

Understanding livelihood-related urban-rural connections for women from Displacement Affected Communities (DACs) in South-West State of Somalia:

Mapping rural ↔ urban linkages



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Cover photo: A woman sells milk alongside fellow members of her Self-Help Group / Khalid Abdi Ibraahim

¹ BRCiS is a consortium of international and local non-governmental organizations (NGOs) working at the humanitarian-development nexus. It is led by the Norwegian Refugee Council (NRC) and includes international NGOs: Action Against Hunger (ACF), CESVI, Concern World Wide (Concern), International Rescue Committee (IRC), and Save the Children and local NGOs: GREDO and KAALO.

² Danwadaag Durable Solutions Consortium is a partnership of organizations working with displaced communities in Somalia. It is led by the International Organization for Migration (IOM) and includes NRC, Concern, the Regional Durable Solutions Secretariat (ReDSS), and two local NGOs: Gargaara Relief Development Organization (GREDO) and the Juba Foundation.

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Glossary

<i>Ayuto</i>	Informal VSLAs
<i>Bagaash</i>	Imported food items for daily use (oil, sugar, salt, etc.)
<i>Bajaaj</i>	Rickshaw
<i>Bakhaar</i>	Trade credit
<i>Caasi</i>	Van
<i>Hoorsi</i>	Traditional approach where someone lends their land to another person for free for a period of time to cultivate. There is no expectation usually to get something in return, but the owner receives some of the products from the farms as a gift.
<i>Murabaha</i>	Sharia-compliant financing contract wherein FSPs purchase in asset on behalf of a client, and then sell the asset back to the client on gradual payment terms at an appropriate margin.
<i>Mas'haf</i>	Quraan
<i>Qardu Hassan</i>	An interest-free, short-term financing product provided by FSPs. This is the only existing loan product in Islamic finance.

Acronyms

ACF	Action Against Hunger
ACTED	Agency for Technical Cooperation and Development
BRCiS	Building Resilient Communities in Somalia
CCCM	Camp Coordination Camp Management
CESVI	Cooperazione e Sviluppo
DAC	Displacement-affected communities
DRC	Danish Refugee Council
FGD	Focus group discussion
FEWS NET	Famine Early Warning Systems Network
FSNAU	Food Security and Nutrition Analysis Unit
GREDO	Gargaara Relief Development Organization
IDI	In-depth interview
IDP	Internally displaced person
ILO	International Labor Organization
IOM	International Organization for Migration
IRC	International Rescue Committee
KAALO	Kenya Alliance for Orphans and Vulnerable Children
KII	Key informant interview
NGO	Non-governmental organization
NRC	Norwegian Refugee Council
MARDO	Mandhere Relief and Development Organization
MFI	Microfinance institution
ReDSS	Regional Durable Solutions Secretariat
SCEC	Somali Center for Education and Consultancy
SCI	Save the Children International
SHG	Self-help group
SIH	South West Innovation Hub
SME	Small and medium enterprise
TVET	Technical and vocational education and training
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
USAID	United States Agency for International Development
VSLA	Village savings and loan association
WHCRO	Women Health Care and Relief Organization

Executive Summary

Record-breaking population displacement in South West State as a result of the 2021-23 drought and continued insecurity has led to rapid urbanization, particularly in Baidoa Town, the interim capital. Amidst concerns that too much of the rural population has left agricultural and pastoral areas and that the land is too degraded to recover its former productive capacity, and alongside uncertainty about how displaced people can generate livelihoods and incomes in their new urban context, durable solutions and resilience actors are asking: How can the existing capacities and connections of individuals and the overarching rural↔urban market system be leveraged to support recovery and enable resilience?

Informed by market systems resilience mapping literature³ and guided by the objective prompting this activity, this report defines the rural↔urban market system as a dynamic space that includes:

- 1) the “connections and fluxes of goods, services, money, people, and information circulating between rural and urban displacement-affected communities (DACs) in Southwest State” (referred to here as the rural↔urban chain) as well as
- 2) the surrounding enabling environment, including supporting functions such as inputs and services, relationships, and rules and regulations.

Methods.

This report shares findings from exploratory, in-depth, participatory, and mixed-methods research with 39 women DACs from four self-help groups (SHGs) in Baidoa Town. It includes insights from qualitative interviews with 16 of their trade connections in urban and rural areas and 18 key informants representing government ministries, non-governmental organizations (NGOs), financial service providers, training organizations, private sector trade associations, and more. The findings are intended to be indicative to inform programming and guide future, more targeted research.

Basics of rural↔urban trade in South West State.

Despite significant challenges related to insecurity and informal taxation, poor road infrastructure, minimal means of and resources for transportation, and limited formal financial services, Baidoa Town is well-integrated with the surrounding rural area of South West State, which hosts the country’s high-potential agro-pastoral livelihood zone. Bay and Bakool Regions, especially, are home to the country’s sorghum belt and are well known for livestock and other agricultural products, sold throughout the country and exported internationally. As a result, Baidoa Town is a major trade hub, and most of the women DACs in this study engage in microenterprise and petty trade.

What is not discussed prominently in the literature but was revealed through this study is the prevalence of trade flows moving in the opposite direction. Imported food items known locally as *bagaash*, clothing, and manufactured products enter the country via Mogadishu, are brought to Baidoa Town, and are then distributed throughout rural areas, where there is significant demand that is only expected to increase. While some of the women DACs’ businesses remain too small to diversify, not even earning enough to cover their families’ basic needs, members with more established businesses often sell a mix of locally produced and imported goods.

³ For instance: USAID. 2018. [Market Systems Resilience: A Framework for Measurement](#). Jeanne Downing, Michael Field, Matt Ripley, and Jennefer Sebstad. See also: United Nations High Commissioner for Refugees (UNHCR). 2017. [Guide to Market-Based Livelihood Interventions for Refugees](#). Nadja Nutz. Geneva: ILO.

Rural-urban market connections.

Women DACs actively maintain connections with relatives in their rural origins—many of which are within Baidoa District and most others elsewhere in Bay or Bakool—through phone calls, visits, and the exchange of goods and money. These relationships form an important part of their financial and emotional support systems. However, the women’s primary market connections are to wholesalers in Baidoa Town, which in turn source their goods from nearby hinterland markets such as Gofgaduud and Awdiinle or more remote rural markets or suppliers. Transporters are crucial market actors, facilitating the movement of goods and people within the city and connecting it with rural areas, at least in the dry season when the generally poor road conditions are passable.

Enabling factors.

Several factors have allowed trade to thrive despite the seasonal nature of production, climate shock-prone environment, and other challenges that characterize the rural ⇔ urban system. In addition to physical marketplaces, where women DACs and traders go to buy and sell, engage with other market actors, exchange information, and conduct market research, the mobile phone network and mobile money transfer services greatly facilitate rural ⇔ urban trade and personal connections. Despite financial service providers’ efforts to reach vulnerable groups, availability of and access to financial services are severely limited across the whole rural ⇔ urban system. This is viewed by actors at all levels as a major constraint. However, informal credit—based on trust, loyalty, accountability, and carefully cultivated relationships—is heavily used, both by actors along value chains as well as among family and neighbors.

Several types of savings groups exist in Baidoa Town, including formal groups that have been trained by NGOs or otherwise registered formally—such as SHGs and Village Savings and Loan Associations (VSLAs)—and informal, unregistered groups created by community members, such as traditional *ayutos*. While this study focused on SHGs, many of these groups promote a culture of saving, enable access to savings and credit to meet emergency needs and support business investments, facilitate the development of social capital, and serve as platforms via which participants can encourage one another, share market information and business strategy, and connect one another to opportunities and suppliers. In urban areas, savings groups are fairly prevalent, but these and other trade groups are not very common in rural areas. NGOs have offered some training and capital investments through the SHGs, which has been impactful for the participating women DACs. However, more is needed, both for existing SHG members, other women DACs in urban areas, and throughout rural areas.

Drought and humanitarian assistance.

The 2021-23 drought has significantly impacted the rural ⇔ urban market system, depressing production, trade, purchasing power, and demand and leading to greater reliance on imported food relative to locally produced food. While many key informants suggested that the responding humanitarian assistance to this and other crises has created or perpetuated a culture of aid dependence, the women DACs participating in this study only sporadically benefitted from such assistance. Given the prioritization of sharing and mutual support within the local culture, when women DACs do receive aid, they offer as much as they can to others who are in even more dire circumstances, for instance, to family in rural areas. It is the understanding of the researchers that given the extent of need and limited total funding available, the experience of other DACs in the city may be similar. Importantly, the extent of the drought’s impact on production means that humanitarian assistance is largely propping up the whole economy. Many of the women DACs’ businesses—and those of their suppliers, transporters, etc.—are being held afloat by purchases enabled by emergency cash transfers.

Market systems resilience capacities.

A synthesis inspired by USAID's Market Systems Resilience Assessment (MSRA) framework suggests that there is a divergence within most dimensions of market systems resilience capacity. For example, connectivity is constrained by the insurgency, other insecurity, and the poor road network, but other aspects are very strong, facilitated by Somali culture's emphasis on cultivating relationships and by the mobile network. Similarly, while the system as a whole engages in bi-directional trade and traders themselves often sell goods from both the rural→urban and urban→rural chains, there is limited value addition and traders primarily sell the same common goods rather than unique products that are distinguished from others available in the market. While formal rules, regulations, and taxation are fairly limited, especially for smaller traders like the women DACs, and insecurity is a concern, most participants agreed that the informal system operates fairly well, with apparent equality and fairness and high levels of trust. Similar diverging findings were noted for the other resilience dimensions.

Recommendations.

To support the rural↔urban system, participants suggested exploring emerging sectors like energy and peri-urban agriculture, improving basic services and production in rural areas, investigating ways to extend access to finance into rural areas, establishing and supporting collaborative business groups, exploring options for technology and digital platforms, animal re-stocking, establishing new processing businesses, improving infrastructure—especially roads and security, strengthening local municipalities, and investing in longer-term projects. Some of these could be implemented in partnership with women DACs in Baidoa Town, leveraging their rural linkages to their origin areas. For example, training, cash grants, and innovative financing could be geared toward supporting women DACs to develop or adapt their businesses to make more use of their rural connections. Training-of-trainers or other committee-based models could employed such existing SHGs could help establish new SHGs in rural locations.

To support women DACs, the following were recommended: improving financial inclusion through partnerships and sensitization of existing services; providing more training and business coaching; offering capital grants; creating platforms and networks of women DACs, SHGs, and other stakeholders vested in or who could help foster their success; creating more SHGs and other livelihood-oriented groups; creating communal jobs and farms; encouraging women to diversify the products they sell and engage in value addition/processing; improving social cohesion; and providing psychosocial support.

The researchers also recommend the following:

- Given the interdependence of the entire rural↔urban market system—including personal and trade relationships, the extent to which it is internally leveraged through trade credit, and its current dependence on humanitarian aid, humanitarian actors must take care in transitioning the economy back to natural market dynamics as the drought's effects ease.
- In-depth microeconomic assessments of rural areas that incorporate geospatial analysis can yield a more localized understanding of rural production. Future studies could explore yet unmapped value chains and include deep dives on peri-urban agriculture and electricity/solar.
- More nuanced definitions of the term 'rural,' for instance accounting for geospatial considerations such as population density distributions, distance to trade hubs, road quality, and insecurity can yield more precise conversations about, and programming related to, rural areas. Greater efforts around marketing and sensitization are needed to raise awareness among women DACs about products, services, and other initiatives that have been designed for them. Recognizing that it takes time to build trust and relationships with stakeholders in this context, as well as to work with participants who are not literate and are struggling to meet their basic needs, anticipate that change may be gradual and require repeated, sustained engagement.

1 Introduction

Somalia is currently recovering from yet another major drought that has threatened and cost lives, further taxed the capacity of the land, eroded current and potential rural livelihoods, and led to unprecedented levels of population displacement, mostly from rural areas to urban centers. As the country looks toward the future, a major question is how individuals, families, and the economy as a whole will move forward now that millions have relocated away from areas where they can practice their traditional livelihoods of cultivation and livestock rearing.

Bay Region, situated within South West State, has been an epicenter of the displacement crisis, which has been exacerbated by an ongoing insurgency and other conflict. Between January 2022 and April 2023, the region experienced 483,000 departures and 283,000 arrivals. Aside from Mogadishu, the primary destination for displaced people from the region and across South West State was Baidoa District, primarily urban Baidoa Town, where they joined hundreds of thousands of others who had been displaced from previous crises and other events. As of July 2022, Baidoa Town included around 600,000 internally displaced persons (IDPs).⁴ A significant share of these were women and children.

While Baidoa has recently garnered significant attention from the international community as a hotspot in this humanitarian emergency, historically and economically speaking, the city acts as a major trade hub. It is well integrated with the surrounding rural areas, which usually—during less drought-affected years—serve as the country’s breadbasket, and it is strategically connected to Mogadishu, Kenya, and Ethiopia. Given the typical seasonal rhythm of production, there is a normal seasonal flow of people, goods, and money between rural and urban areas.

The people who have experienced displacement—though now living in new places with new challenges—remain situated within this broader dynamic economic system. While displacement is often conceived of as a one-way movement, in fact, many displaced people continue to move, trade, and interact with others along the rural ↔ urban continuum.⁵

Amid concerns that too much of the rural population has left agricultural and pastoral areas and that the land is too degraded to recover to its former productive capacity, and alongside uncertainty about how crisis-affected people from rural areas can generate livelihoods and incomes in urban contexts, durable solutions and resilience actors are asking: How can existing capacities and connections of individuals and the overarching rural ↔ urban system be leveraged to support recovery and enable resilience?

This report shares findings from exploratory, participatory research aimed at better understanding the dynamics of rural ↔ urban connections and flows within the drought context. To be human-centered, actionable, and build on existing investments made by durable solutions and resilience actors, the study was centered around a group of women from displacement-affected communities (DACs) who are members of self-help groups (SHGs). It also included interviews with a wide range of actors within the rural ↔ urban system, including traders, transporters, financial service providers (FSPs), training organizations, cooperatives and trade associations, government actors, and non-governmental organizations (NGOs).

⁴ Camp Coordination Camp Management (CCCM) Cluster Somalia. 2022. “[Baidoa Town Verified IDP Sites](#),” UN-HABITAT. 2023. [Baidoa City Strategy](#). Francesco Tonnarelli and Nick Maddock.

⁵ Because economic and displacement flows are often conceived of as moving *from* rural areas *to* urban ones (for instance, most value chain analysis focuses on rural areas as the seat of production), this report uses the ↔ notation as a reminder that people, goods, and money move in both directions.

Following this introduction, Section 2 introduces the research intent and approach, which is further detailed in Annex 1. An overview of the various rural ↔ urban flows is provided in Section 3. Section 4 describes the actors and connections along the rural ↔ urban chain, and Sections 5 and 6 present the rules, regulations, and supporting functions—or lack thereof—that characterize the system as a whole. Section 7 situates all of this within the context of the recent drought and discusses the extent to which the system has remained resilient. While this study did not follow the USAID Market Systems Resilience Assessment (MSRA) methodology and indicators, Section 8 draws on its framework, based on eight dimensions of resilience capacity, to discuss the findings. Recommendations solicited from the study’s participants and advised by the researchers based on the study’s findings are shared in Section 9. Annex 2 offers detailed maps.

This report is part of a broader learning activity for the USAID-funded Scaling Solutions in Somalia Project. The activity’s Inception Report,⁶ which contains an in-depth desk review on the local economy, including several recent market systems assessments and other relevant works,⁷ serves as a particularly useful complement to this report for those interested in further detail, especially regarding certain value chains. This report is also accompanied by a qualitative profile of the lives, livelihoods, and linkages of the participating women DACs;⁸ a report on the activity’s human-centered co-design workshop; a comprehensive report summarizing the whole learning activity;⁹ the [“Businesswomen of Baidoa”](#) interactive report; and a video, [“A Glimpse into the Livelihood-Related Urban-Rural Connections for Women from DACs in South-West State of Somalia.”](#)

⁶ BRCiS, Danwadaag, and USAID. 2023. *Mixed approach learning consultancy: Understanding livelihood-related urban-rural connections for women from Displacement Affected Communities (DACs) in South-West State of Somalia: Inception Report*. Jenny Spencer and Badra Yusuf.

⁷ Notably UN Women’s 2021 [Market Assessment of Microbusiness Opportunities for Women in IDP Communities and Their Host Communities](#); Springer, Joanna, Tracy Slaybaugh-Mitchell, Guhad Adan, and Alison Bean de Hernandez. [“Comparative Resilience of Somali \(Non-Producer\) Grain and Livestock Market Systems in Baidoa and Hudur,”](#) *Enterprise Development and Microfinance* 33, 1; BRCiS’ 2023 [Market Systems Resilience Assessment Report: Milk, Cowpeas, and Leafy Greens, in Baidoa and Surrounding Villages](#). Shem Mecheo, Abubakar Noor Adan, and Karri Goeldner Byrne; NRC’s 2021 *Honey Business in Somalia - A Baseline Assessment*; SCI’s 2021 *Honey Value Chain Assessment in Baydhabo and Beledwayne*; UN-HABITAT’s 2023 [Baidoa City Strategy](#); and Concern World Wide’s 2020 *Mapping of Financial Services for SHGs and Barriers for Women to Access Microfinance Services in Somalia* by Nathaniel Calhoun, Courtenay Cabot Venton, Toscane Clarey, Dr. Abdirisak Dalmar, and Farah Bashir.

⁸ BRCiS, Danwadaag, and USAID. 2023. *Mixed Approach Learning Consultancy: Understanding Livelihood-Related Urban-Rural Connections for Women from Displacement Affected Communities (DACs) in South-West State of Somalia: Women DACs’ Lives, Livelihoods, and Linkages*. Jenny Spencer, Badra Yusuf, Elvirah Riungu, Sophia Alden, and Gabrielle Hubert.

⁹ BRCiS, Danwadaag, and USAID. 2023. *Understanding Livelihood-Related Urban-Rural Connections for Women from Displacement Affected Communities (DACs) in South-West State of Somalia: Comprehensive Report on a Multi-Phased Learning Activity*. Jenny Spencer, Badra Yusuf, and Elvirah Riungu.

2 Intent and approach

The primary research question guiding this activity was: **How can connections and fluxes of goods, services, money, people, and information circulating between rural and urban displacement-affected communities in Southwest State be utilized to improve livelihood opportunities and protect, stabilize, and grow the income of said communities?**

Informed by this question and the market systems resilience mapping literature,¹⁰ this report defines the rural↔urban market system as a dynamic space that includes these connections and fluxes between rural and urban areas (referred to here as the rural↔urban chain) as well as the surrounding enabling environment, including supporting functions such as inputs, services, and relationships as well as rules and regulations.

2.1 Honing the approach

In addition to being participatory, the activity was designed to be iterative and adaptive, incorporating learnings from each phase into the design of the next.

During the inception period, Danwadaag and BRCiS honed the scope, bringing gender—initially on the periphery—to the center by requesting to explore this question **through the lens of four BRCiS-selected, women IDP-only SHGs**. Furthermore, the desk review revealed that many of the main value chains have already been mapped and that the findings regarding the surrounding market systems have been relatively consistent. Finally, the scoping study found that most of the targeted women are not necessarily wedded to a particular value chain but seem to adapt and adjust in response to market dynamics.

As a result, this study drew inspiration from, but took a twist on, traditional market systems mapping methodologies.¹¹ Rather than following specific value chains, the research focused on certain types of actors that cut across value chains: primarily the women DACs in the SHGs, and secondarily their rural↔urban and market linkages (traders, transporters, and brokers). It also included a review of the aspects of the market system that support these groups. While the scope of the activity was too broad to follow USAID's Market Systems Resilience Assessment (MSRA) framework,¹² Section 8 uses its eight dimensions of market systems resilience capacities to organize the discussion of findings.

The accompanying [Women DACs' Lives, Livelihoods, and Linkages](#) report addresses the activity's first objective, providing an in-depth look at the women DACs themselves, while this report addresses the second objective: **Drawing from these women's experiences and other inputs, map rural-urban linkages**. The full list of objectives and research questions is included in Annex 1.

¹⁰ For instance: USAID. 2018. [Market Systems Resilience: A Framework for Measurement](#). Jeanne Downing, Michael Field, Matt Ripley, and Jennefer Sebstad. See also: UNHCR. 2017. [Guide to Market-Based Livelihood Interventions for Refugees](#). Nadja Nutz. Geneva: ILO.

¹¹ See, for example, ILO and UNCDF's [Approach to Inclusive Market Systems \(AIMS\)](#), [Guide to Market-based livelihood interventions for refugees](#), ILO's [Value Chain Development for Decent Work](#), the [BEAM Exchange's Market Analysis and Mapping Guidance](#), [Core Guidance Note: The Market Map by Practical Action](#).

¹² USAID. 2018. [Market Systems Resilience: A Framework for Measurement](#). Downing, Field, Ripley, and Sebstad.

2.2 An exploratory study

Before this activity, very little was known about the wide range of topics it was intended to address: women DAC SHG members' daily lives, market systems in Baidoa, and rural-urban linkages, as well as the various overlaps of these themes—for instance, the role of rural connections in women's livelihoods, all situated within the current drought context. A better general understanding of these themes was needed to inform the next two years of the Scaling Solutions project.

For these reasons, the approach to the activity was exploratory, designed to collect as much detailed and nuanced information about the range of these topics as possible from a wide variety of actors using snowball and purposive sampling and qualitative methods. To address this broad scope with available resources, sample sizes were kept low with the understanding that the findings from this activity could serve as a springboard for further, more targeted and representative research in coming years.

Analytical methods incorporated both thematic and narrative synthesis, as well as some descriptive statistics. Information from all data sources was triangulated. While not part of the usual market systems mapping methodologies, given stakeholders' interest in the hyper-local context and the applied nature of the research, the analysis also included geospatial mapping of key locations.

2.3 Sample

In total, 71 separate interviews and discussions were conducted with 79 people as part of the research phases of this activity, which included a scoping visit in July 2023 and the full fielding in September and October. A list of all interviews and the research matrix for this report are available in Annex 1.

Women DACs. The design of the activity was directed by BRCiS' selection of four NGO-supported SHGs consisting of 'women IDPs' only: two in IDP sites in Baidoa Town and two in Barwaqo. As discussed further in the accompanying [Women DACs' Lives, Livelihoods, and Linkages](#) report, some of the women in these groups view themselves as IDPs but others do not. To honor the diversity of identities, this report refers to these participants as women DACs. In line with the study's initial scope, key informants were asked about 'women IDPs,' so this language has been kept when referencing these findings.

This activity is unique in that it involved spending a significant amount of time with women DACs using a range of participatory formats. The research included two touchpoints with a set of 20 women, mainly SHG leaders as well as some members, in participatory, workshop-style focus group discussions (FGDs), first during scoping and again during the main field phase.¹³ During these workshops, participants individually responded to brief quantitative questionnaires to boost sample sizes for key indicators. The research also included in-depth interviews (IDIs) with another 19 SHG members, nine 'holistic IDIs' in their homes, focused on various aspects of their lives, and 10 'market IDIs' in their places of business, focused on their livelihoods. Each IDI lasted between one half and one full day. Key informant interviews (KIIs) were conducted with each of the SHGs' chairladies to learn more about the groups' operations.

While this approach results in limited sample sizes, it enabled the study to cover the wide array of research questions and interests from Scaling Solutions members at extensive depth, using participatory methods and repeated engagement while limiting respondent burden to the extent possible.

¹³ Only 19 of the women DACs participated in the scoping FGD; all 20 joined the main field phase FGD. For this reason, statistics may be presented for either 19 or 20 FGD participants and for 38 or 39 total women DACs.

Market actors. To better understand rural↔urban dynamics, the study included interviews with traders in Baidoa Town and Barwaqo, as well as two rural locations identified during the scoping visit. The first rural location, Awdiinle Village, is located approximately 30km west of Baidoa, where the road from border crossings at Dolo Odo in southern Ethiopia and Mandera in northern Kenya converges with one of the main roads from Bardere District. It is one of the most important markets for rural↔urban trade, along with Gofgaduud Village, which was unreachable due to security concerns during fielding. Several of the women DACs are originally from these villages, and others buy their goods in the markets there. Hudur Town, the second rural location, is the capital of Hudur District and Bakool Region and is located 130km north of Baidoa Town. Although much smaller than Baidoa Town, Hudur is an important trading hub outside of Bay Region, with road connections to Wajid and Beletweyne Districts.

A second aspect that makes this study unique is that the research used snowball sampling to follow women DACs' actual market connections, speaking to 16 of their transporters, brokers, and rural and urban suppliers in these four market locations. While FGD participants noted that it is fairly uncommon for women to be wholesalers, brokers, and transporters, in line with the activity's focus on women, preference was given to interviewing the women DACs' female market connections where possible.

In Baidoa Town and Barwaqo, three retailers, two wholesalers, and two producers/wholesalers, most selling vegetables, cereals, and *bagaash*, were interviewed:

- In Baidoa's Main Market, three women with medium-sized shops: a retailer selling shoes, vegetables, and fruits;¹⁴ a retailer/wholesaler selling beans, sorghum, onions, and *bagaash*;¹⁵ and a wholesaler selling vegetables.¹⁶ One man with a medium-sized shop selling clothing, shoes, and *mas'haf* (Quraans).
- In Mursal Market, a female producer/trader selling sorghum, maize, and beans from her own farm as well as eggs and honey sourced from suppliers in a medium-sized shop.
- In Barwaqo Market, two female retailers with small shops: one selling vegetables and meat and the other selling vegetables, powdered milk, spaghetti, and biscuits.

Five rural traders selling cereals, vegetables, and *bagaash* were interviewed, including:

- In Awdiinle, two female retailers: one selling imported home and kitchen products¹⁷ and supplying eggs to restaurants and another operating a restaurant, a petrol station, and a vegetable business selling rural produce.¹⁸ One male wholesaler selling *bagaash* and other imported goods as well as 'Plumpy Nut' malnutrition treatments from humanitarian assistance.¹⁹
- In Hudur, a female retailer operating a small stall selling maize, beans, and sorghum, and a female wholesaler running a large stall selling *bagaash* such as sugar, rice, flour, and spaghetti.

KIIs were conducted with two female *bajaaj* drivers and two male brokers.

¹⁴ Pumpkins, lemons, onions, tomatoes

¹⁵ Wheat flour, pasta, rice, and cooking oil

¹⁶ Potatoes, sweet potatoes, carrots, tomatoes, chili peppers, and pumpkins

¹⁷ Kitchen knives, colanders, blenders, spoons, frying pans, chopping boards, graters, pie plates, salad spinners, wooden spoons, steak hammers, spatulas, etc.

¹⁸ Tomatoes, bananas, carrots, potatoes, lettuce, cucumbers, onions, and bell peppers.

¹⁹ Rice, flour, oil, pasta, sugar, and "all necessary products like comb, gum, biscuits, coffee, and tea." This was the only mention of humanitarian in-kind assistance in the market; no further information is available.

The scoping visit included interviews with six other traders in Baidoa Town: two selling grains, one selling livestock, one selling milk, one selling vegetables, and one selling cosmetics and *bagaash*.

Key informants. The perspectives of the women DACs and their market connections are supplemented by and triangulated with information from 18 KIIs with FSPs, training organizations, trade associations, government representatives, NGOs, the Protection Cluster, and Bondhere Savings Group Hub in Mogadishu. For the avoidance of doubt, the key informants' responses do not necessarily reflect the official views or perceptions of the affiliated organizations.

2.4 Interpretation of results

Experiences represented. Since the activity was intended to be both deep and wide, the findings are not representative but rather indicative of the experiences of a particular sub-group of women DACs and a limited number of their market connections. Nearly all of the women DACs are in protracted situations, with only one having arrived during the recent drought, and most have benefitted from multiple layers of durable solutions and/or resilience programming such that they are now in relatively stable situations with secure land tenure and income-generating activities.

Given resource constraints, it was only possible to interview a few of the women's connections, so the full breadth and variety of actors within the rural ↔ urban market system are not represented. For instance, only *bajaaj* (rickshaw) drivers are included, although women DACs also use other transporters, such as motorbike, *dameer qadiye* (Suzuki pick-up truck), and *caasi* (van) drivers, to name a few. Similarly, although there is important variability within rural South West State, it was only possible to cover two rural areas. It is recommended that these be more fully explored in future studies.

Variability within the sample. There is some systematic variation between women who participated in different parts of the study. While not necessarily purposeful, during analysis, it emerged that the FGD participants were primarily SHG leaders, with mixed livelihoods and stability; the market IDI participants tended to have the most stable and thriving businesses and were more often literate; and the participants in the more holistic IDIs tended to be relatively vulnerable, depending on family and involved in income-generating activities such as selling firewood.

Challenges and limitations. As is evidenced in the findings, the economy in South West State operates largely through networks built on trust and relationships that are cultivated over time. In developing the data collection tools for the market actors, the field research team, many of whom are Baidoa locals, advised that respondents may consider many of the usual topics covered by a market systems assessment to be trade secrets. While significant care was taken to avoid offense or concern of the respondents and to allow the field researchers to maintain a sense of trust during the interviews, it is possible that such concerns may have led to item non-response or inaccurate responses.

In a context with such significant need and reliance on dwindling humanitarian assistance which has been saving lives and keeping the economy afloat, there are strong incentives for participants to respond to questions in learning activities such as this in a way that they perceive will benefit them. While the field team and researchers believe that most of what was expressed offers an honest reflection of participants' experiences, there is still some evidence of bias in the data. There was notable pressure and expectation on the field researchers and their associated programs to deliver support.

3 Overview of rural↔urban flows

Baidoa Town is well-integrated with the agricultural and pastoral economies of rural South West State, as evidenced by the flow of goods, people, information, and money.

3.1 Flows of goods

Baidoa Town is a trade hub, through which ‘rural’ goods such as cereals, animals, and honey—produced in surrounding rural areas—as well as ‘imported’ goods such as *bagaash* (imported food items for daily use such as oil, sugar, flour, pasta, rice, biscuits, chewing gum, etc.), clothing, and manufactured goods transit. As one of the study’s key informants explained, “Urban areas rely on rural regions to produce essential resources such as animals and cereals. In return, urban areas supply medications, healthcare, and manufactured goods to the rural areas. This interdependence between urban and rural areas is essential for the well-being of both communities.”

Bay Region, within which Baidoa Town is located, and the nearby Bakool Region are home to the country’s sorghum belt, which typically produces more than 80 percent of the national sorghum supply. Both regions are also known for their maize, cowpea, shortfall crops, camels, cattle, and shoats, which form the backbone of the rural economy and are consumed locally and exported.²⁰ Sesame seeds, bananas, lemons, rice, legumes, pulses, groundnuts, grapefruits, lime, watermelons, papaya, dates, tomatoes, and onions are also produced locally.²¹

Crops and livestock are mostly farmed and raised by smallholders with minimal inputs, technology, or services. These are then either 1) bulked through cooperatives (which are common among producers), sold to traders/brokers, and trekked to wholesalers and retailers where goods are distributed or 2) brought directly to rural or urban markets by the farmers and herders. There is some localized distribution in town, with goods sold to hotels and restaurants and from wholesalers to local retailers and onward to smaller traders like the women DACs in this study.²²

Interviews with Bay Cooperative, the Baidoa Chamber of Commerce, and Barwaqo Business Group suggest that the areas known for the production of certain goods include the following, all of which have been affected by the current drought:

- Livestock, particularly milk: Wajid, Hudur, and Diinsoor Districts
- Meat, mainly goats: Bakool Region
- Cereals, especially sorghum: Qansaxdheere District, Ufurow, Hubaal/Hawaal Barbaare, Dhul Barbaare, Awdiinle and Gofgaduud villages in Baidoa District
- Groundnuts and sesame: Bardhere, Sakow, Haabare, Tooswiine, Hareeri Jiife
- Vegetables and fruits: Lower Shabelle, notably Awdhegle, Afgoye, Janaale, Qoryoley
- Potato and onions: Dollow District

According to the desk review conducted during inception, Hudur, Merka, Belet-Hawa, Qoryoley, Wajid, Diinsoor, and Bardera have important regional markets that are connected to Baidoa Town, with the

²⁰ Danwadaag and BRCiS. 2023. *Literature Review – Scaling Up Durable Solutions and Increasing Resilience for Internally Displaced Somalis*; UN-HABITAT. 2023. [Baidoa City Strategy](#).

²¹ World Bank Group. 2021. [Somalia Country Economic Memorandum](#).

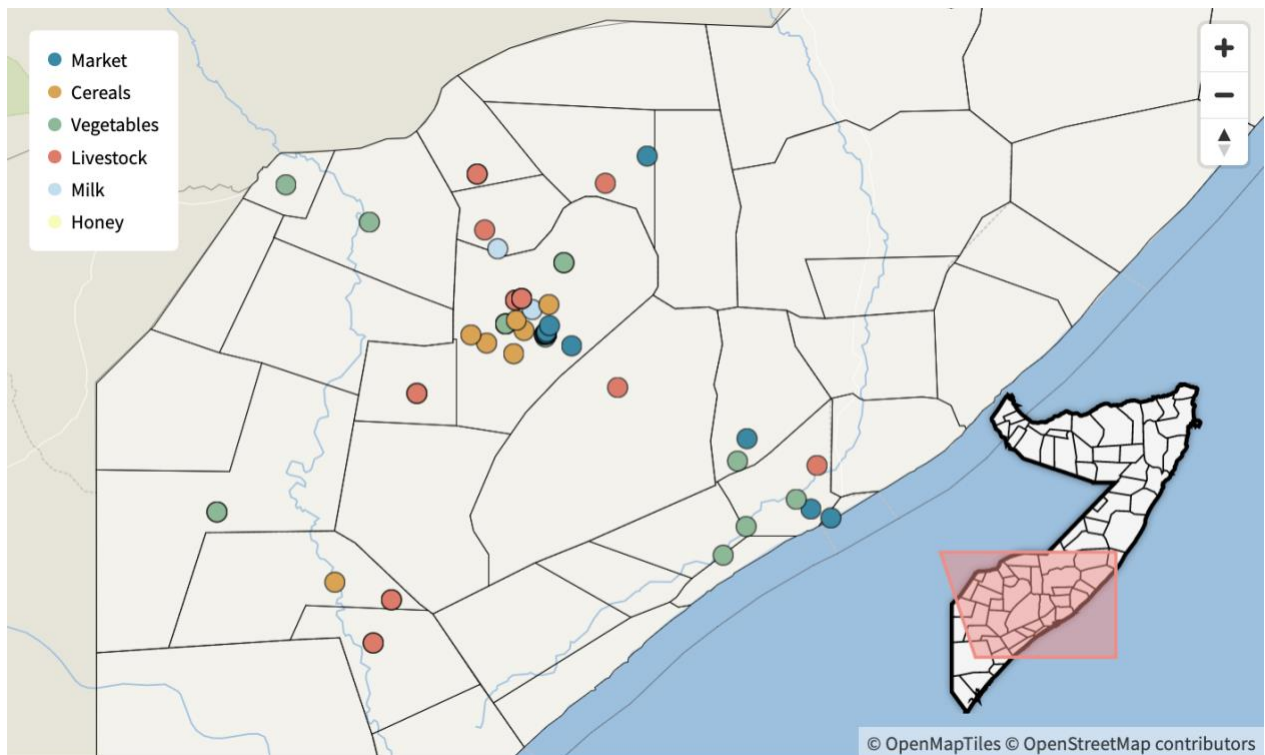
²² Danwadaag and BRCiS. 2023. *Literature Review – Scaling Up Durable Solutions*; BRCiS. 2023. [MSRA Report: Milk, Cowpeas, and Leafy Greens](#); Springer et al. 2022. [“Comparative Resilience of Somali Grain and Livestock Market Systems”](#); UN-HABITAT. 2023. [Baidoa City Strategy](#).

latter three including important cattle markets via which exports to Garissa, Kenya are trekked. Afgoye also has an important vegetable market, via which production from throughout Lower Shabelle makes its way to Baidoa Town. Gofgaduud and Awdiile markets are essential trading points that link the town with rural areas to the north and west.

Bagaash, clothing, and manufactured goods originally come from countries such as China, Dubai, etc. via Mogadishu, after which they are transported by road to Baidoa Town through Buurhakaba. From Baidoa Town, they are distributed throughout Bay and Bakool Regions.²³

Figure 1 shows these and other trade linkages identified through the desk review and fieldwork. While the locations are all represented by points/circles on the map, in practice, some of these points represent broader catchment areas. An interactive version that allows the user to zoom in and out, see the names of all points, and filter by marketplace and value chain is [available online](#). Filtered and labelled versions of this map are also available in Annex 2.

Figure 1. Locations with trade linkages to Baidoa Town, identified through the desk review and field work



Coordinates have been estimated based on publicly available maps²⁴ and validated to the extent possible by Raagsan researchers based in Baidoa Town. They are intended to be indicative; some errors may exist. An interactive version is available at <https://public.flourish.studio/visualisation/15822609/>

²³ UN-HABITAT. 2023. [Baidoa City Strategy](#). Confirmed by this study's fieldwork.

²⁴ Eno, Mohamed, Ali Osman, Abdullahi Ganey, Mohamed Aweys, and Abdulwadud Ali. 2021. ["The Influence of Globalization on Our Daily Life: A Comparative Overview of Baidoa in Somalia and Abu Dhabi in the UAE."](#) *Quest Journals: Journal of Research in Business and Management* 9, no. 7 (2021): 30–36; OCHA. 2022. ["Humanitarian Atlas: Somalia;"](#) REACH. 2019. [Somalia - Market Feasibility Study: Baidoa](#); REACH and OCHA. 2017. [Somalia: Baidoa IDP Settlement Assessment](#); UN-HABITAT. 2023. [Baidoa City Strategy](#).

The desk review and interviews across the full range of study participants highlighted that as a result of wide-scale inflows of displaced people and other urbanization, the peri-urban area around Baidoa Town is seeing emerging agriculture in the form of irrigation farms that produce grains, cash crops, and fruits and vegetables that would previously have come from Lower Shabelle. According to key informants, these farms are promoting dietary diversity and, in some cases, offering opportunities for on-farm casual labor for DACs and others living in Baidoa Town.

Key informants and brokers noted a trend toward increased economic trade between urban, peri-urban, and rural areas that they expect will continue. Expectations are that demand for all goods, including locally produced livestock, grains, and vegetables as well as imported products, will remain high.

3.1.1 Sending and receiving personal goods

The majority of women DACs in the study maintain rural connections, primarily through family, in some cases through market connections, or both. Many of their livelihoods are currently related in some way to their areas of origin. Of the FGD participants who responded, two-thirds reported having ‘many’ personal rural connections, and all but one characterized these as being ‘strong.’

In addition to trade goods purchased through market connections, many of the women DACs shared that their rural family sends them farm and livestock products such as maize, beans, and sorghum which they consume or sell for income. While this practice seems to be common, at least during productive years, the reality of family dynamics means that this collaborative relationship does not always occur. One woman said that the family members who now cultivate her land are “not paying [us] anymore.” In turn, women DACs send *bagaash* and other imported items such as soaps, flashlights/torches, shoes, and clothing; processed goods such as milled sunflower; and portions of their food and cash humanitarian assistance to their rural family members.

3.2 Flows of people

The extent of forced displacement of people from rural to urban areas has been extraordinary in recent years. At the same time, Baidoa Town is a hub through which people regularly transit for personal and livelihood-related reasons during normal years.

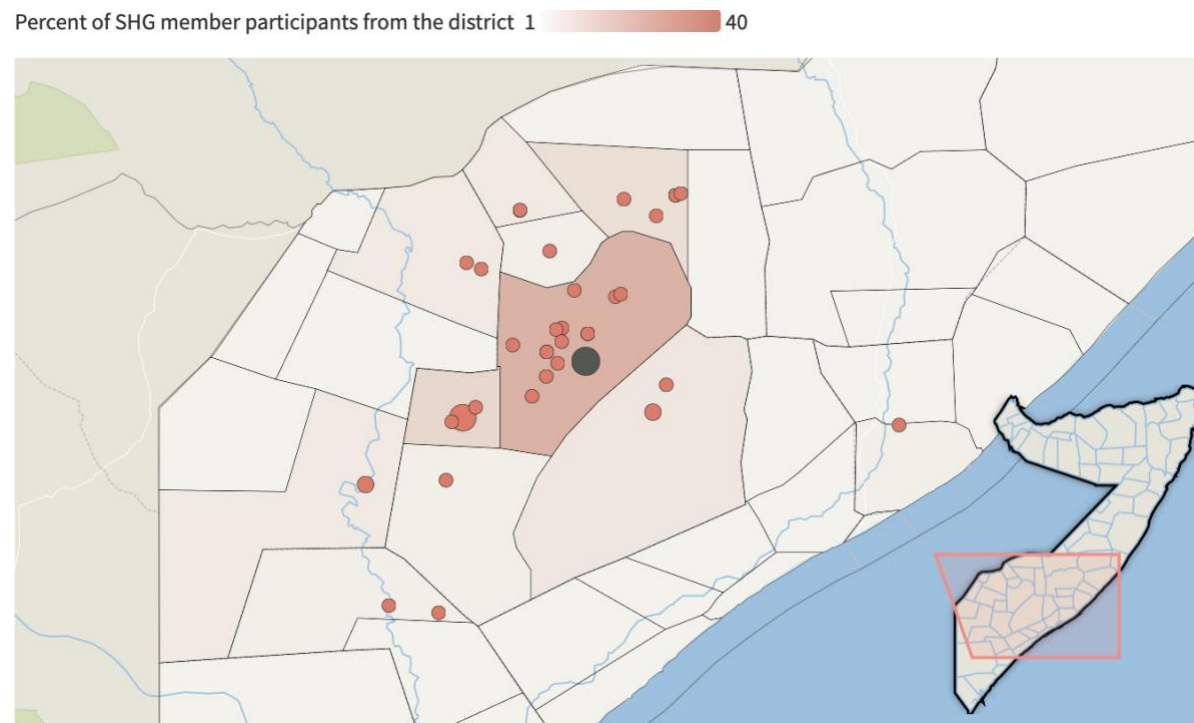
3.2.1 Irregular movement: Displacement

The rural↔urban flow of people garnering the greatest attention is the widespread, drought- and conflict-induced displacement from rural areas across South West State to urban areas, particularly Banadir/Mogadishu and Baidoa Town.

Much of this displacement is localized. In 2022, 84 percent of arrivals in Bay Region originated from within the region itself. Of the arrivals to Baidoa District specifically, 21 percent were from within the district, 23 percent from Qansaxdheere, and 22 percent from Dinsoor.²⁵ While most of the women DACs in this study have been displaced for at least four years or more, their rural origins reflect a similar trend, depicted in Figure 2. Approximately one-third are from Baidoa District originally, one-fifth are from other districts within Bay Region, and 15 percent are from Bakool. A few are from further afield, such as Saakow in Middle Juba or Balcad in Middle Shabelle.

²⁵ UNHCR Protection and Return Monitoring Network. 2023. [“Somalia Internal Displacement Dashboard.”](#)

Figure 2. Rural origins of the women DACs participating in the study



Village coordinates have been estimated based on publicly available maps²⁶ and validated to the extent possible by Raagsan researchers based in Baidoa Town. They are intended to be indicative; some errors may exist. An interactive version is available at: <https://public.flourish.studio/visualisation/15945956/>

While the sample sizes in this study were small, it seems that women DACs from villages that are less impacted by insecurity or are near Baidoa Town have somewhat different relationships and continued engagement with their rural origins than those from further afield. These geospatial characteristics and nuances can be further explored and considered in future research and programming.

A 2022 IOM study that discusses recent drought displacement trends in depth highlights that traditional urbanization usually involves rural men migrating to towns or cities for work, allowing women who stay behind with the rest of the family to withdraw from the labor force, and that conflict often uproots whole families together.²⁷ However, it goes on to explain that the current drought has primarily displaced women and children to urban areas, as they are more likely to receive humanitarian assistance, while the men stay behind to tend to any remaining land or issues in their rural origins. As a result, urban areas are populated by disproportionate numbers of women, many of whom have had to become the primary breadwinners for their families while remaining the main caretakers of their children. Perhaps since this study's sample was primarily of protracted DACs, only one-quarter of the husbands of the married women remain in rural areas although most of the women DACs still had some other relatives in their rural homes.

²⁶ See Footnote 24.

²⁷ IOM. 2022. [Understanding the Key Drivers of Displacement in Somalia during the 2021/22 Drought.](#)

3.2.2 Regular movement for personal reasons

Interviews with women DACs found that these personal relationships with their families in rural areas, including husbands, mothers, siblings, and even extended family such as in-laws, uncles, and cousins, are one of the most salient factors sustaining rural ⇌ urban connections. Half of the holistic IDI participants reported recently visiting family in their rural origins, and one indicated that her rural relatives had come to visit her in Barwaqo.

While the sample size is small, it seems that visits can be more frequent for women from nearer and more accessible villages like Gofgaduud and Awdiinle but must be less frequent or reserved for holidays for women from farther away. For instance, a woman from Awdiinle explained, “I visit my parents weekly/monthly because they are old, vulnerable, and need attention” whereas a lady from Saakow in Middle Juba shared, “I visited them one year ago to know how they are doing and what support they need.” With more and more families being separated through displacement, it is likely that this form of traffic may increase.

3.2.3 Irregular movement: Urbanization

As highlighted in a recent report on the 2022-23 drought,²⁸ mobility during a crisis is often driven by a complex mix of reasons including but not limited to distress. The provision of humanitarian aid, which is often distributed in urban areas, is viewed as a pull factor encouraging population displacement from rural areas. Some sources, including the 2022 IOM study²⁹ and private sector actors interviewed for this activity, argue that economic opportunities are also increasingly incentivizing individuals to move to cities. Availability of services such as education and health care, which can be hard to come by in rural areas, represents another important draw. Indeed, when asked why they left their rural homes, two of the FGD participants did not cite drought or conflict like the others, but rather stated, “I left my home so that my children could have a better life and education” and “at that time, I was two years old, and my family told me that we had moved to Baidoa [Town] to search for a better life.” This is an important reminder that in practice, the reasons people move to cities are often complex and layered.

While the 2023 Baidoa City Strategy³⁰ argues that “the push to Baidoa and other cities has been stronger than the pull,” now that so many displaced people have experienced the benefits of urban life, these ‘pull’ factors may become ‘sticky.’ Despite the challenges associated with living in IDP sites in Baidoa Town, assessments in 2018 and 2019³¹ found that at that time most IDPs intended to remain and settle permanently in their new locations. Consistent with these findings, nearly all 28 of the FGD and holistic IDI participants in this study said that they expect to stay in Baidoa Town at least part-time, many of them because of the better services and livelihood opportunities. Secure tenure in Baidoa Town through land ownership is also a strong incentive to stay. Key informants also suggested that a lack of viable livelihoods, medical services, and sustainable water systems in rural areas is likely to discourage people from returning. Still, half of the FGD participants expressed a desire to continue splitting their time between rural and urban living, traveling back and forth to experience the best of both worlds.

²⁸ Humanitarian Outcomes. 2023. [Somali Capacities to Respond to Crisis are Changing: How are Humanitarian Actors Responding?](#) Peter Hailey, Irina Mosel, Daniel Maxwell, Nisar Majid, Khaliif Cabdullaahi, Gudad Aden, Shamsa Hasan, Partha Moman, Patricia Sampedro, and Nancy Balfour.

²⁹ IOM. 2022. [Understanding the Key Drivers of Displacement in Somalia](#).

³⁰ UN-HABITAT. 2023. [Baidoa City Strategy](#).

³¹ JMNCA. 2018. [Somalia Joint Multi Cluster Needs Assessment](#); REACH. 2019. [Market Feasibility Study: Baidoa](#).

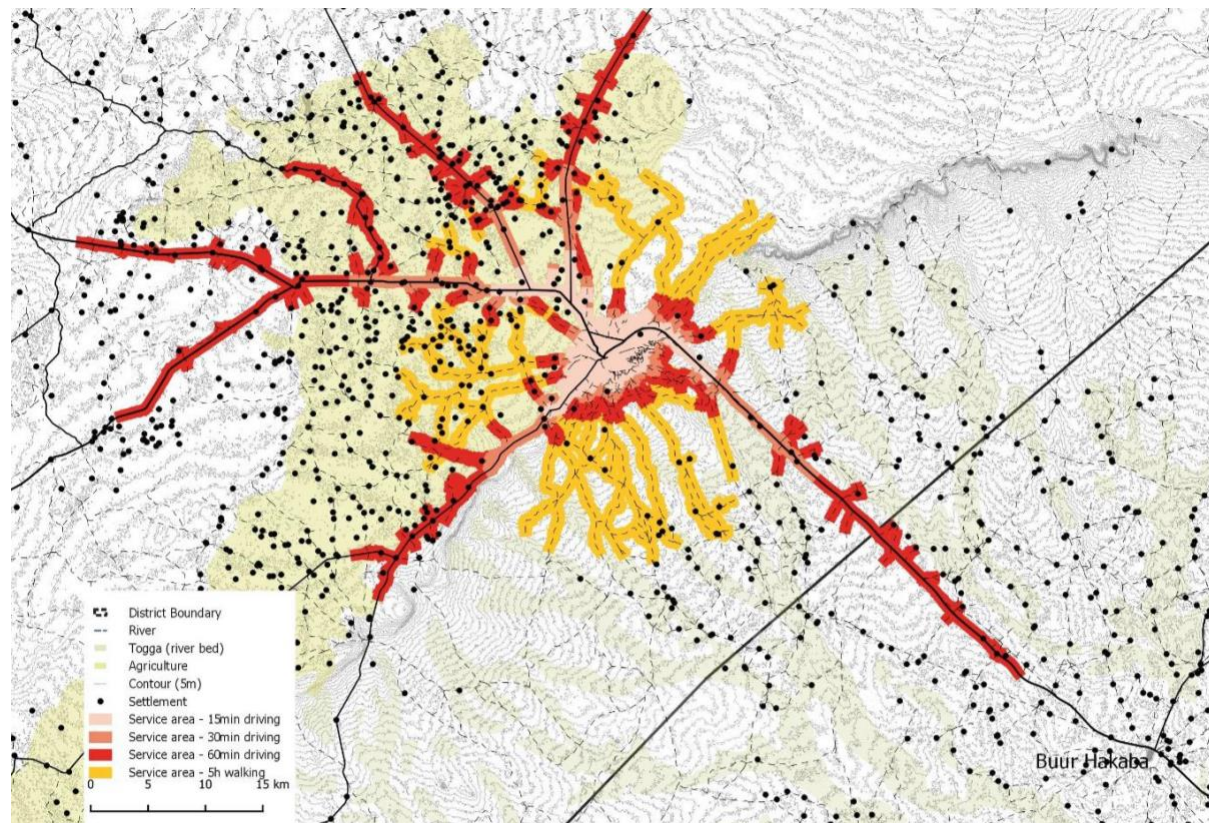
3.2.4 Regular movement for trade

While irregular displacement has taken much of the spotlight in recent years, producers, traders, and transporters have continued to move back and forth between rural and urban areas for trade.

Some smallholder producers in rural areas take their goods directly to rural or urban markets where they personally sell them. As one of the market IDI participants explained, “[when I lived in Goof Mareere,] I had farming skills, livestock skills, production skills. Sometimes, I would earn income from what the farm, camels, and goats produced by taking my products to Awdiinle and selling them in the market.” One of the retailers in Awdiinle confirmed, “My customers mainly consist of individuals from rural areas who bring various products to this market... After selling their own products, they often purchase goods from my business.” Market IDI participants in Baidoa Town also noted that their customers include people who come from rural areas to sell their products, especially milk, in town.

Some traders operating in rural areas visit urban markets to procure their goods. Conversely, some urban traders visit rural areas to purchase inventory. For instance, FGD participants reported buying inventory from wholesalers in Goofgaduud and Awdiinle. While the scope of the study did not allow for an in-depth exploration of the nuances of this topic, for the most part, the movement of producers and urban traders seems to be concentrated in the hinterland surrounding Baidoa Town that is relatively easily accessible by road, as shown in Figure 3. Awdiinle and Gofgaduud are both located at the borders of the agricultural area shown in green and are accessible within a one-hour drive, and peri-urban areas.

Figure 3. Baidoa Town's hinterland³²



³² South West State Ministry of Public Works, Reconstruction and Housing and UN-HABITAT. 2020. [Baidoa Urban Profile](#).

Transporters regularly move back and forth between urban areas and this hinterland, as well as rural areas that are further afield, trekking goods between rural producers (for instance, at the farm gate), rural markets, urban markets, and urban petty traders located in their homes or along roadsides.

3.2.5 Regular seasonal movement for livelihoods

With South West State's primary economies dominated by agriculture and livestock, both dependent on seasonal weather patterns, much of the rural population is mobile. During planting (March through mid-May and September through mid-November) and/or harvesting (primarily January *deyr* and July *gu*),³³ people living in urban areas who own land, have family farms, or cultivate under the *hoorsi* system³⁴ visit rural areas to work on their farms. According to analysis by UN-HABITAT, those who do not own land or have *hoorsi* agreements can find casual labor and cash-for-work on others' farms during these times.³⁵ Peak labor demand is typically during the planting season. During the agricultural off-seasons, male farmers in rural areas often migrate to cities for casual work.

In the FGDs, women DACs reported that land ownership and cultivating under *hoorsi* agreements are two of the main factors enabling rural↔urban connections although only two of the IDI participants—one from Goofgaduud and one from Ceel Garas in Bakool District—reported engaging in seasonal farm labor themselves. Three-quarters of the women DACs still own land, livestock, or other assets in their rural origins, although in some cases they were not aware of the status of these assets since their entire families have fled. In other cases, this land is farmed by family members, although some have not been cultivating it due to the drought and/or—as suggested by one key informant—a lack of resources to invest in production. Still, two key informants indicated that there are still large seasonal movements of individuals, including IDPs, from Baidoa Town to rural areas for farm labor, which remains in demand despite the drought.

Pastoralists normally move between pasture areas throughout the year, often moving to more distant and remote areas during dry seasons, from mid-January through March and from mid-August to mid-October,³⁶ and even further during drought. Those who operate near Baidoa Town, for instance in the peri-urban or hinterland areas, depicted in Figure 3, and therefore serve as key suppliers of milk and meat for the urban population, may need to leave the urban vicinity during these times. In addition to reduced milk production from the animals during these seasons, this migration further reduces the availability of and raises prices for fresh milk in the city.

3.3 Flows of information

Both face-to-face interactions in local markets and long-distance connections via mobile phones facilitate the flow of information between rural and urban areas.

3.3.1 Mobile phones

Given the prevalence of mobile phones in South West State, where the mobile network is reliable, information can flow rapidly between rural and urban areas.

³³ Famine Early Warning Systems Network (FEWS NET). "[Somalia Seasonal Calendar](#)."

³⁴ A traditional approach whereby a landowner allows others to cultivate their land for a given period for free, with no expectation, although the farmers typically gift a share of the harvest in appreciation.

³⁵ UN-HABITAT. 2023. [Baidoa City Strategy](#).

³⁶ FEWS NET. "[Somalia Seasonal Calendar](#)."

While some women DACs visit their rural relatives periodically, phones enable all of them to maintain these personal connections through frequent conversations. The families often discuss the security situation in the rural areas, the health and nutrition of their families, and local news. Women DACs may use these calls to determine whether they need to send money or goods or to visit. The women and their relatives also discuss various aspects of their lives and provide a support network for one another. As one lady noted, “I often call my relatives in my rural origin, and we converse about our daily lives. These calls provide a source of emotional support since my displacement.”

All of the traders and transporters and most of the women DACs noted the importance of mobile phones for their businesses, allowing them to call their suppliers to check prices and availability and to place orders. One woman DAC explained, “I call my suppliers to ask about the milk price before I walk all the way to Gofgaduud market. If I know the price will be too high to sell to my customers, I won’t go there because it will just spoil.” Similarly, a retailer in Awdiinle shared, “The phone I use is vital to my business because it allows me to communicate with suppliers, brokers, customers, and transporters.”

The key informant from Bay Cooperative noted that in addition to calling and SMS messaging, there are mobile applications and online platforms that provide useful information on production, pricing, and market timing. These may be what some traders were referring to when they stated, “My phone number serves as a vital source of information that keeps the business running smoothly.” A wholesaler in Baidoa Town’s main market explained, “I receive information through my mobile phone, which is a primary communication means. Before making my purchases, I research to identify which vegetables are in high demand in Baidoa. I then buy the ones that are currently in short supply in the market.”

More information on the availability and costs of mobile phones is provided in Section 6.1, ‘Mobile network, mobile phones, and mobile money.’

3.3.2 Additional information shared along the rural↔urban continuum

While not highlighted by the smaller businesses, three of the wholesalers—one each from Baidoa’s Main Market, Hudur, and Awdiinle—reported a strong reliance on weather forecasts and security information in their decision-making. The wholesaler from Awdiinle shared, “For my business decisions, I rely on information from sources such as weather forecasts and the current prices of the goods I deal in. In our market, we have a practice of sharing security and market-related information to stay informed about market conditions and ensure the safety of our business operations.” Similarly, the wholesaler from Hudur explained, “Security information from market actors is the most important market-related information I use to decide when and how much inventory to carry on the road.” The transporters and brokers noted sharing information on safety and security, as well as on market demand, product availability, transportation, prices, and characteristics/quality of goods.

3.3.3 Local sources of market information

While not necessarily connecting rural and urban areas, it is worth noting that both the traders in rural and urban markets and the women DACs largely reported making decisions based on market information, such as prices, product availability, customer preferences, and other trends solicited and/or received through suppliers, neighboring businesses, customers, distributors, and—for the women DACs—neighbors and their SHGs.

A retailer in Barwaqo market explained, “I stay in touch with my friends in the city who are familiar with market activity. When I hear good news about the market being favorable, I make an effort to acquire new goods.” Similarly, a woman DAC shared, “I have developed a close connection with neighboring businesses because we often share information about market conditions and strategies for business development. We have a good relationship with them.”

3.4 Flows of money

Following usual trade dynamics, the flow of money through trade is assumed to counter the flow of goods, such that when rural producers sell goods to urban traders, they receive money in exchange and vice versa, although some trade through barter does occur. Mobile money, discussed further in Section 6.1, is relied on heavily by traders, transporters, brokers, and the women DACs. In addition to in-person transactions, mobile money services enable buyers to pay sellers in other locations—both near and far—directly, without the need to ferry cash between multiple stakeholders and over long distances, where it could potentially be intercepted.

Non-market financial flows include business grants from NGOs (US\$42.50 for members of two participating SHGs and \$350 for those from another), sporadic humanitarian cash transfers from NGOs which are often sent via mobile money, and domestic mobile money transfers from the women DACs to their rural relatives. Over half of the FGD and holistic IDI participants noted supporting people such as parents, siblings, extended family, or others, many of whom are in rural areas, are elderly, and/or have taken in orphans, and who cannot meet their own basic needs or cover medical expenses. These funds come from both the women’s business profits and humanitarian transfers. As one lady shared, “Sometimes during hard times, we receive mobile money from NGOs. When we receive this, if it is possible, we send our relatives cash or sorghum.” Women DACs who are not currently supporting others explained that this is because they cannot currently meet even their own basic needs.

Personal financial transfers from rural to urban areas were significantly less common in the study, possibly given the current drought situation.



A woman places a call while walking through a busy market / Khalid Abdi Ibraahim

4 Mapping actors and connections along the rural↔urban chain

4.1 Women DACs in Baidoa Town

The mapping of the rural↔urban chain begins here with a description of the roles and connections of women DACs in Baidoa Town, as they are the main focus of the overall learning activity.

4.1.1 General roles of women DACs in Baidoa Town

As insinuated above and reiterated through KIIs, drought-related displacement dynamics have led Baidoa Town's population to be heavily skewed toward women and children, with women becoming the de facto heads of their households. Even among households that were displaced together or who have since reunited, given the many challenges in finding work, many women DACs have become their family's primary income earners.

Previous analyses have revealed that women IDPs in Baidoa Town typically work as casual laborers, owners of microenterprises, collectors of charcoal and firewood, domestic helpers, and operators of beauty salons or cafes/restaurants.³⁷ Women in general form a large part of the grain, fruit, vegetable, milk, and charcoal value chains, as these have low start-up and operational costs, and tend to work in low-to-no influence roles which are typically avoided by men due to their low profitability. Occupations related to construction, transportation, and electronics are male dominated.

The FGDs with women DACs confirmed these findings, as participants noted that IDP women and girls primarily work as very small-scale traders, for instance as hawkers or shopkeepers of small stalls or kiosks, or in the service industry, providing laundry services or working as housemaids. The participants emphasized that these roles are inconsistent, unsustainable, and unprofitable. They also explained that women IDPs do not usually work as wholesalers or as casual laborers in roles requiring physical strength. One group of respondents stated that women DACs are explicitly denied work opportunities in both the public and private sectors.

However, the FGDs revealed that the participants view themselves and other women DACs in Baidoa as having the qualities needed to be good traders, with the necessary knowledge and skills to run small businesses. They reported having patience and resilience and avoiding taking large, uncalculated risks. Having managed their households with limited resources, women DACs see each other as good multi-taskers, able to start and manage their micro-businesses with very little money. Although financial constraints constantly threaten their businesses' success, they reported having very good track records of repaying their loans, which help them access *bakaar*, or trade credit, from wholesalers. They also reported being exceptionally good at marketing and better able to convince customers to buy from them than men.

KIIs with humanitarian and development actors, FSPs, and other stakeholders confirmed these views and added additional insights. They praised women IDPs' willingness, motivation, and dedication to support their families through various income-generating activities. One of the government actors emphasized the role of women IDPs in boosting the local economy, stating that areas with large concentrations of women IDPs see more rapid economic circulation.

³⁷ UN Women. 2021. [Market Assessment of Microbusiness Opportunities for Women in IDP Communities and Their Host Communities](#); World Bank Group. 2021. [Somalia Country Economic Memorandum](#).

Three additional themes emerged from these discussions. First, many key informants agreed that women IDPs are well-suited to operating small businesses. Second, while they highlighted women IDPs' farming and livestock-rearing skills, key informants emphasized that opportunities to use these in the urban context are severely limited. Representatives from the training organizations noted that women IDPs tend to lose their rural skills, knowledge, and qualities in protracted crises due to a lack of use. Third, while some key informants indicated that IDP women have employable technical skills or suggested that women IDPs are well-suited for construction supervision, cooking, and mobile repairing, another disagreed, stating that women IDPs are not suited for jobs requiring technical skills.

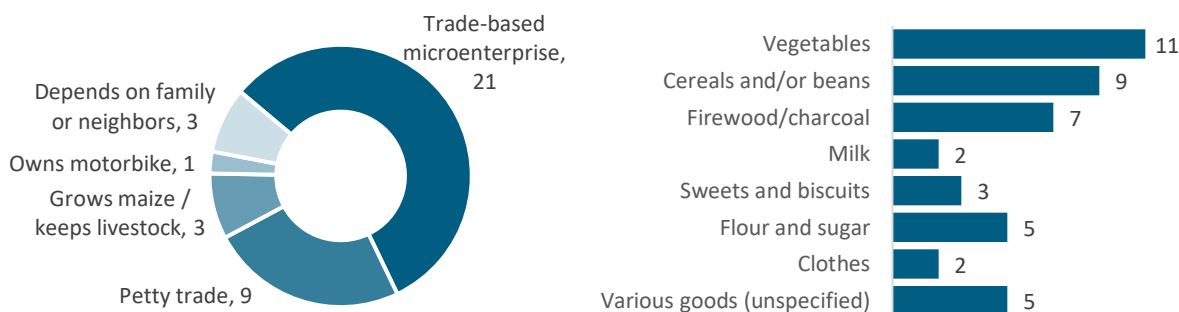
4.1.2 Market-related roles of women DACs in NGO-supported SHGs

While the above description provides insights into the roles filled by women DACs in Baidoa Town in general, this activity was centered around a specific sub-set of this demographic, women DACs *in NGO-supported SHGs*. The remainder of this report, including Figure 5, which summarizes the actors, connections, flows of goods, inputs, sources of support, and market environment of the rural↔urban system, is based around the trade-related livelihoods and connections of the 39 women DAC SHG members who participated in this study.

As detailed further in the accompanying [Women DACs' Lives, Livelihoods, and Linkages](#) report, nearly 80 percent of the women DACs in the study are micro-entrepreneurs or petty traders. This includes some women DACs, particularly those in Barwaqo, who, due to the very limited livelihood options there, cut down firewood in the surrounding bush and sell it in nearby markets.

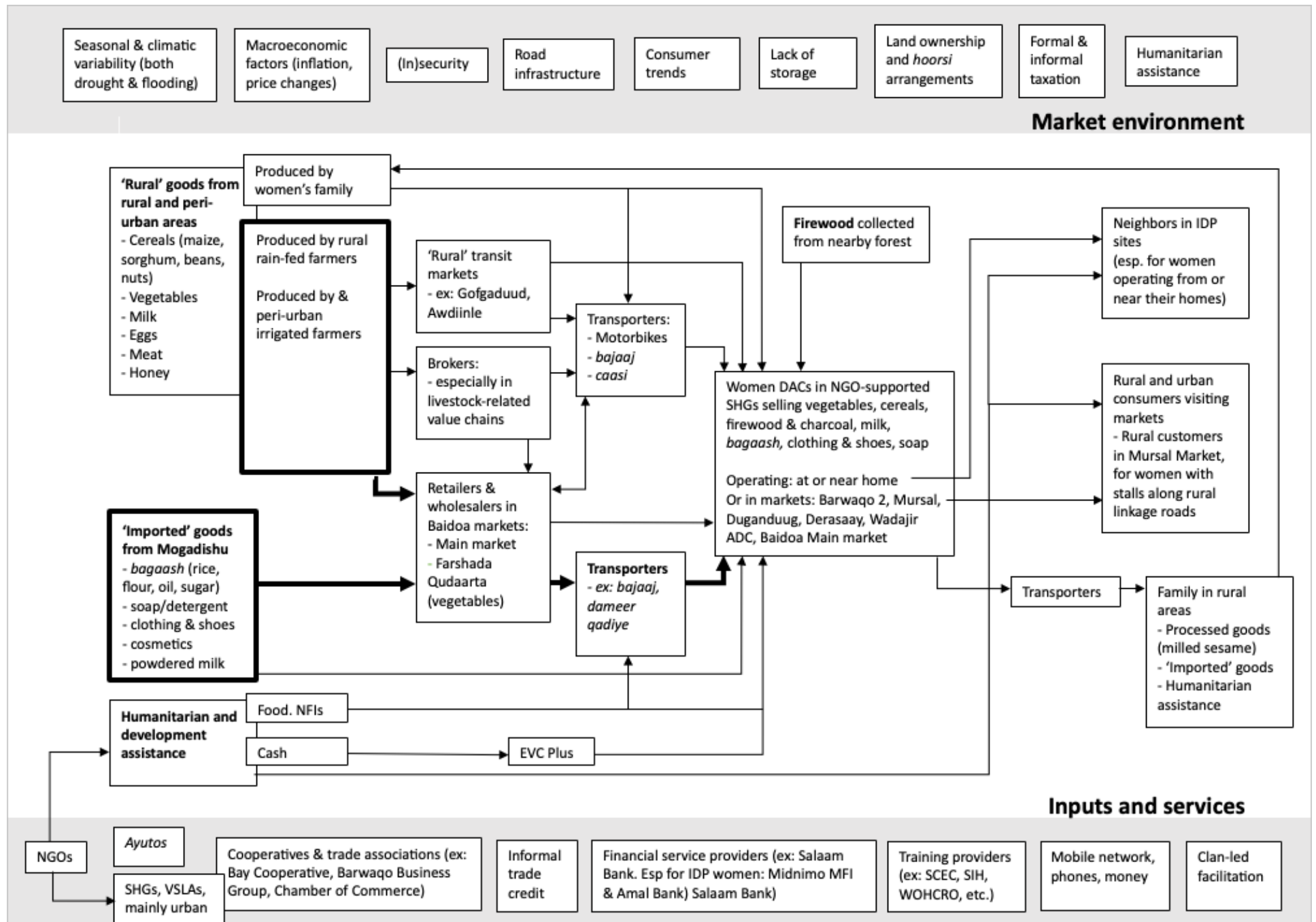
As shown in 4, vegetables and cereals are the most common goods sold,³⁸ and vegetables and charcoal are often sold together. Women DACs with larger shops may sell a variety of goods that cut across multiple value chains, such as vegetables, which often come from Lower Shabelle and nearby peri-urban drip-irrigation farms; maize and beans, which tend to originate in surrounding rural areas; charcoal; and *bagaash* and other imported goods like soaps and detergents, cosmetic products, and powdered milk. Even when women DACs reported selling one type of product, less structured conversations and observations revealed that they were often selling a small mix of goods that usually included both 'rural' and 'imported' items.

Figure 4. Livelihoods of women DACs, n=38 (left) and, of those with trade-based livelihoods, goods sold, n=30 (right)



³⁸ Readers interested in learning more about these value chains may find the following reports useful: Springer et al.'s 2022 "[Comparative Resilience of Somali Grain and Livestock Market Systems](#);" BRCiS' 2023 [MSRA report: Milk, Cowpeas, and Leafy Greens in Baidoa](#).

Figure 5. Flow of goods between rural and urban areas in South West State, centered on women DAC SHG members in Baidoa Town

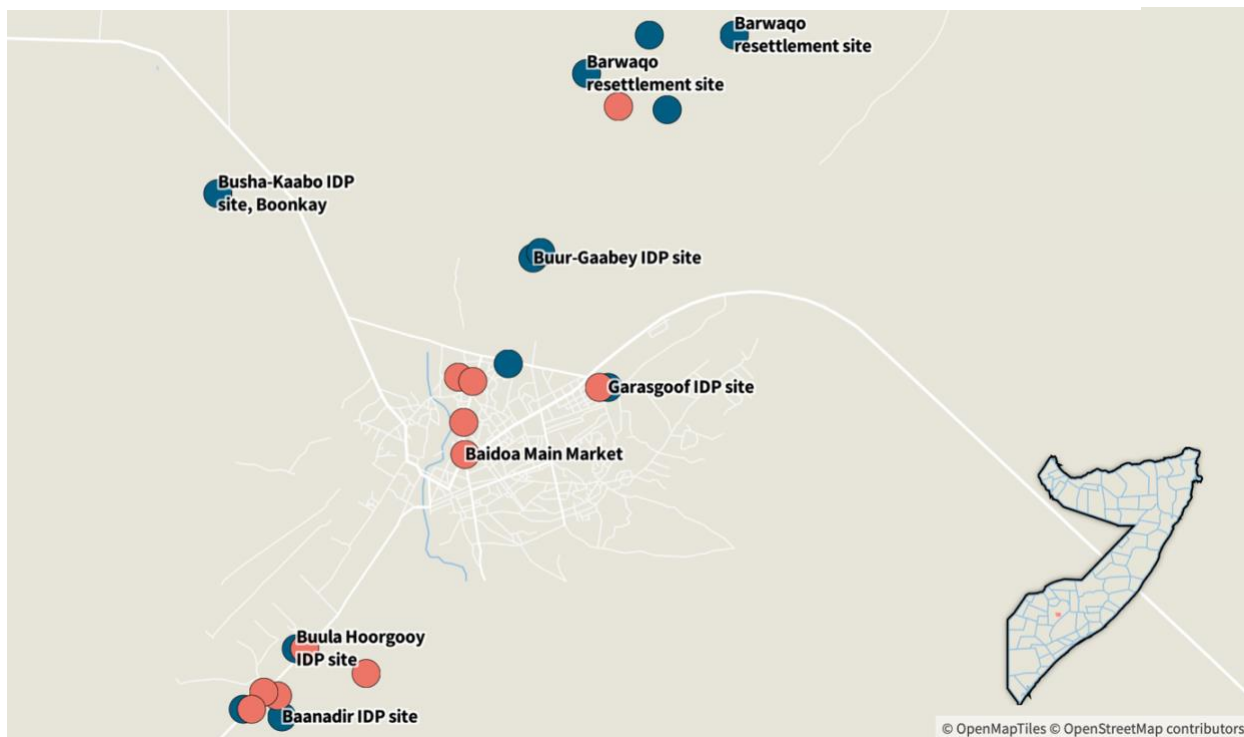


Income among the women DACs varies. Only 13 of the 20 FGD participants reported regularly earning enough to meet their basic needs. Of the market IDI participants, incomes ranged from \$11 to \$80 per week, with a median of \$20, whereas some holistic IDI participants were reliant on family for support.

Few women DACs reported having multiple income-generating activities, although some do keep livestock at home as investments or grow small amounts of food for domestic consumption. All of them reported having some 'rural' skills that they no longer use, but several do use other skills, knowledge, or connections from their rural origins in their current business endeavors, even if they now work in a different role along the same value chain. Some women DACs relied on advice from relatives, neighbors, or members of their SHGs to determine which goods to sell and often choose goods that are everyday necessities with consistent demand and have low costs and barriers to entry. Many women DACs are open to changing the exact goods they sell based on market dynamics, indicating that they are more likely to shift value chains than roles, while others are more bound to particular value chains.

Business locations. Roughly half of the women DACs work out of or near their homes to supervise children and balance their business activities with household responsibilities. The FGDs revealed that since most are not literate, they rely on their children, who can attend school now that they live in Baidoa Town, to keep their business records and support when skills like literacy and numeracy are required. The other half of the women DACs have chosen to work in markets, including Mursal, Duganduug, Derasaay, Wadajir ADC, Baidoa Main Market, and Barwaqo 2. These and other markets identified through the field work and desk review geolocate are shown in Figure 6.

Figure 6. Locations of the SHG members' neighborhoods (blue) and their direct market connections (pink) in Baidoa Town



Coordinates were collected during the field visits and were validated by cross-checking with public sources.³⁹ Some errors may exist. Locations should be considered as indicative. An interactive version is available [here](#).

³⁹ See Footnote 24.

In some cases, these markets are near the women DACs' homes, but others commute up to two hours by foot. The women chose these locations for various reasons, such as access to greater volumes of customers and customers with greater purchasing power, which they feel are worth the longer travel times. While many of their customers are Baidoa Town locals, others are rural residents who come to town to sell their own goods or for other reasons. Two of the women DACs operate in Mursal Market on the edge of town, which they said is strategically located to reach rural travelers on their way to or from the city. One of them explained, "I have chosen to operate at Mursal Market for various reasons... A large volume of vehicles traverses this road, increasing the potential customer base. Moreover, Mursal Market serves as a checkpoint for rural arrivals, who often make this their primary destination after traveling from their villages."

Competition and collaboration. Four of the 10 market IDI respondents reported having a monopoly on the goods they sell within their neighborhoods, including the dress seller and, surprisingly, two vegetable vendors and a shop owner selling maize and *bagaash*. The remaining six reported that there are between 'a few' and 'many' other women selling similar goods nearby. All of them reported positive relationships with these competitors, many of whom share the same supplier or discuss market conditions and business development strategies together.

Key informants were asked to share any examples of women—or women's groups such as SHGs—working together. The FSPs reported having observed savings groups that operate in the same IDP sites coming together to solve camp-related issues and working together in their businesses. Of the training organizations, one shared that they had seen women working together to buy and sell land plots as well as to trade agricultural products like cereals, pulses, vegetables, and fruits but had no examples of multiple groups working together.

4.1.3 Market-related connections of women DACs

Through their businesses, the women DACs in this study have established connections with wholesalers and retailers in Baidoa Town, traders in rural areas, and brokers and transporters. These relationships are further discussed in the subsequent sections.

4.2 Urban wholesalers and retailers

Broadly speaking, wholesalers are those who sell their goods in bulk to other businesses, usually at a lower price, and retailers are vendors who sell directly to customers at a markup.

4.2.1 Urban market connections of the women DAC SHG members

Most of the women DACs in the study primarily obtain both 'rural' and 'imported' goods from retailers and wholesalers in Baidoa Town's Main Market, Farshada Qudaarta—the large vegetable market, or other urban markets (see Figure 6). One dress seller sources her inventory from a wholesaler in Bacaadle market.

Most of the market IDI participants reported using only one supplier or, for those selling multiple types of goods, one supplier for each type. Two said that they may purchase from other suppliers depending on market availability and price. All agreed that they have good relationships with their suppliers, which they have cultivated through mutual trust and loyalty. They feel their suppliers offer quality products at a fair market price, and many offer the women DACs trade credit or even discounts.

One woman DAC remarked, “I use the same supplier always. I have not tried to change him because he is loyal and gives me credit. It's not difficult to change a supplier because the market is competitive.” However, others indicated that their networks are a limiting factor, suggesting that helping to expand women DACs’ professional networks may be beneficial. As one lady explained, “I have different suppliers who supply different products I sell. It’s not easy for me to change because even though there are a lot of suppliers in the market, I do not have a connection with them.” Another woman, based in Barwaqo, highlighted that in some markets there are not many options for suppliers, saying, “I always use the same supplier because there is only one supplier for vegetables.”

4.2.2 Interviews with urban wholesalers and retailers

Customers. The women retailers in Barwaqo exhibited similar characteristics to the women DACs. One is in an *ayuto*, and the other is not in any savings group. Both reported selling primarily to their DAC neighbors. One explained, “My relationship with IDP women is perfect. I am also among them, so we understand each other well. They are my main customers who buy goods and vegetables daily, and they exhibit good behavior.” The other shared, “The displaced women are good customers; they consistently purchase from us. They have large families and make up a significant portion of my customer base.”

Of the other five retailers and wholesalers, three reported selling to IDPs. The retailer in Baidoa’s Main Market shared, “Yes, I am aware that [some of my customers] are IDPs because they have mentioned it. They tend to purchase a smaller quantity of goods and food items. They differ from other customers in terms of affordability. I am happy to do business with them.” The retailer/wholesaler added, “IDPs sometimes purchase goods from wholesalers, while others prefer to buy from me as a retailer. They typically come after receiving their payments from agencies, and with the little they receive, they purchase essential items such as rice, cooking oil, pasta, and whatever they need at that time... There are a few women among the IDPs who run shops within their camps, and they are some of my loyal customers. I trust them so much that sometimes they take my goods and pay me only half of the money, and I wait for the remaining balance until they are able to pay.”

While the other wholesalers did not know of any IDP customers, or even went so far as to state “IDPs don’t buy from me,” the fact that they were identified through the women DACs in the study may reflect a lack of depth of relationship between customers and suppliers, perceived incentives to respond in a certain way, the complexity of local identities—discussed further in [Women DACs’ Lives, Livelihoods, and Linkages](#), or other factors that obscure the data collected.

Among the four wholesalers, three specifically reported that urban host community members are among their customers and three stated that they sell to rural individuals and traders. For example, one woman explained, “I sell to hundreds of customers each week. Some are local residents buying for their families. The majority come from Baidoa Town to purchase supplies for their businesses. I also sell to retailers and sole traders in Berdale.” The clothing and *mas’haf* store operator stated, “Rural people from Bakool like Sakow, Abak Beday Abal, Bardaale, and Baardheere buy from me.”

Market-related connections. Not all of the retailers and wholesalers were willing to share information about their suppliers, as this is viewed by some as a trade secret. Of the others, some buy from suppliers in urban Baidoa Town and others from rural areas. For example, one of the retailers in Barwaqo sources her goods from Baidoa’s Main Market, and the wholesaler/retailer purchases manufactured goods from a wholesaler in a Baidoa sub-village. The producer/trader in Mursal Market buys her farm inputs from Baidoa’s Main Market but the honey and eggs from a food distributor in Goofmarer Village. Two others reported exclusively buying from suppliers in rural areas.

4.3 Rural traders

4.3.1 Rural market connections of the women DACs in SHGs and urban traders

The discussions and interviews with women DACs found that many of the 'rural' goods that they purchase from wholesalers come to Baidoa Town via Awdiinle and Gofgaduud markets.

Of the women DACs who reported purchasing directly from rural traders or producers, some mentioned having suppliers in Awdiinle and Gofgaduud markets. For instance, one lady operating out of Mursal Market explained, "The production products come from Awdiinle market. My mother goes every Friday to see if there are any products available to sell, and we transport them to Baidoa using a van. The other products come from a wholesaler in Baidoa Main Market." One of the market IDI participants and her SHG sisters sell milk, which they receive via a transporter who brings it from Makoon, a small sub-village of Baidoa Town. One of the FGD participants shared that rather than sourcing from her own rural village, Moolmaad, which mainly produces beans and honey, she prefers to buy her cereals from Maguurta, a village roughly 20km southwest of Baidoa, which she said has better sorghum production.

Of the three urban traders whose suppliers are located outside of Baidoa Town, one sources vegetables from Lower Shabelle and Dhoobley via a broker, one sources vegetables from Qoryooley, and the other, as referenced above, buys honey and eggs from a food distributor in Goofmarer Village.

4.3.2 Interviews with rural traders

Customers. Most of the rural traders reported having primarily rural customers. The woman selling kitchen products in Awdiinle shared, "My customers mainly consist of individuals from rural areas who bring various products to this market, such as chicken, sorghum, milk, and camels. After selling their own products, they often purchase goods from my business for their household needs." Reflecting the fact that the terms 'rural' and 'urban' can have different connotations and interpretations, and indeed form a spectrum, the wholesaler in Awdiinle explained, "My customers come from both rural and urban areas within Awdiinle. They bring maize, sorghum, and honey from Awdiinle and purchase rice, sugar, and oil from me to take back to their rural communities." Demonstrating the distinction between retailers and wholesalers, the large wholesaler in Hudur stated, "My customers are all retailers who operate in Hudur Market, the host community, and MARDO [the Mandhere Relief and Development Organization], who sends me IDPs to cover the goods they need in their livelihood."

This Hudur wholesaler was one of the only respondents to note working with IDPs, though he qualified this, explaining, "I do not engage in business transactions with them. I provide them with essential goods as a representative of the MARDO organization. These women possess specific identification cards with their fingerprints, and based on this information, I distribute products such as sugar, flour, oil, and rice to them." The wholesaler in Awdiinle also confirmed having some IDP customers but not knowing much about them. Again, since these respondents were identified through snowball sampling, it is known that they do business with the women DACs in the study, but for some reason, this did not come through in the data.

Suppliers. Many rural traders buy from wholesalers in Baidoa's Main Market. For instance, in Awdiinle, both the male wholesaler and the vendor of home and kitchen goods buy their inventory from wholesalers in Baidoa's Main Market who acquire these products from wholesalers in Mogadishu. The woman running a restaurant, petrol station, and vegetable stall in Awdiinle said that she uses three wholesalers in Awdiinle and Baidoa Main Market.

In Hudur, the small retailer selling cereals said her suppliers include wholesalers in Hudur market who bring goods from Baidoa Town or Beletweyne, rural farmers, and “those women who bring goods on their backs from the villages for a little amount of profits.” The wholesaler selling *bagaash* acquires her goods from her son in Mogadishu, who sources them from China and Dubai, again demonstrating the strength and role of family connections in trade.

4.4 Origin of goods

As discussed in Section 3.1, ‘Flows of goods,’ *bagaash*, clothing/shoes, and other imported goods originate from other countries and are imported via Mogadishu. While not exclusive or indicative of the scale of production in various rural areas, the following locations emerged from the fieldwork as origins of ‘rural’ goods sold by the women DACs or traders along their supply chains. These locations are depicted in Figure 1, Annex 2, and in an [interactive format online](#).

- cereals from ‘local rain-fed farms,’ Gufyarow, Goofgadud, Goofmarari, Baardhere, Luuq, Arreri Jiif, Maguurta (see Figure 7 and Figure 8)
- vegetables from Lower Shabelle, Dhoobley, Qoryooley, local peri-urban irrigation farms, rural Garbooda (see Figure 10)
- various goods such as maize, peanuts, and honey from—or at least transiting through—Awdiinle
- eggs and honey from Goofmarer
- livestock sources from Bakool and Buurgabey (see Figure 11)
- milk from Esaale and Makoon

Among the women DACs who reported receiving farm and livestock products from their family members, three specifically shared that they receive maize, beans, and sorghum from family in their rural origins of Goofgadud, Saakow-Jubada Hoose, and Ufurow-Ideeda.

4.5 Transporters and brokers

The scoping study revealed that transporters are one of the primary enablers of rural ⇌ urban connections, especially during the dry season when roads are more easily traversed. In some value chains, particularly those that are livestock-related, brokers facilitate transactions and transportation.

4.5.1 Transport for women DACs

Of the two market IDI participants who reported purchasing goods from rural suppliers, both reported transportation as being central to moving the goods between the points of purchase and sale. The milk vendor explained that she and other members of her SHG all use the same broker, who procures the milk from the producer in Makoon, and the same transporter, who delivers it to them in the market in Baidoa Town via motorbike. As noted above, the woman whose mother purchases inventory from Awdiinle each Friday transports it back to Baidoa Town using a *caasi*, or van. *Bajaaj* are also used to reach nearby rural markets including those in Awdiinle and Gofgadud. Only one other woman, a vegetable and clothes seller, briefly mentioned using a broker.

While women DACs must travel long distances, often by foot, to get to Baidoa’s Main Market from their IDP sites and Barwaqo, all of the market IDI participants reported using *bajaaj*, motorbikes, and/or *dameer qadiye* (Suzuki pickup trucks) to travel and move goods within the city. For example, they may place an order over the phone and have the goods delivered to their shops or visit the market and bring the goods back with them in a *bajaaj*, which are often used due to their fuel and cost efficiency.

These modes of transit may also be employed by the women DACs to visit their families in rural areas.

Interestingly, while transport is typically a male-dominated sector, one of the FGD participants reported that she purchased a motorbike to start a small transport business. In accordance with local gender norms, she has hired her brother to drive it.

4.5.2 Transport for traders

While a few small retailers who purchase their inventory from suppliers located nearby do not need transporters, these actors are essential for most traders. As a wholesaler in Baidoa's Main Market shared, "I have never traveled to [Qoryooley, the rural location of my suppliers] myself. Instead, I rely on intermediaries like transporters, who operate that route to facilitate the movement of goods." The female wholesaler in Hudur, who purchases imported goods through her son in Mogadishu, said: "I do not personally travel to meet either my suppliers or customers. Instead, my suppliers transport the goods to me using large vehicles. The goods are brought from Mogadishu to Beletweyn to Hudur."

Only two of the traders mentioned using a broker. One of these was the vegetable retailer and restaurant and petrol station owner in Awdiinle, who said, "In my transportation and procurement processes, I collaborate with a single broker based in the Baidoa Market. I provide him with the necessary details, including the supplier's contact and specific requirements. He then handles the purchasing on my behalf. Once the goods are secured, I instruct him to arrange for transportation through my designated transporter to deliver the products to my business location at Awdiinle Market."

While many of the respondents discussed using transporters to secure their inventory, some also noted using them to send goods to customers. The male wholesaler in Awdiinle explained, "I visit my supplier's location in Baidoa to make my purchases. However, when it comes to delivering products to my customers in different areas, especially to meet urgent requests from rural customers, I rely on a transportation service to ensure fast and efficient delivery."

4.5.3 Interviews with brokers and transporters

Transporters. Two female transporters driving *bajaaj*, rented from bus stations, were interviewed. Both operate between Baidoa Town and Awdiinle on Fridays and between Baidoa Town and Goofgaduud on Wednesdays, the weekly market days. The transporters selected these locations because they are large rural markets, with many producers and "good quality customers." While not noted by the respondents as a reason for choosing these markets, it is notable that one of the transporters is originally from Awdiinle but has since moved to Baidoa Town, and the other has family members in both locations.

According to the field researchers, themselves Baidoa Town locals, most transporters work as rural ⇌ urban traders, buying goods in one location and selling them in another, rather than being employed by businesses or large traders for their transport services alone. Indeed, both of the interviewed *bajaaj* drivers carry imported goods such as clothing and plastic shoes from Baidoa Town to the rural markets, as "clothes and shoes are highly demanded compared to other products." While one returns to Baidoa Town with maize and beans, the other usually brings back chickens and eggs but may add sorghum, ghee, beans, and barley during the harvest season or when otherwise available. Their rural suppliers and customers tend to be the same: farmers and pastoralists living in rural areas who bring their goods to rural markets for the transporters to take onward to Baidoa Town and who buy the transporters' imported goods.

Consistent with findings from the inception phase, the interviewed transporters usually do not change routes but rather change the type of goods ferried based on market demand. This responsiveness allows them to be resilient in the face of shifting market dynamics such as product availability and prices. The interviewed transporters do not pre-negotiate fixed prices but rather purchase goods at the current market rate in the buying market and sell them at the going rate in the selling market. If they do not have up-to-date market price information in the destination market, or if prices change rapidly between the time they buy and sell their goods, this can result in losses. One of the respondents shared an example where the price of beans decreased from 13 Somali Shillings⁴⁰ to 6 between the time she purchased and sold them, marking a 54% loss.

These dynamics may be different for larger transporters such as *caasi*, *dameer qadiye*, or lorry drivers.

Brokers. Two male livestock brokers trading goats, sheep, camels, and cattle were also interviewed. One reported having rural suppliers in Buurdhuxunle, Baarbaare, Goofgaduud, and Awdiinle, which he sells to urban butcheries and households in Baidoa District for domestic use, especially during holidays when prices are at their peaks. The other has a much larger operation, including over 100 suppliers such as livestock holders and brokers, many of whom are based in Goofgaduud, Awdiinle, and Buur-hakaba, the nearest livestock markets. He sells to over 30 customers across rural and urban areas, including butchers, brokers, community members, and others who want to purchase livestock. Like the transporters, livestock brokers visit key markets on market days, as many of the transactions are conducted in person.

Unlike transporters, livestock brokers are committed to their value chain and do not change goods, though they might change routes depending on livestock availability. Also in contrast to transporters, brokers' charges are either pre-negotiated before allowing animals to be moved across long distances or are at fixed prices for familiar routes, allowing for a more stable and predictable income stream. To pre-negotiate charges, one broker explained: "I have a connection in every location where I have a market purpose. We call each other every day after the market day of that location so that we can share more useful information about which kind of livestock is most available, the minimum and maximum market prices, the owner's clan and sub-clan, the characteristics of the livestock, and security information."



A *bajaj* passes through a grain market in Baidoa Town / Khalid Abdi Ibraahim

⁴⁰ According to the field researchers, the informal exchange rate during fielding was 2800 Somali Shillings to \$1.

5 Rules, regulations, customs, and norms

The rural↔urban context is largely characterized by informal customs, norms, rules, and regulations.

Indeed, the FGDs with women DACs revealed a strong reliance on informal structures, customs, and rules rooted in trust and mutual understanding, both in their personal and business-related daily lives. They shared that informal rules and regulations can differ between rural and urban areas. They reported that customs and habits associated with clan affiliations can influence a given community's operations, decisions, opinions, and approaches to dealing with various situations and affect how business transactions are conducted, partnerships are formed, and decisions are made in a community. One group also discussed that informal rules and practices may need to be negotiated or established when there are certain expectations or disagreements between actors along a value chain. Specifically cited was a situation in which clients demanded items that were not currently available.

Few women DACs or market actors mentioned formal rules or other structured governance. The smaller of the livestock brokers referred to government-induced restrictions on daily operations that make his work "more stressful," and the larger broker explained, "the non-regulation in the sector makes conducting business difficult." Rather, most of the study's participants reported relying on habits, customs, and cultural norms as informal rules. For instance, in Awdiinle market, traders reported sharing market information with one another but noted that the absence of formal regulations can lead to unethical practices, such as cheating and disclosing other people's business information/trade secrets. As discussed above, loyalty and trust are central to most informal dynamics.

A few women DACs shared that they face discrimination in that some customers prefer to buy from people from other demographics. Others explained, matter-of-factly, how they navigate existing social norms that govern and may impede their market activities. For example, many women DACs operate their businesses from, or near, their homes to balance childcare and household activities with income-earning ones. Another respondent owns a motorbike but, due to prevalent gender norms, has her brother drive it. KIIs with FSPs suggest that even in the formal sphere, entrenched societal norms can inhibit women, DACs, and other marginalized groups from accessing banking and loans.

5.1.1 Taxation

Several participants—both women DACs and traders—reported never experiencing any form of taxation, while others said that they are frequently taxed by both formal and informal actors. This may be a sensitive topic that some did not feel comfortable discussing. In general, it seems that larger traders operating in markets and people moving from one place to another are the primary subjects of formal and informal taxation while petty and other small traders operating in the city are overlooked.

Only one of the 19 women DACs in the FGDs reported paying taxes—on honey she sells—and three of the 10 market IDI participants reported paying informal taxes. Comparatively, one milk and one imported products trader interviewed during the scoping exercise, who were not identified through the women DACs' connections but rather through brief market visits, reported high taxation from local authorities. The large broker reported paying a fixed 120,000 Somali Shillings to the government for each camel sold, and the producer/trader in Mursal Market said that she must pay a formal tax of 100 Somali Shillings on movement between her farm and her stall.

Informal taxes are levied by a range of actors, including government soldiers and insurgents, at checkpoints along roadsides and in towns and villages. One transporter shared, “We are charged a tax of 20 Somali Shillings per quintal of corn, beans, or maize. This is the official tax collected by the government. Occasionally, government soldiers extort an additional 3 Somali Shillings from us.” The other transporter reported having to pay \$0.50 at each checkpoint. While some locations and tax amounts are fixed, others change. As one respondent explained, “There are informal checkpoints that each imposes a small amount of tax, for instance at the milk source, along rural delivery routes of the transporters, and at the seller’s location. The locations of the checkpoints change. The amount of the taxes charged is negotiated and varies seasonally.”

A few of the respondents provided information on specific fixed checkpoints. Two traders in Awdiinle referred to Al-Camaar checkpoint, though one reported that it taxes various products, including *bagaash* “and others” while the other said that it just taxes petroleum products. Another shared that Al Amxaar is an informal checkpoint “in the government-controlled area,” where the relevant actors “sometimes don’t want to get known or seen that they are collecting tax; sometimes they disappear.”



Women sell vegetables and do their shopping in a busy market in Baidoa / Khalid Abdi Ibraahim

6 Supporting functions and the market environment

In addition to transporters and land ownership, discussed above, some of the most enabling features of the rural↔urban system include mobile networks, savings groups and cooperatives, and trade credit. Features that hinder the system most include insecurity, poor infrastructure, and limited availability of and access to formal finance. One of the FGD participants summarized, “Services like input suppliers, market information dissemination, training programs, and infrastructural elements such as marketplaces, transportation, and storage have a significant impact on our livelihoods.” Previous studies have noted that clan plays an important role in many aspects of the market system,⁴¹ though this was not explored in depth by this study. Climatic factors like drought and flooding, macroeconomic variables, and humanitarian assistance have all greatly influenced the rural↔urban system in recent years.

6.1 Mobile network, mobile phones, and mobile money

Nearly all of the interviews and discussions conducted as part of this study revealed that the mobile network, mobile phones, and mobile money services, provided by telecom companies like Hormuud and Somtel, are some of the most salient enablers of the rural↔urban system. Unfortunately, despite repeated attempts, it was not possible to reach Hormuud Telecom for an interview.

Women DACs. All of the women DACs in the study have mobile phones, and four have smartphones.⁴² Some reported receiving these as a gift, while others purchased the devices themselves, spending between \$13-18 on a regular phone and \$17-21 on a smartphone. For airtime, respondents generally spend \$1-2 per week, though one mentioned spending as much as \$7. As discussed above, women DACs use their phones to call their families in rural areas and send them mobile money when needs arise and they are able. The women also use their phones for business purposes: to connect with their suppliers to place orders, check prices, and repay trade credit and to receive payments from their customers. The field team noted that women DACs operating businesses in Baidoa who have smartphones primarily use them for WhatsApp and IMO, which offer cheaper calling and texting of photos to place orders.

The most frequently mentioned barriers to mobile phone usage were affording airtime and charging, followed closely by poor network connectivity.

Traders, transporters, and brokers. The mobile network, phones, and mobile money are also indispensable for traders, transporters, and brokers, who use them for similar purposes. A retailer in Baidoa’s Main Market explained, “[My phone] provides me with the convenience of reaching my suppliers and customers without having to physically go to their locations.” A nearby wholesaler reflected this view, referencing how her phone has enabled her to do business with suppliers in rural areas that she has never even visited.

A wholesaler in Awdiinle market summarized, “My phone plays a vital role in my business as it serves as the primary means of connecting with all stakeholders in my business chain, including suppliers, customers, and transporters. Also, it plays a crucial role in facilitating my daily business transactions through electronic money transfer services like [Hormuud Telecom’s] EVC Plus and [Dahabshiiil’s] E-

⁴¹ Springer et al. 2022. “[Comparative Resilience of Somali Grain and Livestock Market Systems;](#)” BRCiS. 2023. [MSRA Report: Milk, Cowpeas, and Leafy Greens;](#) IOM. 2022. [Understanding the Key Drivers of Displacement in Somalia.](#)

⁴² This may be by design, as according to the FGDs, some SHGs have phone ownership requirements. However, it is true that phone ownership rates are very high in Somalia.

Dahab.” Two of the neighboring retailers added that customers are increasingly making purchases with mobile money as opposed to cash, and a wholesaler in Baidoa’s Main Market agreed: “Mobile money is our primary payment method because the Somali shilling has very little value compared to the dollar. Carrying large amounts of cash in Somali currency is challenging, especially when dealing with high-priced goods. Mobile money has greatly facilitated our business operations.”

One of the transporters emphasized this point, stating “Without a mobile phone there would be no business to run. Communication and information from rural to urban is highly needed.” Similarly, a broker explained, “My mobile plays a huge role in my business because in today’s life, if you don’t have a mobile, it’s very hard to take a step forward to your destination. Mobile use and connectivity have helped me do many things that would otherwise have taken months in a very short time.”

6.2 SHGs, VSLAs and *ayutos*

As noted in previous research by BRCiS and Concern World Wide, cooperatives, associations, and traditional savings groups called *ayutos* are all common within Somali culture.⁴³ A 2021 study by UN Women found that over 90 percent of women in Baidoa were in a formal (VSLA or SHG) or informal (*ayuto*) savings group that provided them with essential business support services.⁴⁴ Indeed, many cooperatives, trade groups, and other organizations—even businesses—include savings groups. The various types of savings groups are detailed in the [Women DACs’ Lives, Livelihoods, and Linkages](#) report. They are generally distinguished based on the level of formality, extent of support from outside organizations, decision-making processes, membership requirements, and, for women, extent to which membership is accepted by their husbands.

6.2.1 SHGs selected into this study

As noted in Section 2.3 ‘Sample,’ the women DACs in this study were selected for inclusion because they are members of NGO-supported women IDP-only SHGs, generally seen by the women themselves as the most formal variety of savings group. All of the groups have received two days of business management training, which the women said expanded their views and enabled them to make more strategic decisions. Three groups have benefitted from small business grants of either \$42.50 or \$350 per person, and two have been connected with bank accounts where they can hold their groups’ savings. Interestingly, as many as 42 percent of the SHG members reported also participating in another group.

The SHGs’ activities are primarily centered around savings and rotating loans, which the members use for business-related purposes such as investments, emergencies associated with the drought, and day-to-day operations, as well as personal emergencies if needed. Over half of the women DACs participating in the market IDIs credited their SHGs as the primary reason they were able to overcome challenges they faced in the last year and put food on the table for their families. Beyond these financial benefits, SHGs offer a platform via which members can offer one another support and collective mentorship, share information and knowledge, connect one another to useful contacts such as suppliers, and serve as guarantors for trade credit. The women SHG members reported a multitude of positive impacts such as increased financial empowerment, business management skills, financial literacy, incomes, and social and market connections.

⁴³ BRCiS. 2019. [Self Help Groups and Resilience in Somalia: Supporting and Strengthening the SHG Ecosystem](#); Concern World Wide. 2020. [Mapping of Financial Services for SHGs](#).

⁴⁴ UN Women. 2021. [Market Assessment of Microbusiness Opportunities for Women](#).

On the downside, the women DACs noted that the regular financial contributions required to sustain their memberships in the SHGs can be challenging to make, as many are barely earning enough to provide for their families. These fees can reduce the funds they have available to support their rural family members and serve as a barrier to SHG membership for those with less stable livelihoods.

These and other details about the participating SHGs are included in the accompanying [Women DACs' Lives, Livelihoods, and Linkages](#) report.

6.2.2 Other groups and memberships

The representative from Concern World Wide reported that they have provided support to 45 SHGs in Baidoa and 20 in Afgoye, primarily targeting women IDPs and host community members with mixed clans as well as returnees. The key informant from ACTED reported that they have supported three groups total, including two in this study. The 2021 UN Women study⁴⁵ also reported World Vision, Danish Refugee Council (DRC), NRC, Mercy Corps, Cooperazione Internazionale (COOPI), and Islamic Relief support formal savings groups such as VSLAs in Baidoa.

Notably, despite the pervasive nature of trade and savings groups noted in the desk review, only one retailer in Barwaqo reported being a member of an *ayuto*, and one retailer/wholesaler in Baidoa market reported being a member of some type of group or association but did not specify which, and the large broker reported being a member of a brokerage association.

None of the FGD participants reported any knowledge of savings groups in their rural origins. Similarly, most of the traders, transporters, and brokers reported that they did not know of any associations, trade groups, women's groups, or savings groups in the rural areas where they operate. In one exception, a retailer in Hudur noted that she has customers who are members of an Action Against Hunger (ACF)-initiated SHG. This suggests that it may be worth looking into the possibility of creating or replicating formal savings groups both within the city as well as in rural areas.

6.3 Access to formal finance

Access to formal financial services in Somalia is extremely limited due to a lack of effective monetary regulation, vulnerability to terrorism finance, and a lack of reliable financial infrastructure. Significant barriers such as the prioritization of certain sectors and market actors, requirements for documentation and collateral, and high interest rates make formal finance largely inaccessible to most market actors. This is cited in the literature and by women DACs and most key informants in the study as one of the most significant barriers for women IDPs and the local economy.

Still, banks, microfinance institutions, and other FSPs do exist in Baidoa. Those identified through the desk review include Salaam Bank, Amal Bank, Midnimo Microfinance Institution (MFI), Dahabshiil, TAAJ, International Bank of Somalia, and the Gargaara Small and Medium Enterprise (SME) Financing Facility. Representatives from the first three of these were interviewed for this study, and these conversations are summarized in Box 1.

⁴⁵ Ibid.

Midnimo MFI has three locations in South West State: in Afgoye, Baraawe, and Baidoa Town. Amal Bank has three branches in South West State, and Salaam Bank has two branches in Baidoa's Main Market. All three FSPs primarily finance agriculture, livestock, and SMEs, though they noted that their products, services, and branches have limited reach into rural areas.

All three FSPs offer *Qardu Hassan* financing, the only form of lending in Islamic finance, which is interest-free and fills short-term financing gaps. Some offer this primarily or only to certain groups such as women, women IDPs, returnees, vulnerable members of the host community, or savings groups. Midnimo MFI and Amal Bank both offer *Murabaha* financing, a Sharia-compliant contract that permits FSPs to purchase assets on behalf of a client and then sell these assets to them on a gradual payment plan with an appropriate margin. All three FSPs offer microfinance services. At Amal Bank, this program begins with a capital investment of \$100, which increases to \$300, \$500, and \$1000 in subsequent years.

Midnimo MFI and Amal Bank both target women IDPs specifically, going out of their way to tailor and market products and services to this segment. Both also work with savings groups. In the last year, Midnimo MFI has worked directly with eight, and Amal Bank, through its partnership with Concern World Wide, has worked with 50. Comparatively, while the Salaam Bank representative asserted that its products are accessible to various segments of the population, it does not distinguish between people based on IDP status, gender, or other such characteristics, but instead applies pre-defined criteria to assess the viability of all businesses. All three FSPs have initiatives in place to reduce barriers to accessing financial services for women IDPs and other vulnerable groups, such as offering alternatives to the usual documentation requirements, or programs to facilitate or lower the costs of acquiring such documentation.

Despite Midnimo MFI and Amal Bank's efforts to prioritize and reach women IDPs, these programs and portfolios remain relatively small, and awareness of these services among this target group remains limited. Aside from the two Concern-supported SHGs who opened accounts for their collective savings at Amal Bank, one of which now accesses collective loans, and one woman who opened her own account as a result of this partnership, formal banking services were not used by the women DACs and SHGs in the study's sample. The women DACs shared, via FGDs, that they do not have access to formal financial institutions and when they do, they are unaware of the process to access loans, lack the necessary collateral or documentation, or feel that the banks do not trust them enough to lend to them.

6.4 Trade credit

Despite many strong voices from women DACs and key informants that raised concerns about the lack of access to financial services, findings from the desk review shared in the inception report⁴⁶ and interviews with all types of actors—from women DACs to larger traders, and from brokers and transporters to key informants—revealed that informal trade credit is used extensively across the entire rural↔urban chain and is vital to enabling the rural↔urban system to function.

Like much of the local market system, trade credit operates based on trust cultivated through loyal, sustained relationships. As such, wholesalers with many walk-in customers may not offer credit, but wholesalers, retailers, transporters, and women DACs who cultivate closer relationships with their suppliers and customers often do, in which case the amount of credit extended may be increased as trust is built. Many of the women DACs shared that their fellow SHG members connected them with

⁴⁶ Concern World Wide. 2020. *Mapping of Financial Services for SHGs*.

suppliers who were willing to offer them trade credit based on the other members' guarantees. Some noted that even mentioning their membership in a SHG was enough to convince suppliers to offer them trade credit, as this signaled that they had been vetted and were deemed trustworthy by others. Notably, according to FGD participants, of the formal and informal savings groups operating in Baidoa Town, SHGs have the most stringent entry requirements. While about half of the women DACs operate their businesses with cash, the other half reported using trade credit, especially during times when they have many other bills to pay. They carefully consider the amount they take out and manage their funds to ensure timely repayment.

Trade credit is not so much extended based on business interests but rather based on informal customs. Interest is not often charged, and in some cases, trade credit is offered based on care and consideration for customers' personal circumstances. As one retailer in Barwaqo shared, "Sometimes I buy goods on credit. I offer credit to my customers because I know some of them are not satisfactorily getting daily meals, and some are even sleeping on an empty stomach." Not all trade credit is cash-based; indeed, both credit and transactions are sometimes bartered. As one transporter shared, "Sometimes, my customers take goods on credit from me, and when they repay the loans, they don't provide cash but instead offer beans as payment, instead of the money they originally owed."

The FSP representatives shared that women IDPs' track records using trade credit and being involved in savings and loan groups have demonstrated that they are credit-worthy. At the same time, these key informants expressed some concerns regarding the informality of trade credit, stating that it can be unstructured, unpredictable, and unprofessional, often lacking defined time frames. They shared that some creditors can be inflexible with repayments, placing a potential burden on business owners' relatives or other collateral sources in the event of non-payment. Informal trade credit also directly competes with FSPs' services and cuts into their market shares.

Despite these concerns, trade credit is so pervasive that it appears that a large share of the overall rural↔urban market chain, from producers to consumers, is highly leveraged—and has likely become more so during the recent drought. As a result, any system-wide changes, such as climate shocks or adjustments to humanitarian aid, can have rapid knock-on effects across the rural↔urban spectrum.

6.5 Training

As discussed in Section 4.1 'Women DACs in Baidoa Town,' key informants and women DACs shared that IDPs largely come to Baidoa with 'rural' skills related to farming and livestock husbandry and lack the skills needed to thrive in their new urban environments.

Although the women DACs in the study have received short, two-day business management training through their SHGs, which they shared have opened their eyes, motivated them, and supported their abilities to run their businesses, and while some have also sought out further training independently, interviews with women DACs and key informants revealed a significant need for and interest in further business-related and other training. Most of the women DACs are not literate or numerate, which significantly affects their ability to run their businesses, participate in more advanced training, and even to articulate their experiences and needs to the researchers. Detailed information on the women DACs' skills and training needs is available in [Women DACs' Lives, Livelihoods, and Linkages](#).

The document review identified several organizations that provide training services in Baidoa Town, including Mercy Corps, DRC, World Food Programme, World Vision, NRC/YEP Centre, Gredo, Tawakal, Keydo TVET, Bay Women’s Centre; and Wardo, Iftin, and Southwest TVET centers.⁴⁷ Field work for this study included interviews with the Somali Center for Education and Consultancy (SCEC), the South West Innovation Hub (SIH), and the Women Health Care and Relief Organization (WHCRO), whose services are summarized in Box 2.

Box 2. Training organizations

SCEC has been operating for ten years and has training centers in the northern part of Baidoa Town. It offers various skills training to IDPs such as carpentry, masonry, tie dye, tailoring, beauty salon, cooking, mobile repairing, computer skills, literacy and numeracy, bookkeeping, and small business management, some of these specifically for women. The duration of these courses ranges from four to six months. In the past year, SCEC has offered four training courses to a total of 50 IDP, returnee, and host community students living in the Horseed, Howlwadaag, Wadajir, Towfiiq, and Waberi urban villages (neighborhoods) of Baidoa Town. It does not offer training in rural areas.

SIH offers training in Baidoa Town and other parts of South West State. Its offerings include: the benefits and challenges of small business, business and poverty innovation, and an introduction to business and innovation. These sessions typically target women selling vegetables and running other small businesses. SIH uses a training-of-trainers framework, whereby it trained 30 trainers who teach innovation in IDP camps. In the last year, SIH trained 250 IDPs as part of a business mentorship program sponsored by Save the Children.

WHCRO operates training centers in the northern part of Baidoa Town and maintains focal points in Qoryoolay, Buur, and Mogadishu. It provides skills training to IDP and host community women on tie-dye, tailoring, beauty salon services, cooking, Somali language literacy and numeracy, protection and gender-based violence awareness, peace initiatives, and small business management. These generally last from one to three months. In the past year, WHCRO has trained a total of 200 participants.

All three organizations operate with funding from NGOs and do not charge trainees. The trainings offered by these organizations are aimed more at enabling new livelihoods for rural people displaced to urban areas than at facilitating rural ⇄ urban connections. However, SIH offers trainings for vegetable sellers that likely utilize the rural connections of women DACs previously working in agriculture, and SCEC and SIH connect their graduates with other market actors who facilitate urban-rural connections such as Chambers of Commerce and FSPs.

6.6 Cooperatives and trade organizations

Three cooperatives and trade organizations were interviewed as part of this study: Bay Cooperative, Barwaqo Business Group, and the Baidoa Chamber of Commerce. All of these actors facilitate connections between businesses, consumers, and other market actors including financial and other service providers and training organizations. While all play important coordination and information exchange and dissemination roles, each has a somewhat different focus in terms of coverage, value chains, and roles, as described in Box 3.

⁴⁷ UN Women. 2021. [Market Assessment of Microbusiness Opportunities for Women](#).

Bay Cooperative is comprised of 20 cooperative associations with 2,500 members—1,500 men and 1,000 women—working in the livestock and agricultural sectors across all of the districts in Bay Region. According to the key informant, 80 percent of members are rain-fed farmers producing the main cereals of the region, sorghum, maize, and nuts, as well as beans, sunflowers, and vegetables. Other members include transporters, who distribute the harvest across the districts, and end-use sellers. Bay Cooperative’s primary roles include connecting rural producers with urban consumers, marketing products produced by members, building and nurturing networks among members, linking its rural and urban members to inputs and training opportunities, and lending funds to members who encounter financial challenges. Bay Cooperative operates a call center that provides market prices and other information to rural and urban callers. While the cooperative does not include significant representation of IDPs, some members employ IDPs as casual laborers, and the cooperative has outreach staff who visit IDP sites to raise awareness about the importance of returning to rural areas and engaging in productive activities.

The Baidoa Chamber of Commerce includes 105 smallholders and medium-sized businesses located across all districts of South West State. It facilitates import and export services; includes a mandate to connect members with businesses from other states; connects suppliers, inputs, and rural networks at the production level; connects businesses with farmer cooperatives; and provides a range of trainings. It also provides guidance on import-export roles, protects members’ interests in terms of markets and bargaining, resolves issues related to the transportation of goods and services, seeks out markets for members' goods, advocates for acceptable taxation, and protects customers from expired goods. It offers specific programs for IDPs and women, including supporting women-owned sorghum processing businesses.

Barwaqo Business Group includes thirteen medium-sized business groups, one of which is female-run, with approximately 20 members each. Most of the members are women who live in Barwaqo and Suubis, and a variety of clans are represented. Members operate a variety of businesses including sourcing products, transportation, retail trade, inventory management, marketing, customer sales, and security. Barwaqo Business Group aims to create a thriving market environment where none previously existed, enabling a local economy in Barwaqo and reducing the need for Barwaqo residents to travel all the way to the main market in Baidoa Town. The members have collectively invested \$110,000 towards the marketplace, which is currently under construction. The group’s primary roles include offering financial support to empower and facilitate the growth of small businesses and attracting affluent customers to the Barwaqo market. The group supports rural↔urban connections by linking rural producers with urban consumers, benefitting rural communities economically and ensuring a steady supply of quality goods for consumers in Barwaqo, and providing training and capacity building to rural entrepreneurs to enable them to better meet urban market demands. Notably, most of the residents of Barwaqo were originally from rural areas, and Barwaqo is located near several large ‘rural’ (or perhaps peri-urban) villages.

6.7 Physical infrastructure

The rural↔urban market system is physically connected by roads and also consists of marketplaces and storage facilities. Most of this suffers from overall low quality. A 2020 survey by Concern⁴⁸ classified poor road infrastructure as the third greatest barrier to sustainable livelihoods, and FGD participants also categorized it as one of the top challenges. A women DAC in one group shared, “Currently, we face challenges due to poor infrastructure, which affects our ability to transport goods efficiently.”

⁴⁸ Concern World Wide. 2020. *Mapping of Financial Services for SHGs*.

The desk review found that even the road networks to Mogadishu and Diinsoor are only partially paved, and the rural distribution network consists largely of narrow dirt paths for walking and motorbikes.⁴⁹ Most roads flood and are impassable in the rainy season, when villages become accessible only by long walks by foot.⁵⁰ These reports were confirmed by the field research. The transporters and brokers reported very poor road conditions even on common routes to the nearby markets of Gofgaduud and Awdiinle. One of them shared an incident: “During the rainy season, my vehicle became stuck near Lake Midow, resulting in the loss of all the goods we were carrying. The challenging conditions caused the goods to fall into the lake, and we had to return empty-handed.”

6.8 Insecurity

As discussed in the inception report, Al Shabaab controls a large share of the rural area around Baidoa Town and exerts a significant influence throughout the region. According to a recent market systems resilience assessment,⁵¹ Al Shabaab is considered the most powerful market stakeholder, controlling over 80 percent of agricultural land, significant water resources, and movement of people and goods. Conflict can also erupt with the government, clan groups, and militias who set up roadblocks.

In fact, a week-long blockade on Baidoa Town just before the scoping visit for this activity led to uncertainty around the visit’s feasibility and ultimately led the team to change one of the rural locations from Gofgaduud to Awdiinle. Study participants indicated that Awdiinle and the road to Gofgaduud are under government control, but Gofgaduud itself is often contested and frequently under the insurgents’ control, as is the route to and market in Buurdhuxenle in Bakool Region. Some traders said that the Gofgaduud and Awdiinle routes are generally secure, as long as tax is paid to those who demand it.

While insecurity was not a main topic of this study, and limited direct questions solicited information about it, it was a point that participants repeatedly raised. Indeed, FGD participants cited insecurity, including the presence of armed groups along roads and in villages, as one of the top barriers inhibiting the movement of people and trade between rural and urban areas. They reported that although they feel much safer now that they live in Baidoa Town, there is still a risk of insecurity, and kidnappings, rape, and theft sometimes occur. They also shared that they often worry about the safety of their family still living in rural towns. While not directly reported, it is assumed that in addition to other factors, continued insecurity in rural origins prevents, or at least disincentivizes, some from returning home.

Besides the direct control of various areas throughout the region, repeated military clashes and violent attacks disrupt trade routes, increasing insecurity and unpredictability for traders and transporters. One interviewee pointed out that “When a fight breaks out between the government army and Al-Shabaab, there is no travel to rural areas.” A trader stated, “One of the biggest challenges I have faced was when my truck was burned by Al-Shabaab on the road connecting Hudur and Celberde.” Another shared, “While there may be occasional challenges, I typically operate in a peaceful environment. There have been times when Al-Shabaab blocked the main road leading to Baydhabo [Baidoa Town]. During such incidents, goods didn’t arrive for a month, causing prices to rise and goods to become more expensive.”

⁴⁹ Somalia Ministry of Planning. 2020. [Somalia National Development Plan 2020 to 2024](#); Danwadaag and BRCiS. 2023. *Literature Review – Scaling Up Durable Solutions*; UN-HABITAT. 2023. [Baidoa City Strategy](#).

⁵⁰ Food and Agriculture Organization. 2022. *Research on Rural Mobility, Displacement, Food Security and Livelihoods in Somalia*, cited in Danwadaag and BRCiS 2023; Somalia Ministry of Planning. 2020. [Somalia NDP 2020 to 2024](#); REACH. 2017. [Baidoa IDP Settlement Assessment](#); UN-HABITAT. 2023. [Baidoa City Strategy](#).

⁵¹ Springer et al. 2022. [“Comparative Resilience of Somali Grain and Livestock Market Systems.”](#)

7 Drought and resilience

7.1 Drought

The prolonged 2021-23 drought has severely disrupted most aspects of life in South West State, negatively impacting lives and livelihoods across and within all value chains. These effects have been exacerbated by macroeconomic factors such as the war in Ukraine and severe price fluctuations. Since the drought's impact on population movements has been discussed at length in a 2022 IOM study,⁵² other documents summarized in the inception report, and in Sections 1 and 3 above, and given that only one of the women DACs in the study was displaced during the current drought, this section focuses on the economic implications of the drought that arose through the primary research.

As discussed above, key informants interviewed for this study consistently agreed that in rural areas, traditional agricultural and pastoral livelihoods have been decimated due to crop failure, degradation of farmland, depletion of water sources, livestock death, and distress sales of productive assets—including remaining livestock—as coping mechanisms. The resulting massive displacement of people from rural to urban areas has further depressed rural production.

Market actors along the rural→urban chain including brokers, transporters, and traders have been impacted. While not specifically reported in these interviews, it is understood that many traders were compelled to source their products from increasingly distant areas, that prices have correspondingly increased, and that competition among traders stiffened. Some of the transporters, traders, and women DACs in this study reported reduced availability and/or periodic unavailability of goods. One wholesaler in Baidoa's Main Market explained, "My biggest challenge was the drought in Qoryooley, where I source most of the goods I sell. This severely impacted my business and hindered its smooth operation."

The most common drought-related concern reported by the traders and women DACs was its effect on reducing the purchasing power of their rural and urban customers. This was summarized well by one of the retailers in Barwaqo, who shared, "Our challenges last year were a decline in customer demand, resulting in fewer purchases of our products. Additionally, a significant number of customers opted to obtain our products on credit or make partial payments." Similarly, a retailer in Awdiinle stated, "The main challenge I faced last year was related to my clothing business. Due to the drought, customer foot traffic significantly decreased, and I rarely had more than five customers inquire about prices daily." She later explained that she tends to change the goods she sells in response to market demand and has since shifted from selling clothing to selling kitchen products.

According to the interviews with the SHGs' Chairladies, as a direct response to the drought, members have increased their savings withdrawals, reduced the amounts they were saving, and delayed their loan repayments. At the time of the scoping FGDs in July, one of the groups noted that they had paused contributions for the prior three months. In addition to the financial pressures on their businesses and incomes, many of the SHG women are concerned about their families living in rural areas affected by drought and are financially supporting them.

7.1.1 Other shocks

While the drought's effects have been extreme, the research suggests that regular and irregular fluctuations in market dynamics such as availability and prices are not uncharacteristic of the local

⁵² IOM. 2022. [Understanding the Key Drivers of Displacement in Somalia](#).

rural ⇌ urban economic system. Indeed, in the interviews with traders, transporters, and women DACs, these issues were raised with respect to normal seasonality, taxes, and other shocks such as flooding and insecurity, which can disrupt movement along roads between key markets.

In addition to the examples of road blockages and insecurity shared above, a wholesaler in Baidoa Town stated, “The main challenge in my business last year was when there were high taxes demanded by the government, which made us raise prices for our products which our customers couldn’t pay.” A retailer in Awdiinle said, “Last year, we encountered a significant challenge when flooding disrupted the road between Baidoa and Awdiinle. This resulted in a delayed delivery of petrol, taking several weeks longer than usual. As a consequence, both my fuel business and restaurant were adversely affected.”

7.2 Humanitarian assistance

Several key informants described the drought’s impact on the economy as “shifting IDPs from being producers to consumers” who now depend on humanitarian assistance. This seems to be a commonly held stereotype, which, as this study demonstrates, is not a wholly accurate characterization, as rural populations are both producers *and* consumers and IDPs do engage in income-generating activities.

Furthermore, many key informants suggested that while humanitarian aid has offered crucial support, it has inadvertently fostered aid dependence “even among the most productive members of society.” However, while some of the women DAC SHG members in the study reported receiving ad hoc humanitarian assistance, this was not widespread or consistent. While it is true that there may be disincentives to reporting this on the interviews, the pattern expressed in the data is consistent with some known humanitarian targeting techniques during the recent drought, which might offer a family a one-time transfer or short-term support, for instance over three months.⁵³ As one woman shared, “I did receive financial assistance from a humanitarian organization about 5 months ago, amounting to \$85.” Those who have received such support have largely used this aid to meet their basic needs, which around one-third of the women DACs are struggling to do despite their businesses. As noted elsewhere, many of the women DACs also reported sending a portion of this to support their rural families.

This is not to discount the significant humanitarian investment going into Baidoa in the last two years. In addition to saving lives and addressing basic needs, this has helped to prevent the collapse of the economy. While traders in Hudur noted that the influx of food assistance there has flooded the market, cutting into their sales and incomes, women DACs and traders in Baidoa Town and Awdiinle noted that cash assistance has helped to sustain the customer demand and purchasing power needed for their businesses to weather the drought. As one SHG member explained, “My business is reliant on cash distributions in the IDP settlements to boost sales. When there’s no cash assistance for households in the camp, people have less to spend, and I make fewer sales and earn less income.” A wholesaler in Awdiinle confirmed, “Some of my customers received assistance from humanitarian organizations and their families in Baidoa, which allowed them to repay their credit balances with me.” A wholesaler in Baidoa’s Main Market demonstrated the extent to which the Baidoa economy as a whole has become intertwined with aid by explaining that her business cycles now fluctuate in time with cash distributions. A big question for the rural ⇌ urban economy, including the businesses of the women DACs is: Where will purchasing power come from as the emergency funding wanes? Indeed, there was already some tension and concern about this among the study’s participants during the main fielding in September.

⁵³ BRCiS. 2022. [IRF Phase II Impact Evaluation Final Report](#). Jenny Spencer; and BRCiS. 2023. *BRCiS’ 2021-23 Emergency Drought Response: Integrating Systems Support in Crisis*. Jenny Spencer, Melissa Earl, and Sophie Alden.

7.3 Resilience

While not an inherent part of the rural↔urban market system, the emergency humanitarian funding injected into the economy did prevent it from bottoming out. As one transporter shared, during the drought, “Customers were consistent in buying, even if it was little that kept me going during that time.”

The women DACs shared that their businesses were one of the most important factors helping them overcome challenges of various kinds over the last year, but it is possible that many of these businesses would not have survived if the purchasing power of their customers had not been sustained through aid. At the same time, the skills and networks they have built and the commitment and dedication they have shown in developing their businesses are critical resilience capacities. This sentiment was recognized by key informants who explained that promoting women IDPs’ empowerment through education, skill-building, and economic opportunities can improve their confidence, help them overcome fear, and improve their self-reliance and resilience.

The women DACs also cited their SHG membership as a main factor enabling them to overcome their challenges and put food on the table for their children. In addition to being a financial safety net, the interviews with SHG Chairladies highlighted that SHGs build members’ resilience by creating social support networks built on collective strength, a strong sense of trust, and encouragement.

One of the key informants emphasized the critical role of social cohesion and community connections in building resilience against shocks. Consistent with this sentiment, the strong relationships, trust, and informal agreements that characterize Somali society and markets were cited by traders as capacities that helped them be resilient in the midst of the drought, as were personal motivation and mindset. Multiple traders shared that they requested extended trade credit terms at more favorable rates from their suppliers. “By getting credit from suppliers, being patient, and acting as if nothing big had happened to my business to avoid stress,” was how one of the retailers in Barwaqo said she faces big challenges successfully. The other said, “What helped me was that I showed a lot of effort.”

Rural Somalis have been navigating climate shocks for many years and employ storage facilities to help manage smaller shocks. Traders noted cereals such as sorghum, maize, and soybeans and honey as being products that store well and are therefore ‘resilient’ relative to other goods such as vegetables. Others said that livestock, particularly camels, are relatively drought-tolerant. However, these methods did not stand up to the severity of this drought. The women DACs noted that their rural families had attempted to store sorghum and other cereals to prepare for emergencies but this drought rapidly depleted their stocks.

To truly build rural resilience, key informants emphasized the need for long-term solutions and investments in rural areas, which would prevent the need for people to leave during times of stress, and possibly even encourage some IDPs to return. In particular, basic services including medical care, sustainable water access, and support for sustainable agricultural practices were emphasized.

8 Discussion: Market systems resilience analysis

While this study did not follow the USAID MSRA methodology and indicators, this framework offers a useful structure for discussing the various resilience capacities of the rural ↔ urban market system, centered on the women DACs' experiences and connections. This section summarizes the findings presented above, reframing them along the MSRA's eight dimensions of market resilience.

8.1 Connectivity

Despite the significant challenges of persistent insecurity and poor road infrastructure, exacerbated during the rainy season, rural and urban areas are closely connected by mobile phone and mobile money services, face-to-face trade in rural and urban marketplaces, transporters, brokers, seasonal casual labor, and personal and market networks—which can be interdependent.

As described above and more fully detailed in the [Women DACs' Lives, Livelihoods, and Linkages](#) report, market connections, especially for smaller traders including women DACs, are often characterized by trust and loyalty, and there is a preference for fewer, stronger connections rather than numerous shallow ones, though some discussions suggested that introductions to additional market actors may be useful. The women DACs are primarily connected to urban wholesalers, though some source goods directly from rural markets, producers, or family, or indirectly via brokers and transporters. Networking through SHGs, camp neighbors, and family facilitates these connections. Around one-third of the FGD participants shared that their market connections in rural areas are different than their personal rural contacts, another third said these are the same, and the remaining third reported that they were mixed.

Most IDPs displaced from rural areas retain strong personal, familial connections, even many years after moving to Baidoa Town. Most maintain these relationships through phone calls, half through visits, and half through the exchange of goods or money. Women DACs also cultivate new connections with neighbors, who may refer them to SHGs, suppliers, or other market actors and who serve as their customers in their IDP sites and Barwaqo. Having a business also enables women DACs to broaden and deepen their relationships in their neighborhoods and the markets where they work. The SHGs are one of their most important connections, offering financial support, fostering strong social networks, and offering platforms via which they contribute back to their own communities.

8.2 Diversity

Variation of livelihoods and value chains. While most women DACs in the study are engaged in petty or small trade, there are some exceptions, including one lady who owns a motorbike, a few respondents who keep livestock or grow maize in small quantities, and others who depend on family members. Only a few reported having additional income streams beyond their trade business, though several diversify the products they sell. While some reported being the sole vendor of a certain type of good in their neighborhood, the majority of the women DACs offer common goods that are consistently in demand rather than specializing in unique or distinguished products that customers cannot access elsewhere.

Bi-directional trade. While value chains related to rural production, such as cereals and livestock, which are weather and climate-dependent, have received most of the attention of other market systems studies and stakeholders, findings from this research repeatedly emphasized that trade is bi-directional. The urban → rural chain includes *bagaash*, clothing, soaps, and other manufactured and imported goods, which are reportedly in fairly strong demand in rural areas. While it seems that value addition is limited, the FGDs revealed that some processing, such as milling of sunflower, occurs in urban areas, and the resulting products are both consumed in town and sold back to rural areas.

Although smaller traders, brokers, and large wholesalers may specialize in certain value chains, many of the SHG members, traders, and transporters in the study sell a diversity of products, often including a mix of rural and imported items. For example, while SHG members may start small in value chains with low barriers to entry, for instance collecting and selling firewood or selling milk or vegetables, as their operations grow, they begin to diversify. Likewise, engaging in both rural→urban and urban→rural value chains enables transporters to maximize their efficiency.

SHG members shared that their personal transactions with rural family members are also bi-directional. Women DACs may receive part of the harvest or other production goods from their relatives—whether for consumption or sale—and in turn, the women will send them whatever products they need from the city, whether this be *bagaash* or other imported goods, sorghum or other food items if rural stocks are low, or cash or goods from humanitarian assistance.

Exploring the diversity of ‘rural’ areas. Given the remote nature of and limited access to rural areas, rural people, production, and land—both in Somalia and elsewhere—are often described in general terms and characterized as fairly homogenous. However, there is notable variability within rural spaces.

First, rather than representing a dichotomy, ‘rural’ and ‘urban’ are two ends of a continuum that is largely relative. This study’s efforts to explore the rural↔urban system revealed that different stakeholders use these terms to refer to different parts of the spectrum. For instance, higher-level NGO stakeholders may refer to whole districts as being ‘urban’ (Baidoa) or ‘rural’ (other districts in Bay and Bakool) although there are more and less populated areas within each district. Traders and stakeholders in Baidoa Town viewed nearby market towns like Awdiinle and Gofgaduud as being ‘rural,’ while traders and producers from small villages referred to these locations as being ‘urban.’ Broad generalizations by district can hamper a nuanced understanding of the local rural↔urban dynamics that may be valuable for programming and economic initiatives. For example, while it is generally understood that people are being ‘displaced from rural to urban areas,’ 21 percent of IDP arrivals in Baidoa District in 2022 were from elsewhere within the district, as are around one-third of the women DACs in this study’s sample.⁵⁴

Areas that are relatively proximal to urban centers like Baidoa Town exhibit different characteristics from those that are much further away, such as greater accessibility and connectedness, particularly given the many physical and security constraints that inhibit movement. This distance may affect initial displacement-related decision-making and can influence the extent to which DACs are able to maintain their connections to their homes. Similarly, while there are notable exceptions, many of the findings generated through this research pointed to fairly localized trade dynamics, with women DACs, traders, and transporters in Baidoa Town primarily connected to suppliers and even producers within Baidoa District, especially the hinterland. Of course, the inclusion of Hudur market presents some findings about other areas, and following some of the trade connections further would likely yield more insights.

The 2020 Baidoa Urban Profile⁵⁵ offers useful definitions and a map, shared here in Figure 3 for reference, to clarify some of these nuances. The peri-urban periphery around Baidoa Town, which includes Barwaqo and other planned developments, is characterized by increased privatization, plot demarcation, and peri-urban farming and livestock rearing. Further out, Baidoa’s hinterland has one of the highest densities of settlements among all cities in Somalia and is distinguished by the agricultural

⁵⁴ UNHCR Protection and Return Monitoring Network. 2023. “[Somalia Internal Displacement Dashboard.](#)”

⁵⁵ South West State Ministry of Public Works, Reconstruction and Housing and UN-HABITAT. 2020. [Baidoa Urban Profile 2020.](#)

alluvial plain in the west, characterized by uniform settlements, and the floodplain in the east, where settlements are concentrated along the river beds. While daily migration between these villages and the city is possible and done by some people, this is constrained by poor road infrastructure and transport networks. Still, it is likely that some of the 'rural' customers described in this study are people from these nearby 'hinterland' villages. Notably, Awdiinle and Gofgaduud, two of the most important markets that link Baidoa Town with the surrounding rural areas and other distant markets, and those that were repeatedly cited by women DACs and traders in the sample, are located at the periphery of the agricultural areas and within the service area accessible within 60 minutes of driving.

Second, the level and frequency of insecurity and the actor that exerts control over a given area both influence the localized patterns and flows of trade, people, and money.

Third, while Bay and Bakool Regions are generally known for their cereal and livestock production, the fieldwork confirmed that certain towns and regions are locally recognized for specializing in certain crops, livestock products, and/or honey. For instance, some women DACs in the study hailed from Awdiinle, known as a trading hub; Moolmaad, known for beans and honey; Makaraah District in Middle Shabelle, known for making and selling charcoal; and Jawaarey district in Middle Juba, known for cattle and sorghum. As reported above, the respondent from Moolmaad prefers to purchase her trade goods from Maguurta, a village 20km south of Baidoa Town, which is known for better sorghum production.

A more extensive micro-economic assessment of rural production would yield greater insights into some of these nuances that would be actionable for rural economic initiatives.

8.3 Power dynamics

As noted in the inception report, other studies have highlighted several of the complex and interwoven power dynamics affecting the flows and connections of people, money, goods, and information between rural and urban areas, notably the roles of Al Shabaab, clan leadership and networks, family networks, and even camp management and gatekeepers, which can either support or inhibit individuals depending on their demographics and other characteristics. While the study's participants referred often to insecurity, family networks, and neighbors and camp connections, clan was not frequently raised as a discussion topic, except by one large livestock broker who confirmed the inception report's findings that clan plays a major role in the livestock value chain.

In general, most of the women DACs, traders, and transporters in this study, including larger actors such as wholesalers, presented themselves as having limited power in the market, for instance being price takers. Furthermore, the FGDs revealed that some of the women DACs feel that they are priced out of the market for certain goods by other, more powerful market actors who have access to a cheaper supply, greater financial means, or can benefit from economies of scale.

Gender. Most of the women DACs are the primary income earners for their families and, of those asked about their intra-household dynamics, none said that their husbands would disallow them from certain jobs. Some shared that contributing to their households financially has increased their roles in decision-making, though others reported that it has not affected their marriages. While interviews across the study revealed that traditional *ayutos* can often lead to intra-household tension, SHGs, which are more formal, are reported to be generally less divisive. Still, interviews with the SHGs' chairladies revealed that at least one group lost members when their husbands requested that they drop out.

Displacement. As discussed in [Women DACs' Lives, Livelihoods, and Linkages](#), displacement identity and status are linked with an additional set of power dynamics. Some of the women DACs reported having good relationships with the host community and feeling like they belong—or have even become part of it. Although women DACs referenced many challenges and barriers to their success, discrimination was generally not one of them. Many government and humanitarian actors stressed that women IDPs are treated equally, saying that “there is no way they are discriminated against in market or laws,” and that there is “political willingness” towards the inclusion of IDP women in South West State.

However, other key informants, such as FSPs, raised discrimination as a concern, as did a few women DACs who suggested that their displacement status and gender affect their customer base, total incomes, access to services relative to other groups, and personal identity. When asked how she views herself, one of the women DACs who bought her home through a communal land purchase last year said, “I don’t identify as an IDP, and I hate it when some strangers call me that.” Other women DACs expressed more ambivalence about the host community, suggesting limited interactions between groups. When asked why she joined an IDP-only SHG instead of one with host community members, one woman explained, “There is no pre-existing relationship or rapport between us and the host communities, making it difficult to integrate into their groups and trust the dynamics.”

This lack of integration is not just social but also systemic, inhibited by the layout of the city and transport constraints. While most of the women DACs in the study have some form of secure land tenure—unlike many other DACs in the city—most of the IDP sites and Barwaqo are located far from Baidoa Town’s main market and other services and can suffer from overcrowding and a lack of basic services. Nearly all of the women DACs asked said they would prefer to live in the host community rather than in IDP sites or Barwaqo if they were given the chance, as it offers more opportunities.

NGOs. Through their livelihoods and SHG programming, NGOs and the groups that they create sometimes incentivize women DACs to choose certain livelihoods or build certain skills, as evidenced by the fact that most of the study’s participants are micro-entrepreneurs. The women DACs repeatedly emphasized that the support received—even through short two-day business trainings—has been very valuable. While firewood collectors and women who continue to rely on their family members or otherwise have unstable or early-stage businesses expressed an interest in programming around urban farming, women DACs who have made significant investments in building larger businesses requested that further support be directed toward helping them grow these enterprises.

As discussed above, NGOs have recently been wielding increasing amounts of power both in Baidoa Town and the surrounding areas as a result of the drought. Humanitarian actors are significantly impacting the supply and demand of goods within markets based on the type and timing of assistance provided. Many of the study’s participants expressed strong concerns about the decreasing levels of support provided, not necessarily because they are individually dependent on aid but because of its role in enabling the economy—and thus their businesses—to continue to function. Decreases in this assistance are likely to undermine the market-generated incomes of women DACs and many other actors within the rural↔urban market system.

8.4 Rule of law

The rural↔urban market system is characterized by high levels of trust between market actors throughout the value chain, some skepticism of formal and informal rules and regulations, and apparent equality or fairness.

The government plays an important role in establishing and maintaining security amidst the insurgency, which plays a major role in disrupting the rural↔urban system. As one trader said, “There is nothing much that can be done when Al-Shabaab infiltrates an area, other than just trusting that the Government will play its role and help.” Despite some concerns expressed by the Protection Cluster Coordinator; reports of issues such as kidnappings, rape, and theft; and the fact that the town is still vulnerable to attack, the women DACs in the study overwhelmingly feel safe and secure in Baidoa Town and Barwaqo, especially relative to many of the places they originally came from, though they still worry about their families there. Notably, the women DACs in Barwaqo feel safe enough to venture into the forest for firewood to sell, one of the few income-generating options they feel are available to them while the market remains under construction. One of the government key informants attributed this to the hundreds of government soldiers stationed around the buffer of Barwaqo.

According to the field research, the rural↔urban market system is characterized by high levels of trust, close relationships, and accountability—all demonstrated through the extensive use of trade credit—that enable it to function largely informally. Although the Protection Cluster Coordinator shared that women DACs and other vulnerable groups such as small-scale farmers, rural producers, and artisans can sometimes face financial exploitation, unfair pricing, labor rights violations, and other issues due to unscrupulous market actors, nearly all of the women DACs and market actors interviewed described the market as being driven by market dynamics of supply and demand, with fair prices, terms of trade, and the best products and businesses naturally having the most success. Only one respondent, a retailer in Awdiinle, referenced “dishonest practices,” which he attributed to the lack of formal regulation. One broker indicated that livestock brokers offer preferential treatment to members of their own sub-clans.

8.5 Cooperation and competition

The desk review found that cooperation is high in Somali society,⁵⁶ which was confirmed by the women DACs, traders, transporters, and key informants, who overwhelmingly pointed to strong cooperation and collaboration within the market system, evidenced through trade credit, information sharing, and positive relationships even with competitors. One wholesaler in Baidoa’s Main Market even shared that she and other business owners “pool our resources to fund road construction projects, particularly targeting the poor-quality roads, including those affected during the rainy seasons.”

While the nature of market relationships is supportive, the market itself can still be competitive: FGDs revealed that although some women DACs would prefer to sell goods with better profit margins, like honey, chicken, or eggs, they are priced out of the market by larger traders who can produce the goods cheaper via bulk purchasing from other supply sources. The extent of competition can be localized or vary across supply chains. For instance, some women DACs have monopolies on certain goods in their locations whereas others operate next to other businesses selling similar goods. Additionally, some women DACs reported “there is only one supplier in the market” while others stated that there are many suppliers for the goods they sell.

⁵⁶ UN-HABITAT. 2023. [Baidoa City Strategy](#).

One trader in the scoping interviews shared that competition in the market is currently stiff due to drought, and while not raised in this manner by other study participants, many discussed the issue of limited customer demand and a trader in Hudur noted that in-kind humanitarian aid serves as a form of competition that undercuts her business.

The women DACs pointed to collaboration and mutual support in their personal lives, through family, neighbors, and SHGs. All of these relationships help them manage the many risks they face in the dynamic context of Baidoa Town and offer an emotional support system, financial safety net, or both when challenging circumstances arise. These relationships have also enabled the women DACs to pursue their businesses and income-generating activities as well as to give back to their communities.

While the large cooperatives and trade organizations interviewed for this research play an important role in facilitating rural↔urban coordination and have rural member groups, none of the other interviews revealed the presence of any rural savings groups, cooperatives, or trade groups, aside from the livestock brokerage association and ACF-initiated SHG in Hudur.

8.6 Decision-making and business strategy

A combination of convenience—such as reliance on existing networks and skills—and purposeful business strategy characterizes the rural↔urban market system.

The two transporters, both of whom operate along the Goofgaduud and Awdiinle routes, selected these locations because they are large rural markets with many producers and good quality customers and because of their familiarity with the areas and market dynamics—both are either from these locations or have family there. Both the transporters visit the various rural and urban markets they service frequently to understand which products are in demand and what local prices are, and they can easily adapt on a day-to-day basis if needed. Many other market actors also noted that their personal connections to other communities were a critical source of information for decision-making.

Other market actors including retailers, wholesalers, and women DACs said that they chose their products because they have existing knowledge about them, related skills, low start-up costs and barriers to entry, and/or because there is consistent or strong market demand for these products. Some of the women DACs shared that they remain constrained to certain value chains due to their limited financial capital, as only two-thirds are regularly earning enough to meet their families' basic needs.

Some traders and women DACs said they do not often change the goods they sell, while others reported adapting in response to market supply and demand. Notably, in addition to the drought-induced supply reductions, the FGDs revealed that customer demand for fresh milk has declined, with communities instead preferring powdered milk, which some of the women DACs now stock. One small retailer stated that she changes goods multiple times per year. While many of the respondents diversify their inventory, very few sell value-added goods or other unique products that distinguish them from their competition, instead preferring to sell essential commodities.

The women DACs feel that they possess some innate business management skills from their experiences running their households in difficult circumstances, and many have evidently benefitted from the limited training they have received. Still, most are not literate or numerate and for the most part, their business

training has been cursory. Even one woman who has dedicated herself passionately to her business, taking numerous courses aside from those offered through her SHG at her own initiative, said, “No, I don’t know about that” when asked if she keeps records of her inventory. The SHG members and other women DACs would certainly benefit from additional business strategy training that includes, for instance, information to help guide their decisions about which livelihoods to pursue and which products to sell, such as marginal returns for different products and the opportunities and challenges associated with different value chains.

Loyalty and trust guide the decision-making of women DACs and other traders more than competition and getting the best value. While a few respondents shop around for prices, most prefer to use the same suppliers, who they feel offer fair prices, good quality products, and trade credit.

Most of the women DACs reported making decisions based on information they receive through in-person and phone conversations with neighbors, suppliers, and SHG members. Bay Cooperative noted that mobile technology is an effective mechanism by which farmers and producers can receive updates on market prices, trends, and weather conditions. Four wholesalers described the importance of information that contextualizes or predicts market conditions, like weather forecasts, transportation issues, or security conditions, which in turn determine the pricing and availability of goods. A few key informants advocated for the use of smartphones, apps, and other mobile platforms to support business decision-making. While this may be effective for some market actors, many practical challenges would need to be overcome for this to be a viable solution for the women DAC SHG members, including limited smartphone ownership; recurring costs of data, airtime and charging; and—perhaps most of all—very limited digital, financial, and language literacy and numeracy.



A group of women walk through a busy market in Baidoa / Khalid Abdi Ibraahim

9 Recommendations

Despite the many challenges of operating in this complex, insecure, and shock-prone context, interviewees at all levels displayed a positive attitude toward the future and emphasized the importance of interdependence between rural and urban areas. The following advice and recommendations were solicited from the study's participants.

9.1 To support the rural↔urban system

Key informants' recommendations to support the rural↔urban system included:

- **Improve infrastructure** like roads and markets to expand opportunities and alleviate barriers. To enhance the connection of Barwaqo (and other peri-urban and hinterland areas) to the city center, road construction/maintenance, public transport, and refrigeration are needed.
- **Invest in more long-term projects** that have the potential to create deeper and more sustainable impacts rather than short-term projects focused on the achievement of quick numbers.
- **Explore emerging sectors** like solar energy and peri-urban agriculture.
- **Improve services and production in rural areas:** invest in sustainable water solutions, improve access to basic services such as education and healthcare, and invest in rural production—especially 'smart agriculture,' to reduce urbanization and displacement during future droughts.
- **Investigate the most effective ways to extend access to finance/microfinance into rural areas.** Encourage FSPs to invest in and finance rural production, grain storage, processing for small-scale industries, and infrastructure in rural areas to improve food security and economic stability. As the Salaam Bank key informant explained, "Even a small investment in rural villages can have a significant impact, far more than in urban areas... The focus should be on investing in agriculture and livestock while ensuring essential services are accessible in rural areas."
- **Establish and support collaborative business groups** to drive growth, facilitate business expansion, and increase access to loans.
- **Explore options for technology and digital platforms** that facilitate market connections and information sharing on market prices, trends, and weather conditions. E-commerce platforms and online marketplaces could be explored.⁵⁷
- **Support animal restocking.**

The transporters, brokers, and traders agreed with several of these suggestions, specifically:

- **Construct/improve roads**, for instance, building a highway between Baidoa and the nearby markets of Awdiinle and Gofgaduud. This was repeatedly expressed as the greatest requirement for robust rural↔urban connections by many participants.
- **Provide/improve security.**
- **Support farmers to improve production.** Build the skills of farmers and provide better farm equipment in rural areas. One retailer explained, "While I currently source potatoes directly from Ethiopia, there is potential for potato cultivation here in Awdiinle. However, the lack of modern farming equipment and access to stable water sources are the biggest challenges preventing farmers from engaging in potato farming."
- **Establish regulation**, especially for the livestock market and brokers.
- **Establish new processing/value-addition businesses.** A broker specifically noted that having more butchers would lead to expanded livestock trade between rural and urban areas.

⁵⁷ This recommendation was made in reference to supporting women. Given women's limited digital and language literacy and other barriers, it is included here as a recommendation for the wider system, as other actors may be able to leverage this idea more readily.

While the women DACs already depend on rural↔urban connections with their areas of origin and/or other areas for their livelihoods, they do see further opportunities for using these. Their ideas for promoting greater resilience in rural areas and preventing further displacement and urbanization included: **creating additional storage, drilling wells in rural areas, and providing training and cash grants** to help them come up with business ideas and run their businesses during crises.

Some of these activities could be implemented through or in partnership with women DACs. As argued by a representative from Amal Bank, “A key element is harnessing the knowledge and awareness of women DACs operating businesses to connect with their rural counterparts, as they have strong connections and can facilitate this linkage effectively.” The Bondhere Savings Group members specifically recommended the following:

- **Encourage women DACs to cater to the needs of rural communities** by exploring new business opportunities or adapting their existing ventures, for instance through innovation in product development, service delivery, or value-added processing that is tailored to rural markets.
- **Provide training** that is specifically geared to advising women DACs on how to leverage their rural↔urban connections.
- **Expand the number of savings groups in rural areas**, potentially starting in rural areas that are more accessible. This could be implemented through the creation of committees dedicated to certain geographical areas that are responsible for establishing new groups and providing support and guidance to ensure their success. Indeed, the research revealed that very few SHG members or traders were aware of savings or other trade groups in the rural areas they do business with or hail from.

9.2 Additional recommendations to support women DACs in urban areas

In addition, key informants offered general recommendations to support women IDPs in urban areas in their economic pursuits:

- **Focus on women IDPs’ strengths** rather than on their shortcomings.
- **Improve financial inclusion** by establishing more partnerships between FSPs and NGOs and improving connections between FSPs and SMEs. In addition to developing more targeted products and services for women DACs, work on increasing marketing of and awareness about the products and services that do exist, including *Qardu Hassan*, *Murabaha*, and savings accounts. Encourage government legislation to protect women and reduce the cost of obtaining birth certificates and National IDs, often required to access financial services. Despite the prevalence of informal trade credit, improving formal financial inclusion was repeatedly expressed as one of the main recommendations by numerous stakeholders.
- **Provide more training and business coaching.** Further support vocational training and business skill-building and improve women IDPs’ language, financial, and digital literacy and numeracy. Create business incubators. Bondhere recommended, specifically: workshops on marketing strategies, value chain analysis, or product diversification. Bondhere has implemented a Training of Trainers approach that could be similarly employed in Baidoa. While not all key informants agreed on which skills were most important to focus on, training was consistently one of the top recommendations.
- **Create platforms and networks** to improve women DACs’ connections and coordinate action related to improving their livelihoods: link them both with other women DACs as well as other actors, such as wholesalers, inputs suppliers, FSPs, training organizations, employers, government, donors, NGOs, and successful businesswomen.

- **Create and support more SHGs and other livelihood-oriented groups** of women IDPs who can work together to farm, raise livestock, open beauty salons, retail, or tailoring businesses together, or process and market their businesses or products together. The representative from Concern provided one example of SHGs that pool their resources and savings to collectively buy animals from rural locations.
- **Connect SHGs in Baidoa Town to one another** and to Bondhere Savings Group in Mogadishu. Encourage them to visit one another and share experiences and knowledge.
- **Create communal jobs and farms** targeted towards women IDPs. One KI noted examples were women DACs are working together to buy and sell land plots and to trade agricultural products.
- **Encourage women to diversify the products they sell and engage in value addition.** The Bay Cooperative representative noted that some of the women IDPs they have supported have come up with new initiatives such as coconut oil and ready-made sorghum morning meals.
- **Increase security**, especially for women transporting milk from rural to urban areas.
- **Improve social cohesion**, for instance through the creation of more SHGs and other initiatives.
- **Provide psychosocial support** to help women IDPs heal from the impacts of droughts and conflicts and enable them to tap into their potential, generate business ideas, and access loans.

The women SHG members likewise requested greater **access to capital and loans and additional skill-building**. Those with less established or large businesses indicated that they would like to have **land** where they could engage in farming or livestock husbandry, while those with larger shops echoed the sentiment, **“If anyone wants to support me, they can help me expand this shop.”**

9.3 Recommendations from the researchers

In addition to the recommendations from the participants, the researchers suggest the following.

Consider that much of the rural ↔ urban market system is highly leveraged and that Somali culture is closely-knit. The strong prevalence of informal trade credit supports the resilience of actors throughout the system. It is also risky. When large covariate shocks—like drought—strike, actors across entire value chains may default. In addition, people are often not only supporting the basic needs of their children but also parents, siblings, cousins, their children, and other extended family whenever they are able. This interconnectivity means that both shocks and changes to humanitarian aid and development programming—even in an urban center—are likely to ripple across the system as a whole through both market and personal linkages. Donors should consider the whole-economy implications of aid withdrawal after the drought—including the role aid has taken in propping up purchasing power—and implement a recovery plan accordingly.

More in-depth microeconomic assessments of rural areas can yield a richer, more localized, and nuanced understanding of the rural production landscape since certain areas are locally known for particular goods. Such assessments should include geospatial analysis considering variables such as land type, rainfall patterns, road networks and conditions, water supplies, and insecurity. Coordination with organizations such as the Food Security and Nutrition Analysis Unit (FSNAU), coverage of more rural locations, and use of BRCIS’ Community Resilience Committees could facilitate such an exploration and yield actionable results for targeted investments. Future studies could also explore value chains that have not yet been mapped, such as charcoal (although the desk review suggests that this is closely intertwined with Al Shabaab’s operations), construction, transport, and imported items as well as deep dives into relevant topics such as peri-urban agriculture and electricity/solar.

Adopt more nuanced language and consider geospatial dynamics such as distance, road quality, and insecurity when understanding, referring to, and developing programming related to ‘rural’ areas.

There is a strong recognition among government, NGO, and other stakeholders of the growth of the peri-urban periphery around Baidoa Town. However, it is notable that a significant proportion of respondents’ direct connections and references to ‘rural’ areas were actually within the surrounding hinterland, for instance within a one-hour drive or a day’s walk. Even if the goods procured did not originate in these areas, they were traded through markets like Awdiinle and Goofgaduud. Beyond these immediate buffers, there is significant displacement from—and trade with—other areas within Baidoa District. This is not to say that connections with more sparsely populated districts in the state should not be supported but rather to emphasize that rural ⇔ urban dynamics differ based on geospatial variables. As a small aside, since similar names are used for multiple places, it is recommended that when discussing rural ⇔ urban and displacement dynamics, referring to a place by both its name and admin unit or other identifying feature is helpful for clarity and specificity, for instance distinguishing “Baidoa Town” from “Baidoa District” and “Banadir IDP site” from Banadir/Mogadishu.

Marketing, awareness-raising, and sensitization. While the interviewed FSPs reported having financial services targeted to women IDPs and other vulnerable groups, the women DACs reported not knowing about and facing barriers to accessing these. This is one example of a larger challenge: where services exist, their presence is not widely known among the target population. As another example, many women DACs in Barwaqo reported wanting—but not having—land to farm despite durable solutions stakeholders’ indicating that Barwaqo has communal farms. Improving marketing, awareness-raising, and sensitization with repeated touchpoints is essential in this context that relies heavily on slowly cultivated trust and where target communities remain vulnerable and limited in their capacity to take risks. As a positive example of how this can be done, two SHGs have opened savings accounts at Amal Bank, which has familiarized members with formal financial services. One of study’s participants from those groups has opened her own account, and others expressed growing interest. Such engagement through the women DACs’ existing networks is a useful tool to slowly sensitize the members to available services, allowing them to discuss the possibilities, and slowly develop interest over time.

Repeated and sustained engagement. The enthusiasm about, reported impact of, and evidenced adoption of the limited training the SHG members to date suggests that the marginal returns to short-term training can be significant. However, longer-term coaching and mentoring is recommended to enable the women DACs to go further. Furthermore, many of the SHG members are struggling to sustain even tiny petty trade businesses. While some women DACs have managed to grow their enterprises on their own, many who are thriving most received capital investments from the NGOs supporting the SHGs that enabled them to take their businesses to the next level. Those in the most stable positions have benefitted from multiple layers of durable solutions and resilience support from NGOs.

Remember the high rates of illiteracy among—and daily struggles of—women DACs when designing programming. At the same time, listen to women DACs’ voices, as they are the experts on their lives. Even among the relatively successful women DACs in this study, literacy and numeracy levels are extremely low, and many experience daily struggles to meet their basic needs. The field team found that it was often difficult for them to articulate their experiences, goals, and aspirations, and working with them in a participatory manner through the research and accompanying co-design process required significant time. While some key informants recommended lofty ideas such as getting the women DACs to use smartphones, apps, and other digital platforms, in practice, these would have to overcome very basic practical constraints including women DACs’ inability to afford airtime and charging.

Mapping rural ↔ urban linkages: Annexes

Annex 1: Methods

The following information serves as a supplement to that provided in the Section 2 of the report.

The primary question guiding the activity within which this report is situated is: **How can connections and fluxes of goods, services, money, people, and information circulating between rural and urban displacement-affected communities (DAC) in Southwest State be utilized to improve livelihood opportunities and protect, stabilize, and grow the income of said communities?**

The scope of work was designed to address this main question **through the lens of the experiences of four BRCiS-selected IDP women-only self-help groups (SHGs) and their market and rural linkages** and to engage them in a human-centered design-based co-creation exercise. The main objectives and associated guiding questions that have been identified are presented in Table 1. **This report addresses Objective 2, mapping rural-urban linkages.** Objectives 1 and 3 are addressed in accompanying reports. All three are collectively covered in the comprehensive report.

Table 1: Key research questions

Objectives	Guiding questions
O1a. Profile IDP women in self-help groups	<ul style="list-style-type: none"> ▪ What are the daily lives of IDP women and girls in SHGs with a focus on their market linkages and remaining connections to rural areas and in the context of the ongoing drought? Especially those who have recently fled, experienced forced eviction, are “stuck,” or have been resettled in Barwaqo (and are there other archetypes represented in the savings groups that are not addressed by the existing personas, such as IDPs living in host communities)?⁵⁸ ▪ In particular, what are their social and human capital, skills, activities & livelihoods/income, market & financial inclusion and linkages, access to humanitarian services, protection issues, goals & aspirations, pain points, plans for the future, etc.?
O1b. Profile and Role of SHGs	<ul style="list-style-type: none"> ▪ How did the SHGs form, how are they structured, and how do they currently operate? ▪ How do women’s savings groups contribute to their members’ and communities’ financial inclusion, empowerment, and social and human capital? ▪ To what extent are savings groups connected with the market system? ▪ What opportunities and barriers do savings groups face?
O2. Drawing from these women’s experiences and other inputs, map rural-urban linkages	<ul style="list-style-type: none"> ▪ What are the main urban-rural linkages (in terms of flows of people, information, money, value chains/commodities, etc.)? ▪ What specific economic sectors or market systems shape these linkages? ▪ What are the roles and responsibilities of IDP women and girls in these rural-urban linkages and market systems? What are the main barriers to their inclusion? What characteristics lead to the successful inclusion of DACs, particularly women? ▪ How has the drought impacted these rural-urban linkages and market systems? To what extent have they demonstrated resilience? ▪ How are these markets and rural-urban linkages expected to grow, shift, or change? <ol style="list-style-type: none"> a. Are there opportunities to leverage urban-rural linkages or market growth areas for improved social capital, livelihoods, and incomes for women? b. What incentives or interventions could reduce barriers to or otherwise increase the inclusion of women in market systems, especially if organized in groups?

⁵⁸ As based on the Scaling Solutions Project’s personas; see Annex 3 of the [Women DACs’ Lives, Livelihoods, and Linkages](#) report for details.

O3. Co-create proofs of concept for sustainable, market-led, and enterprise-based solutions	<p>Using human-centered design approaches to improve social capital and livelihood opportunities and protect, stabilize, and grow incomes of women DACs (potentially building off rural-urban connections) together with the SHG members and other stakeholders.</p> <ol style="list-style-type: none"> a. What opportunities exist to support women’s SHGs to generate more sustainable livelihoods for members, resilient markets, DAC communities, and the rural-urban continuum? b. What opportunities exist for connecting and replicating/growing the number of saving groups across rural and urban contexts, facilitating cross-context collaboration and pollination?
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Inception

In preparation for this activity, Danwadaag and BRCiS commissioned a literature review on the activity’s main themes.⁵⁹ The Untethered Impact team built on this with a further desk review, included in the activity’s inception report,⁶⁰ that identified and summarized existing market mapping assessments, and ensured that the activity was designed to make a unique contribution to the collective knowledge base.

Two members of Raagsan spearheaded a scoping exercise in Baidoa Town from July 1-4, 2023 to gain a better understanding of the profiles of the women in the SHGs selected by BRCiS and to inform the final design of the main field phase of the study. Findings from the scoping study are available in the activity’s inception report and are incorporated herein as relevant.

Sampling

BRCiS bounded the scope of the activity to focus on NGO-funded IDP women-only SHGs, rather than those that were informal or that included men or host community members. BRCiS identified four of these groups through their existing network (two supported by Concern World Wide and two by IOM). Two of the groups are located in Barwaqo and two are in IDP sites in Horseed, in the northern part of Baidoa town on the main road to Barwaqo. Two of the groups have 15 members each and the other two have 10 each, for a total of 50 members. As noted in Section 2, two rural locations were purposefully selected to provide insights into different types of rural connections: Awdiinle and Hudur.

This sampling strategy was in line with the exploratory nature of the activity, which was focused on conducting a rapid deep dive into the nuanced experiences and perspectives of a small number of women and their connections to inform the next two years of programming. This was a purposeful trade-off to conducting a wider, more representative study which would have been restricted to a shallower level of exploration given the available resources.

Interviews

This report draws on 71 separate interviews and discussions conducted with 79 participants, summarized in Table 2. This included participation of 39 SHG members from 4 women IDP-only SHGs (2 in IDP sites and 2 in Barwaqo) across various and, in some cases, repeated touchpoints; interviews with 22 traders, transporters, brokers, and producers; and interviews with 18 key informants.

⁵⁹ Danwadaag and BRCiS. 2023. *Literature Review – Scaling Up Durable Solutions*.

⁶⁰ BRCiS, Danwadaag, and USAID. 2023. *Mixed Approach Learning Consultancy: Understanding Livelihood-Related Urban-Rural Connections for Women from Displacement Affected Communities (DACs) in South-West State of Somalia: Inception Report*. Jenny Spencer and Badra Yusuf.

Table 2: Interviews and participants

Type	Participants/ description	Details	Data collection tools	#
FGDs	IDP women members of SHGs	5 women from each of 4 SHGs (2 in IDP sites and 2 in Barwaqo) participated in two sets of participatory, workshop-style FGDs (one during scoping and one during the main field phase). The scoping FGD introduced the women's livelihoods, market and rural connections, challenges and opportunities, goals and aspirations, and experiences in savings groups. The main FGD concentrated on their experiences in the SHGs, their networks, and the broader market system in which they operate.	Scoping: FGD checklist #1, member registration form #1 Main field phase: FGD checklist #2, member registration form #2	8 FGDs with 20 women
IDIs	Holistic IDIs	Half-to-full day participatory, in-depth interviews with women IDP members of SHGs in their homes	Holistic IDI semi-structured questionnaire	9
	Market IDIs	Full day participatory, in-depth interviews with women IDP members of SHGs in their places of business	Market IDI semi-structured questionnaire	10
Market KIIs	Rural and urban traders	Scoping: 6 traders across various value chains	Semi-structured questionnaire with traders	6
		Wholesalers and retailers in main market (Baidoa), Barwaqo, Awdiinle (rural/peri-urban), and Hudur (rural), covering a range of value chains	Semi-structured questionnaire with market actors	10
	Producers	Producers selling directly to customers		2
	Rural linkage actors	Transporters and brokers	Semi-structured questionnaire with transporters and brokers	4
KIIs	SHG Chairladies	Chairladies from each of the target SHGs	Chairlady semi-structured questionnaire	4
	Financial service providers	Amal Bank, Salaam Bank, Midnimo Microfinance Institution	FSP semi-structured questionnaire	3
	Training centers	Somali Centre for Education and Consultancy (SCEC), South West Innovation Hub (SIH), Women Health Care and Relief Organization (WOHCRO)	Training organizations semi-structured questionnaire	3
	Cooperatives & trade associations	Bay Cooperative, Baidoa Chamber of Commerce, Barwaqo Business Group	Private sector organizations semi-structured tool	3
	Organizations supporting SHGs/VSLAs	Scoping: IOM	Scoping program team semi-structured questionnaire	1
		Main field phase: Concern World Wide, ACTED	Main field phase program team semi-structured questionnaire	2
	Other humanitarian actors	Protection Cluster Coordinator	Protection semi-structured questionnaire	1
	Government	SWS Ministry of Women, SWS Ministry of Commerce, SWS IDP Commissioner, Mayor/District Commissioner of Baidoa	Government actors semi-structured questionnaire	4
	Bondhere Savings Group Hub, Mogadishu	Bondhere Hub represents the outcome of a similar project undertaken in Mogadishu		1

* Despite repeated attempts, the research team was unable to contact and interview Dahabshil and Hormuud Telecom at either their Baidoa office or Mogadishu headquarters.

Field data collection

The main research phase adopted a predominantly qualitative approach, although some quantitative data was collected and extracted from the qualitative findings. Most of the data collection tools were designed as semi-structured checklists focused on eliciting as much information as possible on the numerous topics and imposing minimal restrictions and assumptions. The research was fielded by Raagsan’s team of Mogadishu and Baidoa-based researchers in the Maay dialect, the preferred language of most respondents, from September 9-28, 2023, with some interviews followed up through mid-October.

Data cleaning and analysis

The information gleaned from the field data collection went through two rounds of cleaning and two rounds of analysis. These included 1) an initial data management exercise accompanied by, for selected sub-samples, narrative synthesis and 2) a subsequent analysis that included calculation of summary statistics and qualitative thematic synthesis. The findings from each data collection tool were triangulated thematically.

Table 3 presents the research matrix guiding the thematic analysis for this report. Source abbreviations are listed at the bottom of the table. The team also coded and cross-listed information relevant to each theme when it emerged in the course of participants’ responses to questions not explicitly outlined here.

Table 3: Research matrix

Theme and research question	Sub-theme	Source*
Overview of rural-urban connections: RQs 1&2	Sectors, value chains and goods	S FGD S2, M IDI S3-5, S KII T, KII MA & KII T&B S2-3, KII Priv, KII Gov S3
	People - displacement/rural homes	S FGD S2, H IDI T5, KII MA & KII T&B S4, KII Priv, KII Gov S3
	People - seasonal labor flows	M IDI S10; KII T&B & KII MA S7, KII Priv, KII Gov S2
	Information and money - personal and market-related	Women’s report. M FGD T4, H IDI T3, M IDI S7, KII MA & KII T&B S3-4, KII FSP S6 & S9; KII Priv, KII Gov S3
Roles connections of different actors: RQ 3	Women & girls	Women’s report, Summary of women, S FGD S1-3, M FGD T4, H IDI T5 & 6, M IDI All, KII IOM, KII PT S3, KII TO S3, KII Gov S2-3
	Market actors (wholesalers, retailers)	M IDI S4, S KII T, KII MA
	Transporters and brokers	S KII T, KII T&B, KII MA S4, KII Priv S3 Q9
	Rural traders	S KII T, KII MA (subset)
	Rural residents	See “women & girls” above, note M IDI S9
	Inputs and services	KII TO, KII FSP, KII Priv
Challenges & resilience	Challenges (drought, conflict, other)	S FGD S2, H IDI S6, S KII T S3.4, KII MA & KII T&B S7-9, KII FSP S7, KII Gov S4
	Resilience	

Market systems resilience analysis	Supporting functions - women	Women's report, S FGD S1, M FGD T4, M IDI All, KII PT S3-4, KII FSP S3-5, KII TO S3, KII Gov S2-3
	Rules and regulations - women	
	MSRA assessment - women	
	Supporting functions - rural-urban system	S FGD S2, S KII T, KII MA & KII T&B esp. S3 & S6 & S, KII FSP S2 & S5-6, KII TO S2&4, KII Priv, KII Gov S2-3
	Rules and regulations - rural-urban system	
	MSRA assessment - rural-urban system	
Recommendations		KII MA & KII T&B S10, KII PT S3, KII FSP S9, KII TO S3-4, KII Priv, KII Gov S6

*Where: S1, S2, S3 and T1, T2, T3 represent specific sections and themes within a given tool.

S FGD=Scoping study FGD with SHG women, S FGD Reg=Registration form used during scoping study FGD,

M FGD=Main field work FGD with SHG women, M FGD Reg= Registration form used during main field work FGD

KII Chair=Semi-structured KII with SHG Chairladies,

H IDI=Holistic IDI with women, conducted in homes, covering aspects of their lives beyond market activities,

M IDI=Market IDI with women, conducted at their place of business and focused on livelihood-related topics,

KII IOM=KII conducted with a Baidoa-based IOM representative during scoping,

KII PT=KII conducted with humanitarian and development program teams during the main field phase,

KII TO=KII with training organizations, KII FSP=KII with financial service providers,

KII PCC=KII with Protection Cluster Coordinator, KII Priv=KII with private sector organization

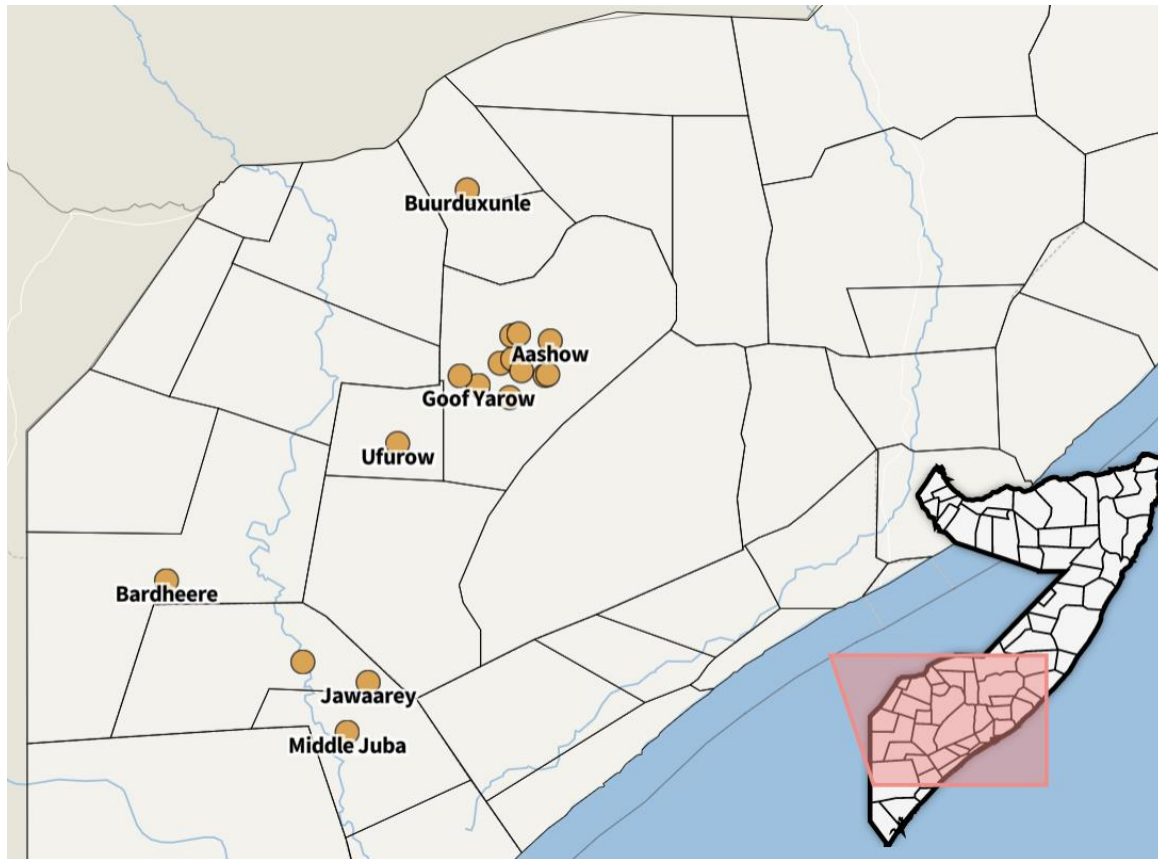
KII MSP=KII with mobile service provider (dropped due to non-response)

KII Gov=KII with government actors, KII Bond=KII with Bondhere Savings Group Hub in Mogadishu

Annex 2: Maps

The following maps were generated based on the desk review and field data collection, with village coordinates estimated or drawn from publicly available maps.⁶¹ They are not intended to be exclusive (indeed, cereals are grown throughout large swaths of Bay and Bakool) but rather to be indicative of the origin sources and trade points identified through the desk review and tracing of the women DAC SHG members' market connections. Despite extensive research, cross-referencing, and validation from the local Raagsan field team in Baidoa Town, not all locations mentioned could be identified.

Figure 7. Production and trade of cereals in southern Somalia



⁶¹ See Footnote 24.

Figure 8. Production and trade of cereals in Baidoa District

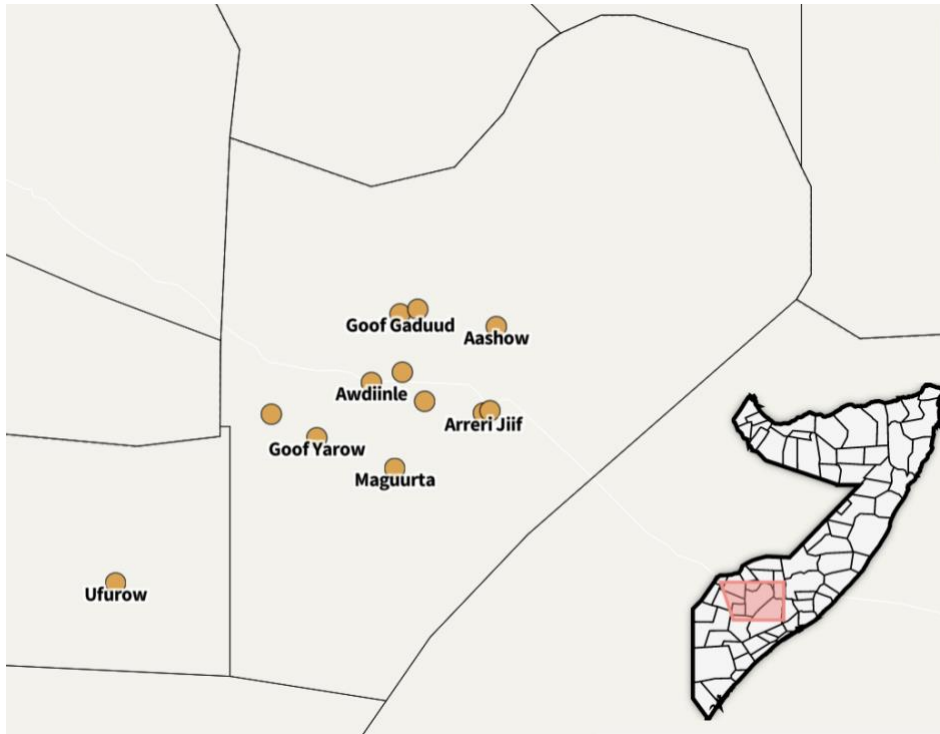


Figure 9. Production and trade of honey in Baidoa District

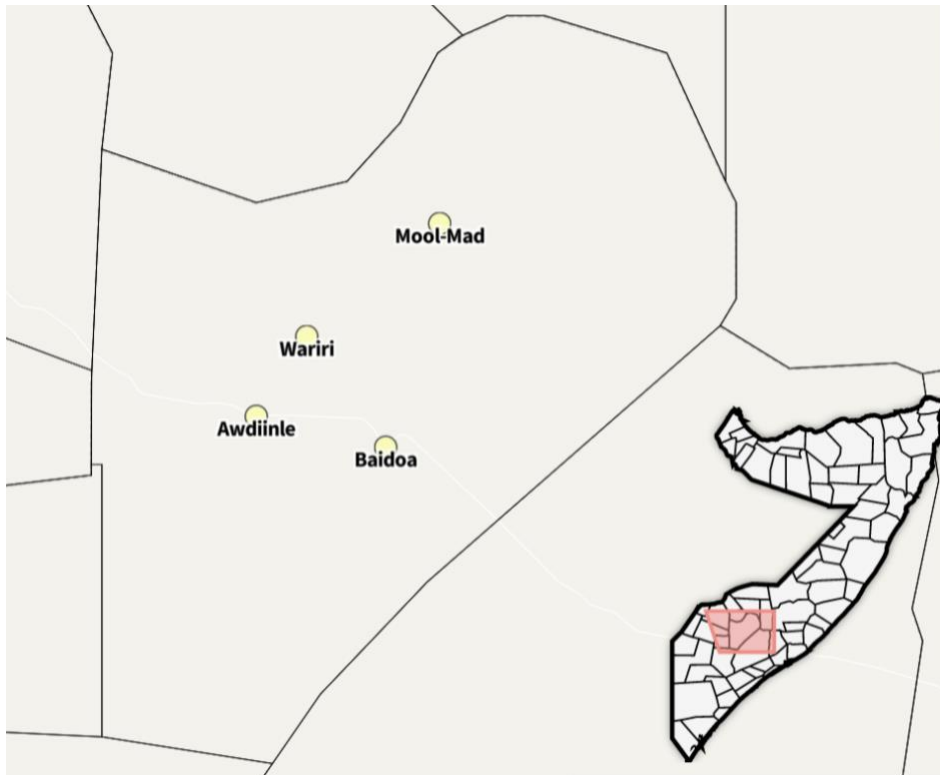


Figure 10. Production and trade of vegetables across southern Somalia

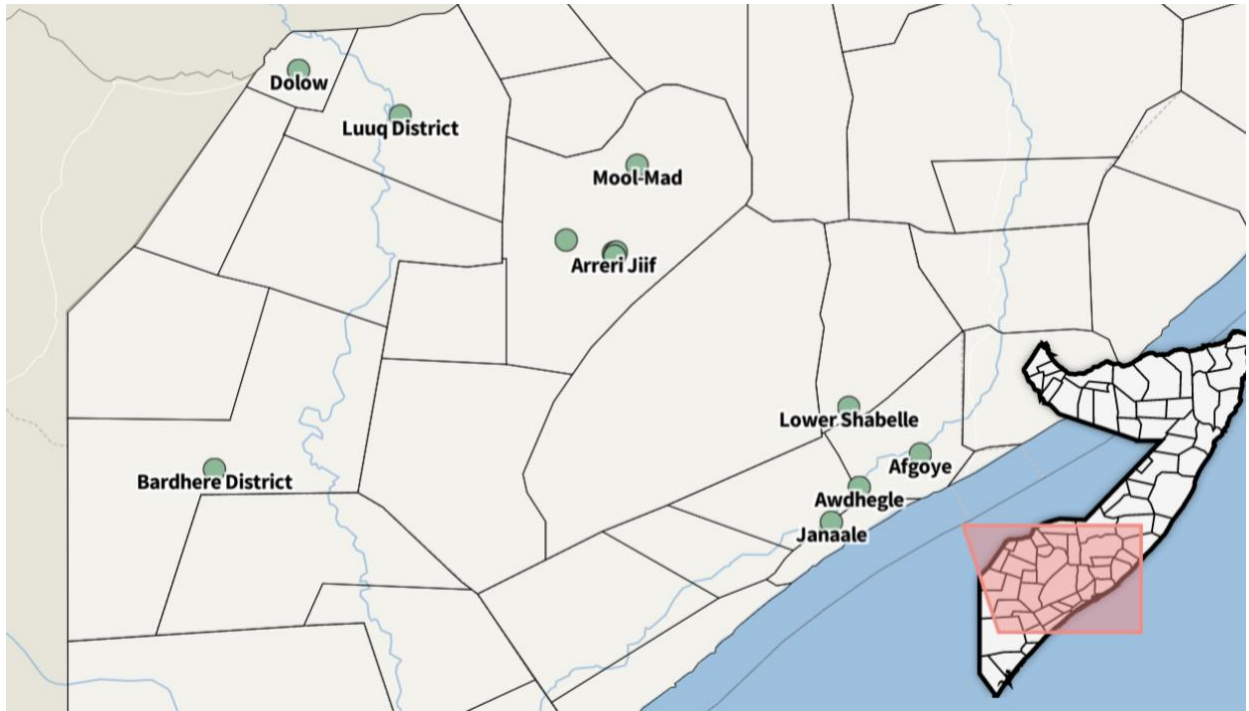


Figure 11. Production and trade of livestock in southern Somalia.

