Kenya | Joint Market Monitoring Initiative (JMMI)

Q3 September, 2023

MARKET OVERVIEW

INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics, the Kenya Cash Working Group (KCWG) initiated the JMMI in March 2022. The aim of the JMMI is to provide regular, reliable information on prices and market functionality using harmonised tools and validated analysis.

According to the National Drought Management Authority (NDMA), out of all the 23 Arid and Semi-Arid Land (ASAL) counties, 18 were classified in the normal drought phase while 5 counties were classified under the alert drought phase.[4]

The climate outlook for the October-November-December (OND) 2023 "short rains" season, according to the Kenya Meteorological Department, predicts above average rainfall in most ASAL counties. While increased rainfall may benefit these counties, negative impacts are anticipated including post-harvest losses, the spread of crop and livestock pests and diseases, as well as waterborne diseases. For communities residing in flood-prone areas, high flooding risk could lead to disruptions of social-economic activities and infrastructure damage.[5]

In addition to updating the MEB[1], the JMMI monitors market functionality to gain insights into market dynamics and enable comparisons over different periods.

Q3 2023 ASAL ASSESSMENT COVERAGE

3,524	Vendors interviewed
281	Markets assessed
34	Commodities assessed
15	Assessed counties
13	Participating agencies

KEY INDICATORS

Cost of Food MEB[1]

14,176 KES

96.2 USD[2]

▼ 1%[3]

Cost of Non-Food MEB[1]

4,623 KES

31.4 USD[2]

▲ 2%[3]

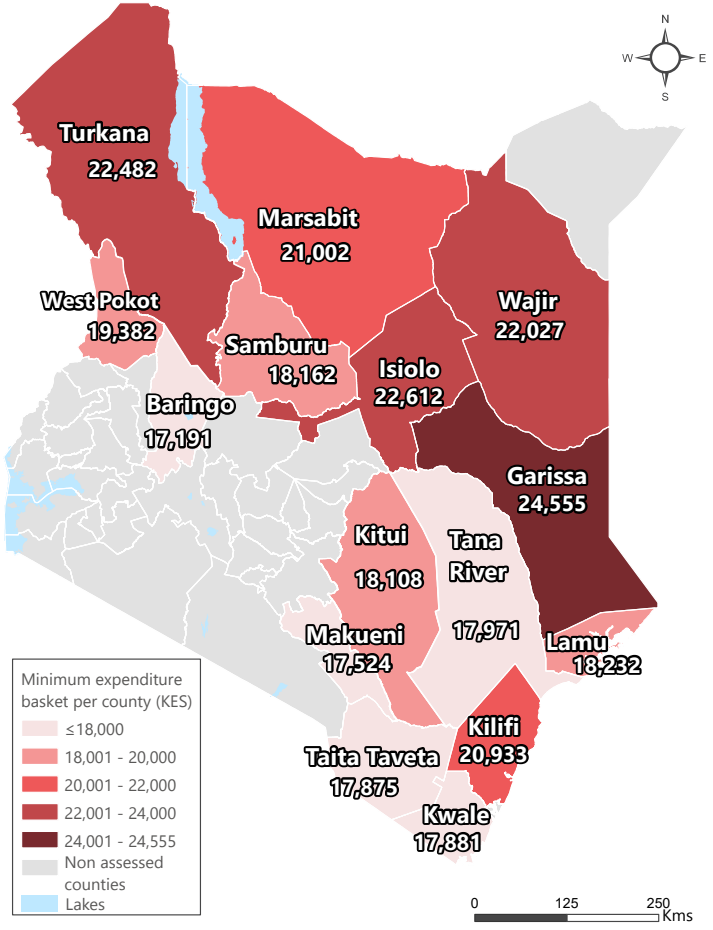
Cost of Total MEB[1]

18,232 KES

123.7 USD[2]

▼ 3%[3]

ASSESSED COUNTIES AND MEDIAN MEB VALUES



KEY FINDINGS

- **The overall cost of the Minimum Expenditure Basket (MEB)[1] has slightly decreased** from 18,751 KES at the end of Q2 2023 to 18,232 KES at the end of Q3 2023.
- **Garissa was found to have the highest cost of the MEB at 24,555 KES, followed by Isiolo (22,612 KES) and Turkana Counties (22,482 KES).**
- A considerably **high proportion of vendors (75%), reported facing difficulties keeping their businesses operational and well-stocked** at the time of data collection. Similar to previous rounds, the top reported difficulty was the high prices charged by suppliers (64% of all interviewed vendors).
- Increase in the market prices (80%) and high transportation costs (60%) remained the top reported causes of commodity shortages by the vendors (51%) who reported experiencing shortages in the 3 months prior to data collection.

ONLINE DASHBOARD

An interactive dashboard is available online to facilitate the interaction and ease navigation with the data. For instance, draw comparisons across different ASAL counties in Kenya and time periods, as well as filter by monitored item. To use the online dashboard, click here.

KENYA CASH WORKING GROUP

MINIMUM EXPENDITURE BASKET (MEB)

The MEB[1] is composed of essential commodities and services and is used as an operational tool to identify and quantify the average minimum cost of the culturally adjusted basic items required to support a six-person household (HH) for one month.

The cost of the MEB can be used as a proxy for the expenses facing a six-person HH to cover its basic needs for one month. Only the MEB's key elements i.e. food and non-food items (NFI) as defined by the KCWG were incorporated into computing the MEB.

Food Items

Maize flour	32.25 Kg
Rice	22.5 Kg
Cowpeas	7.5 Kg
Dried beans	7.5 Kg
Cow milk, whole, not fortified	22.5 Kg
Leafy vegetables, dark green	15 Kg
Salt, Iodized	0.75 Kg
Sugar	0.75 Kg

Non-Food Items

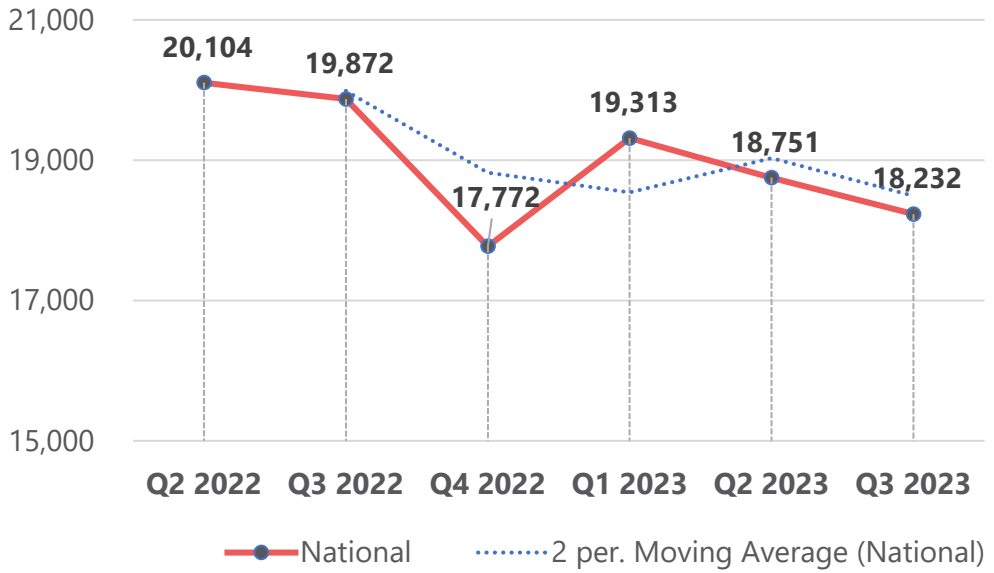
Water	1,125 L
Multipurpose soap	2.2 Kg
Toothpaste	0.425 L
Sanitary pads	2 packs of 8
Education (pen, pencil, book, rubber)	2 stationary kits
Charcoal	12 Kg
Solar Lamp	1 piece
National Health Insurance Fund	500 KES
Communication (Airtime)	300 KES
Public transport	200 KES

COST OF THE MEB IN KES[2] AND CHANGE SINCE Q2

County	MEB	Change since Q2 2023	Food MEB	Change since Q2 2023	NFI MEB	Change since Q2 2023
Garissa	24,555	▲ 26%	17,517	▲ 17%	7,038	▲ 56%
Isiolo	22,612	▲ 14%	16,002	▲ 10%	6,610	▲ 25%
Turkana	22,482	▲ 11%	17,839	▲ 8%	4,643	▲ 23%
Wajir	22,027	▼ 1%	16,253	0%	5,775	▼ 4%
Marsabit	21,002	▲ 1%	15,447	▲ 1%	5,555	0%
Kilifi	20,933	▲ 16%	13,313	▼ 3%	7,620	▲ 79%
West Pokot ●	19,382		15,210		4,172	
Lamu	18,232	▼ 14%	14,176	▼ 11%	4,056	▼ 22%
Samburu	18,162	▼ 3%	13,630	▲ 3%	4,532	▼ 18%
Kitui	18,108	▲ 2%	13,485	0%	4,643	▲ 6%
Tana River	17,971	0%	14,256	▲ 7%	3,715	▼ 18%
Kwale	17,881	▼ 5%	13,750	▼ 6%	4,131	▼ 2%
Taita Taveta	17,875	▲ 3%	13,819	▲ 3%	4,055	▲ 1%
Makueni	17,524	▲ 2%	12,179	▼ 7%	5,345	▲ 28%
Baringo	17,191	▼ 6%	13,335	▼ 5%	3,856	▼ 10%

● : No change in MEB baskets reported due to the absence of data collection for West Pokot County during the previous round (Q2, 2023).

NATIONAL MEB (KES)



Q3 MEB TAKEAWAYS

- Compared to Q2 2023, the cost of the overall MEB slightly decreased (3%) in Q3 2023.
- The cost of the MEB[1] has increased across more than half of the counties between Q2 and Q3 2023, with a greater increase (26%) observed in Garissa County.
- Turkana County recorded the most costly food MEB (17,839 KES). This is similar to the previous quarter (16,490 KES).
- Kilifi was found to have the most costly NFI MEB (7,620 KES) owing to the increase in price of solar lamps from 600 KES in Q2 to 1,800 KES in Q3.
- The unit price of various food and NFIs increased in Garissa County. Notable changes include the price of 1 Kg cowpeas by 90 KES, the price of 1 Kg spinach by 70 KES and the price of 1 Kg kale by 60 KES. The price of water (50 KES) was more than twice the overall national median cost (20 KES).
- Makueni County recorded the lowest cost of MEB at 17,524 KES. This is similar to the previous quarter (17,200 KES).

FOOD AND NFI PRICE COMPARISON

- Among the food items monitored, onions saw the highest price increase at the national level (46%), followed by pigeon peas (23%) and cowpeas (11%).
- The median price of vegetables such as kale, spinach, traditional vegetables, and cabbages stagnated. Similarly, the prices for various NFIs such as school stationery, toothpaste, 500g multipurpose soap and solar lamp, either remained the same or observed minimal changes.
- The NFIs with the highest price increase (33%) was 20 litre water refill while the largest decrease (33%) was observed in the price of charcoal.

COST OF THE MEB IN KES[2] AND CHANGE SINCE PREVIOUS ROUND

Items	Overall median cost	Change	Baringo	Garissa	Isiolo	Kilifi	Kitui	Kwale	Lamu	Makueni	Marsabit	Samburu	Taita Taveta	Tana River	Turkana	Wajir	West Pokot
White maize (1 Kg)	95	▼ 5%	100	100	95	80	70	75	100	60	90	80	70	100	100	100	110
Maize flour (1 Kg)	100	▼11%	100	120	120	90	100	90	120	100	120	80	100	100	120	120	120
Beans (1 Kg)	170	▼11%	160	200	200	130	170	140	200	150	160	180	130	180	200	160	175
Cowpeas (1 Kg)	140	▲11%	120	200	200	130	80	120	100	120	170	150	140	120	200	150	150
Pigeon peas (1 Kg)	160	▲23%	160	200	180	160	130	160	165	130	150	220	150	160	140	*	90
Rice (1 Kg)	130	▲ 8%	120	165	130	120	120	120	130	120	130	130	120	120	140	180	130
Sugar (1 Kg)	220	▲10%	220	180	200	220	227.5	200	220	200	220	220	200	200	250	160	220
Wheat flour (1 Kg)	120	▲ 2%	120	120	120	100	100	100	120	100	120	120	100	110	120	120	110
Vegetable oil (1 L)	280	▲ 9%	280	350	280	230	240	240	240	240	300	280	240	290	300	300	300
Tea leaves (50 g)	25	▼17%	20	20	30	30	25	37.5	20	27.5	20	25	30	30	33	25	20
Salt (200 g)	10	0%	10	10	10	10	15	10	15	15	10	10	12.5	10	15	10	10
Cattle milk (1 L)	120	▲ 4%	95	120	140	140	120	140	100	80	140	120	145	140	200	120	110
Camel milk (1 L)	105	▼ 9%	90	120	120	100	*	90	*	*	150	90	*	110	*	150	75
Onions (1 Kg)	150	▲46%	100	140	150	170	150	150	120	150	150	150	120	150	120	150	120
Tomatoes (1 Kg)	100	0%	100	100	90	80	80	90	100	75	100	100	70	90	120	100	100
Kale (1 Kg)	100	0%	100	140	100	60	100	120	80	60	80	100	70	100	100	100	100
Spinach (1 Kg)	100	0%	100	140	80	80	100	100	100	70	100	80	80	80	100	110	100
Traditional vegetables (1 Kg)	100	0%	100	97.5	100	100	100	100	100	62.5	70	65	80	80	100	*	100
Cabbage (500 g)	80	0%	80	180	80	120	70	80	100	70	120	80	50	100	120	150	50
Soap (200 g)	50	0%	40	50	50	50	50	50	50	50	50	50	50	50	30	50	40
Jerry can (20 L)	150	0%	200	250	200	100	150	100	130	100	150	190	125	150	200	200	180
Bucket (20 L)	250	▲25%	250	300	300	200	200	250	250	200	250	300	250	250	250	200	200
Sanitary pads (8 pack)	80	▲ 2%	80	100	100	70	70	80	100	65	100	80	80	80	100	100	80
LPG 6KG refill	1,300	▼ 7%	1,400	1,650	1,400	1,300	1,300	1,300	1,350	1,300	1,300	1,400	1,300	1,300	1,450	1,350	1,300
Firewood (1 bundle)	100	0%	100	100	40	100	100	100	50	100	400	*	200	100	100	35	100
Charcoal (2 Kg)	50	▼33%	50	100	75	80	50	50	50	50	120	60	40	50	50	175	50
Kerosene (1 L)	205	▲21%	240	187.5	230	200	212.5	200	200	209	200	110	200	250	350	205	300
Pencil (1 pc)	10	0%	10	10	10	10	10	10	10	10	10	10	10	10	10	10	5
Pen (1 pc)	10	0%	10	15	10	10	10	10	15	10	10	15	10	10	10	10	10
Exercise book (1 pc)	15	0%	20	30	15	15	15	15	20	15	15	20	17.5	15	20	10	10
Rubber (1 pc)	10	0%	10	10	10	5	5	5	5	10	10	5	10	5	10	10	10
Water refill from borehole (20 L)	20	▲33%	5	50	50	50	20	15	5	20	30	20	12.5	5	25	30	20
Toothpaste (35 ml)	50	0%	67.5	70	50	55	52.5	50	70	70	50	47.5	50	60	50	50	50
Solar lamp (1 pc)	600	0%	600	775	800	1,800	725	500	665	1,200	600	550	600	525	600	500	500

* : No price data collected as a result of the unavailability of the respective commodity at the time of data collection.

AVAILABLE STOCK, TIME NEEDED TO RESTOCK, AND CURRENT AVAILABILITY OF ITEM IN THE MARKET

Items [6]	Wide availability (% KIs)	Limited availability (% KIs)	Complete unavailability (% KIs)
White maize (1 Kg)	76%	23%	1%
Maize flour (1 Kg)	86%	13%	1%
Beans (1 Kg)	79%	20%	1%
Cowpeas (1 Kg)	69%	30%	1%
Pigeon peas (1 Kg)	58%	40%	1%
Rice (1 Kg)	86%	13%	0%
Sugar (1 Kg)	85%	14%	0%
Wheat flour (1 Kg)	86%	13%	0%
Vegetable oil (1 L)	88%	11%	1%
Tea leaves (50 g)	89%	11%	1%
Salt (1 Kg)	92%	7%	0%
Cattle milk (1 L)	81%	19%	0%
Camel milk (1 L)	44%	55%	0%
Onions (1 Kg)	63%	35%	1%
Tomatoes (1 Kg)	73%	25%	1%
Kale (1 Kg)	62%	37%	0%
Spinach (1 Kg)	61%	39%	0%
Traditional vegetables (1 Kg)	57%	42%	1%
Cabbage (500 g)	64%	35%	1%
Soap (200 g)	85%	14%	0%
Jerry can (20 L)	62%	36%	1%
Bucket (20 L)	60%	39%	0%
Sanitary pads (8 pack)	85%	14%	1%
LPG 6KG refill	59%	40%	0%
Firewood (1 bundle)	53%	44%	2%
Charcoal (2 Kg)	50%	48%	2%
Kerosene (1 L)	47%	53%	0%
Pencil (1 pc)	86%	14%	0%
Pen (1 pc)	87%	13%	0%
Exercise book (1 pc)	84%	16%	0%
Rubber (1 pc)	87%	13%	0%
Toothpaste (15 ml)	82%	17%	1%
Solar lamp (1 pc)	47%	51%	2%

Items	Remaining stock (days)	Time needed to restock (days)
White maize (1 Kg)	14	1
Maize flour (1 Kg)	7	1
Beans (1 Kg)	14	1
Cowpeas (1 Kg)	14	2
Pigeon peas (1 Kg)	14	2
Rice (1 Kg)	10	1
Sugar (1 Kg)	8	1
Wheat flour (1 Kg)	14	1
Vegetable oil (1 L)	10	1
Tea leaves (50 g)	14	1
Salt (1 Kg)	15	1
Cattle milk (1 L)	6	1
Camel milk (1 L)**	1	1
Onions (1 Kg)	30	2
Tomatoes (1 Kg)	3	1
Kale (1 Kg)	2	1
Spinach (1 Kg)	2	1
Traditional vegetables (1 Kg)	2	1
Cabbage (500 g)	4	1
Soap (200 g)	14	1
Jerry can (20 L)	20	2
Bucket (20 L)	21	2
Sanitary pads (8 pack)	21	1
LPG 6KG refill	20	2
Firewood (1 bundle)	4	2
Charcoal (2 Kg)	7	2
Kerosene (1 L)	10	2
Pencil (1 pc)	20	1
Pen (1 pc)	20	1
Exercise book (1 pc)	21	1
Rubber (1 pc)	21	1
Toothpaste (15 ml)	20	1
Solar lamp (1 pc)	25	2

** : Items for which the remaining days of stock are equal or inferior to the time needed to restock

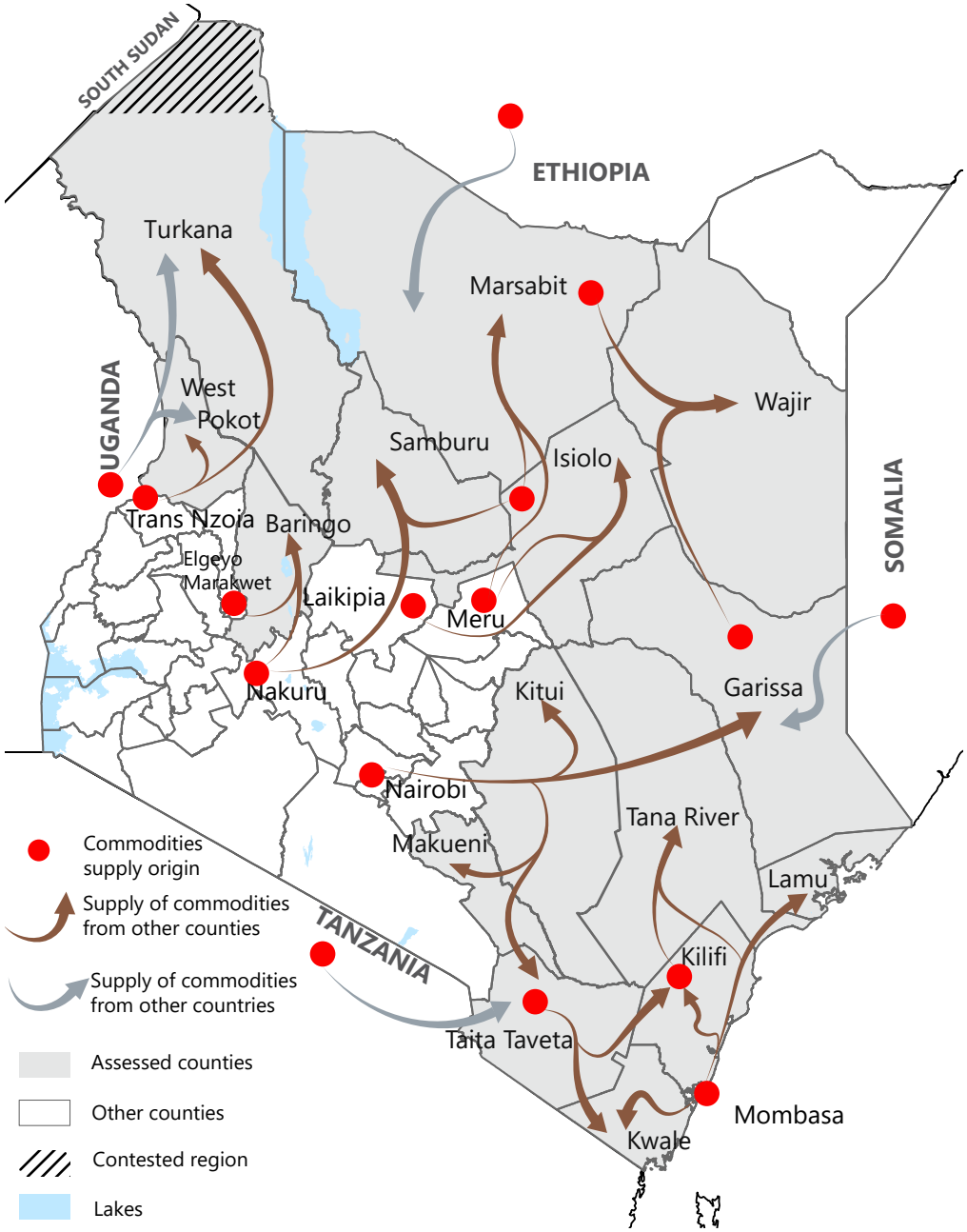
Camel milk and traditional vegetables were among the food items for which a higher proportion of vendors reported limited availability (55% and 42% respectively). As a result, the absence of camel milk and traditional vegetable vendors led to gaps in price data in various counties. This is likely due to local dietary preferences.

Among the NFIs, sources of energy such as kerosene (53%) and charcoal (48%) followed by solar lamps (51%) were found to have the highest proportion of interviewed vendors reporting limited availability within the market at the time of data collection. These items are crucial for cooking and for lighting.

Vendors were only asked about the items they had in stock at the time of data collection. In addition, they were asked about availability within the marketplace and beyond their own business.

The average reported number of days needed to restock food items (1 day) was less than the average number of days needed to restock NFIs (2 days). The short times needed to restock suggest a low likelihood of commodity shortages. It may be a result of most vendors (61% for food items and 65% for NFIs) relying on multiple suppliers to source for various food and NFIs. Additionally, most vendors reported sourcing primarily from within their respective counties.

MAIN SUPPLY ROUTES



LOCATION OF MAIN SUPPLIER

The map shows the supply route of commodities from the main supplier as reported by the interviewed vendors. A high proportion of vendors (98%) noted that their main supplier was located within the country. In addition, their main suppliers are primarily located within the respective counties followed by the neighbouring counties. It is worth noting, that few vendors (3%) indicated relying on their own production.

On the other hand, a few vendors reportedly sourced their commodities from neighbouring countries namely Tanzania, Somalia, Ethiopia, and Uganda. This was common among vendors in counties that bordered the respective countries.

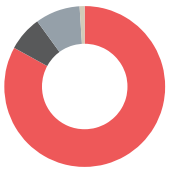
REPORTED PREDICTED CHANGES IN SUPPLIERS' PRICES

Almost half of interviewed vendors (52%) stated they could predict price changes in popular commodities one month from the time of data collection, most of whom (83%) predicted that the prices would increase. Vendors' anticipation may result from various factors highlighted in the Agriculture Sector survey. Transport costs, input costs and weather conditions were identified as the main factors impacting both retail and wholesale prices. The survey indicated a decline in the expected retail prices of maize grain and maize products due to the harvest season. However, the retail prices of certain food commodities such as beans, rice, onions, milk and sugar are expected to increase owing to both domestic and external factors.[7]

Proportion of vendors reporting their ability to predict supplier price changes for popular commodities in the one month after data collection:**

Yes	52%
No	35%
Don't know	13%

Expectation of supplier price changes one month following data collection, by % of vendors who reported being able to predict supplier price changes (52%)



Increase	83%
Decrease	7%
No change	9%
No answer	1%

** - This is a self-reported question by the vendors, and opinions may change from one vendor to another.

SUPPLIER

% of vendors reporting that they mostly relied on a single supplier for food items at the time of data collection:

37%	Yes
61%	No
2%	Do not know

% of vendors reporting that they mostly relied on a single supplier for NFIs at the time of data collection:

32%	Yes
65%	No
3%	Do not know

At the time of data collection, the majority of interviewed vendors (61% for food items and 65% for NFIs) reported relying on multiple suppliers. This trend was observed across most accessed counties except for Baringo, where vendors face higher risks, as the majority of them reportedly relied on a single supplier for food (62%) and NFIs (51%).

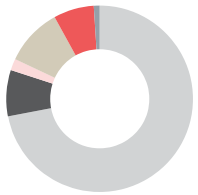
Vendors who rely on a sole supplier are vulnerable to supply disruptions, which may arise from having limited alternative options.

ACCESS TO A LOCKED, SECURED STORAGE FACILITY

Most vendors (80%) reported having access to a locked or secured facility within the marketplace in the 3 months prior to data collection. Of all the vendors interviewed, 72% reported the storage was within their own business facility while 8% reported the storage was located elsewhere within the market.

On the other hand, 12% of vendors reportedly had no storage within the marketplace; instead, their storage facilities were located outside the marketplace or at their residences. Only 7% reported having no access to any storage facility.

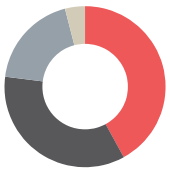
% of vendors reporting on access to a locked, secured storage facility within the marketplace in the 3 months prior to data collection:



72%	Yes, storage within own business facility
8%	Yes, storage elsewhere within the marketplace
2%	No, storage outside the marketplace at another facility
10%	No, storage at the home
7%	No storage facility
1%	Prefer not to answer

CHANGE IN THE NUMBER OF VENDORS

Proportion of vendors reporting on changes in the number of vendors operating in their marketplace in the 3 months prior to data collection:



Decrease	42%
Increase	35%
No change	19%
Don't know	4%

% of vendors estimating the proportion of businesses that had stopped operating in their marketplace in the 3 months prior to data collection among the vendors (42%) who reported a decrease:

Very few (1%-10%)	37%
Few (11%-25%)	30%
Some (26%-50%)	17%
A lot (51%-75%)	8%
Most (76%-100%)	1%

CHALLENGES FACED BY VENDORS

Most reported challenges faced in the 3 months prior to data collection, by % of all interviewed vendors:[8]

63%	Price increase from the source
53%	Lack of funds to restock
49%	Number of customers reduced
19%	High transportation costs

Most vendors reported facing a variety of challenges, the most reported challenges were price increases from the source (63%)[8] and lack of funds to restock (53%)[8]. An additional challenge reported was reduced number of customers (49%)[8], particularly by vendors in Turkana and Marsabit (67% and 63% respectively)[8]. These challenges affect vendors' ability to purchase additional stock and compromises the profitability of the business. These findings should be considered alongside the fact most vendors (42%) had reported that the number of vendors operating in their marketplace had decreased.

More than half of surveyed vendors in Garissa (72%), Samburu (65%), Makueni (52%) and Taita Taveta (51%) counties reported a decrease in the number of vendors operating in their marketplace. Counties where a particularly high proportion of vendors estimated that "most" or "a lot" of vendors had closed in the 30 days prior to data collection were: Kilifi (26%), Marsabit (20%), and Wajir (20%).

DIFFICULTY IN KEEPING THE BUSINESS OPERATIONAL AND WELL STOCKED

Most reported restocking challenges at the time of data collection, by % of all interviewed vendors:[8]

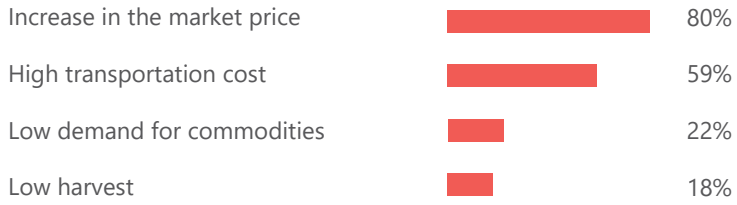
- **64%** Difficulty with price charged by supplier
- **15%** Difficulty with availability of core goods
- **10%** Theft or damage of commodities
- **8%** Difficulty fully staffing the store

The majority (84%) of interviewed vendors reported having faced difficulties keeping their businesses operational and well-stocked. Difficulty with the high prices charged by suppliers was the main concern among vendors in all the assessed counties.

According to the Kenya National Bureau of Statistics (KNBS), the overall year-on-year inflation measured by the Consumer Price Index (CPI) was 6.8% in September 2023. Prices of commodities increased in categories such as transport (13%), food and non-alcoholic beverages (7.9%), and housing, water, and electricity by 6.3% in comparison to the previous year.[9]

SHORTAGE OF COMMODITIES

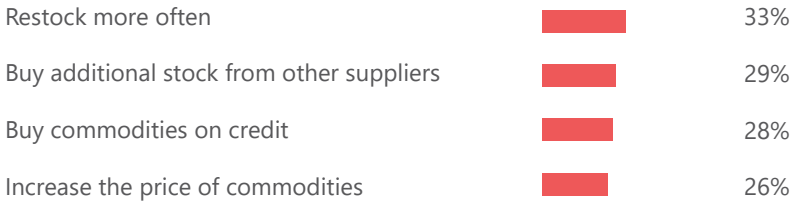
Most reported causes of shortages for commodities at the time of data collection, by % of vendors (51%) who reported limited availability or complete unavailability of some commodities:[8]



A leading cause of shortages, reported by a high proportion (80%)[8] of the vendors who reported limited availability or complete unavailability of some commodities (51%), was the increase in market prices of commodities. Subsequently, vendors (59%)[8] reported the high transportation costs as a common cause, which is potentially a contributor to driving up prices for some commodities.

COPING MECHANISMS EMPLOYED

Most reported strategies used by interviewed vendors to address unavailability of commodities at the time of data collection, by % of vendors (51%) who reported experiencing shortages of some commodities:[8]



The most common coping mechanism among vendors facing commodity shortages was restocking more frequently due to the limited or complete unavailability of some commodities. Only 3% of vendors did not have any coping mechanisms in place in case of shortages. As a result, these vendors are vulnerable to loss of revenue and disruptions in business operations.

CHALLENGES FACED WHEN TRANSPORTING COMMODITIES

Most reported transportation challenges in the 3 months prior to data collection, by % of all interviewed vendors:[8]

- **74%** High cost of transport
- **21%** Distance is too far to cover by foot
- **16%** Delay in delivery of goods
- **16%** Unusable roads

The high cost of transport (74%[8] of all vendors) was the most cited transport challenge across all counties and likely a contributing factor to the observed rise in prices. According to data from the Energy and Petroleum Regulatory Authority (EPRA)[10], fuel prices increased within the quarter and are set to rise further for the period ending on 14th November, 2023. This increase may contribute to even higher prices over the next quarter.

The most common means of transport for both vendors and suppliers were the use of passenger vehicles (23%) and motorcycles (19%).

Other means of transportation included walking, use of animals and boats which are common in areas that are not conducive for the use of vehicles.

Most commonly reported mode of transport used by vendors when restocking commodities:

1. 23% Passenger cars
2. 20% Supplier delivers to the shop
3. 19% Motorcycle

BARRIERS TO MARKET ACCESS

Physical barriers

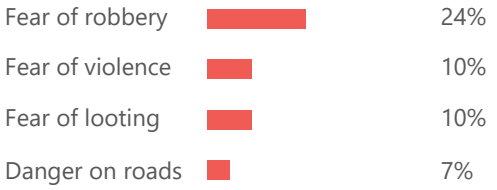
Marketplaces appeared to be accessible as 65% of interviewed vendors reported not facing any issues with physically accessing the marketplace. However, lack of transportation was the most cited challenge by the vendors who reported having faced problems that prevented them or their customers from physically travelling to, working at, or shopping in the marketplaces in the 3 months prior to data collection.

Most reported physical barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:[8]

13%	Lack of transportation
7%	Lack of basic items in the market
6%	Inadequate facilities
6%	Marketplace operates at limited hours

SECURITY ISSUES

Most reported security factors that negatively impacted businesses in the 3 months prior to data collection, by % of all interviewed vendors:[8]



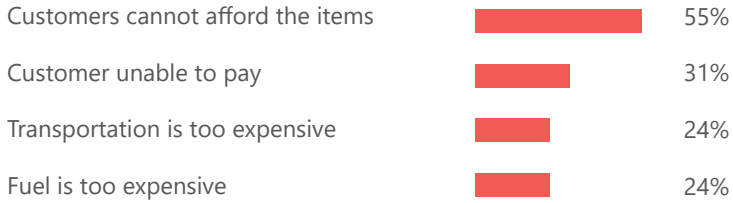
Samburu and Baringo had the highest proportion of vendors, with 70% and 63% respectively, reporting experiencing security-related issues that negatively impacted their business.

Financial barriers

A majority of vendors reported that the main financial challenge was that some customers could not afford the items available, and many customers could not pay using an acceptable method, which likely contributed to the reduced number of customers noted by vendors.

Only 16% of vendors reported that most customers did not face any financial challenges to access the marketplace.

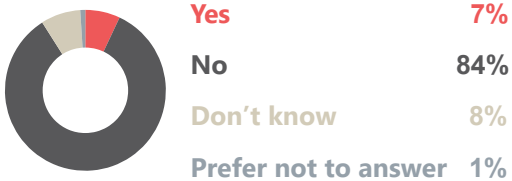
Most reported financial barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:[8]



Social barriers

Baringo County had the highest proportion of vendors (39%) reporting social barriers, resulting in people avoiding going to the marketplace. Most interviewed vendors (87%) in Baringo reported that the number of customers buying from their shops had changed in the 3 months prior to data collection, most of whom (60%) stated that this number had decreased.

% of vendors reporting groups of people who sometimes avoided going to the marketplace in the 3 months prior to data collection due to discrimination, exclusion, or feeling unwelcome:



ACCEPTABLE MODE OF PAYMENT

Most commonly reported accepted payment methods by vendors in the 3 months prior to data collection:[8]

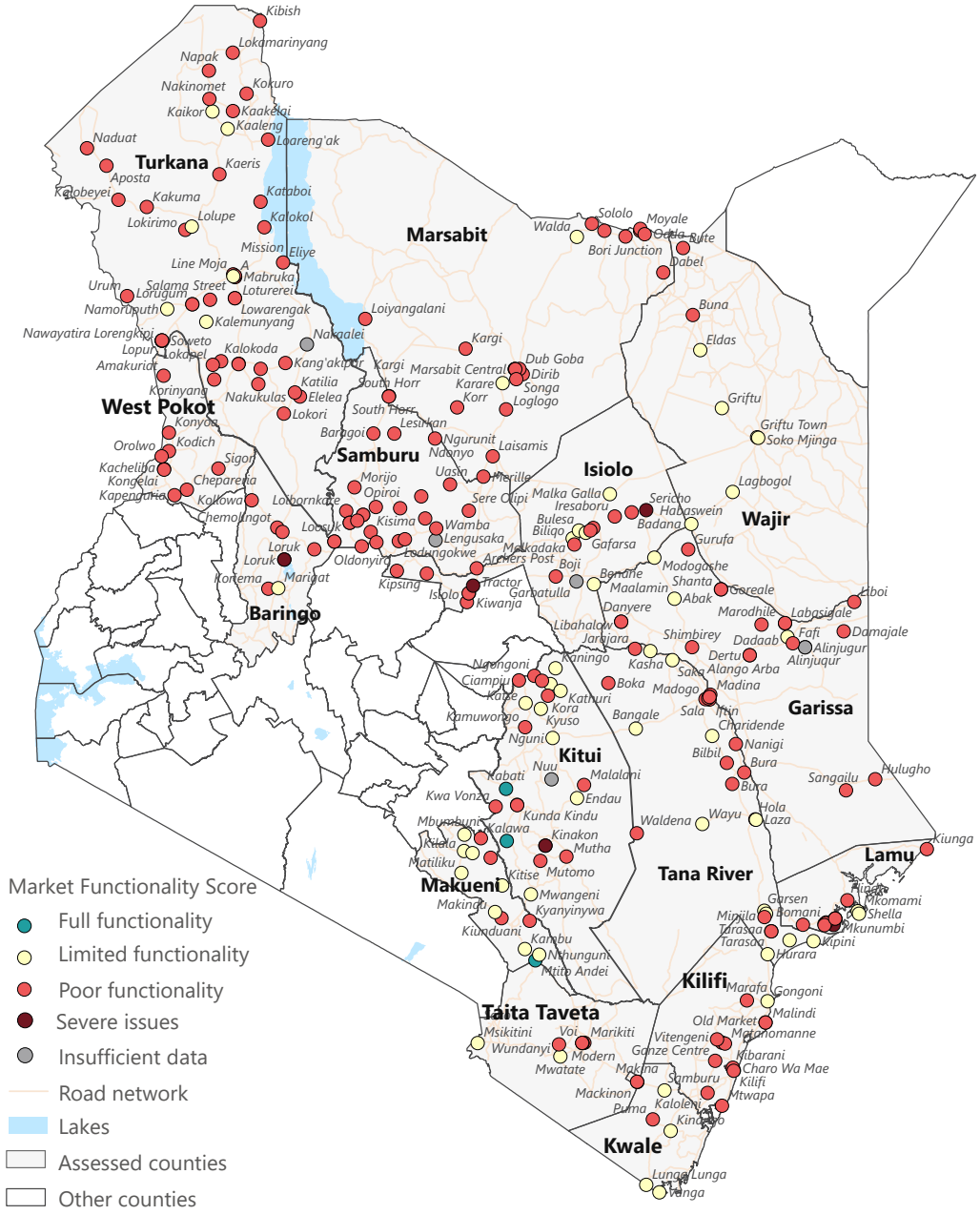
1. 95% Cash
2. 64% Mobile money
3. 15% Informal credit (customers can borrow and pay later)
4. 9% Money transfers
5. 2% Credit/ Debit cards

CHANGE IN THE NUMBER OF CUSTOMERS

Proportion of vendors reporting on changes in the number of customers purchasing from their shops in the 3 months prior to data collection:

% of vendors reporting on the change in the number of customers purchasing from their shop in the 3 months prior to data collection, among those vendors (80%) who reported a change:

MARKET FUNCTIONALITY SCORE (MFS)



MARKET FUNCTIONALITY

The market functionality is an extension of the JMMI and is a recurring assessment. Markets were classified based on their level of functionality, helping aid actors understand which markets function well enough to support cash and voucher assistance (CVA) and which may require alternative interventions by assigning each market a market functionality score (MFS). MFS consists of a collection of indicators, drawn from a single vendor-focused assessment for ease of analysis, that capture data on the five different dimensions of market functionality. The markets are categorized into "full functionality", "limited functionality", or "poor functionality" based on the MFS score. The MFS is calculated based on the following indicators:

- **Accessibility (25%):** physical and social access to markets.
- **Availability (30%):** ability of markets to consistently supply core commodities.
- **Affordability (15%):** financial access to markets and price volatility.
- **Resilience (20%):** vulnerability of supply chains and ease of restocking.
- **Infrastructure (10%):** state of markets' physical and financial infrastructure.

The indicator with the weakest performance was affordability. Most of assessed markets (92%) scored below 50% of the maximum weighted score of 15%. The indicator with the overall best performance was infrastructure, with the majority (81%) of assessed markets achieving more than 50% of the maximum score within this dimension. This can be inferred from most vendors (80%) reporting accessing secured storage facilities. Furthermore, the prevalence of mobile money platforms in Kenya provides an alternative payment method to cash strengthening the financial infrastructure within the markets.

Among the 281 assessed markets, only 3 (1%) markets—Makindu in Makueni County, Kabati, and Kavisuni, both in Kitui County—were classified as fully functional. These markets were reported to be accessible, with affordable items for customers. The majority (72%) were found to have poor functionality, while 23% were found to have limited functionality.

On the other hand, 6 (2%) markets were classified as having severe issues. These markets are located in Isiolo (Sericho and Tractor markets), Mpeketoni market in Lamu, Kyamatu market in Kutui, Loruk market in Tiaty, Baringo County, as well as Saku Modern Market in Marsabit County. These markets reportedly have less widely available commodities, and the assessed items were found to be less affordable. Market actors also reported facing challenges in physically accessing the markets.

The remaining 6 markets were not classified due to insufficient data collected to compute one of the dimensions, specifically affordability. Therefore, unable to inform on the functionality of these markets.

Methodology

The JMMI is conducted jointly with KCWG partners. The geographic coverage was determined by the access and capacity of participating partners. The participating agencies collectively developed and reviewed the data collection tools, and trained their enumerators on the JMMI methodology and data collection tools. Primary data was collected through structured interviews with vendors (who sell directly to customers) in the targeted marketplaces. Enumerators were asked to record three prices per item in each targeted marketplace. Data was collected through the KoboCollect mobile application and was uploaded to a secure Kobo server for cleaning and analysis.

For each item, the median prices per marketplace were calculated, after which the median of all those locations was calculated to derive the aggregated median prices presented in this factsheet. This methodology is derived to minimise the effects of outliers and differing amounts of data among assessed locations. Outliers are reported only where relevant. Non-numeric indicators of categorical values are calculated as proportions.

Using the purposive sampling method, 3,524 vendors were interviewed as key informants. A target of at least three prices per item in each of the assessed counties were collected for a total of 34 basic food and NFIs. The interviews were conducted both face-to-face and remotely with vendors selling food and non-food items. Data was collected between the 20th of September and 8th of October 2023 across 281 markets in the assessed counties.

REACH Initiative performed daily data quality checks with the partners during and after data collection. This process includes checking for duplicate interviews and numerical outliers (particularly item prices). Data was analysed at the county level using R statistical software.

All findings are indicative and only apply to the period within which data was collected. Moreover, item specifications may vary slightly between locations according to the different brands available, and comparability between the locations assessed is limited.

Challenges and Limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary between data collection rounds.
- The methodology specifies that three prices are collected per commodity, per market. Due to the unavailability of multiple vendors selling various commodities at the market, it was not possible to collect 3 prices for some commodities in some markets.
- For some questions such as the challenges faced by vendors or change in the number of customers required vendors to recall events over a 3-month period. This is a long period of time, which might impact the accuracy of answers.
- 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.
- Some vendors lacked weighing scales and owing to this an estimation of how much forms a Kg was done. This was for commodities such as vegetables, onions, and tomatoes. In some cases, the estimation may not have been accurate.

Endnotes

[1] The Minimum Expenditure Basked (MEB) is defined as what a household requires to meet basic needs on a regular or seasonal basis - and its average cost.

[2] USD-147.43 KES in October 2023

[3] Change since the last round of JMMI data collection in July 2023 (Q2).

[4] National Drought Early Warning Bulletin by NDMA, September 2023

[5] Climate outlook for October-December 2023 Short-rains season by KMD, September 2023

[6] The total percentages may not add up to 100% due to respondents choosing "Prefer not to answer" or indicating "I do not know."

[7] Agriculture Sector Survey by Central Bank of Kenya, September 2023

[8] For multiple answer questions, respondents could select multiple options hence the findings may exceed 100%.

[9] Consumer Price Index and Inflation Rates by KNBS, September 2023

[10] Retail Petroleum prices in Kenya by EPRA, October 2023

About the Kenya Cash Working Group

The KCWG is a multi-agency, inter-cluster technical working group set up to ensure that cash and voucher assistance (CVA) in Kenya is coordinated, harmonised, and context-specific, and is undertaken in a manner that does not inflict harm or exacerbate vulnerabilities of the affected population. The working group was established to provide an enabling environment for collective learning, operational and technical collaboration. The KCWG sought technical support from Cash Cap to undertake the required steps toward reviewing the interim MEB guidance document and additionally, develop a common reference point for both national and international actors for the harmonization of multi-purpose cash assistance (MPCA) across the country. The KCWG is currently co-chaired by the National Drought Management Authority (NDMA) and Kenya Red Cross Society (KRCS), and the MEB workstream is co-chaired by the World Food Programme (WFP) and REACH Initiative.

Participating agencies

NDMA – National Drought Management Authority – Committed to ending drought emergencies

Kenya Red Cross

WFP World Food Programme

acted

World Vision Kenya

Pastoralist Girls Initiative – Empower Girls, Save Community

welt hunger hilfe – For a world without hunger

CRS – Catholic Relief Services

Merti Intergrated Developement Program – Collective Action: Better Society

RECONCILE – Forestry, Fisheries, Land, Agriculture, Pastoralism

MERCY CORPS

SND – Strategies for Northern Development – Confronting crisis | Building Resilience | Transforming lives

REACH – An initiative of IMPACT Initiatives, ACTED and UNOSAT

GiveDirectly

Save the Children