

Kenya | Joint Market Monitoring Initiative (JMMI)

Q1 (January - March, 2024)

MARKET OVERVIEW

INTRODUCTION

The Kenya Joint Market Monitoring Initiative (JMMI) was launched by the Kenya Cash Working Group (KCWG) in March 2022, to provide empirical data for arid and semi-arid land (ASAL) counties. It is implemented quarterly through partners collaboration.

The JMMI aims to provide regular, reliable information on prices and market functionality using a standardised method. It tracks the price and availability of the Minimum Expenditure Basket (MEB)¹ components and other food and non-food items (NFIs). Additionally, it involves evaluating the supply chains along with the vendors' perceptions of the marketplace and their commercial operations.

Following the March 2024 drought classification by the National Drought Management Authority (NDMA), all ASAL counties were classified under the 'Normal' drought phase.² In addition, the Kenya Meteorology Department (KMD) forecasts above-normal rainfall for the March to May 2024 season, indicating an increased risk of flooding in flood-prone areas and associated risks in specific counties.³

The Agricultural Sector Survey by the Central Bank of Kenya (CBK) in March 2024 indicated a decline in food commodity prices due to availability of affordable fertilizers and favourable weather conditions, which contributed to improved agricultural yields.⁴ Challenges remain in the ASAL counties, including cross-border markets with inadequate trade infrastructure, conflict-affected areas, and poorly integrated markets that may constrain access to various commodities.⁵

KEY INDICATORS

Cost of Food MEB ¹	Cost of Non-Food MEB ¹	Cost of Total MEB ¹
14,885 KES	5,047 KES	20,032 KES
101.25 USD ⁶	34.33 USD ⁶	136.26 USD ⁶
▲ 248 KES (2%) ⁷	▲ 267 KES (6%) ⁷	▲ 935 KES (5%) ⁷

ASSESSED COUNTIES AND MEDIAN MEB VALUES

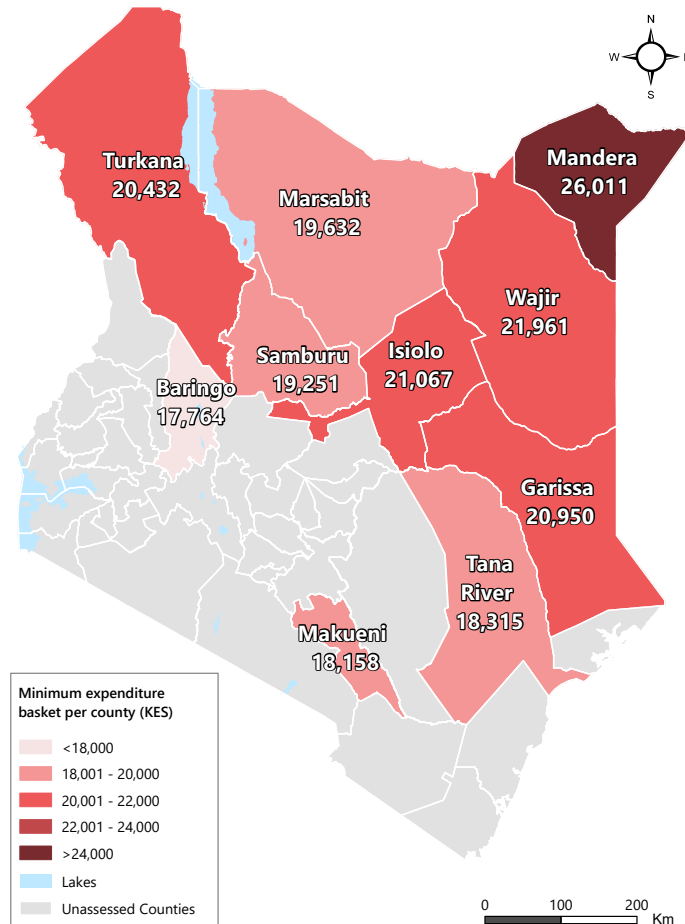


Figure 1: Map on the Q1 2024 assessed counties and MEB vaules

KEY FINDINGS

- The national median cost of the MEB¹ has increased **from 19,098 KES in Q4 2023 to 20,032 KES in Q1 2024**. Similar to the [previous quarter](#), **Mandera County, had the highest costs for both food (17,940 KES) and NFI (8,071 KES) MEB**. The unit price of most food and NFI items were more costly compared to the median prices, contributing to Mandera having the costliest food and NFI MEB.
- Vendors continue to face significant challenges, with 95% of all interviewed vendors reporting experiencing various issues. The most frequently cited challenges were a reduced number of customers and a lack of funds to restock. Additionally, 61% of vendors reported difficulty in keeping their businesses operational and well-stocked.
- Markets were generally accessible, with nearly three-quarters (76%) of vendors reporting no physical barriers. Affordability remains an issue. Of all interviewed vendors, 77% indicated that their customers face financial barriers despite commodity availability and accessibility. Also, affordability emerged as the primary dimension adversely affecting market classification.

Q1 2024 ASAL COVERAGE

1,935	Vendors interviewed
190	Markets assessed
34	Commodities assessed
12	Participating agencies
10	Counties assessed

ONLINE DASHBOARD

An interactive dashboard is available online to explore the data collected through the JMMI, such as the prices of monitored food and NFIs, as well as the cost of the MEB in different ASAL counties in Kenya and time periods. To use the online dashboard, click [here](#).

MINIMUM EXPENDITURE BASKET (MEB)

The MEB¹ is composed of essential commodities and services and represents 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 NFIs as defined by the KCWG were incorporated into computing the MEB.

Food Items

Food Items	Quantity
Maize flour	32.25 Kg
Rice	22.5 Kg
Cowpeas	7.5 Kg
Oil, Vegetable	5.25 L
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

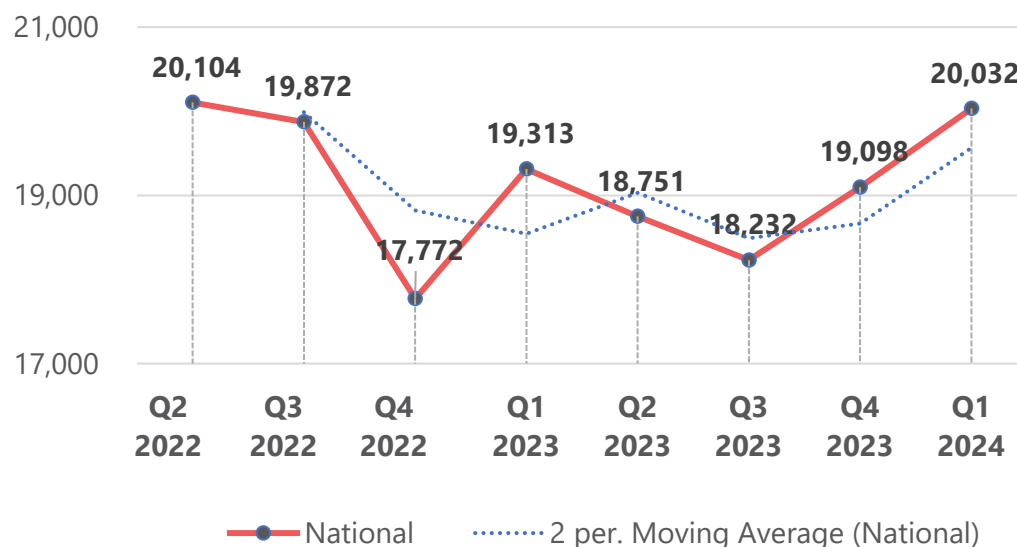
Non-Food Items	Quantity
Water	1,125 L
Multipurpose soap	2.2 Kg
Toothpaste	0.425 L
Sanitary pads	2 packs of 8
Education (pen, pencil, book, rubber, sharpener)	2 stationary kits
Charcoal	12 Kg
Solar Lamp	1 piece
National Health Insurance Fund	500 KES
Communication (Airtime)	300 KES
Public transport	200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

COST OF THE MEB IN KES⁶ AND CHANGE SINCE Q4 2023

County	MEB ¹	Change since Q4 2023	Food MEB	Change since Q4 2023	NFI MEB	Change since Q4 2023
Mandera	26,011	▼ 2%	17,940	▼ 10%	8,071	▲ 17%
Wajir	21,961	▼ 8%	16,827	▼ 6%	5,133	▼ 14%
Isiolo	21,067	0%	15,480	▼ 7%	5,587	▲ 27%
Garissa	20,950	▲ 6%	16,107	▲ 7%	4,842	▲ 3%
Turkana	20,432	▼ 2%	16,613	▼ 3%	3,820	0%
Marsabit	19,632	▼ 7%	14,148	▼ 8%	5,485	▼ 4%
Samburu	19,251	▲ 7%	14,290	▲ 8%	4,961	▲ 1%
Tana River	18,315	▼ 4%	13,833	▼ 2%	4,483	▼ 8%
Makueni •	18,158		12,054		6,105	
Baringo	17,764	▼ 1%	13,793	▼ 1%	3,972	0%

• : No change in MEB baskets reported due to the absence of data collection for Makueni County during the previous round (Q4, 2023).

EVOLUTION OF NATIONAL MEB (KES⁶) OVERTIME



Q1 2024 MEB TAKEAWAYS

- In Q1 2024, the national median cost of the MEB¹ increased to 20,032 KES, up from 19,098 KES in the previous quarter. However, during the same period, the Producer Price Index (PPI) slightly decreased by 0.6%.⁸ This divergence suggests that while overall production costs have slightly declined, other factors are driving up consumer prices.
- During the period under review, prices for staple foods like maize grain, beans, and rice declined following the bumper harvest. Conversely, retail prices for items like onions remained high. Sugar prices also declined as local factories reopened after a temporary closure in July 2023.⁴ This is evident from the observed decrease in the unit prices of maize flour, rice, beans, vegetable oil, and sugar across most counties, namely Mandera, Marsabit, Isiolo, Wajir, Turkana, and Tana River, contributing to the reduction in the cost of food MEB. Households can afford to purchase more food, potentially leading to improved food consumption.
- The price of water increased in Isiolo and Mandera counties, contributing to the rise in the NFI MEB. In Wajir, the unit price of all NFIs decreased except for water, where the cost of refilling a 20-liter jerry can increased.

FOOD AND NFI PRICE COMPARISON

- Among the food items monitored, traditional vegetables experienced the greatest price increase at the national level (25%). This is likely attributable to the comparatively low prices in the previous quarter, influenced by the increased supply during the rainy season. Following traditional vegetables, pigeon peas saw a price increase of 12%, while onions had a price rise of 10%.
- The NFI with the highest median price increase was refilling a 20 L jerry can of water (+50%), followed by kerosene (39%) and firewood (18%). The median prices for various NFIs such as pencil, sharpener, rubber, toothpaste and 500g multipurpose soap remained the same.

COST OF THE MEB IN KES⁶ AND CHANGE SINCE PREVIOUS ROUND

Items	Overall median cost	Change ⁷	Baringo	Garissa	Isiolo	Makueni	Mandera	Marsabit	Samburu	Tana River	Turkana	Wajir
White maize (1 Kg)	75	▼ 6%	80	100	70	50	110	70	70	60	100	100
Maize flour (1 Kg)	100	0%	90	100	100	80	120	100	75	80	100	120
Beans (1 Kg)	160	▼ 11%	160	180	155	150	200	140	160	160	160	200
Cowpeas (1 Kg)	155	▲ 7%	160	195	200	82.5	175	150	150	140	190	150
Pigeon peas (1 Kg)	200	▲ 12%	*	*	*	200	180	250	150	160	300	200
Rice (1 Kg)	140	0%	140	170	140	140	150	140	140	130	140	180
Sugar (1 Kg)	170	▼ 15%	170	170	180	160	170	180	160	160	200	160
Wheat flour (1 Kg)	120	0%	120	120	120	100	120	120	120	100	120	120
Vegetable oil (1 L)	300	0%	300	320	280	240	320	300	280	280	300	300
Tea leaves (50 g)	27.5	▲ 10%	20	20	30	50	30	20	25	30	50	25
Salt (200 g)	10	0%	10	10	10	20	20	10	15	10	10	10
Cattle milk (1 L)	120	0%	120	120	160	90	200	120	120	140	200	120
Onions (1 Kg)	165	▲ 10%	140	200	120	200	200	180	120	150	105	200
Tomatoes (1 Kg)	100	▼ 6%	75	100	80	80	130	100	130	120	100	120
Kale (1 Kg)	90	▼ 10%	60	120	80	60	100	50	130	80	100	120
Spinach (1 Kg)	100	0%	60	100	80	60	100	80	120	100	100	140
Traditional vegetables (1 Kg)	100	▲ 25%	60	120	*	100	*	100	160	80	70	110
Cabbage (500 g)	120	▲ 9%	70	170	70	120	150	120	85	100	120	150
Soap (200 g)	50	0%	50	50	50	40	50	50	50	50	30	50
Jerry can (20 L)	200	▲ 11%	200	200	200	100	200	180	200	100	200	200
Bucket (20 L)	240	▲ 1%	250	200	200	230	250	200	200	250	250	300
Sanitary pads (8 pack)	100	▲ 11%	80	100	100	75	100	100	100	80	100	100
LPG 6KG refill	1,450	▲ 4%	1,550	1,250	1,500	1,350	1,800	1,300	1,225	1,400	1,600	1,500
Firewood (1 bundle)	117.5	▲ 18%	135	100	60	*	150	250	*	72.5	150	100
Charcoal (2 Kg)	55	▼ 27%	50	100	50	60	275	100	50	50	50	100
Kerosene (1 L)	250	▲ 39%	300	190	250	*	325	180	200	140	250	400
Pencil (1 pc)	10	0%	10	10	10	10	10	10	10	10	10	10
Pen (1 pc)	12.5	▲ 25%	10	15	10	10	20	15	17.5	10	10	20
Exercise book (1 pc)	17.5	▼ 7%	20	25	15	15	30	15	20	15	20	15
Rubber (1 pc)	10	0%	10	10	5	15	10	10	10	5	10	10
Sharpener (1 pc)	10	0%	10	10	5	12.5	10	10	10	5	10	10
Water refill from borehole (20 L)	22.5	▲ 50%	5	20	40	50	50	30	20	20	10	25
Toothpaste (35 ml)	50	0%	75	50	50	50	62.5	50	80	55	50	50
Solar lamp (1 pc)	525	▼ 16%	550	500	500	500	800	600	550	500	600	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 ITEMS IN THE MARKET

Items ⁹	Number of KIs interviewed per item	Wide availability (% KIs)	Limited availability (% KIs)	Complete unavailability (% KIs)
White maize (1 Kg)	518	80%	19%	2%
Maize flour (1 Kg)	889	87%	12%	1%
Beans (1 Kg)	835	81%	18%	1%
Cowpeas (1 Kg)	133	47%	53%	0%
Pigeon peas (1 Kg)	48	29%	69%	2%
Rice (1 Kg)	972	86%	13%	1%
Sugar (1 Kg)	1,014	88%	11%	1%
Wheat flour (1 Kg)	858	85%	14%	1%
Vegetable oil (1 L)	862	85%	14%	1%
Tea leaves (50 g)	830	92%	7%	1%
Salt (1 Kg)	941	91%	9%	0%
Cattle milk (1 L)	489	79%	21%	1%
Onions (1 Kg)	509	63%	36%	1%
Tomatoes (1 Kg)	519	71%	29%	0%
Kale (1 Kg)	242	65%	33%	1%
Spinach (1 Kg)	188	59%	41%	0%
Traditional vegetables (1 Kg)	74	59%	35%	5%
Cabbage (500 g)	428	64%	34%	1%
Soap (200 g)	836	89%	11%	0%
Jerry can (20 L)	381	67%	31%	2%
Bucket (20 L)	238	76%	24%	0%
Sanitary pads (8 pack)	514	83%	17%	0%
LPG 6KG refill	152	46%	43%	11%
Firewood (1 bundle)	109	69%	29%	1%
Charcoal (2 Kg)	199	69%	30%	1%
Kerosene (1 L)	86	41%	42%	16%
Pencil (1 pc)	578	87%	13%	0%
Pen (1 pc)	635	87%	12%	1%
Exercise book (1 pc)	519	87%	13%	0%
Rubber (1 pc)	324	90%	10%	0%
Sharpener (1 pc)	308	90%	9%	1%
Water refill from borehole (20 L)	115	70%	28%	2%
Toothpaste (15 ml)	293	77%	21%	1%
Solar lamp (1 pc)	144	52%	42%	6%

** No information regarding the remaining stock days and the time needed to restock water was obtained.

Items	Remaining stock (days)	Time needed to restock (days)
White maize (1 Kg)	14	1
Maize flour (1 Kg)	12	1
Beans (1 Kg)	14	1
Cowpeas (1 Kg)	15	1
Pigeon peas (1 Kg)	21	2
Rice (1 Kg)	14	1
Sugar (1 Kg)	12	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)	4	1
Onions (1 Kg)	5	1
Tomatoes (1 Kg)	3	1
Kale (1 Kg)	2	1
Spinach (1 Kg)	2	1
Traditional vegetables (1 Kg)	2	1
Cabbage (500 g)	3	1
Soap (200 g)	14	1
Jerry can (20 L)	15	2
Bucket (20 L)	24	2
Sanitary pads (8 pack)	20	1
LPG 6KG refill	21	2
Firewood (1 bundle)	7	2
Charcoal (2 Kg)	7	2
Kerosene (1 L)	14	2
Pencil (1 pc)	21	1
Pen (1 pc)	20	1
Exercise book (1 pc)	20	1
Rubber (1 pc)	21	1
Sharpener (1 pc)	21	1
Water refill from borehole (20 L)	**	**
Toothpaste (15 ml)	20	1
Solar lamp (1 pc)	30	2

Compared to the findings in Q4 2023, where 38% of vendors self reported lack or limited availability of some commodities, items availability was mostly consistent. However, in March 2024, there was a notable deterioration in the availability of commodities, with almost half (52%) of all interviewed vendors self reporting lack or limited availability of some commodities. This decline may be attributed to the consequences of the October-November-December 2023 “short rains” season, which resulted in flash floods, causing significant supply chain disruptions due to road and infrastructure damage as well as destruction of farmlands.

Pigeon peas (69%), cowpeas (53%) and spinach (41%) were among the food items for which a higher proportion of vendors self reported limited availability. As a result, the absence of vendors selling pigeon peas and traditional vegetable led to gaps in price data in Baringo, Garissa, Isiolo and Mandera counties. This is likely due to local dietary preferences or seasonality of the produce, in the specific case of leafy vegetables.

Among the NFIs, sources of energy such as kerosene (43%) and solar lamps (42%) and followed by charcoal (30%) were found to have the highest proportion of interviewed vendors reporting limited availability within the market at the time of data collection.

The reported number of days needed to restock both food and NFIs was one day. The short time needed to restock suggest a low likelihood of commodity shortages.

MAIN SUPPLY ROUTES

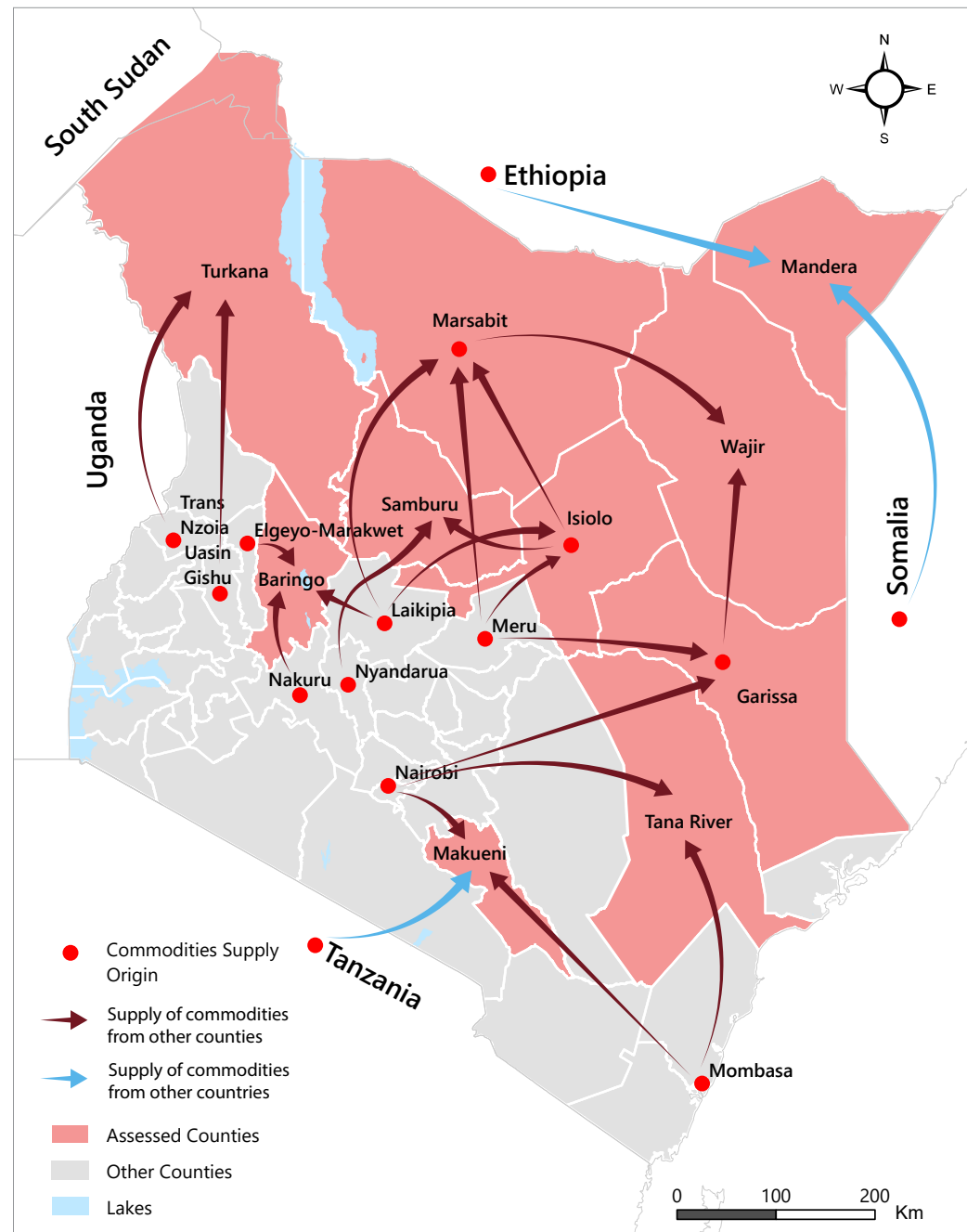


Figure 2: Map of main supply route of assessed counties

LOCATION OF MAIN SUPPLIER

Figure 2 presents the supply route map. It displays the supply routes of commodities from the main supplier as reported by the interviewed vendors. These insights into the supply routes are important to determine the resilience of markets.

Almost all vendors (99%) indicated that their main supplier was located within the country, primarily located within their respective counties followed by the neighbouring counties. Most counties, maintained similar supply routes compared to the previous quarter. It is worth noting that few vendors (3%) indicated relying on their own production.

A few vendors reportedly sourced their commodities from neighbouring countries, this was common among vendors in counties that bordered these respective countries. For instance, in Mandera county cross border markets, vendors sourced from Somalia and Ethiopia. In Makueni county, few vendors reported sourcing commodities from Tanzania.

REPORTED PREDICTED CHANGES IN SUPPLIERS' PRICES

Most of the interviewed vendors (69%) stated that they could predict price changes in popular commodities one month from the time of data collection, across all counties except Mandera County. In Mandera, 14% of vendors reported sourcing their commodities from suppliers in Ethiopia (10%) and Somalia (4%), which likely explains their inability to predict prices based on internal trends. A few (13%) of vendors reported that they were not in a position to predict change in prices, citing frequent price fluctuations as the primary reason for their inability to predict prices.

According to the Kenya National Bureau of Statistics (KNBS), producer prices decreased slightly by 0.6% in March 2024 compared to December 2023.⁷ This decrease suggests potential relief for customers, with price reductions possibly extending beyond March 2024. About a quarter (23%) of vendors anticipated that prices would decrease one month after the time of data collection. However, almost half (53%) of vendors reportedly able to predict stated that the prices are likely to increase.

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



Expectation of supplier price changes one month following data collection, by % of vendors who reported being able to predict supplier price changes (69%):



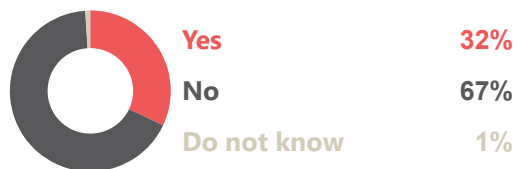
*** This is a self-reported question by the vendors, and opinions may change from one vendor to another.

SUPPLIER

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



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



At the time of data collection, the majority of interviewed vendors (57% for food items and 67% for NFIs) reported relying on multiple suppliers. This trend was observed across most assessed counties, except for Garissa (64%) and Wajir (54%), where most vendors reportedly relied on a single supplier for food items. Possible reasons for this include limited supplier options, convenience in transportation, and cost savings through bulk buying.

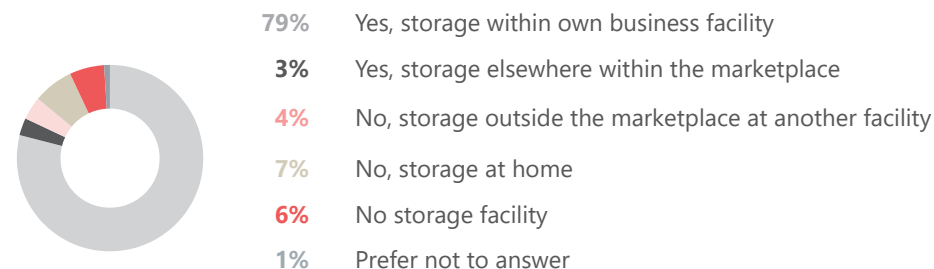
Vendors who rely on a sole supplier are vulnerable to supply disruptions, which may arise from having limited alternative options.

ACCESS TO A LOCKED, SECURED STORAGE FACILITY

Most vendors (82%) 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, 79% reported the storage was within their own business facility while 3% reported the storage was located elsewhere within the market.

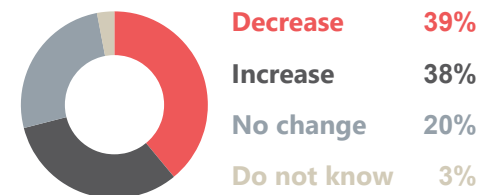
On the other hand, 11% of vendors reportedly had no storage within the marketplace; instead, their storage facilities were located outside the marketplace or at their residences. Only 6% reported having no access to any storage facility, which likely hinders the vendors' ability to maintain adequate stock and limit product offerings. Moreover, the business may be vulnerable to theft or vandalism ultimately impacting the profitability and sustainability of the business.

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



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:



% 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 (39%) who reported a decrease:

Very few (1%-10%)	39%
Few (11%-25%)	31%
Some (26%-50%)	17%
A lot (51%-75%)	6%
Most (76%-100%)	4%
Do not know	3%

CHALLENGES FACED BY VENDORS

Most reported challenges faced in the 3 months prior to data collection, by % of all interviewed vendors:¹⁰

- 59% Number of customers reduced
- 59% Lack of funds to restock
- 53% Price increase from the source
- 12% High transportation costs

Most vendors reported facing a variety of challenges, the most reported challenges were reduced number of customers (59%)¹⁰ and lack of funds to restock (59%)¹⁰. An additional challenge reported was price increases from the source (53%)¹⁰. These challenges affect vendors' ability to purchase additional stock and compromise the profitability of the business.

Challenges related to the effects of floods were predominantly experienced in Mandera (43%) and Tana River (20%) counties. Consequently, vendors also reported markets being inaccessible due to damaged roads, primarily in Mandera (29%), Samburu (22%), and Tana River (15%) counties.

Evident from the challenges reportedly experienced by vendors, slightly over a third (39%) of interviewed vendors reported a decrease in the number of vendors operating in their marketplace.

DIFFICULTY IN KEEPING THE BUSINESS OPERATIONAL AND WELL STOCKED

Most reported restocking challenges at the time of data collection, by % of all interviewed vendors:¹⁰

- 48%** Difficulty with price charged by supplier
- 16%** Difficulty with availability of core goods
- 10%** Theft or damage of commodities
- 9%** Difficulty fully staffing the store

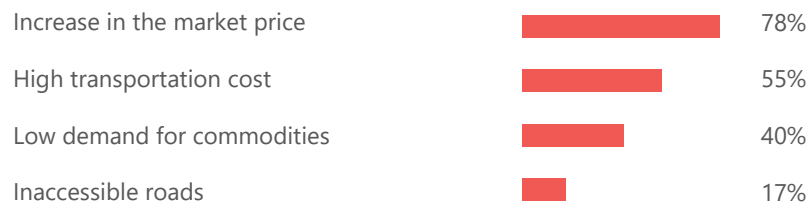
Close to two thirds (61%) of interviewed vendors reported having faced difficulties keeping their businesses operational and well-stocked.

The most frequently reported difficulty by vendors is the high prices charged by suppliers, a concern that remains consistent with previous assessments. This, along with the challenges of lacking funds to restock and increasing prices, implies that vendors may strain to maintain their inventory.

Essentially, vendors are facing multiple obstacles related to affordability and lack of financial resources, which are crucial factors impacting their ability to operate and maintain their businesses.

SHORTAGE OF COMMODITIES

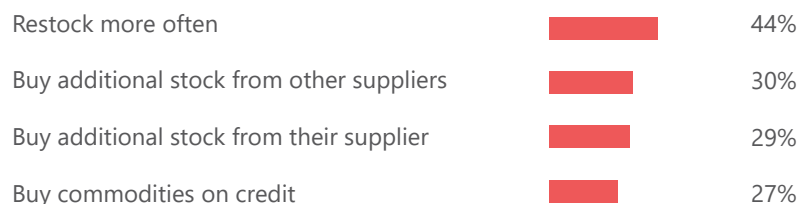
Most reported causes of shortages for commodities at the time of data collection, by % of vendors (52%) who reported limited availability or complete unavailability of some commodities:¹⁰



One of the main reasons for shortages, as reported by a high proportion (78%)¹⁰ of vendors experiencing limited or complete unavailability of certain commodities (52%), was the rise in market prices of those commodities. Vendors also identified high transportation costs (55%)¹⁰ as a contributing factor to shortages. The high cost of transport may prompt businesses to pass on the burden to consumers by raising commodity prices.

COPING MECHANISMS EMPLOYED

Most reported strategies used by interviewed vendors to address unavailability of commodities at the time of data collection, among 52% of vendors reported experiencing shortages of some commodities:¹⁰



The primary coping mechanism for vendors experiencing commodity shortages across all assessed counties, was to restock more frequently due to limited or complete unavailability of certain items. Another strategy employed include increasing commodity prices, reported by 14% of vendors. However, vendors in Garissa (6%), Isiolo (5%), Turkana (5%), Tana River (4%), and Wajir (3%) reported that they do not have any coping mechanisms in place, leaving them vulnerable to revenue loss and business disruptions in the event of shortages.

CHALLENGES FACED WHEN TRANSPORTING COMMODITIES

Most reported transportation challenges in the 3 months prior to data collection, by % of all interviewed vendors:¹⁰

- 71%** High cost of transport
- 21%** Unusable roads
- 21%** Distance is too far to cover on foot
- 18%** Damage of goods on transit

Despite a slight drop in petrol and diesel prices, the high cost of transport (cited by 71%)¹⁰ of all vendors) remains a significant challenge across all counties.

The most common means of transport were the use of passenger vehicles (28%) and motorcycles (19%) by vendors when restocking commodities. Other means of transportation included bicycle, walking, use of animals and boats.

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

- 1** 28% Passenger cars
- 2** 19% Motorcycle
- 3** 15% Lorry

BARRIERS TO MARKET ACCESS

Physical barriers

Marketplaces appeared to be accessible as 76% of interviewed vendors reported not facing any issues with physically accessing the marketplace. Wajir and Marsabit had the highest proportion of vendors, with 99% and 94% respectively, reporting facing no challenges when accessing the markets.

However, most of the vendors who reported facing challenges when physically accessing the markets were in Baringo (63%) and Samburu (47%) counties.

Most reported physical barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:¹⁰

- 9% Lack of transportation
- 8% Hazard and damage on roads
- 5% Market inaccessible due to flooding
- 5% Limited operating hours of the market

Social barriers

Consistent with the previous quarter, Baringo County had the highest proportion of vendors (24%) reporting social barriers, resulting in people avoiding going to the marketplace.

% 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:

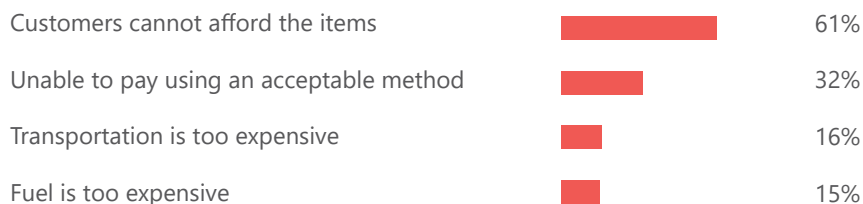


Financial barriers

The primary financial challenge reported by most vendors was customers' inability to afford the available items, followed by difficulties with payment methods, likely resulting in fewer customers.

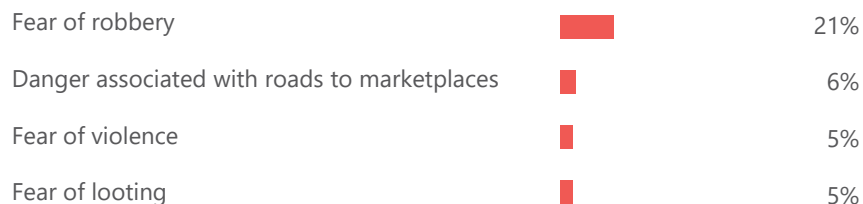
Nearly a quarter (23%) of vendors indicated that most customers faced no financial obstacles in accessing the marketplace.

Most reported financial barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:¹⁰



SECURITY ISSUES

Most reported security factors that negatively impacted businesses in the 3 months prior to data collection, by % of all interviewed vendors:¹⁰



More than half of the vendors in Samburu (52%), Makueni (47%) and Baringo (45%), reported experiencing security-related issues. Makueni and Samburu had the highest proportion of vendors, with 44% and 38% respectively, reporting fear of robbery as the main security concern. The most reported security threat in Baringo was dangers associated with roads leading to the markets, followed by fear of harassment. These counties are among the most affected by the resurgence of insecurity, such as banditry within the ASALs.¹¹

ACCEPTABLE MODE OF PAYMENT

Most reported accepted payment methods by vendors in the 3 months prior to data collection:¹⁰

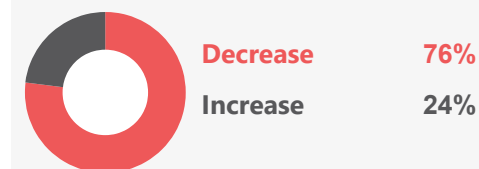
- 1 98% Cash
- 2 72% Mobile money
- 3 21% Informal credit
- 4 8% Credit/ Debit cards
- 5 7% Money transfers

CHANGE IN THE NUMBER OF CUSTOMERS

Proportion of vendors reporting 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 (78%) who reported a change:



A decrease in the number of customers purchasing from vendors' shops is likely to reduce their revenue and, consequently, their profitability.

MARKET FUNCTIONALITY SCORE (MFS)

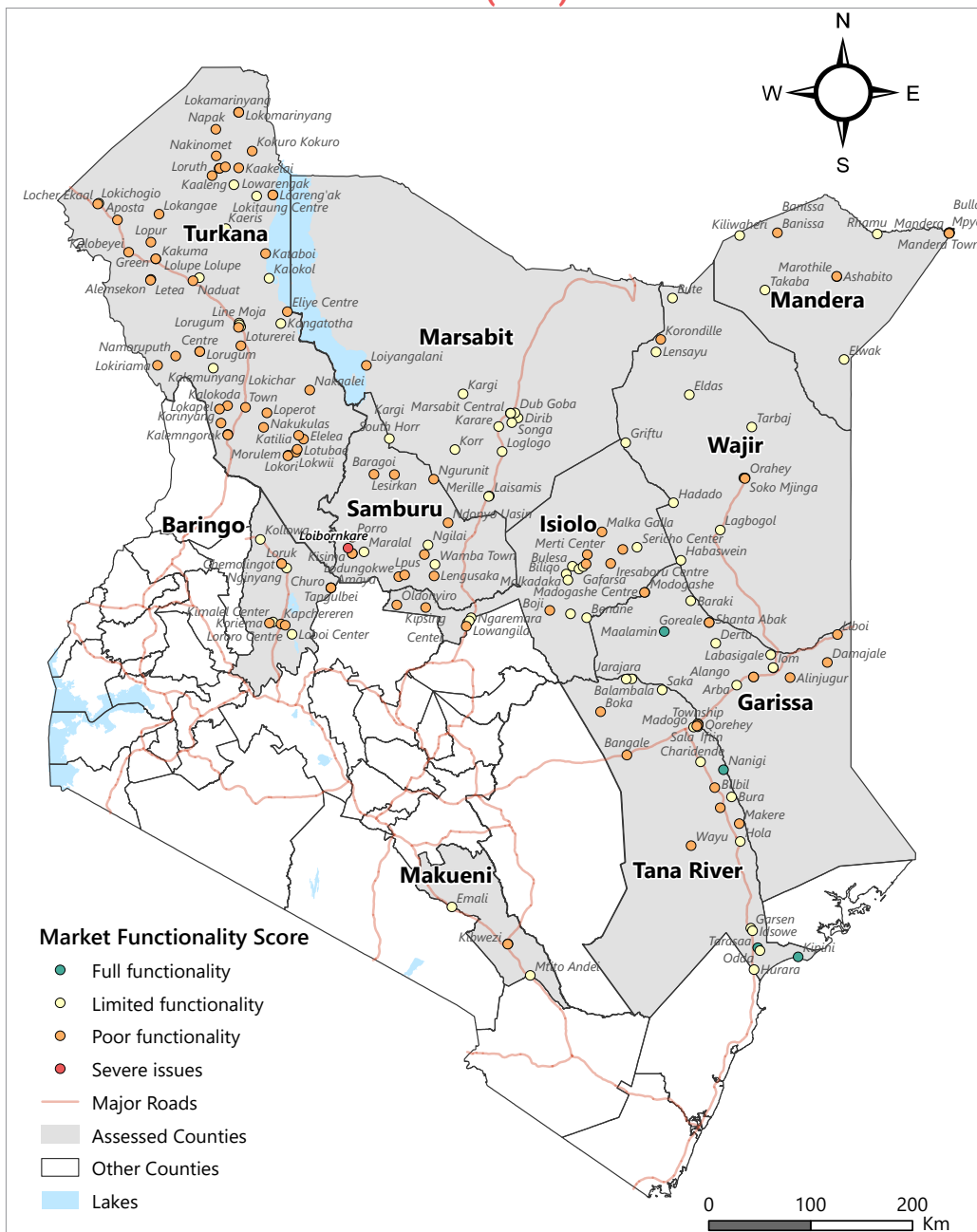


Figure 3: Map of market functionality of Q1 2024 assessed markets

MARKET FUNCTIONALITY ¹²

Market functionality ¹², an extension of the JMMI, aids actors by informing on their programming. Those engaged in cash and voucher assistance (CVA) can target more functional markets, while interventions like in-kind distribution may be better suited for less functional markets for effective programming. Markets classification is determined by assessing each market's level of functionality by assigning a market functionality score (MFS). The MFS integrates indicators from the JMMI assessment and is based on the following five key dimensions:

- **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.

Affordability was the least performing dimension, as most (87%) of the assessed markets scored below 50% of the maximum weighted score of 15%. Comparison of the prices of monitored items against the national medians, customers' financial access and price predictability contributed to determine this.

The dimension with the overall best performance was infrastructure, with the majority (99%) of assessed markets achieving more than 50% of the maximum score within this dimension. The prevalence of mobile money platforms in Kenya provides an alternative payment method to cash strengthening the financial infrastructure within the markets.

Furthermore, this can be inferred from only a few vendors (8%) reporting on hazards or damage on roads leading to the markets and 2% of all interviewed vendors reporting on damaged, or unsafe buildings in the markets.

Out of the 190 markets assessed, the majority of markets across the country are facing functionality issues, with 96 markets (51%) classified as poor functionality and 88 markets (46%) as limited functionality. Only Loibornkare market in Samburu was found to have severe issues, partly contributed by lack of available commodities.

In the previous assessment, vendors reported various challenges, including market flooding, infrastructure damage, and disrupted supply chains due to damaged roads.¹³ Considering the time needed to recovery, this is likely a contributing factor as only 3% (5 markets) - Chemolingot in Baringo County, Kipini and Tarasaa in Tana River County, Maalamin and Nanigi - in Garissa County - were classified as fully functional.

On the other hand, the MFS computation is limited by using five dimensions to classify the market and may not incorporate all attributes. Markets in remote areas within the ASALs, which may adequately serve local communities, often have few vendors. Consequently, fewer surveys are conducted, potentially adversely affecting scores on availability and affordability, leading to a less favorable market classification.

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, 1,935 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 13th March to 3rd April 2024 across 190 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.
- 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.
- Lack of visual confirmation and likelihood of response bias for data collected via mobile phone.

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 National Drought Early Warning Bulletin by NDMA, March 2024.
- ³ Climate Outlook for the “Long Rains”(March - May) season by KMD, February 2024.
- ⁴ Agricultural Sector Survey by CBK, March 2024.
- ⁵ Food Security Outlook by Famine Early Warning Systems Network, March 2024.
- ⁶ USD-147.016 KES in March 2024.
- ⁷ Change since the last round of JMMI data collection in December 2023 (Q4 2023).
- ⁸ Producer Price Index by KNBS, March 2024.
- ⁹ The total percentages may not add up to 100% due to rounding up or respondents choosing “Prefer not to answer” or indicating “I do not know.”
- ¹⁰ For multiple answer questions, respondents could select multiple options hence the findings may exceed 100%.
- ¹¹ Banditry and Lawlessness in the ASALs by KIPPRA, January 2024.
- ¹² Market functionality is determined by assigning a MFS. The 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”, “reduced functionality”, “limited functionality”, or “poor functionality”.
- ¹³ ASAL Joint Market Monitoring Initiative, KCWG, December 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. 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

