

Libya Joint Market Monitoring Initiative (JMMI)

3 - 11 January 2021

Libya Cash Working Group

REACH Informing
more effective
humanitarian action

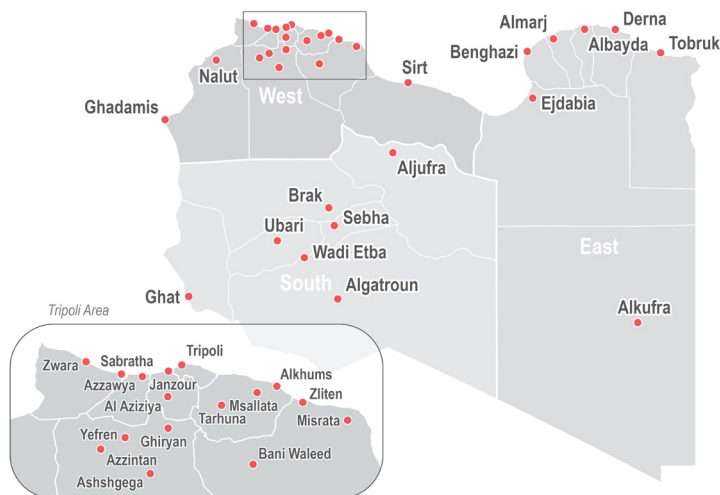
INTRODUCTION

- 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 & Markets Working Group (CMWG) in June 2017. The initiative is led by REACH and supported by the CMWG members. It is funded by the Office of U.S. Bureau of Humanitarian Assistance (BHA) and the United Nations High Commissioner for Refugees (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 (NFIs) 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).
- REACH has also conducted analysis highlighting economic vulnerability for at-risk population groups that can be accessed

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 the MEB in each assessed market.
- Qualitative information is also gathered from local sources and economic experts through key informant (KI) interviews.
- REACH has extracted prices on a daily basis from the website, "Open Souq" and conducted KI interviews with property market professionals to better understand the rental market in Libya.
- More details are available in the Methodology section of the [Appendix](#).

COVERAGE



KEY FINDINGS

- The cost of the MEB across Libya decreased consecutively by overall 4.0% from November 2020 to January 2021, due to a number of **domestically produced vegetables dropping in price; tomatoes (-41.1%), potatoes (-17.3%), onions (-13.0%) and peppers (-12.0%)**. The cost of the MEB in January 2021 was 11.3% higher than the pre-COVID-19 levels in March 2020.
- From November 2020 – January 2021, the prices of a number **imported goods have steadily been increasing, such as vegetable oil (+31.1%), milk (+15.7%), and chicken (+10.3%)**. According to KIs, the Central Bank of Libya (CBL) had suspended the letters of credit (LoC) for certain goods, which were used by importers to access foreign currency at the previous official rate since September 2020, due to the institution no longer receiving revenues from Libya's oil production.
- On 3rd January 2020, a united CBL board introduced a **new exchange rate of 4.48 USD/ LYD**.¹ The devaluation has led to a number of anecdotal reports of price spikes across Libya from mid January onwards, specifically for imported goods, such as cooking oil, flour and chicken.² The January JMMI data collection was conducted before these changes were reported, therefore did not capture the price increases. **In response to these reports, the February JMMI round will begin a week earlier.**
- The CBL Exchange Rate Adjustment Committee has announced that the recent devaluation should provide additional liquidity for **commercial banks to raise withdrawal limits to 8,000-10,000 LYD a month**.^{3,4,5} REACH will be collecting information on the availability of cash in February 2020, in order to measure the impact of these changes.
- On the 16th January, the general syndicate of bakers shut down bakeries in Tripoli, due to price spikes in bread ingredients.⁶ **According to the bakers union, the wholesale price of flour increased from 138 to 210 LYD per 100 kg, due to LoC related complications, the LYD devaluation, and an increase in global wheat prices.**^{7,8}
- Unofficial gasoline (-37.3%) and cooking fuel (-5.3%) prices have continued to decrease across Libya.** The change in the cost of fuel may be related to oil production having reached 1.2m barrels per day in December 2020, therefore Libya's oil refineries continued to receive a steady flow of crude oil.⁹
- The **parallel market USD/LYD exchange rate dropped by 21.5% from 6.550 in December 2020 to 5.140 in January 2020**. According to expert KIs, the appreciation of LYD on the parallel market is related to an increase in confidence from currency market speculators and an injection of hard currency into the economy from the CBL.¹⁰

JMMI KEY FIGURES

Data collection from **3 - 11 January 2021**

4 participating agencies
(REACH, WFP, DRC)
36 assessed cities
45 assessed items
702 assessed shops

EXCHANGE RATES¹¹

4.448 USD/LYD official ▲ +230.4%	5.140 USD/LYD parallel market ▼ -21.5%	6.050 EUR/LYD parallel market ▼ -22.4%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

700.5 LYD ▼ -9.7 LYD ▼ -1.4%

Food items	Hygiene items	Cooking fuel ⁹
▼ -0.4%	▼ -8.9%	▼ -4.6%

MEDIAN COST OF MEB BY REGION

West	666.8 LYD	▲ +1.3%
East	689.3 LYD	▼ -8.8%
South	869.1 LYD	▲ +1.4%

MARKET SHORTAGES

- None reported

Reported changes are month-on-month

Access the JMMI online dashboard

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	32 kg	Tomatoes	10 kg
Rice	10.5 kg	Potatoes	12 kg
Pasta	9.5 kg	Onions	7 kg
Couscous	5.5 kg	Peppers	4.5 kg
Beans	6 kg	Tomato paste	6 kg
Chicken	7.5 kg	Black tea	2 kg
Tuna	4 kg	Vegetable oil	5 L
Eggs	4 kg	Sugar	2 kg
Milk	8.5 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.4 kg (9 150-g bars)
Toothpaste	0.5 kg (5 100-g tubes)
Laundry detergent	1.3 L
Dishwashing liquid	1.3 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements

Water (drinking use only)	458 L
Median rent for 3-rm flat	1 month
Float	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a five-person Libyan household (HH) 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 CMWG 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

700.5 LYD

Change since
December 2020

▼ -9.7 LYD
(-1.4%)

Change since
March 2020

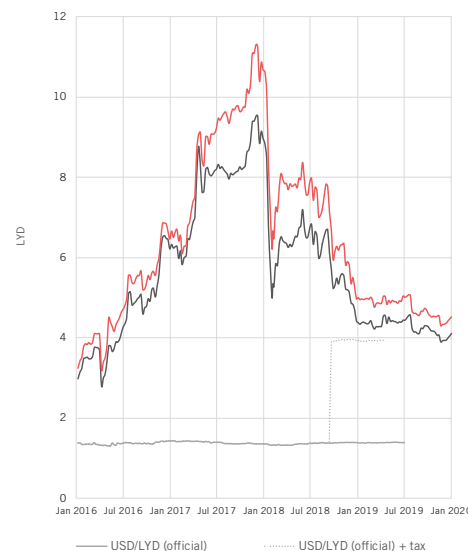
▲ +71 LYD
(+11.3%)

MEDIAN MEB COST BY LOCATION

Location	Cost of MEB (LYD)	Since Dec 2020	Since March 2020
Azzintan	813.9	4.9%	19.6%
Nalut	796.6	1.4%	8.8%
Ghiryan	772	-2.2%	10.7%
Ghadamis	732.8	4.5%	7.3%
Ashshgega	704.6	3.4%	9.1%
Sirt	702.5	8.5%	16.0%
Tripoli	690.1	5.2%	5.4%
Al Aziziya	683	3.3%	24.8%
Yefren	671.1	2.6%	2.4%
Msallata	664.5	5.2%	11.5%
Zliten	661.3	-5.3%	7.5%
Sabratha	652.1	-5.1%	17.0%
Tarhuna	648	3.4%	10.1%
AlKhums	639.8	7.0%	18.5%
Bani Waleed	637.8	0.2%	6.8%
Azzawya	633.4	-6.9%	16.0%
Qasr Ben Ghashir	630.5	No Data	No Data
Zwara	628.9	-11.5%	14.9%
Misrata	625.1	12.9%	11.5%
Janzour	577.4	1.4%	-2.6%
Median West	666.8	1.3%	6.8%
Benghazi	786.8	-0.9%	28.5%
Ejdabia	755.6	-3.0%	16.4%
AlKufra	746.9	0.8%	14.4%
AlMarj	735.7	0.1%	15.0%
AlBayda	682.5	-25.4%	5.8%
Tobruk	646.6	-3.6%	2.8%
Derna	595.3	-14.3%	-2.2%
Median East	689.3	-8.8%	9.4%
Ghat	1133.5	-8.7%	-1.0%
Ubari	1089.6	-4.8%	-0.1%
Algatroun	1088.7	1.5%	-3.8%
Wadi Etba	867	-8.0%	3.2%
Sebha	764.6	-5.4%	1.2%
Brak	760.1	-6.5%	4.3%
AlJufra	758.6	-0.3%	-1.7%
Median South	869.1	1.4%	-1.1%
Median Overall	700.5	-1.4%	11.3%

EXCHANGE RATES OVER TIME¹³

January 2016- January 2020

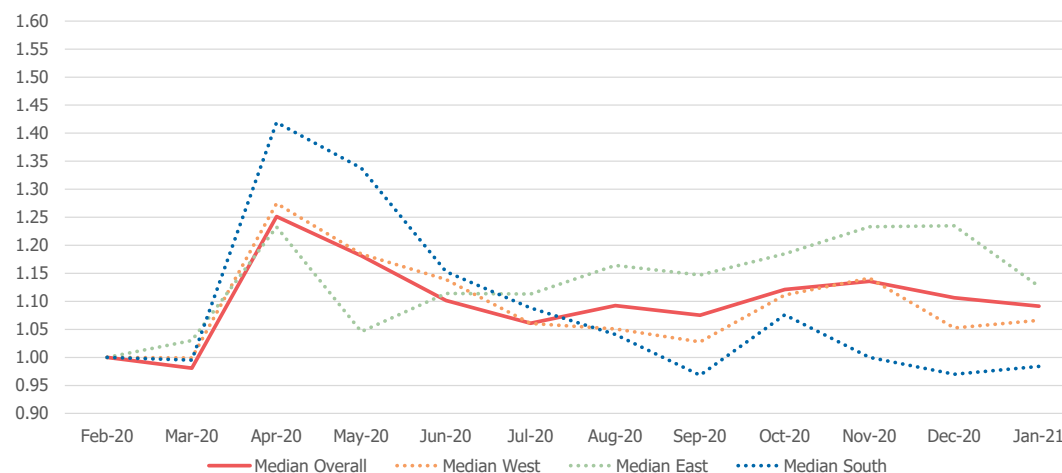


Since February 2020

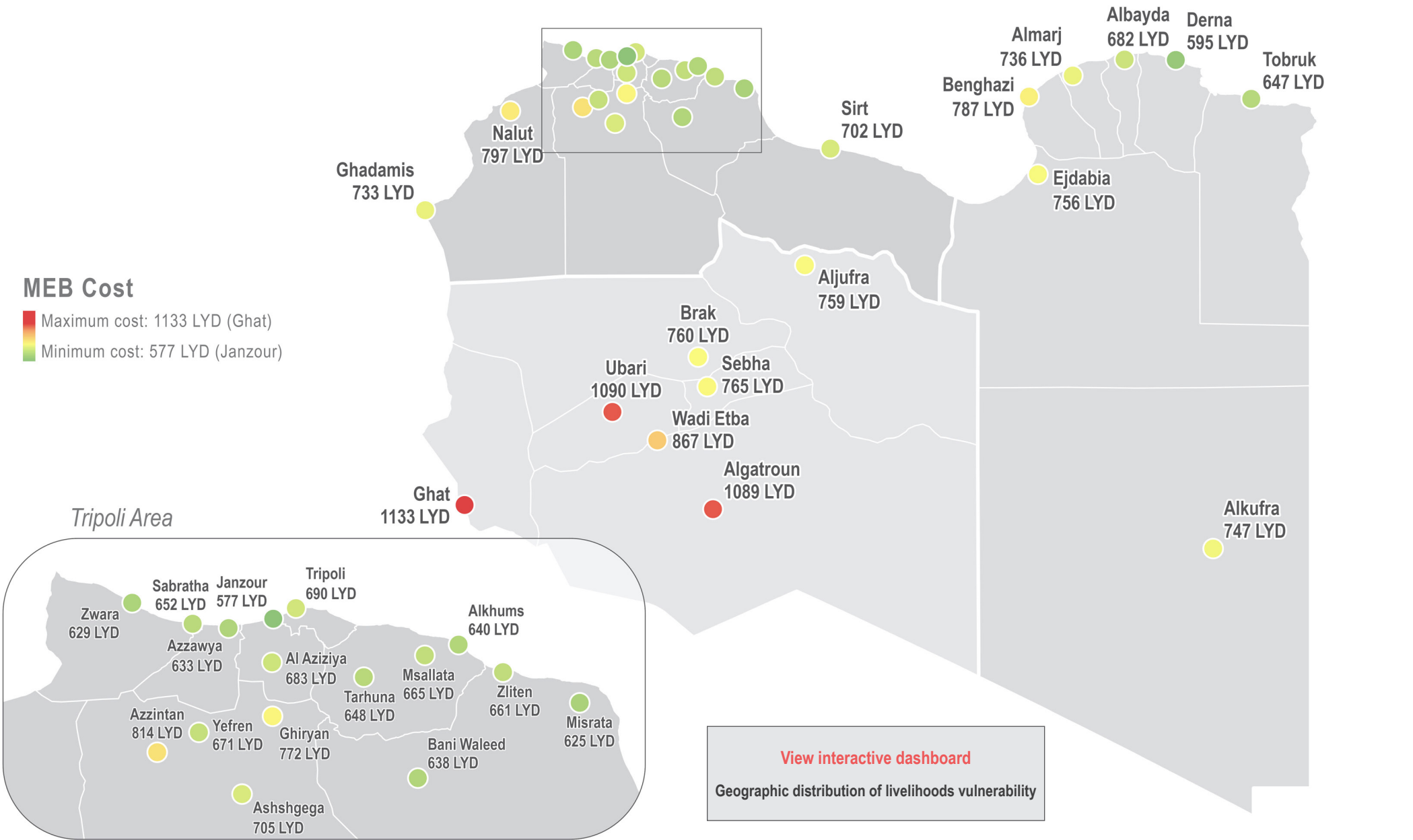


MEB PRICE INDEX

Since February 2020 (normalised, February 2020 = 1.00)¹⁴



Cost of MEB Key Elements by Location

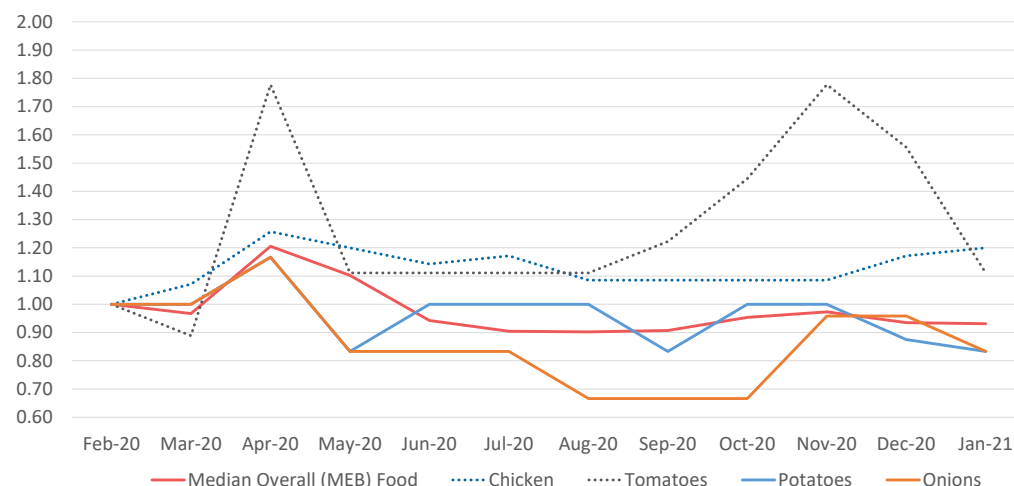


PRICES OF MONITORED ITEMS

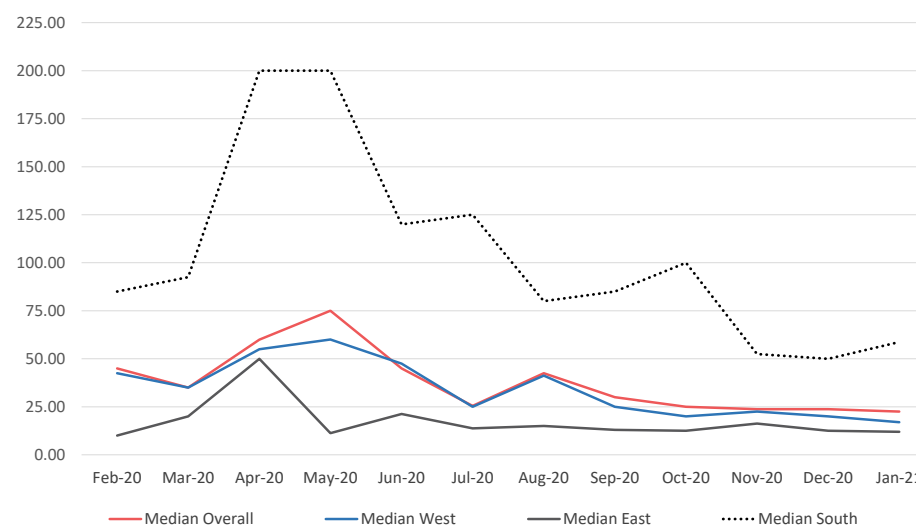
Item	Unit	Median price (LYD)	Change since Dec 2020	Change since March 2020
Food items				
Vegetable oil	1 L	6.00	20.0%	33.3%
Milk	1 L	4.50	12.5%	28.6%
Eggs	30 eggs	14.00	7.7%	40.0%
Sugar	1 kg	2.69	7.5%	13.2%
Pasta	500 g	2.00	6.4%	33.3%
Beans	400 g	2.06	3.1%	26.9%
Chicken meat	1 kg	10.50	2.4%	12.0%
Lamb meat	1 kg	38.00	1.3%	7.0%
Bread	5 pieces	1.25	0.0%	11.1%
Chickpeas	400 g	2.00	0.0%	33.3%
Condensed Milk	200 mL	2.50	0.0%	25.0%
Flour	1 kg	2.50	0.0%	25.0%
Rice	1 kg	3.25	0.0%	0.0%
Tomato paste	400 g	2.50	0.0%	25.0%
Black tea	250 g	5.94	-1.0%	18.8%
Peppers	1 kg	3.75	-3.2%	-6.2%
Salt	1 kg	1.44	-4.2%	43.8%
Couscous	1 kg	3.81	-4.7%	8.9%
Potatoes	1 kg	2.50	-4.8%	-16.7%
Green tea	250 g	3.50	-6.7%	16.7%
Tuna	200 g	3.25	-7.1%	8.3%
Onions	1 kg	2.50	-13.0%	-16.7%
Tomatoes	1 kg	2.50	-28.6%	25.0%
Hygiene items				
Toothbrush	1 brush	2.25	12.5%	12.5%
Laundry detergent	1 L	2.45	5.4%	8.9%
Shampoo	250 mL	5.50	4.8%	8.4%
Dishwashing liquid	1 L	3.00	0.0%	12.1%
Baby diapers	30	16.75	-0.7%	11.7%
Sanitary pads	10 pads	4.25	-5.6%	21.4%
Laundry powder	1 kg	6.25	-9.1%	-3.8%
Toothpaste	100 mL	4.44	-11.2%	11.0%
Handwashing soap	1 bar	1.50	-14.3%	0.0%
Bleach	1 L	8.00	-36.0%	No data
Hand Sanitiser	1 L	23.00	-47.1%	No data
Other items				
Water	1 L	0.28	-3.4%	-3.4%

FOOD PRICES OVER TIME

Selected items (normalised, February 2020 = 1.00)¹⁵



PRICES FROM UNOFFICIAL COOKING FUEL VENDORS (11 KG LPG CYLINDER) (since February 2020, non-normalised)

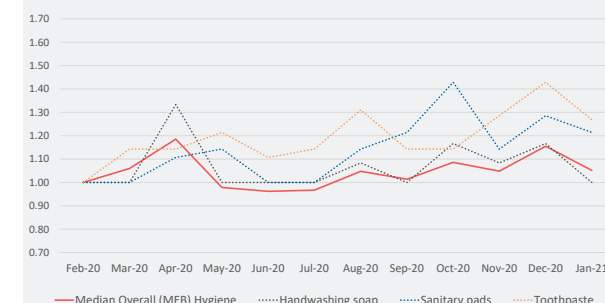


PRICES OF FUEL AND HEALTH ITEMS

Item	Unit	Median price (LYD)	Change since Dec 2020	Change since March 2020
Fuel items				
Official LPG	11 kg	5.00	0.0%	0.0%
Official Gasoline	1 Litre	0.15	0.0%	No data
Unofficial LPG	11 kg	22.50	-5.3%	-35.7%
Unofficial Gasoline	1 Litre	0.94	-37.5%	No data
Pharmaceutical items				
Paracetamol	400mg [20 pack]	7.19	15.0%	3.6%
Metoclopramide	10mg [40 pack]	12.25	4.3%	22.5%
Vitamin B	[40 pack]	12.50	2.0%	22.0%
Amoxicillin	500mg [21 pack]	10.00	0.0%	11.1%
Ibuprofen	400mg [20 pack]	7.00	-1.8%	27.3%

HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, February 2020 = 1.00)¹⁶

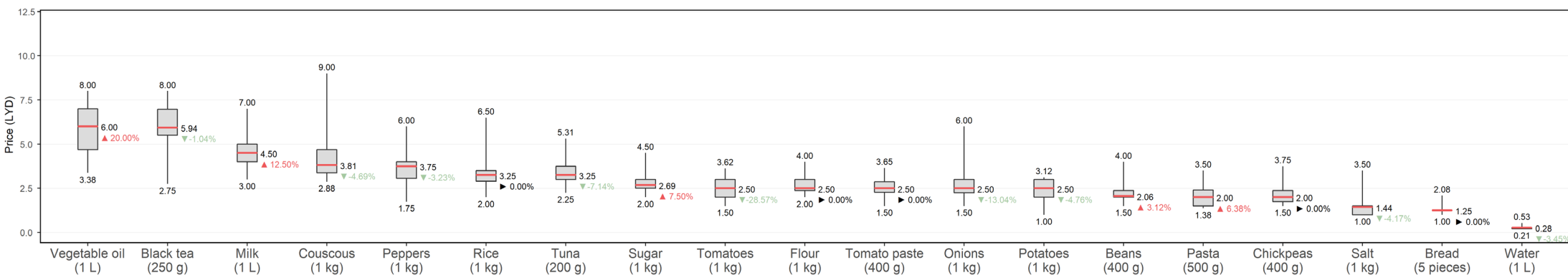


NOTABLE MONTH-ON-MONTH CHANGES

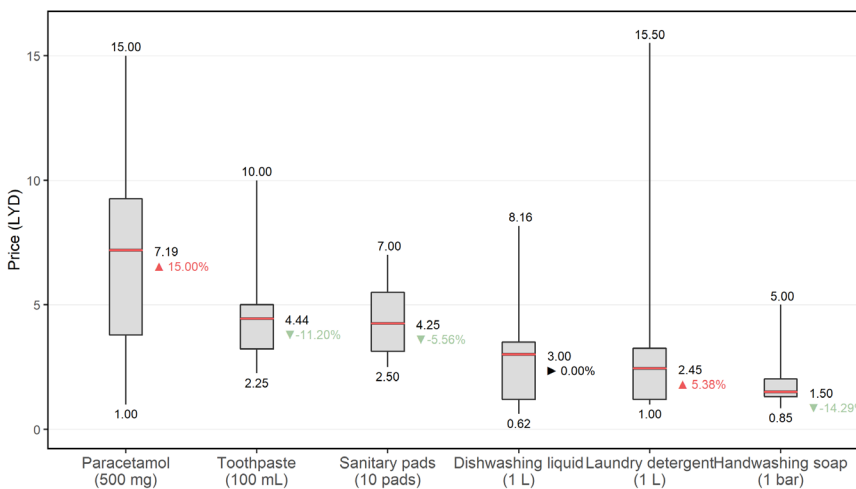
Vegetable Oil	▲ +20.0%
Bleach	▼ -36.0%
Unofficial Gasoline	▼ -37.5%
Hand Sanitizer	▼ -47.1%

Distribution of Prices in Libya

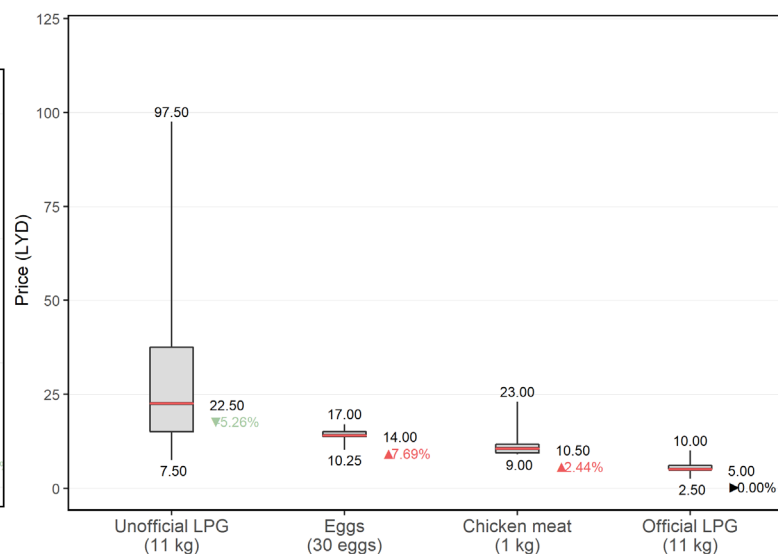
FOOD ITEMS



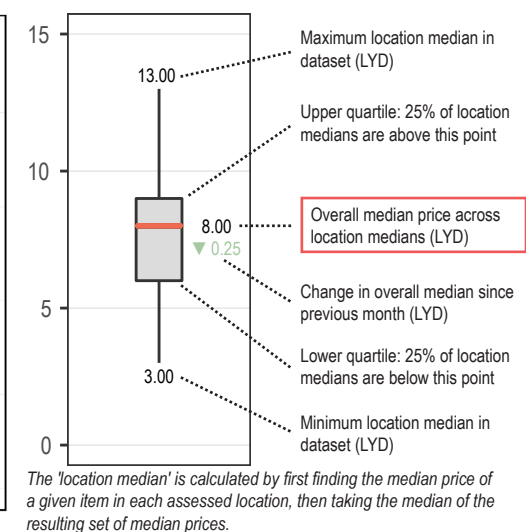
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



Introduction

- Ever since the onset of the conflict in and around Tripoli and Murzuq in April 2019, Tripoli has been a key displacement destination for Internally Displaced Persons (IDPs)¹⁷ Furthermore, conflict related political tensions in West Libya led to large numbers of IDPs moving to eastern cities, especially Benghazi.
- REACH is therefore exploring rent monitoring as part of the JMMI, in order to provide humanitarian actors with a more accurate overview of key expenditures facing IDPs in Tripoli and Benghazi.

Methodology

- From May 2020 onwards, in addition to the price monitoring of key items (MEB) REACH commenced analyzing rental prices, which were extracted on a daily basis from the website 'Open Souq'. In **January 2021, 1365 rental prices were collected in Tripoli and Benghazi**. The price change findings are indicative.
- In order to standardise property prices, key features were isolated through consultation with KIs to identify the average apartment specification for typical households (HHs) in Tripoli and Benghazi. The average apartment for a typical HH was found to be a furnished, 3-bedroom apartment with 1 bathroom. All rental prices presented in this report have been standardised to

Key Findings

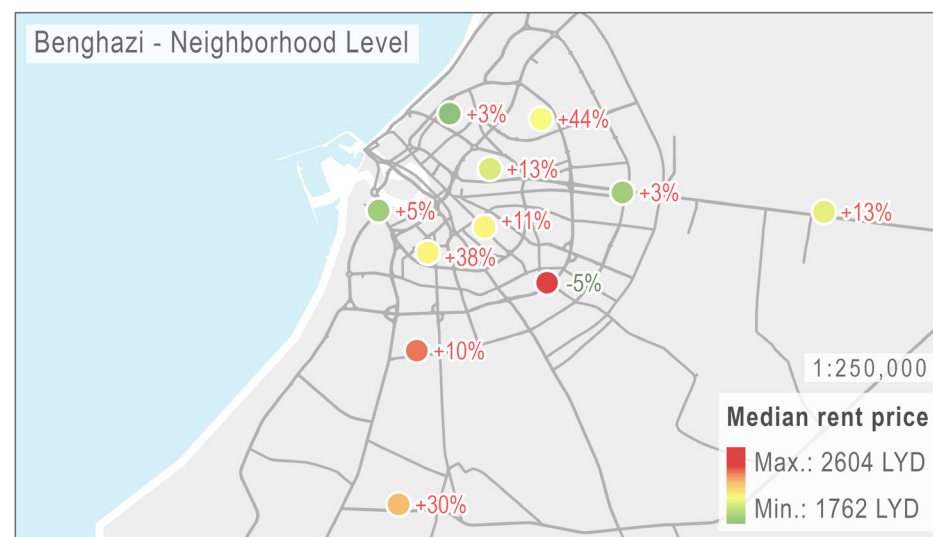
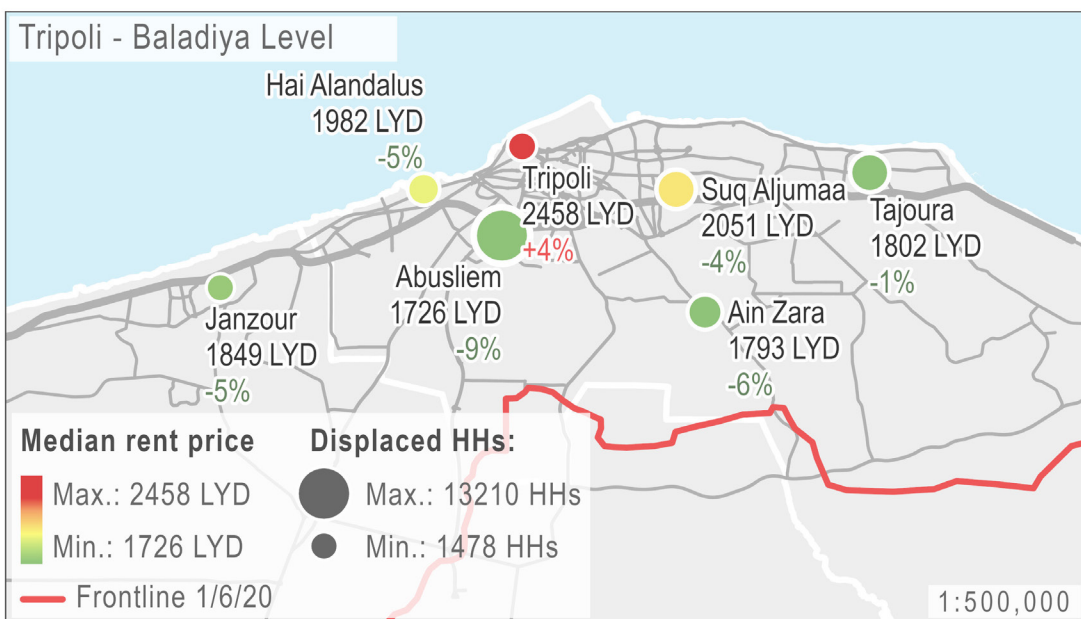
- Since May 2020, rental prices seem to have considerably decreased in Tripoli overall (-31.0%). Between April and October 2020, there has been a 35.4% decrease in IDP numbers in Tripoli overall.
- In contrast, the number of IDPs in Benghazi has reportedly increased by 32.5% from April to October 2020. Findings indicate that Benghazi has seen a 3.5% overall increase in rental prices since May 2020.

Standardised rental prices January 2021

Location	Standard price (LYD)	Since Dec 2020	Since May 2020	Change in IDP** numbers	Change in Returnee** numbers
Municipality					
Abusliem	1726	-9.3%	-35.6%	-10.6%	32.7%
Ain Zara	1793	-6.4%	-38.6%	-96.4%	98.2%
Hai Alandalus	1982	-5.0%	-26.1%	0.0%	-32.3%
Janזור	1849	-4.7%	-19.7%	-17.9%	0.0%
Suq Aljumaa	2051	-3.7%	-23.5%	-24.7%	6.7%
Tajoura	1802	-1.5%	-23.5%	-30.7%	No Data
Tripoli Center	2458	3.9%	-17.7%	-15.0%	0.0%
Tripoli Overall	1849	-4.7%	-31.0%	-26.4%	39.1%
Benghazi Overall	2050	17.3%	3.5%	6.1%	0.0%

* Change in the number of IDPs and returnees, is derived from the latest Displacement Tracking Matrix (DTM) (Rounds 32 and 33) from the IOM.

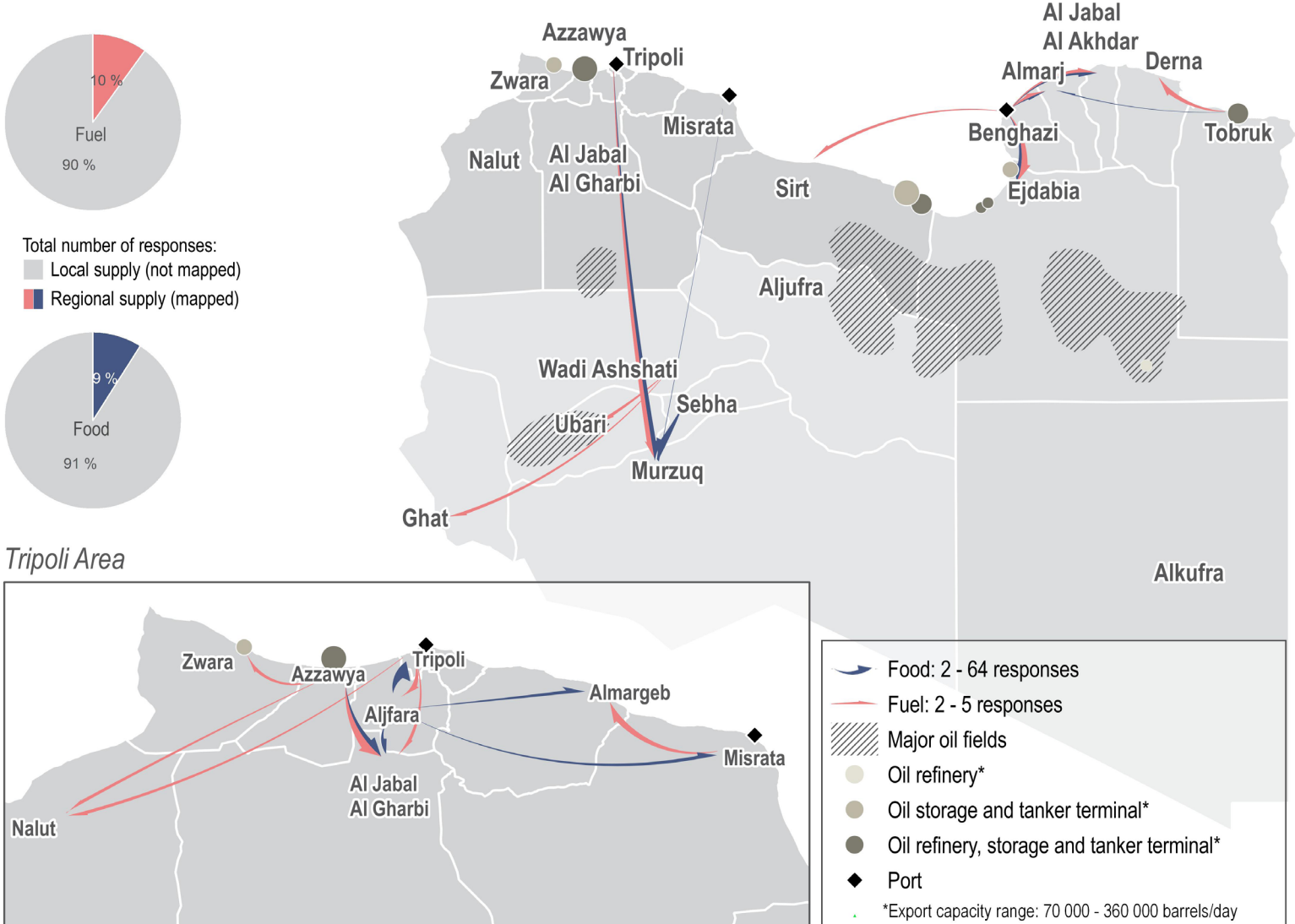
** Numbers based on IOM-DTM numbers as well, comparing August and October 2020. Note October is the latest known data.



Main Food and Fuel Supply Routes

This map indicates the source and flow of transported fuel and food products according to the shop owner and vendor KIs. The arrow sizes are determined by the quantity of responses and provide an indicative scale of the reported supply routes.

The indicated supply routes only visualize the flow of goods between mantikas (on a regional level), the map does not show the trajectory of goods that are sourced more locally.



PREVIOUS JMMI OUTPUTS

Factsheets Datasets

2020

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

2019

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

2018

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

What is the CMWG?

The Libya Cash & Markets Working Group (CMWG), established in September 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)

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 the MEB in each assessed market.

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.

Liquidity Crisis

Benghazi consists of only one municipality, therefore neighbourhoods across the city were grouped together into 11 area units.

Limitations: the data collected are new offers presented by Open Souq, therefore they may not represent the rental expenses of all IDPs, as tenants may receive cheaper offer through informal channels.

Liquidity Crisis

The respondents were vendors and customers from market places already monitored by the JMMI. Respondents were selected purposively, with an average number of 8 customers and 4 vendors per region.

The findings are indicative and not statistically representative. The sample from south Libya is disproportionately large,

therefore national level data may be skewed towards southern Libyan respondent findings.

Endnotes

- ¹ Libya's divided central bank agrees exchange rate after first meeting in years, Reuters, 16th December 2021
- ² Local Key Informants
- ³ CBL says cash will be available in banks in the coming days, Libya Observer, 10th January 2020
- ⁴ Cash availability and cash withdrawal limits to rise within two weeks: CBL official, Libya Herald, 11th January 2021
- ⁵ Local Key Informants
- ⁶ Al-Sarraj urges CBL to facilitate imports of flour so Libya avoids "bread crisis", Libya Observer, 17th January 2020
- ⁷ Most Tripoli bakeries close due to new exchange rate raising flour prices, Libya Herald, 17th January 2021
- ⁸ Government of National Accord fears 'bread revolt' in Libya over price hike, Arab Weekly, 16/01/21
- ⁹ Libya Crude Oil Production, Trading Economics, December 2020,
- ¹⁰ Interviews with Economic Experts
- ¹¹ Official rate: Central Bank of Libya (1 January 2021). Parallel market rates: Ewan Libya (1 January 2021). The rates from 1 January 2021 and 1 January 2020 were used for the calculation of the monthly changes.
- ¹² The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.
- ¹³ Official rate: Central Bank of Libya (1 January 2021). Parallel market rates: Ewan Libya (1 January 2021). The rates from 1 January 2021 and 1 January 2021 were used for the calculation of the monthly changes.
- ¹⁴ The MEB price index was normalised by setting January 2020 as the baseline and dividing each month's price by the price in January 2020 .
- ¹⁵ The food prices were normalised by setting January 2020 as the baseline and dividing each month's price by the price in January 2020 .
- ¹⁶ The hygiene prices were normalised by setting January 2020 as the baseline and dividing each month's price by the price in January 2020
- ¹⁷ Libya IDP and Returnee March - April 2020, DTM IOM, June 2020

REACH is a program of ACTED. It strengthens evidence based decision-making by humanitarian actors through efficient data collection, management and analysis in contexts of crisis.

ACTED is an international NGO. Independent, private and non-profit, ACTED respects a strict political and religious impartiality, and operates following principles of non-discrimination, and transparency. Since 2011, ACTED has been providing humanitarian aid and has supported civil society and local governance throughout Libya, from its offices in Tripoli, Sebha and Benghazi.