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UNHCR SOMALIA

INTERIM LIVELIHOODS STRATEGY

2021-2022

Approved by **Mr. Johann Siffointe**, UNHCR Somalia Representative, on **10 April 2021**

Approved by **Ms. Anna Gaunt**, UNHCR Senior Livelihoods and Economic Inclusion Officer for the Regional Bureau for East, Horn of Africa and Great Lakes, on **10 April 2021**

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ACRONYMS

BRA	Banadir Regional Administration
CBI	Cash Based Interventions
CCCM	Camp Coordination and Camp Management
CRRF	Comprehensive Refugee Response Framework
DRC	Danish Refugee Council
EHAGL	East, Horn of Africa and the Great Lakes
FAO	Food Agriculture Organisation
FGS	Federal Government of Somalia
FMS	Federal Member States
FSNAU	Food Security and Nutrition Analysis Unit
FSP	Financial Service Provider
GDP	Gross Domestic Product
GRF	Global Refugee Forum
HCT	Humanitarian Country Team
HIJRA	Humanitarian Initiative Just Relief Aid
IDPs	Internally Displaced Persons
IGAD	Intergovernmental Authority on Development
KIMS	KAAH International Microfinance Services
KYC	Know Your Customer
MERS	Minimum Economic Recovery Standards
MOLSA	Ministry of Labour and Social Affairs
MoU	Memorandum of Understanding
MYMP	Multi Year Multi Partner
NDSS	Somalia National Durable Solutions strategy
NGO	Non-Governmental Organisation
NRC	Norwegian Refugee Council
PAC	Poverty Alleviation Coalition
PoC	Persons of Concern
PRM	Post Return Monitoring
RAS	Refugees and Asylum Seekers
RBM	Results Based Management
SCB	Standard Chartered Bank
SNDP	Somalia National Development Plan
TVET	Technical Vocational Education and Training
UNCT	UN Country Team
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
WB	World Bank
WFP	World Food Programme

EXECUTIVE SUMMARY

Somalia remains one of the most complex and protracted humanitarian crises in the world. Recurrent droughts and floods, large-scale displacement, poor socioeconomic conditions, high unemployment rates, political instability, environmental degradation, and violent conflict are among the factors exacerbating the humanitarian situation and requiring support from partners across the humanitarian-development nexus.

Against the background of the 2020 onset of the COVID-19 pandemic which exacerbated the weak humanitarian landscape, in 2021 Somalia faces a worrisome political and electoral crisis. The combined impact of these multi-layered/faceted emergencies is the further deterioration of Somalia's highly unpredictable and fluid environment in which UNHCR and partners operate within. Weak governance and public institutions, a fragile federal system, and widespread insecurity create significant humanitarian and development challenges in Somalia and require interventions from numerous actors. Further to the Global Compact on Refugees (GCR) and Comprehensive Refugee Response Framework (CRRF), UNHCR is dedicated to building resilience, finding durable solutions for persons of concern, and bridging the humanitarian-development nexus wherever feasible.

The humanitarian and development challenges in Somalia are enormous. Setting aside Somalia's development challenges, according to the 2021 Somalia Humanitarian Response Plan, more than **5.9 million people** are in need of humanitarian assistance. **Poverty is widespread and deep, particularly for rural households and for IDP settlements.** According to the 2nd Somali High Frequency Survey¹, almost three-fourths of the population reside in rural areas, settlements of internally displaced persons (IDPs), Mogadishu, and among nomads are poor.

With the onset of the COVID-19 pandemic in 2019, refugees and asylum seekers as well as other Persons of Concern (PoC) to UNHCR have been disproportionately impacted by the socio-economic consequences of the containment measures and have been among the first to lose their livelihoods. As income-generating opportunities disappear and savings dry up, POCs in Somalia increasingly struggle to meet their basic needs and are resorting to negative coping mechanisms. Despite positive gains at the policy level – as part of Somalia's CRRF and Global Refugee Forum (GRF) commitments – self-reliance remains out of reach for many POCs, forcing them to rely on scarce humanitarian aid.

This UNHCR Somalia Interim Livelihoods Strategy (2021-2022) has been developed against the background of Somalia's highly fluid and fragile operational context. It also falls within a period of programmatic transformation for UNHCR Somalia's Operations, given the roll out to a new Results Based Management (RBM) approach to multi-year/multi-partner programme design, implementation and assessment. This Interim Livelihoods Strategy outlines the strategic directions and recommended actions for the Operation to address the most pressing livelihoods and socio-economic challenges that refugees and returnees, and, to a limited extent subject to resources, other persons of concern including hosting communities, are facing. It is an umbrella strategy covering the entire UNHCR Somalia Operation until the completion of the strategy in 2022, paving the way for a more tailored focus on the three regions of Somaliland, Puntland and South Central in the re-designed Livelihoods Strategy, aligned with the new RBM framework, to follow in 2023.

The overall objective of the UNHCR Somalia Interim Livelihoods Strategy is to support **persons of concern to overcome poverty and dependence through participation in host country economies, and that both persons of concern and host communities enjoy shared prosperity, expanded access to employment and entrepreneurship services and decent work opportunities, and improved social cohesion.**

This overarching objective will be achieved through the following four strategic priorities, all of which are **designed in consideration of Somalia’s fragile context with a view to being implementable:**

- **Data/Information Management:** Market and evidence-based livelihoods programming for POCs is enabled in Somalia through the creation of a solid evidence base.
- **Advocacy:** Legal and de facto economic inclusion of POCs is fostered through advocacy and support to the government in the implementation of its GRF pledges.
- **Partnerships:** POCs are included in self-reliance projects with partners working across the humanitarian-development nexus.
- **UNHCR Implementation:** UNHCR funded and implemented programs strengthen POC self-reliance are aligned with global and regional livelihoods directions and are designed and managed according to Minimum Economic Recovery Standards.

BACKGROUND

On 25 March 2017, Somalia, as a member state of the Intergovernmental Authority on Development (IGAD), adopted the **Nairobi Declaration on Durable Solutions**¹. The Nairobi Declaration and its accompanying Plan of Action propose a comprehensive regional approach to identifying durable solutions for Somali refugees in the region and create an enabling environment for the reintegration of Somali refugees when they return home.

Subsequently, a **National Forum on Durable Solutions for Refugees, Returnees, and Internally Displaced Persons** held in Mogadishu in August 2017 brought together central and regional government officials, resulting in a draft national policy **to support the roll-out of the Nairobi Declaration in Somalia**. Following large-scale consultations involving partners and government offices, this “National Action Plan on Durable Solutions for Somali Returnees and IDPs 2018-2020” was launched in March 2018. Further, in 2019 the Federal Government of Somalia (FGS) ratified the **African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa** (Kampala Convention), which was subsequently deposited with the African Union in March 2020².

The Inter-Ministerial National Durable Solutions Secretariat was created in October 2019 under the Ministry of Planning, Investment and Economic Development. It took the lead in developing the **Somalia National Durable Solutions Strategy (NDSS)** in line with the Global Compact on Refugee’s (GCR) “whole-of-government” approach. The NDSS, which is inclusive of all of UNHCR’s PoCs, is a government-led operational roadmap guiding sustainable solutions for protracted displacement in Somalia for five years.

¹ <https://data2.unhcr.org/en/documents/details/58248>

² As per obligations under the treaty for its domestication into national law, significant steps were made culminating in a draft Federal Republic of Somalia IDP Act being delivered from UNHCR to the FGS in November 2020.

The NDSS aims to coordinate, streamline, and guide durable solutions interventions (including humanitarian, development, governance, stabilization, and infrastructure programs) throughout Somalia. On 28 March 2021, the NDSS was launched in a virtual meeting Chaired at the ministerial level.

Following its commitment to the Nairobi Declaration, in 2019, Somalia adopted an impressive array of new policies including the National Policy on Refugee-returnees and IDPs, the National Eviction Guidelines, the Social Protection Policy, and an Interim Protocol on Land Distribution for Housing to Eligible Refugee-Returnees and IDPs³. The National Policy provides a framework that seeks to protect persons of concern – IDPs, and refugee-returnees – from further forced displacement, and find a durable solution to their displacement. As of March 2021, the draft Refugee Act has reached the final stages of endorsement by the FGS.⁴ The document incorporates the broader [OAU refugee definition](#), comprehensively addresses the situation of refugees, regulating not only the criteria and procedures for determining status but also addressing the corresponding rights and obligations that stem from this recognition⁵.

In line with the GCR, the Federal Government of Somalia, the UN Country Team and key stakeholders have strengthened their collaboration and partnership through four pillar working groups, coordination mechanisms led by the Government and co-chaired by humanitarian and development actors. In line with the National Development Plan 9 (2020-2024) (NDP-9), the National Durable Solutions Secretariat was launched in October 2019 to coordinate durable solutions initiatives in 2020 and beyond.

The UNHCR Somalia Interim Livelihoods Strategy reflects the need to scale-up UNHCR's efforts to work with a broad range of actors to ensure efficacy of aid and foster strong cooperation in addressing the challenges POCs and host communities face. In addition, this interim strategy positions UNHCR and its partners to support local poverty reduction plans and priorities, wherever possible, and to work in true partnership with other actors. It provides a framework that enables UNHCR and partners to identify critical partnership opportunities. Local and national policy advocacy to enable the operation to link issues affecting livelihoods at state and national levels. The strategy is aligned to the East and Horn of Africa, and the Great Lakes Region (EHAGL) Regional Livelihoods Strategic Directions 2020 – 2025 and the [UNHCR Livelihoods Concept Note 2019-2023](#) and complements the [Ministry of Labour and Social Affairs' \(MoLSA\) strategy on job creation](#) which has the main objective of facilitating and creating jobs for IDPs and refugee returnees in Somalia.

In addition, the strategy contributes to NDP-9, which is organized along four key pillars for purposes of poverty reduction, including the following: Pillar 1 Inclusive and Accountable Politics, Pillar 2 Improved

³ The Interim Protocol on Land Distribution for Housing presents provisions for land and housing for vulnerable IDPs, and establishes the eligibility criteria for land distribution, availability of land for distribution, priority in land allocation, determination of beneficiaries, and the obligations of beneficiaries and land ownership. <https://www.idlo.int/news/somalia-launches-first-policy-displaced-persons-refugee-returnees>.

⁴ The electoral/political crisis may present setbacks and further delays in the enactment of legal and policy frameworks and initiatives targeting refugees, asylum seekers and IDPs, such as the Refugee Act and IDP Act. The electoral crisis impacting the FGS and FMS may also have a negative impact on the implementation of the Government's action plan for fulfilment of its commitment towards the Statelessness GRF pledge.

⁵ In 2021-2022, UNHCR will continue to provide technical support to the Government of Somalia in building its national asylum system in line with key international legal instruments that establish the legal framework for protection, assistance and solutions for refugees, namely the 1951 Refugee Convention and the 1967 Protocol, as well as the 1969 OAU Convention Governing the Specific Aspects of Refugee Problems in Africa. In 2020, Somaliland developed a draft Refugee and Asylum-Seeker Law that may have implications on the overall protection environment in the Somaliland region which hosts the majority (55%) of the refugees and asylum seekers' population in Somalia.

Security and the Rule of Law, Pillar 3 Improved Economic Development and Pillar 4 Social Development. NDP-9 expressly prioritizing interventions for Somalia's most vulnerable groups, including women, youth and IDPs. The plan aims at creating more resilient traditional livelihood and food security production systems; fostering a policy and regulatory environment that is more accessible and attractive to investors and small businesses; promoting a diversified and future-fit economy; and reducing unemployment.

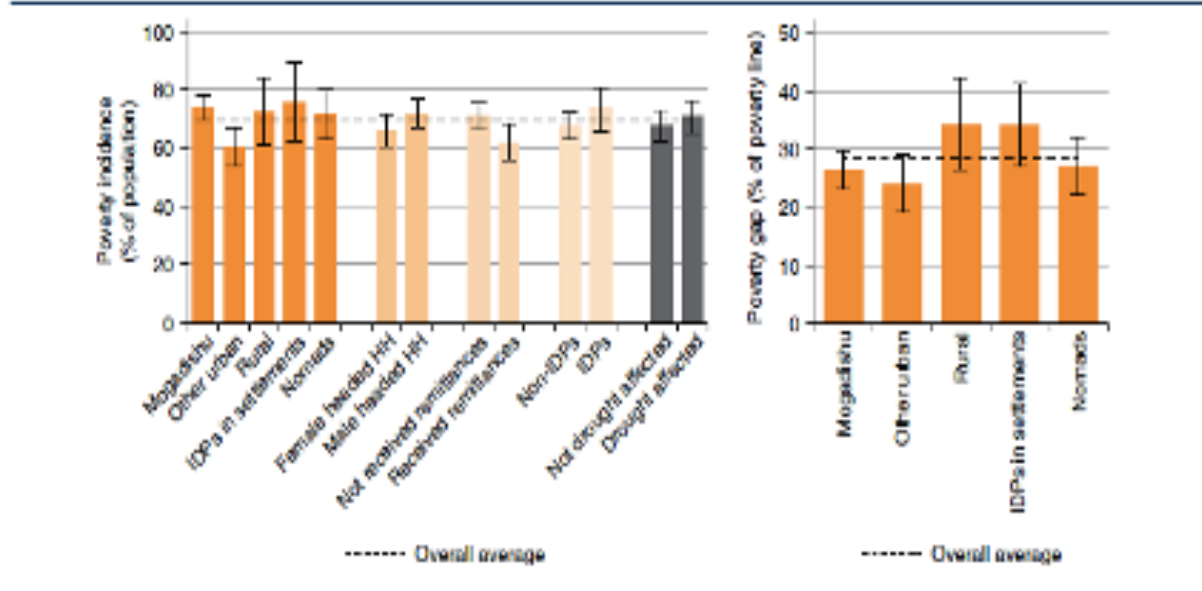
In line with the GCR and recognizing the Federal Government of Somalia's pledge at the GRF in 2019, UNHCR will continue to support and advocate for the economic inclusion of persons of concern in job creation as well as economic empowerment and socio protection safety net programs by government as well as humanitarian and development actors. .

In this regard, creating partnerships with all stakeholders including government are paramount. The focus of this strategy is on promoting self-reliance through investing in people of concern and host communities and working towards durable solutions.

SITUATION ANALYSIS

According to the World Bank’s findings from wave 2 of the Somali High Frequency Survey⁶, Somalia has the sixth highest poverty rate in sub-Saharan Africa with seven out of ten Somalis living in poverty, and a poverty rate of 69%. Poverty and vulnerability are in particular widespread amongst IDPs, rural populations and youth.

■ Poverty is high and deep for households in rural areas and IDP settlements



Source: The World Bank, Somali poverty and vulnerability assessment- Findings from wave 2- April 2019

The World Bank’s survey does not include refugees or returnees, but it does emphasize that IDPs are among the most vulnerable groups and face higher rates of poverty than non-displaced populations in Somalia. Although refugees and returnees were not part of this survey, these groups face unique challenges due to restrictions in their living conditions, limitations in access to basic services, and legal barriers. One of the main objectives of this strategy is to ensure that existing data gaps for refugees are addressed through evidence-based interventions and partnerships on data collection.

The World Bank (WB) and Food and Agriculture Organization (FAO) report, [Rebuilding Resilient and Sustainable Agriculture in Somalia](#), specifies that livestock and crops remain the main sources of economic activity, employment, and exports in the country, though heavily affected by an increasingly fragile and degraded natural environment and frequent floods and droughts. The local production of food crops meets only 22% of per capita cereal needs. Somalia is mostly a semi-arid country, where water is one of the main sources of conflict between nomadic pastoralists and agro-pastoralists. Root causes of extreme food insecurity lay in the collapse of a majority of irrigation and flood control infrastructure stemming back to Somalia’s civil war. In general, agricultural development is affected by poor infrastructure and low

⁶ <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/464241565765065128/findings-from-wave-2-of-the-somali-high-frequency-survey>

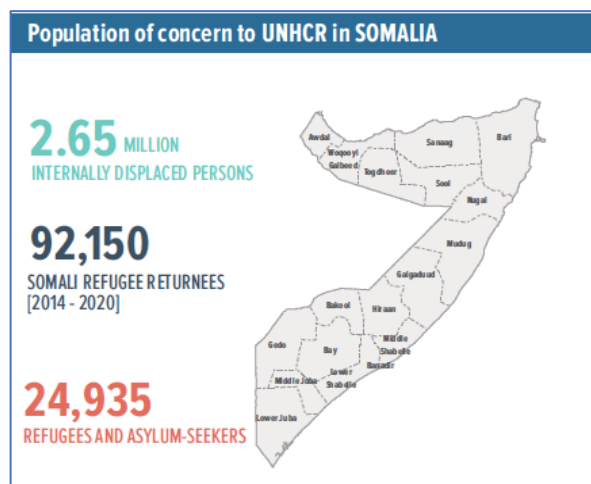
skilled personnel. The existing vacuum in the policy functions and services provided by the government increases grazing disputes between the pastoral communities and recently expanded private enclosures on traditionally opened rangelands, as well as limits the opportunities for farmers to claim their land left during the civil war. The large-scale deforestation of rangelands due to unsustainable cutting of trees to produce charcoal resulted in charcoal export and production bans.

The [Integrated Food Security Phase Classification \(IPC\) Acute food insecurity and acute malnutrition analysis for January-June 2021 in Somalia](#) identified that by mid-2021, up to **2.7 million people across the country will face high levels of acute food insecurity** (IPC Phase 3 or above), **including some 839,000 children acutely malnourished**. The drivers include the compounding effects of poor and erratic rainfall distribution, flooding, desert locust infestation, the socio-economic impact of COVID-19 and conflict. The food security conditions are expected to deteriorate for most of population groups due to multiple risk factors: depletion of food stocks from own production among poor agro-pastoral households and farmers, likely below average season rainfall leading to decline in agricultural employment opportunities and income; continued desert locust infestation threatening pasture and crops; likely increase in local staple cereals prices and reduced access to milk and water; limited number of saleable animals among poor pastoralists in some livelihoods, including IDPs. A substantial number of IDPs are poor and have moderate to large food consumption gaps.

POPULATION FOCUS OF THE STRATEGY

With the objectives outlined in this strategy UNHCR will focus its support on refugees, asylum seekers and refugee returnees’ groups within displaced affected communities in Somalia.

Whenever feasible internally displaced persons and surrounding host communities in South Central Somalia, Puntland and Somaliland will also be assisted with livelihoods interventions to improve their economic participation, inclusion in government assessments and development plans and in mainstream financial services. The populations assisted by this strategy are described below:



PILLAR 1 – REFUGEES AND ASYLUM SEEKERS

As of February 2021, Somalia hosts a total of 11,666 registered refugees. Of this group, 58% are Yemenis, 35% Ethiopians and the remaining individuals from more than a dozen countries. Somalia hosts 13,269 registered asylum-seekers, 98% (13,022) of whom are from Ethiopia. Approximately 55% of refugees and asylum seekers (RAS) are male while 45% are female. Nearly half of RAS are children. Refugees and

asylum-seekers mainly reside in urban locations. Urban areas, where most refugees and their small businesses are located, especially in Somaliland which has the highest refugee and asylum seeker population, are hardest hit by COVID-19.

PILLAR 2 – REFUGEE RETURNEES

In 2014, UNHCR started supporting the repatriation of Somali refugees who had sought refuge outside Somalia. As of June 2020, more than 761,000 Somalis live in protracted displacement outside Somalia, most of them in Ethiopia, Kenya and Yemen. Nearly 92,150 persons repatriated to Somalia with UNHCR and partner support between 2014 and 2021. Of these, almost 85,171 and 5,416 returned from Kenya and Yemen, respectively. According to the most recent data from the UNHCR Post (Refugee) Return Monitoring, PRM, the majority of returnees (89%) are overall satisfied with their decision to return and 95% have not experienced violence since their return. This is not to say that returnees do not encounter significant challenges, including limited or no livelihoods opportunities.

CHALLENGES

CHALLENGES FACED BY PERSONS OF CONCERN IN ACHIEVING SELF-RELIANCE

REFUGEES AND ASYLUM SEEKERS

Refugees and Asylum seekers face obstacles in achieving self-reliance and economic inclusion due to several factors including lack of policy and legal provisions related to work, lack of assets and savings, limited access to financial services including microfinance, limited livelihoods opportunities and lack of prospects for skills development, challenges in formalization of businesses, discrimination in accessing markets and language barriers. Available opportunities for skills training are far less than the number of refugees, who also compete for those places with IDPs, returnees and host community members. Refugees also have limited access to land for agricultural purposes. However, the draft Somalia **Refugee Act**, which has been approved by the Council of Ministers and awaits Parliamentary adoption, is designed to comprehensively address rights supportive of self-reliance.

REFUGEE RETURNEES

Refugee returnees face numerous challenges when attempting to access markets and livelihoods activities upon their return. The current infrastructural, security, employment and educational conditions in many parts of rural Somalia pose significant challenges to the feasibility and sustainability of return, particularly in the absence of social protection mechanisms and limited access to land.

Firstly, refugee returnees often struggle to access financial services to rebuild their livelihoods. In Somalia, the main source of financing for returnees are relatives. The immediate implication of this is that people without strong social networks and financially capable relatives will not be able to access financial support to start a business.

Secondly, prevailing insecurity negatively affects trade that requires movement of people and goods while also limiting how much land is accessible for farming. Owing to the extended periods of absenteeism, returnees often deal with disputes regarding ownership of property, especially land. This in turn negatively affects returnees with a farming background to access land for agricultural purposes.

Thirdly, returnees face substantial barriers to employment compared to non-displaced populations. They frequently lack the information and intimate knowledge of an area and its economic opportunities and have fewer chances to compete in labour markets characterized by harsh competition for employment. Having spent years in refugee camps, returnees often lack the urban skillset needed to make a living in Somalia's towns.

All PoCs face immense challenges in accessing financial services; refugees being the most excluded. Many organizations working with PoCs are targeting this segment through informal financial services such as self-help groups and savings groups. However, despite the efforts of some financial services providers to serve this category of vulnerable population, the financing conditions remain difficult. Most micro-finance institutions request a guarantor or immovable assets (preferably land) as collateral for loans. However, most returnees cannot find a guarantor and lack these assets or are faced with land ownership disputes in their places of origin and therefore prevented from accessing loans from financial institutions.

CONTEXT-SPECIFIC CHALLENGES

This strategy is an umbrella strategy covering the entire UNHCR Somalia Operation. For background and context, Somalia is a Federal Republic consisting of five Federal Member States (FMS) as well as the claimed territory of Somaliland and the Banadir Regional Administration (BRA). Given its fragile federalism, the streamlining of livelihood and other services as between the FGS and the FMS are rife with challenges. Puntland is an autonomous unionist state in the northeast of Somalia that was formed in 1998. Galmudug is a federal state in central Somalia. Puntland is host to more than 36% of refugees and asylum seekers. Jubaland is a Federal Member State in the south of Somalia.

In November 2014, the South West State of Somalia was established as a Somali federal state. In October 2016, a formation conference was launched to form the Hirshabelle State as a Somali federal state. Somaliland is in the north of the Horn of Africa and is home to more than 55% of refugees and asylum seekers. Somaliland does not recognize the authority of the FGS and considers itself sovereign, which in turn results in extremely limited recognition of any law, policy, or other framework of the FGS. Combined, Puntland and Somaliland are host to 90% of Somalia's refugee and asylum seeker population, with, as noted above, 55% of refugees and asylum seekers located in the latter (primarily in Hargeisa followed by Berbera, Burao and Borama).

In addition, insecurity perpetrated by Al-Shaabab insurgents in Mogadishu and other parts of the country seriously hampers humanitarian and development interventions, impacting socio-economic development of the country and its people. After 30 years of civil war, Somalia counts over 2.9 million IDPs, most of whom live on humanitarian assistance. There are more than 2,000 settlements across all 18 regions of Somalia, with most IDPs living in Banadir, Bay and Sool. With around 2.9 million among whom 2.2 million

live in highly congested urban and semi-urban settlements across the country (in Mogadishu, Baidoa, Galkayo, Bossaso, Kismayo and Burao).

These state specificities require detailed strategies that are tailored to the needs of the FMSs and the POC who reside in them.

STRATEGIC OBJECTIVES AND PRIORITY ACTIVITIES

The **overall objective** of the UNHCR Somalia Interim Livelihoods Strategy (2021-2024) is for:

Persons of concern to overcome poverty and dependence through participation in host country economies, and that both persons of concern and host communities enjoy shared prosperity, expanded access to employment and entrepreneurship services and decent work opportunities, and improved social cohesion.

This strategy builds on UNHCR previous livelihoods strategies in Somalia 2017-2020 (Somaliland, Puntland, South and Central Somalia). With this new strategy there will be a shift in focus and approaches. This shift entails aligning more with the Federal Government of Somalia's strategic plans such as the National Development Plan 9 and the GCR. This will entail building evidence and data for programming, strengthening partnerships for shared responsibility, resource sharing and greater impact, promoting access for POCs to financial services, engaging more with the private sector and private technical vocational training (TVET) institutions in providing market-driven skills trainings, and strengthening self-reliance and creating better access to inclusive socio-economic opportunities by promoting the Graduation Approach.⁷

Further, UNHCR will also support linking POC students to livelihood and employment opportunities to build resilience and self-reliance, explore the opportunities for strengthening partnership with development partners in that regard as part of a whole of society approach.

The overarching objective of this strategy will be achieved through a focus on four strategic priorities, designed to be achievable and implementable in Somalia's weak and highly fragile humanitarian, development and security context. These four strategic priorities, which are elaborated below, include the following:

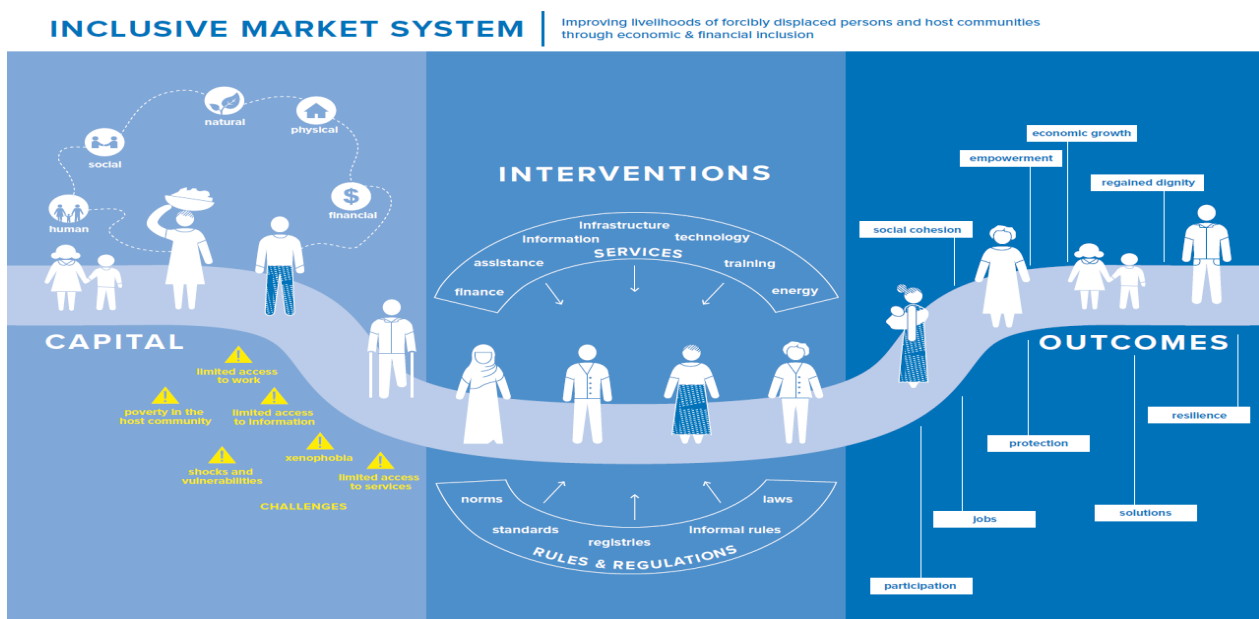
- **Data/Information Management:** Market and evidence-based livelihoods programming for POCs is enabled in Somalia through the creation of a solid evidence base, with regards to market and socio-economic data.

⁷ The Graduation Approach consists of a carefully sequenced, time-bound (generally 24–36 months), multisectoral intervention comprising (1) consumption support to provide the households with a basic safety net (2) skills training; (3) transfer of a productive asset or seed capital for informal self-employment, or access to formal employment; (4) access to savings services and related financial capability building (and sometimes other financial inclusion services); and (5) coaching, mentoring, and group membership to build confidence, reinforce skills, navigate the process, and break down social exclusion.

- **Advocacy:** Legal and de facto economic inclusion of POCs is fostered through advocacy and support to the government in the implementation of its GRF pledges.
- **Partnerships:** POCs are included in self-reliance projects with partners working across the humanitarian-development nexus.
- **UNHCR Implementation/funding:** UNHCR funded and implemented programs strengthen POC self-reliance and are aligned with global and regional Livelihoods directions and are designed and managed effectively according to Minimum Economic Recovery Standards.

DATA/INFORMATION MANAGEMENT: LIVELIHOODS PROGRAMMING FOR POCs ENABLED THROUGH A SOLID EVIDENCE BASE

In line with UNHCR’s and ILOs joint “[Guide for Market based Livelihoods interventions for refugees](#)”, UNHCR encourages and promotes the use of data, research and assessments related to POC’s livelihoods to develop inclusion of POC into national economies, as part of a market system approach. This approach is centered on UNHCR as a coordinator and facilitator, bringing together numerous actors across the humanitarian-development nexus to work together on interventions and rules and regulations, to ensure a coherent approach to economic inclusion of POCs, that is market based, and ensures inclusion of the hosting community.



Effective livelihood programming requires solid data, and, therefore, a top priority is the inclusion of refugees in national assessments, including those conducted in collaboration with the World Bank and

national statistical institutions, as this has the double function of providing comparable data and symbolizes government recognition of the needs of POCs.

UNHCR will build upon the [Labour Market Assessment conducted by ILO in 2019⁸](#), and the [Somaliland Labour Market Assessment⁹](#) conducted by the Norwegian Refugee Council (NRC) in 2020 to develop a Skills Development component of livelihoods programming which focuses on market-led and market-responsive skills. Data from NRC's Labour Market Assessment in Somaliland indicates that in the construction, agriculture, fisheries, and digital sectors there are skills gaps which can be filled by TVET graduates. The assessment also identified the possibility of engaging with the private sector in curriculum development, internship programs, placement services, and advice to the TVET training providers on the needs of the market.

Additionally, data from **value chain assessments** will be used to identify potential value chains where persons of concern can be integrated and derive benefit. Priority should be given to building capacity along the livestock value chain to cope with animal diseases, promote innovative breeding and husbandry practices and strengthen rangeland policies, as well as support to integrated production systems. Development of staple crops value chains in the context of environmental challenges will support sustainable production and more diversification into horticulture and other high-value crops. Fisheries is considered as strongest potential to develop the coastal and inland fisheries including cold chain for domestic market and improved nutrition. Development of these value chains can be supported through the FAO three-year project on resilient fisheries and livestock value chains aimed at creation of new jobs, increase and diversification of livelihoods, fostering inclusive economic opportunities and rehabilitation of primary infrastructure within the targeted sectors across Somalia focusing at Somaliland, Central North, Shabelle and Juba River.

UNHCR will utilize data from **socio-economic assessments** to guide the livelihoods responses for people of concern. In 2021, UNHCR, the Somalia Bureau of Statistics and the World Bank have commenced a rapid survey designed for socio-economic profiling of all displaced and displacement-adjacent communities in Somalia. Data from this and similar projects will be available to partners to enable them to develop evidence-based livelihoods strategies. UNHCR will therefore strengthen synergies with multi-sectoral and inter-agency assessments. To achieve this, UNHCR will collaborate with other stakeholders such as the Somalia Bureau of Statistics, the World Bank, ILO and the United Nations Development Program (UNDP) to advocate for the inclusion of people of concern in national assessment such as socio-economic assessments, labour market assessments and others.

UNHCR will also collaborate with financial service providers and international NGOs working on financial inclusion to ensure that reliable data is collected, shared, and it informs strategies to increase financial inclusion levels of PoCs. Data collection will help identify the main barriers and opportunities to overcome

⁸ ILO Labour Market Assessment 2019 – Report not yet published

⁹ Hargeisa and Berbera Labour Market Assessment Report – January 2020

those barriers in the short term and long term and help UNHCR develop a roadmap to improve financial inclusion for PoCs.

In 2020 the **Somalia Socio-Economic Impact Assessment of COVID-19** was concluded by UNDP. Additionally, in 2020 the World Bank initiated a **socio-economic phone survey** of displaced and displacement-adjacent populations in Somalia to ascertain data about the socio-economic impact of COVID-19. These are examples of assessments whose data will be used to inform the development of future livelihoods programs by UNHCR's partners and other actors, and as noted above, UNHCR, the World Bank, and Somalia Bureau of Statistics have already commenced a related socio-economic profiling exercise in 2021.

ADVOCACY: ECONOMIC INCLUSION OF POCs IS FOSTERED THROUGH ADVOCACY AND SUPPORT TO GOVERNMENT ON GRF

Given the existing challenges that persons of concern face in accessing meaningful livelihoods options, there is a need for UNHCR and partners to advocate for an environment that will enable the economic inclusion and livelihoods of refugees and enhance their access to decent work.

UNHCR will continue advocating for the economic inclusion of persons of concern in programs led by government, partners and development actors. For internally displaced persons and refugee returnees UNHCR will advocate for inclusion in short term livelihoods support programs followed by medium and longer term livelihoods support, as well as sustainable access to financial services.

Progressive policies in some of Somalia's states (e.g. the Puntland Refugee Protection Law of 2017) have enabled refugees' access to the labour markets and have contributed to successful integration of refugees and asylum-seekers in the host communities. UNHCR will continue advocating for the right to work, opening businesses and receiving livelihoods support in skills development and entrepreneurship. This could include access to work permits, freedom of movement, documentation and government issued IDs, recognition of foreign certification and access to affordable financial services and skills development.

To advance the inclusion agenda, UNHCR will continue working with ILO to implement relevant advocacy instruments and policy guidance. It is essential that UNHCR continues to cooperate closely on all government lead, and ILO-supported research and labor market interventions to ensure full inclusion of POCs.

POCs in Somalia have the right to access financial services. However, despite the legal framework, POCs often fail to have access to required ID documentation to meet regulatory requirements (such as "Know Your Client") by banks and other financial service providers. UNHCR will therefore continue to engage with actors such as the World Bank who are supporting the government in the development of digital IDs, with Financial Service providers such as KIVA, AMAL Bank, SCB and KIMS¹⁰ to ensure access to financial

¹⁰ KIMS Microfinance has pledged at the GRF to contribute toward stability in Somalia through the provision of high-quality microfinance services to refugee entrepreneurs

services including savings, loans, payments, and mobile money. UNHCR will also engage in advocacy for inclusion of refugees into mobile money opportunities, to ensure full participation of refugees in the national economy, especially in light of COVID-19 which has accentuated the need for use of digital solutions for cash transfers to minimize viral spread. Advocacy work will be done through the Federal Government of Somalia's line ministries, the National Commission for Refugees and IDPs (in Somalia), the National Displacement and Refugee Agency in Somaliland, and through established platforms such as the Social Development Pillar Working Group and Economic Development Pillar Working Group where such issues are subsequently raised with government and other stakeholders.

It will be paramount to continue supporting the FGS in the implementation of their GRF pledges. UNHCR already fully participates in the GRF monitoring mechanisms established by the FGS, especially in the Economic and Social Development Pillar working groups where progress on the implementation of GCR commitments are discussed. As a coordinating member of the Poverty Alleviation Coalition (PAC), UNHCR will compile information from consortium members on their pledges to the GRF, and contribution to job creation (commitment 2) through their livelihood's programs.

Somalia's Commitments to the Global Refugee Forum

The Federal Government of Somalia made four commitments during the Global Refugee Forum in 2019

1. Relocation and Reintegration for 5,000 Refugees, 25,000 Refugee Returnees (4,000 HH) and 50,000 IDPs (80,000 HH) within 5 years (based on NDP9 timeframe) across Federal Member States, including provision of protection and basic services.
2. Creation of 250,000 new jobs within 5 years (25% for IDPs & Refugee Returnees) by creating an environment that enables the private sector to create jobs in following sectors that hold the greatest potential for both value added and employment growth in the short to medium term.
3. Find a permanent solution for the recurring flood/drought cycle that leads to displacement along the Shabeelle and Jubba river regions within 5 years through realignment of resources from the federal government and humanitarian/development support into sustainable development undertakings
4. Strengthening the provision of durable solutions to all displaced populations and refugee returnees through developing an inclusive and rigorous National Durable Solutions Strategy, and reinforcing the National Durable Solutions Secretariat, including strengthen coordination mechanisms in the Federal Member States to implement impactful durable solutions activities.

Linkage to the MYMP Protection and Solutions Strategy

The livelihoods strategy will directly contribute to the achievement of the 3rd Strategic Objective of the MYMP Protection and Solutions Strategy which is **"To strengthen self-reliance and improve access to inclusive socio-economic opportunities"**. Lack of access to livelihoods opportunities was identified as a root cause to negative coping mechanisms, protection concerns and an impediment to achieving solutions for persons of concern.

The livelihoods programme therefore aims at addressing protection concerns and mitigating risks, and as such protection is mainstreamed within the programmes. Specifically, livelihoods interventions will mainstream Age Gender and Diversity principles recognizing specific needs of women, youth, people with disabilities, widows, female headed households, GBV survivors, the elderly and other groups. Livelihoods projects will be designed to include and be able to benefit people of all ages, gender and diversities. AGD forms an integral part of the selection criteria in livelihoods programs.

Linkage to Solutions

In support of durable solutions and in the spirit of the 2017 Nairobi Declaration on Durable Solutions for Somali Refugees and Reintegration of Returnees in Somalia, the CRRF and the GCR, livelihoods interventions will be geared towards providing sustainable livelihoods and socio-economic inclusion to promote sustainable returns.

Using a cross border approach, UNHCR Somalia and UNHCR Kenya will conduct coordinated activities on both side of the border. Livelihoods projects in Kenya will continue to respond to skills needs and livelihood opportunities in Somalia. Skills and livelihood opportunities in Somalia will be mapped by UNHCR Somalia, in coordination with relevant partners, and projects in Kenya realigned to the prevailing reality in Kenya. UNHCR will enhance education, training and skills development for refugees through certified vocational training and tertiary education in Dadaab and Kakuma to ensure their self-reliance and prepare them for gainful employment or self-employment upon return to Somalia. UNHCR Kenya shares with UNHCR Somalia the educational and vocational profile of the returnees to best allow for returnees to be matched with vacancies in Somalia and/or to enroll them in a targeted way into self-reliance activities.

PARTNERSHIPS: POCs INCLUDED IN SELF-RELIANCE PROJECTS ACROSS THE HUMANITARIAN-DEVELOPMENT NEXUS

Within the context of reduced funding and the GCR, UNHCR recognizes the importance of fostering partnerships with a wide range of stakeholders, as well as contributions by these stakeholders towards inclusive self-reliance programs implementation and collective impact. As a starting point a mapping of potential partners in Somalia will be conducted, in order to ensure that partner programs are understood and areas of synergy and collaboration are identified.

Importance of a coordinated approach

UNHCR will continue to engage with relevant interagency coordination forums to address protection, assistance and solutions needs of its persons of concern. This will include UNHCR led/co-led Clusters (Protection, Shelter and CCCM), UNCT (UN Country Team) engagement and initiatives under the same aimed at bridging the humanitarian-development-peace nexus, HCT (Humanitarian Country Team) engagement, engagement in durable solutions activities/initiatives through RC-led coordination structures, and National Durable Solutions Secretariat led by the Ministry of Planning. Engagement in

Mixed Migration coordination structures (Mixed Migration Task Forces at the National and Sub-National levels – jointly with IOM (International Organisation for Migration) and the Office of the Prime Minister, as well as UN Migration Network for Somalia) will also be key. Such coordination is key in assisting with:

- Strengthening self-reliance and creating better access to inclusive socio-economic opportunities.
- Building national/state capacity in urban planning functions with a focus on environmental sustainability and gender equality.
- Creating access to micro-finance, supporting social capital, and inclusion of POCs into social protection mechanisms.



© UNHCR/Oualid Khelifi

Somalia, Yemeni refugee, Adel, 20, and his father Mohamed prepare ice cream at the new cafeteria they recently opened

Poverty Alleviation Coalition

In Somalia, UNHCR is a member of the PAC¹¹¹² together with Danish Refugee Council, Concern Worldwide, Norwegian Refugee Council, World Vision International and others. The Coalition¹³ was formed in 2019 in response to the increasing number of refugees and host communities living in extreme poverty. UNHCR is a coordinating member of the coalition. The overall objective is to alleviate poverty of 6,100 refugee-

¹¹ <https://www.unhcr.org/poverty-alleviation-coalition.html>

¹² https://img1.wsimg.com/blobby/go/17df6fbd-22fe-4cda-b55a-67a6f54c51b7/downloads/PAC%20_Document_11.pdf?ver=1585734865204

¹³ <https://alleviate-poverty.org/about>

and host community households in Somalia from 2020-2025¹⁴. This will be reached through the Coalition’s common vision of increasing self-reliance, economic and social inclusion of persons of concern and host communities by sustainably increasing income opportunities. The coalition adopted the well proven poverty alleviation model – the Graduation Approach – which targets extremely poor households. The target areas are Hargeisa District, Waqooyi Galbeed Region, Bosasso District, Bari Region and Baidoa District, Bay Region, which may be expanded up following successes in implementation.

Development Actors

Development actors are often the best placed to lead on livelihoods interventions. Collaborating with development actors can help bridge the humanitarian-development divide in the response to displacement needs, enabling greater access to development expertise, funding, and resources, as well as strengthened linkages with governments, the private sector, and other key actors. Development actors have a pivotal role in the stimulation of local economic growth in host countries, providing opportunities for greater integration of refugees into the labour market. UNHCR will collaborate closely with development actors in sharing data derived from assessments such as socio-economic assessments and value chain assessments which provide valuable information for UNHCR’s programming. UNHCR has commenced and will continue to advocate for the inclusion of persons of concern in development programs such as the World Bank’s SCALED-UP Program which has a financing facility for small to medium enterprises in Somalia. In this program UNHCR will continue to advocate for the inclusion of small-scale businesses previously supported by UNHCR in the financing facility.

Financial Service Providers

Financial services providers (FSPs) of relevance to UNHCR’s persons of concern include banks and microfinance institutions, mobile telephone operators and relevant government line ministries. So far UNHCR has engaged microfinance service providers such as KIMS, Amal Bank and IBS Bank to identify the available services offered by these institutions, requirements for people of concern to access loan services, and to advocate for these institutions to develop microfinance products suitable for the poor and vulnerable. More providers in Somalia will be engaged in the same way. Following these assessments, UNHCR will start a dialogue with FSPs to identify opportunities to better serve PoCs. UNHCR will also facilitate sessions between FSPs and groups of refugees, returnees and IDPs to inform the development of adequate products that address the concerns of PoCs while meeting the business requirements for FSPs. Here UNHCR will be able to capitalize on GRF pledges previously made by FSDs such as by KIMS to “Contributing toward stability in Somalia through the provision of high-quality microfinance services to refugee entrepreneurs”

Partnering with UN sister agencies

Coordination with sister agencies that have links to livelihoods programmes (such as the International Labour Organization, United Nations Development Programme, World Food Programme, and Food and Agriculture Organization with their respective mandates related to building resilience, promoting decent

¹⁴ The concept developed by the coalition note can be found [HERE](#).

work and sustainable poverty alleviation) can help in resource mobilization and unify approaches towards the economic inclusion of refugees. Further to the global MoU between UNHCR and FAO, UNHCR will enhance this partnership, including through joint project proposals wherever possible, to ensure inclusion of persons of concern into agricultural, fisheries, energy and natural resource management programs and improve knowledge sharing between the two agencies. UNHCR will engage FAO bilaterally and advocate for the inclusion of displacement affected populations as a criteria for selection into FAO-run livelihoods projects such as the seed distribution and livestock distribution projects, as well as explore such opportunities in [FAO's Nutrition-sensitive Cash+](#) programme. UNHCR can play an important role in implementation as well as in beneficiary selection through a protection-focused lens.

Based on the global MoU the office will also work to enhance the partnership with ILO to ensure a rights-based approach, joint project implementation and decent work for PoCs. Concretely UNHCR and ILO will share data from the labour market assessment, work together to support the FGS in developing a skills registry, and jointly engage private sector as represented by the Somalia National Chamber of Commerce in exploring opportunities for on-job training for people of concern.

UNHCR through its partnership with the [Food Security and Nutrition Analysis Unit-Somalia \(FSNAU\)](#), which includes WFP, WHO, [FEWS NET](#), Government of Somalia, European Commission, and under technical and managerial support of FAO, will use the livelihood-based analysis of food security and nutrition, including the monthly Market Updates, Climate Updates, IPC Acute Food Insecurity and Malnutrition Analysis.

Private Sector Engagement

UNHCR engagement with the private sector (including but not limited to companies, chambers of commerce, private employment services and business incubators) can increase the wage- or self-employment of refugees through advocacy efforts and investments in/development of refugee employability initiatives such as companies offering trainings, mentorship programmes, internships, and apprenticeships. Collaboration with the private sector can also establish links and innovative business models with global supply chains for products made by refugees to promote shared value.

This strategy acknowledges that in the Somalia context, engagement with the private sector has proven very challenging, in particular regarding the inclusion of highly vulnerable groups. Nevertheless, in line with NDP-9 and to assist the FGS with fulfilling its GRF pledge to create job opportunities, UNHCR will continue reaching out to private sector partners, such as the AMAHORO Coalition who have pledged support at the GRF to see how to support the government's endeavors and develop market based programming.

An option that UNHCR will explore is working more closely with the Somalia National Chamber of Commerce at the federal and state levels to initiate engagement with the private sector and to deepen UNHCR's understanding of the sector's needs to improve vocational skills training and job preparedness of POCs.

UNHCR IMPLEMENTATION: PROGRAMMES DESIGNED AND MANAGED EFFECTIVELY

Lack of access to livelihoods is a major root cause for negative coping mechanisms and protection concerns and is a major impediment to achieving solutions. Major hindrances to reaching self-reliance for PoCs include the following: Limited access to finance, limited knowledge and skills, lack of market support services, environmental degradation, limited/lack of productive assets, rising commodity prices, limited information on livelihood opportunities and limited vocational skills trainings.

Further, findings of UNHCR participatory assessment that was conducted in December 2020-January 2021 also reveal some of the key protection concerns that cut across all population groups covered by the exercise (namely refugees and asylum seekers, refugee returnees and IDPs). Ability to access job markets and livelihoods opportunities are among those concerns and relevant recommendation voiced by all population groups is the provision of vital services and expansion of livelihoods programming, as well as access to documentation/ registration to enable PoCs to access job markets and livelihoods opportunities.

UNHCR's interventions will focus on the different livelihoods groups and assets, namely urban, agro-pastoral, pastoral, fishing, apiculture, poultry as well as riverine communities located along River Shabelle and River Juba as detailed in the area-specific livelihood strategies of UNHCR Somalia. During the period covered under this strategy, UNHCR and partners will continue working on the Livelihoods Graduation Approach, enabling PoCs to gradually lift themselves out of poverty. Data from socio-economic assessments will be used to ensure an adequate profile of the needs, skills and aspirations of displaced persons and host community members are gathered in order to identify viable livelihood opportunities in the areas where displaced persons reintegrate. In all cases of targeting, at least 60% will be females. Preferential treatment will be given to female-headed households and youths.

While recognizing that economic inclusion takes time, over the year covered by this strategy, some of UNHCR's activities for the most vulnerable include the following:

1. **Skills Development** – This activity supports and is aligned with the Somalia Education Strategy objective 3 “enabling all learners to use their education towards sustainable futures” which looks at building key skills for refugees through technical and vocational training programmes, and ensuring that there is a clear pathway to livelihood opportunities. UNHCR will build on the existing skills development programs and adjust them as appropriate to respond to the needs of the market. The programs will be guided by labour market assessments which identify technical and transferable skills in demand, such as identified by the ILO labour market assessment of 2019 and NRCs skills profiling exercise of 2020. UNHCR's aim is to improve employment opportunities for youth through improving the skills development program so that it better provides youth with the skills they need to find a job or start their own business. To achieve this, UNHCR will partner with the private sector in curriculum development to ensure that programmes provide relevant skills training for the growing private sector economy and explore opportunities for work-based learning, apprenticeships and internships for youth trainees. As a direct result this will provide youth with a link to employment opportunities post training, which is also a strong motivator to complete trainings on offer. For example, in Somaliland UNHCR could explore a partnership with

the Kuwait Educational Charity Academy in providing advanced skills training for persons of concern.

2. **Businesses Skills and Entrepreneurship Training** – Building on previous programs, UNHCR will work with partners to provide business and enterprise development skills and financial education to persons of concern who want to start businesses, as well as to trainees of skills program to enhance their chances of success in business/self-employment upon graduation. In previous programs, business and entrepreneurship trainings have resulted in POC's establishing more successful businesses. Therefore, business skills and entrepreneurial training will remain a strategic priority. In the short term, graduates and business groups will receive grants to kickstart their business, but the long-term strategy links them to financial institutions where they can access loans for the purposes of expanding their business. Formalization of businesses of persons of concern with no government issued IDs remains a challenge. Issuance of documentation and IDs is an advocacy matters, discussed in more detail above.
3. **Re-establishing Market Linkages and Support** – this activity will be geared towards supporting small scale business who lost their markets and business due to the COVID 19 pandemic. It aims to reestablish linkages with input and output markets through specific market linkage support and business support services to the small-scale businesses. Through partners, UNHCR will follow-up with small-scale businesses and provide support to re-establish their businesses either through cash grant support or short-term training.
4. **Conditional Cash Grant Support** – UNHCR will provide targeted conditional cash support to vulnerable households to stimulate economic activities and access to markets. Skilled graduates and vulnerable households who want to start businesses will be targeted for support. Grants will be issued upon the submission of a business proposal by target persons of concern. Cash Based Interventions will be used to protect and build productive assets that will bolster coping mechanisms, thus reducing vulnerability and ultimately increasing income security. With functioning markets, CBIs will boost the local economy through purchases. A wide range of livelihoods activities will be supported through multi-purpose cash grants (MPCG). Giving people multi-purpose cash improves their economic situation for the duration of the assistance, at a minimum, simply because they have an increased income, which is a core part of any livelihood system.

Livelihoods activities that will be supported through multi-purpose cash will include different types of investments in business and employment such business grants and cash for training. These activities will include setting up or upgrading businesses, investing in livelihood assets, relocation for better work opportunities, working on own farm instead of having to undertake casual labour, not having to make distress sales of livelihood assets, and keeping children in school instead of sending them to work. In general CBI recipients may use part of the cash grant to make investments, shifting their portfolio so that their livelihoods can become more resilient and sustain beyond the duration of the assistance, and/or reduce or prevent negative coping strategies. CBIs will promote and facilitate economic inclusion, social cohesion and protection which will lead to transition from humanitarian to developmental approach as well as self-

reliance. Cash+, an intervention that combines CBIs with productive assets, inputs and/or technical training and extension services to enhance the livelihoods and productive capacities will constitute part of CBI package for livelihoods. By providing unconditional CBIs plus livelihood inputs and training, UNHCR will address not only the needs of refugees/asylum seekers and returnees but also host communities. This will enhance the economic impacts of CBIs while enhancing livelihoods potential. Cash+ can significantly improve households' agricultural production, income generation, asset ownership, economic empowerment, as well as dietary diversity and food security. Most vulnerable refugee households will be enrolled for CBIs throughout the two years of the strategy.

5. **Facilitating and strengthening financial inclusion of PoCs** – this strategic direction will ensure that PoCs and their businesses are linked to Financial Services Providers such as Banks and Microfinance Institutions so that they can access financial services such as savings and microcredit to reestablish their businesses or expand existing businesses. UNHCR has been assessing the different microfinance services provided by institutions such as KIMS Microfinance, IBS Bank and Amal Bank with the objective of compiling and sharing the information with small scale businesses. As a long-term strategy, UNHCR will ensure that small scale businesses with required *Know Your Customer* documentation will not rely on grants support from UNHCR but will be linked to relevant service providers. At the same time UNHCR will continue to advocate with the Federal Government of Somalia for the issuance of identity documents to persons of concern to facilitate their inclusion in mainstream financial services.

In addition, UNHCR will support cash beneficiaries to be part of Savings Groups, a form of community lending that works on the premise that a group of self-selecting people come together to save and later borrow money. Women CBI recipients will be targeted for savings groups and they will put part of their money/savings into savings groups for lending. Over time, this will bolster their incomes resulting in increased food and health security. As the methodology is based on self-selection and has a built-in social fund, it supports households by providing grants or no-interest free loans to group members who have suffered shocks thus ensuring they do not become more vulnerable. UNHCR will facilitate the formulation of these groups by providing the necessary trainings to the partners, persons of concern/refugees and the community group as well. UNHCR will also support and facilitate links to local microfinance institutions by these groups where possible so that they can access loans and venture into or scale up their businesses.

6. **Agriculture, livestock and potential growth sectors** – in areas where agriculture and livestock are viable sectors, UNHCR will provide support to PoCs to undertake livelihoods activities in these two sectors. UNHCR will scale up agricultural programs and trainings on Climate Smart Agriculture, irrigation and sustainable water resource management, livestock trainings, range management and fodder production, and other relevant agricultural techniques, agribusiness environment to diversify into relevant agricultural opportunities in Somalia. In collaboration with FAO, UNHCR will identify scalable smart agricultural innovations and private sector investments in agri-food systems that can be deployed and implemented in Somalia. The same collaboration will be made in programs such as agricultural seed and tools distribution and small livestock distribution.

UNHCR will scale up digital trainings and linkage to the job market (gig economy) for remote and online work that can still be implemented in Somalia. For example, in Somaliland this can be achieved through partnering with specialized TVET centers such as Shaqodoon TVET College who specialize in digital skills training.

Use of MERS standards

To help ensure market-based, results-driven programming, the operation will consult the SEEP Network's [Minimum Economic Recovery Standards \(MERS\)](#). The MERS offer guidance about effective programming and what to consider when planning activities. The MERS represent industry consensus on best practices for economic recovery in the emergency and crisis context and articulates the minimum level of activities required to support the economic recovery of vulnerable populations in the wake of crises.

The MERS are comprised of six sets of standards that can be read in sequence or separately. The Core Standards outline approaches and activities that prevent and/or mitigate harm--whether physical, social, economic, environmental or otherwise and promote protection in alignment with the Core Humanitarian Standards. The Assessment and Analysis standards provide a road map for designing, implementing and sharing assessment results that inform effective and context-appropriate programmatic strategies. Asset Distribution standards guide practitioners to apply market-aware thinking to asset distribution, support activities linked to longer term- recovery and minimize disruption of local market systems. The MERS also contain standards designed to bolster livelihoods, expand financial inclusion and support self- reliance through Enterprise and Market System Development, Financial Services and Employment. UNHCR will organize training for its partners on the application of the MERS standards within the Operation.

CHALLENGES AND PROPOSED ACTIONS

Challenges	Actions	Outputs	Key Partners
Limited opportunities for livelihoods	Expand livelihoods opportunities in growth sectors such as livestock, agriculture, telecommunications, and IT Support entrepreneurship/small business development to promote self-employment.	More persons of concern and host community members are engaged in agricultural, fishery, energy, and natural resource management programs Persons of concern engaged in viable small business enterprises as meaningful livelihoods.	<ul style="list-style-type: none"> • NGOs • FAO • Federal Govt of Somalia • World Bank • PAC
Lack of savings and capital	Target cash-based interventions and Savings Groups Provision of grants for business startup Provide linkages with financial service providers as a source of long-term finance.	Through informal schemes, persons of concerns have greater savings and access to informal loans. More POCs are self-employed through small scale businesses. More POCs access formal loans in the long term for new businesses or business expansion	<ul style="list-style-type: none"> • Financial Services Providers • NGOs
Limited access to financial services and products	Using a rights-based approach, advocate for POC to have access to financial services and documentation required for KYC Strengthen collaboration with Financial Services Providers to unlock barriers to financial inclusion of people of concern	POCs can access formal financial services according to their needs. Majority of POCs have government-issued identity documents required for KYC	<ul style="list-style-type: none"> • Financial Services Providers • NCRI • Federal Govt of Somalia • NGOs
Limited opportunities for skills development, matching skills development with emerging market needs.	Use data from Labour market assessments to inform skills development programs in Somalia and Kenya. Strengthen partnerships with private sector in curriculum development and on-job learning opportunities. Develop a skills registry to match existing labour opportunities with skills database.	Skills development programs are constantly adjusted to respond to market needs. Partnerships developed with private sector/private institutions. Skills registry developed and regularly updated. Graduates are either self-employed or formally employed because of successful matching of supply and demand of skills.	<ul style="list-style-type: none"> • ILO • Somalia National Chamber of Commerce • Private Training Institutions • NGOs • Federal Govt of Somalia
Language barriers for refugees	Provide Somali language classes for refugees in TVET centers.	Refugees have improved social and economic interaction/participation within Somalia through improved Somali language skills.	<ul style="list-style-type: none"> • Private Training Institutions • NGOs • Federal Govt of Somalia
Limited inclusion of persons of concern in national assessments	Advocate for the inclusion of POCs in national socio-economic assessments	POCs are an integral part of national socio-economic assessments. In consequence POCs are increasingly included in national responses to poverty, unemployment, through using data to inform evidence-based advocacy.	<ul style="list-style-type: none"> • Federal Govt of Somalia • National Bureau of Statistics • World Bank • NGOs

NEW RBM FRAMEWORK

RESULTS-BASED MANAGEMENT – INTERIM STRATEGY FOR 2022

UNHCR has introduced a new Results Based Management (RBM) approach, which utilizes a “COMPASS” tool. This new approach includes components of (1) situational analysis (2) strategic direction (3) results framework (4) management and resource planning and (5) monitoring and evaluation plan. Multi-year, multi-partner strategic planning is at the core of this transformational approach, and UNHCR Somalia is among the operations transitioning to this new approach from 2022 to 2024. UNHCR is currently finalizing an interim RBM strategy for 2022, which despite being an interim strategic document, will assist the Operation in conceptualizing its strategic vision and plans in line with the new RBM approach, utilizing the new results framework, and laying the foundation for fully transitioning to a multi-year plan by 2023.

The interim RBM strategy is strongly linked to the UNHCR Somalia Multi-Year Multi-Partner Protection and Solutions Strategy (MYMPPSS) which will also be completed on 31 December 2022. The MYMPPSS was developed in collaboration with Government authorities, Partners, UN Agencies, Persons of Concern and with the support of UNHCR Regional Bureau. It is crucial that this Interim Livelihood Strategy and interim RBM strategy, both of which cover the programme year 2022, be fully aligned. Of importance, the livelihoods indicators that will be developed under the new RBM will be aligned with, and allow for, measuring progress against the GCR. These indicators are provided at the end of this section.

MONITORING AND EVALUATION

RBM link to M&E Priorities

The interim RBM strategy includes a dedicated section on M&E. The strategy provides that M&E initiatives in 2022 will focus on increasing the validity and reliability of data; receiving practical and useful feedback for corrective actions; and entails a “bottoms up” approach to learning and envisions the inclusion of POCs’ feedback as central to monitoring and evaluation. This will be critical in livelihood programming and economic inclusion, as the basis for assessment and lessons learned.

The main monitoring and evaluation (M&E) priorities for the operation will be connected to operation’s strategic objectives: legal and policy framework for the protection of refugees, returnees, IDPs and stateless persons; response to the immediate needs of affected populations while transitioning to longer-term durable solutions; as well as self-reliance and economic inclusion.

Structure and Systems: The M&E approaches will be participatory, structured, and systematic. POCs, partners, UNHCR and other relevant stakeholders will continue to be active participants. Age Gender and Diversity approaches will be the basis of all M&E activities across all levels of results and thematic areas. This will ensure that obstacles to livelihood and economic inclusion for POCs are identified and addressed. The recommendations and action points gleaned from data analysis will be implemented using clear activity plans with enforced accountabilities led by multi-functional teams. These will be broken down by respective sub offices to capture contextual peculiarities allowing for context specific solutions, but also feeding into the overall consolidated operational framework at the national level. Regular and periodic

review of M&E information by the multifunctional teams will be supported by systematic documentation management to facilitate secure and convenient access to make informed decisions.

M&E and Security: Considering that the security situation (armed conflict, terrorism, and crime) which affects livelihoods continues to be volatile and unpredictable, innovative approaches will be utilized to ensure efficient data management and risk mitigation. This will be achieved through partner diversification, collaboration, and coordination mechanisms coupled with information triangulation - among stakeholders and POCs - to inform evidence-based decisions.

Accountability to Affected Populations: The overarching and central priority will be the continued participation of POCs at the core of M&E (as well as planning, getting, and showing results) activities in line with accountability to affected populations. POCs have and will continue to play a pivotal role in supporting periodic participatory assessments, specifically for livelihood and economic inclusion. With the impact of COVID-19 and security considerations, there will be continued M&E partnerships for activities such as post distribution monitoring.

IMPACT ASSESSMENTS

In addition, to measuring progress made at the project level by UNHCR Implementing partners who conduct livelihoods projects, UNHCR has put in place a global [Livelihoods Information System](#) that monitors the impact of UNHCR's livelihoods programmes through a set of global indicators. Impact monitoring of UNHCR Somalia's livelihoods programs has been conducted on an annual basis by the consultant company CartOng. Baseline and end line data for each year are collected by UNHCR's partners through Kobo collect and analyzed by CartOng. The impact reports from these assessments for 2018 and 2019 can be found on the UNHCR Livelihoods Information System¹⁵ portal. Upon completion of the 2020 impact assessment, it will be used to guide the development of the regional strategies. The 2020 assessment, once concluded, will be uploaded to the portal.

In addition to the impact monitoring, post distribution monitoring (PDM) will be done at least 4 weeks after an input package has been distributed. It is intended to establish the usage of the inputs such as cash and agricultural tools and seeds that have been distributed and take any corrective measures whenever required. PDM assessments in Somalia are commissioned by UNHCR through Humanitarian Initiative Just Aid (HIJRA) to assess the quality of the cash distribution process, utilization, and its immediate impact in saving lives and protecting the livelihoods of the targeted person of concern. Routine programme monitoring and documentation of human-interest stories and pictorials will be conducted by partner staff and UNHCR staff where conditions allow.

As noted above, UNHCR is currently working on an RBM interim strategy for 2022 which encompasses all thematic areas including livelihood, as well as creating an enabling environment for livelihood (such as education, shelter, basic needs) in the Operation's new multi-year approach. Currently, UNHCR Somalia is developing impact, outcome statements, result framework and indicators for the interim RBM strategy

¹⁵ <https://lis.unhcr.org/country-profile/SOM>

for 2022; with the subsequent multi-year strategy set to be developed for 2023 onwards (as it is still being piloted in few selected countries). Following the completion of the interim RBM strategy and related results framework and indicators, the log frame attached to this strategy as **ANNEX I** will be reviewed, revised and aligned as appropriate, following which, a comprehensive work plan will be developed as part of the detailed Operational planning. This comprehensive work plan will be tailored for each of the three regions of Somaliland, Puntland and South Central Somalia.

GCR/RBM Livelihood Indicators	
GCR	
2.1.1 Proportion of refugees who have access to decent work (Tier 1)	
RBM	
Core Outcome Indicator 13.1	Proportion of PoC with an account at a bank or other financial institution or with a mobile-money-service provider (SDG)
Core Outcome indicator 13.2	Proportion of PoC who self-report positive changes in their income compared to previous year
Core outcome indicator 13.3	Proportion of PoC (working age) who are unemployed (SDG)
Direct Link to LIS	
RBM 13.2 → LIS 7	Income from wage employment facilitated (decreased/maintained/increased)
Indirect link to LIS	
RBM 13.1 → LIS 4	Access to financial services facilitated
RBM 13.3 → LIS 5	Access to employment (in agriculture, self-employment, wage-employment)
GCR 2.1.1 → LIS 5	however not specifying decent work and unregistered activities/businesses are included

REFLECTIONS OF IMPACT ASSESSMENTS (2019)

According to the 2019 impact assessment report, the employment rate among livelihoods beneficiaries increased by 18% from 16% at baseline to 34% at end line. These figures include those beneficiaries who are self-employed and formally employed. In terms of income increase, 57.1% of the beneficiaries reported an increase in income compared to the previous year. In terms of savings gained from employment, 48.7% of the beneficiaries reported an increase in savings compared to the previous year. It is expected that COVID-19 will have a negative impact on savings and income in 2020.

While there are positive trends emerging from the impact assessments, UNHCR acknowledges that challenges still exist for persons to derive maximum gains from livelihoods intervention, as mentioned in

previous sections. UNHCR's approach to addressing these challenges will be through partnerships across the humanitarian-development spectrum to develop synergies and to achieve efficiency. For example, by engaging with financial services providers to develop pro-poor lending products, the challenge of lack of capital can be reduced in the long term; by partnering with private sector actors in developing training curriculum and constantly adjusting training program according to market needs will yield long-term results in higher employability of graduates. UNHCR will support Somali language classes for refugees in training centres for refugees. On an ongoing basis UNHCR will continue to engage with the FGS through NCRI for the issuance of identity documents to persons of concern to facilitate their integration in mainstream financial services and registration of business entities.

In current programs UNHCR is identifying and addressing obstacles faced by persons of concern in achieving self-reliance. For example, in Puntland UNHCR is targeting 350 households with livelihood support and the selection criteria and project addresses some of the barriers or obstacles (language, identification issues, lack of access to finance). This specifically addresses the obstacle of "lack of access to finance" as the Operation provides the beneficiaries start up finance of between \$500 to \$1000 after 6 months vocational training. Support to education, dignity kits, NFIs and shelter all indirectly contribute to livelihoods objectives.

ANNEX 1: DRAFT RESULTS CHAIN LOGFRAME - LIVELIHOODS

*Pending adoption of Results Framework and Indicators aligned with Interim RBM Strategy (2022)

Key Activities	Outputs	Outputs	Outcomes & Outcome Indicators	Impact Area & Impact Indicators
		Indicators		
1. UNHCR provides market-driven skills development programs to persons of concern.	1. Skills graduates are either self-employed or formally employed as a result of successful matching of supply and demand of skills	1. Percentage of skills graduates formally/informally employed Target: 30% by end of 2022	RBM 13.2 Proportion of persons of concern who self-report positive changes in their income compared to previous year. Target: 60% by end of 2022	<p>Impact Area</p> <p>Empowering Communities and Achieving Gender Equality</p> <p>Impact Indicator:</p> <p>Proportion of refugees who have access to decent work</p> <p>Target: 20% by end of 2022</p>
2. UNHCR provides business skills development training, entrepreneurship training, business development services and market linkages support to persons of concern	2. People of concern engage business, meaningful work and decent livelihoods activities.	2. Percentage of persons of concern receiving short term and long-term livelihoods support Target: 40% achieved by end of 2022		
3. UNHCR provides targeted conditional cash support to vulnerable households and skills graduates for the purpose of starting businesses.	3. People of <u>concern received</u> short- and long-term livelihoods support			
4. UNHCR will support persons of concern to engage in livelihoods activities in growth sectors such livestock and agriculture.	4. Increased number of persons of concern accessing financial services			
5. UNHCR will support inclusion of people of concern in mainstream financial services such as accessing microfinance, opening bank accounts and mobile money transfer services. This also includes training in and formation of Savings Groups.			RBM 13.1 Proportion of persons of concern with an account at a bank or other financial institution or with a mobile-money service provider (SDG). Target: 50% by end of 2022	

UNHCR Somalia

Interim Livelihoods Strategy 2021-2022

April 2021

