

KISMAYO MARKET FEASIBILITY STUDY

March 2019

INTRODUCTION

The interplay of protracted conflict and recurrent droughts has led to an increase in both scale and complexity of displacement in Somalia. According to United Nations Office for the Coordination of Humanitarian Affairs (OCHA), there are around 2.6 million internally displaced persons (IDPs) in Somalia¹. As a result, humanitarian needs have escalated particularly in those areas of the country hosting large IDP populations, such as Kismayo. REACH estimates that there are 133 IDP sites hosting 9,843 households in Kismayo District². Additionally, Kismayo is home to the largest number of Somali returnees from Kenya³. This is following moves by the Kenyan Government to close Dadaab Refugee Complex, which hosts mostly Somali refugees, and the initiation of a voluntary repatriation process facilitated by the United Nations High Commissioner for Refugees (UNHCR)⁴.

It is within this context that the Somalia Cash Working Group (CWG), in partnership with REACH, conducted a market feasibility study in Kismayo mainly to understand household needs and preferences, and to evaluate vendor expansion capacity - ability to respond to increased demand for key commodities in case cash-based interventions are scaled up - in order to inform multi-purpose cash programming in the district.

This situation overview presents main findings from the study. Findings from household surveys are generalisable at 95% confidence level and a 8% margin of error whereas those from vendor interviews should be considered indicative.

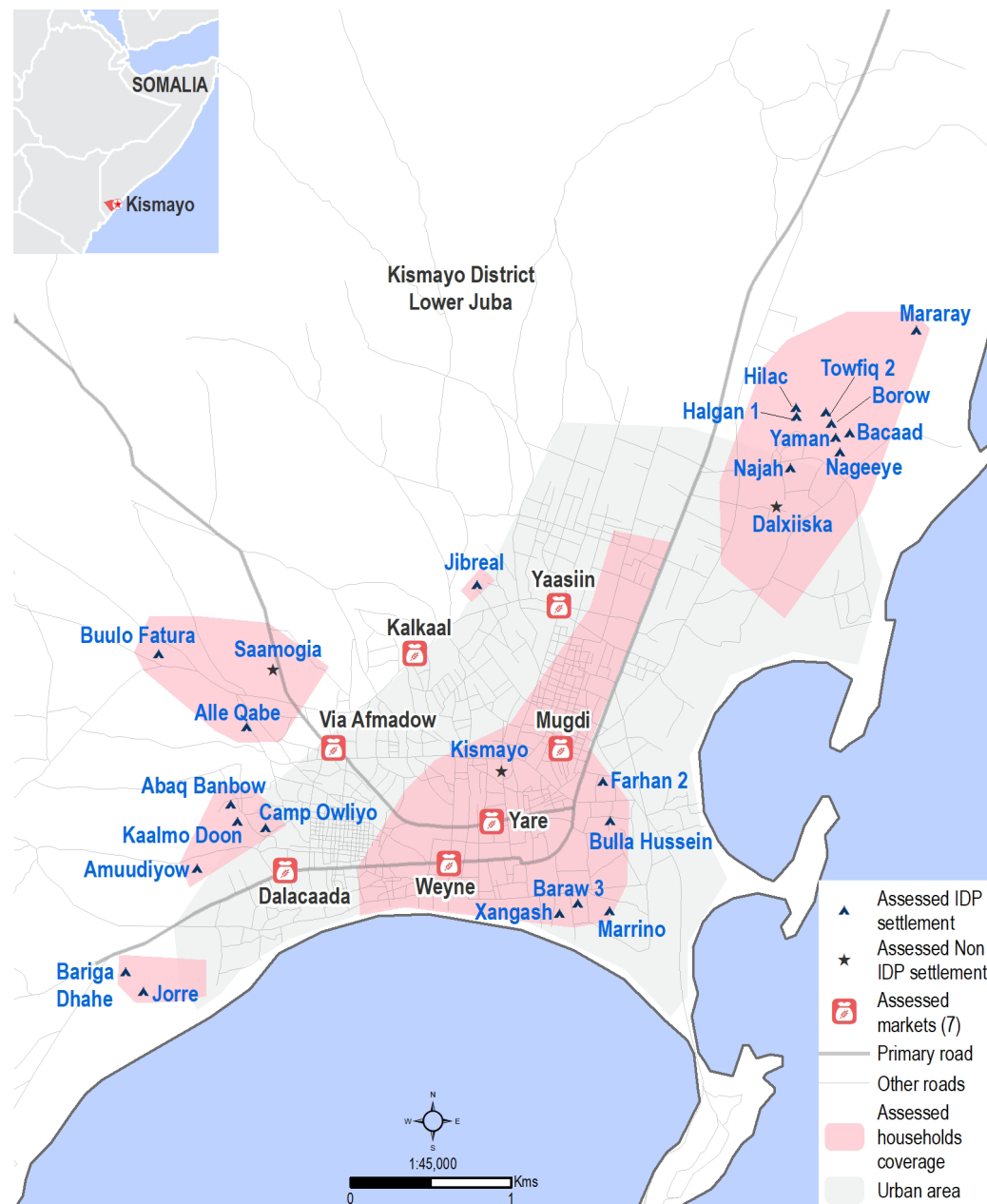
METHODOLOGY

The study applied a quantitative methodology entailing primary data collection through household surveys and individual interviews with vendors. Household surveys targeted both non-displaced and displaced households in settlements in Kismayo town and its peripheries (within 10 kilometres of its boundaries). Using stratified cluster sampling, each population group was sampled for statistical representativeness at the settlement level, with a 95% confidence level and a 8% margin of error. Population estimates were extracted from WorldPop 2015 data⁵ cross-referenced with both OCHA's and REACH Detailed Site Assessment's (DSA) settlements and population data. On the other hand, vendor interviews targeted vendors selling food commodities, hygiene items, household non-food items (NFIs) and shelter materials that inform the Somalia minimum expenditure basket (see table 1). Using purposive sampling, vendors were sampled from the seven main markets (Yaasiin, Yare, Weyne, Mugdi, Kalkaal, Dalacaada and Via Afmadow) in Kismayo town, in order to provide a detailed picture of market capacity across the whole town. At least 25 vendors were targeted per market.

Data was collected by REACH enumerators using Open Data Kit (ODK) on mobile phones or tablet devices between 02 - 10 March 2019. A total of 454 household surveys and 175 vendor interviews were conducted. During analysis, data from household surveys was weighted based on population estimates in each settlement, when aggregating to the district level.

Findings have been triangulated with secondary data.

Assessed markets and settlements



1. United Nations Office for the Coordination of Humanitarian Affairs (OCHA). 2018 Humanitarian Needs Overview. November 2018.

2. REACH. Kismayo District - Detailed Site Assessment. January 2019.

3. IOM. Consolidated Appeal for Emergency Programming. 2018.

4. REACH. Dadaab Intentions and Cross-Border Movement Monitoring. February 2019.

KEY FINDINGS

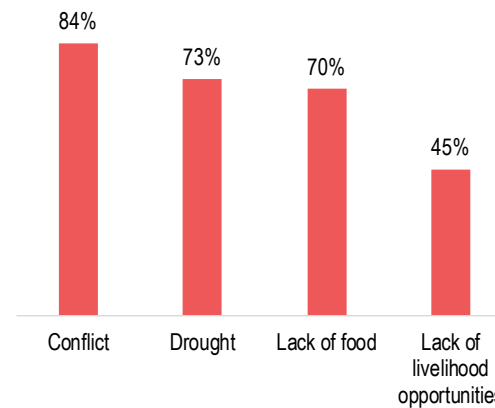
- Food, shelter and water were the most commonly reported household primary priority needs by all households. However, IDPs appeared to be more vulnerable with 43%, 26% and 23% respectively, of IDP households, compared to 38%, 20% and 16% respectively, of non-displaced households reporting these needs.
- Eight percent (8%) of all households reported that either one or more of the commodities they needed had not been available in the market for more than 15 days in the month prior to data collection. Rice was the most commonly reported commodity that was unavailable, cited by 82% of those households that reported shortages, possibly linked to high demand.
- IDP households compared to non-displaced households appeared to be living further away from markets and financial service providers. Forty-three percent (43%) of 67% of those IDP households who indicated accessing markets by walking, compared to 5% of 55% of those non-displaced households who indicated this, reported that it took them more than one hour from their homes to the markets. Additionally, 38% of 42% of those IDP households who indicated accessing financial services providers by walking, compared to 4% of 45% of those non-displaced households who indicated this, reported that it took them more than one hour from their homes to the financial service providers.
- Mobile money agent was the most common financial service provider that households had access to, reported by three-quarters of all households.
- Eleven percent (11%) of interviewed vendors reported facing security challenges in their operations including theft, forced closure of shop and/or market by authorities and risk of gun attacks for purposes other than robbery.
- Nearly three-quarters (73%) of interviewed vendors reported that they had access to credit when they needed extra capital to conduct business. The most common source of credit was banks, reported by 70% of those vendors who indicated access to credit.
- Of the commodities assessed for availability, food items were the most commonly reported commodities available in the markets while shelter materials were the least commonly reported commodities available.
- Fifty-eight percent (58%) of interviewed vendors reported that they had faced shortages in the month prior to data collection. Sugar was the most commonly cited commodity that these vendors reported shortages of.
- The majority (84%) of interviewed vendors reported that if the demand for the commodities they sold increased, then they would be able to increase their supply. On the other hand, all of the 16% of those interviewed vendors who reported that if demand for the commodities they sold increased, they would not be able to increase their supply, attributed this to a lack of capital to scale up and a lack of access to credit, potentially indicating that lack of capital is an important limiting factor to business expansion.

HOUSEHOLDS

DISPLACEMENT

The majority (69%) of IDP households reported having been displaced from elsewhere in Lower Juba Region. Of these, 56% reported having been displaced from elsewhere in Kismayo, indicating that movement is relatively localised. Twenty-three percent (23%) reported having been displaced from neighbouring Middle Juba Region.

Figure 1: Most commonly reported push factors by IDP households⁶



Conflict, drought and a lack of food were the most commonly reported push factors by IDP households. This further illustrates that the interplay of protracted conflict and natural disasters has played a key role in pushing populations to leave their areas of origin. However, it is worth noting that whilst drought and conflict were cited as the two main push factors separately, by IDP households, in most cases in the context of Somalia, "the two are so closely intertwined as drivers of displacement that it is not always possible or meaningful to distinguish between them⁷."

As demonstrated in Figure 1, lack of livelihood opportunities also plays a central role in pushing households into displacement, indicating that the current displacement crisis has a strong economic dimension into it.

The absence of conflict was the most commonly reported pull factor to current settlement, cited by 84% of IDP households. This was followed by availability of livelihood opportunities, at 81%, again indicating that displacement is also being triggered by longer-term underlying socio-economic factors.

Nearly all IDP households (98%) reported that they intended to remain and settle permanently in their current location rather than return to their area of origin. This is consistent with other REACH assessments⁸, and potentially carries significant implications on humanitarian responses - as IDPs intend to remain in their new settlements, humanitarian actors are confronted with the need to develop durable solutions, especially in urban and peri-urban areas where the majority of IDPs have settled, most of which have limited infrastructure and service provision. All the IDP households who indicated that they intended to move - 2% of the total IDP households assessed - reported that they intended to move to elsewhere in Somalia after at least a period of six months.

5. WorldPop. Somalia Population Metadata Report. Last access on 27 June 2018.

6. Households could select multiple responses.

7. European Commission (EU), Federal Government of Somalia (FGS), United Nations (UN) and World Bank Group. Somalia Drought Impact and Needs Assessment. April 2018.

NEEDS

Food (42%), shelter (19%) and water (18%) were the most commonly reported household primary priority needs by all households. However, as demonstrated in Figure 2, IDP households appeared to be more vulnerable with a higher proportion of them compared to non-displaced households reporting these needs.

Figure 2: Most commonly reported household primary priority needs, disaggregated by population group



Smaller proportions, 5% and 3%, of all households reported education and healthcare respectively as their primary priority needs. However, within this, relatively higher proportions of non-displaced households compared to IDP households reported these as their primary priority needs. Seven percent (7%) of non-displaced households compared to 1% of IDP households reported education as their primary priority need and 4% of non-displaced households compared to less than 1% of IDP households reported healthcare as their primary priority need. This potentially indicates that households, and to a larger extent IDP households, are more concerned about meeting their physiological needs before meeting other needs.

Of the commodities assessed for availability (see Table 1), food items were reportedly the most needed by households. Rice was the top primary commodity needed by households, reported by 59% of all households. This was followed by sugar at 10%, wheat flour at 9% and maize at 8%. Jerry cans was the top primary non-food commodity needed by households, reported by just 3% of all households. Again, it is likely that households are more concerned about meeting their physiological needs before meeting other needs.

Eight percent (8%) of all households reported that either one or more of the commodities they needed had not been available in the market for more than 15 days in the month prior to data collection. However, a notably higher proportion of IDP households (18%) compared to non-displaced households (4%) reported this. Rice was the most unavailable commodity cited by those households that reported unavailability, at 82%. This was followed by cooking oil at 43%, wheat flour at 40%, sugar at 39% and milk/milk powder at 36%. This is possibly due to high demand for these commodities considering their significance to the standard Somali diet.

Table 1: Food and non-food commodities assessed for availability⁹

Category	Commodities		
Food items	Sorghum	Maize	Rice
	Sugar	Wheat flour	Salt
	Tea leaves	Cooking oil	Milk/milk powder
	Meat	Tomatoes	Onions
Cooking fuel	Charcoal	Firewood	
Water, Sanitation and Hygiene items	Bar soap	Detergent e.g. Omo	Sanitary towels
	Bottled water	Water treatment products	
Household NFIs	Jerry cans	Buckets	Sleeping mats
	Blankets	Mosquito nets	Torch/light source
	Batteries	Cooking utensils	
Building materials	Building nails	Plastic sheeting/tarpaulin	Wooden poles
	Timber	Cement	Galvanised iron sheet

ACCESS TO MARKETS

Nearly all (99%) of all households reported accessing commodities from a market in Kismayo town. Walking was the most commonly cited means to access markets. As demonstrated in Figure 3, a notably lower proportion of IDP households compared to non-displaced households reported accessing markets by bus. This is possibly due to limited resources, to a larger extent among IDP households compared to non-displaced households.

Figure 3: Reported means of accessing markets, disaggregated by population group



The median transport cost for a return journey to and from the market by bus was 25 United States Dollar (USD) cents¹⁰. On the other hand, the median transport cost for a similar journey by taxi was 5 USD¹⁰.

8. REACH. Somalia Joint Multi Cluster Needs Assessment 2018. September 2018.

9. List of commodities was informed by the Somalia minimum expenditure basket (MEB) as defined by Food Security and Nutrition Analysis Unit (FSNAU).

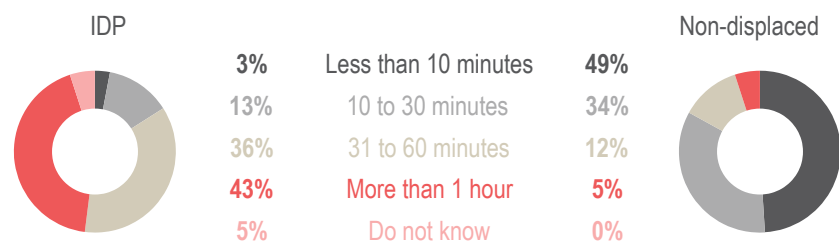
<http://www.fsnau.org/downloads/CMB-Cash-Based-Intervention-Urban-Main-Markets-May-2019.xls>

10. Reported in Somali Shillings and converted to USD at a market rate of 1 USD=24,000 Somali Shillings.

Of those non-displaced households who indicated accessing markets by bus, 84% reported that it took them 30 minutes or less from their homes to the markets. A notably lower proportion of IDP households reported this, at 50%. This can likely be attributed to non-displaced households living closer to markets compared to IDP households.

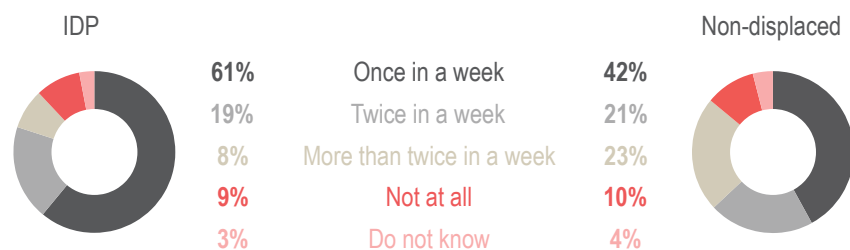
Whilst 49% of those non-displaced households who indicated accessing markets by walking reported that it took them less than 10 minutes from their homes to the markets, only 3% of IDP households reported this. On the other hand, while 43% of those IDP households who indicated accessing markets by walking reported that it took them more than one hour from their homes to the markets, only 5% of non-displaced households reported this. This suggests that non-displaced households live closer to markets compared to non-displaced households. Also, this further reinforces the earlier observation that, likely owing to limited resources, IDP households to a larger extent are forced to walk to markets as opposed to using other means of transport such as buses.

Figure 4: Reported time taken by those households who indicated that they walked from their homes to markets, disaggregated by population group



Regarding frequency of accessing markets, 18% of all households reported accessing markets more than twice in a week, 21% twice in a week and 46% once in a week. Ten percent (10%) reported not accessing markets at all in the same period. However, as demonstrated in Figure 5, only 8% of IDP households compared to 23% of non-displaced households reported accessing markets more than twice in a week.

Figure 5: Reported market access frequency, disaggregated by population group



While this could be linked to preference, it is likely that less proximity and transportation costs hinder IDP households especially, from accessing markets as often.

The majority (96%) of households reported that they did not face any challenges when accessing markets. Not having someone to look after children or the elderly while visiting market, at 58%, and markets being too far, at 50%, were the top challenges reported by the 4% of households who indicated facing challenges when accessing markets.

ACCESS TO FINANCIAL SERVICE PROVIDERS

Mobile money agent was the most common financial service provider that households had access to, reported by three-quarters of all households. This was followed by a Hawala agent, at 4%, and a bank, at less than 1% - all non-displaced households. Just over a fifth (21%) reported no access to any financial service provider. This finding is in line with World Bank's 2018 Somalia Economic Update which highlights that almost three-quarters of Somalis above the age of 16 years use mobile money services on a regular basis, making Somalia one of the most active mobile money markets in the world¹¹.

While there has been a rapid uptake in the use of mobile money as a channel for cash and voucher delivery globally, this is a relatively new use¹². Further research and innovation is therefore key to adapt existing mobile money systems so as to allow humanitarian organisations to quickly distribute cash and voucher assistance to affected populations and for affected populations on the other hand to quickly and efficiently access this assistance. In the case of Kismayo and the wider Somalia, research and innovation around tiered Know Your Customer (KYC) in particular, is key considering the lack of a robust and inclusive national identification system in the country¹³.

All the households who indicated access to financial service providers reported that they did not incur any charges for money withdrawals. It is likely that this was charged to the sender. In addition, 56% of these reported accessing them by bus while 44% reported accessing them by walking. The median transport cost for a return journey to and from the financial service providers by bus was 25 USD cents¹⁰.

Of the 45% of non-displaced households who indicated accessing financial service providers by walking, 89% reported that it took them 30 minutes or less from their homes to the financial service providers. In comparison, 12% of 42% of those IDP households who indicated accessing financial service providers by walking, reported this. As with markets access, it is likely that non-displaced households live closer to financial service providers compared to IDP households.

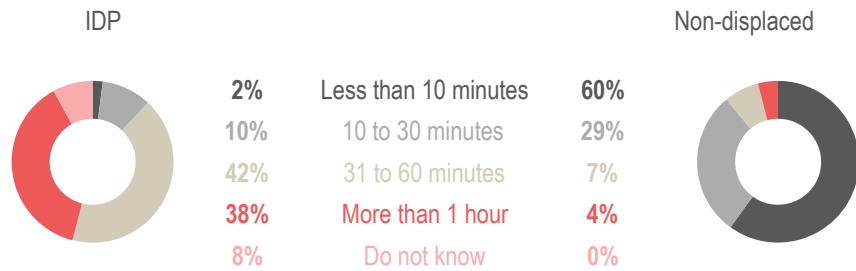
Relatedly, whilst 38% of those IDP households who indicated accessing financial service providers by walking reported that it took them more than one hour from their homes to the financial service providers, only 4% of non-displaced households reported this. As with markets access, it is likely that owing to limited resources, IDP households especially are forced to walk to financial service providers as opposed to using other means of transport such as buses.

11. World Bank Group. Somalia Economic Update - Rapid Growth in Mobile Money: Stability or Vulnerability? August 2018.

12. GSMA. Mobile for Humanitarian Innovation - Landscaping the Digital Humanitarian Ecosystem. December 2018.

13. The New Humanitarian. Fingerprinting Somalia. April 2019.

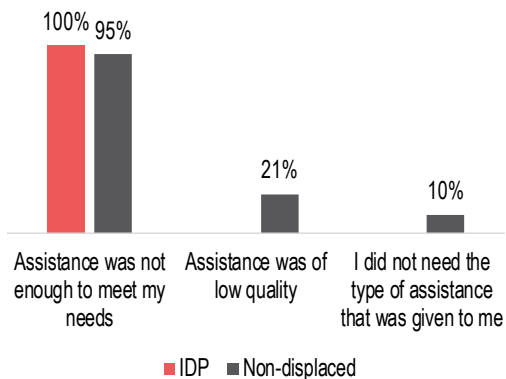
Figure 6: Reported time taken by those households who indicated that they walked from their homes to financial service providers, disaggregated by population group



HUMANITARIAN ASSISTANCE

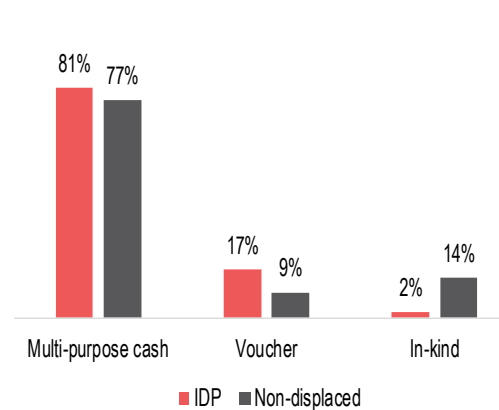
Just 16% of non-displaced households and 6% of IDP households reported that at least one member had received any kind of humanitarian assistance in the three months prior to data collection. The majority, (85%) of those non-displaced households who indicated having received humanitarian assistance, received it in the form of in kind food. This suggests that in kind food assistance remains the most prevalent form of humanitarian assistance in Kismayo, despite substantial increased emphasis on cash delivery in the past two years¹⁴. On the other hand, water treatment products, at 37%, and shelter materials, at 31%, were the most common forms of humanitarian assistance among those IDP households who reportedly received humanitarian assistance.

Figure 7: Reasons for dissatisfaction as reported by those households who indicated dissatisfaction with humanitarian assistance received, disaggregated by population group⁷



Sixty-nine percent (69%) and 6% of those non-displaced and IDP households respectively, who indicated receiving humanitarian assistance, reported dissatisfaction with assistance received. As figure 7 demonstrates, the most commonly cited reason for dissatisfaction was that humanitarian assistance was insufficient to meet the needs of the household. Additionally, 10% of those non-displaced households who indicated dissatisfaction cited that they did not need the type of assistance that was given to them, suggesting potential issues with targeting.

Figure 8: Reported preferred assistance modality, disaggregated by population group



The majority of households (see Figure 8) indicated multi-purpose cash as their preferred assistance modality. More freedom to purchase preferred brands and/or commodities from preferred vendors was the most common reason for this preference, reported by 96% and 73% of those IDP and non-displaced households respectively, who indicated preference for multipurpose cash. This was followed by cash provides the opportunity to save for times of greater need, reported by 58% of IDP households and 47% of non-displaced households.

The majority of those households who indicated preference for voucher attributed this to less security risks. Seventy-three percent (73%) of those IDP households who indicated preference for voucher reported that vouchers were safer to carry and store compared to cash and 56% reported that generally vouchers bore less security risks compared to other modalities. Relatedly, 47% of those non-displaced who indicated preference for voucher attributed this to vouchers being safer to carry and store compared to cash.

All the IDP households who indicated preference for in kind assistance reported that this was because they preferred not to visit the market. Sixty percent (60%) attributed this preference to currency instability and 40% to price instability at the market. Of those non-displaced households who indicated preference for in kind assistance, 40% attributed this preference to inability to access markets, 32% to poor quality of items at the market and 28% preferred not to visit the market.

CASUAL LABOUR

Thirty-two percent (32%) of IDP households and 30% of non-displaced households reported that at least one household member had worked in casual labour in the 30 days prior to data collection. The construction industry was the most commonly reported primary industry where they had worked, cited by 53% and 42% of those IDP and non-displaced households respectively, who indicated that at least a member had worked in casual labour. This was followed by domestic work among IDP households, at 37%, and food industry among non-displaced households, at 20%.

Reported wage rates varied both across and within the different industries and this was attributed to a number of factors. For instance, in the domestic work industry, our enumerators confirmed that the financial status of the employer played a significant role in defining the wage rate. In addition, wage rates within an industry also tended to vary depending on where in the value chain a worker fell. As such, the median wage rates illustrated in Table 2 should be considered as only indicative of the industry rates.

14. OCHA. Using Cash-based Interventions to Prevent Famine in Somalia. 2017.

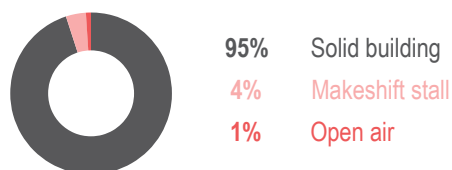
Table 2: Median wage per day based on wages reported by households, disaggregated by industry

Industry	Median wage per day (SoSh)	Median wage per day (USD) ¹⁰
Food industry	180,000	7.50
Electrical repairs	120,000	5
Tailoring	120,000	5
Construction	90,000	3.75
Transport	85,000	3.50
Agriculture	65,000	2.70
Carpentry	60,000	2.50
Domestic work	50,000	2
Fishing	49,000	2

VENDORS

VENDOR INFRASTRUCTURE

Figure 9: Observed shop structures



The majority of assessed shops were open for the better part of the week. Seventy-eight percent (78%) and 22% of interviewed vendors reported that their shops were open six days and seven days a week respectively. Further, as demonstrated in Figure 9, the majority of assessed shops had a solid building structure.

Regarding storage, 80% of those interviewed vendors whose shops have a solid structure reported storing extra stock in the shop, 23% in a warehouse and 7% at home. Eighty-eight percent (88%) of those interviewed vendor whose shops have a makeshift structure reported storing extra stock at home and 12% in a friend's shop. All interviewed vendors who traded in the open air reported storing extra stock at home.

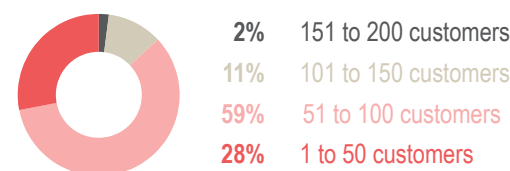
Just under three-quarters (74%) of interviewed vendors indicated that they paid rent for their shop/space in the market. The vast majority (98%) of these paid rent to a private landlord while 2% preferred not to report whom they paid rent to. The median rent was reportedly 50 USD per month^{10,15}.

Just 11% of interviewed vendors reported facing security challenges. Risk of theft was the most common security challenge faced, cited by all the vendors who indicated that they faced security challenges. This

was followed by forced closure of shop and/or market by authorities at 45% and risk of gun attacks, for purposes other than robbery, at 5%.

Two-thirds of interviewed vendors reported facing non-security challenges. Contamination of commodities in shop by rodents and pests was the most commonly reported challenge, reported by 92% of those vendors who indicated that they faced non-security challenges. This was followed by expiry of commodities at 42%, difficulties in carrying commodities from storage to shop at 34% and rotting of commodities in shop, due to factors such as water leakages, at 5%.

Figure 10: Reported number of customers served in a week

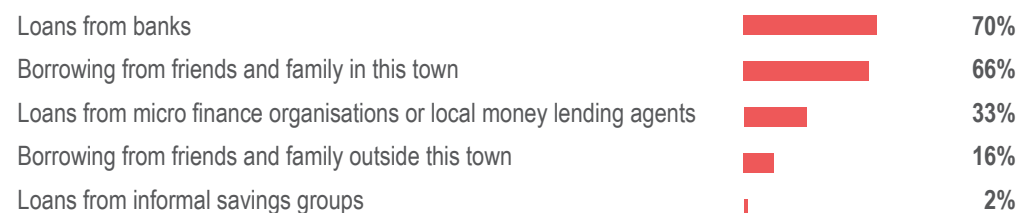


The majority of interviewed vendors (59%) reported serving 51 to 100 customers in a week. Whilst customer base is a potential indicator for scale of business, there is need for further research to establish what factors drive the customer base in this particular context, for instance whether it is demand or supply driven.

ACCESS TO CREDIT

Nearly three-quarters (73%) of interviewed vendors reported that they had access to credit when they needed extra capital to conduct business. As demonstrated in Figure 11, the most commonly reported source of credit was banks. Considering the earlier finding that less than 1% of assessed households had access to banks, it is likely that while mobile money services are more dominant, vendors are accessing banking services to a larger extent in order to benefit from services, such as trade financing, which may otherwise be limited when it comes to mobile money services. Borrowing from friends and family living in Kismayo was the second most commonly reported source of credit. Ernst & Young estimates that two-thirds of businesses in Somalia rely on friends and family for financing due to unfavourable lending conditions, such as overcollateralisation, by banks¹⁶.

Figure 11: Sources of credit reported by those vendors who indicated access to credit¹⁷



15. Based on monthly rent reported by interviewed vendors.

16. Ernst & Young. Expanding the Circles of Trust: Unleashing the Power of Financial Intermediation and Global Connectedness for Somalia. 2018.

17. Interviewed vendors could select multiple responses.

In addition, interviewed vendors were asked if they allowed their customers to purchase commodities on credit. Ninety-five percent (95%) reported that they allowed only trusted customers to buy on credit, 4% reported that they never allowed customers to buy on credit and 1% reported that they allowed all customers to buy on credit.

MARKET SUPPLY

Of the commodities assessed for availability (see Table 1), food items were the most commonly reported commodities available in the assessed markets. On the other hand, shelter materials were the least commonly reported commodities available.

Figure 12: Most commonly reported commodities available in markets¹⁷

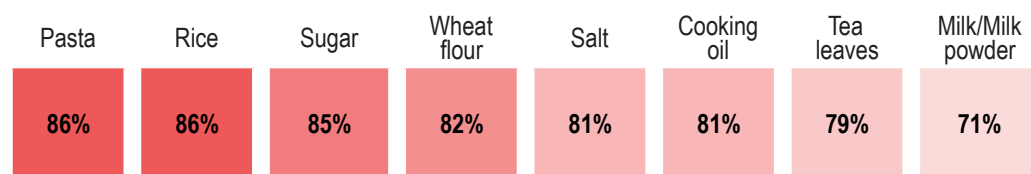
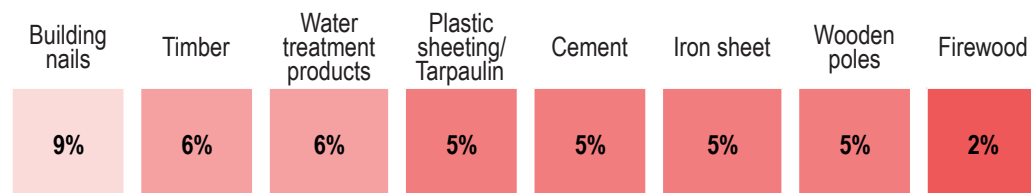


Figure 13: Least commonly reported commodities available in markets¹⁷



In order to better understand the main supply routes, vendors were asked to indicate their main sources of supply and where possible map the main locations supplies pass through as they are being transported from the supplier to the vendor. However, as a limitation to this study, most of the vendors targeted were retailers hence mainly relied on wholesalers within Kismayo for their supplies - 87% of interviewed vendors reported wholesaler in own town/market as their main source of supplies. Local producers was the second most reported main source of supplies, indicated by 30% of interviewed vendors. This was followed by a supplier from the district capital at 17%, supplier from another town, mainly Mogadishu, at 3% and supplier outside the country, mainly Kenya and China, at 2%.

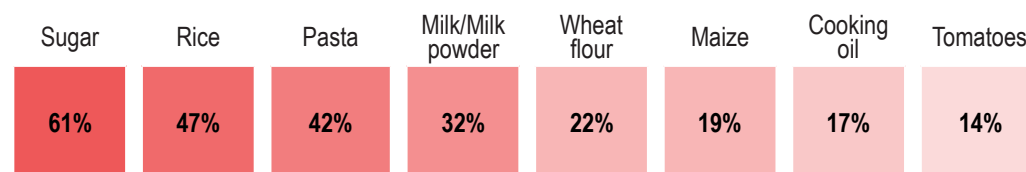
Regarding transportation, 80% of interviewed vendors reported using a hired vehicle to transport commodities from their supplier. Eleven percent (11%) reported using their own vehicle, 7% using other

means of transport (wheel barrow among those vendors who reported sourcing supplies from within their town and ship among those who reported sourcing supplies from outside the country), 1% using professional transporters and another 1% had their supplier deliver to them.

Forty-three percent (43%) of interviewed vendors reported that either themselves or their supplier/transporter had faced challenges when transporting commodities. Poor quality of roads was the most commonly reported challenge, cited by 87% of those vendors who indicated that they had faced challenges during transportation. This was followed by risk of theft at 77%, closure of roads by authorities at 47%, closure of roads by armed groups at 11% and arbitrary detention at 3%. This has the potential to restrict the movement of supplies and negatively impact availability of commodities at the market.

Regarding shortages, 58% of interviewed vendors reported that they had faced shortages in the month prior to data collection. However, it is worth noting that while nearly no vendors reported shortage of households NFIs and shelter materials, these are among the least commonly available commodities in the assessed markets. Only 5% of interviewed vendors reported selling galvanised iron sheets, wooden poles, plastic sheeting and cement, 6% timber, 10% blankets, 13% cooking utensils, 14% sleeping mats and 15% mosquito nets.

Figure 14: Top commodities that interviewed vendors reported shortage of in the month prior to data collection¹⁷



Six percent (6%) of interviewed vendors reported restocking more than twice in a week, 29% twice in a week, 1% once in a week, 3% not stocking at all and 1% could not tell how often they restocked.

The majority (84%) of interviewed vendors reported that if the demand for the commodities they sold increased, then they would be able to increase their supply. Of these, 91% indicated that they would achieve this by restocking more often, 41% by buying more from their suppliers each time they restocked, 31% by buying from other suppliers in addition to the ones they normally buy from and 30% by buying commodities on credit, to be repaid with profit from increased sales. On the other hand, all of the 16% of the interviewed vendors who reported that if demand for the commodities they sold increased, they would not be able to increase their supply, attributed this to a lack of capital to scale up and a lack of access to credit, potentially indicating that lack of capital is an important limiting factor to business expansion. Fourteen percent (14%) indicated that their suppliers did not have enough/additional stock and 7% indicated that they did not have enough and secure storage space to store additional stock.

CONCLUSION

Based on this study, vendors to a good extent, have the capacity to respond to increased demand if market-based interventions were scaled up in Kismayo.

However, for actors planning shelter and/or NFIs interventions, sector based analyses may be of importance to determine ways in which their interventions can better take into account beneficiaries' modality preferences, facilitate working with existing local markets and at the same time achieve their intended objective. This is given that shelter materials and household NFIs were the least commonly reported commodities available in assessed markets.

Further, with nearly all assessed IDP households reporting that they intended to remain and settle permanently in their current location, this suggests a shift from traditional agro-pastoral livelihood sources and hence confronts humanitarian actors with the need to develop durable solutions for IDPs.

Going forward, an expansion of the list of commodities assessed for availability should be considered to make it even more multi-sectoral and allow for an analysis around the supply and demand of, for instance, education and healthcare related commodities. This may potentially significantly increase knowledge around markets to sectors that apply market-based interventions to a lesser extent. One way of achieving this is by engaging different clusters to share their lists of key commodities. In the same breath, an evaluation of how transportation costs impact household expenditure could be considered. This is given the finding that, likely owing to limited resources, IDP households especially, are forced to walk to access markets and/or financial service providers as opposed to using other means of transport such as buses.

More in depth analysis of supply routes is also key to establish important enablers and barriers to supplies. Similarly, further analysis into causes of commodity shortages is key.

Further, considering the popularity of mobile money transactions in Kismayo and the larger Somalia, research and innovation to adapt existing mobile money systems to ensure quicker and more efficient distribution of and access to assistance is imperative.

About REACH

REACH facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT). For more information, please visit our website: www.reach-initiative.org. You can contact us directly at: geneva@reach-initiative.org and follow us on Twitter @REACH_info.