

REPUBLIC OF SOMALILAND
MINISTRY OF TRADE AND TOURISM



WAAHEEN MARKET ASSESMENT REPORT
April, 2022

Table of Contents

INTRODUCTION.....	3
OBJECTIVES OF THE RESEARCH	3
METHODOLOGY	4
RESULTS.....	5
RECOMMENDATIONS AND WAY FORWARD	6

Introduction

On April 2, 2022 a fire broke out in Waaheen, Somaliland's primary market and one of the largest in the Horn of Africa area, where hundreds of people trade every day. The Somaliland Fire Contingent effectively doused the fire after more than 16 hours. President of the Republic of Somaliland HE Muse Bihi Abdi formed the National Response and Relief Committee (NRRC) on April 3rd, which includes officials from the Hargeisa municipality, the Chamber of Commerce, Ministry of Trade and Tourism, Ministry of Interior and Ministry of religious affairs. The Somaliland Fire Contingent effectively, in collaboration with the NRRC, completed search and rescue operations on April 4th. The Hargeisa municipality ultimately cleaned out the market on April 11th.

With the cooperation of the Egal International Airport's fire department, Ethiopia's Somali Regional State, and other Somaliland districts, the intense fire was brought under control early Saturday (April 3rd). Although suspicions suggest that the fire was started by a power outage, the exact origin is still unknown, and inspections are underway.

The Ministry of Trade and Tourism of the Republic of Somaliland conducted a research into the causes, extent of the damage, lessons learned, and policy implications of the Waaheen Market fire in response to the havoc caused by the Hargeisa fire.

Objectives of the research

The study's particular objectives were as follows:

- Examine the issues faced by the local authority, the central agencies, and the NRRC in dealing with the incident and its repercussions.
- Gain knowledge about the swift turnaround of the Somaliland government, private sector, and multilateral organizations.
- Make suggestions to the Somaliland government and its international partners on the immediate and long-term initiatives that are required.

Within hours of the fire, Somaliland's international allies and friends, including UK Prime Minister Boris Johnson, Ethiopian Prime Minister Abiy Ahmed, UK Foreign Secretary and Minister for African Affairs Boris Johnson, and the US Senate and House Foreign Relations Committee, expressed their condolences to the Somaliland government. In sympathy with the country and the victims, international news organizations have also published stories, broadcast programs, and shared images of the catastrophe. According to the NRRC, property and financial damages were between 1.5 and 2 billion dollars.

As more information became available during the first week of April, the President's Office estimated that around 5000 businesses require immediate humanitarian and livelihood assistance as a result of the fire. According to the NRRC's first estimations, the Waaheen business groups lost roughly 2000 businesses and stalls. In terms of loss of life, 28 individuals were rushed to the hospital, largely with minor injuries, where they were treated and discharged within a few hours. Furthermore, the NRRC has reported that there were no deaths as a result of the incident. Despite this, the fire resulted in significant financial losses.

The President's Office released an international appeal letter on April 6th. The statement specified that the most vulnerable people of the afflicted community, as well as food assistance and assistance with reconstructing damaged buildings, would get immediate assistance. Six temporary marketplaces for Waaheen victims are planned as part of the proposed solution. In its appeal letter, the government indicated that it will provide "implementation approach" to rebuild the market in stages.

Methodology

Many thanks to the Ministry's data collection team, which worked diligently on the research and report's development. The qualitative methods used in this study were Key Informant Interviews (KIIs). The KIIs were created to acquire primary data from 50 sample of people of the fire victims. The data was taken between April 4th and April 10th, 2022, with the majority of it being collected in Hargeisa. The Ministry also collected secondary information from appropriate municipal and government entities, as well as non-state actors. The survey questionnaire time was limited, and The Ministry researchers struggled to authenticate facts and figures provided by the different small-scale traders of the victims. The validation of the data took a lengthy time, causing the report to be delayed.

Types of Businesses interviewed

Type of business	Count
Vegetable seller	13
Meat seller	8
Shoes seller	7
Clothes shop	6
Mixed shop	6
Food	3
Local food	3
Cosmetics	2
Electronics	2
TOTAL	50

Results

The Ministry's researchers discovered the following after a thorough thematic data analysis process:

- **Need for financial assistance;** Most of the small business impacted by the fire had needed generally with financial support while other needs raised include umbrellas, relocation to new markets for trading and access to food supplies.
- **Employment;** The owner of the business was the only person operating in the business
- **Lack of faith in local banks:** The majority of Waaheen traders lost not just property and inventory, but also paper money worth hundreds of thousands of dollars in the fire. This is due to a lack of faith in local banks, which causes many traders to retain their money at their businesses. This is a relatively new phenomenon that has never been recorded before. To establish the elements that impair public trust in Somaliland's banking business, more study is required.
- **Urgent market allocation:** The NRRC has chosen six markets for the transfer of fire victims in collaboration with the Hargeisa municipality (2 permanent, 4 temporary). The two permanent marketplaces, Xero Jaadii Hore and Inji, were designed as government facilities but have been abandoned for years. The four temporary markets will be held in Beerta Xoriyada (Freedom Garden), Garoonka Laynka Police, and two locations within Hadhwanaag Restaurant near the Waaheen market.

Recommendations and way forward

- Ensuring efficient emergency response Strategy: The strategy should be divided into sections: central and municipal. each level, the policy should include multiple government ministries as well as non-state players and acknowledge the interconnectivity of tragedies. By breaking down the approach into tiers, each part of government will be able to comprehend their responsibilities in the event of a crisis.
- Market diversification: Expedite up efforts to diversify small scale traders' markets, as well as the formulation and execution of all legislation related to issuing small business licenses.
- Pursue Firefighter Contingent capacity-building initiatives, which would entail retraining and equipping the firefighting department with contemporary fire apparatus. Stronger coordination between regional/district fire departments is also required.
- International partners and private businesses support in two components: (i) help to strengthen support through participation in the reconstruction of Waaheen in terms of funds and technical expertise; and (ii) soft supporting infrastructure through assistance with the formulation of policies, rules, and regulations at the district, regional, and national levels.
- Relocation of the victims; victims to be relocated to adequately to other markets.
- Connect between small scale traders and bankers. Ensure that the small-scale traders access to Banking services.