

## Garowe Urban

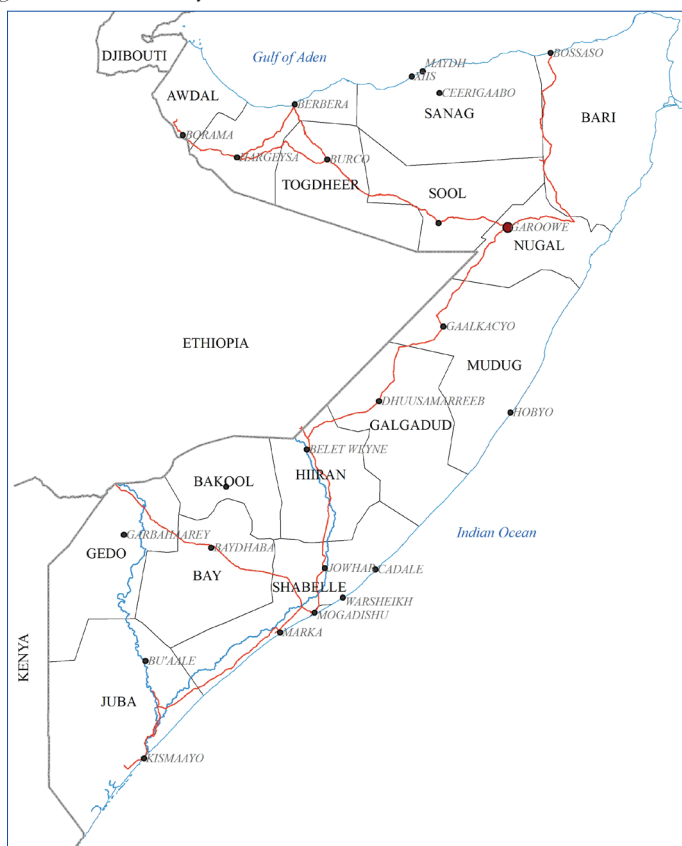
### HISTORICAL TIMELINE

Year	Season	Rank <sup>1</sup>	Events, Effects and Response
2010 (slightly below average)	Deyr	1-2	<i>Events:</i> Drought, inflation, influx of destitute. <i>Effects:</i> Labour scarcity, poor purchasing power, food shortage. <i>Response:</i> Increased social support, increased loan taking, increased ICRC intervention, labour migration, minimize non-essential items
	Gu	3	<i>Events:</i> Normal to good rains, Stable food prices. <i>Effects:</i> Improved ToT, improved job opportunities, improved wage labour daily rates, low milk prices, improved water availability. <i>Response:</i> Normal coping strategies
2009 (Average Year)	Deyr	3	<i>Events:</i> Normal to good rains, high food prices, normal ToT, normal trade. <i>Effects:</i> Low job opportunities, increased food supply, normal purchasing power, cereal price decline, improved livestock trade. <i>Response:</i> Increased social support, increased job opportunities, food and cash intervention for vulnerable groups.
	Gu	2-3	<i>Events:</i> High inflation, increased sea piracy, livestock ban, drought. <i>Effects:</i> High cereal prices, decline in job opportunities, low purchasing power, increased food supply from other regions, reduced trade activities. <i>Response:</i> Government intervention to reduce inflation, increased social support, increased loan taking, increased remittance seeking, food aid intervention, increased awareness against sea piracy.
2008 (below average)	Deyr	2	<i>Events:</i> Hyper inflation, poor rainfall, printing and distribution of fake Somali shilling currency, increased sea piracy. <i>Effects:</i> High food prices, declined ToT, decreased labour opportunities, decreased wage rates, high insecurity, reduced milk supply, increase expenditure on staple foods. <i>Response:</i> Increased social support, high loan taking, food relief distribution, reduced food portions, increased remittance seeking, government intervention to reduce printing and circulation of fake Somali shilling currency.
	Gu	1-2	<i>Events:</i> High inflation, poor rainfall, printing and distribution of fake Somali shilling notes, increased sea piracy. <i>Effects:</i> High food prices, decline ToT, poor livestock body conditions, low incomes from livestock, reduced trade activities, high milk prices. <i>Response:</i> Increase social support, food relief distribution, labour migration to urban areas, reduced number of meals, reduced meal portions, increased borrowing, increased loan taking, purchase of cheap foods.
2007 (below average)	Deyr	2	<i>Events:</i> Conflict (Somaliland captures Sool), poor rains, start of inflation. <i>Effects:</i> Decline in job opportunities, poor purchasing ability, increased displacement, low livestock prices, inclined food prices. <i>Response:</i> Seeking social support, loan seeking, labour migration
	Gu	1-2	<i>Events:</i> Conflict, poor rainfall. <i>Effects:</i> Increased destitute numbers, high food prices. <i>Response:</i> Social support, loan seeking, labour migration.

### LIVELIHOOD ZONE DESCRIPTION

- Garowe town is located in Nugaal Region between two wadis: Togga-Garowe to the north and Lan Alifirin to the south. It is the administrative capital of Puntland State.
- The climate in the town is arid with orographic and coastal influences contributing to the high rainfall variability.

**For full report see;**  
FSNAU Garowe Urban  
Baseline Report No. VI.46,  
May 17, or contact:  
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- Temperatures range from a minimum of 14°C to a maximum of 34°C.
- Land use activities in the town are predominated by commerce (wholesale, retail shops and remittance bureaus), transport, housing, catering services, sale of petroleum products, *Qat* trade and other small-scale enterprises (vehicle repair, metal work, carpentry, construction and health care).
- The population of Garowe town is estimated to be 33,395<sup>1</sup> people.
- Provision of basic social services is fairly good, though the infrastructural support is inadequate. The highway system which connects the towns between northern and southern Somalia traverses Garowe town and supports linkages of trade, local cereal supply and labour migration.
- Garowe town serves as a key market for local quality livestock and a transit point for exporting quality livestock through the port of Bossaso. The town also serves as a key point for transacting remittances flows from the Disapora and supplies the goods that are retailed in the rural village markets.
- Labour opportunities provide the main source of income for IDPs, urban poor and surrounding pastoral communities (Hawd, Nugaal, Addun and Sool Plateau).

<sup>1</sup> Various estimates of population have been produced by different institutions including Puntland State Authority and other agencies. The estimates reported in this paper are by the United Nations Development Programme (UNDP, 2005).

## Baseline reference year description

January to December 2011 was selected as the reference year for the baseline because the period was an average consumption year. Despite the impacts of drought that lead to an influx of IDPs and destitute pastoralists into town, the year was relatively secure resulting in improved trading activities, increased local cereal supply, decreased inflation, stable food prices and improved purchasing power in the reference year (labour rates, local and imported food prices), compared to previous years.



## SEASONAL CALENDAR

- Although most urban households access income through trade, casual work and social support (remittance and local support), activities in the town are influenced by seasonality.
- Enhanced Gu rains, compensated for the below average Deyr season, and increased surface water availability from the river, berkads and shallow wells. In the dry periods (February-March and July-September) water prices peak due to water scarcity.
- The onset of rough monsoon winds in June-September inhibits sea transport. This influences an increase in the prices of imported food items.
- Livestock prices in the market increased in the dry seasons due to improved livestock body conditions from the precede good rains and pasture conditions, high demand in the Gulf States as well as during Ramadhan and Hajj festivities.
- Remittances from abroad play an important role in urban household income access and do not change with seasonally, except during the month of Ramadhan and Eid.

Figure 1: Seasonal calendar critical events & activities in Garowe town

Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>Season</b>	<i>Jilaal dry season</i>			<i>Gu wet season</i>			<i>Hagaa dry season</i>			<i>Deyr wet season</i>		
<b>Rainfall</b>	Peak						Decline			Peak		
<b>Water availability</b>	Decline			Peak			Decline			Peak		
<b>Water prices</b>	Peak			Decline			Peak			Decline		
<b>Local food prices</b>							Peak			Peak		
<b>Imported food prices</b>							Peak					
<b>Imported food supply</b>							Decline					
<b>Employment opport.</b>							Decline					
<b>Petty trade</b>	Peak						Decline					
<b>Labour wages</b>	Peak						Decline					
<b>Hunger period</b>							Peak					
<b>Religious festivals</b>							Peak					
<b>Diseases</b>				Peak						Peak		

## MARKETS

- Garowe's location along the international trunk road, an important channel for trade flow, has made it a significant business hub in Puntland. Seasonality influences trading of food items from the south such as cereal, pulses, fruit, vegetables and livestock products (milk and ghee).
- The dry periods (*Jilaal* and *Hagaa*) in the south are associated with low livestock production and with limited agricultural activities. This results in low supply of local produce, increased demand and high food commodity prices, hence low market activity.
- Households rely mainly on imported food items and locally produced cereals from southern Somalia to meet staple needs. The prices of locally produced food increase in June-August and October-November. Imported food prices increase in June-September, because rough monsoon winds hinder shipping activities.
- In the reference year the average price of imported foods recorded a 136-172 percent increase from the 5-year average (2003-2007).
- Average livestock prices for local quality camel and goat were 166 percent and 188 percent above the 5-year averages, respectively. This was due to improved livestock body conditions from the good pasture conditions and from high demand in the Gulf States during *Ramadhan* and *Hajj*.
- Casual labour and petty trade decline when import and export activities slow down, triggering an increase in social support seeking and loan taking. Women play an important role in urban trade. In the reference year more women than men were involved directly in meat marketing (69%) and vegetable trade (100%)

## SECTORAL OVERVIEW

- The sectoral inventory classifies economic activities into administration; building and construction; International organizations; transport and communication; health; education; agriculture and livestock; water services; hotels and restaurants and energy. These sectors are the main sources of income for residents in Garowe town. The main sectors covered are for the reference year (January-December 2011), and all prices and income figures represent averages for the period; numbers should be considered approximate.
- In some of the sectors, based on availability of data, economic activities have been disaggregated by wealth group or by gender.

### Role of women in markets and trade

Women play an important role in Garowe urban market. In addition to their daily household chores, women are actively involved in income generating activities through employed labour and self-employment. In the reference year, almost 85 percent of the petty and small traders were managed by women. In addition, nearly all milk traders, 80 percent of *Qat* (*Catha edulis*) sellers, 50 percent of meat sellers, 50 percent of fruit and vegetable traders are women. Although only 3 percent of livestock traders are women, more of the women are involved in the sale of small ruminants (sheep and goats) and livestock products (milk, meat and ghee). Men are involved in the sale of high value livestock like camel. Income earned is high during the rainy seasons, when livestock productivity is high. Trade in high value livestock constitutes the bulk of livestock trade sector. Women however have more control over household expenditure related to both essential and non-essential household items.



Sector	Sub-Sector		No. of people Involved			Wealth Groups		
			Male	Female	Total	Poor	Middle	Better-off
Building and Construction	Construction		2,243	45	2,288	170	713	1,405
	Indirectly involved		682	45	727	266	299	162
	Directly involved		1,561	0	1,561	1,139	414	8
Public administration				241				
International organisations	UN agencies	Permanent	19	0	71			
		Temporary	48	4				
	INGOs	Permanent	51	23	105			
		Temporary	31					
Transport				1,140				
Health			153	49	68			
Livestock			80	25	105			
Meat Marketing			150	338	488			
Vegetable Trade			0	2,705	2,705			
Hotels								
Restaurants								
Water services								

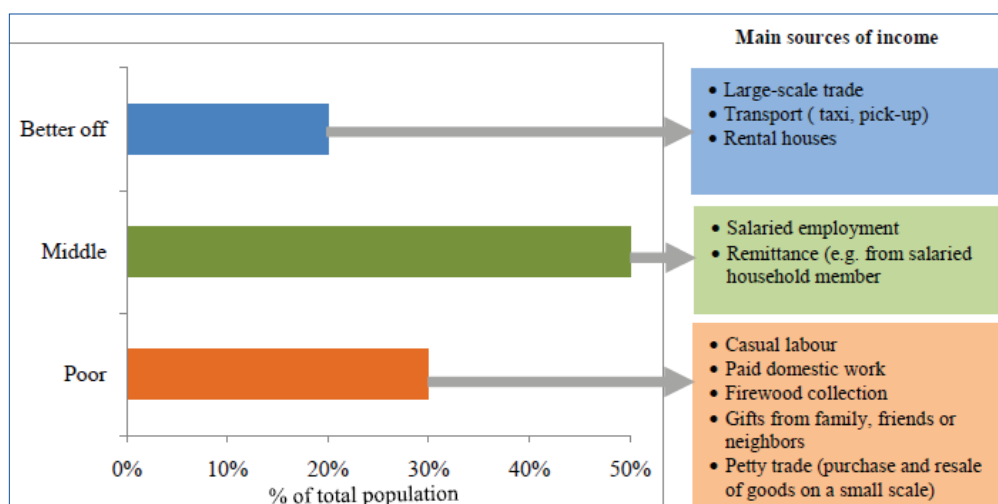




Table 3: Wealth Breakdown

Characteristics		Wealth group		
		Poor	Middle	Better off
Household Size		7-8	8-9	10-12
Number of Wives		1	1-2	1-2
Number of children in school		2	2-3	2-4
% of Population		25-35%	45-55%	15-25%
Number of income sources		2	2-3	3-4
Family members in work		2	1-2	1-2
Annual income	SoSh ('000)	48,000-81,500	82,000-205,000	210,000-500,000
	(USD)	1500 - 2550	2565 - 6410	6565 - 15630
Main sources of income		Casual labour; Paid domestic work; Firewood collection; Gifts from family, friends/neighbours; Petty trade (purchase and resale of goods)	Salaried employment; Small-medium scale trade (purchase and resale of goods on a small scale); Remittance (e.g. from salaried household member)	Large-scale trade; Medium trade; Transport (e.g. taxi, pick-up)
Food Summary (Kcal/pp/pd)		91%	104%	118%
Food sources		Purchase: 83%; Gifts: 8 %	Purchase: 104%	Purchase: 118%
Access to social services				
Sanitation		No access to public sanitation services; Use shared toilet; Own waste dispose/ burning	No public sanitation services; Use own toilets; Hire garbage collector; Self dispose/burn	No public sanitation services; Use own toilets; Hire garbage collectors; Self dispose/burn
Level education		Primary	Primary and Secondary	Primary, Secondary and Tertiary
Water sources		Kiosks, Stand pipe, Shallow wells, donkey cart	Water tanker and Pipeline	Water tanker; Pipeline
Electricity		Battery; Lanterns, lamps	Battery, Power line	Private power line or generator
Access to health services		Some access to MCHs	Access to private medication	Access to private clinics, pharmacy and oversees treatment
Access to education		Less access to primary school	Access to primary and secondary schools	More access up to tertiary level
Building	Home	Owned/rented	Owned/rented	Owned
	Use of asset		Partially rent out	Fully Rent out; Shop
	Type of house	Plastic sheets and <i>Sandaqad</i>	Stones	Stone and Concrete
Land		None	Some have plots for sale	Most have plots in the town

## Livelihood Assets

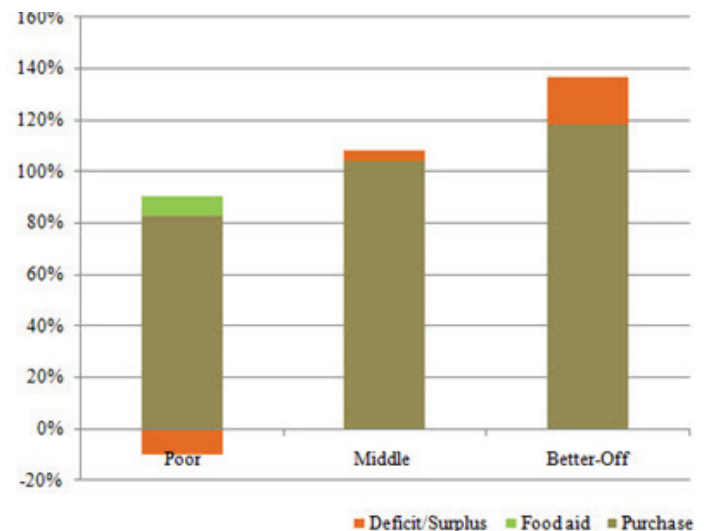
Human capitals	<p><b>Household size and Composition:</b> Poor HH (households) in Garowe town have 7-8 members and comprise 25-35% of the urban population. The middle wealth group comprise of 8-9 persons and account for 45-55% of the population. The better-off wealth group represent 15-25% of the urban population and have 10-12 members.</p> <p><b>Education:</b> Poor HH in Garowe town access Koranic education. Some middle and better-off wealth groups have more access to private primary and secondary schools although the better-off afford tertiary education. In nine out of the fourteen primary schools, the number of boys attending school was higher than the number of girls. Likewise, the proportion of employed male teachers is higher than the number of female teachers. In the 13 vocational training institutions 43.7% of the instructors are female.</p> <p><b>Health and Nutrition:</b> The poor households can only meet 90% of the daily food requirements (2100 kcals) per person per day. The middle and better-off meet 104% and 118% of their daily food requirements per person per day. The only health facilities available include health posts, private clinics and MCH hospitals. Poor households access public hospitals and MCHs while the middle and better-off wealth groups access private clinics because they provide better services. The Integrated Food Security Phase Classification (IPC) progression shows that about 45% and 55% of the urban population were classified under Acute Food and Livelihood Crisis (AFLC) and Borderline Food Security (BFI) in Post Deyr'10, respectively. In the Post Gu'10, 24% and 76% of the urban population in Garowe was classified as AFLC and BFI, respectively.</p>
	<p><b>Water Resources:</b> Garowe town does not receive as much rainfall and hence benefits less from perennial surface water sources. Residents in the town rely on boreholes, hand dug shallow wells and <i>berkads</i> as the main sources of water. In addition, Lan Alifirin seasonal stream receives water during the rainy season and this provides water for domestic use. Water from <i>berkads</i> is easily contaminated by human and animal waste, hence it is a likely predisposing source of water related diseases.</p>
	<p><b>Housing:</b> Almost all poor HH live in rented houses with one room. Some middle and all better off own one or more concrete houses of two rooms or more.</p> <p><b>Public/Common Assets:</b> Garowe is traversed by the highway that links major urban areas in northern and southern Somalia. This asset has spurred economic activities and transformed Garowe to a small/ medium-size town. Garowe has major health institutions (Garowe Regional Hospital and private health clinics), housing facilities for international organizations, an orphanage, Garowe Airport, a stadium, religious institutions, primary and secondary schools, Garowe Teachers Education College and Puntland University.</p> <p><b>Transportation and communication infrastructure:</b> Garowe town has poor road networks. The main trunk road is linked to various primary and secondary feeder roads that connect to various parts of the town. The airport facilitates both international and domestic travel. Telecommunication is provided by the private sector and most HH own mobile phones. Electricity is mainly supplied by the public sector and private generators.</p> <p><b>Industries:</b> Manufacturing is a key sector driving the production of products like pasta, canned fish, candy, detergent, tannery, beverage, bottled water and ice.</p> <p><b>Water Supply:</b> Most middle and better-off HH access water using tankers, water pipelines or from <i>berkads</i>. In the reference year the cost of 1 m3 was Sosh 32,000 and Sosh 500-700 per 20 litre Jerican. The poor access water from shallow wells.</p>

<b>Social capital</b>	<p><b>Social support systems:</b> Community dynamics, neighbourhood support (community money collection for the most vulnerable), food gifts and kinship support play a key role in sustaining urban HH. Informal social support to vulnerable groups (orphans, the poorest, the sick and the dying), kinship and formal support (religious obligation through seasonal or annual zakat) are also available. Most HHs indicated that they participate in collective savings or self-help groups of about 20-30 members. The average daily contribution ranges from SoSh 20,000-30,000.</p> <p><b>Linkages to Urban and Rural:</b> Garowe town is a transit point for export quality livestock, and the main market for essential food and non-food items. The town is the supply source for products retailed in the village markets. The agro-pastoral and key crop producing areas of southern Somalia supply cereal (maize, sesame, fruits, vegetable, etc) traded in the town. Garowe town also provides a key source of income (casual labour) for pastoral communities in times of drought as well as the IDPs and urban poor.</p>
<b>Financial assets</b>	<p><b>Income and Remittances:</b> Poor HHs mainly obtain their income from casual labour in the meat marketing and construction sectors, petty trade, portering, local remittances, paid domestic work and collection/ sale of water, firewood and charcoal. Most middle HH rely on small to medium scale trade, remittances and salaried employment. The better-off operate large-scale businesses, have access rental income or are employed in government.</p> <p><b>Capital Levels:</b> All better off and many middle wealth groups own plots of land as a form of asset savings and for commercial purposes. These groups may own 1-2 rental buildings. The better off and some middle households may have some livestock (camel, sheep and goats) kept by relatives living in rural areas. These HH do not benefit economically from these holdings, but in times of crisis, livestock can be sold.</p> <p><b>Access to loans:</b> The poor have limited access to cash and loans, however, the middle wealth group receive loans from shopkeepers, both in kind and cash. Borrowing increases in Jilaal and Hagaa and over religious holidays (<i>Ramadhan</i> and <i>Eid</i>).</p>

## LIVELIHOOD STRATEGIES

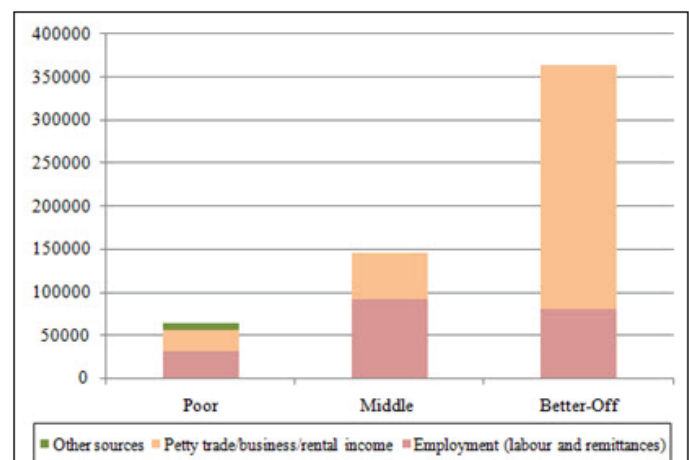
### Access to Food

- The total amount of cereals consumed by poor households is 65kg per month, of which rice constitutes 42 percent, wheat flour is 35 percent and sorghum accounts for 23 percent.
- These commodities are the most important in the food basket of poor households and account for about 51 percent of the basic kilocalorie requirements.
- Significant portions of their energy is also obtained from non-staple foods such as sugar (15kg/month), cooking oil (6kg/month) and cowpeas (5.5kg/month). These food sources constitute 32 percent of the total kilocalorie intake.
- About 8 percent of the food requirements is obtained from food gifts.
- Poor households consume more cereals, especially sorghum, than non-cereal foods because they provide a cheaper source of calories.
- In the reference year the poor met only 91 percent of their minimum energy requirements for survival through market purchase. The deficit of 9 percent was met through food aid.
- The middle and better-off wealth groups met 104 percent and 118 percent of their minimum energy requirements, respectively. These wealth groups accessed more nutrient-rich foods like pasta, camel milk, powdered milk, meat, fish, Irish potatoes, vegetables and fruits. This indicates a better dietary diversity for this group than for the poor.



### Access to cash income

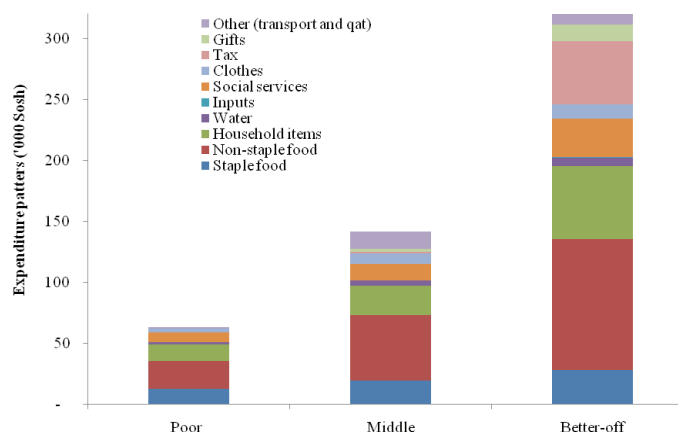
- The overall income of the poor is low and is mainly used to meet consumption needs.
- In the reference year competition from displaced persons (from the southern regions of Somalia) and destitute pastoralists (from the surrounding pastoral livelihoods) reduced daily income wages.
- Poor households earned an average annual income between Sosh 48-81.5 million (USD 1,500-2,500) in the reference year. This wealth group derived 50 percent of their annual income from casual labour, 39 percent from petty trade and 11 percent from other sources including gifts.
- On average in this wealth group only one household member was actively involved in income generation.
- The middle wealth group earn an annual income of SoSh 130 to 160 million (USD 4,000-5,000). The middle wealth groups engage in more diverse income sources and have more access to wider social support networks mainly remittances from the Diaspora.
- This group received about 100 USD on monthly basis, although this increased during religious festivals and Ramadan.
- The annual income of the better-off households ranges between Sosh 210 to 500 million (USD 6,565-15,630). The better-off households own large scale businesses and engage in import/export trade.
- This wealth group earns more income because more household members are engaged in income generation, they have more income sources and are more skilled.



1 The exchange rate used in this study is the exchange rate which prevailed during the reference year (USD 1 = 32,000 Sosh).

### Expenditure patterns

- In the reference year the daily average expenditure for the poor, middle and better-off households is roughly Sosh 180,000, Sosh 400,000 and Sosh 998,000, respectively.
- The main staple foods purchased by all wealth groups include rice, wheat flour, sorghum and pasta, while non-staple foods include sugar, cooking oil, beans, milk powder, meat and vegetables. Poor households spend about 53 percent of their income on foods (22 percent on staple and 31 percent on non-staple foods).
- Middle and better-off wealth groups spent 46 percent and 40 percent of their income on foods, respectively.
- Poor households spend less on staple foods and usually buy their foods at retail prices on a daily basis.
- Middle and better-off households purchase at wholesale prices on a monthly basis. The middle and better-off households purchase larger quantities of the main staple and non-staple foods.
- Middle and better-off groups also buy more nutrient foods like vegetables, fruits, camel fresh milk, meat, canned fish, powder milk etc.
- Moreover, the middle and better-off households spend more on social services such as education, health, water and sanitation. The poor households have limited access to these services because of their limited income. However, the middle and better-off give obligatory (zakat) and other non-obligatory gifts to their poor relatives and neighbours either in cash or in kind.



### Risks, vulnerability and coping mechanisms

Risks and vulnerability	Coping strategies
<p>The main risks affecting Garowe town livelihoods are:</p> <ul style="list-style-type: none"> <li>Drought</li> <li>Poor hygiene and environmental sanitation conditions</li> <li>Flooding incidences</li> <li>Insecurity</li> <li>Human diseases</li> </ul>	<p>The main coping strategies employed include:</p> <ul style="list-style-type: none"> <li>Seeking social support</li> <li>Increased loan and debt seeking</li> <li>Seeking labour opportunities</li> <li>Increased engagement in self-employment</li> <li>Collection and sale of building materials (stones)</li> <li>Reduction in food portions eaten</li> <li>Reduction in the number of meals take in a day</li> <li>Increased purchase of food on credit</li> <li>Increased seeking work for food</li> </ul>

### Proposal for monitoring Garowe urban livelihood

The best indicators to monitor changes in the urban livelihood include the following:

- Cost of expenditure basket of food and non-food items
- Incomes from small business (petty trade) sector
- Incomes in the construction sector and porter.

### Conclusion and Recommendations

The results of this urban livelihood baseline study indicate that the urban economy in Garowe is mainly driven by trade and that seasonality influences the urban activities, particularly the availability of locally produced food items. Poor households earn lower incomes than the middle and better off wealth groups and can only meet 91% of the minimum energy requirements per person per day. Access to education is a major problem in the town. Generally waste management in the town and hygiene conditions in the slaughter houses are poor. In view of these, the following recommendations are proposed:

- Improve access to formal education through subsidies or lower education costs in formal institutions.
- Improve and modernize the slaughterhouses by providing training on proper handling and processing of milk and meat. Install storage facilities for milk and meat.
- Improve waste management and environmental sanitation through provision of urban waste management facilities and creating awareness and behaviour change in sanitation practices among urban households and business community. In particular, the local government needs to work with urban stakeholder from the private sector/business community in planning and designating appropriate methods for waste collection and solid waste disposal.
- Improve security, particularly along major trade routes that link different areas within the town.
- Increase the number of labour-intensive projects that will contribute in building livelihood assets, e.g. infrastructure, schools, public service infrastructure.
- Increase access to small business credit and loans for poorer and lower middle wealth groups.
- Improve access to healthcare services for the poor, especially the women and children. This could be achieved through collaboration and/or strategic partnerships with NGOs providing health interventions, or implementing cash incentive schemes, conducting health outreach schemes and formulating better health policy.
- Improve access to clean and safe water for human use, e.g. digging new shallow wells in the outskirts of the town.