

MoTIT QUARTERLY STATISTICS REPORT

*Quarter I, 2020*

08/06/2020

Somaliland Ministry of Trade, Industry and Tourism

## Table of Contents

List of tables and figures .....	2
1. Introduction .....	3
2. Data analysis .....	3
2.1. Business Registrations .....	3
2.2. Business Licensing .....	4
2.3. Tourism .....	5
2.4. International trade.....	6
3. Summary .....	7

## List of tables and figures

<b>Figure 1.</b> Number of business registrations by month (1Q/2019, 1Q/2020) .....	3
<b>Figure 2.</b> Percentage of business registrations by business objective (1Q/2020) .....	4
<b>Figure 3.</b> Number of business licenses by month (1Q/2019, 1Q/2020) .....	4
<b>Figure 4.</b> Number of business licenses by location (1Q/2020) .....	5
<b>Figure 5.</b> Business licenses, issued and renewed, by business objective (1Q/2020) .....	5
<b>Figure 6.</b> Total number of tourists (foreign and local) by month (1Q/2020) .....	6
<b>Figure 7.</b> Foreign tourists by region of origin (1Q/2020).....	6
<b>Figure 8.</b> Number of foreign tourists based on their country of origin (top 10) (1Q/2020) .....	6
<b>Figure 9.</b> Livestock exports (heads) (1Q/2020).....	7

## 1. Introduction

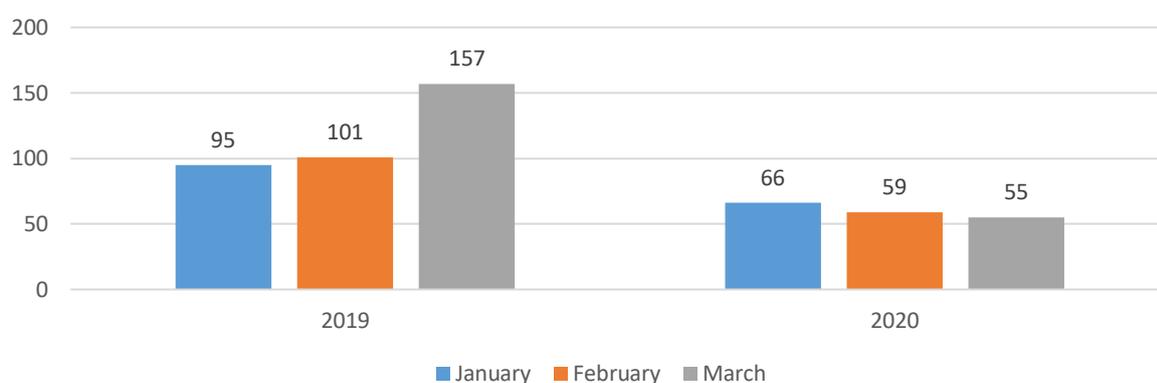
This statistics report summarises the evolution of (i) business registrations, (ii) business licenses, (iii) tourism, and (iv) exports and imports in Somaliland for the first quarter of 2020. The data is regularly collected by the Ministry of Trade, Industry and Tourism (MoTIT). Detail is provided in this report regarding each of these areas, such as the most common nationality of foreign tourists, or the distribution of business registration and licenses by business type. After providing detail on these items, the report briefly summarises the main tenets.

## 2. Data analysis

### 2.1. Business Registrations

The total number of companies registered in the first quarter of 2020 was 180. Business registrations by month showed a decreasing trend, with 66 in January, 59 in February, and 55 in March. Compared to the first quarter of 2019, when business registrations added up to 353, the number of total registrations is significantly lower. Nonetheless, the figures are similar to those of 2018 (189 total business registrations).

**Figure 1.** Number of business registrations by month (1Q/2019, 1Q/2020)



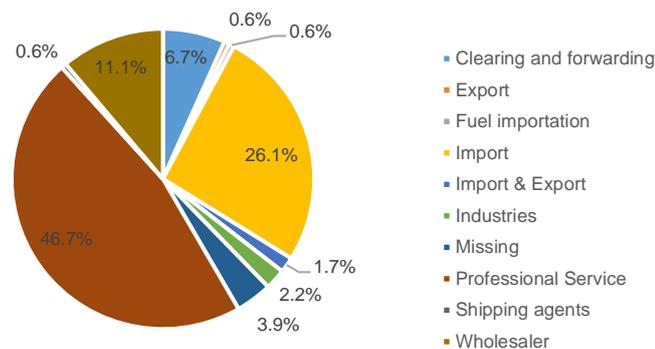
In terms of location, out of the total 180 registered companies, 86.1% are located in Hargeisa, 6% in Berbera, 2.8% in Burco, 2.2% in Laascaanod, 2.2% in Boroma, and 0.6% in Gabiley (Table 1).

**Table 1.** Business registrations by location (1Q/2020)

Location	Number	Percentage
Berbera	11	6.1%
Borama	4	2.2%
Burco	5	2.8%
Gabiley	1	0.6%
Hargiesa	155	86.1%
Laascaanood	4	2.2%
<b>Total</b>	<b>180</b>	<b>100%</b>

Looking at the business registrations by business objective, professional services represent the largest share. This category includes companies providing ICT services, management consultancy services, tourist agencies, and energy providers, amongst others. The second largest category is importing companies, representing 28% of the total. If related sectors such as clearing and forwarding, shipping agents, and exporters are added, the share of trade-related companies increases to 36%. Finally, wholesale trade represents 11% of total registrations, and the industries sector accounts for only 2.2%.

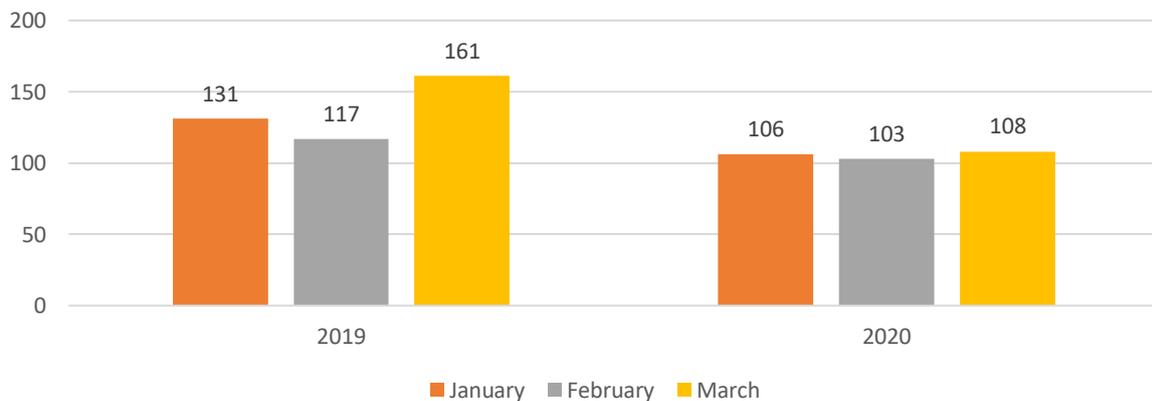
**Figure 2.** Percentage of business registrations by business objective (1Q/2020)



## 2.2. Business Licensing

The total number of business licenses issued and renewed was 317. Out of these, 100 were renewed licenses, and 217 new licenses. This is lower than 2019 figures, when renewed and new licenses were 108 and 301, respectively<sup>1</sup>. The monthly distribution was as follows: 82 and 24 companies were issued or renewed a license in January, 70 and 33 in February, and 65 and 43 in March.

**Figure 3.** Number of business licenses by month (1Q/2019, 1Q/2020)



The distribution of business licenses by location is similar to that of business registrations. Therefore, followed by Berbera, Hargeisa accounts for the largest share of businesses with a renewed or new license issued in the first quarter of 2020. Licensed companies located in Laascaanod, Borama and Burco are 13, 9 and 8, respectively.

<sup>1</sup> Comparisons with business licensing data before 2019 should be taken with care. The MoTIT is still in the process of improving its data management systems, and as a result of this work, data might slightly differ.

**Figure 4.** Number of business licenses by location (1Q/2020)

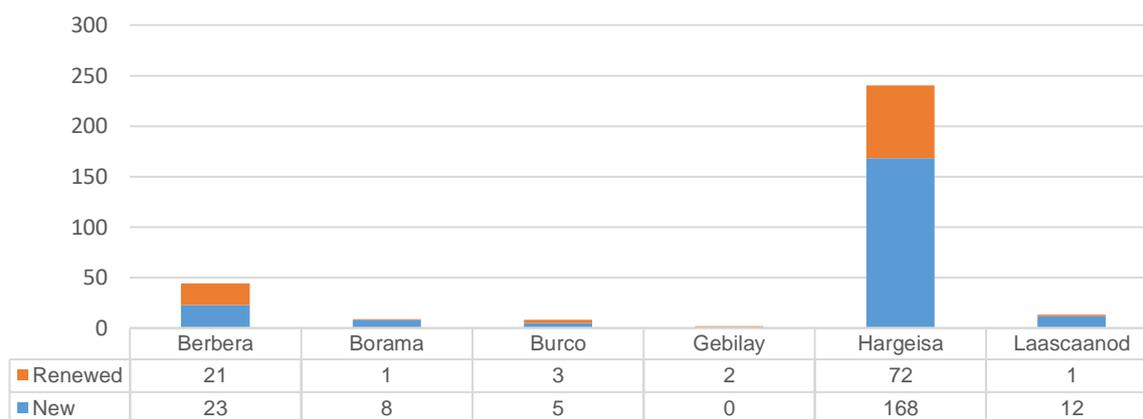
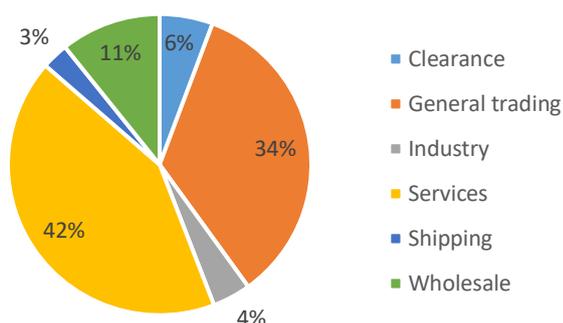


Figure 5 below shows the distribution of licensed companies (new and renewed) by business objective. Such as with business registrations, the services and trading sectors<sup>2</sup> account for the largest share of total licensed businesses, adding up to 76%. These are followed by wholesale and clearance licenses, each representing 11% and 6% of total. The shipping and industrial sectors' licenses account for the lowest shares, with 3% and 4% respectively.

**Figure 5.** Business licenses, issued and renewed, by business objective (1Q/2020)



### 2.3. Tourism

The tourism sector performed well during the first quarter of 2020. The total number of tourists visiting Somaliland's tourist sites was 247, 17 more than in 2019. Tourist visits increased from January to February and subsequently decreased in March, month in which the total number of visitors was almost half of that in January. Out of the total number of visitors, 69% were foreigners and 31% locals.

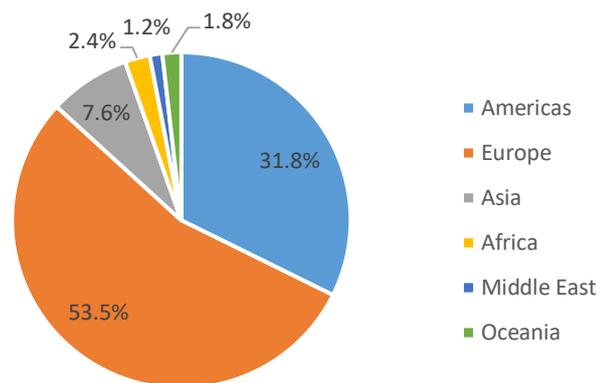
<sup>2</sup> The 'general trading' category in this section is equivalent to the sum of the 'import', 'import and export', 'export' and 'fuel importation' categories in the business registration section.

**Figure 6.** Total number of tourists (foreign and local) by month (1Q/2020)

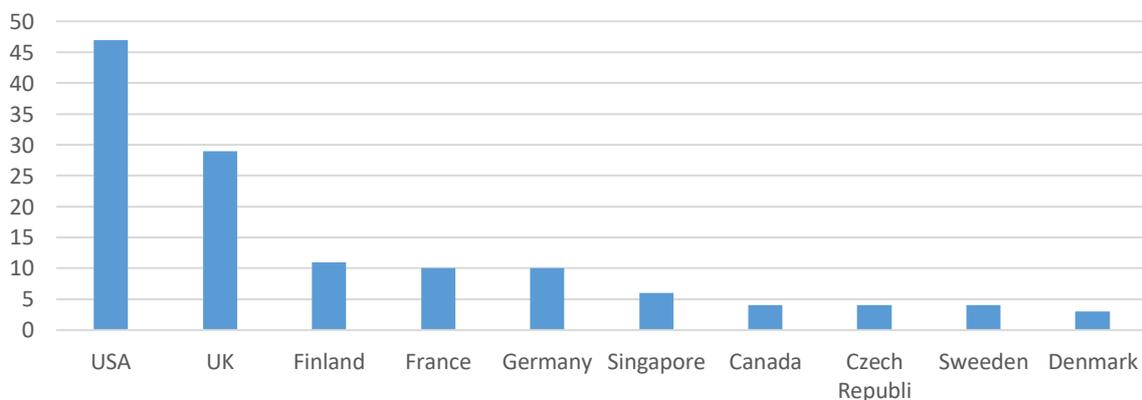


Regarding foreign tourists, the vast majority (77%) visited Laas Geel archaeological site, while the remaining 23% visited other sites in Somaliland (unspecified). Foreigners came from all world regions, and the Americas and Europe, followed by Asia, accounted for the largest share (Figure 7). In particular, the main country of origin was the US, followed by the UK, Finland, France, and Germany (Figure 8).

**Figure 7.** Foreign tourists by region of origin (1Q/2020)



**Figure 8.** Number of foreign tourists based on their country of origin (top 10) (1Q/2020)



## 2.4. International trade

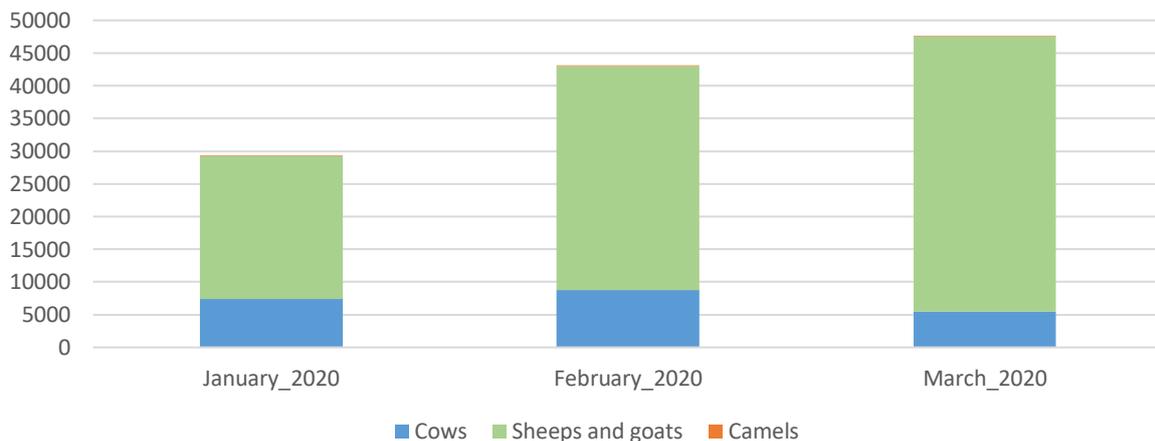
This report covers goods traded through the four main customs of Somaliland: Wajaale, Saylac, Laascaanod, and Berbera. These four customs cover most international trade and

particularly those goods coming from/going to Ethiopia, Djibouti, Somalia, and the gulf countries. Yet, trade partners include other countries such as China, Malaysia, Turkey, Thailand, and the UK, amongst others.

In accordance with the data collected in the first quarter of 2020, and in coherence with previous analyses, most of Somaliland’s international trade consisted of imports. Imported products were of great variety. They ranged from basic food products such as rice, flour, tomatoes, onions, and potatoes, to transport, cosmetics, building materials, and household goods. The busiest customs were Laascaanod and Berbera, with Berbera featuring as the main port of entry. Wajaale and Saylac recorded a lower number of goods entering Somaliland. This applies to both, the variety and the total number of goods imported. In this regard, items mainly traded through Berbera and Laascaanod customs were: vehicles, pharmaceutical products, electronics and building materials.

With regard to Somaliland’s exports, the vast majority exited the country through Berbera. Livestock exports added up to 98,000 sheep and goats, 137 camels and 21,500 cows (Figure 9). Other exported goods were fresh fish, hide and skins, shampoo, and myrrh and incense. Thus, exported goods were mostly primary products with low value addition.

**Figure 9.** Livestock exports (heads) (1Q/2020)



### 3. Summary

This report has summarised the data collected by the MoTIT during the first quarter of 2020 on the following areas: business registration and licensing, tourism, and international trade.

Business registrations have totalled 180, lower than in 2019 but similar to 2018 levels. From January to March, registrations showed a slightly decreasing trend, from 66 registered businesses in January to 55 in March. Services and general trading business types accounted for the largest share of total newly registered companies. Most of these businesses operate in Hargeisa’s area.

With regard to business licenses, 317 new and renewed licenses were issued in the first quarter of 2020. This figure is slightly lower than that of 2019. From January to March, the trend was fairly stable. Regarding location and business objective, companies that renewed their license or were issued a new license had very similar characteristics than newly registered businesses – Hargeisa was the main location, professional services and general trading the main business objectives.

Tourism fared well during the first quarter of 2020. A total of 247 tourists visited Somaliland, out of which 77% visited Laas Geel tourist site. The total number of tourists is slightly higher than that of 2019. 69% of total visitors came from foreign countries. Most tourists came from

Europe and the Americas. In March, the total number of tourists was significantly lower than in January and February.

Regarding international trade, Somaliland exported a few products, primarily sheep and goats, camels, cows, and hides and skins. On the other hand, imports were manifold and came from different countries. Import types ranged from food and household goods, to building materials, electrical equipment, and transportation goods.

Finally, this report has showed data from a period when the economic and social impacts of the COVID-19 crisis were only starting to be felt. Thus, according to the data displayed here, the impact of COVID-19 on international trade and on business registration and licensing was seemingly not significant. In contrast, the sudden halt in tourists coming to Somaliland from abroad in the month of March was most probably due to Somaliland's government restrictions and border closures around the world. Further statistics reports will help complement these figures by adding data from subsequent months, for which the impact of the COVID-19 crisis will probably be greater.