

Libya Joint Market Monitoring Initiative (JMMI)

1–12 March 2019

Libya Cash Working Group

REACH Informing more effective humanitarian action

INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

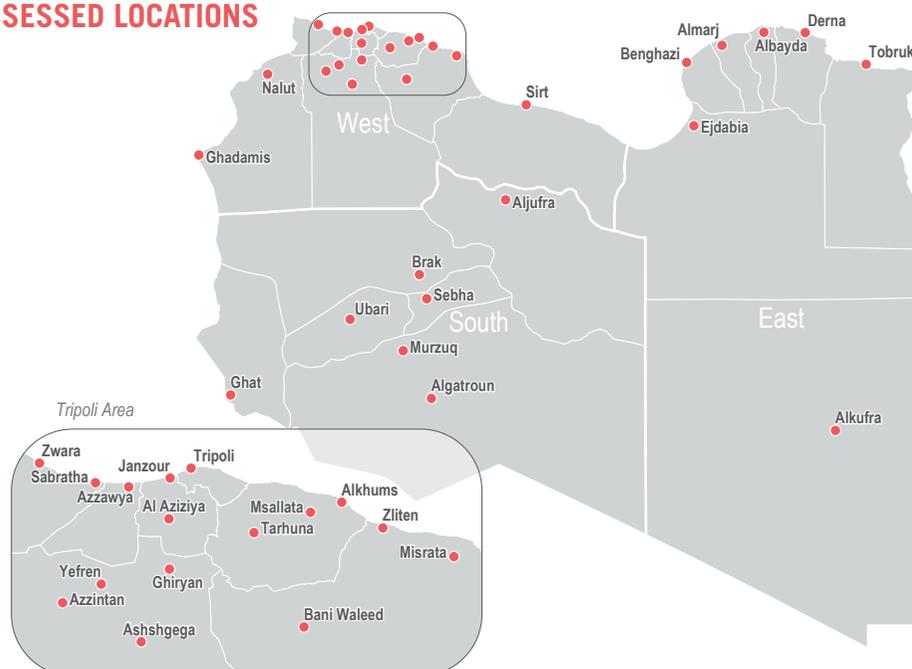
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

This factsheet presents an overview of price ranges and medians for key food items and NFIs in the assessed areas, as well as the costs associated with key elements of the Minimum Expenditure Basket (MEB).

METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least four prices per assessed item were collected within each location. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item.
- Enumerators were trained on methodology and tools by REACH. Data collection was conducted through the KoBoCollect mobile application.
- Following data collection, REACH compiled and cleaned all partner data, normalising prices, cross-checking outliers and calculating the median cost of an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

ASSESSED LOCATIONS



KEY FINDINGS

- Between February and March, the Libyan dinar (LYD) continued to appreciate against the US dollar (USD) by 1.6%. Six months after the introduction of economic reforms in mid-September 2018, **the gap between USD/LYD official and parallel market exchange rates sharply narrowed by 93.4%**¹.
- In March, **the overall median cost of the MEB was 766.10 LYD**. For the first time since the MEB was first added to the JMMI in May 2018, the overall median cost of MEB's key elements remained unchanged when compared to the previous month.
- Between February and March, even though **Alkufra** remained the eastern city with the highest median cost of the MEB (756.37 LYD), it also **recorded the highest decrease (-23.0%) across Libya**. Nearly all of the MEB's key elements including food and NFIs decreased in price². While the median price of tomatoes decreased by 33.3% due to a seasonal increase in supply, the median price of cooking fuel fell by 60.0% following the supply of subsidised cooking fuel in official warehouses.
- In March, while **1 cylinder of unofficial cooking fuel³ (11 kg) was three times more expensive than official LPG across Libya**, it also decreased in price by 33.3% when compared to February⁴. However in the South, the recent clashes that disrupted the supply chains from Sebha led to shortages in official LPG coupled with a 41.2% increase in the price of unofficial LPG resulting from high transportation costs. According to KIs, owners of official fuel warehouses often sell cooking fuel on the parallel market to make more profit, which led to an increase in the price of unofficial LPG.
- Since November 2018, **the median price of bread (1.25 LYD per bag of 5 pieces of bread) remained both unchanged across Libya and cheaper in the East (1 LYD per bag)**.

JMMI KEY FIGURES

Data collection from 1-12 March 2019

- 5 participating agencies (ACTED, DRC, Mercy Corps, REACH, WFP)
- 33 assessed cities
- 34 assessed items
- 623 assessed shops

EXCHANGE RATES⁵

1.384 USD/LYD <i>official</i> ▲ +0.4%	4.300 USD/LYD <i>parallel market</i> ▼ -1.6%	4.930 EUR/LYD <i>parallel market</i> ▼ -0.8%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB 766.10 LYD	▼ 0.04 LYD	-0.0%
Food items	▼ -0.2%	
Hygiene items	▼ -5.8%	
Cooking fuel	▲ +37.5% ⁶	

MEDIAN COST OF MEB BY REGION

West	740.53 LYD	+1.7% ▲
East	706.02 LYD	-1.4% ▼
South	1013.65 LYD	+5.6% ▲

MARKET SHORTAGES

None reported

Reported changes are month-on-month

Access the **JMMI online dashboard**

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements⁷

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁸	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan 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 contents were defined by the CWG in consultation with relevant sector leads.

Only the MEB's key elements (food and non-food items) were incorporated into the calculations in this factsheet.

COST OF MEDIAN OVERALL MEB

766.10 LYD

Change since
February 2019
▼ 0.04 LYD
(0.0%)

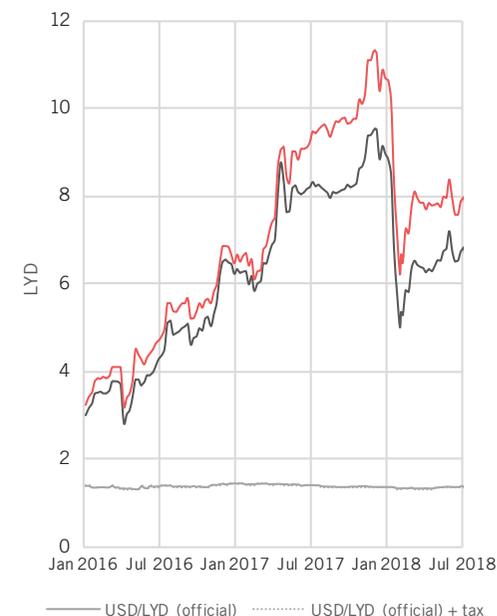
Change since
May 2018
▼ 16.36 LYD
(-2.1%)

MEDIAN MEB COST BY LOCATION

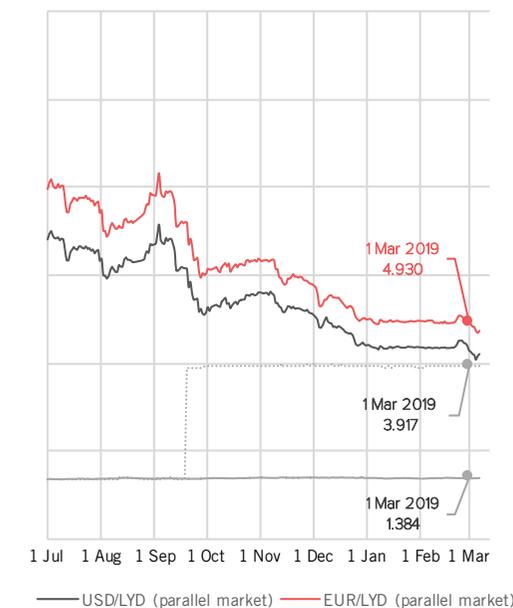
Location	Cost of MEB (LYD)	Since Feb 2019	Since May 2018
Ghiryan	803.94	+1.7%	+8.3%
Nalut	801.98	+9.8%	-7.2%
Ghadamis	788.25	+2.3%	-1.1%
Yefren	772.50	No data	No data
Azzintan	772.33	-5.2%	+5.8%
Zwara	760.91	-1.4%	-8.0%
Zliten	751.08	+2.5%	+0.3%
Ashshgega	748.38	No data	No data
Alkhums	744.06	+8.6%	+4.4%
Azzawya	740.80	-0.2%	-5.7%
Tripoli	739.25	-0.4%	+3.5%
Tarhuna	737.81	+0.7%	No data
Sabratha	735.38	-2.0%	-5.2%
Al Aziziya	731.63	-3.2%	-6.1%
Bani Waleed	715.56	-5.9%	No data
Misrata	700.34	+2.1%	+3.6%
Msallata	670.88	No data	No data
Sirt	668.19	+0.7%	-4.2%
Janzour	663.50	No data	No data
Median West	740.53	+1.7%	-0.4%
Alkufra	756.37	-23.0%	-22.0%
Ejdabia	716.18	+2.6%	+4.5%
Tobruk	706.00	-1.9%	-11.1%
Derna	698.25	No data	-30.1%
Albayda	697.50	+0.6%	-15.2%
Benghazi	691.98	+0.9%	-8.2%
Almarj	685.00	-0.2%	-12.5%
Median East	706.02	-1.4%	-10.4%
Algatroun	1193.64	-0.8%	+5.9%
Ghat	1181.17	+0.1%	+15.9%
Murzuq	1142.44	No data	+7.0%
Ubari	1116.25	+8.1%	+1.1%
Aljufra	858.57	+0.6%	-2.7%
Brak	796.61	+5.5%	-7.1%
Sebha	786.72	-1.6%	-17.9%
Median South	1013.65	+5.6%	+2.3%
Median Overall	766.10	0.0%	-2.1%

EXCHANGE RATES OVER TIME⁵

January 2016-July 2018

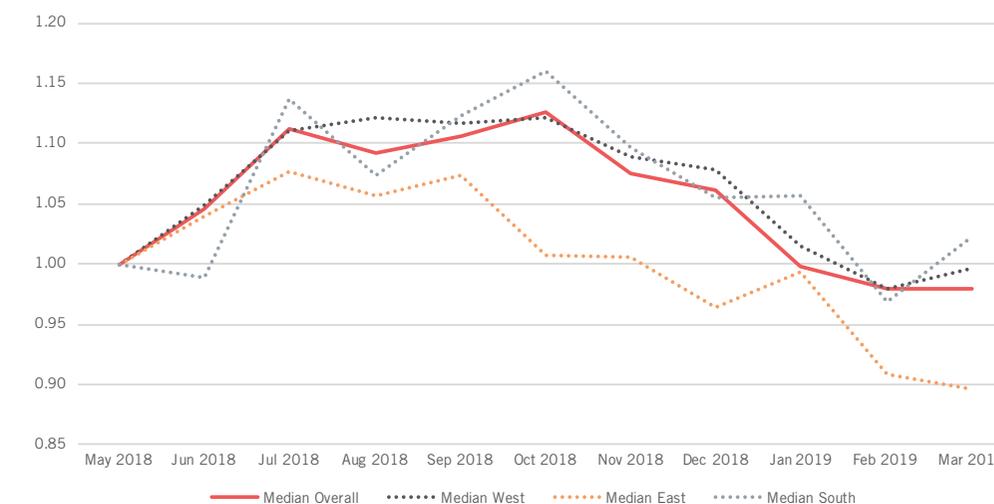


Since July 2018

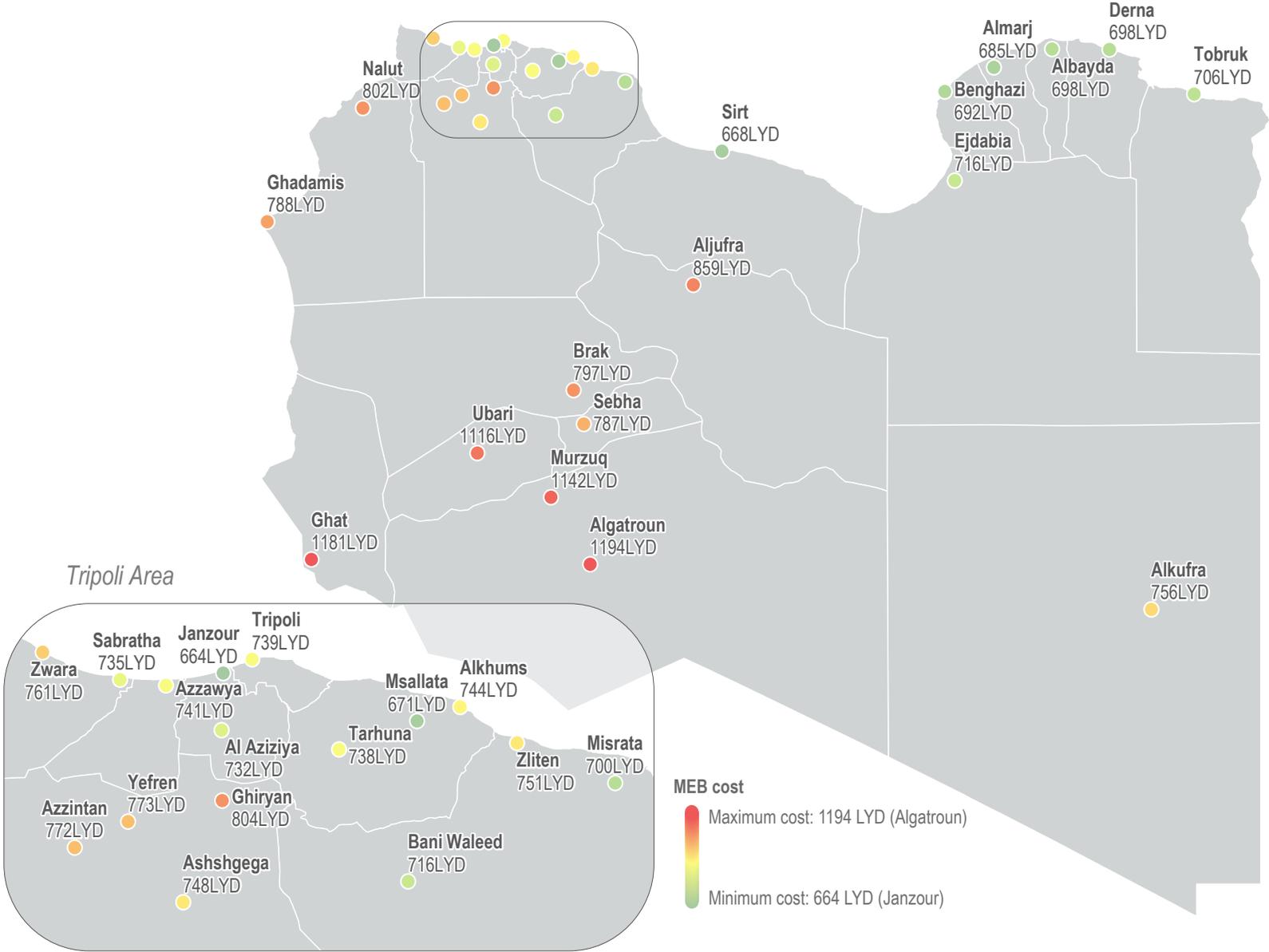


MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)⁹



Cost of MEB Key Elements by Location

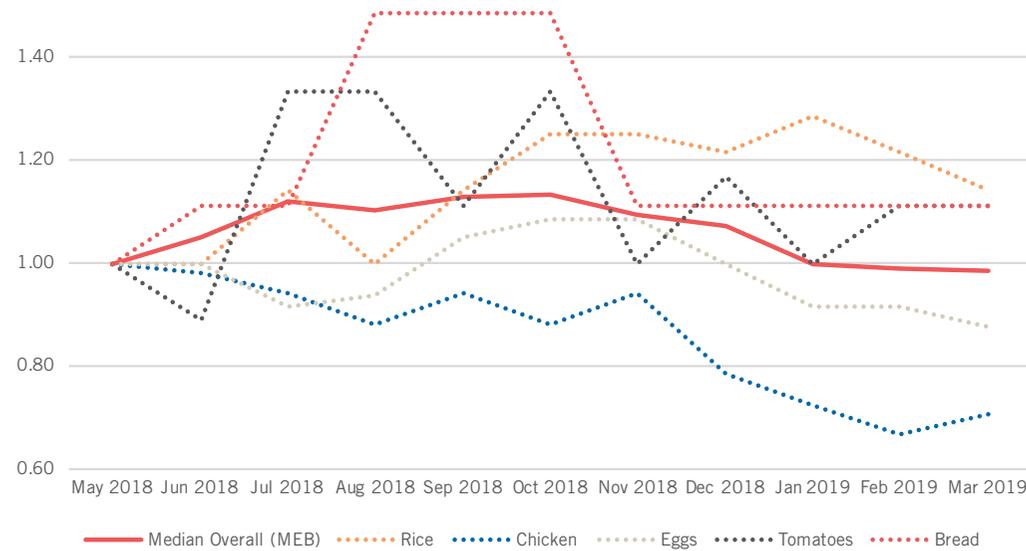


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since Feb 2019	Change since Mar 2018
Food items				
Potatoes	1 kg	2.50	+25.0%	+25.0%
Green tea	250 g	3.50	+16.7%	-30.0%
Onions	1 kg	2.25	+12.5%	+12.5%
Peppers	1 kg	4.50	+12.5%	-18.2%
Milk	1 L	3.25	+8.3%	-7.1%
Chicken	1 kg	9.00	+5.9%	-21.6%
Black tea	250 g	6.38	0.0%	-8.1%
Bread	5 pieces	1.25	0.0%	+11.1%
Salt	1 kg	1.00	0.0%	0.0%
Tomatoes	1 kg	2.50	0.0%	+25.0%
Pasta	500 g	1.50	-3.8%	0.0%
Eggs	30 eggs	10.50	-4.5%	-7.2%
Tuna	200 g	4.29	-4.7%	+9.5%
Beans	400 g	2.38	-5.0%	-5.0%
Vegetable oil	1 L	4.75	-5.0%	+35.7%
Tomato paste	400 g	2.25	-5.3%	+89.5%
Sugar	1 kg	2.13	-5.6%	-39.3%
Rice	1 kg	4.00	-5.9%	+16.4%
Chickpeas	400 g	2.25	-10.0%	-18.2%
Flour	1 kg	2.25	-10.0%	+12.5%
Couscous	1 kg	3.13	-10.7%	-10.7%
Lamb meat	1 kg	31.00	-11.4%	-10.1%
Condensed milk	200 ml	2.23	-25.8%	-0.9%
Hygiene items				
Handwashing soap	1 bar	2.00	+14.3%	+77.8%
Laundry powder	1 kg	7.00	+10.5%	+6.3%
Shampoo	250 ml	6.00	+9.6%	+0.7%
Sanitary pads	10 pads	3.00	0.0%	-25.0%
Baby diapers	30 pieces	16.00	0.0%	-18.6%
Laundry detergent	1 L	1.30	-7.1%	-43.5%
Toothbrush	1 brush	2.50	-9.1%	+17.6%
Toothpaste	100 ml	5.00	-16.7%	-7.0%
Dishwashing liquid	1 L	1.50	-16.7%	-43.8%
Other items				
Official LPG	11 kg	5.00	0.0%	No data
Bottled water	1 L	0.29	0.0%	No data
Unofficial LPG	11 kg	15.00	-40.0%	No data

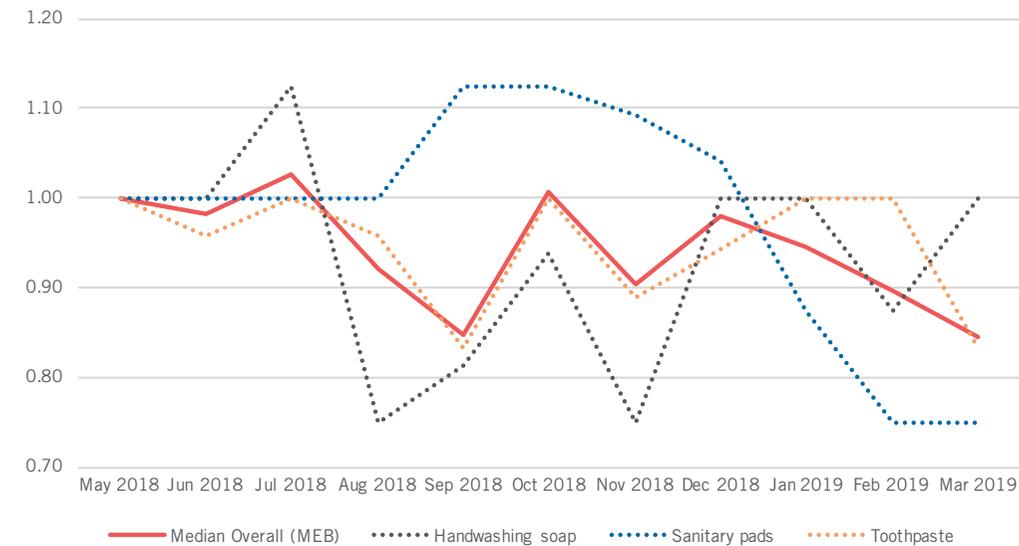
FOOD PRICES OVER TIME

Selected items (normalised, May 2018 = 1.00)¹⁰



HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, May 2018 = 1.00)¹⁰



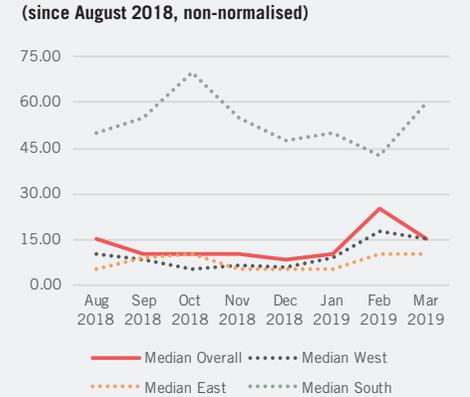
BREAD PRICES OVER TIME¹¹

(normalised, August 2018 = 1.00)



PRICES FROM UNOFFICIAL COOKING FUEL VENDORS

(since August 2018, non-normalised)



NOTABLE MONTH-ON-MONTH CHANGES

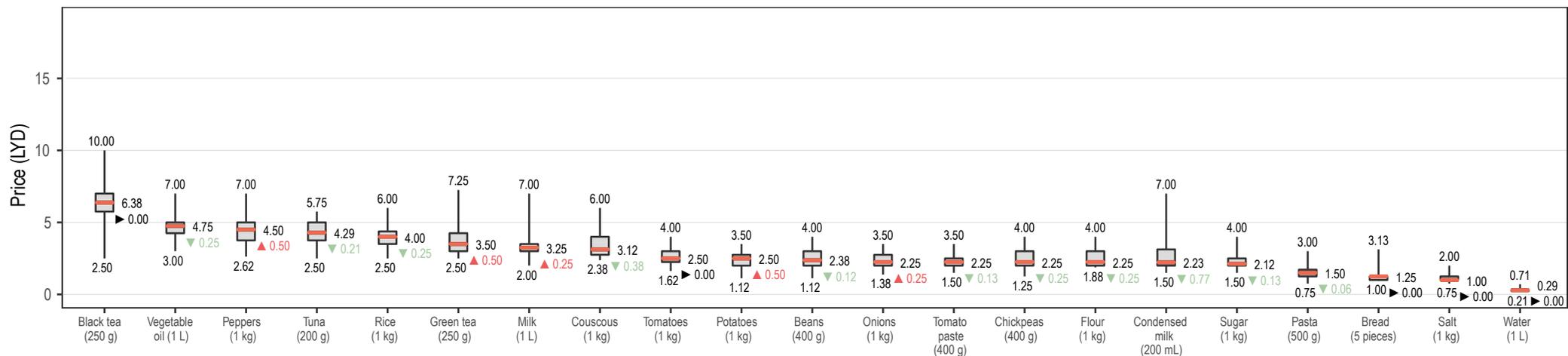
Potatoes	▲ +25.0%
Green tea	▲ +16.7%
Handwashing soap	▲ +14.3%
Condensed milk	▼ -25.8%
Unofficial LPG	▼ -40.0%

MARKET SHORTAGES

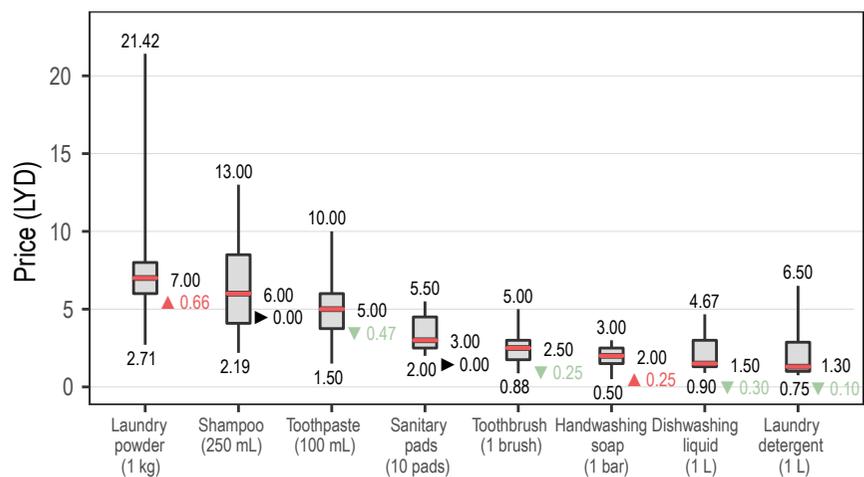
None reported

Distribution of Prices in Libya

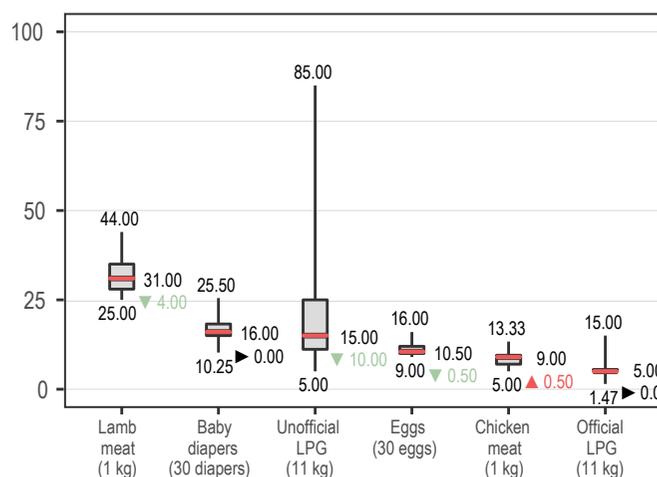
FOOD ITEMS



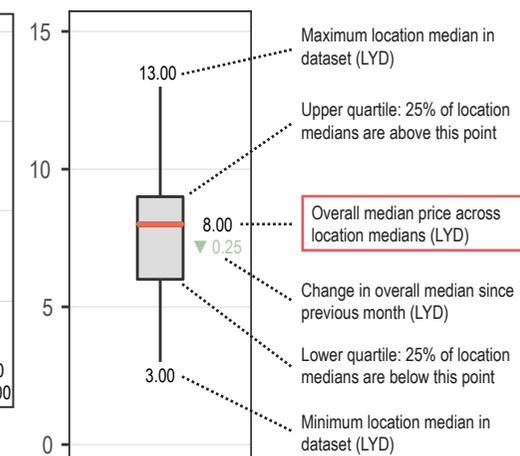
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



The 'location median' is calculated by first finding the median price of a given item in each assessed location, then taking the median of the resulting set of median prices.

PREVIOUS JMMI OUTPUTS

Factsheets Datasets

2019

February	February
January	January

2018

December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January

2017

December	December
November	November
October	October
September	September
August	August
July	July
June	June

Trends Analyses

January–June 2018
June–December 2017

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	0%
Certified cheques	0-45%
Mobile money	0%

What is the CWG?

The Libya Cash Working Group (CWG), established in August 2016, is a community of humanitarian actors that support and coordinate cash-based interventions in Libya. The CWG, based jointly in Tripoli and Tunis, is currently led by UNHCR and co-led by Mercy Corps.

Methodology (cont. from page 1)

The methodology for the JMMI is based on purposive sampling. In each assessed market, at least four prices per item need to be collected from different shops to ensure the quality and consistency of collected data. Partner field teams, in coordination with the CWG, identify shops to assess based on the following criteria:

1. Shops need to be large enough to sell all or most assessed items.
2. Prices in these shops need to be good indicators of the general price levels in the assessed area.
3. Shops should be located in different areas within the assessed city or baladiya.

In locations where it is not possible to identify four large markets that fulfil criterion (1), smaller shops, such as grocery shops, vegetable vendors, butchers and bakeries, are added to the shop list, as long as they fit criteria (2) and (3), in order to guarantee at least four prices per item of interest. Each month, price data is collected from the same shops whenever possible to ensure comparability across months.

The CWG primarily targets urban areas throughout Libya, aiming to ensure coverage of markets that serve as commercial hubs for surrounding regions.

Data is collected via the KoBo mobile data collection application. The CWG maintains a joint KoBo account for the JMMI. The data collection tool is published alongside the dataset every month and disseminated to the humanitarian community.

Analyses

The median prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and differing amounts of data among assessed locations. First, the median prices of all assessed items are calculated within each assessed location (city or mahalla); then, REACH calculates the median of this list of medians. All boxplots, as well as MEB and price index calculations, are created using this method.

The cost of the MEB is calculated by multiplying the median price of each item in the MEB's 'Key Elements' section by the quantity listed in the table on page 2. In cases where no median price is available for an item in a particular location, the median price for that item across the region (west, east, or south) is substituted.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary during the weeks between adjacent data collection rounds.
- The data is only indicative of the general price levels in each assessed location. Representativeness on the mantika (district) level cannot be claimed. Even on the city level, price data must be interpreted with caution, particularly in larger cities with substantial variation in neighbourhoods' socioeconomic levels.
- The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product.
- The JMMI does not intend to measure general inflation levels on Libyan markets. As per JMMI methodology, only the cheapest available price per item is collected, meaning that changes in middle-market and upmarket goods are not captured.

Endnotes

¹In September 2018, the USD/LYD gap between official and parallel market exchange rates was 5.322 LYD (retrieved from the [September JMMI factsheet](#)) against a gap of 2.916 LYD in March, without including the +183% tax on foreign currency transactions.

² In Alkufra, all MEB's key elements decreased in price except bread, chicken, potatoes, and onions, which remained unchanged.

³ By unofficial cooking fuel, we are referring to fuel sold by vendors that have not been officially authorised to sell fuel by the Libyan authorities, and which usually sell cooking fuel at a higher, unsubsidised price. Since July 2018, both official and unofficial cooking fuel vendors have been monitored unless they were not operational.

⁴ In February 2019, unofficial cooking fuel was five times more expensive than official cooking fuel. Further details in the [February JMMI factsheet](#).

⁵ *Official rate*: Central Bank of Libya (1 March 2019), retrieved from www.cbl.gov.ly. *Parallel market rates*: Ewan Libya (1 March 2019), retrieved from www.ewanlibya.ly. The rates from 1 February 2019 and 1 March 2019 were used for the calculation of the monthly changes.

⁶ The increase of the median price of cooking fuel (LPG) was in part due to a higher number of assessed cities with unofficial LPG monitored.

⁷ The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.

⁸ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.

⁹ The MEB price index was normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.

¹⁰ The food and hygiene prices were normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.

¹¹ The bread prices was normalised by setting August 2018 as the baseline and dividing each month's price by the price in August.