2. Business development expertise is mobilised to support the development of key sectors and promote exports

OBJECTIVE 3. PROMOTE THE EMPLOYMENT INTENSITY OF KEY SECTORS OF THE SOMALI ECONOMY

Outcome 3.1. Public-private dialogue is promoted, and regulations adopted

Output 3.1.1. Promising sectors for employment-rich growth are identified

Output 3.1.2. Sectoral public private dialogue is established

Output 3.1.3. Regulations are formulated for key sectors

Output 3.1.4. Sector associations are created and/or strengthened

Outcome 3.2. Tax and trade policies contribute to employment promotion

Output 3.2.1. Taxation and trade regimes are structured to promote employment-rich growth

Outcome 3.3. Public investments and ODA

Output 3.3.1. The public and donor portfolio of investment projects favours the local sourcing of goods and services and apply labour-based approaches to construction.

Output 3.3.2. Capacities of public engineers and key contractors developed to apply labour-based methods

Objective 1. Establish a governance system for employment

This policy embodies a broad-based, comprehensive approach to employment promotion. A coherent set of policy actions is required for an economy to make better use of its key asset, the labour force, and thus generate sufficient and decent employment. A range of public authorities at national, but also regional and state levels have an important role to play. Furthermore, employers' and workers' organisations, and other private and civil society organisations also have decisive stakes.

It is important to ensure that an adequate governance mechanism is established to uphold this comprehensive approach, which is based on multi-directional linkages: the NEP is the fruit of a multi-stakeholder approach at the same time as it should inform the development of other national reforms or policies. In other words, the NEP is a vehicle to make employment a central matter of national policy-making.

In order to achieve this, the National Employment Council (or NEMPC, to differentiate it from the recently-created NEC⁸, National Economic Council) will be the centre-piece of the governance system for employment promotion in Somalia. The NEMPC will convene key Ministries, workers' and employers' organisations, other private sector and civil society stakeholders and independent experts. It will steer the implementation of the NEP and be consulted in the design of major social and economic policy matters. An inter-ministerial employment committee will follow-up on its key recommendations and facilitate inter-ministerial coordination. Sectoral and subject-specific roundtables will be formed for more focused participatory dialogue on specific matters.

Outcome 1.1. Enhanced policy coordination and social dialogue

Output 1.1.1. A National Employment Council is created, which reviews and advises on all employment-related public policy matters

The National Employment Council (NEMPC) will be formed to promote the centrality of employment in Somalia's policy making. It is conceived as a high-level consultative and coordination body representative of the range of public institutions, workers' and employers' organisations and other private sector and civil society groups who can together contribute to the NEP's vision. The NEMPC will facilitate constructive, substantive discussions around key economic and social policies. It will also steer and monitor the implementation of this policy, reviewing progress against its expected results and agreeing on actions to be taken.

A representation of a possible structure is proposed in Figure 2:

Box 3. Social dialogue

Social dialogue can be understood to mean 'the involvement of workers, employers and governments in decision-making on employment and workplace issues.' Social dialogue is a measure of participation in respect of reconciliation, peace consolidation, social justice, conflict prevention and strengthening of national economies. Social dialogue is a guiding principle of the ILO's work in all fields.

The involvement of employers' and workers' organizations is one of the advantages the ILO brings to this work, as it involves those on the frontline of crisis situations. When the ILO's constituents are weak, early action needs to be taken to create an enabling environment for the establishment, restoration or strengthening of their capacities. Collective bargaining can also help ensure that measures taken during the recovery phase are beneficial to both workers and employers. This also requires encouraging close cooperation with other Civil Society organizations in these situations.

ILO, 2016, *Employment and decent work in situations of fragility, conflict and disasters*

⁸ The National Economic Council is a relatively new structure. The NEC was officialised by decree in July 2018 and it began its operations the following month. Its mandate is mainly consultative, and it can be referred to for reviewing public policies before they are submitted to the Council of Ministers. It has the capacity to undertake research and develop policies for the Government.

Figure 2: Employment governance structure

Inter-ministerial Employment Committee	Means of operations	Responsibilities
<ul style="list-style-type: none"> •PMO, MoLSA, MoF, MoPID, MoCI , MoAg, MoEd, CB, FMS •With the participation, as needed, of: <ul style="list-style-type: none"> • <i>The NEC</i> • <i>Social partners</i> • <i>Sector associations, financial inst., CSOs</i> • <i>Academia, international and national expertise</i> 	<ul style="list-style-type: none"> •Technical/sector roundtables: relevant Ministries, sector-specific associations (business and workers) and other stakeholders •Consultation, advice 	<ul style="list-style-type: none"> •Monitors and evaluates the implementation of the NEP •Promotes employment as a central matter in reforms and national policy-making

To anchor employment at the highest decisional level, the NEMPC will be chaired by the Prime Minister, who could choose to be represented by MoLSA. Key ministries represented at decision-making level will include the ministries of Labour, Planning, Finance, Commerce and Industry, Agriculture and Education. State-level representatives of MoLSA will participate. Ministries with responsibilities for labour and employment matters among the FMS will also be a party, though, in the future, similar employment councils may also be created at the level of the various FMSs. Most representative workers’ and employers’ organisations will also be members as well as other key stakeholders including financial institutions, private sector associations - particularly those active in the key sectors of this policy, as well as micro, small and medium-sized enterprises, and civil society organisations – particularly those able to represent youth, women, the displaced and other groups of particular concern in this policy.

Decision-makers from the above ministries will regularly meet as part of an interministerial employment committee, to follow-up on key recommendations of the NEMPC and facilitate interministerial coordination. The NEMPC will also form sector-specific round tables to lead more focused work on key segments of this policy; ad-hoc working groups may also be convened as required.

Output 1.1.2. Employment objectives/targets are integrated into the national development strategy and in the mandate of key institutions.

Employment targets will be integrated into the new National Development Policy and will feature in the mandate of other key institutions such as the Ministries of Labour, Planning, Finance, Commerce and Industry, Agriculture and Education. Employment will be explicitly recognised as a key goal in the work of the National Economic Council and MoLSA will be a permanent member of the NEC.

Output 1.1.3. Capacities at MoLSA, NEMPC Ministries and among the social partners to implement the NEP are strengthened.

Employment promotion, as embodied in this policy, will require a new standard of engagement by, and increased capacities of key public institutions, including MoLSA. Within MoLSA, capacity enhancement will be implemented on the basis of a capacity assessment and internal reform plan, to ensure an alignment of its technical functions with the requirements of the NEP. Similar capacity development and internal reform programmes will need to benefit regional labour ministries. The capacity of employers’ and workers’ organizations will be developed to empower them further to constructively participate in policy dialogues through specific projects and activities.

Outcome 1.2. A labour market information and analysis system is established

The identification of labour market issues rests on the availability of data, information and analysis. Labour market information systems (LMIS) provide an essential basis for employment and labour policies, informing the design, implementation, monitoring and evaluation of policies that are better focused and targeted. In Somalia, an LMIS can serve 3 main functions:

- Generate and report information for informed labour market analysis
- Provide the basis for monitoring and reporting on the NEP and related policies (education, social protection, etc.)
- Provide a mechanism to exchange information useful to employers and workers, for instance on skills supply or employment opportunities.

The Department of Statistics at the Ministry of Planning is responsible for statistical production in Somalia and lead the regular production of labour market statistics in consultation with MOLSA on a collaborative user-producer basis, focus on providing information useful to employers and workers, i.e. a "service-oriented" LMIS that benefit employers and workers first.

Output 1.2.1. A labour force survey is conducted at the national level on a yearly or bi-yearly basis

The production at national level of statistically robust and reliable labour market statistics on a yearly basis will be prioritised. The annual survey will initially include a limited list of variables to be collected for men and women, youth and adults, with few if any other levels of disaggregation. A yearly report will be published.

Output 1.2.2. MoLSA and other stakeholders' capacity to conduct labour market analysis are strengthened

Correctly interpreting and meaningfully utilising the LFS data, in relation to the wider economic outlook requires appropriate technical capacities at MoLSA, other Ministries, as well as among social partner organisations and academics. The collection of additional information, in particular on educational and training output from other Ministries and authorities, will also be ensured. An annual report will be prepared by MoLSA on key labour market trends and skills needs.

Outcome 1.3. Skills gaps are reduced, and basic education and vocational training are improved and promoted

The destruction of the education infrastructure in Somalia has had a devastating impact on Somalia's most valuable asset: its human resources. Systems for education and vocational and technical training must be reshaped to provide the young generation with the education, knowledge and skills necessary to meet the requirements of the labour market of today and tomorrow. Access to schools remains severely limited, in particular in rural areas. Construction of new schools that provide a safe environment for both pupils and teachers is an urgent priority. Such construction will also contribute to creating much needed emergency employment.

Access to quality and safe schools will be improved (with especial attention being paid to ensuring safety for female students), and recruitment and training of qualified teachers will be prioritized. This is of utmost importance because only a minority of teachers are fully qualified. In addition, curricula for primary and secondary education will be revised and linked to the needs of the labour market. Efforts will also be made to establish standards for education provision by public, private and community providers. "Second chance" training will be introduced through relevant short courses and will include basic-literacy skills to cater to those people who missed out on education during the conflict.

The systems for vocational and technical education and training must be overhauled to provide the young generation with the knowledge and skills necessary to meet the requirements of the labour

market of today and tomorrow. A well-resourced TVET system is an essential investment in employment and warrants a substantial increase in public funding and donor support.

Output 1.3.1. Short-cycle vocational training is expanded in high-demand occupations

Short-cycle vocational training programmes will be launched on a large scale to ensure that a fast-growing population of unemployed and underemployed youth are able to meet expanding skills requirements for key occupations in the key sectors of this policy (see Objective 3, below). Key occupational trends as observed in the first two rounds of the LFS (2014 and 2019), as well as other skills needs assessments will inform the selection of priority occupations within these sectors. Curriculum design and implementation will be done in partnership with employers, making use of on-the-job training modalities. These training programmes will also include sessions on OSH and work standards as defined by the labour code.

Output 1.3.2. Technical and vocational education programmes are substantially upgraded beginning with the list of priority sectors identified in this policy

More broadly, the entire educational output in Somalia requires a profound overhaul. Data from the 2014 LFS show that 25% of the labour force have obtained a university degree, while only 1% have graduated from Technical and Vocational Education. These findings will be updated with the 2019 LFS, which will allow for further monitoring and analysis of this misalignment. Clearly, a vast expansion and improvement of TVET is required.

Immediate work on TVET reform and capacitation will concentrate in the technical and vocational skills required in the key sectors of this policy. A TVET policy will be developed to regulate this important policy area including on funding (public and contributory), definition of skills standards, accreditation and certification, and include a capacity development plan for trainers, physical locations and hardware. Given that centre-based training is expensive and easily risks becoming out of date, the new TVET policy will emphasise work-based learning, apprenticeships and other forms of collaborative training design where employers not only participate in standard design and content development but participate in the delivery of training. The policy will also include monitoring and evaluation provision to track the relevance and effectiveness of TVET programmes, starting with third-party tracer surveys of the employment outcomes of trainees for each centre and by sector. The policy will be designed on a tripartite basis.

Objective 2. Promote the growth of micro, small and medium-sized enterprises

Entrepreneurship literacy

The promotion of micro, small and medium enterprises is a major avenue for increasing productive employment and income opportunities in Somalia. The challenge is two-fold. First, the overwhelming majority of enterprises in Somalia are very small and operate informally: very few enterprises have been able to grow into small, medium or large enterprises – a phenomenon that may be described as the ‘informality trap’. Second, many more young people need to acquire the capacities to start (and sustain) a business in a fast-growing population. In this Somalia can build on a strong tradition of entrepreneurship, both within the country and in the diaspora. The “resilience” of the Somali private sector in a fragile environment is impressive in many respects. Further, Somalia can capitalise on a relatively high proportion of female entrepreneurs.

Agricultural cooperatives

With agriculture a mainstay of the Somali economy (not only does agriculture accounts for up to 70% of Somalia’s GDP, it is also a sector where the gender gap in participation is narrowest, with a participation of 67.8% of women and 60.1% of men.

However agricultural value chains often do not effectively integrate small-scale farmers and their produce. Cooperatives provide an opportunity for these small-scale farmers to improve their productivity, add value to their produce, and increase their access to national and international markets.

MSME promotion

This policy involves work on three levels for MSME promotion: improving access to credit, the regulatory environment, and entrepreneurship capacities. As described in Figure 3, the policy also differentiates its approach across enterprise sizes. To prioritise enterprise promotion programmes support will be targeted a) socially, to benefit the most vulnerable, and b) economically to benefit the key sectors identified by this policy.

Box 4. Social protection and employment

Reliance on social protection is highest during the immediate aftermath of a disaster and a conflict, as in the case of Somalia. The poor and most vulnerable individuals and households – those who already were at the margin – are those suffering the most from deteriorated environments. Social structures in Somalia provide informal safety nets for some, but social protection has a key role to play in filling this gap at times when people “fall through the cracks”.

Although social protection is usually associated to formal employment, it must not be confined to the organized sector. As some of the greatest injustices and socio-economic deprivations are seen in the informal economy, extending social protection through integrated approaches would facilitate upward socio-economic mobility and increase employability thereby activating the chain to sustainable employment, higher levels of income and higher levels of protection.

The first step can be the creation of a social protection floor. This refers to a nationally defined sets of social protection measures that aim to guarantee at least access to essential health care and basic social protection for all. A national social protection policy is already under preparation. Establishing a social protection floor will not only help improve the livelihoods of poor and vulnerable households and individuals, it will also strengthen the resilience of societies and reinforce the capacity to absorb future disasters, such as droughts.

ILO, *Employment and Decent Work in Situations of Fragility, Conflict and Disaster*, 2016.

Figure 3: Private sector development and partnership model of the NEP

	Technical support		Finance	
Micro enterprises	Basic business literacy programmes	Hands-on livelihoods development (upgrade existing and hands-on training)		Microfinance market development
Small		Sector development expertise for increasing productivity, quality, and exports	Public guarantee (or other scheme) to promote private lending in key sectors	
Medium	Energy and transportation infrastructure projects on PPP basis			
Large				

Targeted at the most vulnerable	Targeted to key sectors / export promotion
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Outcome 2.1. MSMEs have access to credit to start and grow

The development of the financial sector in Somalia is extraordinary for a country that has lived for such a long period with no formal government. This policy aims to support private financiers as they seek to (a) increase their investment beyond their traditional concentration in real estate and trading business, and (b) contribute to the development of long-term productive capacities of the country. Secondly, the growth of a vibrant microfinance market to support the development of the smaller business operations, is called for. Other partnerships with the private sector are covered under Objective 3.

Output 2.1.1. Access to credit is enhanced for MSMEs and in key sectors

Financing long-term productive capacities is perhaps the most significant challenge for countries at an early stage of development. The challenge is compounded in Somalia due to its history of domestic instability that constrains long-term risk taking. Direct partnerships between public institutions (particularly the Central bank and the Ministry of Finance) and private financial institutions will be developed. In particular a public guarantee fund will be created to balance risk-aversion, solvency and profitability considerations that prevent banks for investing in productive sectors, to benefit small and medium enterprises in the productive sectors defined in this policy. The fund will cover part of the default costs and will also lessen collateral requirements expected from prospective entrepreneurs. Such a fund will be established under the supervision of public authorities and representatives of the financial industry and will seek to mobilise international aid.

The creation of new financing institutions that will specialise in longer-term development investment or SME finance, such as industrial banks or SME banks will be considered. A proactive financial actor with dedicated expertise in these domains would further contribute to a favourable financing environment for jobs and growth, in particular if they adopt models that include both public and private participation, financing, and management.

Both options involve the adoption of new regulations, creation of new financial instruments, their capitalisation, as well as some technical support – for instance banks would need to adopt new financial instruments (collateral, interest and other terms) and lending officers to be familiarised with these and with the trade of investing in new sectors.

Output 2.1.2. The expansion of the microfinance market, including improving access to credit for farmers

The microfinance market in Somalia is at an early stage of development and requires substantial effort to allow many more, particularly those with limited collateral or other forms of guarantee, to access to these services. This includes women, youth, IDPs and returnees. Particular efforts will also be made to ensure that pastoralists and agro-pastoralists have increased access to credit which can reduce their reliance on middlemen who help market livestock and produce, and therefore increase their resilience.

First, a clear regulatory framework needs to be established for private operators to expand their portfolio while ensuring their solvency and protecting borrowers (for instance, from exorbitant interest rates, or the risk of loss of capital). Such a framework will be developed under the lead of the Central Bank in dialogue with private actors and other key stakeholders, including civil society organizations representing the most vulnerable groups.

Capacity development programmes will be conducted for MFI managers and credit officers on overall MFI management and operations, market research and financial service design. The set-up of a microfinance fund to channel public, ODA or other funding to MFIs, based on their performance and financing needs, will be considered.

Box 5. Using remittances for employment promotion

Somalia has a long history of investment by members of the diaspora, in addition to remittances. In fact, in some cities, during the period of active conflict, much of the urban development was financed by diaspora funds. However, these remain ad hoc, and confined within clan groups. What is required is for diaspora savings to be mobilized systematically for projects usually favoured by them, such as building of infrastructure, schools and hospitals. These investments, could, in turn help create employment opportunities. These funds may account for significantly less money than individual remittances, but their multiplier effects may be substantial. Two methods of mobilizing diaspora fund are **hometown associations** and issuance of **diaspora bonds**.

- **Hometown associations (HTAs):**

Common in some parts of Mexico, and El Salvador, HTAs consist of migrants from the same region or hometown who mobilise to send collective remittances to fund projects in their hometowns. In some cases, they enter into close relationships with local government authorities, so as to best channel their investments.

- **Diaspora bonds:**

A diaspora bond — a security issued by a country of origin has been used by some countries to raise significant sums for investment. India and Israel, for example, have raised more than \$40 billion through diaspora bonds.

Countries with large diasporas in richer destination countries have greater potential for successful issuance of diaspora bonds. The chances of success increase when the issuing country has a strong economic program and a portfolio of attractive projects the bond could finance, though, of course, the diaspora's trust in the government is a key factor for the successful launching of a diaspora bond.

Source:

Katrina Burgess, "Collective Remittances and Migrant-State Collaboration in Mexico and El Salvador," *Latin American Politics and Society* 54, no.4: 119-146 (2012)

World Bank, *Migration and Development* (2016)

Outcome 2.2. Improved business environment for MSMEs

Output 2.2.1. The regulatory and fiscal environment is improved for micro and small enterprises

The international literature highlights the importance of evening the regulatory field: small and medium enterprises (SME) are often at a disadvantage compared to larger enterprises in complying with multiple legal and administrative conditions and requirements. These “growing pains” are often a strong disincentive for entrepreneurs to develop and hire. Building on existing evidence and analysis, a review of the existing regulatory and administrative environment specifically from an SME standpoint will be carried out and inform further, SME- and gender-sensitive business environment reforms.

In any occurrence the formalisation of micro-enterprises will require particular attention in this policy stream. The introduction of a special legal regime for micro-enterprises will deserve particular consideration. A “mid-way” statute between the standard forms of enterprises incorporation (limited responsibility, stock-based) and the unregulated sector is introduced in an increasing number of developed and developing countries. Such a regime may facilitate micro enterprises’ access to commercial finance, to the formal judicial system, as well as to social protection benefits for employers and workers. Indeed state-supported social protection schemes tied to such a regime will represent a substantial incentive for registration and allow formerly uncovered persons to access pensions or accident insurance. Beyond lighter administrative compliance requirements special fiscal conditions will need to be foreseen (tax holiday for an initial period, reduced income tax) in a way where revenue foregone is compensated by the broadening of the fiscal base. These policies will be formulated keeping in mind the gendered nature of the labour market and the industries and sectors where women are most active.

Outcome 2.3. Enhance entrepreneurship capacities

Output 2.3.1. Entrepreneurial literacy is broadened particularly for the most vulnerable

Basic knowledge on how to start and conduct a business (business plan, basics of accounting) needs to be democratised across clans and regions. Modules will be introduced at all levels of the education system, and starting with secondary, vocational and tertiary education. Targeted business literacy campaigns will be launched to reach the most marginalised, including the internally displaced in urban and peri-urban areas, with a particular focus on farmers and pastoralists who have resettled to urban areas.

Output 2.3.2. Business development expertise is mobilised to support the development of key sectors and promote exports

A dedicated effort to build business development expertise to support private investors in key sectors of this policy will be pursued by public authorities (in particular MoCI) in collaboration with universities and other actors. A network of experts will be capacitated to accompany investors through the complexities of exporting, as well as to improve productivity and working conditions.

Objective 3. Promote the employment intensity of key sectors of the Somali economy

It is well established in the economic literature that a) some sectors are more important than others for economic growth and employment creation, and that b) public support to these sectors is warranted. Growth in these sectors generates comparatively more overall output and employment growth to the whole economy, and proactive sector policies deliver greater returns than a narrow focus on the “business environment”.

Outcome 3.1. Public-private dialogue is promoted, and regulations adopted

Output 3.1.1. Promising sectors for employment-rich growth are identified

The first challenge to be address is in the identification of those “key” sectors. The process needs to be transparent and based on evidence. Several analytical methods have been developed worldwide, including methods that consider not only gross value-addition but productivity and employment potential.

Given the statistical and administrative data environment in Somalia, an initial listing of key sectors is provided below as representing a consensus view among the variety of experts and stakeholders that have been consulted for the purpose of this policy.

An indicative listing of key sectors that represents a consensus among the variety of experts consulted is presented below:

- **Light manufacturing: agro-food, leather, renewable energy**
- **Construction (public works and housing)**
- **Agriculture: fisheries, meat and milk, fruits, sesame**

This listing will be revisited subject to the availability of the 2019 national labour force survey for Somalia. Together with the first survey round in 2014, the LFS data will inform on which sectors of activity (at ISIC 2nd digit level) and occupations (ISCO 2nd digit) have been growing in the country. The data will need to be interpreted and qualified including with respect to:

- a) the gender balance of the target sectors;
- b) conflict sensitivity: some sectors carry more risks for community-level, local or even national level stability than others; promoting these sectors will either be effectively resisted in a given political economy, or will likely fuel conflict; and
- c) the geographic distribution of sector growth to avoid the perception that some regions benefit more than others.

A transparent, evidence-based yet qualitatively informed process of sector selection will therefore need to be ensured. The Ministries of Planning (Statistical department) and the Ministry of Labour will draw the evidence described above on sector and sub-sector trends; this evidence will then be the object of discussion both at the National Economic Council and at the Economic Growth pillar working group under the SNDP, or indeed any other platform created for coordination between the FGS and donors, on these issues.

Output 3.1.2. Sectoral public private dialogue is established

Once “key sectors” are determined, sector-specific dialogue and analysis will follow on what needs to be done. **Sector roundtables** convening public and private stakeholders need to be set up to lead analytical work, identify actions, facilitate and monitor the work (to be) done. These roundtables will build on some platforms already in place, in particular the sub-working groups formed under the Economic Growth pillar working group. They would involve representatives at senior level from key Ministries, employers and workers representatives, as well as academia and local or international experts.

Sector roundtables will be formed and convened twice a year, with support from MoLSA and NEMPC ministries. Roundtables will define and monitor sector-specific workplans structured around the key policy areas defined in this policy, and monitor progress. They will commission sector studies to clarify strengths and challenges and/or verify the feasibility of options of intervention.

Output 3.1.3. Regulations are formulated for key sectors

Sectoral regulations will be discussed in these fora. Regulating a sector is about striking a good balance between under and over-regulation. Under-regulation depletes resources and does not check for negative externalities and unrestrained competition among private players. Over-regulation – “red-tape”

– raises barriers to entry and to growth. Sector-specific bottlenecks on registration, imports and exports also need be considered (while transversal business environment issues are covered under pillar 3, and issues related to social dialogue and collective bargaining covered under pillar 1).

Sector-specific action described above requires the development of new capacities and a shared understanding among NEMPC ministries (for instance, the ministries of Commerce and Industry, Tourism, Agriculture), MoLSA, the Ministry of Finance as well as the Ministry of Planning, Investment and Economic Development. Capacity development programmes will need to strengthen analytical capacities, as well as a provide exposure to international evidence and good practices for sector development.

Output 3.1.4. Sector associations are created and/or strengthened

Good sector policies also rely on association and organisation among entities active in those sectors. Economic associations allow otherwise fragmented private players to coalesce and acquire thereby a stronger bargaining power for the purchase of inputs, as well as for price-setting. More broadly sector associations allow public (governmental) authorities to discuss and partner with a legitimate counterpart, who will be able to voice the needs and the priorities of its members. With this in mind, existing sector associations will be strengthened through the provision of technical assistance and training, and where sector associations do not already exist, private entities will be encouraged to create them.

Outcome 3.2. Tax and trade policies contribute to employment promotion

Output 3.2.1. Taxation and trade regimes are structured to promote employment-rich growth

Preferential fiscal treatment is also a powerful policy tool to promote private investment in key sectors. As Somalia works towards expanding its tax base and revenue sources, preferential treatment for its key sectors will be ensured. Tax holidays at start-up and lower corporate income taxation will be considered in a way that contributes to optimal fiscal returns in the medium and long terms.

The design of most appropriate forms of tax relief for specific sectors needs to be led by the Ministry of Finance with responsible line Ministries and in consultation with the private sector. A regular assessment (cost-benefit analyses) of these preferential schemes will then need to be undertaken, including to gradually improve the fiscal scheme initially established.

A proactive trade policy will also be necessary for the development of key sectors. Trade agreements, starting with GCC countries, need to be negotiated for Somalia's key sectors to access foreign markets. Carefully calibrated import duties to protect the development of nascent industries are also of critical importance.

Outcome 3.3. Public investments and ODA

Output 3.3.1. The public and donor portfolio of investment projects favours the local sourcing of goods and services and apply labour-based approaches to construction.

Regulations governing the procurement of public construction contracts will be revised to promote local sourcing, measured by the percentage of Official Development Assistance and public procurement spent through local companies, and labour-based approaches, and thus maximise the employment potential of such government investments. The technical documentation to comply with these regulations will thereafter need adapting (technical design standards, work methods, contract documents and procedures for awarding contracts).

Output 3.3.2. Capacities of public engineers and key contractors developed to apply labour-based methods

Engineering capacities in public contracting bodies and among key national contractors will then need improvement on how to apply labour-based standards in the design and implementation of construction works. The introduction of “locally-appropriate” construction techniques that make an economic and appropriate use of input materials in accordance with the Somali context will also be pursued.

Cross-cutting and conflict-induced issues

1. Security, conflict mitigation and prevention

Somalia continues to face a multitude of internal political and security challenges. It must overcome these, and the violence which remains pervasive in many parts of the country, if it is to provide the employment opportunities required for inclusive growth.

Although Al-Shabaab remains the most immediate threat to the peace, security and stability of Somalia, multiple other drivers of conflict also exist. Periodic clashes have broken out in the past between rival clans triggered by struggles over valued resources – pasture, grazing rights, wells, control of water rights, markets, airstrips, seaports and international humanitarian or development aid and contracts. Other conflicts have been fuelled by disputes over political control of towns and districts. Finally, nearly thirty years of conflict and the resultant loss of livelihoods and the growth of militias have also generated large numbers of unemployed young men, who are easy recruits for criminal gangs and militia, which remain a source of insecurity.

Decent work can be a critical factor in breaking this vicious circle of conflict and can lay the foundations for the construction of stable communities.⁹ In particular, employment creation is essential for political stability, reintegration of former combatants, socio-economic progress and sustainable peace. In addition to the specific interventions targeted at women, youth, and vulnerable groups (as to which, see below) the following policy options have been identified in this NEP as being of particular relevance:

- Employment-intensive investment strategies and programmes, including public employment programmes;
- The creation or restoration of an enabling environment for sustainable enterprises, including the promotion of small and medium-sized enterprises, with particular emphasis on initiatives to facilitate access to finance;
- Integrated and targeted training, employment and labour market programmes.

2. Youth

Somalia has a very youthful population (about 70% of the Somali population of about 12 million are under the age of 30). Youth (15-24) unemployment rates for Somalia was 22%, with variations from 15.5% in Lower Shabelle to over 35% in Banadir and Bay. Female youth unemployment rates tend to be lower than that of young males. Studies, such as that commissioned by IOM¹⁰ provide insights into this situation, showing that the youth complain of a lack of education, or of inadequate preparation to the world of work: in urban areas, uneducated youth are more likely to be unemployed than educated ones. In addition, although there are no data to this effect, it is likely that the number of NEETs,

⁹ See International Labour Conference, *Recommendation 205 concerning Employment and Decent Work for Peace and Resilience*, adopted by the Conference at its 106th session, Geneva, 16 June 2017.

¹⁰ See IOM, *Youth, Employment and Migration in Mogadishu, Kismayo and Baidoa*, 2016.

i.e. young people not in employment, education or training, is very high. These would be young people with a seriously undermined future, and consequences of this lack of employment opportunities include economic migration and youth radicalization.¹¹

The various priorities included in the NEP which aim to improve the overall employment situation in Somalia will also have a positive impact on youth employment. However, these need to be combined with interventions which address the specific disadvantages faced by young people entering and remaining in the labour market. Labour market and social protection services should be tailored to appropriately target and to deliver effective support to young people seeking decent work.

- Employability of youth will be improved through targeted training programmes, and expanded vocational training which facilitate school-to-work transition, with opportunities for work-based training; these should be designed with the input of workers and employers, and should build on the priorities identified in the NEP.
- Opportunities will be created to allow for late-entrants into education to access training, and opportunities for ongoing skills training for employed youth are expanded.
- Targeted entrepreneurship training and decentralized business development services will be developed and provided to youth.

3. Women

The female labour force participation rate in Somalia is approximately half that for men. There are a number of reasons for this. Firstly, there is the patriarchal nature of society and customs which restrict the participation of women in a number of areas¹². For example, 16% of inactive Somali women (and 30% of Mogadishu-based inactive women) report “not being allowed by the husband” as the main reason for inactivity.¹³ Another reason is housework: about every other woman in Somalia reports being out of the labour force due to housework.

However, one of the widely reported changes brought by the war is that many families are now dependent on women’s income for their survival, whether or not there are adult males in the household.¹⁴ It has been estimated, for instance, that Somali women make up over 60% of business owners, consisting of microenterprises as well as medium to large enterprises and businesses connected to the diaspora.¹⁵ This could be one explanation for the lower prevalence of poverty among female headed households.¹⁶

Gender disparities in occupational employment are less pronounced in Somalia as compared to the average in East Africa or the Arab world, although males are still three times as likely as women to be in managerial positions. In agriculture, however, the gender gap is narrow, with a participation of 67.8% of women and 60.1% of men.

There is strong evidence showing that women's employment and earnings is a driver of growth and indicates a country’s potential to grow more rapidly. In addition, it is a powerful factor influencing their bargaining power, and key to achieving the demographic dividend generated by fertility decline and high share of working age people to the total population.

¹¹ Nimo-Ilhan Ali, *Going on Tahriib: The causes and consequences of Somali youth migration to Europe*, 2016.

¹² African Development Bank, *Somalia: Bank Group Country Brief, 2017-2020*, 2017.

¹³ Utz Johann Pape, *Somali poverty profile: findings from wave 1 of the Somali high frequency survey (English)*, 2017.

¹⁴ Fouzia Musse and Judith Gardner, *A Gender Profile of Somalia*, Unpublished draft prepared for the EU Somalia Mission, 2013.

¹⁵ UNDP, *The Role of Somali Women in the Private Sector*, 2014.

¹⁶ World Bank, “Somalia - Somali High Frequency Survey - December 2017, Wave 2,” 2018.

In giving effect to the priorities outlined in this policy, the various structural impediments faced by women and girls should be expressly considered and targeted interventions developed to address them.

- Opportunities for entrepreneurship by women and girls will be expanded through entrepreneurship training, and basic start-up training. Further opportunities will be created through financial inclusion of women and girls (in both urban and rural areas), simplification of administrative requirements for starting businesses, and through reduction in the credit and collateral requirements required from them.
- Specific sectoral strategies will be developed for women and girls, with due regard to the structural impediments (for instance, around ownership of property) faced by women and girls.

4. Child labour and child soldiers

Data from the 2014 Labour Force Survey showed that only 42.6% of children aged 5 to 14 years attended formal schooling. In addition, the LFS reported that 10.3% of Somali children (5-14) have worked at least one hour in the week preceding the interview, although there seems to be very high discrepancies between regions: Bay reports that 40% of children have worked, Hiran 33.3% and Middle Shabelle 26.3%.

These data are suggestive of high levels of child labour, but need to be taken with caution, as they are not sufficiently detailed to properly understand the phenomenon of child labour. Because respondents were not usually the children themselves, it is likely that the extent of child labour is underestimated, as many children support their families at the expense of their education.

Because of the difficult living conditions, a number of children skip schools and support their families. Some have lost one or both of their parents and are the breadwinners of their families, as there is no government budget to support children in this situation, and who compromise their chance to continue their study by doing so.

Child soldiers continue to be an issue in Somalia due to protracted fighting with al-Shabaab and inter-cene war. Young girls are also vulnerable, as they are exploited for domestic chores or who face sexual and gender-based violence.

The NEP will contribute to addressing this problem by improving employment outcomes nationally. Providing training opportunities to parents or children and reducing poverty through employment can be a way to prevent the recruitment of children or to facilitate their reinsertion on the labour market.

5. Particularly vulnerable groups

a) Internally Displaced People (IDPs), refugees and returnees

Conflict has contributed to a huge volume of displacement from and within Somalia: over 2 million people are thought to be internally displaced, and UNHCR estimates that about 515,000 Somali refugees are living in refugee camps and towns in Ethiopia and Kenya.¹⁷ Though IDPs and returnees are distinct groups of people, they encounter some of the same problems in their everyday lives. These include poor living standards, insecurity, protection issues and restricted livelihoods. As a result, the SNDP highlights IDPs, returnees and refugees as a priority group to be included in social and economic initiatives.

¹⁷ UNHCR, Comprehensive Refugee Response Framework: Delivering More Comprehensive and Predictable Responses for Refugees, March 20, 2018. UN Somalia, Durable Solutions, 2018. Internal Displacement Monitoring Centre, Somalia: Figures Analysis, 2018.

IDPs are among the most vulnerable of groups in contemporary Somalia. Recent reports suggest that even within Somalia's weak labour market, livelihood and employment opportunities are particularly limited for them. Some of this could be due to low skill and education, although some researchers suggest that clan bias (which limits opportunities for members of less powerful clans to obtain employment in certain sectors or areas) also plays a role. Most IDPs are farmers and agro-pastoralists from rural areas, with very low levels of education and unprepared for the requirements of urban labour markets.^{18 19}

Part of the complexity in dealing with IDPs in Somalia is that most people attribute their decision to move to a variety of reasons – these include conflict and climate disasters, but also better access to economic opportunities and services in cities. The majority of IDPs expect to remain in cities where they have settled.

Returnees, especially those who are being repatriated from neighbouring countries, struggle to gain access to the labour market, even though some are able to obtain work as unskilled labourers or domestic workers, teachers, tailors and carpenters or even establish small-scale businesses. Most returning refugees and diaspora do not return to the place that they had left, preferring to move to major urban centres.

b) Nomadic people

The nomadic population represent more than 25% of the population and contribute to the livestock trade which makes up the majority (56.8%) of agricultural output. In turn, by some estimates agricultural exports represented 93% of the country's total exports in the early 2010's. Statistical data on pastoralist livelihoods remains scarce, but these have been severely affected by drought and by climate change, with widespread herd depletion. Further, fragmentation of rangelands has become an increasing trend across the region and has made it more difficult to move livestock across the land as key resource areas are fenced off and set aside for non-livestock uses. A related trend is sedentarisation and the uptake of land and resource dependent activities such as dryland farming, charcoal burning and harvesting wood for fuel, which have further affected pastoralist livelihoods.

As can be seen from the NEP framework (see Figure 1), the NEP is expected to benefit nomadic people through the range of its measures. For instance, nomadic people will be able to benefit directly from improved access to entrepreneurship education and from the valorisation of the agricultural sector, which currently sustains their livelihood. The establishment of the LMIS will also benefit them by shedding much needed light on their predicaments, their needs and their aspirations.

c) Persons living with physical, mental, intellectual and sensory impairments

People living with physical, mental, intellectual and sensory impairments are an important group to consider in Somalia. There are no accurate statistics about the numbers of people in Somalia living with disabilities, but ongoing conflict, malnutrition and limited access to healthcare means that this number is likely to be substantial. The 2014 LFS reported that inactivity among adult males is largely explained by invalidity. Persons suffering from trauma or with disabilities find it particularly difficult to access education and the labour market especially because of the stigma attached to disability. Women and girls with disabilities are likely to be particularly disadvantaged.

For each of these groups:

- Opportunities for entrepreneurship will be expanded through entrepreneurship training, and basic start-up training. Further opportunities will be created through financial inclusion (in

¹⁸ Caitlin Sturridge, Oliver Bakewell and Laura Hammond, *Return and (Re)Integration after Displacement*, 2018.' See also ILO, *Guiding Principles on the Access of Refugees and Other Forcibly Displaced Persons to the Labour Market*, 2016.

¹⁹ ILO, [Guiding principles on the access of refugees and other forcibly displaced persons to the labour market](#), 2016

both urban and rural areas), simplification of administrative requirements for starting businesses, and through reduction in the credit and collateral requirements required from them. Access to skills development and upgrading opportunities will be strengthened.

- Targeted short-cycle vocational training programs will be facilitated.
- Specific sectoral strategies will be developed to support the inclusion in labour markets of women and youth among these groups with due regard to the structural impediments (for instance, around ownership of property) faced by them. This may include through access to education, life-long learning, and provision of childcare.

6. Climate change

The effects of climate change are significant in Somalia. It impacts lives in many diverse ways across regions and economic activity. Pastoralists and agro-pastoralists are particularly heavily affected: more frequently recurring and acute drought episodes can devastate their livestock and wipe out a life's work and their sole means of sustenance. They are then forced to head for the cities in search for assistance. Moving out of pastoralism means they have to learn new trades that are very distant from any skills they have ever acquired. Without specific support, including basic literacy and numeracy, and practical livelihood training many will never be able to graduate to any form of productive work. The introduction of livestock insurance schemes, learning from experiences from neighbouring Kenya and other areas would also be worth investing in.

The impact of climate change on armed conflict is also significant. It does so in three ways: by exacerbating tensions between clans over scarce resources; boosting the ranks and role of terrorist groups including al-Shabaab (largely through the destruction of livelihoods); and increasing migration.

The NEP can help mitigate the impact of climate change through carefully designed measures, such as sensitising people through entrepreneurship training, introducing green parameters and green targets in PPP contracts or providing specific financial incentives for green initiatives.

7. Rapid urbanization and regional disparities

Somalia is urbanising rapidly. The major drivers of urbanization in Somali cities are closely inter-related and the product of historical processes that are still ongoing. Structural changes in the pastoral economy of the 1980s and the outbreak of civil war affected livestock trading routes and catalysed the development of smaller market towns, as well as the reconstruction of major cities, especially in Somaliland and Puntland. At the same time, conflict and climate shocks displaced people in the thousands, further changing settlement patterns in cities and towns. Internal displacement is also closely tied to the availability of humanitarian aid; people move to where they can access food aid, or shelter and where they have pre-existing social networks. Strengthening rural-urban linkages can alleviate the concerns of some vulnerable groups (IDPs and returnees (by facilitating return and re-integration), nomadic and pastoralist groups (by creating easier access to markets and facilitating mobility), etc) Some rural areas remain affected by insecurity further exacerbating migration and displacement. The long history of insecurity, and conflict has also created disparities between the development of different regions, as contained in the FMS. In light of the above, while designing programmatic interventions, special attention will be paid to (a) strengthening rural-urban linkages, and (b) ensuring that benefits of such programmes are evenly distributed across the various FMS (to the extent practicable).

8. Monitoring and evaluation

M&E plays a critical role in the effective implementation of this policy. As described above, the implementation of the NEP will be monitored by the NEMPC. MoLSA will act as the secretariat for the Council and in this function submit a yearly report of progress against the Policy's key indicators (see Table 1). In its functions as overseer of the NEP, the Council will examine areas where progress is delayed

and discuss possible solutions. Sources of information to monitor the targets are varied and MoLSA will thus coordinate with MoP/DNS and other parties to assemble the required information.

Monitoring and evaluating the NEP is itself closely related to the establishment of a *labour market information and analysis system*. Key staff from MoLSA involved in the LMIS will thus also be responsible for the preparation of the annual report to the NEMPC.

Considering the current state of statistics at national level, baseline and target indicators have not been defined yet, anticipating that the results of the 2019 Labour Force Survey, by providing fresh labour market data and enabling time comparison with the 2014 data, will provide the necessary information to decide on the meaningful value of these indicators.

Table 1: key policy objectives and indicators of achievement

Objective 1: Establish a governance system for employment
➤ A National Employment Council is created, and capacities for employment governance are enhanced
➤ Employment-friendly economic policy reforms adopted (investment, fiscal, financial, trade)
➤ % of public and ODA spending on TVET and employment services
➤ % of youth entering the labour market with a TVET certificate or diploma; % among those who have secured a decent job
➤ Institutional capacities to deliver demand-led skills development are enhanced
Objective 2: Promote the growth of productive and sustainable MSMEs
➤ The share of employment in small and business enterprises increases (away from vulnerable, self and micro-employment) and the share of SME output in the GDP increases
➤ Institutional capacities for SME policy, regulation and promotion programmes are enhanced
➤ The share of private lending to MSMEs increases
➤ Market-based micro-credit services expands
➤ Basic business literacy competencies are expanded among vulnerable women and men
Objective 3: Promote the growth of key sectors of the economy
➤ Employment and output growth intensify in key sectors
➤ The share of private lending to key sectors increases
➤ The regulatory frameworks are enhanced
➤ Vocational education and training programmes are expanded in these sectors
➤ Technical support for business development

Annex 1: Employment-related programmes in Somalia by development partners

Programme Title, year(s)	Implementing Agency or Agencies	Target groups	Geographical area(s)	Funding source(s)	Sectors covered
Youth Employment Somalia (YES) 2015-2018	FAO HABITAT ILO UNDP UNIDO	Vulnerable youth & women, larger population of the regions	Banadir, Jubaland, Puntland, Somaliland.	-SIDA -DANIDA -Italian Agency for Development Cooperation - Swiss Agency for Development Cooperation - UN Peacebuilding Fund	Fisheries, Renewables, Construction and capacity building
Agrotech	UNIDO	MSMEs	South and Centre Somalia	- AICS	Agro-industries
Promoting Inclusive Markets in Somalia (PIMS)	DAI Europe Limited	Men, Women and Youth	South-central Somalia, Puntland, Somaliland In particular: Benadir, Galmudug, Hiirshabelle, Jubaland, Puntland, South West, Somaliland	DFID	Livestock Production (including dairy), Fisheries, Poultry and Crop Production (including sesame)
YES/DALDHIS	UNDP	Youth and Women and larger population	South West and Jubaland (Kismaayo and Baidoa)	UN Peacebuilding Fund	Targeting of vulnerable groups (youth, women, IDPs), Public Works and Infrastructure
Social protection	UNICEF WFP MoLSA	Most Vulnerable Women and Youth	Banadir Hirshebbelle Galmudug Jubaland Puntland	Italian Agency for Development Cooperation	
Capacity building and job creation Project	UN-HABITAT MPWRH	Youth Skill and employment	Garowe, Kismayo and Mogadishu	African Development Bank. (AFDB)	Somali youth

Programme Title, year(s)	Implementing Agency or Agencies	Target groups	Geographical area(s)	Funding source(s)	Sectors covered
Somali National High way Authority project	GIZ MPWRH	High way Authority	National	Italy	Policy and National high way
GEL project	GEIMOAI	Farmers & Industries	National	GEI	Value chain development
The Somalia Strengthening Institutions for Public Works Project (SSIPWP)	UNOPS Ministry of Public Works, Reconstruction and Housing UNHABITAT	Ministries of Public Works, Housing and Reconstruction at the Federal and State levels as well as youth living in Benadir	Mogadishu, Puntland, Hiraan/Middle Shabelle, South-West, Jubba, and Galmudug	African Development Bank. (AfDB)	Capacity development for FGS, FMS and BRA staff Component on skills training to facilitate youth Employment & Entrepreneurship for Public Works. Business Management Skills, Financial Literacy Training, and Seed capital for 200 Construction Related SME Start-ups
Socio Economic Reintegration of Ex-combatants and Youth at Risk	International Organisation for Migration (IOM) Ministry of Labour and Social Affairs	Ex-combatants and Youths at risk	Kismayo(Jubbaland State) and Baidoa (South West state)	African Development Bank. (AfDB)	Support for social and economic reintegration of youth.
Somalia Regional Corridor Infrastructure Programme (SRCIP)	Ministry of Public Works, Reconstruction and Housing Ministry of Finance Ministry of Transport and Civil Aviation Ministry of Planning, Infrastructure and Economic Development	Communities in the Federal member states of Puntland, Galmudug, Hirshabelle, Jubaland and South West.	Puntland, Galmudug, Hirshabelle, Jubaland and South west	European Union Italian Agency for Development Cooperation African Development Bank (AfDB)	Road rehabilitation, technical assistance and capacity building.

Programme Title, year(s)	Implementing Agency or Agencies	Target groups	Geographical area(s)	Funding source(s)	Sectors covered
	Federal Member States Infrastructure ministries				
Somalia Electrification Institute	Ministry of Energy and Water Resources Ministry of Finance	Women, youth and the private sector	National	African Development Bank (AfDB)	Development of Capacity Building Framework Skills Training and Energy Database Management Empowerment of Women in the Electricity Sector
Rehabilitation of Technical and Vocational Education and Training in Somalia (2018-22)	Ministries of Labour and Education (Federal Government), Ministry of Education (Somaliland)	Youth, Training institutions	Somali Federal Government, Puntland, Jubba-land, Somaliland	German Federal Ministry for Economic Cooperation and Development (BMZ), European Union (EU)	Overall TVET system
Sustainable Road Maintenance Project (2014-19)	Ministry of Public Works, Reconstruction & Housing, Ministry of Environment and Climate Change (Puntland), Ministry of Transport and Road Development (Somaliland), Road Development Authority (Somaliland)	Ministries, Road Authorities	Somali Federal Government, Puntland, Somaliland	German Federal Ministry for Economic Cooperation and Development (BMZ), European Union (EU)	Road Authorities' capacity building, Development of legislation to improve road maintenance Drought resilience activities along rehabilitated roads Road Rehabilitation support

Programme Title, year(s)	Implementing Agency or Agencies	Target groups	Geographical area(s)	Funding source(s)	Sectors covered
Promotion of Resilience through Improved Livestock farming and Agriculture in the Saaxil region of Somaliland (2016-20)	Ministries of Livestock and Agriculture (Somaliland)	Communities in the Saaxil region	Saaxil, Somaliland	German Federal Ministry for Economic Cooperation and Development (BMZ)	Livestock and dairy value chain improvement, crop production.
Support to the return of Somali Refugees and Internally Displaced Persons through a Community-Oriented Approach to Reintegration (2015-22)	Ministry of Planning, Investment and Economic Development	Returning refugees, IDPs, host community members in Kismayo	Kismayo	German Federal Ministry for Economic Cooperation and Development (BMZ)	Construction/rehabilitation of select infrastructure; Business promotion and access to finance; Institutional strengthening for government partners
Improved food security through access to fish products Kismayo (2017-21)	Ministry of Planning, Investment and Economic Development	Ministry of Fisheries, Returning refugees, IDPs, host community members in Kismayo	Kismayo	German Federal Ministry for Economic Cooperation and Development (BMZ)	Fisheries, Health, Information, Communication and Technology
Sustainable Land Management in 'Somaliland' (2015-20)	Ministries of Agriculture and Environment and Rural Development (Somaliland), Hargeisa Water Agency (HWA)	Ministries, Residents of Biji.	Biji, Somaliland	German Federal Ministry for Economic Cooperation and Development (BMZ)	- Agriculture, Environment, Water - Land-use plan for the Upper Biji water catchment area developed - Improvement of agricultural methods in line with the land use plan HWA implements a 24hr maintenance plan

Annex 2: Process of consultation leading to the elaboration of the National Employment Policy

Date	Meetings
July 2018	Through the YES programme, ILO hires 2 international consultants in charge of the elaboration of Somalia's National Employment Policy
13 August 2018	<p>First meeting between H.E. Minister Salah and the ILO team (including the 2 international consultants)</p> <p>Venue: Mogadishu</p>
19 August 2018	<p>First meeting of the Steering Committee</p> <p>Venue: Mogadishu</p> <p>Objectives of the meeting:</p> <ul style="list-style-type: none"> • Capacity building and introduction to employment policy making • Validation of the role and responsibilities of the Steering Committee <p>The Steering Committee members include:</p> <ul style="list-style-type: none"> • Ministry of Finance • Ministry of Planning Stat. Department • Ministry of Agriculture • Ministry of Fisheries • Ministry of Livestock • Ministry of Public Works • Ministry of Education • Chambers of Commerce • Department of Migration • Chamber of commerce/private sector • Aid Coordination Unit • Trade union (unable to attend due to short organization time) • Federal member states (unable to attend due to short organization time)
22 October 2018	<p>Second meeting of the Steering Committee</p> <p>Venue: Mogadishu</p> <p>Objectives of the meeting:</p> <ul style="list-style-type: none"> • Presentation and discussion of the Employment Diagnostic of Somalia • Priorisation of the main employment issues to be taken by the NEP
25 October 2018	<p>National Tripartite Consultation on Somalia's National Employment Policy</p> <p>Venue: Mogadishu</p> <p>Objectives of the Consultation:</p> <ul style="list-style-type: none"> • Present and discuss the primary findings of the Employment Diagnostic of Somalia • Validate the key priorities identified by the Steering Committee <p>Participants:</p> <ul style="list-style-type: none"> • Steering Committee members (including social partners and FMS) • Development partners and UN agencies

Date	Meetings
26 November 2018	<p>Donors Consultation</p> <p>Venue: Nairobi</p> <p>Objectives of the Consultation:</p> <ul style="list-style-type: none"> • Discussion of the Employment Diagnostic of Somalia • Identification of main employment issues for the NES • Identification of existing & upcoming employment-related projects by donor agencies
9 December 2018	<p>Tripartite Consultation</p> <p>Venue: Mogadishu</p> <p>Objectives of the Consultation</p> <ul style="list-style-type: none"> • To develop consensus among tripartite stakeholders on broader contours of the NES • To review three priority areas and provide inputs for further focused interventions
27 February 2019 (at time of writing)	<p>Extended Tripartite Consultation</p> <p>Venue: Mogadishu</p> <p>Objectives of the Consultation</p> <ul style="list-style-type: none"> • Presentation of the NEP and discussion of comments on various aspects of the document. • Obtain the views of stakeholders in relation to the forthcoming programming and implementation stages of the NEP. <p>Participants:</p> <ul style="list-style-type: none"> • Steering Committee members (including social partners and FMS) • Development partners and UN agencies

Annex 3: Acronyms

FGS	Federal Government of Somalia
FMS	Federal Member States
HIPC	Heavily Indebted Poor Countries Initiative
ILO	International Labour Organization
IMF	International Monetary Fund
MOAI	Ministry for Agriculture and Irrigation
MoECHE	Ministry of Education, Culture, and Higher Education
MoLSA	Ministry of Labour and Social Affairs, Federal Republic of Somalia
MoPIED	Ministry of Planning, Investment and Economic Development
MoCI	Ministry of Commerce and Industry
MPWRH	Ministry of Public Works and Reconstruction
NEC	National Economic Council
NEMPC	National Employment Council
SNDP	Somali National Development Plan, 2017-2019, Federal Government of Somalia
ODA	Official Development Assistance
PPP	Public Private Partnership
UNFPA	United Nations Population Fund
YES	United Nations Youth Employment Project for Somalia