

LABOUR MARKET ASSESSMENT

IN THE CROSS BORDER AREA BETWEEN KENYA, ETHIOPIA AND SOMALIA

INTRODUCTION

This poster summarizes the findings of a labour market assessment (LMA) in the cross border area between Kenya, Ethiopia and Somalia and was commissioned by the Building Opportunities for Resilience in the Horn of Africa (BORESHA) project with funding support from the European Union Trust Fund for Africa. The overall objective of the BORESHA project is to promote economic development and greater resilience, particularly among vulnerable groups. The BORESHA project targets communities in Mandera County in Kenya, Dolo Ado region in Ethiopia, and Gedo region in Somalia.

The BORESHA labour market assessment in the cross border area between Kenya, Ethiopia and Somalia analyzed livelihoods and identified key skill gaps. It found immense economic potential given the rich and abundant agricultural and livestock resources but also recognized that decades of instability in this region have left major vocational skills deficits among local communities.

Main Findings

Livelihood sectors: While the rural areas are dominated by pastoral and agro-pastoral activities, people in the urban areas engage in trade, small-scale manufacturing, construction and service sectors. Figure 1 illustrates the overwhelming importance of the trade sector including the trading of cattle. The second most important sector is mining, followed by construction and manufacturing.



Employment and job specific training: In the sampled establishments, the level of employment was the highest in wholesale and retail trade for all three cross border lands. The informal manufacturing sector had the second highest employment numbers, and services for accommodation and food ranked as the third highest employers. This was followed by professional services, construction, and repair of motor vehicles. A much higher proportion of employees in Kenya are trained: one-third are receiving training at a training institution and two-thirds on-the-job. In contrast, only one-quarter of employees are receiving training in Ethiopia and Somalia.



Vocational training: There is a severe shortage of trained skilled labour in the cross-border area between Kenya, Ethiopia and Somalia. From the sampled enterprises, the percentage of establishments with workers who had attended a vocational training institution was 13% in Ethiopia, 29% in Kenya, and only 6% in Somalia.



Lack of funds for employment creation: Businesses that have no plans to expand state lack of funds and low access to capital as the reasons. This was stated by 56% in Ethiopia, 44% in Kenya and 51% in Somalia.

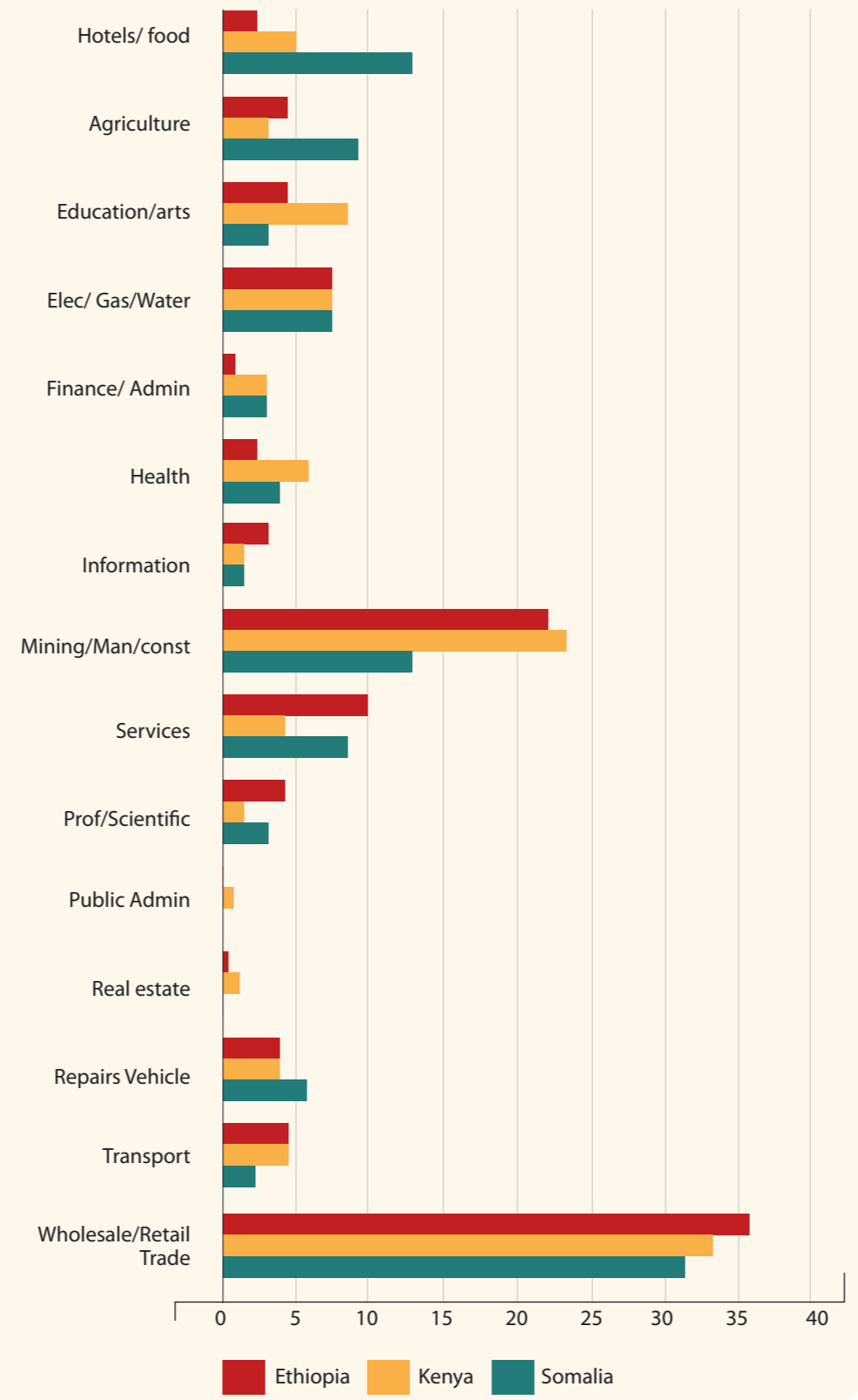


Training Needs: There are inadequate skills to match emerging opportunities in the manufacturing and service industries. Key sectors in need of technical skills are:

- Plumbing, construction and carpentry
- Vehicle repairs, tailoring and agribusiness
- Restaurants and the food industry
- Livestock fattening and honey and fodder production
- Agricultural extension services

Business skills gaps are:

- cooperatives development and management
- financial management



CONCLUSION

Inadequate skills development is constraining emerging opportunities in the manufacturing and service industries and affecting the construction, vehicle/motorcycle repairs, tailoring, and agribusiness sectors.

The most urgent skills training needs relate to sector specific management, business and technical skills. The most significant gaps relate to cooperative and financial management, plumbing and construction for the WASH sector, farming techniques, honey-bee Keeping and livestock fattening, forage production, tailoring, restaurants management and agricultural extension advisors on farming as a business.

The BORESHA response: BORESHA Business Development Service Centres in Mandera (Kenya) , Dollo Ado (Ethiopia) and Somalia (Dollow) are addressing all of these skills gaps. An adequate response by both the private and public sectors to the training gaps will make the economies of the cross border areas much more productive and lucrative.

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