



#### NATIONAL EMPLOYMENT CONFERENCE 2020 YOUTH ECONOMIC EMPOWERMENT





Federal Ministry for Economic Cooperation and Development







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# **ABBREVIATIONS**

APR	Annual Percentage Rate
BDS	Business Development Services
BMZ	Federal Ministry for Economic Cooperation & Development of Germany
DAC	Displacement Affected Community
DG	Director General
EGS	Employment Governance System
FESTU	Federation of Somali Trade Unions
FGS	Federal Government of Somalia
FMS	Federal Member States
GEEL	Growth, Enterprise, Employment & Livelihoods
HRM	Human Resource Management
ICT	Information & Communication Technology
IDP	Internally Displaced People
IITE	Institute of Innovation, Tech & Entrepreneurship
ILO	International Labour Organisation
JTF	Joint Task Force
LFS	Labour Force Survey
LMIS	Labour Market Information System
MoLSA	Ministry of Labour & Social Affairs
MoPIED	Ministry of Planning, Investment & Economic Development
MSME	Micro, Small & Medium size Enterprises
NDP	National Development Plan
NDS	National Development Strategy
NEC	National Employment Conference
NEET	Not in Employment, Education or Training
NEF	National Employment Forum
NEmpC	National Employment Council
NEP	National Employment Policy
NGO	Non-Governmental Organisations
NQA	National Qualifications Authority
ODA	Official Development Assistance
PPP	Public Private Partnerships
SCCI	Somalia Chamber of Commerce & Industry
SCI	Save the Children International
SNBS	Somalia National Bureau of Statistics
TVET	Technical, Vocational Education & Training
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
YEE	Youth Economic Empowerment



#### **EXECUTIVE SUMMARY**

Ministry of Labour & Social affairs [MoLSA] is mandated to address the prevalent unemployment that has augmented from 30 years lack of security and basic services. The Ministry aims to capitalize on recent security, governance and reconciliation achievements and create/facilitate employment opportunities for young people through Youth Economic Empowerment interventions. Youth unemployment is one of the greatest obstacles to the country's economic recovery. The Ministry is leading on building confidence in government by creating structures to manage unemployment and deliver employability services to the population in every part of the country. In line with NDP-9, 'human capital development' is a key national priority that will support the economic and political recovery of the nation. Therefore, employment generating interventions from the Ministry aims at boosting the credibility of FGS and building trust and confidence in local government institutions, while providing immediate subsistence to vulnerable sections of the population under the Ministry's social protection mandate.

The ministry realizes the centrality of youth in fostering stability in the country and therefore outlines specific interventions that can be taken to generate decent work opportunities for young people. Evidence shows that prosperous youngsters will steer away from violence, conflict and dangerous migration.

Financial stability is a foundation for driving the engine of an efficient basic services. However, the government raises a limited domestic revenue and this restricts provision of any necessary service such as education, health & security. In real terms, government's budget approximately covers three quarters of recurrent expenditure leaving one third of the recurrent budget to be financed through donor support via Official Development Assistance [ODA].

The optimum path that MoLSA has taken to empower young people by combating unemployment especially amongst the vulnerable, the hardest to reach and those that are NEET [Not in Employment, Education or Training] is to:

- 1. Create policies and structure to address rampant unemployment.
- 2. Facilitate effective Public Private Partnerships [PPP] that can strategise and implement Action Plans to expand employment opportunities for young people in general and targeted communities in particular.
- 3. Lead on the efficient implementation of developmental Programmes funded via ODA



# **<u>1: CONCEPT OF CONFERENCE</u>**

In 2019 MoLSA ratified the National Employment Policy [NEP] which rests on the recognition that jobrich, sustainable and inclusive growth is a growth that makes good use of Somalia's key asset, namely; its human capital or labour force. The strategic objective of the Policy in the short term is to:

- 1. Improve governance systems for employment
- 2. Promote the growth of MSME's
- 3. Promote the employment intensity of key sectors

This policy is the vehicle that makes 'employment' central to the national development agenda and a suitable implementation strategy will prioritise establishing an **Employment Governance System**. On this front, the policy aims to create:

**Coordination mechanism**: Establish a National Employment Council [NEmpC] to be a high-level coordination and decision-making body convening of key Ministries, workers, employers, civil society and independent experts. The Council will steer the implementation of the NEP and be consulted on the design of economic and social policy matters. The **National Employment Conference** brings together key stakeholders and starts the necessary dialogue required to create the **Council**. The **Conference** will facilitate constructive and substantive discussions around key economic and social policies.

**Labour Market Information Systems [LMIS]:** it is crucial to have a robust data to inform policy. This allows an efficient employment services to be delivered and an opportunity to monitor and evaluate the advancement of the NEP.

**Substantive Skills Programmes are launched while TVET is rebuilt:** Large scale initiatives for improving literacy & numeracy and short cycle vocational training while rebuilding formal education institutions and vocational centres.

In July 2019, MoLSA [FGS] officiated a **National Employment Forum [NEF]** in Garowe with its counterparts at FMS level. It is a given, that real Jobs are created in the private sector while the government provides an enabling environment and regulations to protect the rights of all parties involved in the labour market. Resultantly, it was decided to organise an Annual Conference to bring together key stakeholders that influence the employment agenda. The **National Employment Conference 2020** is the first conference of its type in Somalia and a crucial step for a sustainable economic development.

The purpose of the **National Employment Conference** is to bring together key stakeholders from public, private, civil and voluntary sector and brainstorm practical solutions that can address skill shortages/gaps and unemployment with the intention to:

- a) Initiate the process of creating a National Employment Council [NEmpC]
- b) Set policy direction and implementation framework
- c) Engage the process to create a 3-year youth economic empowerment action plan
- d) Create an inclusive platform for sharing ideas and actions
- e) Identify challenges and remedies to high youth unemployment in the short term
- f) Consult with wider stakeholders on practical solutions
- g) Identify suitable Employment Governance Systems [EGS]



#### **2: SOCIO-ECONOMIC DEPRIVATION**

The ultimate aim of the conference is to bring together influential stakeholders to address the root causes of high youth unemployment, namely socio-economic deprivation. Somalia comes last on most global indices such as; lowest in literacy, life expectancy and health services and highest in poverty, unemployment, malnutrition and corruption. Somalia had only one census completed in 1975, therefore regularly updated data is hard to come by. The government and other entities heavily depend on short diagnostics and high frequency survey to inform policy. Almost all of the data collection since the civil war in 1991 are commissioned by iNGOs such as World Bank, ILO, UNFPA, etc. Some of the pertinent recurring themes from these studies are:

- Approximately 77% of the Somali population currently live below the international poverty line of \$1.90 per capita per day.
- 81.5% of the population are young people under the age of 35, of which 75% are outside the labour market.
- Approximately 50% of children miss out on education. The figures are more devastating for girls and nomadic communities. This index also indicates that more socio-economic problems are stored for future generations, as adults of tomorrow are not equipped to compete in a free labour market.
- Although a high percentage [30% 40%] of Somali population are dependent on Agriculture and Livestock for their livelihoods. Nevertheless, latest figures indicate that only a small fraction [5%] are engaged in subsistence food production.

#### 3: WHY FOCUS ON YOUNG PEOPLE?

Somalia is one of the youngest nations on the planet, with over 80% of its population classified as young people under the age of 35. However, all young Somalis of today were either born or raised in a de facto stateless environment and without the protection of the law or the provision of basic public services. As a result, young Somali men and women face multiple disadvantages and struggle with dire socio-economic deprivations. More recently their challenges have been convoluted by violent extremism, distressing migration, environmental degradation and severe poverty. Young people in every corner of the country are at the brink of these trials which disproportionately become their daily struggle. Today young Somalis are more in need to pave the way for the birth of a new Somalia that is grounded in justice, freedom, equality and prosperity.





#### 4: NATIONAL EMPLOYMENT CONFERENCE 2020

The first National Employment Conference [NEC] in Somalia is technically supported by Save the Children International [SCI] and wholly funded by the Federal Ministry for Economic Cooperation and Development [BMZ] of Germany. SCI worked closely with the Ministry to implement the programme. On 28<sup>th</sup> of October 2020, a Joint Task Force was created to spearhead the organisation of the conference.

JOINT TASK FORCE			
NAME	ORGANISATION	ROLE	
Miss Hafsa Abdulrahman	MoLSA	Head of Job Creation	
Mr. Said Osman	MoLSA	Employment Advisor	
Mr. Ahmed Qeys	SCI	Programme Manager	
Mr. Jimale Magan	SCI	Technical Advisor	

The NEC was organised to bring together key stakeholders for the Youth Economic Empowerment agenda from Public, Private and Third Sector. It was designed to host 100 senior participants from selected organisations across the country. Participation was widened and selective to ensure that discussion points were fruitful and carried a level of authority to pursue and action plan or make internal changes to their entities to benefit youth employment/empowerment. The final product of the conference seeks to ensure that all young people are empowered to develop the skills and confidence to fully participate as active citizens in an inclusive society.

The National Employment Conference is part of the National Employment Policy's broader strategy to establish an Employment Governance System [EGS] that can address high unemployment in Somalia. A Coherent set of actions are required to address the problem by engaging in a social dialogue that brings together relevant partners. The first priority of the NEP refers to the establishment of an Employment Governance System that can:

- i. Enhance policy coordination and social dialogue.
- ii. Create a NEmpC as an advisory body for employment related matters.
- iii. Streamline and Integrate employment objectives and targets into the National Development Strategy [NDS] of key Ministries and institutions.
- iv. Formulate a labour market information system that can collate and analyse employment data to inform policy implementation and programming.

This report provides a summary of the **National Employment Conference [NEC]**, which took place on the 6<sup>th</sup> and 7<sup>th</sup> of December, 2020 in Mogadishu, Somalia. It includes a brief of the proceedings of conference and the main points raised in six different sessions, Q & A, roundtable and panel discussions with representation from public bodies, academics, financial institutions, civil society, TVET centres, private and voluntary entities.



### 4.1: OPENING PRESENTATIONS AND PLENARY SESSION DISCUSSIONS

4.1.1 The Conference was opened by DG Abdullahi M Ali, the Director General of the Ministry of Labour & Social Affairs [MoLSA], who welcomed the delegates to the two-days programme. He highlighted the purpose of the conference, the scale of high youth unemployment agenda and the need for participants to address youth economic empowerment solutions.

4.1.2 H.E. Gamal M Hassan, the Minister of Planning, Investment & Economic Development [MoPIED], thanked all honourable participants for attending this important event. He mentioned that Somalia was prepared to tackle the root causes of unemployment, which is poverty caused by lack of investment and industries coupled by lack of required skills by job-seekers. Since the recovery phase has started, there are growing industries, especially in construction, hospitality, energy, banking, etc. However, these rising businesses are resorting to employing expatriates due to lack of adequate skilled labourers in Somalia. There is a need to focus on upskilling the labour force in order to match supply and demand.

H.E. Duran A Farah, The Minister of Labour & Social Affairs, officially welcomed all delegates 4.1.3 to the conference. This is the first National Employment Conference in Somalia and it indicates a level of governmental maturity and understanding of the struggles and the needs that the public have. The Minister mentioned that he was honoured and proud of his administration for organising such a high level event shortly after taking the lead for MoLSA. It is commendable that a wide spectrum of stakeholders from public, private, civil and voluntary sectors have attended the event to contribute to this important agenda. Unemployment in Somalia has reached catastrophic levels, and it is essential for delegates to appreciate that 'employment governance' is a multilateral process involving all parties. Real jobs are not created by governments but rather by the private sector, therefore we need to identify the issues, address the gaps and provide support to both employers and employees. The Ministry has started the process of facilitating the management and governance of unemployment. Our aim is to prepare the grounds for encouraging youth empowerment by creating and enforcing policies, procedures and regulations conducive to increasing employment rates. To this effect, we have recently ratified the National Employment Policy [NEP] and Social Protection Policy [SPP]. We are currently finalising the TVET policy, which is at its last stage of consultations. With the support of our international partners, the Ministry is now providing direct welfare to thousands of vulnerable families across the country in the 'Baxnaano' project. We are working closely with partners from iNGOs and the private sector to commission and implement large scale Skills Training, MSMEs and Employment Programmes. Today's conference is a crucial component of a momentum to create an effective governance system that can manage and inform economic development in general and youth empowerment programmes in particular.



4.1.4 Prominent leaders from partner organisations provided key note speeches to support the government in the organisation of the conference and the endeavour of reducing high unemployment rates in Somalia. In no particular order, the following leaders contributed to the conference:

- Ahmed Qeys of Save the Children International [SCI]
- Prof. Isse Halane of the Chambers of Commerce [CoC]
- Dr. Ibrahim Dhaqane of Growth, Enterprise, Employment & Livelihoods [GEEL]
- Omar Faruk Osman of Federation of Somali Trade Unions [FESTU]
- Alexio Musindo of International Labour Organisation [ILO]
- Jocelyn Mason of United Nations Development Programme [UNDP]
- Anders Thomsen of United Nations Population Fund [UNFPA]
- Prof. Yasin Hassan of Hormuud Telecom and
- Many other leaders from both public and the private sector

There were essential discussion points that were raised in the plenary session from key note speakers, and delegates from FMS, private sector and civil society.

- A reminder that one of Somalia's greatest asset is its youthful population.
- The conference has convened to resolve youth unemployment, however the solution lies in the prevalence of many young male and female talents that can take up job opportunities and contribute to economic development.
- There is a necessity to regulate and eradicate inequalities in all its shapes and forms in line with global standards.
- The impact of low investment and high unemployment is pushing families and young people in particular to the brink of poverty.
- There is a lack of a coherent Somali strategy for a long term job creation.
- The economy in its current state does not absorb near enough workers.
- FESTU is working on ILO convention #39, providing compulsory insurance for persons employed in industrial or commercial undertakings, widows, orphans and domestic workers.
- There is a prevalent skills gap in Somalia. Many industries are resorting to seeking skilled employees from neighbouring countries of Kenya and Ethiopia, and more recently from Yamen and Syria.
- We need to promote local jobs for local people. Non-Somalis are also benefiting from low skilled jobs in the construction and hospitality sector because of their skills and the credit they attach to working, rather than local young graduates who might stigmatise certain low paying jobs. There is a cultural barrier to accessing the labour market.
- The development of the TVET sector in Somalia is critical to meeting the labour market demands.
- There is a flourishing haphazard provision of TVET institutions that are NGO centric and subsequently deliver short term training programmes that cannot effectively address the mainstream problem of lack of required skills.
- TVET sector needs to be regulated by the government with the establishment of a qualifications and certification framework and a plan to match the labour market demands with the vocational programmes delivered by the private institutions.
- Latest estimates indicate that there are many unregulated universities and academic institutions per capita, that graduate approximately 400,000 students per annum in Somalia. Many of the graduates are not skilled enough to participate in the labour market as the theoretical courses in universities do not cater for the necessary skills required by employers.





- Many universities are not necessarily preparing the youth of today for the jobs of tomorrow.
- There was a common agreement that addressing unemployment is a national agenda and therefore should not be politicized by institutions contending with their mandates.
- The country lives on importation. Somalia imports over 90% of both food and non-food items, which means that sectors such as agriculture, livestock, fisheries and manufacturing are not producing enough to meet demand. Job creation comes from these critical sectors, and therefore there is a high need to rejuvenate the growth sectors.
- Somalis are entrepreneurial in nature, therefore there is a need to focus on MSMEs and value chains in growth sectors such as Fisheries, Agriculture and Livestock.
- Financial products are limited and inaccessible by most business minded young Somalis. The State,
   Financial Sector and iNGOs need to work together to formulate an informed process that can eliminate bottlenecks and create baseline collateral for investment.
- Somalia can rise from poverty by tapping only into two of its natural resources such as Agriculture and Fisheries. For instance, the country's estimated fishery production potential is over 800,000 tons per year. Developing this kind of capacity can create tens of thousands of jobs and be one of the most profitable fishery industries in the world.
- Displacement Affected Communities [DAC] are contributing to the widescale problem of urbanization. There are hundreds of thousands of Internally Displaced People [IDPS] living in and outskirts of cities such as Mogadishu, Baidoa, Hargeisa and Garowe. People are displaced in Somalia due violent extremism, environmental disasters and tribal turf-wars, all resulting in loss of homes and livelihoods. Somalia is struggling with maintaining its own IDPs, but more recently the problem has been exacerbated by the arrival of refugees from Yamen, Syria and Ethiopia. There needs to be a plan for investing in Basic Services and MSMEs in the outskirts of cities to stop urbanization.

# 4.2: NATIONAL EMPLOYMENT CONFERENCE WORKSHOPS

The main event of the conference composed of six sessions that focused on key priorities of addressing unemployment and endorsing youth economic empowerment. There were presentations and contributions from civil servants, universities, businesses, civil society and NGOs. There was a mixture of thematic deliberations, question & answer sessions, panel discussions and showcases from young people that projected success stories and entertainment.



# 4.2.1 SESSION 0: OBJECTIVES OF THE CONFERENCE

An overview of the conference's two-days agenda was presented to attendees. The 5 strategic objectives of the conference are:

- 1. Bring together key stakeholders from Public, Private & Third Sector to address high unemployment
- 2. Create an inclusive platform for sharing ideas and actions
- 3. Set policy direction and implementation framework
- 4. Identify challenges and remedies to rampant youth unemployment
- 5. Strengthen employment governance systems?

MoLSA shared the following high level questions for delegate discussion.

- How can we transform primary and secondary education to better prepare young people for the future?
- How can we create robust polytechnic institutions freely accessible to young people?
- How can we address the mismatch between supply and demand of the labour market?
- How can we address urbanisation?
- How can we rejuvenate growth sectors?
- How can we ease access to finances and revive start-ups?

# 4.2.2 SESSION 1: STRATEGY FOR TACKLING YOUTH UNEMPLOYMENT

A detailed presentation was delivered in regards to the current status of Somali economy and the issues associated with lack of comprehensive data that can contribute to decision making. Unemployment and poverty figures are captured in the form of diagnostics or surveys by third parties in the NGO sector. Somalia National Bureau of Statistics [SNBS - <u>https://www.nbs.gov.so/</u>] is currently consolidating and streamlining all data collection in Somalia. The latest Labour Force Survey [LFS] is currently being finalised and prepared for publication by the government in the first quarter of 2021. Some of the topical figures from recent surveys shared in the conference included:

- Youth population = 80% of which 75% are outside labour market
- No of people working in the informal sector = 86%
- Children who miss out on education (also literacy rate) ≈ 50%
- 62% of women are inactive
- Citizens engaged in subsistence food production = 5%
- Very high percentage of people are in vulnerable or unpaid employment
- Working age who are active labour participants = 1 in 4
- Food consumption poverty (i.e. not able to buy food) ≈ 49%
- Extreme poverty = 77%

The figures indicate that the problem at hand is vast and there must be a holistic approach to finding the solution.

The government's policy for addressing high unemployment in the short term is a three-point agenda that work simultaneously together.

- 1. Improved governance system for employment
  - 2. Promote the growth of MSMEs



3. Promote the employment intensity of key sectors

NDP-9 Pillar 3 mentions that economic growth is central to the National Development Plan [NDP] and will lead Somalia out of poverty. Under this pillar, there is a particular emphasis on **creating job opportunities for young people**.

### **DISCUSSION POINTS**

- Q What innovative steps can we take to address high unemployment in the short term?
- Q How can we [Public, Private, Voluntary & Civil] work together to manage unemployment?

Delegates engaged in a thematic discussion and the highlight points were:

- Young people on both ends of the economic spectrum are struggling to access the labour market. Low-income young people do not have basic skills and university graduates face both international competition, nepotism and cultural barriers to gaining employment.
- Universities must transform to equip their pupils with the skills that the labour market demands.
   Some prominent universities have started to address the problem by revamping their courses, integrating communication skills into their curriculum and providing career advice.
- Nepotism stemming from tribal lineages and discriminative practices have always been a problem in recruitment. Private sector business owners are realizing that there is no substitute for talented employees. Some large-scale companies implement 'equal opportunities' in their recruitment and provide inductions and internal training to workers.
- A sustainable solution to end unemployment must include a plan to rejuvenate the growth sectors of Agriculture, Livestock and Fisheries and to manage urbanization.
- Some of the recurring themes that hinder access to labour market are:
  - Chronic un/underemployment and more young people joining this register on a daily basis.
  - o Urbanisation.
  - Prevalent skills gap that limit access to descent work.
  - Disorganisation of unemployment management.
  - Lack of employment and labour market information management system [LMIS].
  - Scarcity of policy, necessary regulations and their implementation & enforcement.

- There needs to be an implementable plan for the provision of technical or vocational skills to young people that match the labour demand.
- Unemployment data ought to be managed and regularly updated.
- Academies and Universities should be working together to strategise in relevant courses, standardised certifications and qualifications that the country needs.
- Employability skills and career advice are necessary steps to help young people access a wide variety of careers.



# 4.2.3 SESSION 2: PROVISION OF QUALITY EDUCATION & SKILLS TRAINING

- With a youthful population, Somalia must take advantage of its human capital by addressing root problems, especially 'skills gap'.
- The quality of education ranging from primary school to universities is unregulated and questionable, and the effects can be seen by the number of graduates who do not have basic or transferable skills to do a simple job.
- The government should create a National Qualifications Authority [NQA] that can manage qualifications, standardization and certification frameworks and produce national standards for skills and competencies.
- It is necessary that there is a national level apprenticeship and entrepreneurship programme that is solely designed to ease access to employment in a sustainable fashion free of discrimination, prejudice or stereotyping.
- How can we address inequalities in education if we are still a tribal nation with a caste-based election system, and a not a real democracy? These inherent problems in the foundation of the nation are resulting in drawbacks in the provision of quality education and equal-opportunity based access to the labour market.

- To invest in and create an NQA that is not NGO centric.
- To start developing a national apprenticeship and entrepreneurship programme.
- To create a platform for job seekers. Somalia needs to sign up to ILO conventions No.2 [Unemployment Convention, 1919] and No.88 [Employment Service Convention, 1948].
- The government should take the lead in managing unemployment and providing a service to the general public.
- The government needs to host an employment service centre and/or a multipurpose innovation hub accessible by all young people and free at the point of delivery. As the government does not have the necessary funds to provide an inclusive and sustainable service across the country, it would need to work in collaboration with iNGOs and the private sector and find leverage where necessary.
- Universities should strive to provide quality education and an effective career advice prior to graduation.
- A wider comprehensive strategy needs to be drawn in regards to the mismatch between supply by the education system and demand of the labour market. The impact of such strategy would heavily depend on the efforts made towards quality education and training, and an effective management of the labour market.



## 4.2.4 SESSION 3: INTERNSHIPS/APPRENTICESHIPS & EMPLOYMENT OPPORTUNITIES

There are number of paths to gaining employment such as wage-based-jobs and self-employment. Nevertheless, we must be able to explore other avenues such as Internships and Apprenticeships which are best practice-based approaches of supporting young people gain the necessary skills and experience to access the labour market. Many young people are stuck in the paradoxical **'catch 22'** situation, i.e. 'not able to secure a job due to lack of experience, and not able to gain experience due to lack of a job'. There is anecdotal evidence that job matching is a challenge for young people, not only due to lack of skills but also due to cultural barriers. This could mean that in some cases, people are intentionally unemployed due to taboos in regards to manual or labour-intensive jobs. Most technical and high paying jobs in fields such as engineering, medicine, manufacturing and construction are absorbed by skilled expatriates mainly from the IGAD trade bloc. Due to cultural barriers many low paying jobs such as cleaning, plumbing, carpentry, hospitability, etc. are taken by international job seekers. This trend in the labour market in Somalia is putting the young Somali man and woman in an acute position of worklessness and desperation, that is a breeding ground for joining extremist groups or becoming a prey to human traffickers. Some of the discussion points included:

- Internships prepare the person for the world of work. It is a free human resource for companies and an opportunity to gain experience for the intern.
- Academies and universities need to consult and proactively listen to the private sector and the growing business trends.
- There is more awareness in Academia, and some institutions such as SIMAD have started initiatives such as Institute of Innovation, Tech and Entrepreneurship [IITE].
- The problem of people with certifications and graduates who cannot even write properly has become prevalent. Industries are struggling to find good quality local employees and as a consequence resorting to expats who would cost more in terms of higher salaries, travel arrangement, accommodation, insurance and security.
- In order to build the foundations of compulsory education and TVET, there is a dire need to bring back facilities such as 'Lafoole Educational Institution' that can produce qualified teachers and trainers.
- There are uncontrolled salary scales and wage subsidies across the country which discourage competent employees in joining the labour force or seek employment outside the capital 'Mogadishu'.

- There is a lack of competency and skills even in the public sector. There needs to be a process for reconfiguring the Human Resource Management in public sector at both Federal Government of Somalia [FGS] and Federal Member State [FMS] levels.
- The public sector ought to provide an internship programme in order to attract young talent and build a skilled labour force especially in critical areas such as HR, Finance, ICT, Legal, Procurement, Planning, Project Management, etc.
- In order to encourage youth startups, there should be government incentives, tax and business registration breaks.
- We need to close the gaps in regulations and policies such as copyright & intellectual property Act, startup Act, TVET policy, SME Act, employee rights, etc.



- To appropriately govern and manage unemployment in Somalia, a National Employment Council [NEmpC] must be established.
- The inadequacy of career guidance at both secondary education and university graduates must be addressed

# 4.2.5 SESSION 4: ACCESS TO MICROFINANCE

There are many studies referring to the bottlenecks in investments and financing small businesses. Somalia has a growing financial sector with products designed for both large and small businesses, more commonly at 18%-20% Annual Percentage Rate [APR] sharia compliant financing options. The main problem for youth entrepreneurs and start-ups is the lack of collateral, business experience and in many cases, it is 'who you know!' and not 'what you know!'. Security is also a concern for banks when lending money to young people that they do not know.

- It is crucial to expand financial investment especially for women, because they tend to reinvest in their families and communities which has the potential to create a ripple effect to reduce poverty.
- Female led MSMEs can empower women, enhance their self-confidence and financial independence. This in itself, has the potential to eradicate many societal illnesses.
- Universities and TVET centres to provide competent practice-based courses in business services.
- There is a lack of awareness of financial services/products.
- There are many patchy financial programmes across the country sponsored by the private sector or NGOs such as World Bank, however, most of them are limited in scope and not scalable.

#### ACTION POINTS

- A systemic Business Development Services [BDS] course that is not company specific should be developed to help equip young people with basic business skills such as savings and booking keeping.
- A large-scale grant and a fair loan system ought to be explored for aspiring young entrepreneurs.

#### 4.2.6 SESSION 5: DIGITISATION OF TVET PROVISION

- Covid-19 pandemic has shed light into the fragile state of the education and tvet system, and while some countries have coped by taking 'learning' into online platforms, Somalia has halted all education.
- To create standardized TVET curricula that ensures continuity of education and training during epidemics.
- There are limitations in human resource, technology and funding for online education.
- An in-country study into IT infrastructure and online education is paramount.
- We need to also explore feasible educational management tools using online platforms which is becoming more common globally.

- Establish a Ministerial working group that can explore online TVET education in Somalia.
- Organise technical discussions with relevant stakeholders and experts in the field in regards to digitization.
- ICT should be used to expand equal opportunities and close the gap between the rich and poor.
   Without intervention, it is highly likely that well-to-do families will continue their education online,





while poor children will stop learning because they cannot afford access to internet, computers and smartphones.

IT based learning is the way forward. Therefore, as Somalia builds its educational and training
infrastructure, it is essential that IT becomes an integral part of the planning process.

# 4.2.7 SESSION 6: PARTNERSHIPS AND COORDINATION AMONG STAKEHOLDERS FOR PROMOTING YOUTH SKILLS DEVELOPMENT AND EMPLOYMENT CREATION

- MoLSA is mandated to govern all labour and social related policies, strategies, implementation frameworks and programmes, in order to both protect and advance the rights of Somali employees.
- MoLSA also aspires to create a conducive environment for large scale employment of young people and supports youth empowerment programmes.
- As unemployment and low skills are high in every sect of the population, there is a need for more collaborative work between Public, Private and Voluntary sector.
- As the government is not yet able to finance large scale developmental programmes, Official Development Assistance [ODA] must be managed effectively and in incorruptible fashion.
- Current coordination devices that are short lived and project based are not adequate enough to provide strategic governance to employment and skills programmes in Somalia.
- There needs to be an accountable/responsible body that can implement the employment policy, manage data and streamline developmental programmes.
- MoLSA would need to build its capacity in human resources and systems to be able to manage a
  national partnership for employment and skills.

- MoLSA to create the National Employment Council in 2021 that can bring together key stakeholders and expertise.
- The process for creating an LMIS [Labour Market Information Systems] for Somalia needs to be finalised and resourced.
- Any structures created must be cascaded to all regions of Somalia.
- Proactive steps ought to be taken to increase youth consciousness and a more responsive government





# **5: RECOMMENDATIONS**

- 1. To organise the National Employment Conference on an annual basis.
- 2. To swiftly plan the creation of a National Employment Council.
- 3. To create an LMIS system that can collate and manage employment and skills related data at a national level.
- 4. To invest in and create a National Qualifications Authority [NQA].
- 5. A wider comprehensive strategy needs to be drawn in regards to the mismatch between supply by the education system and demand of the labour market.
- 6. Range and quality of courses by Universities must be revised and raised to meet the demands in skills gap and labour market.
- 7. Secondary schools and Universities should be providing careers advice as a standard procedure prior to graduation.
- 8. To develop a national apprenticeship and entrepreneurship programme.
- 9. In order to enhance the governance and management of the employment agenda, public sector capacity must be addressed.
- 10. In order to encourage youth startups, the process should be incentivised with tax and business registration breaks.
- 11. Practice based Business Development Services [BDS] should be expanded and integrated into relevant university degrees and TVET courses.
- 12. To explore digitization of education and accessible IT technology for TVET provision so as to safeguard that Somalia is future ready for the new global education norms.
- 13. To consult widely and enshrined in best-practice for any systems created such as LMIS, NEmpC, NQA or BDS.
- 14. To build an innovative Employment Service Centre that will deliver employability services such as job matching, start-ups, training and more to citizens seeking jobs.

# 6: CONCLUSION

The work ahead is considerably challenging given the funding gaps and the government's capacity to lead a transformational change in compulsory education, tvet, higher education, employment and skills data, growth sectors, investments and microfinances, labour laws, work ethics, all of which influence the employability of young Somali men and women. Employment governance is not a job for the public sector only, but for all relevant stakeholders and partners. The momentum for change has to be exponentially increased in order to reduce/eliminate the unemployment crises and end poverty in Somalia. The National Employment Conference will be made into annual event and the wide spectrum of stakeholders will be able to contribute to the establishment of the NEmpC.



### **ANNEXES**

- 1. Organisations represented in the conference
- 2. National Employment Conference two-days agenda
- 3. Doogdoon youth initiative
- 4. Press release
- 5. Media and Photography







# NATIONAL EMPLOYMENT CONFERENCE

# FOCUS OF THE YEAR:

DATE: 6<sup>TH</sup> DECEMBER 2020

VENUE: HOTEL AFRIK, MOGADISHU

YOUTH ECONOMIC EMPOWERMENT

ТІМЕ: 09:00 - 16:00

#### AGENDA

DAY 1: SUNDAY 6 <sup>th</sup> December 2020			
Тіме	Αстіνіту	MODE	SESSION LEAD
80:30 - 09:00	Arrival and registration of Participants	Register	MOLSA
09:00 - 09:05	Recitation of verses from Holly Quran		Reciter
09:05 - 09:10	Welcome remarks		DG. Abdullahi M Ali, MOLSA, FGS
09:10 - 09:15	Remarks from MoY	Speech	H.E. Hamza Said Hamza
09:15 - 09:20	Remarks from MoPIED	Speech	H.E. Gamal M Hassan
09:20 - 09:25	Official Remarks from H.E. Duran Farah	Speech	H.E. Duran A. Farah
09:25 - 09:30	Remarks from Save the Children	Speech	Mohamud Mohamed Hassan, Country
			Director of Save the Children Somalia
09:30 - 09:35	Remarks from country Director of ILO Coun try Office	Speech	Mr. Alexio Musindo – Virtual
09:35 - 09:40	Remarks from UNFPA Representative	Speech	Mr. Anders Thomsen – Virtual
09:40 - 09:45	Remarks from Academies	Speech	Hormuud foundation
09:45 - 09:50	Remarks from the Civil Society	Speech	Youth Organisation
09:50 - 09:55	Remarks from Federation of Somali Trade Unions [FESTU]	Speech	Omar Faruk Osman
10:00 - 10:05	Remarks from the Chamber of Commerce	Speech	Prof. Isse M. Halane
10:30 - 10:45	ТЕА В <b>геа</b> к		
10:45 - 11:00	Objectives of the conference	Presentation	Said Osman, MoLSA
11:00 - 11:45	Theme drama = Youth Economic Empowerment	Showcase	Youth Organisation
11:45 - 13:00	LUNCH & DUHUR PRAYERS		



# NATIONAL EMPLOYMENT CONFERENCE YOUTH ECONOMIC EMPOWERMENT

# FOCUS OF THE YEAR:

DATE: 6TH DECEMBER 2020

Venue: Hotel Afrik, Mogadishu

Тіме: 09:00 - 16:00

## AGENDA

DAY 1: SUNDAY 6 <sup>th</sup> December 2020			
Тіме	ΑCTIVITY	MODE	SESSION LEAD
13:00 - 14:00	<ul><li>SESSION1: National strategy for tackling rampant youth unemployment.</li><li>A. Presentation from MoLSA</li><li>B. Discussion on challenges &amp; forward planning</li></ul>	Presentation Brainstorming	Said Osman MoLSA
14:00 - 15:00	<ul> <li>SESSION2: Provision of quality education and skills training.</li> <li>A. Supply side of the labour market: what skills and knowledge do our youth need in order to achieve the future they aspire?</li> <li>B. Demand side of the labour market: What type of skills do employers need for market development?</li> <li>C. Laws and policies regulating quality education and training: How to plan and create an enabling environment for matching supply and demand?</li> </ul>	Presentation Discussion	Mogadishu University and MoLSA
15:00 - 15:30	Reflect & Close		Facilitator
15:30 - 16:00	Asar Prayer & Networking		



# DATE: 7<sup>TH</sup> DECEMBER 2020

VENUE: HOTEL AFRIK, MOGADISHU

ТІМЕ: 09:00 - 16:00

DAY 2: MONDAY 7 <sup>th</sup> December 2020			
Тіме	Α	MODE	SESSION LEAD
08:30 - 09:00	Arrival and registration		MoLSA
09:00 - 09:15	Recap of Day1		DG Abdullahi M Ali, MoLSA, FGS
09:15 – 10:00	<ul> <li>SESSION3: Internships/Apprenticeships and Employment Opportunities.</li> <li>A. Directors of Ministry of Labour at FMS to showcase current activities and plans for: <ol> <li>Internships/Apprenticeships</li> <li>Wage Employment &amp;</li> <li>Self-Employment</li> </ol> </li> <li>B. Discussion on challenges and forward planning</li> </ul>	Workshop Discussion	MoLSA And Academy – Innovation Hub – IITE, SIMAD University
10:00 - 10:30	ТЕА В <b>г</b> ЕАК		
10:30 - 11:45	<ul> <li>SESSION4: Access to microfinance.</li> <li>A. Strategy and process for relieving bottle necks in microfinancing and expanding investment in MSMEs</li> <li>B. Key challenges</li> <li>C. How to support young people in accessing startup finances and market share</li> </ul>	Presentation Panel Q&A	Prof. Yusuf Salad, MoLSA and Finance Sector Amal Bank
11:45 - 13:00	LUNCH & DUHUR PRAYERS		
13:00 - 14:00	<ul> <li>SESSION 5: Digitization of TVET provision.</li> <li>A. Alternative education: Modernisation, digitization and continuity of training under epidemics such as Covid-19 and natural disasters</li> </ul>	Discussion	TVET department MoLSA & TVET providers



# NATIONAL EMPLOYMENT CONFERENCE

# FOCUS OF THE YEAR:

**DATE: 7<sup>TH</sup> DECEMBER 2020** 

**YOUTH ECONOMIC EMPOWERMENT** Venue: Hotel Afrik, Mogadishu

TIME: 09:00 - 16:00

# AGENDA

DAY 2: MONDAY 7 <sup>TH</sup> DECEMBER 2020			
Тіме	Αстіνіту	Mode	SESSION LEAD
14:00 - 15:00			Department of Planning Director Omar H. Aliyo MoLSA
15:00 - 15:15	ТЕА В <b>геа</b> к		
15:15 - 15:30	PRESS CONFERENCE	Communique	H.E. Duran Farah, MoLSA, FGS
15:15 - 16:00	CLOSURE & ASAR PRAYER		DG. Abdullahi M Ali







# Required investment

We are looking for 3 months of financing to acquire 100 m2 per month in next 3 months



To support Doogdoon youth initiative please visit:

https://kaal.so/campaign1/doogdoon





# NATIONAL EMPLOYMENT CONFERENCE

# DECLARATION

# 6\_7 DECEMBER 2020 | MOGADISHU, SOMALIA

We come together at this National Employment Conference as representatives of the Federal Government of Somalia, Federal Member States, Somali Chamber of Commerce & Industry (SCCI), Federation of Somali Trade Unions (FESTU), private sector entities, Academic and Non-governmental Organisations to respond to serious unemployment challenge facing the country.

During the two-day conference, the participants have been engaged in intensive discussions in a spirit of cooperation and consensus building to address a problem that affects all of us and to craft an agreement that directly addresses the unemployment crisis. Unemployment remains far higher than in any comparable country in the world, and as a consequence poverty is widespread, and we now have world-record levels of inequality. It is essential that we urgently adopt a completely new growth path to transform our economy into one based on labour-intensive industry and one that meets the basic needs of our people.

### The participants of the National Employment Conference have agreed:

1. That Somalia still confronts formidable development challenges including pervasive poverty, food insecurity, massive illiteracy, unemployment and health risks, which have been heightened by the COVID-19 pandemic and the lack of access to basic services.

2. That the current level of poverty and inequality are unacceptable and new initiatives are needed to promote improved quality of life and decent work opportunities. The participants further agreed that the current unemployment, job losses and lack of job creation, constitute a deepening crisis in Somalia that requires urgent action.

3. That the unemployment crisis necessitates the labour market stakeholders to focus not only on the creation of jobs but also on the imperative to address the crisis of job losses. We have agreed that everything possible must be done to avoid job losses in the Private Sector. Doing so requires boldness, resolve, innovation, collaboration and creativity.

4. That Somali economy needs to be transformed to meet the needs of all of our people as growth on its own is insufficient to solve our unemployment problem. We need to expand the capacity of the economy to grow sustainably as the country needs a growth that is more labour absorbing.

5. To work towards a country that is a hub for investments and promotes the fair treatment of workers through ensuring compliance with the national and international law. To this end, we agree to jointly support the realisation of decent work through the validation and implementation of Decent Work Country Programme.

6. That drastically increasing investment levels is critical to defeating unemployment and growing the economy in order to ensure that there is an equitable distribution of income and that more people are allowed to participate in the economy with decent jobs.

7. Establish national stakeholder's council including private sector, academic institutes and international partners to promote and enhance effective collaboration and harmonization for generating decent employment for Somali people.

8. To work collaboratively to increase commitments and interventions to support employable people to have the competencies needed for employment and self-employment such as TVET programs so that they can improve their quality of life, progress into other post-school institutions, improve chances of finding work, and start and sustain businesses.



9. To explore opportunities for resources and processes to support building more inclusive and cooperative workplace engagements between workers and employers to solve workplace problems. 10. Given the critical need to support young people into jobs. The Ministry of Labour and Social Affairs will build a new innovative Employment Service Centre that will deliver employability services such as job matching, startups, training and more to citizens seeking jobs.

#END





#### SOCIAL MEDIA:

- https://www.facebook.com/468010099926454/posts/3788400807887350/?sfnsn=mo&d=n&vh=e
- https://www.facebook.com/468010099926454/posts/3788364297891001/?sfnsn=mo&d=n&vh=e
- https://www.facebook.com/468010099926454/posts/3788329177894513/?sfnsn=mo&d=n&vh=e



#### SOCIAL MEDIA:



- <u>https://fb.watch/2cJM0bxICq/</u>
- <u>https://hiiraan.com/news/2020/dec/wararka\_maanta6-175944.htm</u>

