Earthquake response

Joint Market Monitoring Initiative
August 2022

Presentation of Key Findings to the CVWG

Kabul, Afghanistan, August 2022

30/08/2022

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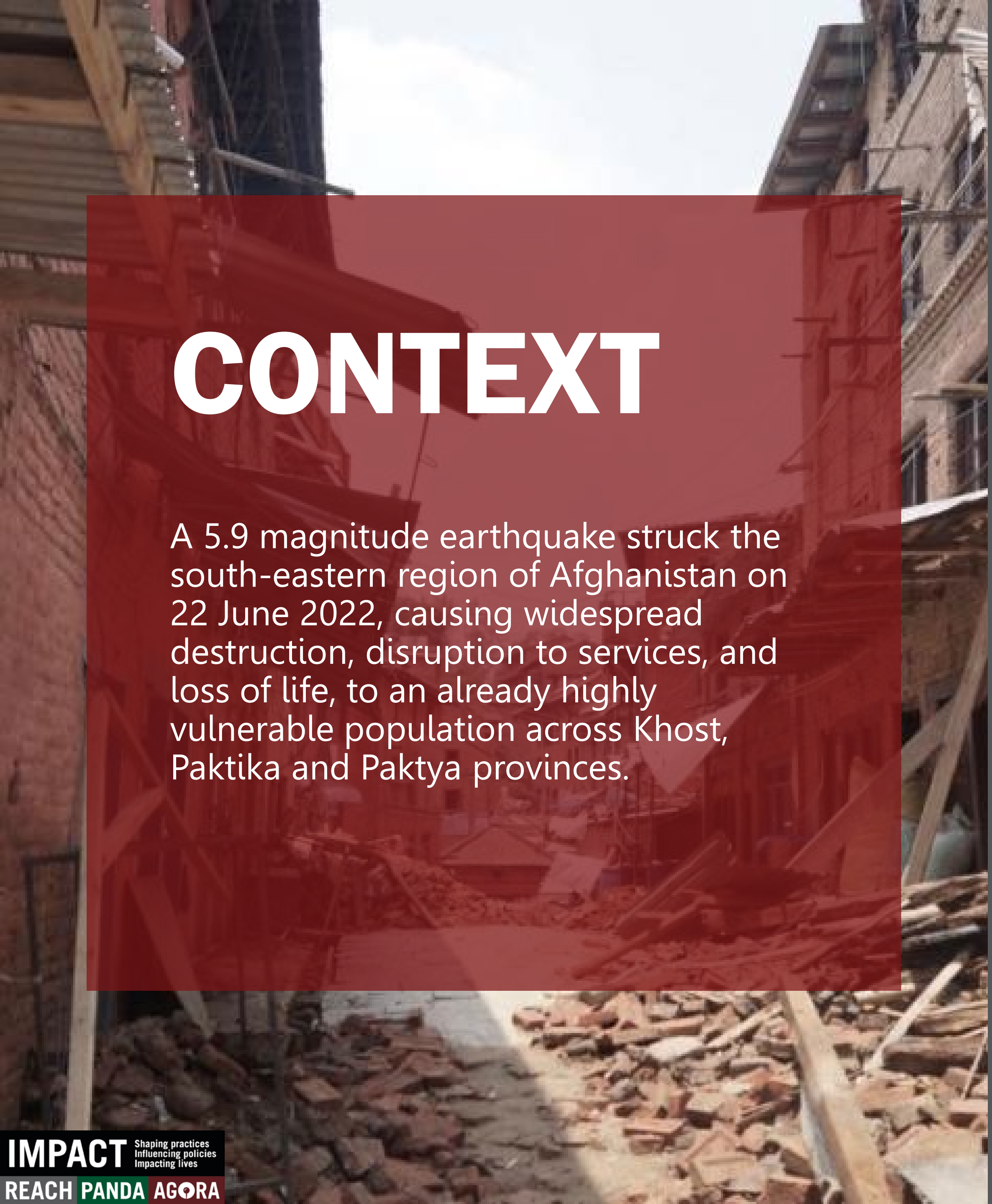
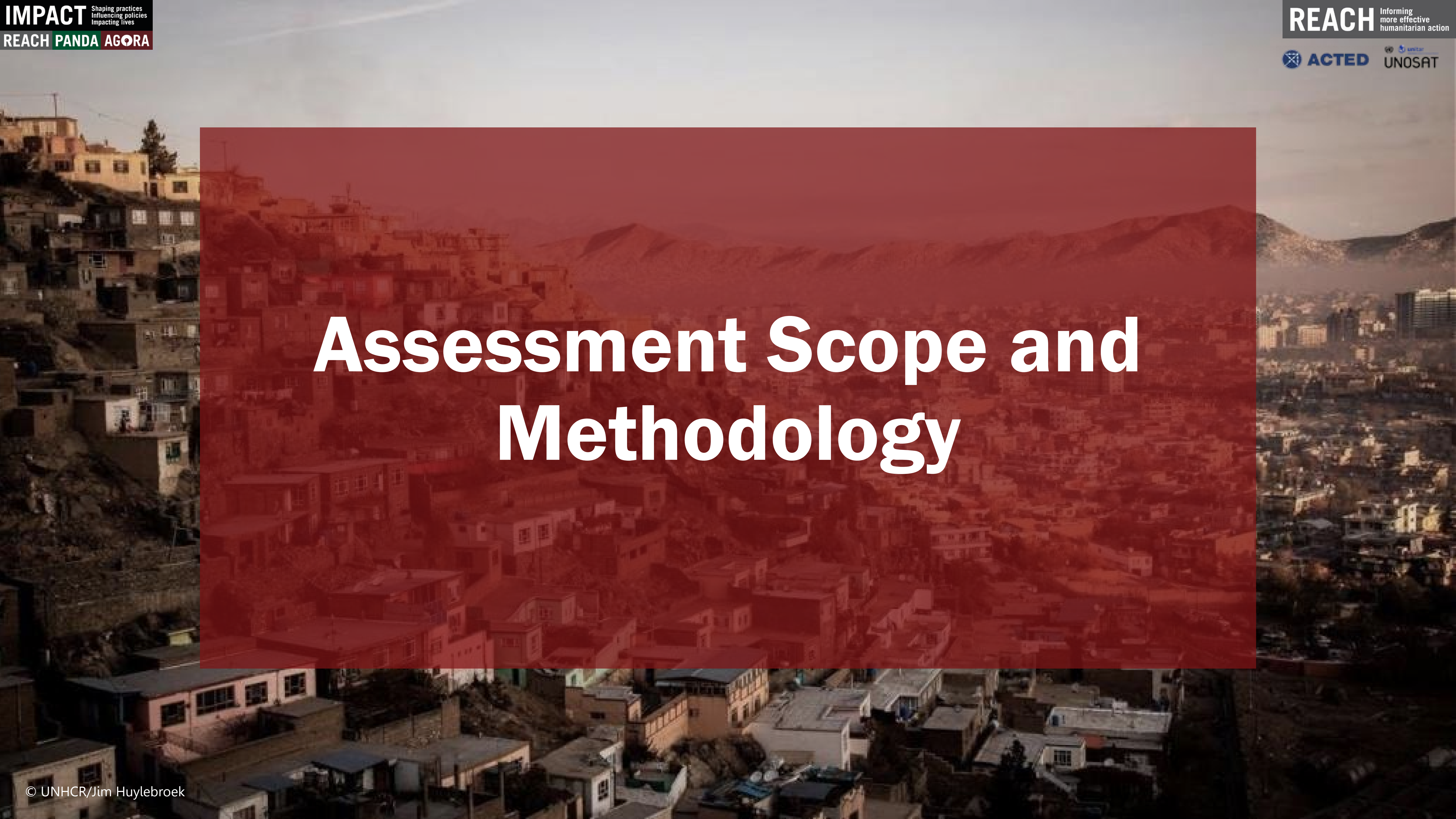


CONTEXT

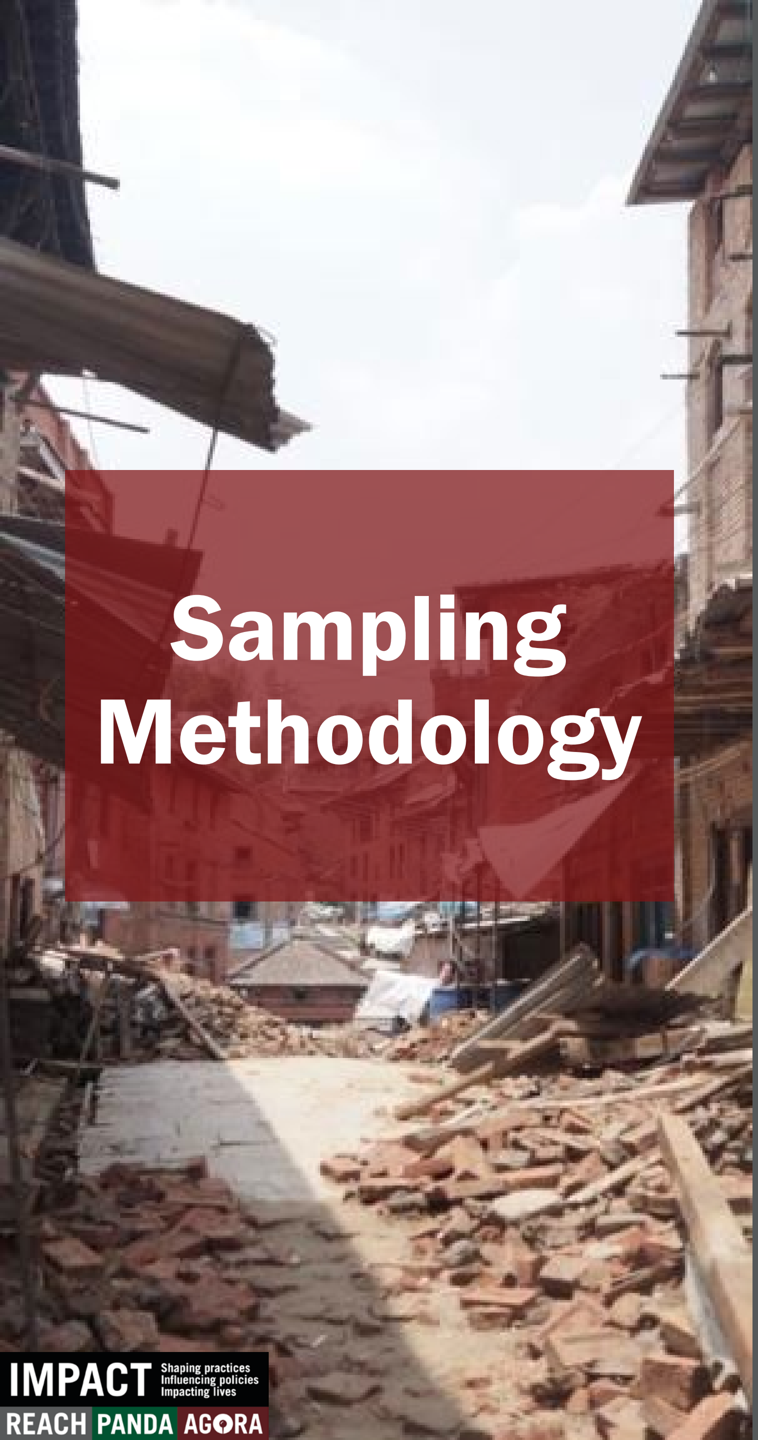
A 5.9 magnitude earthquake struck the south-eastern region of Afghanistan on 22 June 2022, causing widespread destruction, disruption to services, and loss of life, to an already highly vulnerable population across Khost, Paktika and Paktya provinces.

OBJECTIVES

- Identify whether markets in affected areas are still functional and how their functionality has been affected by the earthquake
- Understand whether shelter materials needed for the reconstruction phase are available in the markets of the affected areas



Assessment Scope and Methodology



Sampling Methodology

Coverage

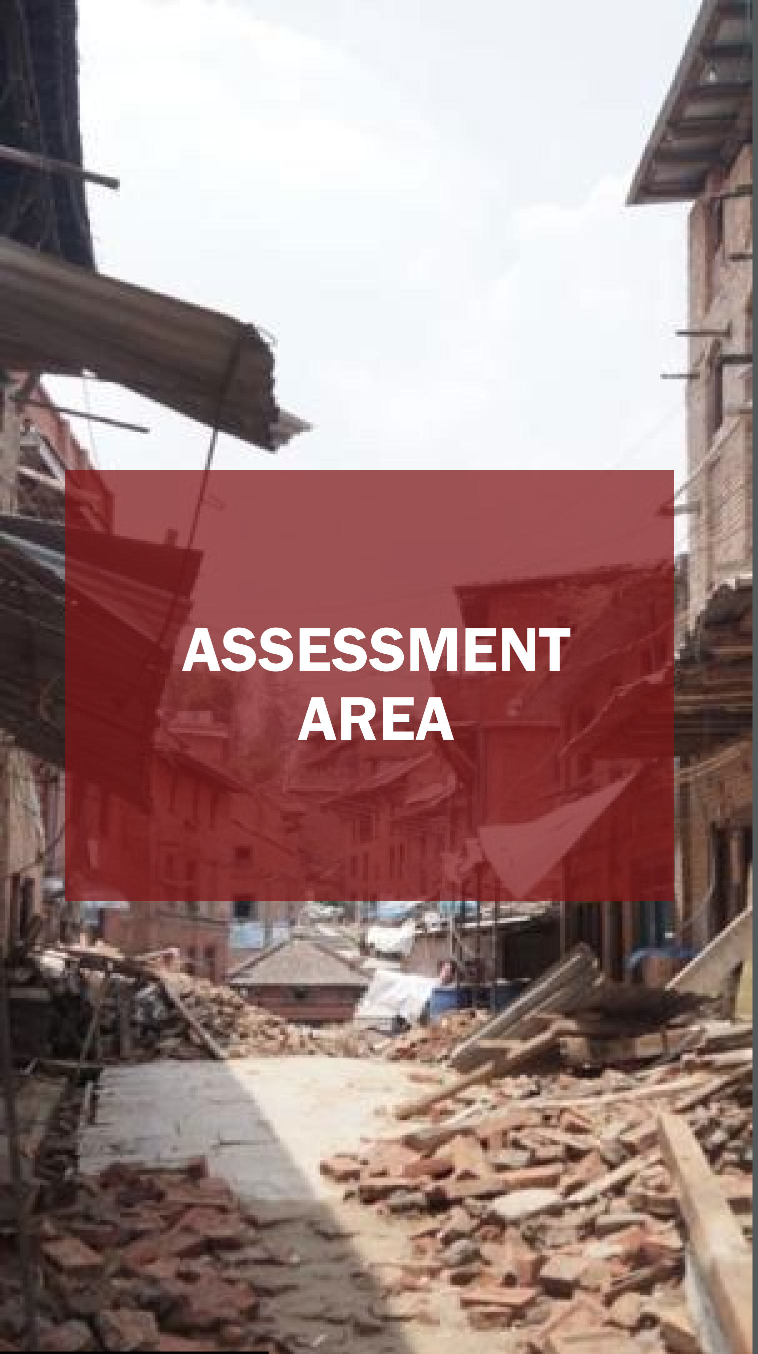
- **131 key informant interviews (KIIs) with traders**
- Indicative findings
- **3 provinces**: Khost, Paktika, Paktya
- **16 districts*** including the 3 provincial centres: Matun, Sharana and Gardez

**The coverage area initially included 17 districts however, despite reports of food and NFI shops in Giyan, the assessment team was not able to collect data in this district.*

Sampling

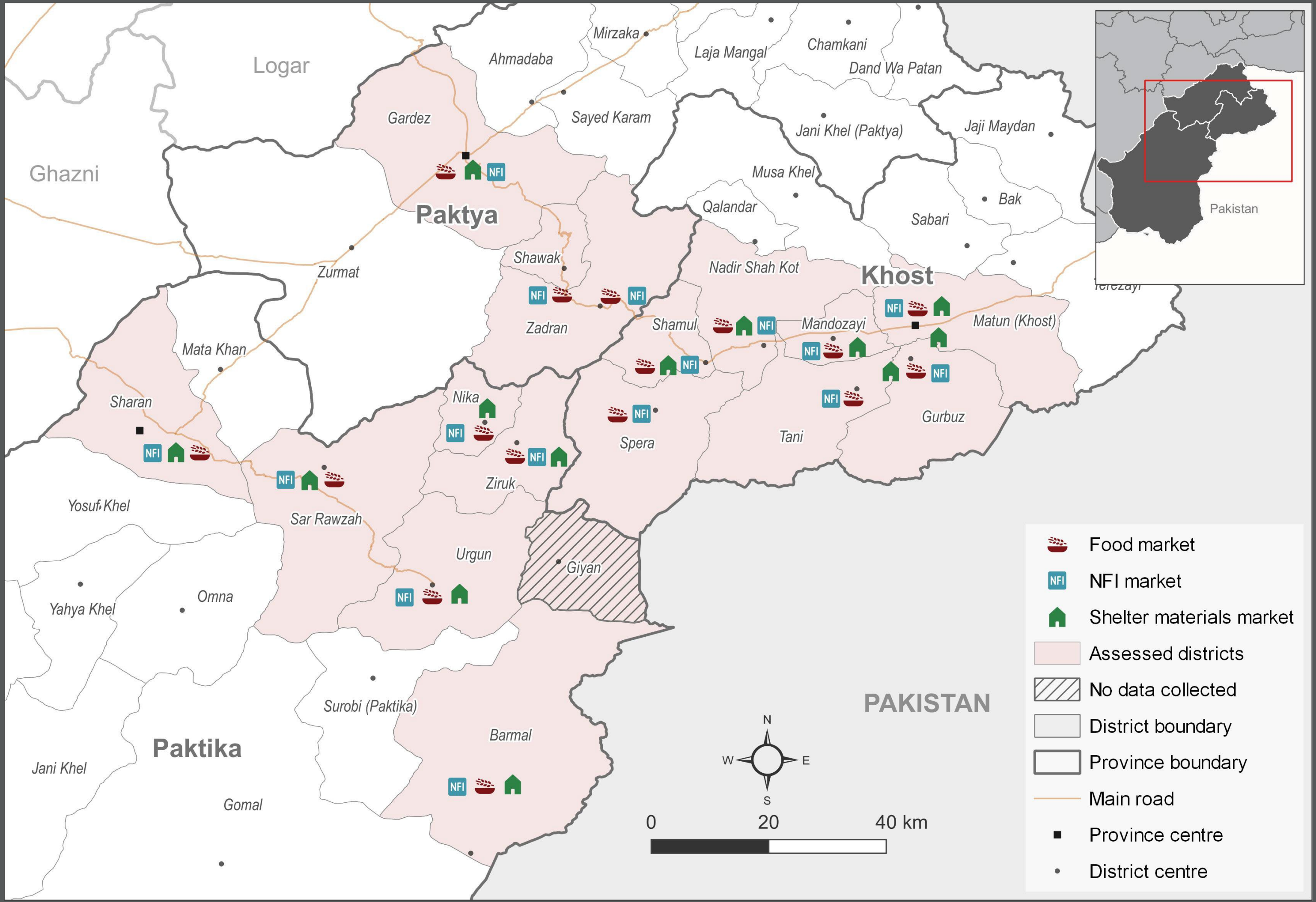
For each district:

- **3 KIIs with food traders:**
  2 retailers & 1 wholesaler
- **3 KIIs with NFI traders:**
  2 retailers & 1 wholesaler
- **3 KIIs with shelter material traders:**
  1 retailer & 2 wholesaler



ASSESSMENT AREA

ASSESSED MARKETS IN COVERAGE AREAS, JULY 2022



Food Markets

18 Markets

30 retailers

17 wholesalers

10 food items assessed

NFI Markets

16 Markets

30 retailers

17 wholesalers

22 NFIs assessed

Shelter Material Markets

13 Markets

16 retailers

21 wholesalers

33 shelter materials & construction labour

ASSESSMENT TIMELINE

RESEARCH DESIGN

In collaboration with the ES-NFI cluster and the CVWG

24th July – 3rd July

DATA COLLECTION

9 enumerators managed by International Rescue Committee

7th – 14th August

DATA ANALYSIS

Analysed with R Studio

15th – 23rd July

Key Findings

Food, NFI and shelter traders

Market presence and functionality

Presence

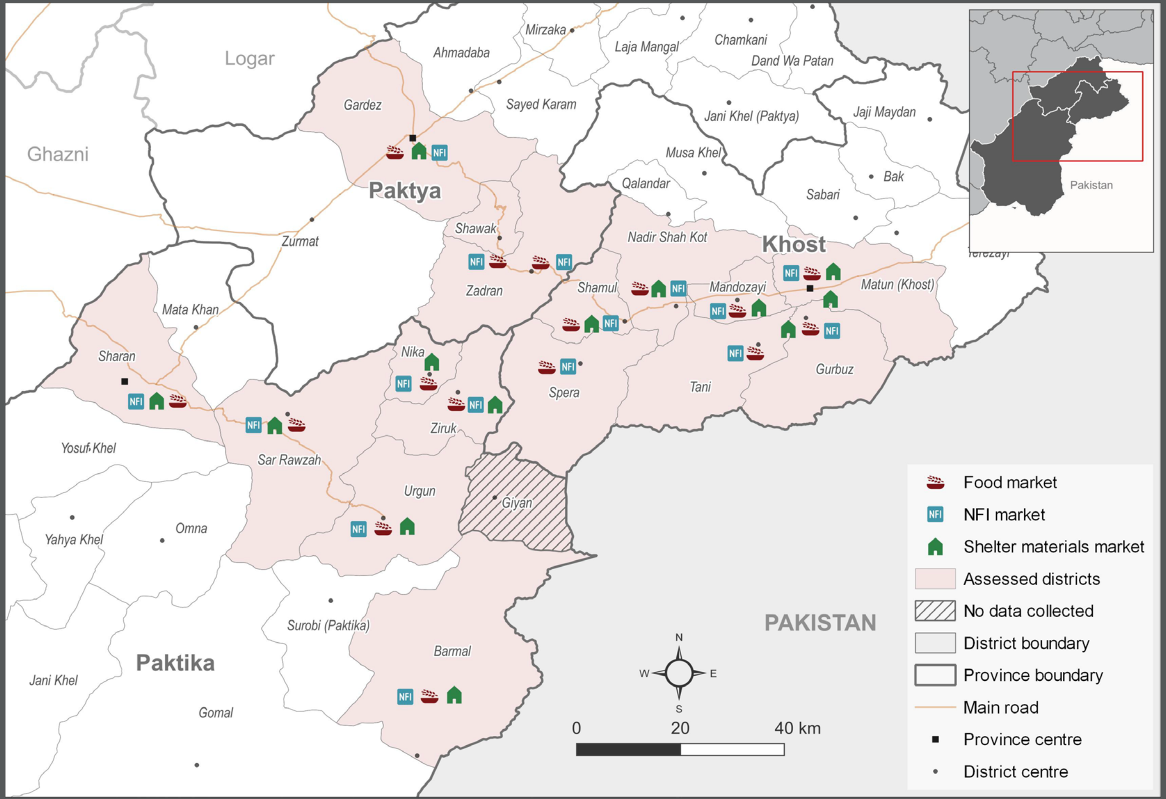
• All 16 assessed districts were found to have at least one market for food and NFIs, **with the exception of Shawak** in Paktya.

• Shelter markets, on the contrary, were identified in only 12 out of 16 districts (including the 3 provincial capital centres): **no shelter markets were found in Zadran, Tani, Spera or Shawak**.

Functionality

• **All food shops, 94% of NFI shops and 81% of shelter shops were operational**, with supply issues being reported as the main reason for lack of functionality.

• Overall, 10% of traders (19% of food traders) **reported a decrease in the number of operating shops since the earthquake.**



100% of KIs in Spera reported a decrease in the number of operational shops due to damages;
75% of the shelter shops in Nika were reported not operational, followed by Barmal and Ziruk (66%).

Affordability

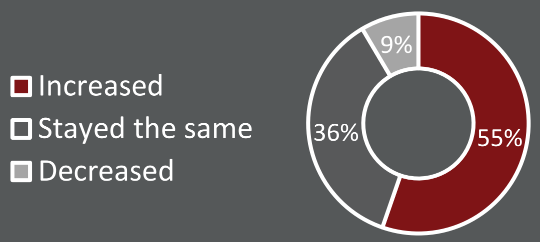
MEB and food basket

MEB: 239.89 USD | 21 621 AFN
National indicative MEB 239.28 USD

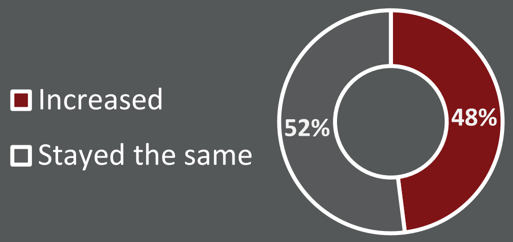
Food basket: 87.68 USB | 7 903 AFN
National indicative food basket: 92.89 USD

Changes in prices since the earthquake

% of KIs reporting a change in price for food items since the earthquake:



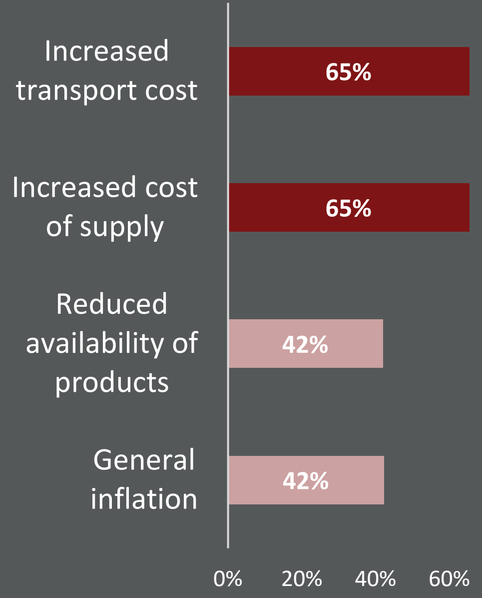
% of KIs reporting a change in price for NFIs since the earthquake:



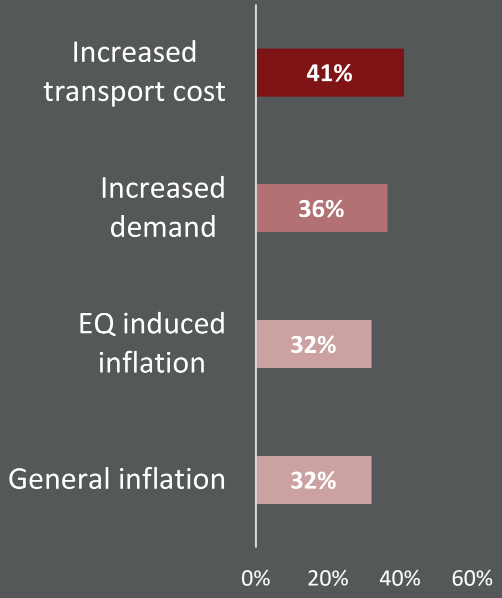
Additionally, 43% of KIs reported an increase in price for shelter material items since the earthquake

Reasons for increases in prices

Food items



NFIs

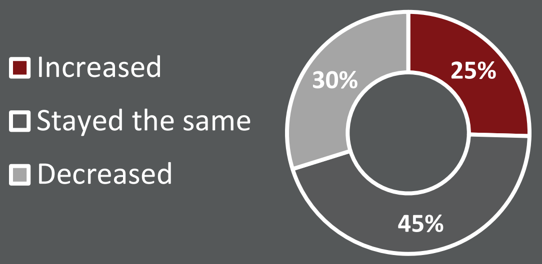


Overall, food and NFI prices in affected areas are in line with the national values collected through the July round of JMMI. Likewise, the drivers of the rise in food prices appear to be aligned with nationwide market findings. The increase in prices of NFIs however seems to be partially driven by earthquake and its response (increase in demand, EQ induced inflation).

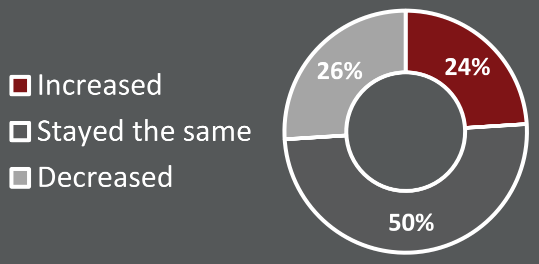
Availability

Changes in demand since the earthquake

% of KIs reporting change demand for food items since the earthquake



% of KIs reporting change in demand for NFIs since the earthquake



Additionally, 50% of KIs reported an increase in demand for shelter material items since the earthquake

The most common reported reason for the increase in the demand of food and shelter materials since the earthquake was found to be “cash distributions”, suggesting that at least part of the cash distributed within the framework of the humanitarian assistance has been allocated to the purchase of food and shelter items.

Availability of food items

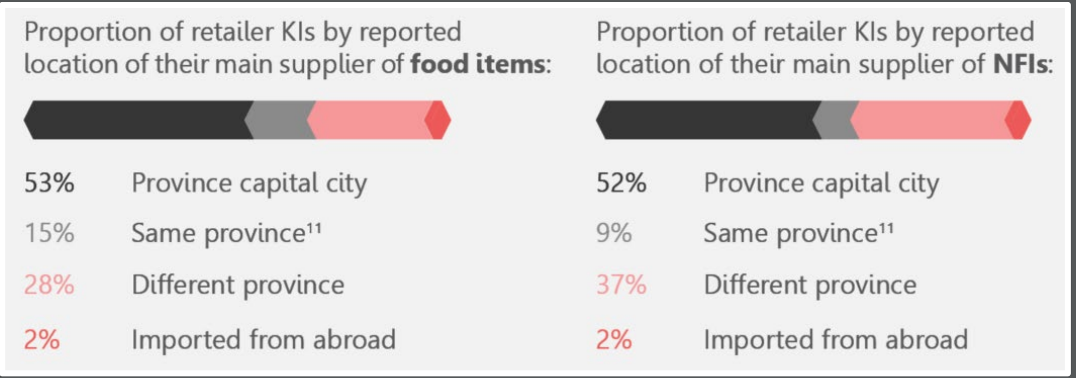
Food Items	Available (% KIs)	Unavailable (% KIs)	Median restock time (days)
Wheat flour (local)	68%	32%	1
Wheat flour (imported)	98%	2%	1.5
Local rice	98%	2%	2
Vegetable oil	98%	2%	2
Pulses	92%	8%	2
Salt	100%	0%	2
Sugar	100%	0%	2
Tomatoes	98%	2%	1.5

Availability of NFIs

NFI Items	Available (% KIs)	Unavailable (% KIs)	Median restock time (days)
Firewood	100%	0%	2
Coal or Charcoal	65%	35%	1.5
Solar panel[7]	75%	15%	1.5
Blanket	74%	26%	1.5
Mattress	83%	17%	2
Wood Heater	98%	2%	2
Winter Jacket	75%	15%	2
Diesel	96%	4%	2

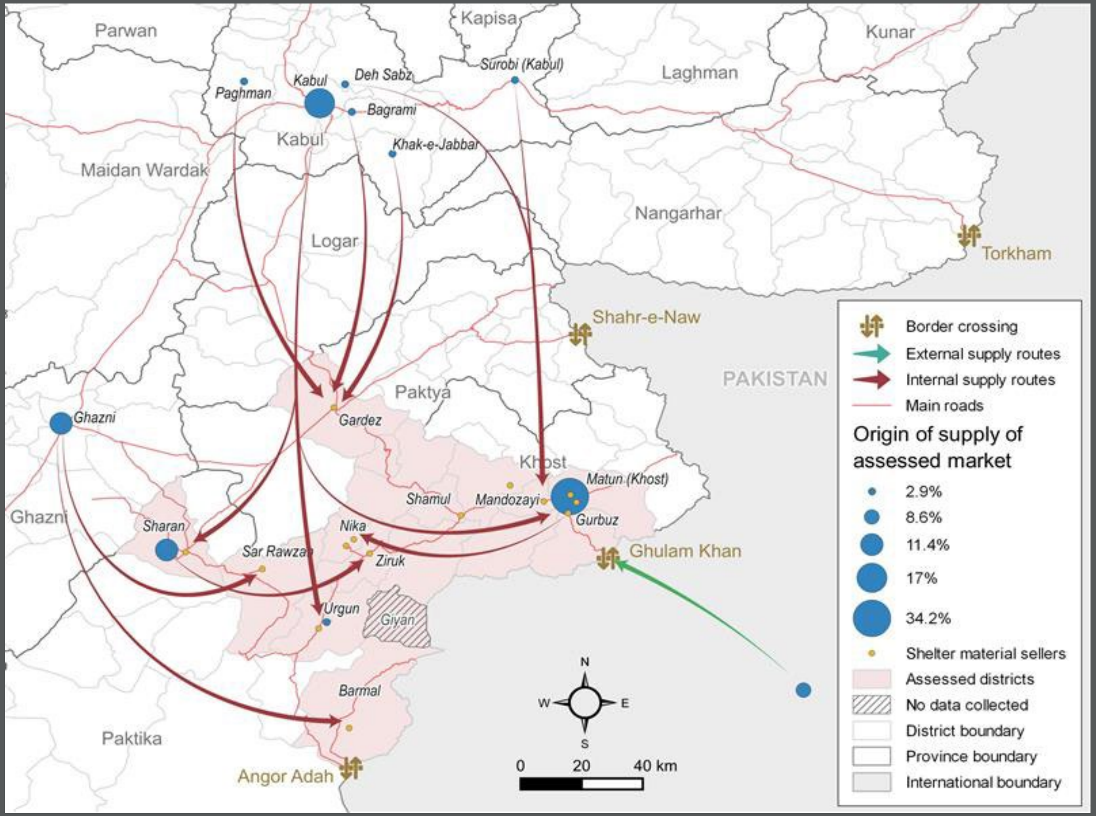
Food, NFI and shelter materials supply chains

Location of main supplier for food and NFIs



- 39% of NFI traders and 34% of food traders reported a change in their source of supply since the earthquake.
- **Nearly all KIs (95%) reported NOT having encountered any difficulty in meeting demand.**
- Overall, 43% of traders reported being aware of **current road transportation difficulties affecting supply chains.**
- 19% of KIs reported these **roads difficulties having emerged following the Earthquake**.

Shelter material supply route map

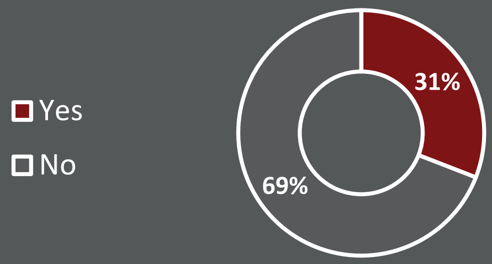


100% of KIs in Nadir Shah Kot and 63% in Mandozayi reported current road difficulties having emerged following the Earthquake.

Market coverage & financial services

Market coverage

% of KIs reporting consumers coming from different areas / new settlements since the earthquake:

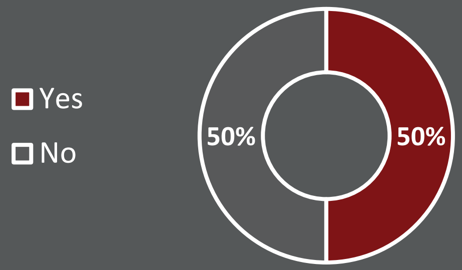


Overall, a third of traders reported noticing customers coming different areas since the earthquake.

The majority of traders in Sharana (89%), Gardez (78% of KIs), Urgun (67%) and Matun (54%) reported noticing customers from new settlements since the earthquake suggesting the catchment areas of these larger markets have mostly expanded after the earthquake.

Financial services

% of KIs reporting on being able to access cash:



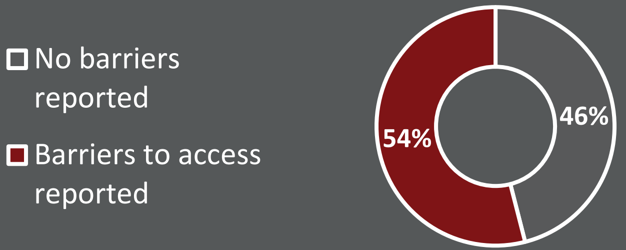
Functional money transfer systems able to deliver cash in the market or within 30min travel were overall reported to be present in the assessed areas (81% KIs), with Hawala being the most frequently reported one.

65% of KIs reported other currencies like the Pakistani rupee were used to buy commodities.

Market access

Barriers to access

% of KIs reporting consumers barriers to access:



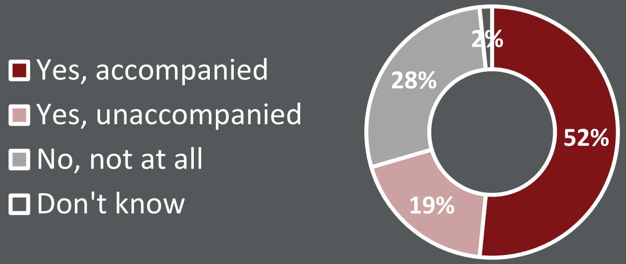
The most frequently reported **barriers** customers face in accessing markets since the earthquake were:

- **"damaged roads"** (39% KIs),
- **"distance due to local markets being damaged by the earthquake"** (27% KIs).

Damaged roads as well as distance to markets were reported consistently by 100% of KIs in Mandozayi and Shamul districts

Women access

% of KIs reporting on women being able to access the market:



The earthquake does not seem to have impacted women access to markets - **in most districts women access to markets has remained constant after the earthquake.**

KIs reported women were not able to access markets at all in Nika, Ziruk (100% of KIs), Sar Rawzah (89% of KIs) and Barmal (86% of KIs)

Key conclusions

Market presence

In those districts where food, NFI or shelter markets were present, **nearly the totality of shops assessed were operational.** Except for some specific districts (e.g. Spera), on average and across the assessed areas, the earthquake does not seem to have impacted greatly the number of shops open.

Price & Demand

Increased transportation cost appears to be the main driver **the increase in prices of food, and NFIs**, in line with the general inflation. While findings don't seem to indicate that the earthquake (and its response) are a major contributing driver to the price increase for food and shelter materials, the increase in price of NFI may be partially earthquake induced. Additionally, the earthquake was found to be a **major driver for the increase in the demand of shelter materials as an effect of cash distributions.**

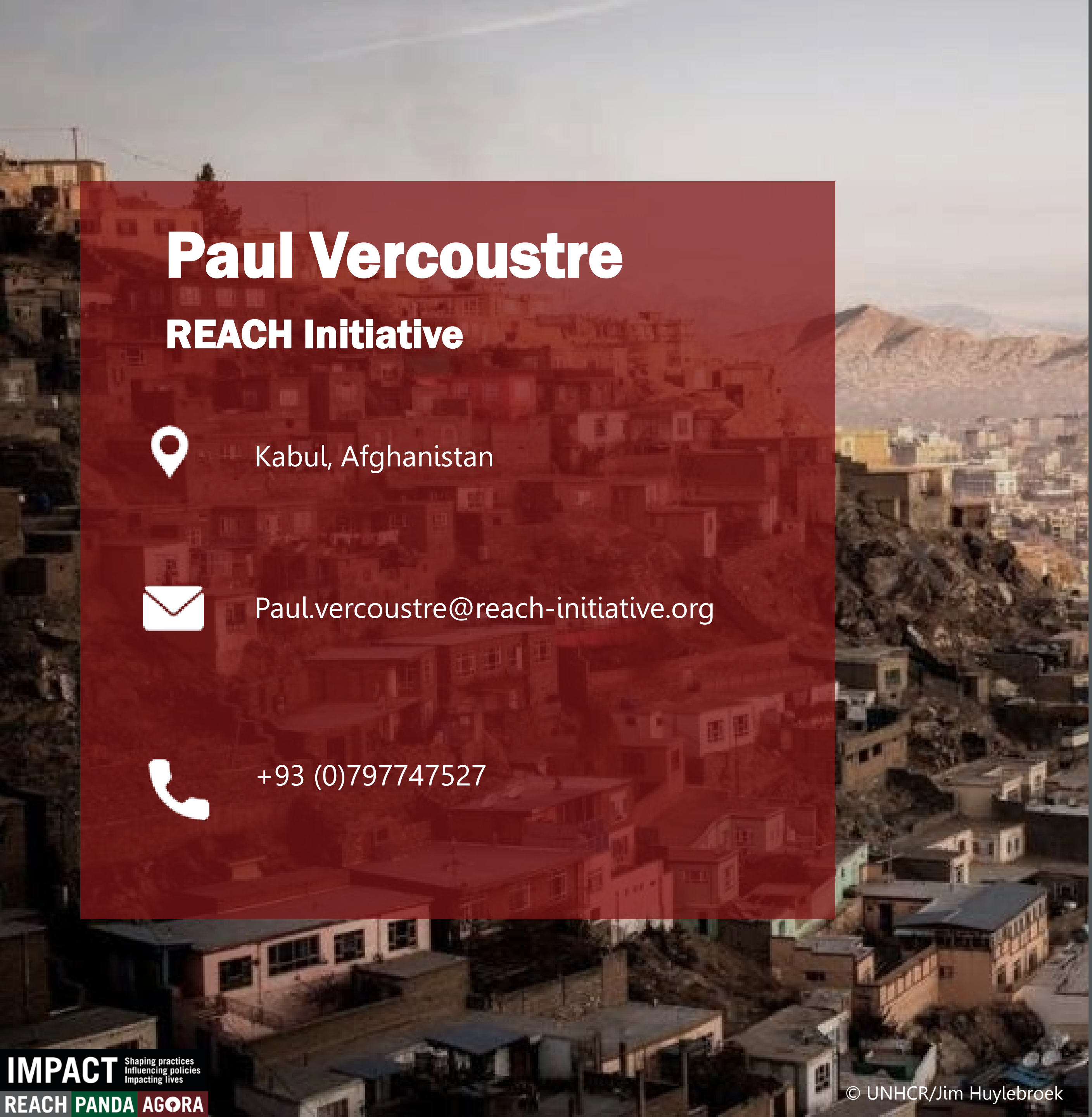
Availability & Supply

Availability of food, NFI and shelter materials was overall high, although it did vary across districts. Whilst nearly all KIs reported not facing difficulties to meet demand, **road transportation difficulties**, especially since the earthquake, have been reported affecting supply chains. Additionally, the catchment areas of large markets appear to have mostly expanded after the earthquake suggesting local supply chains may have been disrupted.

Market & Finance access

Road damages as well as increased distance due to earthquake-induced damages to local markets have been hindering consumers ability to access markets. Women access to markets however has remained constant after the earthquake.

Additionally, **limited access to cash and financial services** was reported in several districts.



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