

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 conducted 4 KIIs per item with retail traders, and 2 KIIs per item for wholesale traders (for food and non-food items (NFIs)). KIs were asked for information encompassing the 30 days prior to data collection. Findings rely on the knowledge of KIs regarding their respective markets. The findings are, therefore, indicative and may not always fully reflect market activity in the assessed area.

Data from the 28 round of the JMMI was collected between September 13 and 22 2022.

National median cost of MEB<sup>1</sup>

238.48 USD

21,018 AFN

▼ 0.37%<sup>2</sup> USD

▼ 2.57%<sup>2</sup> AFN

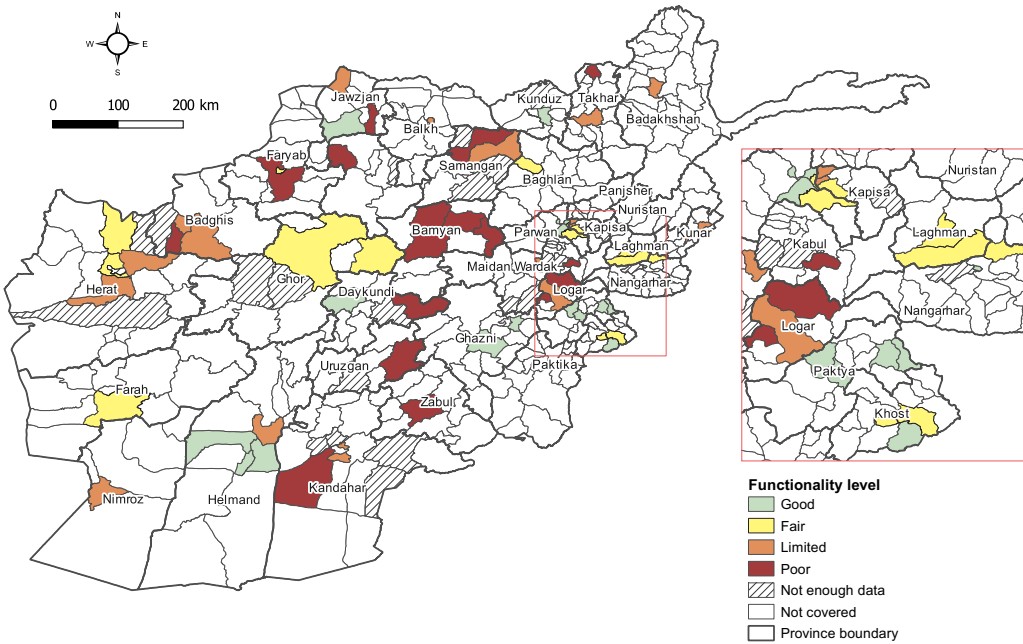
National median cost of Food Basket

92.07 USD

8,115 AFN

▼ 1.02%<sup>2</sup> USD

MARKET FUNCTIONALITY INDEX (MFI), BY DISTRICT



- 20 Participating agencies
- 31 Assessed provinces
- 88 Assessed districts
- 594 Key Informant Interviews
- 30 Commodities assessed

This map presents findings from rounds 27 and 28 of the JMMI's MFI<sup>3</sup>, visualising a scale of most functional assessed markets (green shades) to the least functional ones (dark red shades) at the district level across Afghanistan.

11% of KIs reported difficulties in restocking and obtaining commodities. The key items reportedly more difficult to obtain and restock are vegetable oil, cereals, pulses, and fuels.

38% of KIs reported an increase in prices of food items and the most reported reasons are the increase in cost of supplies (79%), followed by transportation cost (58%) and the increase in demand (24%).

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 Programme's (WFP) 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.

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

For further information kindly consult the WFP technical guidance.<sup>4</sup>

# MINIMUM EXPENDITURE BASKET (MEB) CALCULATIONS

## AFGHANISTAN MEB CONTENTS\*

### Food Basket

Wheat Flour	89 Kg
Local Rice	21 Kg
Vegetable oil	7 Kg
Pulses**	9 Kg
Salt	1 Kg

**Healthcare** (fixed at 47 USD)

**Shelter** (rent fixed at 30 USD)

**Transportation** (fixed at 7.11 USD)

**Communication** (fixed at 3.51 USD)

**Fuel and Electricity** (fixed at 9 USD)

### Water Sanitation and Hygiene

(16.97 USD)

### Soap for handwashing and bathing

**Soft cotton cloth** (2m<sup>2</sup> piece)

**Water** (liters 105)

**Sanitary pad** (box of 10/12)

**Underwear for women**

**Toothpaste**

**Education** (stationary and snack)  
(fixed at 11 USD)

**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 using the relevant food and NFI 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, shelter, transportation, communication, energy, and education components, the listed fixed amounts were used in the calculation.

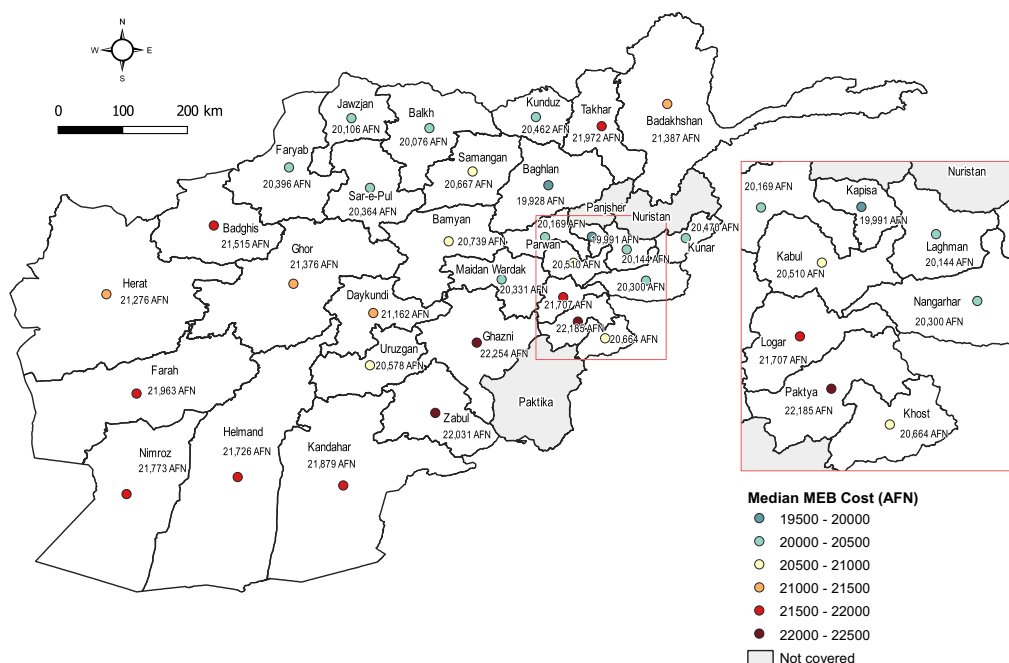
\*\* The price of pulses was calculated as the average price of all three types of pulses monitored: lentils, beans, and split-peas.

\*\*\* 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 component is defined as 10% of the total sum of the MEB.

## MEDIAN MEB PRICE<sup>5</sup>

Province	MEB (AFN)	MEB (USD)
Capital	20367	231.10
Kabul	20510	232.72
Kapisa	19991	226.84
Logar	21707	246.31
Maidan Wardak	20331	230.70
Parwan	20169	228.86
Central Highland	20914	237.31
Bamyan	20739	235.32
Daykundi	21162	240.12
Eastern	20268	229.98
Kunar	20470	232.27
Laghman	20144	228.57
Nangarhar	20300	230.34
North Eastern	20849	236.57
Badakhshan	21387	242.67
Baghlan	19928	226.12
Kunduz	20462	232.18
Takhar	21972	249.31
Northern	20369	231.12
Balkh	20076	227.80
Faryab	20396	231.43
Jawzjan	20106	228.14
Samangan	20667	234.50
Sar-e-Pul	20364	231.07
South Eastern	22026	249.93
Ghazni	22254	252.51
Khost	20664	234.48
Paktya	22185	251.73
Southern	21830	247.70
Helmand	21726	246.52
Kandahar	21879	248.25
Nimroz	21773	247.06
Uruzgan	20578	233.49
Zabul	22031	249.99
Western	21272	241.37
Badghis	21515	244.13
Farah	21963	249.21
Ghor	21376	242.55
Herat	21276	241.41

## MEDIAN MEB COST, BY PROVINCE IN AFN



# ITEM PRICE MONITORING

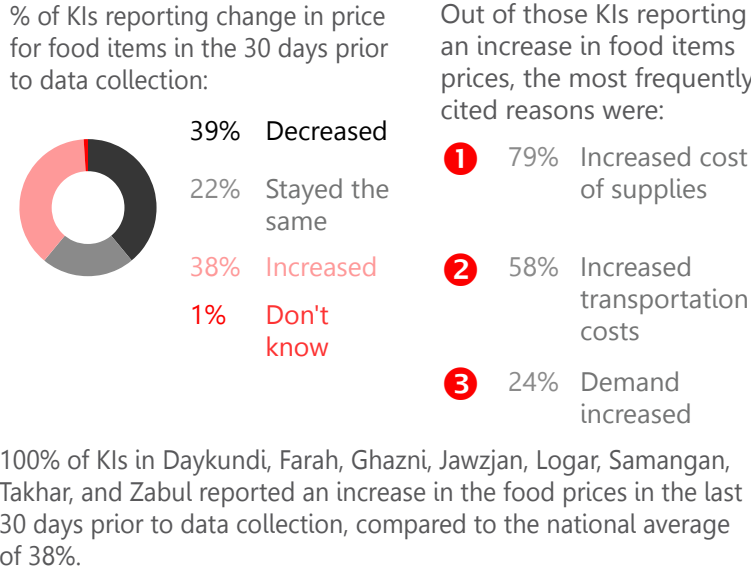
## NATIONWIDE MEDIAN ITEM PRICE AT THE TIME OF INTERVIEW, AND RECORDED CHANGE (%) SINCE THE PREVIOUS ROUND OF DATA COLLECTION

Item	Unit	Price		Price change in one month		Price change in six months	
		AFN	USD	AFN(%)	USD(%)	AFN	USD
Food Items							
Wheat flour (local)	1 Kg	48	0.54	-4%	-1%	-11%	+16%
Wheat flour (imported)	1 Kg	51	0.58	-4%	-2%	-16%	+20%
Local rice	1 Kg	75	0.85	0%	+3%	-35%	+41%
Vegetable oil	1 L	164	1.86	-14%	-12%	0%	+4%
Pulses <sup>6</sup>	1 Kg	93	1.05	+15%	+17%	-8%	+13%
Salt	1 Kg	15	0.17	0%	0%	-20%	+25%
Sugar	1 Kg	70	0.79	0%	+2%	-17%	+21%
Tomatoes	1 Kg	40	0.45	+92%	+30%	+20%	-17%
NFIs							
Pen and pencil	1 Pc	10	0.11	0%	+3%	0%	+4%
Notebook	1 Pc	20	0.23	0%	+3%	0%	+4%
Rubber	1 Pc	5	0.06	0%	-4%	0%	+4%
Cotton cloth (2m²)	1 Pc	100	1.13	0%	+2%	0%	+4%
Toothbrush (adults)	1Pc	30	0.34	0%	+3%	0%	+4%
Toothpaste	1 Pc	50	0.57	0%	+3%	0%	+4%
Sanitary pads	1 Box	60	0.68	0%	+2%	-20%	+25%
Antiseptic soap bar	1 Pc	30	0.34	-3%	0%	0%	+4%
Other NFIs							
Safe (drinking) water without jerry can	20 L	45	0.51	0%	+2%	0%	+4%
Coal or charcoal	1 Kg	19	0.21	-7%	-4%	-53%	+59%
Liquefied petroleum gas	1 L	80	0.91	-9%	-6%	+11%	-8%
Firewood	1 Kg	13	0.15	-5%	-5%	-3%	+7%
Cooking fuel	1 Kg	82	0.93	-3%	-1%	+9%	-5%
Diesel	1 L	100	1.13	0%	+2%	-19%	+24%
Petrol	1 L	93	1.06	0%	+2%	-16%	+21%
Jacket	1Pc	630	7.15	+5%	+7%	+16%	-13%
Water container	1Pc	290	3.29	+4%	+6%	+3%	0%
Cooking pot	1Pc	1100	12.48	+5%	+7%	0%	+4%
Blanket	1Pc	1200	13.62	+3%	+5%	-2%	+6%

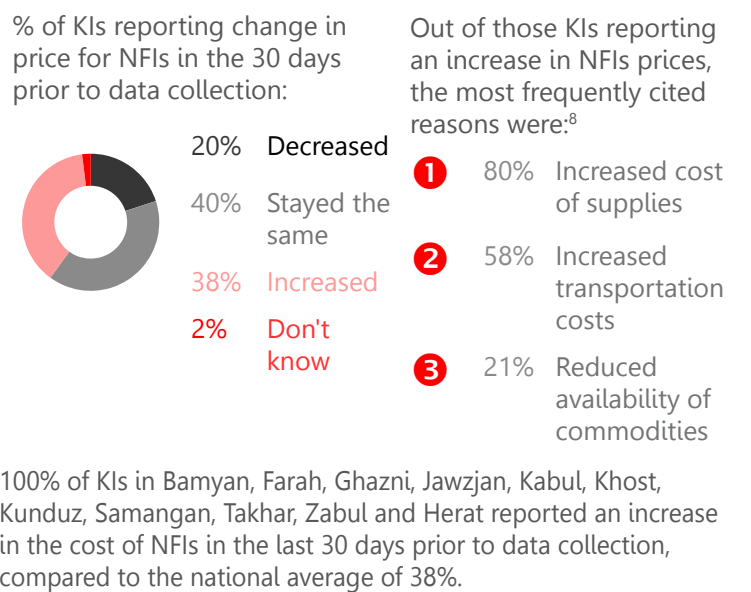
## CURRENT NATIONWIDE AVAILABILITY OF ITEMS FROM SUPPLIERS

Item	Widely available (% KIs) <sup>6</sup>	Limitedly available (%KIs) <sup>6</sup>	Completely unavailable (% KIs) <sup>6</sup>
Food Items			
Wheat flour (local)	68%	19%	8%
Wheat flour (imported)	76%	19%	2%
Local rice	75%	18%	3%
Vegetable oil	80%	16%	1%
Pulses <sup>7</sup>	72%	20%	4%
Salt	87%	10%	0%
Sugar	83%	13%	1%
Tomatoes	71%	21%	4%
NFIs			
Pen and pencil	76%	17%	2%
Notebook	76%	18%	2%
Rubber	75%	17%	3%
Cotton cloth (2m²)	65%	24%	3%
Toothbrush (adults)	78%	15%	2%
Toothpaste	79%	14%	2%
Sanitary pads	61%	26%	7%
Antiseptic soap bar	81%	13%	2%
Other NFIs			
Safe (drinking) water without jerry can	56%	21%	17%
Coal or charcoal	38%	23%	31%
Liquefied petroleum gas	66%	21%	7%
Firewood	69%	19%	7%
Cooking fuel	67%	23%	4%
Diesel	69%	20%	5%
Petrol	68%	22%	5%
Jacket	58%	28%	7%
Water Container	63%	23%	7%
Cooking Pot	64%	22%	6%
Blanket	58%	26%	9%

## REPORTED CHANGE IN PRICE OF FOOD ITEMS IN 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE<sup>8</sup>



## REPORTED CHANGE IN PRICE OF NFIs IN THE 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE<sup>8</sup>



# MARKET SUPPLY

## LOCATION OF MAIN SUPPLIERS FOR FOOD ITEMS AND NFIs<sup>8</sup>

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



14% Imported from abroad

47% Different province

39% Same province

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

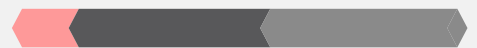


8% Imported from abroad

56% Different province

36% Same province

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



13% Imported from abroad

44% Different province

43% Same province

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



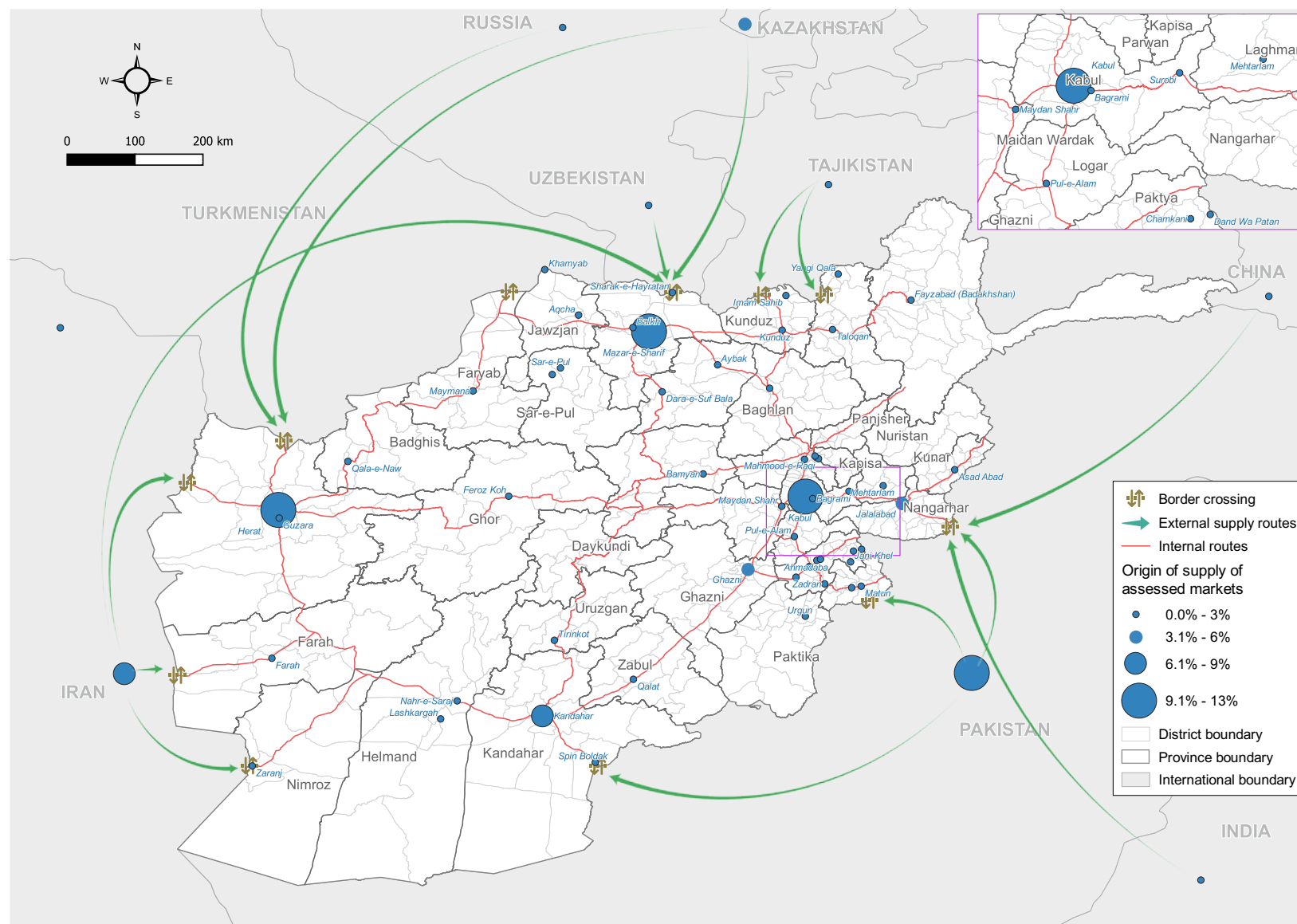
5% Imported from abroad

57% Different province

38% Same province

## SUPPLY ROUTE MAP

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





# ACCESS CHALLENGES, TRADERS & MARKET FUNCTIONALITY

## DIFFICULTIES TO MEET DEMAND AND TO TRANSPORT OR PROCURE SUPPLIES

11% 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:<sup>8</sup>

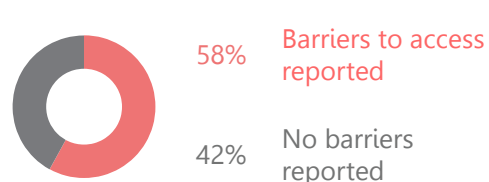
- 1 81% Financial constraints and inability to purchase supplies
- 2 32% Producers not producing enough
- 3 31% Supplier not providing enough commodities

25% of KIs reported being aware of current difficulties in road-based transportation of goods between suppliers and their business. The three most frequently cited difficulties were:

- 1 17% Natural disaster
- 2 12% Seasonality
- 3 8% Restriction from the authorities

## BARRIERS TO MARKET ACCESS FOR CONSUMERS

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



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

- 1 44% Items being too expensive
- 2 13% Distance to market
- 3 11% No access for unaccompanied women due to safety issues

All KIs in Baghlan, Ghazni, Laghman, Paktya, and Zabul reported **no barriers** for consumers to access markets, whilst 100% of KIs in Bamyān, Kunar and Nimroz reported barriers for consumers to access markets.

## TRADERS' COPING MECHANISMS AND RELIANCE ON CREDIT

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



- 43% Borrow and rely on credit
- 18% Limit expenses
- 10% Restrict stocks
- 10% Spend savings
- 6% Increase working hours
- 13% Others

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

- 1 47% Family and friends
- 2 43% Supplier (buy on credit)
- 3 7% Informal services

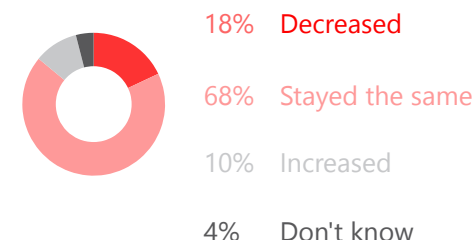
## PRESENCE OF FINANCIAL SERVICES

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

- 1 90% Hawala<sup>9</sup>
- 2 34% Banks
- 3 14% Formal transfer services

## TRADER PRESENCE IN THE MARKET

23% of KIs reported that (almost) all shops in the marketplace were open. KIs perceived the following changes in the number of shops that have been open in the 30 days prior to data collection:

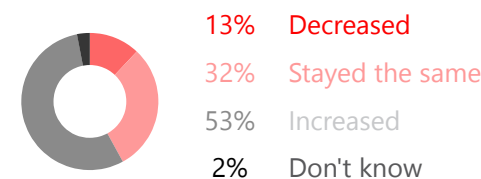


Among those KIs who reported having perceived a decrease in the number of shops open in the marketplace, the most cited reasons for this decrease were:<sup>7</sup>

- 1 53% Financial constraints
- 2 47% Lack of commodities
- 3 16% Government restrictions

## CONSUMERS, PAYMENT, & CREDIT

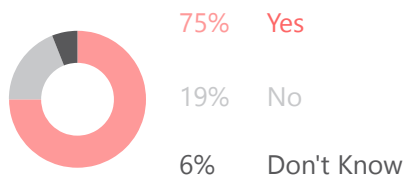
Proportion of KIs reporting having perceived a change in the number of customers purchasing on credit in the marketplace in the 30 days prior to data collection:



# CASH AVAILABILITY, ENDNOTES, CVWG & PARTNERS

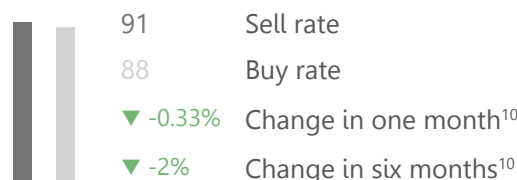
## USD TO AFN EXCHANGE

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



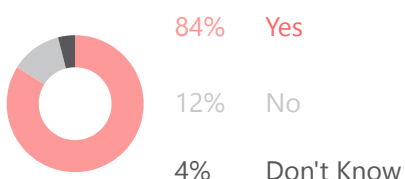
## USD TO AFN EXCHANGE RATE

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



## CASH ACCESS

Proportion of KIs reporting on being able to access cash:



## MIN AND MAX EXCHANGE RATE

Minimum and maximum exchange rate of 1 USD to AFN:



## About the Afghanistan Cash and Voucher Working Group and REACH Initiative

The Afghanistan CVWG is an inter-cluster technical working group set up to ensure (CVA) in Afghanistan. The CVWG is coordinated based on a common rationale that is context specific and 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 Catholic Relief Services (CRS) and the 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](http://www.reach-initiative.org). You can contact us directly at: [geneva@reach-initiative.org](mailto:geneva@reach-initiative.org) and follow us on Twitter [@REACH\\_info](https://twitter.com/REACH_info).

## ENDNOTES

- The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a seven-person Afghan household for one month.
- The % of change between the price (in USD) of the MEB and the Food Basket during data collection refers to the changes recorded since the previous round of the JMMI.
- Data from the previous round is used to compute food basket and supply chain changes across time.
- 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](#).
- Where JMMI data recorded a MEB price variation of less than 100 AFN, it was chosen to present the variation as 0% because the amount was too small to be approximated as 1%, but too significant to be categorised as "no change".
- The values may not add up to 100% because the options "Don't know" and "Prefer not to answer" are not listed in the table.
- Pulses in this table are calculated as the median (normalised) price of all three types of pulses monitored: lentils, beans, and split-peas.
- 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.
- Respondents could report multiple options. Findings may therefore exceed 100%.
- The hawala system is an informal method of transferring money, including across borders, through a network of money brokers. Hawala is used today as an alternative remittance channel that exists outside of traditional banking systems.

