

METHODOLOGY

Working through the Cash and Voucher Working Group (CVWG) and its partners, REACH facilitates the implementation of a partner-driven Joint Market Monitoring Initiative (JMMI) in Afghanistan. It is intended to be conducted on a monthly basis to provide longitudinal market and price data.

The JMMI assessment employs a quantitative key informant interview (KII) approach. The methodology includes surveys with purposively sampled traders (both retail and wholesale), acting as key informants (KIs) for their respective markets. Participants are selected through partner KI networks in their respective market areas.

Each KI was asked to report on general market functionality indicators, as well as prices for all relevant items that they trade. Depending on access and availability, partners conduct 4 KIIs per item with retail traders, and 2 KIIs per item for wholesale traders (for food and non-food items (NFIs)). KIIs were asked for information encompassing the 30 days prior to data collection. Findings rely on the knowledge of KIIs regarding their respective markets. The findings are, therefore, indicative and may not always fully reflect market activity in the assessed area.

Data from the 20th round of the JMMI was collected between January 16th and 31th 2022.

Median cost of MEB¹
21,306 AFN

204.86 USD

▼ 1%²

Median cost of Food Basket
7,626 AFN

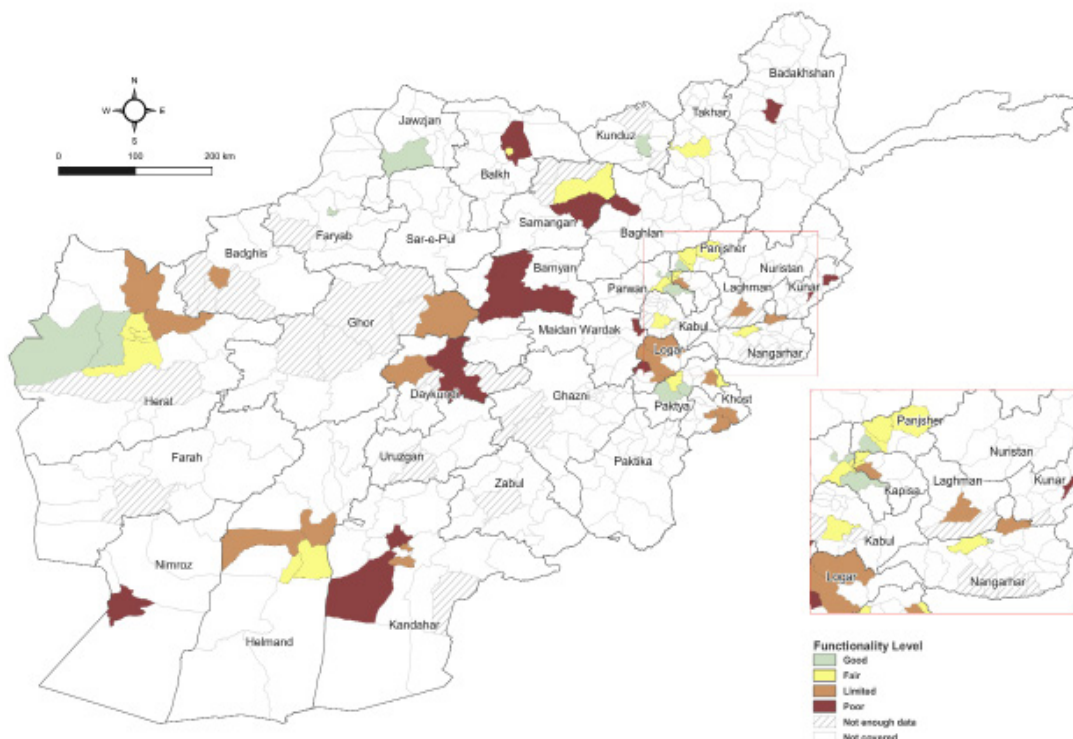
73.33 USD

▼ 2%²

15% of KIIs reported difficulties in restocking and obtaining commodities. The key items reportedly more difficult to obtain and restock are vegetable oil (84%), cereals (79%) and pulses (58%).

73% of KIIs report an increase in price of food items and the most reported reasons are the increase in cost of suppliers (90%), followed by transportation cost (53%) and seasonality (28%).

MARKET FUNCTIONALITY INDEX (MFI), BY DISTRICT



- 16** participating agencies
- 31** assessed provinces
- 589** key informant interviews (KIIs)

The MFI is based on a percentage calculated at district level. If 4 or more retailers in the district are interviewed, then the MFI is calculated. If less than 4 are interviewed, then there is insufficient data and the MFI is not calculated in that district.

To further inform the CVWG's JMMI in Afghanistan, REACH developed the JMMI Market Functionality Index (MFI), based on the similar index with the same name designed by the World Food Program's (WFP's) Research, Assessment & Monitoring, and Supply Chain divisions. The aim of the MFI is to assess markets' health at the district level, in order to inform the humanitarian community on whether cash and voucher assistance (CVA) may or may not be the most appropriate response to meet the beneficiaries' needs. The MFI is based on the assumption that, should the markets not be functional, beneficiaries who received the CVA may be unable to access basic commodities.

This map presents findings from rounds 19th and 20th of the JMMI's MFI, visualizing a scale of most functional assessed markets (green shades) to the least functional ones (dark red shades) at the district level across Afghanistan.

For further information kindly consult the WFP technical guidance.³

MINIMUM EXPENDITURE BASKET (MEB) CALCULATIONS

AFGHANISTAN MEB CONTENTS*

Wheat Flour 60 Kg Pulses** 14 Kg
(Imported)

Local Rice 29 Kg Salt 1 Kg

Vegetable oil 6 Kg Sugar 6 Kg

Healthcare (fixed at 3,000 AFN)

Shelter (fixed at 5828 AFN)

Transportation (fixed at 359 AFN)

Communication (fixed at 136 AFN)

Water (20 L water drum) (fixed at 74)

Fuel and Electricity (fixed at 716 AFN)

Dignity-hygiene

Antiseptic soap (95-110g) 2 pc Soft cotton cloth (2m² piece) 2 pc

Underwear 2 pc (fixed at 80 AFN)

Education (fixed at 1,200 AFN)

Monthly stationary cost multiple time Snacks and school lunch 24 pc Education

School transportation 48 tickets Uniforms (including shoes and sport clothing) 3 pc

Backpack 1 pc Documentation and school fees fixed

Unmet needs (10% of sum of above)***

The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support an average seven-person Afghan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's content was defined by the CVWG in consultation with relevant sector leads.

* The MEB cost was calculated in this factsheet using the relevant food and non-food item prices monitored. For items for which prices were not collected, calculations included the existing price used by the CVWG as a baseline. For the healthcare and shelter components, the listed fixed amount was used in the calculation. The AFN to USD conversion uses a fixed exchange rate of 104 AFN to 1 USD with reference to United Nations Treasury.

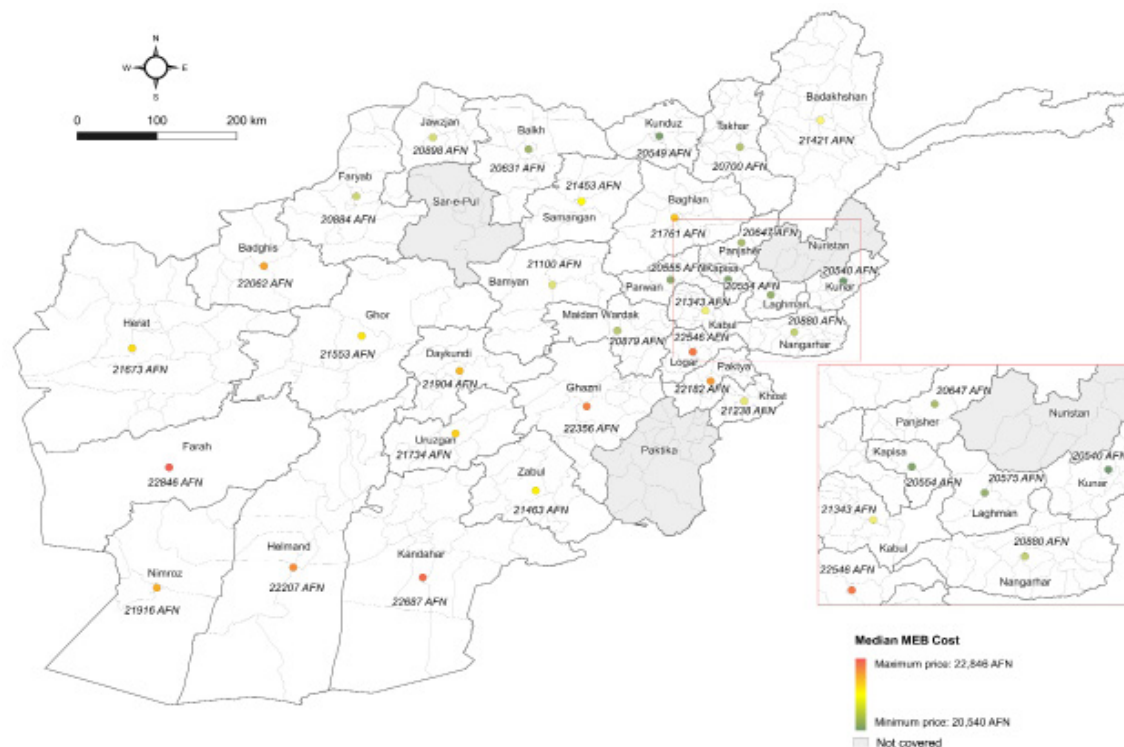
** Pulses in this factsheet are calculated as the average price of all three types of pulses monitored: lentils, beans, and split-peas.

*** An additional percentage has been included to take into account unmet needs that are not mentioned above (this can also include leisure and free time). The Afghanistan MEB unmet needs is defined as 10% of the total sum of the MEB.

MEDIAN MEB PRICE AT REGIONAL AND PROVINCIAL LEVEL⁴

Province	MEB in AFN	MEB in USD	Change since last round
Capital	20,692	198.97	▼ 1%
Kabul	21,343	205.22	▼ 5%
Kapisa	20,554	197.64	▲ 1%
Logar	22,546	216.79	▼ 6%
Maidan Wardak	20,879	200.76	▼ 0% ⁴
Panjsher	20,647	198.53	▼ 1%
Parwan	20,555	197.64	▲ 0% ⁴
Central Highland	21,773	209.35	▼ 2%
Bamyan	21,100	202.88	▼ 2%
Daykundi	21,904	210.61	▼ 7%
East	20,836	200.34	▲ 1%
Kunar	20,540	197.50	▲ 2%
Laghman	20,575	197.84	▼ 3%
Nangarhar	20,880	200.77	▲ 0% ⁴
North-East	20,744	199.46	▲ 1%
Badakhshan	21,421	205.97	▲ 0% ⁴
Baghlan	21,761	209.24	▲ 6%
Kunduz	20,549	197.58	▲ 1%
Takhar	20,700	199.04	▲ 0% ⁴
North	20,788	199.88	▼ 4%
Balkh	20,631	198.37	▲ 0%
Faryab	20,884	200.81	▼ 17%
Jawzjan	20,898	200.94	▼ 3%
Samangan	21,453	206.28	▼ 0% ⁴
South-East	22,144	212.92	▼ 1%
Ghazni	22,356	214.96	▲ 1%
Khost	21,238	204.21	▼ 2%
Paktya	22,182	213.29	▼ 1%
South	22,482	216.17	▼ 2%
Helmand	22,207	213.53	▲ 0% ⁴
Kandahar	22,687	218.15	▲ 1%
Nimroz	21,916	210.73	▼ 4%
Uruzgan	21,734	208.98	▲ 1%
Zabul	21,463	206.38	▲ 3%
West	21,661	208.28	▼ 0% ⁴
Badghis	22,062	212.13	▲ 1%
Farah	22,846	219.67	▼ 0% ⁴
Ghor	21,553	207.24	▼ 0% ⁴
Herat	21,673	208.40	▼ 0% ⁴

MEDIAN MEB COST, BY PROVINCE IN AFN



ITEM PRICE MONITORING

NATIONWIDE MEDIAN ITEM PRICE AT TIME OF INTERVIEW, AND RECORDED CHANGE (%) SINCE THE 19TH ROUND OF DATA COLLECTION

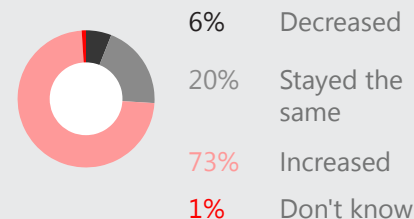
Item	Unit	Price in AFN	Price in USD	Change (%)
Food Items				
Wheat flour (local)	1 kg	49	0.47	▼ 2%
Wheat flour (imported)	1 kg	50	0.48	▼ 2%
Local rice	1 kg	70	0.67	No change
Vegetable oil	1 L	165	1.59	▼ 6%
Pulses ⁵	1 kg	84	0.81	▼ 1%
Salt	1 kg	13	0.12	▼ 17%
Sugar	1 kg	70	0.67	No change
Tomatoes	1 kg	45	0.43	▼ 11%
NFIs				
Pen and pencil	1 pc	10	0.10	No change
Notebook	1 pc	20	0.19	No change
Rubber	1 pc	5	0.05	No change
Cotton cloth (2m ²)	1 pc	100	0.96	No change
Toothbrush (adults)	1pc	30	0.29	No change
Toothpaste	1 pc	50	0.48	No change
Sanitary pads	1 box	50	0.48	▼ 17%
Antiseptic soap bar	1 pc	35	0.34	▲ 5%
Other NFIs				
Safe (drinking) water without jerry can	20 L	50	0.48	No change
Coal or charcoal	1 kg	13	0.12	▲ 7%
LPG	1 L	90		▼ 7%
Firewood	1 kg	12	0.12	▼ 16%
Cooking fuel	1 kg	90	0.87	▼ 5%
Diesel	1 L	75	0.72	▼ 6%
Petrol	1 L	80	0.77	▼ 6%

CURRENT AVAILABILITY OF ITEMS FROM SUPPLIERS

Item	Available (% KIs)	Limited (% KIs)	None (% KIs)
Food Items			
Wheat flour (local)	96%	4%	1%
Wheat flour (imported)	99%	1%	0%
Local rice	99%	1%	0%
Vegetable oil	99%	1%	0%
Pulses ⁵	97%	1%	2%
Salt	100%	0%	0%
Sugar	99%	1%	0%
Tomatoes	97%	1%	2%
NFIs			
Pen and pencil	99%	1%	0%
Notebook	100%	0%	0%
Rubber	99%	0%	1%
Cotton cloth (2m ²)	96%	2%	2%
Toothbrush (adults)	100%	0%	0%
Toothpaste	100%	0%	0%
Sanitary pads	95%	3%	2%
Antiseptic soap bar	99%	1%	0%
Other NFIs			
Safe (drinking) water without jerry can	90%	3%	7%
Coal or charcoal	97%	1%	2%
LPG	98%	0%	2%
Firewood	98%	0%	2%
Cooking fuel	99%	1%	0%
Diesel	99%	0%	1%
Petrol	100%	0%	0%

REPORTED CHANGE IN PRICE OF FOOD ITEMS IN 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE⁶

% of KIs reporting change in price for food items in the 30 days prior to data collection:

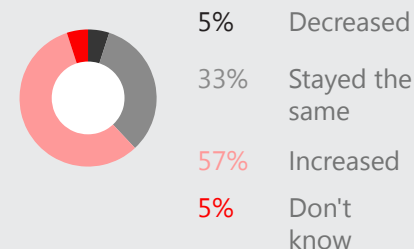


Out of those KIs reporting an increase in food prices, the most frequently cited reasons were:

- 90% Increased cost of supplies
- 53% Increased transportation costs
- 28% Seasonality

REPORTED CHANGE IN PRICE OF NFIs IN THE IN 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE⁶

% of KIs reporting change in price for NFIs in the 30 days prior to data collection:



Out of those KIs reporting an increase in NFIs prices, the most frequently cited reasons were:

- 90% Increased cost of supplies
- 54% Increased transportation costs
- 25% Seasonality

MARKET SUPPLY

LOCATION OF MAIN SUPPLIERS FOR FOOD ITEMS AND NFIs⁷

Proportion of wholesalers KIs by reported location



14% Imported from abroad

36% Different province

31% Province capital city

Proportion of retailers KIs by reported location of their main supplier of food items:



12% Imported from abroad

27% Different province

43% Province capital city

Proportion of wholesalers KIs by reported location of their main supplier of NFIs:



11% Imported from abroad

38% Different province

36% Province capital city

Proportion of retailers KIs by reported location of their main supplier of NFIs:



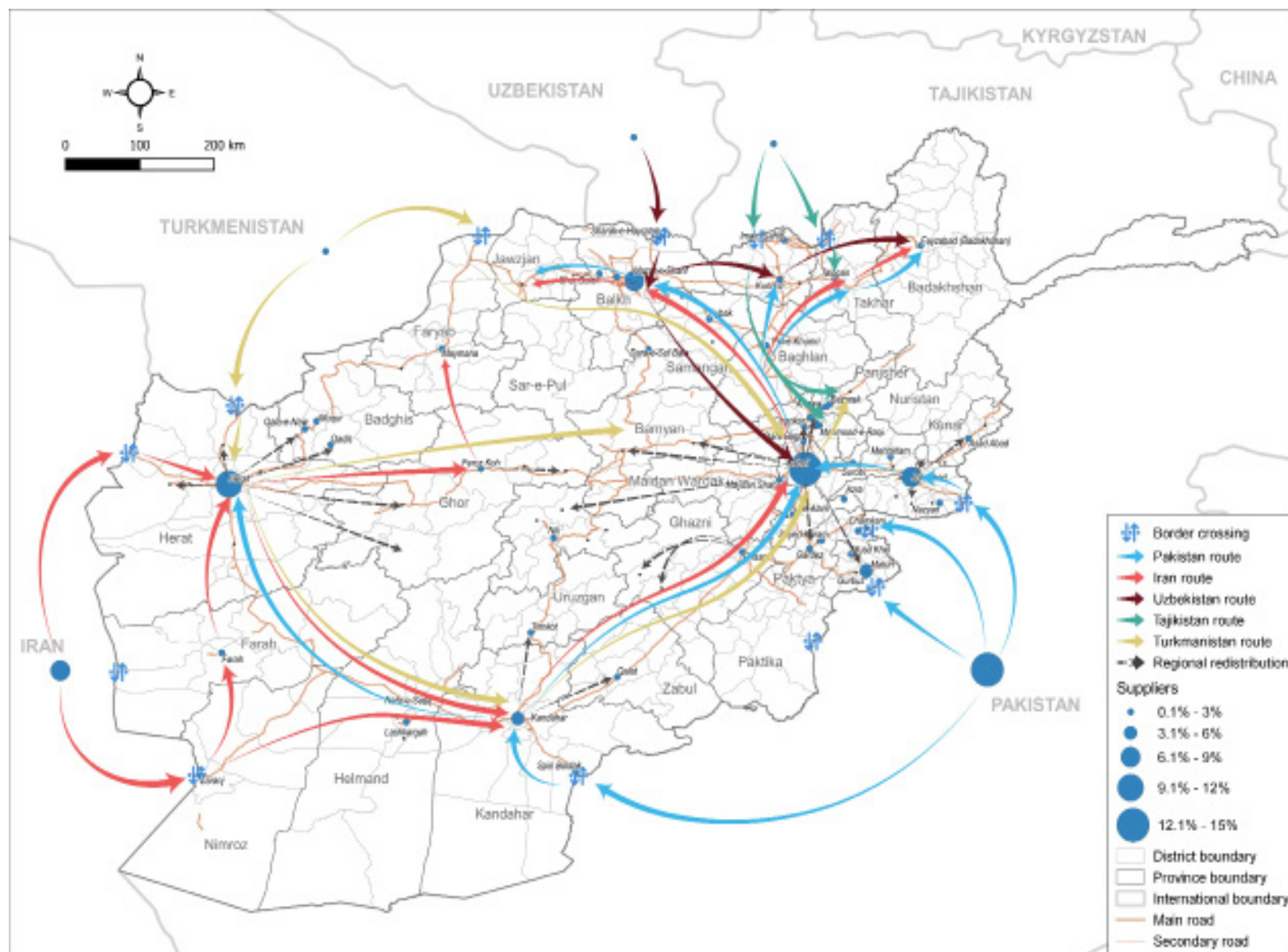
9% Imported from abroad

30% Different province

39% Province capital city

SUPPLY ROUTE MAP

The supply route map represents the location of main food and NFI suppliers



DIFFICULTIES TO MEET DEMAND AND TO TRANSPORT OR PROCURE SUPPLIES⁷

15% of KIs reported having faced difficulties obtaining enough commodities to meet demand in the 30 days prior to data collection. The three most frequently cited reasons were:⁸

- 1

91%

Financial constraints and inability to purchase supplies
- 2

30%

Limited availability of imported items and
- 3

22%

Difficulties in transporting commodities

32% of KIs reported having faced difficulties in road-based transportation of goods in the 30 days prior to data collection. The three most frequently cited

- 1

11%

Restrictions from the authorities
- 2

4%

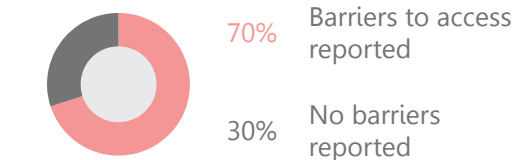
Conflict
- 3

2%

Roadblocks

BARRIERS TO MARKET ACCESS FOR CONSUMERS

Proportion of KIs reporting consumers faced at least one of the mentioned barriers to accessing the market in the 30 days prior to data collection:



In the Central Highland region, 92% of KIs reported consumers faced at least one barrier to accessing markets in the 30 days prior to data collection, which is a relatively high percentage compared to the national average of 70%.

Among those KIs reporting that people face barriers to accessing markets, the most frequently cited reasons were:

- 1

55%

Financial barriers
- 2

6%

Fear of exposure to COVID-19, and/or public
- 3

3%

Insecurity travelling to the market

TRADERS' COPING MECHANISMS AND RELIANCE ON CREDIT

Proportion of KIs reporting on the use of main coping mechanisms to address reduced or limited income:



- 29%

Borrow and rely on credit
- 18%

Restrict stocks
- 22%

Limit expenses
- 13%

Spend savings
- 4%

Increase working hours
- 14%

Other, or prefer not to answer

Among KIs who reported having borrowed money or purchased on credit in the 30 days prior to data collection, main reported sources from which they borrowed or purchased credit:

- 1

48%

Supplier (buy on credit)
- 2

44%

Family and friends
- 3

8%

Informal services

PRESENCE OF FINANCIAL SERVICES

Proportion of KIs reporting on the presence of functional money transfer services in or near their market area, by type:⁸

- 1

88%

Hawala
- 2

24%

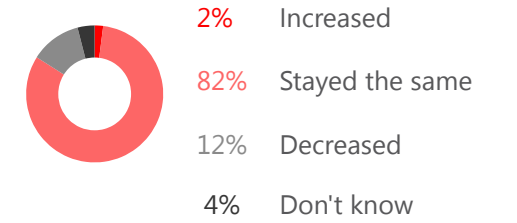
Banks
- 3

7%

Formal transfer services

TRADER PRESENCE IN THE MARKET

24% of KIs reported that (almost) all shops in the marketplace are open. Furthermore, KIs reported on the perceived change in the number of shops that have been open in the 30 days prior to data collection:⁹



Among those KIs who reported having perceived a decrease in the number of traders present and open in the marketplace, the most cited reasons for this decrease are:⁸

- 1

94%

Financial constraints
- 2

18%

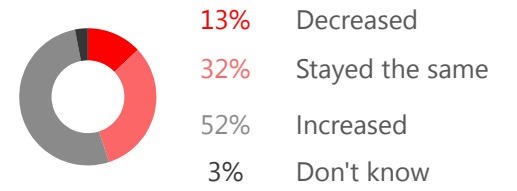
Restrictions from the
- 3

10%

COVID-19

CONSUMERS, PAYMENT, & CREDIT

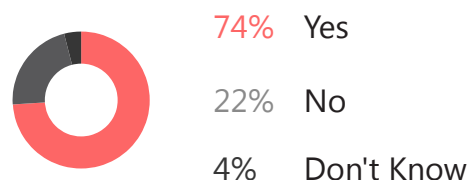
Proportion of KIs reporting having perceived a change in the number of customers purchasing on credit in the marketplace 30 days prior to data collection:



CASH AVAILABILITY, ENDNOTES, CVWG & PARTNERS

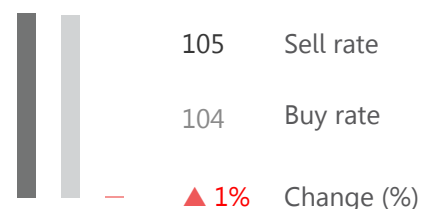
USD TO AFN EXCHANGE

Proportion of KIs reporting exchanging USD to AFG is possible in their marketplace:



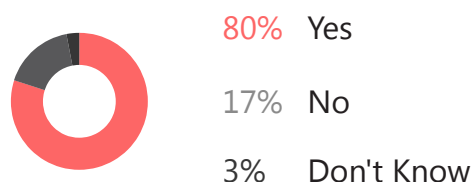
USD TO AFN EXCHANGE RATE

Exchange rate of 1 USD to AFN and change (%) since the 19th round of data collection:



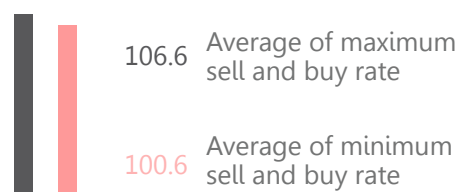
CASH ACCESS

Proportion of KIs reporting on ability to access cash:



MIN AND MAX EXCHANGE RATE

Minimum and maximum exchange rate of 1 USD to AFN:



ENDNOTES

1. The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a seven-person Afghan household for one month.
2. The % of change between the price of the MEB and the Food Basket during data collection refers to the changes recorded since the previous (19th) round of the JMIMI.
3. The WFP's MFI is a composite indicator to measure the functionality of a market across time and locations. The MFI evaluates market functionality according to the following 9 dimensions: 1) Assortment of essential goods, 2) Availability, 3) Price, 4) Resilience of supply chains, 5) Competition, 6) Infrastructure, 7) Service, 8) Food quality, and 9) Access & Protection. For more information, please consult the WFP technical guidance [here](#).
4. Where JMIMI data recorded a MEB price variation of less than 100 AFN, it was chosen to present the variation as 0% because the amount is too small to be approximated as 1%, but too significant to be categorized as "no change".
5. Pulses in this table are calculated as the median (normalized) price of all three types of pulses monitored: lentils, beans, and split-peas.
6. All KIs were asked about changes in prices of food items and NFIs in general. KIs that reported an increase or decrease were asked to report on the main reason for this.
7. Any KI that reported selling any food item or NFI was asked to report the location of their main supplier (only 3 main locations are presented in the analysis), whether the number of suppliers had changed in the last 30 days, and the main means of transportation of goods.

About the Afghanistan Cash and Voucher Working Group and REACH Initiative

The Afghanistan Cash and Voucher Working Group (CVWG) is an inter-cluster technical working group set up to ensure cash and voucher assistance (CVA) in Afghanistan is coordinated, follows a common rationale, is context specific and is undertaken in a manner that does not inflict harm or exacerbate vulnerabilities of the affected population. The working group was initially established in 2012 under the Food Security and Agriculture Cluster (FSAC), but since 2014 it has become an inter-cluster working group, which is overseen by the Inter-Cluster Coordination Team (ICCT). The working group is currently co-chaired by the Danish Refugee Council (DRC) and the World Food Programme (WFP). For more information, please visit <https://www.humanitarianresponse.info/en/operations/afghanistan/cash-voucher>.

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

