



# East Mosul, Iraq Labor Market Assessment



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*This assessment was made possible thanks to the generous contribution of the **One Foundation**. The report was written by Lauren Emerson, IRC's Economic Recovery and Development (ERD) Livelihoods Program Manager in Iraq, with data collection conducted by the ERD field team: Muqatil Nabil, Areen Mohammed, Shwan Ali, Neewar Mohammed, Alan Mostafa, Mariam Abdul Aziz, Dilzar Abdulrahman, Diveen Mohammed, and Shwan Ali. For any further questions, please contact Akmal Shah, IRC's ERD Coordinator in Iraq, at [Akmal.Shah@rescue.org](mailto:Akmal.Shah@rescue.org) or Jessica Wanless, IRC's Senior Communications Manager in Iraq, at [Jessica.Wanless@rescue.org](mailto:Jessica.Wanless@rescue.org).*

**Cover:** A market stall sits on the street in East Mosul. Credit: Alex Potter/IRC

## Executive Summary

### *Objectives*

In an effort to gain a preliminary understanding of the current labor market conditions in East Mosul in the aftermath of the military operation to retake the city from ISIS control, this labor market assessment seeks to provide insights into the market context for the purposes of humanitarian and early recovery response.

The goals of the labor market assessment are therefore twofold: first, to identify the most promising business sectors for sustainable income generation, either through formal employment or self-employment; and second, to understand the livelihoods assets of communities currently residing in East Mosul. Due to limitations in scope, select neighborhoods were identified in an attempt to reach a range of market settings and communities, including internally displaced persons (IDPs) from in and around Mosul, returnees, and individuals who remained in Mosul throughout the conflict.

### *Key Findings*

The findings that emerged across data collection and analysis can be grouped into three main themes: the overall economy or market situation; differential access or constraints to income generating opportunities; and identified needs to support inclusive income generation in Mosul after ISIS. For a more complete description and analysis of each finding, please see the Summary of Key Findings section on page 10.

### **Market Situation**

- Unemployment is high (estimated average of 56 percent), particularly for youth.
- Purchasing power is low, impacting the overall profitability of businesses and the types of sectors likely to see market movement.
- The economy is centered on basic needs. Growth sectors and market gaps are limited.
- The economy is dependent on the return of government employment and services.

### **Opportunities for or Barriers to Income Generation**

- Security checks are a pre-requisite to all income generating opportunities.
- The need for business registration and government approvals may depend on location and status.
- Access to income generating opportunities is based on connections and relationships.
- Women are vastly underrepresented in the labor market for a variety of reasons.
- Mobility within East Mosul is limited for certain groups, particularly for women.

### **Identified Needs**

- There is a lack of available capital. Entry costs to start a business are high.
- Training opportunities do not currently exist for men, and only rarely for women.
- Life skills and confidence-building will be important for communities who lived under ISIS, particularly for women and youth.

### *Recommendations*

The IRC team developed recommendations for NGOs implementing or looking to implement livelihoods programming in East Mosul, based on the findings above. For a more detailed explanation, please see the Recommendations section on page 17.

### **Market Situation**

- In the immediate term, consider market opportunities created by underserved consumer segments.
- In order to support market-based livelihood opportunities, programming should realistically consider current market conditions.
- NGOs should work with the government in order to support longer term strategy that promotes inclusive private sector development in East Mosul and decreased reliance on the public sector, particularly for youth and women.

### Opportunities for or Barriers to Income Generation

- NGOs can play a role in supporting trust building and market linkages between communities to reduce suspicion and potential sources of barriers to market access.
- Clarify with local authorities the official requirements for business registration.
- To promote women's access to income generating opportunities, NGOs should also work on raising awareness among communities and work to build confidence among women.

### Identified Needs

- Livelihoods trainings should involve opportunities for access to capital, particularly for vulnerable communities.
- Livelihoods programming in East Mosul should incorporate life skills and confidence-building, particularly for women and youth.

## Background and Context

### *Iraq's economy before and during ISIS territorial control*

In the decade before the Islamic State in Iraq and Syria (ISIS) claimed control of the city, Mosul experienced waves of political, social, and economic fluctuation. Mosul, once a diverse, Sunni Arab majority city saw varying degrees of political retribution and vying for power, resulting in instability and displacement from, into, and around Ninewa governorate and even Mosul city itself. In 2013, many Turkmen, Kurdish, and Christian minorities in Mosul had already migrated to villages

within Ninewa governorate where they sought to assure their community's protection.<sup>1</sup> In the years preceding the rise of ISIS, the city itself had already lost some of its diverse ethnic and religious composition and neighborhoods and surrounding villages were increasingly segregated according to ethno-religious and socioeconomic status.

Economically speaking, though some reports suggest that violence in Mosul had dramatically reduced between 2007 and 2013,<sup>2</sup> ongoing instability and damaged or unreliable infrastructure nonetheless took a toll on proposed private sector investments. This, coupled with political tension, led to continued high levels of unemployment. In a 2013 survey of displaced populations, IOM reported that only 10% of those surveyed were employed with a salary, while 52% of men over the age of 18 had only occasional employment. Figures suggest that while unemployment rates in Iraq overall were steadily declining to 15% in 2014,<sup>3</sup> Ninewa still lagged behind, with an estimated unemployment rate of about 30% in 2010 – about double the national average – and income poverty over 30% among ages 15-29 in Ninewa.<sup>4</sup>

As with the Iraqi economy as a whole, employment in Mosul was heavily dependent on the public sector, fueled by high oil sector revenues. Prior to the territorial gains made by ISIS, Iraq was in the process of economic reforms in an attempt to transition the country away from its dependence on the oil sector and encourage private sector growth.<sup>5</sup> Despite reform initiatives, Iraq's gross domestic product (GDP) was, and remains, largely dependent on oil sector revenues, which – without private sector development or growth – funded a bloated public-sector workforce. According to the International Monetary Fund's (IMF) 2013 Consultation, over 50% of the Iraqi labor force was employed by the public sector, while even a large

<sup>1</sup> "Governorate Profile: Ninewa," IOM, <http://iomiraq.net/reports/ninewa-governorate-profile> (Sept. 18, 2013)

<sup>2</sup> Knights, Michael, "How to Secure Mosul: Lessons from 2008-2014," <http://www.washingtoninstitute.org/policy-analysis/view/how-to-secure-mosul-lessons-from-2008-2014> (October 2016); Special Inspector General for Iraq Reconstruction, "Quarterly Report to the United States Congress," (October 30, 2010), <http://www.dtic.mil/dtic/tr/fulltext/u2/a531680.pdf>

<sup>3</sup> Central Statistical Organization Iraq (COSIT):

<https://tradingeconomics.com/iraq/unemployment-rate>  
<sup>4</sup> SIGIR, "Quarterly Report to the United States Congress: Focus on Mosul" (2010); "Iraq Human Development Report," UNDP, [www.iq.undp.org/content/dam/iraq/img/.../UNDP-IQ\\_IraqNHDR2014-English.pdf](http://www.iq.undp.org/content/dam/iraq/img/.../UNDP-IQ_IraqNHDR2014-English.pdf) (2014)

<sup>5</sup> "Iraq 2013 Article IV Consultation," IMF, <https://www.imf.org/external/pubs/ft/scr/2013/cr13217.pdf> (July 2013)



portion of the private sector employment was dominated by subsidized State-Owned Enterprises (SOEs).<sup>6</sup>

The implications of Iraq's rentier economic structure cannot be overstated, as it helped shape the government's social contract with its citizens. For the labor market, the federally-funded government ministries and SOEs crowded out non-governmental private sector companies, which could not compete with high wages, job security, low working hours, and generous pensions and benefits. Bolstered by oil revenues, Iraqi citizens actually saw this arrangement as the main mechanism for redistributing the country's vast oil wealth. As noted by United Nations Development Program (UNDP), "the nature of the rentier structure affects the general employment structure and the number and nature of job opportunities generated by economic growth. And national income is directly affected by increased oil revenues rather than by increased productivity rates" (57).

Youth in particular suffered from the dynamics affecting the labor market in Iraq. In the 2014 UNDP Human Development Report, figures suggested not only high youth unemployment, but also high underemployment, especially in the public sector. This was in large part due to the government's attempt to reduce unemployment by creating short-term, low-skilled government positions to absorb high numbers of youth entering the labor market.<sup>7</sup> Indeed, the report cited a correlation between educational attainment and unemployment among ages 15-29, suggesting that there were not enough skilled jobs to satisfy the high number of high school, technical school, and university graduates entering the market. The public-sector expansion project was a short-term fix to a large, long-term economic deficiency as a result of a stunted private sector and impending youth bulge.

2014 saw not only the rise of ISIS, but also a sharp decline in global oil prices, sending Iraq's economy into a tailspin. The Iraq central government was now responsible for maintaining public sector salaries

along with increased military expenditures with a significantly reduced budget. By 2015, the government could no longer afford to fund both, opting to suspend government salaries, pensions, and social safety net services for months at a time in order to continue the fight against ISIS. To this day, salaries are not being paid on a consistent basis, leaving local markets to fluctuate with the unreliable purchasing power of its consumers.

### *The Post-ISIS Humanitarian Context*

When the military operation began in October 2016 to retake Mosul from ISIS, the total number of IDPs already displaced from Ninewa was estimated to be approximately 1.2 million.<sup>8</sup> Approximately 600,000 of those individuals were displaced when ISIS claimed control of Mosul, between June and July 2014. Others left during ISIS occupation due to the lack of income generating opportunities and overall poor economic situation. According to anecdotal evidence from individuals who lived in Mosul under ISIS, trade into the city was disrupted, causing prices to skyrocket. A majority of businesses shut down and government salaries were suspended, leaving the city's residents to spend down any savings, purchase goods on store credit, or rely on donations.

By the end of the Mosul offensive in June 2017, around 820,000 were reported to still be displaced since the operation, while an estimated 200,000 had already returned to their locations of origin, or at least back into the city.<sup>9</sup> Furthermore, as of June 2017, the district of Mosul (including Qayyara, al-Shura, Ba'ashiq, Hammam al-Alil, Mosul city, and Tal Afar) hosted 77% of IDPs displaced from Mosul, while Mosul city alone hosted 47%, or approximately 383,000 individuals.<sup>10</sup> While many of

<sup>6</sup> Ibid.

<sup>7</sup> Iraq Human Development Report, UNDP (2014)

<sup>8</sup> "Displacement Tracking Matrix ET Mosul Crisis Report," IOM, <http://iraqdtm.iom.int/> (July 2017)

<sup>9</sup> DTM ET Mosul Crisis Report, IOM (July 2017)

<sup>10</sup> Ibid., 49

the IDPs living in areas outside of Mosul city such as Qayyara and Hammam al-Alil were directed toward camp or emergency settings, all of those displaced in Mosul city are living in urban, non-camp settings. A majority of the IDPs, most of whom are from West Mosul, are living in East Mosul with host families, in rented apartments, or in critical temporary shelter.<sup>11</sup>

The figures suggest that East Mosul is now home to large numbers of returnees and IDPs, as well as individuals who remained (referred to hereafter as “remainees”), all of whom have differing types of vulnerabilities associated with their experience with the conflict and displacement. Furthermore, despite the fact that West Mosul overwhelmingly saw the greatest levels of destruction, households that might be considered “returned” to East Mosul, since they lived in the city prior to displacement, are not necessarily living in their former homes or neighborhoods. With heightened security, as well as legacies of the city’s neighborhoods being segregated according to socioeconomic status, politics, and ideology, even displacement within East Mosul could mean restricted access to or opportunities for resources and assets. For example, while individuals may be able to move relatively freely around the city, their access to employment opportunities and business likely depend on their personal networks, and unofficial permissions granted by authorities.

Thus far, however, available data suggests that barriers to goods and services are caused by insufficient capital and logistical constraints. As evidenced by the last multi-sector needs assessment conducted across East and West Mosul in June 2017, the primary challenge associated with food insecurity in Mosul, and in the



**Photo:** Destruction left behind after the battle to retake East Mosul from ISIS.  
Credit: Jess Wanless/IRC

East in particular, was reported to be logistical or physical and constraints as opposed to insufficient supply or deliberately restricted mobility.<sup>12</sup> This suggests that certain communities in the East of Mosul face difficulties traveling between neighborhoods, either due to distance to markets, insufficient funds, or lack of transportation. Second, people in both East and West Mosul reported having limited economic resources to purchase food, resorting to purchase food on credit.<sup>13</sup>

Markets were reported to be functional and well-stocked in East Mosul,<sup>14</sup> despite reported challenges associated with physical access and financial resources. A majority of the population (64-66%) living in both sides of the city reported not having earned an income in the 30 days prior to assessment.<sup>15</sup> Overall, lack of employment was reported as the third greatest need of residents across the city,<sup>16</sup> while the loss of livelihoods was reported to be among the top two greatest challenges among returnees in particular.<sup>17</sup>

<sup>11</sup> Ibid., 51

<sup>12</sup> “Assessment Working Group Iraq Mosul Multi-cluster Rapid Needs Assessment,” Round 2, [http://www.reachresourcecentre.info/system/files/resource-documents/reach\\_iraq\\_report\\_awg\\_secondround\\_multi-clusterrapidneedsassessment\\_june2017.pdf](http://www.reachresourcecentre.info/system/files/resource-documents/reach_iraq_report_awg_secondround_multi-clusterrapidneedsassessment_june2017.pdf) (June 2017)

<sup>13</sup> Ibid., 12

<sup>14</sup> “mVAM Iraq: Emergency Update #9: Mosul,” WFP, <https://docs.wfp.org/api/documents/WFP-0000022281/download/> (July 2017)

<sup>15</sup> AWG Iraq Mosul Multi-cluster Needs Assessment, Round 2 (June 2017), 13

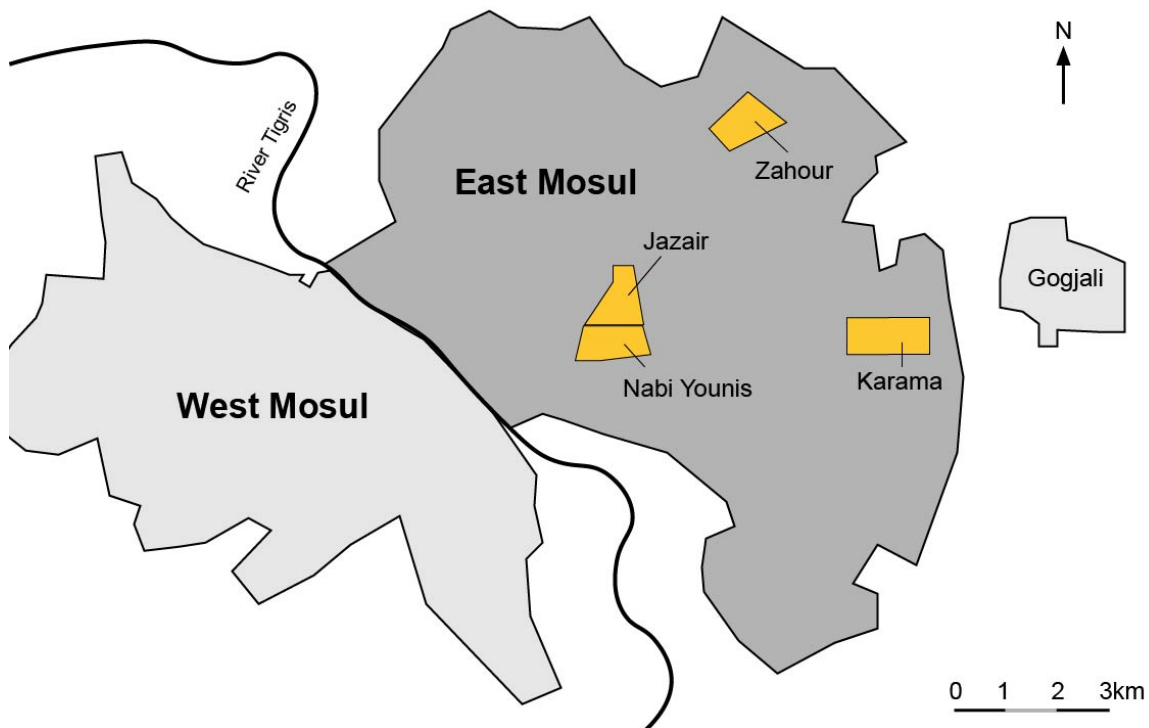
<sup>16</sup> Ibid., 20

<sup>17</sup> Ibid., 9

## Methodology and Scope

The International Rescue Committee (IRC) conducted primary qualitative data collection in September 2017 in the following four East Mosul neighborhoods: Karama, Zahour, Jazair, and Nabi Younis. Neighborhoods were purposively selected in order to capture a variety of market settings (wholesale traders, microenterprises, services, etc.) and community backgrounds (socioeconomic status, residency status).

**Map 1: East Mosul Market Locations**



**Table 1: East Mosul Market Profiles**

Market Neighborhood	Area/Neighborhood	Available Goods and Services	Most popular Goods and Services
<i>Zahour (historically medium to high income neighborhood, residential with main market street)</i>		Clothing and accessories; Cosmetics; Household items; Food items (dry goods and produce); Small restaurants; Furniture; Electronics; Mobile phones and scratch cards; Fast food; Stationary; Toys	Clothing; Furniture; Restaurants
<i>Jazair (primary market district)</i>		Welding; Construction materials; Plastics; Electronics; Plumbing equipment; Bulk household items;	Construction and industrial items; Wholesale food items; Furniture; Restaurants

	Wholesale goods (food items); Small restaurant; Butcher; Produce; Toys	
<i>Nabi Younis (primary market district)</i>	Small restaurants; Household items; Food items (dry goods, produce, and dairy); Clothing and accessories; Fast food; Fabrics and tailors; Electronics	Fabrics; Clothing; Food items (vegetables in particular)
<i>Karama (historically low-income neighborhood, residential with main market street)</i>	Food items (dry goods, vegetables); Welding and Carpentry materials; Fabrics and tailors; Pharmacy; Mobile phone and scratch cards; Stationary; Butcher; Electronics; Car mechanic; Barber and beauty salon	Food items (bread, dry goods, vegetables); Household items (hygiene)

The team used the following data collection techniques: semi-structured key informant interviews, market observations, vendor and consumer surveys, growth sector business surveys, focus group discussions, and a secondary source desk review. Data collection tools can be found in Annexes 1-4. These tools were translated to Arabic and adapted for the context. Data was manually coded in order to synthesize findings for analysis and triangulation across sources.

*Key Informant Interviews (Business Sector Assessment)*

A business sector assessment was conducted through key informant interviews (KIIs) with stakeholders such as government ministers and officials, business owners, academics, and local non-governmental organizations (NGOs). The purpose of the interviews was to better understand the overall barriers and opportunities for economic growth in East Mosul and therefore opportunities for employment or business. The IRC conducted 12 KIIs in total with stakeholders from relevant government ministries such as the municipalities, Ministry of Labor and Social Affairs, district council, and Ministry of Youth and Sports, as well as private sector companies working in dairy, food production, and retail.

*Market Observations*

The IRC team conducted market observations in each of the four selected neighborhoods in East Mosul. The purpose of the observations is to identify the observable gaps or opportunities in goods or services offered in local marketplaces and to learn which businesses and products or services are in highest and least demand.

*Vendor and Consumer Surveys*

During market observations, the IRC team conducted short surveys with consumers and vendors in each marketplace in order to better understand local shopping habits and preferences, as well as any challenges relating to market access or doing business. The team spoke to 15 consumers (11 male/ 4 female) across four market areas and over 30 vendors (29 male/ 1 female).

*Growth Sector Business Surveys*

After identifying potential areas of business growth, the IRC team surveyed businesses working in those sectors in order to understand opportunities or challenges in operating their businesses. The team surveyed 36 businesses in total across the four market areas.



### Focus Group Discussions

Focus group discussions (FGDs) were arranged in three areas in order to understand the needs, skills, and interests of communities in need around East Mosul. The IRC conducted six FGDs in total with the following groups: young women (ages 18-25) IDPs

and remainees in al-Qahira neighborhood; women IDPs from West Mosul in al-Karama neighborhood; women remainees and returnees from al-Karama neighborhood; men remainees and returnees in Jazair neighborhood; men IDPs in Jazair neighborhood; men IDPs in al-Karama neighborhood.

**Table 2: Focus Group Discussion Profiles**

Location	# Participants	Gender	Key Characteristics
Al-Qahira	12	F	Ages 18-30; IDPs & Remainees
Karama	15	F	Ages 18-45; IDPs from West Mosul
Karama	12	F	Ages 20-40; Remainees & Returnees
Jazair	13	M	Ages 20-45; Remainees & Returnees
Jazair	11	M	Ages 18-30; IDPs
Karama	13	M	Ages 20-35; IDPs

### Limitations and Opportunities for Further Study

While the purpose of this assessment is to gain a preliminary understanding of the current labor market conditions and need in East Mosul, limited resources prevented the IRC from undertaking a more comprehensive assessment across more neighborhoods. Furthermore, although data collectors clearly communicated to informants the purpose of the assessment and that participation was in no way linked with receipt of services, there is an inherent potential bias in undertaking such an assessment as a humanitarian organization. It is possible that informants and FGD participants might have altered responses according to how they perceive NGOs to select beneficiaries or allocate resources. To mitigate this potential bias, all reported findings have been cited by multiple sources using several methodologies. Due to a small sample size and limited geographical scope, findings of this assessment cannot be reported as

representative, and would require follow-on data collection in order to gain more rigorous, representative results. Initial findings from this assessment raised the following questions:

- Are there consistent traits associated with limited or unequal access to income generating opportunities; for example, ethnicity, religion, location, residency status, political affiliation?
- Do youth overall, but particularly those with high school degrees and above, expect to obtain government employment? How does this impact their outlook on current job searches or employment?
- Are companies that existed in Mosul prior to ISIS control planning to return? What are the conditions required for small and medium enterprises (SMEs) or larger enterprises to consider resuming their business in Mosul?

## Summary of Key Findings

The findings that emerged across data collection and analysis can be grouped into three main themes: the overall economy or market situation; differential access or constraints to income generating opportunities; and identified needs to support inclusive income generation in Mosul after ISIS. Within each theme, there are findings that have been corroborated by multiple data sources over the course of this assessment's data collection process.

### *Market Situation*

In an effort to identify the most promising sectors for business development or growth in East Mosul, the assessment revealed general insights about East Mosul's economy and labor market. These findings disclose a weak economic context that, consistent with past macroeconomic issues, is dependent on federal budget allocations and public-sector employment. While micro and small enterprises primarily focused on selling basic commodities are evidently functioning across the Eastern part of the city, a closer study reveals that these businesses are only just able to sustain themselves rather than supporting increased employment or economic growth.

### **Unemployment is high, particularly for youth.**

Key informants were asked during interviews to estimate the current unemployment rate in East Mosul. The average reported rate was 56 percent, with answers ranging from 28 to 75 percent. One person stated that many of the unemployed in East Mosul are IDPs from West Mosul, while others stated that residency status or location of origin has no bearing on unemployment. Instead, many respondents indicated that unemployment was particularly high among newly graduated or young people, many of whom have no prior work experience. Several said that while less educated people are willing to accept low wages in daily laborer jobs, those with education beyond a high school degree may not be willing to accept such jobs and better paying jobs in the private and public sectors are not available in the current market.

“We see graduates at home without work and we lose hope. We think, if graduates do not work, how can we find work?”

— *Young Woman, East Mosul*

This information was corroborated by focus group discussions (FGDs) in Karama, Jazair, and Qahira neighborhoods. Most men reported depending on day laborer jobs in construction, restaurants, and barber shops and some said they operate microenterprises or small businesses. A majority of women said that they rely on their husband or families for income, and that most women in their communities do not earn income. Only a few, they said, work from home as tailors or operating a small women's salon. Even fewer are employed by the public sector as teachers or government workers. Because most of the jobs currently available in East Mosul are day laborer positions, both men and women said that this type of work is not seen as being appropriate for women, so only men willing to accept low wages are taking these jobs. “Sometimes even work as a day laborer is difficult to find. We see college graduates working as day laborers because they need the income,” said an FGD participant. Both men and women said that people without income are dependent on assistance from families, the government, or NGOs.

“Sometimes even work as a day laborer is difficult to find. We see college graduates working as day laborers because they need the income.”

— *Man, East Mosul*

**Purchasing power is low, impacting the overall profitability of businesses and the types of sectors likely to see market movement.**

When asked about the greatest challenges for businesses operating in East Mosul, key informants in the local government and private sector were quick to say that consumer demand is low, particularly for non-essential items. They said that this resulted in low profits, which prevented business owners from hiring workers or expanding into new areas. Indeed, all 15 of the consumers surveyed said that most people in their communities only have enough income to purchase their basic needs, primarily food items. A majority of vendors surveyed across contexts also reported little to no profits due to low purchasing power in their market areas. A small grocery shop owner exclaimed, “I work all day, seven days a week, and still at night we end up with debt.” A father of five, he said that between high rent for his shop and having to sell products at low prices, he is unable to make the necessary income to support his family. This was particularly true for businesses located in the lower income neighborhood of Karama, and for businesses selling goods or services seen as luxury or non-essential, such as photography and photocopy shops, fabrics, and electronics. In contrast, produce vendors and larger construction supplies and service shops, particularly in Jazair and Nabi Younis, reported stronger market demand.

During FGDs, participants were asked how much income families like theirs would need to support basic needs for one day. A majority of male participants across locations said that they would



**Photo:** A man from West Mosul works in a carpentry shop in East Mosul.  
Credit: Neewar Mohammed/IRC

need at least 10,000 IQD, with some variation depending on household size. Women FGD participants confirmed this amount, saying that they would need 10,000 IQD to meet basic needs, and up to 25,000 IQD per day in order to meet total needs, including any additional costs such as medical treatment or medicines. In the women’s discussions, however, many reported accepting lower wages (between 5,000 to 10,000 IQD per day) and some even expressed receiving wages as low as 2-3,000 IQD because of limited income generating opportunities. Such low acceptable minimum wages suggest that many households in East Mosul, female-headed households in particular, are supporting themselves with extremely limited incomes and therefore are only able to purchase the most essential goods and services.

**The economy is centered on basic needs. Growth sectors and market gaps are limited.**

A somewhat obvious result of low purchasing power, as mentioned above, is that the economy is centered on basic needs. Across all data sources, evidence of growth sectors or market gaps was limited to immediate necessities such as food and construction. A majority of consumers interviewed said that their current income only supports meeting

“I work all day, seven days a week, and still at night we end up with debt.”

— Man, East Mosul

their basic needs. None of the consumers interviewed reported experiencing any difficulty finding the goods and services they required in East Mosul, suggesting that there are few, if any, issues with supply in East Mosul. The issue, rather, is the access to markets due to financial constraints. In all three FGDs in Karama, participants agreed that most households in this community were only able to purchase basic needs like food and nothing more. Across all market locations, vendors working in food and construction generally reported higher earnings than those selling non-essential goods and services such as household décor or photography and printing. While many vendors reported low or average profits, those businesses associated with higher earnings reported high profits or enough profit to invest back into the business.

When asked which sectors in East Mosul employed the most people, aside from the government which was overwhelmingly the most common answer, key informants listed food vendors or restaurants, small businesses in general, and construction. Upon observation of the key market areas identified within this assessment, it was clear that overall, food businesses such as fruit and vegetable vendors, food markets selling dry goods and non-perishables, bread bakeries, and fast food or small restaurants had the most activity. In certain locations, such as Jazair, which is known as being a more industrial market, construction supply shops and services were also somewhat popular. Overwhelmingly, however, the focus was on food as this is what consumers, even those with lower purchasing power, tend to purchase on a daily basis. While the construction needs across the city are great, as vendors noted during growth sector interviews, households are waiting for government salaries to resume before making significant investments in home repairs. When key informants were asked which sectors might have the most promising growth in the future, many said construction or industry in general. Overall, those interviewed said that while the current economy is focused on basic needs, there is an expectation that government services and public-sector employment will resume, resulting in a growth in the construction sector due to widespread reconstruction needs across the city.

### **The economy is dependent on the return of government employment and services.**

Each of the above findings on the market situation in Mosul are symptomatic of a more fundamental truth concerning the Mosul economy: it is heavily dependent on the government. Prior to ISIS control, Mosul's private sector was underdeveloped and unable to absorb the high number of educated job seekers. One business owner said in a key informant interview that as many as 60 percent of the population over 30 years old formerly received government salaries. After ISIS, the private sector is nearly completely inactive, with only a handful of medium to large enterprises operating in the city. Indeed, this is this narrative that was most frequently repeated across the spectrum of people interviewed.

60 percent of key informants said that the government is the largest employer in Mosul, even while it only provides salaries on an inconsistent basis. When presented with a hypothetical choice of working for the government or owning a business or working for a private sector company, a vast majority of people during FGDs said that they would prefer to be employed by the government. For women in particular, government employment is seen as one of the only socially acceptable employment options. Women in FGDs said that government jobs had shorter hours and better benefits, thus allowing women to balance work with responsibilities at home. Youth also expressed similar preferences, despite general acknowledgement that their prospects for government employment are considerably less than older generations.

Without consistent government salaries and the federal budget allocations to bolster government services and expenditures, the economy in East Mosul is at a standstill. In the growth sector business surveys, nearly all 36 of SMEs interviewed stated that their business revenues would be determined by the payment of government salaries. When the government pays salaries, they said, they have more consistent demand and revenues rise; however, when employees stop receiving monthly salaries, demand returns to only to items that are considered to be necessities. One vendor remarked that the best thing anyone could do for his business would be to start paying government employees their salaries.



Yet with ongoing political tension, and continued fiscal concerns with the Iraqi federal budget, the outlook remains uncertain.

### *Opportunities for or Barriers to Income Generation*

By also focusing on the livelihoods assets<sup>18</sup> of populations in need of income generating support, the IRC identified some key opportunities for as well as barriers to employment and self-employment options in East Mosul. Overall, findings suggest that access to income generating opportunities is unequal for a variety of reasons. While the exact source of inequality was not identified in this assessment and is grounds for further study, data suggests that official policy is inconsistently applied by location in East Mosul, with some neighborhoods experiencing greater difficulties than others in accessing necessary government approvals. Other sources of inequality are more deeply engrained, such as the inclination of people to hire their own relatives or social norms preventing women from working outside of the home. Regardless of the source, both realities and perceptions of inequality not only impact economic opportunity, but are also likely to stoke underlying political and social tensions and thus requires attention.

### **Security checks are a pre-requisite to all income generating opportunities.**

The IRC asked key informants as well as vendors and FGD participants about the process to register a business in East Mosul. All key informants responded that general government approvals were required in order to operate a business, while many specified that security checks in particular were necessary and additional government approvals were dependent on the type of business. Restaurants, for example,

<sup>18</sup> Livelihoods assets here are defined as the human, natural, financial, social, and physical capital that an individual might have at his or her disposal in the pursuit of livelihood



**Photo:** Harbia, a grandma in East Mosul with her son and grandchildren. She is responsible for providing for her extended family after her other son and husband died at the hands of ISIS. Credit: Alex Potter/IRC

require health inspection approvals, while a pharmacy would require a certificate of authorization. Vendors consistently reported that all business owners were required to pass various security checks by local and federal authorities in order to operate. Furthermore, according to several mukhtars, or community leaders, access to services or government assistance also requires a security check. In FGDs with men, some participants said that security checks impacted their ability to work, to seek work or to open a business in neighborhoods other than the one in which they were resident. This was particularly an issue in Karama neighborhood, where there seemed to be a larger security presence than in other neighborhoods visited.

**“We need to develop the courage and skills to depend on ourselves.”**

*— Woman, Karama, East Mosul*

opportunities, as mentioned in the Sustainable Livelihoods Framework.

**The need for business registration and government approvals may depend on location and status.**

While the need for security approvals was unanimous, data on other official requirements for business registration differed by location. In the business sector assessment, while all reported on the need to register businesses with the municipality, three respondents stated that navigating government approvals is difficult. They explained that at times, the approvals impede the process of doing business as well as prevent new businesses from developing, particularly for young people or those lacking connections.

Many vendors, however, said that they did not need any government approvals to start their business aside from the general security checks. This was the case for the majority of businesses in Jazair, Nabi Younis, and Zahour, though several businesses in Karama mentioned difficult approval processes as a constraint to business operation and growth. In all three FGDs conducted in Karama, participants mentioned the difficulties associated with security checks and government approvals. In general, the lack of coherent and uniformly applied government policies with regards to business registration contributes both to confusion and perceptions of inequality, particularly in neighborhoods with legacies of discrimination. These inconsistent experiences suggest that perhaps different communities in East Mosul are having varied experiences with government authorities, which ultimately has an impact on access to income generating opportunities and economic wellbeing as well as perceptions of transparency and equity in government policy.

**Access to income generating opportunities is based on connections and relationships.**

When asked about hiring preferences, several key informants said explicitly that hiring is based on relationships, while others stated that employers hire based on skills, education, and previous work experience. Yet when asked how employers and job seekers search for employees and jobs, respectively, all respondents said that searches are conducted

through relationships. So, while final hiring decisions may depend on skills, education, or previous experience, the eligible pool of applicants is often limited to those within a specific social network.

Furthermore, key informants were asked if they faced any challenges in finding qualified employees. A majority replied that they did not face challenges; however, three respondents said that it was difficult to find “honest” workers that they can “trust.” When probed to further define concepts of “honesty” and “trust,” they said that these qualities are associated with people they know, ideally relatives or close friends. During growth sector business surveys, a majority of vendors supported this finding, stating that they would prefer to hire a relative, and if that is not possible, then someone they know and trust. Business owners rationalized such hiring decisions, they said, because they worried that employees outside of their family might take business ideas or important business information to use for themselves or share with other businesses.

**Harbia,<sup>1</sup> a grandma from East Mosul, is responsible for single handedly providing for her extended family.**

After her husband and son were killed at the hands of ISIS, Harbia now provides for her whole family. Each day she bakes bread to sell.

“I cook bread for people to buy in the area to help support my family - but it isn’t enough. I only earn about 3-5,000 IQD (\$2.50 – 4.020 a day.”

From the job seeker perspective, all FGD participants said that they rely on relationships or connections to find work. When asked if they were aware of online job postings and applications, some said that they have heard of such platforms, but they did not know how to use them. This could be due to the fact that FGD participants were generally less educated and therefore would not find jobs suited for their education or skill level on online job platforms, but many also said that they would not know how to prepare an appropriate CV for positions that are posted online.

**Women are vastly underrepresented in the labor market for a variety of reasons.**

When asked during key informant interviews about opportunities and constraints for women working in Mosul, most respondents said that a majority of women in the city do not work. Several explained further that women earning income in Mosul only work in specific jobs such as in government offices, as teachers, and in home-based work. This, they said, is due to cultural limitations and expectations of women's responsibilities to be focused on the home. One of the few women business owners we spoke to said, "Women are victims of their community in some parts of this country. We are supported less [than men] and are discouraged." She continued to explain that if there was more support and awareness within the community about the importance of women working in addition to men, the economic situation and education levels would improve.

Focus group discussions offered more insight into this issue. Men stated that most women do not work because of responsibilities at home, as well as security concerns and because certain tasks are seen as inappropriate for women in their community. Women had much to say on this subject, agreeing that a major constraint to working was balancing home life with work. They added, however, that communities needed greater awareness about women working in order to change norms, saying that this must start within the household, with men in particular. While most women agreed that communities and households need greater awareness about women working and more generally about women's needs, many also said that women who do work are only doing so out of necessity because their family needs the income. If their households' financial situation were better off, many said that they wouldn't work.

Women heads of household and widows who participated in FGDs expressed being particularly disadvantaged by community perceptions and the lack of job opportunities for women. The conflict has



**Photo:** 21-year-old Malka at her home in East Mosul. She is resitting two years of nursing college as the years she studied under ISIS cannot contribute to her degree. Credit: Alex Potter/IRC

left a significant number of women widowed, many of whom have never earned income in their lives and may not have completed secondary school.

**Mobility within East Mosul is limited for certain groups, particularly for women.**

Restricted mobility was identified as a significant barrier by numerous individuals in Karama neighborhood. During the FGD with men, a majority of participants agreed that mobility into and out of the neighborhood was having an impact on the neighborhood's businesses. They said that this was because all access roads into the neighborhood were blocked, except for one checkpoint, resulting in fewer consumers from surrounding neighborhoods being able to access the Karama marketplace. One vendor also said that sometimes they experienced some difficulty getting goods into Karama from the major wholesale traders in Gogjali or Jazair.

Women in FGDs across all neighborhoods discussed issues with mobility, though this is not a new phenomenon for women in Mosul. Under ISIS, they said, women were not permitted to leave their homes without a male guardian. In the present environment, a majority of women said that they could go to markets on their own, but they were less comfortable traveling to markets far away from their homes. They

said that this was because they didn't feel comfortable traveling in taxis or buses on their own, and because they felt uncomfortable traveling into different neighborhoods alone where they do not know the community. Furthermore, during market observations in all four neighborhoods, while women were present as consumers, seeing women vendors or employees in market areas was rare or nonexistent. In general, issues with mobility or security presents women with significant barriers to accessing markets or jobs, particularly women who do not have male household members who can assist them with travel outside of their homes or immediate communities.

**Saida,<sup>1</sup> a 26-year-old IDP from West Mosul, was married at the age of 14 and has four children.**

During the military operation in West Mosul, she and her children were able to escape their home, but her husband was trapped and the house was destroyed. Now unable to find information about her husband, her parents-in-law took custody of her children and she is left caring for her disabled father who requires medical treatment.

"Losing my kids and husband during the conflict and society's traditions have made me a hopeless and broken-hearted woman," she proclaimed. Without an income, she said, she is unable to find a way to retrieve her children and support her father.

*Identified Needs*

Related to issues of access or barriers to income generating opportunities, the third general trend that emerged over the course of this assessment were the needs identified by communities in East Mosul in order to improve their access to livelihoods. In general, data suggests that people are in greatest need of capital and soft skills development, at least until there are greater needs for more technical skills in the labor market.

**There is a lack of available capital. Entry costs to start a business are high.**

During key informant interviews, several respondents stated that the main challenge to doing business is the lack of personal funds and government support to start, rehabilitate, or expand local businesses. They said that this is particularly true for youth and women, who have difficulty finding the capital necessary to start even a small business. This claim was supported by young FGD participants in Jazair and al-Qahira, who said that they have thought about small business ideas, but are constrained primarily by the lack of capital. Furthermore, as with most of Iraq, financial services such as banks or micro-finance institutions (MFIs) are rare, and even if they do exist, they are not widely used. All key informants confirmed that there are currently no opportunities to obtain a loan within Mosul, outside of informal connections and opportunities.

Almost all vendors interviewed had either owned the business before ISIS, even if it was previously in a different location, or they inherited their business from a relative. When asked how they were able to originally open or reopen their businesses, all business owners said they spent their own savings, sold assets, or borrowed money from family. It was difficult to find new business owners in major market areas, most likely due to high entry costs and a lack of capital and connections. This suggests that there are few new businesses in East Mosul, primarily because it is cost prohibitive for new business owners.



**Training opportunities do not currently exist for men, and only rarely for women.**

All key informants interviewed said that training opportunities do not exist except for general language training or tailoring for women. Municipality officials said that the Directorate of Labor and Social Affairs used to have a center that offered technical education and vocational trainings until ISIS took control of the city, but that it is not yet resuming activity due to budget constraints.

This information was supported by all FGD participants, who agreed that training opportunities do not exist in East Mosul. One woman said that she had heard of tailoring training for a fee, but that she could not afford it. Many also said that while trainings were available prior to ISIS, many were too general and not tied to market needs, and that most were prohibitively costly.

**Life skills and confidence-building will be important for communities who lived under ISIS, particularly for women and youth.**

When asked about any skills that were noticeably lacking in the East Mosul labor market, most key informants said that there were no technical skills that they were unable to find in the local labor market. Rather, they said that communities currently living in East Mosul require general life skills and confidence building after years under ISIS. They also said that youth in particular who missed years of education and lack work experience need to develop life skills in order to be more reliable employees.

Women participants of FGDs, particularly in Karama, said that they needed general confidence-building and life skills development in order to learn how to promote themselves in the labor market as well as advocate for their needs in their communities and households. They saw this as an important step to improve women's access to the labor market and to raise awareness in their communities about the



**Photo:** A woman in East Mosul takes part in an awareness raising sessions at IRC's women's centre in the city. Credit: Alex Potter/IRC

merits of women working. For women in particular, they said, the community needs awareness so that parents allow their girls to complete education and so that daughters and wives are able to pursue careers and self-development.

During market observations, the team asked vendors if they have any trouble finding qualified employees. A majority reported that they do not; however, in Karama neighborhood, vendors said that they struggle finding dependable employees due to dishonesty. When asked to explain this further, some suggested that because the neighborhood has seen an influx of both IDP and returnees who may not have lived in the neighborhood previously, there is a heightened level of suspicion among longtime residents and shop owners. Notably, in Jazair and Majmoua neighborhoods, where there are a number of popular restaurants, business owners also stated that they sometimes struggled finding trustworthy employees who also have previous experience in the food sector. Asked to explain further his concern with finding trustworthy employees, one shop owner said, "The active one is cheating, and the honest one is lazy!" In general, in such an environment of suspicion and a reliance on small familial or community networks, individuals in East Mosul will need to work on building both their own confidence and trust in others to improve conditions.

## Recommendations

After primary data collection was complete, the IRC team held a group debrief session to begin analysis of the data and the identification of trends. From this session, the team also developed recommendations within each trend for future sustainable livelihoods programming to be implemented in East Mosul.

### *Market Situation*

While the assessment revealed a weak market environment in East Mosul, the team identified some areas where NGOs can support market strengthening, particularly for vulnerable communities.

**1. In the immediate term, consider market opportunities created by underserved consumer segments.**

While the assessment found that market opportunities in the current environment in East Mosul are limited to essential goods and services, there are nonetheless opportunities that can be identified by understanding which segments of the population might be underserved, even within the scope of basic needs. For example, in the current heightened security context, women have stated that their mobility is limited and they have limited spaces in the community where they feel comfortable outside of their homes. Businesses operated by women that focus on women's daily or basic needs, or even a comfortable space outside of their homes, could therefore present an opportunity in certain communities.

**2. In order to support market-based livelihood opportunities, programming should realistically consider current market conditions.**

For the time being, technical trainings should focus on sectors with immediate and reliable future market demand, such as food service and/or preparation and the construction sector

such as electrical work, plumbing, and PVC installation.

**3. NGOs should work with the government in order to support longer term strategy that promotes inclusive private sector development in East Mosul and decreased reliance on the public sector, particularly for youth and women.**

The government will continue to be the main economic driver in East Mosul and will of course be responsible for determining the long term economic strategy for the city and the country more broadly. NGOs should therefore remain engaged in upcoming policy conversations surrounding early recovery and reconstruction as such strategies are developed in order to promote the inclusion of vulnerable and underserved communities. Youth in particular must be included in future private sector development and job creation, and will need specialized services in order to prepare them for active labor market engagement.

### *Opportunities or Barriers to Income Generation*

**4. NGOs can play a role in supporting trust building and market linkages between communities to reduce suspicion and potential sources of barriers to market access.**

To start, livelihoods actors should make an effort to involve participants from different communities in trainings. This can increase interaction between groups in a safe and controlled environment, and build relationships that can benefit participants socially and economically. Apprenticeships or on the job trainings can also be an effective way to both build skills and establish trust and relationships between people from different communities. Soft-skills trainings that focus on areas such as professionalism, time management and effective communication skills could increase employer's perception of job seekers' honesty and integrity.

**5. Clarify with local authorities the official requirements for business registration.**

While knowledge of official policy or requirements does not preclude the potential for corruption, it does provide people without strong social networks greater leverage to push back on low level corruption when it presents itself. Often times, simply the lack of information can make individuals more vulnerable to manipulation. Business training, start-up grants, and/or mentorship should involve guidelines for registering a business. NGOs should communicate with local authorities in order to clarify these procedures and reduce the likelihood of barriers to individuals from certain communities. Where processes are overly burdensome and therefore potentially prohibitive of certain groups in obtaining business registration, NGOs should advocate for simpler procedures in an effort to improve the overall context for doing business.

**6. To promote women's access to income generating opportunities, NGOs should also work on raising awareness among communities and work to build confidence among women.**

Community awareness sessions on the benefits of supporting women's rights and access to work should be incorporated into all women's livelihoods programming in order to lessen the social barriers that women face in accessing income generating opportunities. Furthermore, trainings for women should incorporate confidence building techniques and skills in negotiation and communication to improve women's ability to advocate for their needs. NGOs should consider that social and

behavioral changes are likely to take time and therefore should plan funding opportunities and workplans accordingly. Furthermore, NGOs accepting short-term funding for women's livelihoods should be aware of potential risks associated with promoting women's access to income generation absent of complementary community engagement and social change.

*Identified Needs*

**7. Livelihoods trainings should involve opportunities for access to capital, particularly for vulnerable communities.**

The assessment confirmed that a lack of capital remains a primary constraint for vulnerable communities to access income generating opportunities in East Mosul. NGOs should therefore make an effort to incorporate capital opportunities into livelihoods programming where possible; for example, through business start-up or scale-up grants and training stipends.

**8. Livelihoods programming in East Mosul should incorporate life skills and confidence-building, particularly for women and youth.**

NGOs implementing livelihoods programming in East Mosul should incorporate life skills development, including confidence-building, into all livelihoods-related trainings, where possible. Lessons could involve stress management, time management, and communication skills, particularly for youth and women to improve their ability to perform and advocate for themselves in the labor market.

## Annex 1: Business Sector Assessment, Key Informant Interview Protocol

Date: Name of person conducting interview: Name of organization interviewee represents: Name and title of interviewee:
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### Introduction

Thank you for taking the time to meet with me today. My name is \_\_\_\_\_ and I work with the International Rescue Committee. Currently we are doing an assessment to better understand the business environment in the city, and help develop a strategy for city resilience.

We identified you as someone who knows about various business sectors, growth opportunities, job training options, and economic infrastructure, and I hope you will share some of your knowledge with me to help inform our assessment.

Your insights and opinions may be shared within our organization to help design and improve programs. I expect this discussion to take approximately 30 minutes.

Do you have any questions before we start?

### Informed consent was obtained from participants:

Yes  No

### Overview of business environment

1. What sectors currently employ the most people in this country/region/city? What sectors are oversaturated?
2. From your perspective, what industries, sectors, or types of businesses are currently hiring or planning to expand in the near future?
  - a. What sectors are currently underdeveloped and/or have significant potential for growth?
  - b. What sectors is the government encouraging development in? Into what sectors is private investment flowing (either from local or international investors)?
3. What export markets are mature in your country/in this region of the country, if any? What export markets are under development/do you see potential for?
4. What have been the biggest changes you have observed as a result of the crisis [*or influx of displaced people, or insert other relevant context reference*]?

(\*Questions 5 and 6 may only be relevant for higher level employees. If the interviewee cannot answer these, feel free to skip)

5. \*What sectors are most profitable for business owners?
6. \*What sectors have the highest salaries for employees? Are there differences in salaries for women and for men in the same sector?
7. What are the main challenges of operating a business in this country/region/city? Do any specific groups [*such as women, refugees, members of specific ethnic or religious groups*] face additional challenges in starting or running a business?



8. Which government agencies are important for businesses? What are the roles of each of these agencies? What are the priorities of these agencies? Are there any major economic development initiatives?

### **Employment overview**

9. What is the approximate unemployment rate at present? What groups of people are less likely to be employed than others? Is unemployment greater in certain areas of the country/region?
10. Do employers prefer to hire from a certain sub-sector of the population? Why?
11. Is there a big distinction in informal versus formal economy? Approximately what proportion of jobs is in the informal economy versus in the formal economy? Are there sectors that work both informally and formally? If so, which sectors? How does the government differentiate between the informal and formal sectors? Do women or men tend to be clustered more in informal or formal work?
12. Do people migrate for jobs? If so, how do these migration patterns normally flow? (From rural to urban areas? To the capital exclusively?) Is migration seasonal? Are migrants more likely to be of a certain age group or gender?

### **Training, education and job placement**

13. Are most businesses able to find adequately trained employees? If not, what skills are lacking [technical, communication, teamwork, etc.]? Is there a sector or type of work that is particularly difficult to find adequately trained employees? Why?
14. Which businesses most often provide on-the-job training or certification? Do any businesses pay for their employees to be trained or certified outside their company?
15. Where do people go to get trained/educated/certified so they can get a job? What kinds of organizations provide training? Is the available training generally of good quality and sufficient for graduates to go directly into a job?
16. Is job training available generally applicable to many sectors and employment opportunities [employability, life skills training?] or is it specific to a particular job or function [vocational and technical]?
17. What sort of public education/job training is supported by the government to provide people with job skills?
  - a. What sectors/vocations does it cover, and what is the scale and scope of programming?
  - b. Who is eligible to participate in this education/training and who is excluded?
  - c. About how much does it cost for students?
  - d. What topics are included in the training [e.g. just technical topics, or general employability as well]? Are there available results demonstrating quality of training?
18. What projects are being run by iNGOs/local NGOs to provide job training?
  - a. Which NGOs are running these programs?
  - b. What sectors/vocations does it cover, and what is their scale and scope?
  - c. Who is eligible to participate in this education/training and who is excluded?
  - d. What topics are included in the training [e.g. just technical topics, or general employability as well]? Are there available results demonstrating quality of training?
19. What sort of job training is offered by the private sector?

- a. Which companies/organizations are running these programs?
  - b. What sectors/vocations does it cover, and what is the scale and scope of programming?
  - c. Who is eligible to participate in this job training and who is excluded?
  - d. About how much does it cost for students?
  - e. What topics are included in the training [e.g. just technical topics, or general employability as well]? Are there available results demonstrating quality of training?
20. Are [*insert sub-sectors of the population of interest, such as women, refugees, members of specific ethnic or religious groups here*] allowed into all types of job training? Are there any types of training these groups are generally discouraged from?
21. How do people generally find jobs? Are there any useful resources (e.g., job websites, job placement services) available for job seekers? Are the strategies that women and men use to find jobs similar or different?

### **Barriers to and opportunities for employment and enterprise**

22. Are there certain sectors each group [*insert sub-sectors of the population of interest, such as women, refugees, members of specific ethnic or religious groups here*] dominates?
23. Are there certain sectors each group [*insert sub-sectors of the population of interest, such as women, refugees, members of specific ethnic or religious groups here*] dominates?
24. What do you think are the biggest barriers to employment in your country/region/city? Do any specific groups [*such as women, refugees, members of specific ethnic or religious groups*] face additional challenges to employment?
25. Are social norms supportive of women participating in paid work outside of the home? What are the sectors or workplaces most friendly to women? If home-based work is the main source of income for women, what type of activities do women engage in?
26. (As applicable) Are refugees/*members of other sub-sectors of the population of interest* allowed to work in-country? Do they require special permits? Are they restricted to or encouraged only to work in certain sectors?
27. What is required to license and register a business in this community/in this region of the country? Is the process different at the local, regional, national level? How long does business registration/licensing usually take? How much does it cost? Is it within the means of most of the population? Are [*insert sub-sectors of the population of interest, such as women, refugees, members of specific ethnic or religious groups here*] able to register for and operate their own businesses?
28. What is the availability of business loans in your village/city/region/country?
- a. Are there any specific barriers to accessing loans for women, refugees, specific ethnic or religious groups?
  - b. Are loans available to micro/small/medium/large enterprises?
  - c. Who is doing the lending—banks, microfinance institutions, VSLAs, other?
  - d. What do you think is the minimum size loan available?
  - e. What do you think are the typical repayment conditions for loans – interest rate, repayment period?
29. Do financial institutions offer products specific for women-led businesses?

## Annex 2: Growth Sector Business Leader Survey

Location/specific market place:  
 Day of week:  
 Time of day:  
 Date and time of day:  
 Name and type of business:  
 Business owner gender:  
 Estimated age of business owner:  
 Any other significant characteristics of business owner (e.g., ethnic/religious affiliation):

### Introduction

Hello, my name is \_\_\_\_\_, and I work with the International Rescue Committee's Enterprise Development and Employment Program. We are collecting information to help us design employment programs in this community. Talking with you will help me to better understand your business sector as well as the challenges and benefits of the work you do. The interview will take approximately 15 minutes. All the information we obtain will remain strictly confidential and will only be used for programming purposes. Are you willing to participate? Thank you very much for your help and time. *If s/he is willing you can start the interview.*

### Informed consent was obtained from participants:

Yes  No

1. How long have you been doing this type of business?
2. Why did you choose to go into this business?
3. What sort of support did you receive to start this business (e.g. financial institution or personal loan, other help from family, etc.)?
4. Have you received any support from government or INGOs for your business? If so, what support was provided? Was the support helpful?
5. What sort of training or skills do you need to run this business? Where did you learn them? Have you received any sort of formal or informal job or entrepreneurship training?
6. Do you need any sort of certification or license in order to run this business? If so, what is the process for obtaining them?
7. What other services do you rely on to support your business (e.g., electricians, plumbers, movers, drivers, tailors, accountants, porters)?
8. Do businesses selling your product or providing your services in this area generally make a small or sizeable profit? Do you reinvest any of your profits into growing your business?
9. About how many businesses like yours are there in this community?
10. [*\*Ask if relevant to context\**] What has been the impact of the crisis on your business? OR how has business changed in the last 3 years?
11. Who are your main customers?
12. What do people buy most/least?
13. What is the busiest time of day for you?

14. What is the busiest time of year for you? Are there seasonal fluctuations in your profits?
15. What are the key challenges you face as a businessperson?
16. Do you recommend that other people work in this sector? Why or why not?
17. How hard or easy is it to find qualified workers? Why?
18. Have you ever considered expanding your business (e.g. opening another location, adding additional products/services, hiring more employees, etc.)? If you have already, what key factors helped you to do so (e.g. bank, VSLA, or personal loan; government investment fund; family to staff 2<sup>nd</sup> location, etc.). If you have considered this but found it difficult, what were your primary barriers to growth/expansion?
19. Do you think men, women and youth (*also ask about any groups the IRC may target in an intervention, such as refugees*) have different work opportunities in your sector? In your community? Why?
20. What advice would you give to anyone who is starting a business or looking for work in your sector? In this community?

**Thank you for your participation.**



## Annex 3: Market Observation and Vendor Discussions

### Market Observation

**Instructions:** Walk around the market, and in and out of various different types of shops, watching vendor/customer interactions and looking at goods and services offered for sale. Answer the following questions based on what you see.

While you should complete this questionnaire mainly based on your own observations, it may be helpful to speak with vendors to see if they back up your observations, especially for **the questions written in bold**; however, keep conversations very short, and bear in mind that this is primarily an exercise in observation.

**For informal conversations with vendors, use the following introduction:**

Hello, my name is \_\_\_\_\_, and I work with the International Rescue Committee. We are collecting information about this market to help us design employment programs in this community. I'd like to speak with you to better understand how businesses sell goods in the market. I have a few brief questions that will take about 5 minutes to answer. All the information we obtain will remain strictly confidential and will only be used for programming purposes. Are you willing to participate? *If s/he is willing, you can start the interview.*

Name of person filling out survey:
Location/specific market place:
Day of week:
Time of day:

### Goods/Products and Services

1. What types of traded goods/products and services are available? *(Use the table to organize the note the categories of products and services – e.g., vegetables, small electronics, communication services, clothing, etc. – as well as examples of specific items that seem to be widely available within each category. If using this tool as part of an assessment for a microfranchise program, be sure to include information about the brand of good/service)*

Category	Specific goods/services within category (including brand name)

### Goods/Products and Services

2. **What are the most popular goods/products/services sold in the market?**
3. **Are there any good/products or services that appear to have a shortage in this market?**
4. Are there any goods/products or services that are typically found elsewhere throughout the country that appear to be unavailable in the market?

5. **Are there goods/products or services that are unique to this market? Would there be trade potential for these goods/products or services?**

#### Stores and Vendors

6. Which stores/stalls appear to have the most customers?
- What goods or services are they selling or providing?
  - What is the range of goods and services they are they selling?
  - What is the approximate size/scale of these businesses?
  - Who are the vendors (female/male; ethnic group; language)?
7. Which stores appear the most profitable?
- What indicates this profitability (e.g. biggest stall, most product choice, goods selling out, goods/products with high margins, etc.)?
  - What is the range of goods and services they are they selling?
  - Briefly describe the size/scale of the business (e.g. stall, storefront)
8. **Can you observe anything that might explain why these stores are more successful than the others?** *(Consider factors such as: Location, types/range of products offered, quality of goods/services, store appearance, prices, staff, time of day, local supply)*
9. Which stores/stalls seem to have the fewest customers?
- What is the range of goods and services they are they selling?
  - Briefly describe the size/scale of the business (e.g. stall, storefront)
10. **Can you observe anything that might explain why these stores have relatively few customers?** *(Consider factors such as: Location, types/range of products offered, quality of goods/services, store appearance, prices, staff, time of day, local supply)*
11. Are there any goods that are customized or have value added through additional local labor or local processing (e.g. instead of selling whole pineapple, a vendor processes it into pineapple juice, or instead of selling freshly caught fish, a vendor grills it to sell?)
- If so, what are these goods?
  - If so, do businesses selling these value-added products appear to be more profitable than others?**
12. Think about all of the different types of work people have in this market place/business district, from small and large-scale business owners to business employees to service providers (transporters, processors, etc.)
- Based on your observation, which roles are held mainly by women?
  - By men?
  - By both women and men?
  - By youth?
  - By other distinct groups (e.g. ethnic or religious groups)?
  - Do any of these different groups dominate the production and/or sale of *particular goods and services*? If so, provide details.\*
13. *Walk through the market at the start and end of the day.*
- Where do people source the items they sell?**
  - What items appear to be grown/sourced locally vs. transported in from outside the village/city?**
  - Are any items produced locally being transported out of the community for sale?**
  - Which stalls have the most items remaining at end of the day? What items are left?
10. Do gender, refugee, ethnic or religious groups appear to access the market differently at different times of day? If so, is there an explanation for any patterns observed?

11. Do any vendors appear to have a surplus that isn't selling? What are the goods/products or services that appear to be surplus?
12. Are there any goods/products or services of which there appear to be a shortage, and if so what are they?

## Annex 4: Consumer Survey

Interview Details	
Name of Interviewer:	
Location/specific market plate:	
Day of week:	
Time of day:	
Gender of consumer:	
Estimated age of consumer:	
Any other significant characteristics of consumer (e.g., ethnic/religious group):	

### Introduction

Hello, my name is \_\_\_\_\_, and I work with IRC’s Enterprise Development and Employment Program. We are collecting information to help us design employment programs in this community. I’d like to speak with you to better understand how people like you do your shopping and your perspective on this market place. The interview will take 5 minutes. All the information we obtain will remain strictly confidential and will only be used for programming purposes. Are you willing to participate? *If s/he is willing, you can start the interview.*

### Informed consent was obtained from participants:

Yes  No

1) What products or services do you, other members of your household, and people in your community typically buy?

Frequency of purchase	Main products/services	Where do you buy this?	Easy to find?
Every day			
Every week			
Every month			



<p><b>Special occasions</b></p>			
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**Consumer questions**

- 2) Are there products or services that relatives or friends in another community can get but that you can't get here, or any other goods or services you want but that aren't available?
  
- 3) Are there goods/services that you have to travel for, that you can't get here? Where do you get them? Can either male or female household members travel to procure these goods/services?
  
- 4) Are there things you can't get during certain seasons? If so, what are they, and during what seasons are they unavailable?
  
- 5) Do you prefer one vendor or service provider to others? If yes, why do you prefer this vendor or service provider? *(e.g., quality, personality, proximity, friend or family, price)*
  
- 6) Are there any shops where you choose not to shop? If yes, why do you avoid these shops? *(e.g., quality, personality, proximity, friend or family, price, safety)*
  
- 7) Do you think shops treat female and male (and as relevant: *refugees, host communities, ethnic and religious groups*) customers equally, or differently? Why? *(e.g. willingness to negotiate)*
  
- 8) Do members of certain groups (*refugees, host community, ethnic and religious groups*) frequent certain shops (for example, shops run by members of the same group)?
  
- 9) Are there other locations or places you wish you could find items for purchase? (e.g., closer to where you live/work/go to school; in a secondary market)

**Thank you for your participation.**

## Annex 5: Beneficiary Skills Focus Group Discussion Protocol

Facilitator(s):  
 Location:  
 Date:  
 Number of participants:  
 Key characteristics of group (e.g., youth, women, IDPs, refugees, etc.)  
 Age range of participants:

### Introduction

Welcome to our focus group discussion. Thank you for your time today. My name is \_\_\_\_\_ and I work with the IRC's Economic Recovery and Development program.

During this discussion, we'll be asking you about the kinds of jobs and businesses available in your community, which of these are most interesting to you, and what skills, resources or other support you think you need to find good work [*or start your own business*]. We are getting this information in order to help make sure that any employment and business programs at the IRC are relevant to your needs and interests and the opportunities that are actually available. Please note that participation in this discussion does not guarantee that you will be able to participate in any IRC program or that IRC will provide you with any assistance.

Group opinions and insights may be shared within our organization and with program partners. We will use the information to design and improve our programs, but we will not use your name. We hope that you will also not share specific individuals' comments outside this group. Please know that participation is voluntary. You may leave at any time, and you do not have to answer any questions you do not want to. However, we hope you stay because we are very interested to hear your opinions.

This discussion will take approximately \_\_\_\_<sup>19</sup> minutes. Whenever you have an opinion or something to say, please speak up. You do not need to speak in order or answer every question. There are no right or no wrong answers; we just want to hear your opinions. It is also okay to disagree with other people; we want to know what everyone thinks and we know you all may have had very different experiences!

Do you understand what we are trying to do? Do you agree to participate? Do you have any questions for us before we start? *If everyone is willing, please start the discussion.*

### Existing work and income

1. What do you do to make money? What are other people like you<sup>20</sup> doing to make money?
2. Do most people like you have multiple ways of making money, and if so, what are they? What do you consider your main source of income?
3. Are most people like you satisfied with these ways of making money? If not, why not?
4. Doing the types of work we have just discussed, how much money does the typical person like you earn in a day [or week]?

<sup>19</sup> The discussion length is flexible depending on how much time you have available. However, ideally you should allow approximately 90 minutes-2 hours for this assessment. At a minimum you should allow 60 minutes for the discussion, and it should not exceed 2.5 hours.

<sup>20</sup> The phrase "people like you" will be used to refer to the group members from this point forward in the questionnaire. Feel free to modify this to better describe the group members. For example, if you are interviewing a group of young women, you could ask, "What are other women your age in this community doing to make money?"

5. How much money do you think people like you need in one day to support themselves (or to help support their family)? What is the minimum amount of money people like you would accept for work?
6. Where/how do people like you find out about job opportunities?
7. What vocational training or other types of training have you completed?
8. What sort of educational opportunities, vocational training, or job experience do people like you normally get? Where do people like you typically receive this sort of training and experience?

### Market and Job Opportunity Knowledge

9. Is there a difference in the types of work people like you do versus the kind of work other communities do? *[For example, do (refugees, women, youth, etc.) work more in some sectors over others?]*
10. In your community, are there differences in the types of work appropriate for women and appropriate for men? *[For example, women expected to work from home; women are expected to work part-time outside of the home to keep up with childcare responsibilities; women feel unsafe working a night shift or in certain neighborhoods]*
11. Do most people you know work for someone else, or do they run their own businesses? *(This question refers to all types of people, and **not** just the types of people represented in this FGD.)*
12. Do you know people who have started their own businesses? *(This question refers to all types of people, and **not** just the types of people represented in this FGD.) Tell us a little about these people. Family/friends/peers/others? What do you think they needed to get their business started?*
13. What types of businesses do you know in this community that are most successful? *Prompt the group for examples and list the ones mentioned on a flip chart.*
  - a. What are some reasons these businesses are especially successful? *(Try to elicit at least 5 reasons from the group.)*
  - b. What are some skills that these successful business owners possess that others may not? *(Try to elicit at least 5 skills from the group.)*
14. Do you know other people like you (i.e. refugees, women, etc.) who have started their own businesses or found employment? What types of work/business are they involved in, and how did they find those opportunities?
15. What other employment or self-employment opportunities are there in this community, besides the ones we have just discussed?

### Group's Work-related Interests, Challenges and Needs

16. Aside from work you are already doing, what kinds of work would you be interested in doing, and why? What kind of work do you think people like you would be interested in or enjoy doing? Why?
17. How do you think people like you can get these jobs or start these businesses? What sort of training or help would you need? Are there any factors (e.g., age, sex, clan) that would make it easier for some of you than others?
18. What do you consider the strongest assets for people like you to find employment? *(e.g. knowledge, specific skills, connections, attitude, etc.)?*
19. What are the biggest obstacles to people like you *(e.g. women, refugees, etc.)* finding employment? *(e.g. resources, connections, training, transportation etc.)?*

20. What skills do you think are most important to help people like you to get a job? Would you be interested in learning these? Why or why not?
21. How can people like you develop these skills? What makes it difficult to learn these skills?
22. What certifications (if any) do you think are most important to help people like you to get a job? Would you be interested in getting any of these? Why or why not?
23. How can people like you obtain these certifications? What makes it difficult to get them?
24. What are the biggest obstacles to people like you starting a business? (e.g. *resources, capital, access to financial services, equipment*)?
25. What skills/certifications do you think are most important to help people like you to start a business? Would you be interested in learning these? Why or why not?
26. Do you think it would be valuable if a successful businessperson were to mentor people like you who wanted to start a business?
27. Is there anything else you'd like to share?

**Thank you for your participation.**