

Libya Joint Market Monitoring Initiative (JMMI)

29 May - 10 June 2019

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 Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

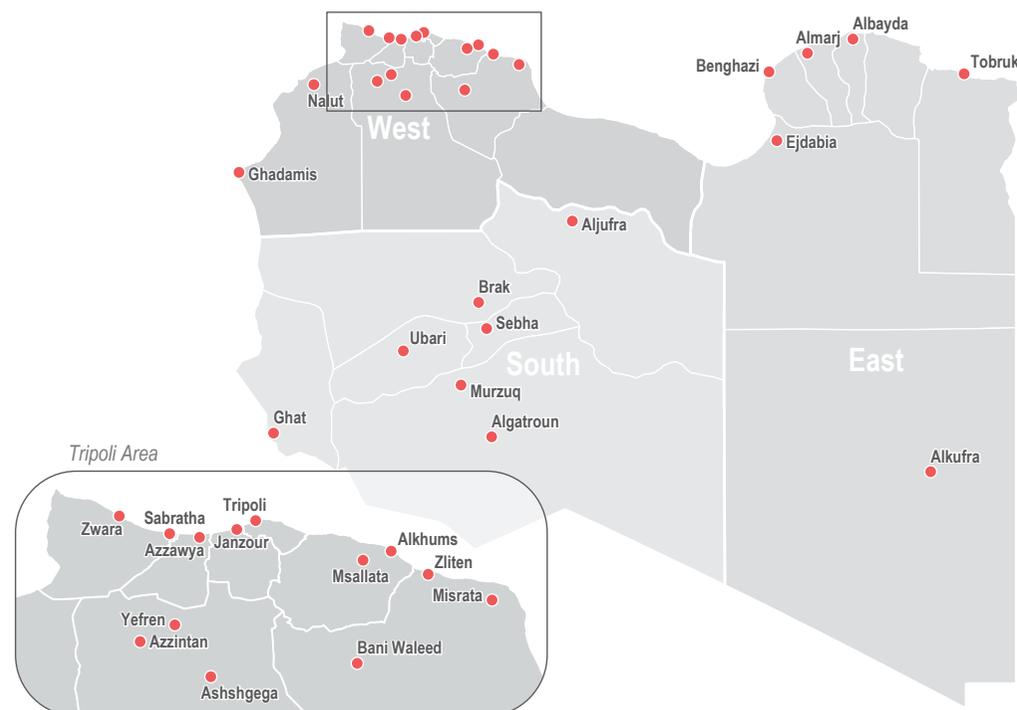
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

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).

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 an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

ASSESSED LOCATIONS



KEY FINDINGS

- Potatoes and tomatoes were both 53.3% more expensive than they were before the conflict in March 2019. **The clashes in the south of Tripoli have driven up the cost of agricultural products produced in Libya**, as much of Libya's fertile land is situated in the vicinity of the fighting.
- Almost all ports (except Sirte and Derna) remain open**, allowing some goods to be imported into the country¹ and stabilising the prices of certain imported goods (rice, pasta and sugar).
- Mainly in the west and east of Libya, **the cost of hygiene products has risen sharply, driving up the median MEB cost**. In spite of claims that most ports are operational, the extreme price hikes for imported hygiene products (**laundry detergent +67.7% and dishwashing liquid +53.6%**) may however indicate that not all goods are able to be imported into the country as easily.
- The cost of the MEB in Ashshgega has dropped from the **most expensive to the cheapest of the west Libyan cities**. According to key informants, **after a shift in power in Ashshgega, the eastern government provided the city with subsidised food rations in June**. This lowered the median cost of the MEB.
- The Tripoli-based Libyan Minister of Economy, Ali Abdulaziz Issawi, **has confirmed that Libya still has four months left of wheat reserves²**, explaining the stability in flour and bread prices in the west compared to the east.
- The overall increase of the cost of fuel in Libya has been stimulated by **the rise in the official (+36.0%) and unofficial fuel (+75.0%) prices in the west**. One can assume that these fuel prices are being pushed up by an increase in transport costs on conflict-affected supply routes. The increase in fuel cost was also influenced by the lack of official cooking fuel data in Misrata which means the median price was higher than usual.
- Food prices had been expected to rise during **Ramadan**; however, these **price hikes were masked by earlier supply chain disruptions** connected with clashes in Tripoli, which led to a 1.8% decrease in the median cost of the food portion of the MEB between May and June.

JMMI KEY FIGURES

Data collection from 29 May - 10 June 2019

- 4 participating agencies (ACTED, DRC, REACH, WFP)
- 28 assessed cities
- 34 assessed items
- 587 assessed shops

EXCHANGE RATES⁴

1.403 USD/LYD <i>official</i> ▲ +0.5%	4.400 USD/LYD <i>parallel market</i> ▼ -2.4%	4.900 EUR/LYD <i>parallel market</i> ▼ +0.4%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

817.13 LYD ▲ 3.44 LYD +0.4%

Food items ▼ -1.8%	Hygiene items ▲ +20.8%	Cooking fuel ▲ +25.0%
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MEDIAN COST OF MEB BY REGION

West	792.72 LYD	+0.9% ▲
East	774.81 LYD	+3.6% ▲
South	1025.16 LYD	-4.2% ▼

MARKET SHORTAGES

None reported

Reported changes are month-on-month

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements⁴

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁵	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the CWG 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

817.13 LYD

Change since
May 2019
▲ 3.44 LYD
(+0.4%)

Change since
May 2018
▲ 34.67 LYD
(+4.4%)

MEDIAN MEB COST BY LOCATION

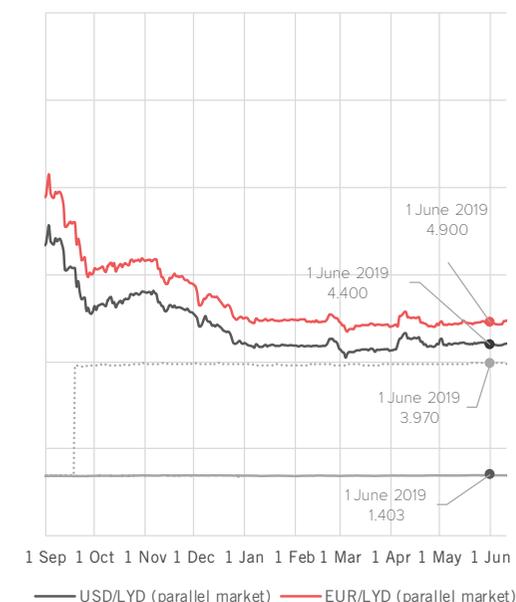
Location	Cost of MEB (LYD)	Since May 2019	Since May 2018
Msallata	888.13	+14.2%	No data
Ghadamis	885.63	No data	+11.1%
Alkhums	869.33	+12.1%	+22.0%
Nalut	857.84	-4.8%	-0.8%
Azzintan	837.47	No data	+14.7%
Zwara	834.82	No data	+0.9%
Tripoli	801.22	+0.8%	+12.2%
Azzawya	785.53	No data	0.0%
Sabratha	783.60	No data	+1.0%
Bani Waleed	774.72	-2.9%	No data
Yefren	770.92	-0.8%	No data
Zliten	767.95	-0.3%	+2.5%
Misrata	750.44	+1.5%	+11.0%
Janzour	747.06	-2.7%	No data
Ashshgega	695.32	-31.0%	No data
Median West	792.72	+0.9%	+6.6%
Ghat	1192.34	-4.0%	+17.0%
Algatroun	1176.26	-1.4%	+4.4%
Ubari	1151.15	-5.2%	+4.3%
Murzuq	1114.47	+0.3%	+4.4%
Aljufra	982.26	-3.0%	+11.3%
Sebha	869.13	-1.3%	-9.3%
Brak	858.13	+1.5%	0.0%
Median South	1025.16	-4.2%	+3.5%
Alkufra	885.91	+11.5%	-8.6%
Albayda	776.75	+10.9%	-5.6%
Ejdabia	764.10	-2.7%	+11.5%
Benghazi	757.80	-7.7%	+0.5%
Tobruk	754.69	No data	-5.0%
Almarj	751.56	No data	-4.0%
Median East	774.81	+3.6%	-1.7%
Median Overall	817.13	+0.4%	+4.4%

EXCHANGE RATES OVER TIME³

January 2016-September 2018

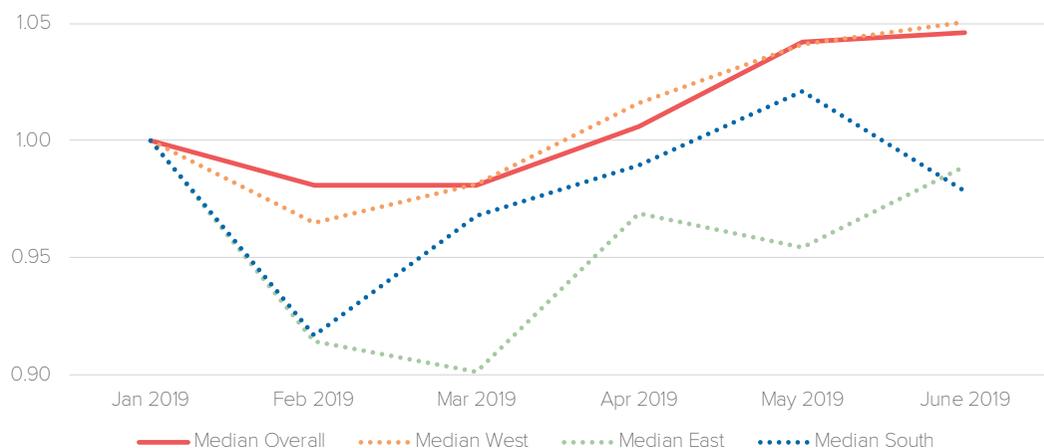


Since September 2018

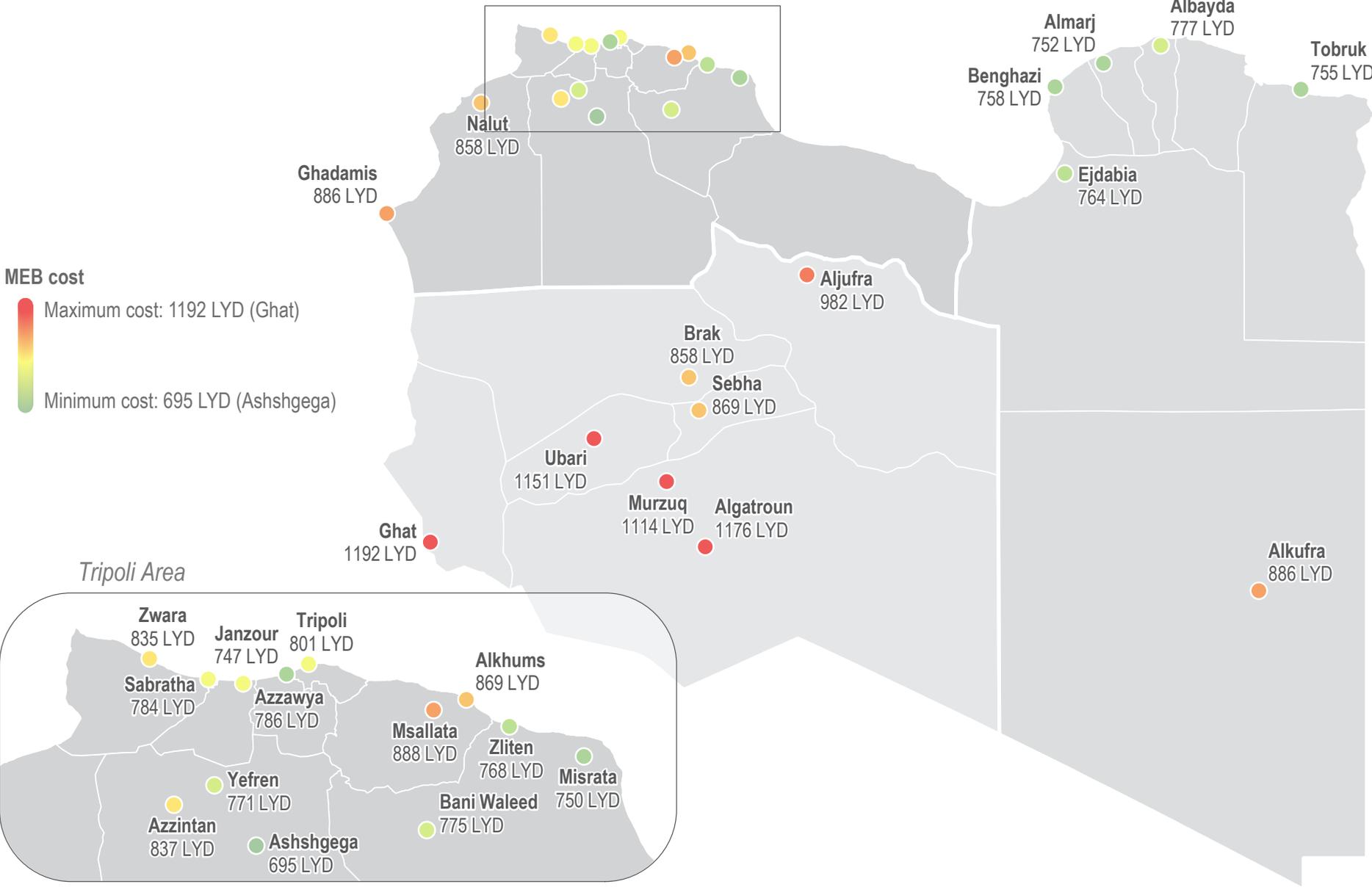


MEB PRICE INDEX

Since January 2019 (normalised, January 2019 = 1.00)⁶



Cost of MEB Key Elements by Location



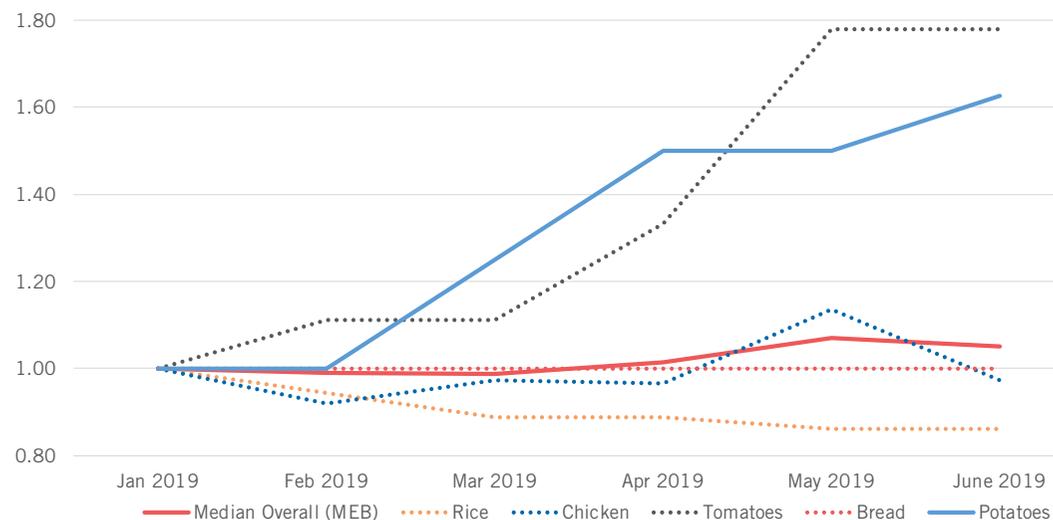
PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since May 2019	Change since May 2018
Food items				
Green tea	250 g	3.69	+13.5%	-26.3%
Beans	400 g	2.19	+9.4%	-12.5%
Potatoes	1 kg	3.25	+8.3%	62.5%
Couscous	1 kg	3.75	+7.1%	11.1%
Chickpeas	400 g	2.00	+6.7%	-33.3%
Black tea	250 g	6.38	+6.3%	-5.6%
Canned tuna	200 g	4.25	+6.3%	9.7%
Milk	1 L	3.69	+4.3%	-22.4%
Bread	5 pieces	1.25	0.0%	+11.1%
Flour	1 kg	2.38	0.0%	+8.0%
Pasta	500 g	1.50	0.0%	+0.0%
Rice	1 kg	3.88	0.0%	+10.7%
Sugar	1 kg	2.50	0.0%	-35.9%
Tomatoes	1 kg	4.00	0.0%	+77.8%
Vegetable oil	1 L	4.75	-5.0%	+26.7%
Lamb meat	1 kg	37.00	-6.3%	-2.6%
Onions	1 kg	3.25	-7.1%	+62.5%
Tomato paste	400 g	2.31	-7.5%	+85.0%
Eggs	30 eggs	10.50	-12.5%	-12.5%
Chicken	1 kg	9.00	-14.2%	-29.4%
Peppers	1 kg	5.00	-16.7%	+11.1%
Condensed milk	200 ml	2.01	-19.8%	-27.1%

Hygiene items				
Laundry detergent	1 L	2.01	+67.7%	+15.0%
Dishwashing liquid	1 L	2.15	+53.6%	+14.0%
Laundry powder	1 kg	6.83	+36.7%	-5.1%
Toothpaste	100 ml	5.25	+35.5%	-12.5%
Toothbrush	1 brush	2.50	+25.0%	+1.0%
Handwashing soap	1 bar	1.78	+9.7%	-10.9%
Baby diapers	30	16.04	+8.7%	-27.1%
Sanitary pads	10 pads	3.44	-1.8%	-14.1%
Shampoo	250 ml	5.07	-9.8%	-9.3%
Other items				
Official LPG	11 kg	5.00	+11.1%	No data
Bottled water	1 L	0.30	0.0%	No data
Unofficial LPG	11 kg	20.00	-33.3%	No data

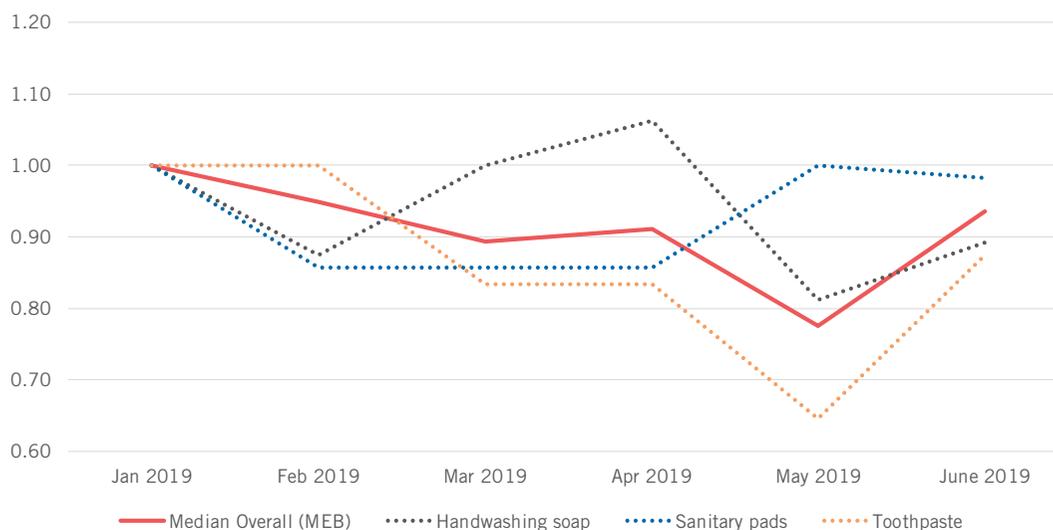
FOOD PRICES OVER TIME

Selected items (normalised, January 2019 = 1.00)⁷



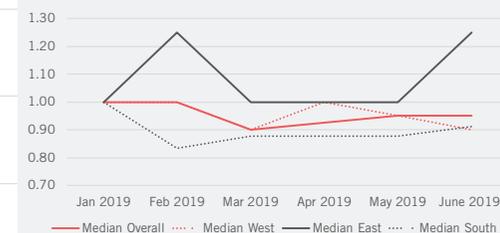
HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, January 2019 = 1.00)⁷



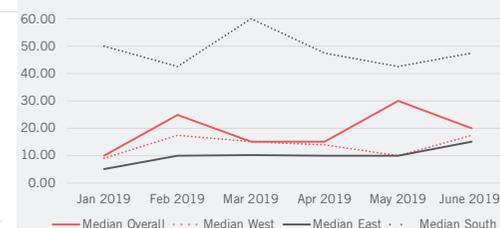
FLOUR PRICES OVER TIME

(normalised, January 2019 = 1.00)⁸



PRICES FROM UNOFFICIAL COOKING FUEL (LPG) VENDORS

(since January 2019, non-normalised)



NOTABLE MONTH-ON-MONTH CHANGES

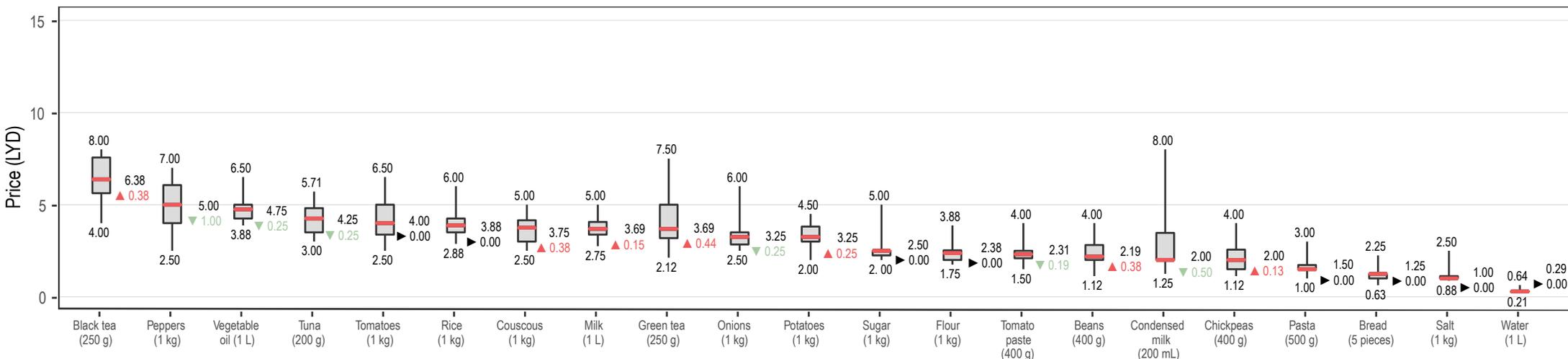
Laundry detergent	▲	+67.7%
Dishwashing liquid	▲	+53.6%
Laundry powder	▲	+36.7%
Toothpaste	▲	+35.5%
Toothbrush	▲	+25.0%

MARKET SHORTAGES

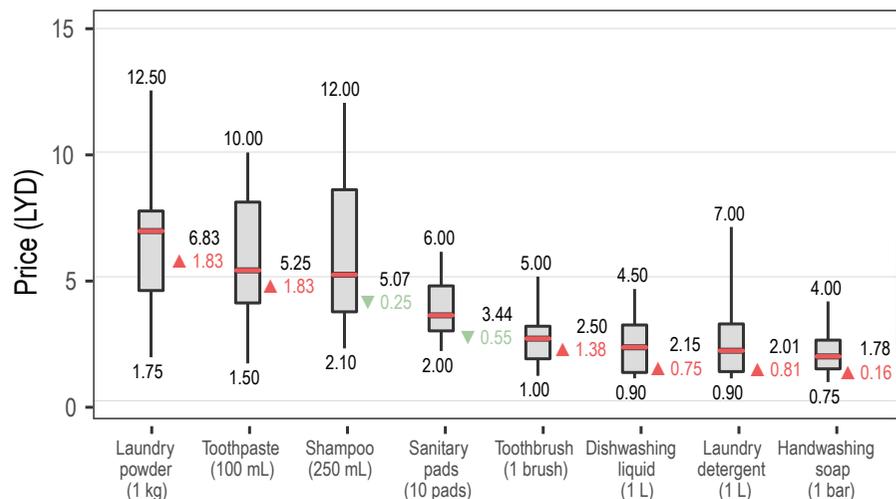
None reported

Distribution of Prices in Libya

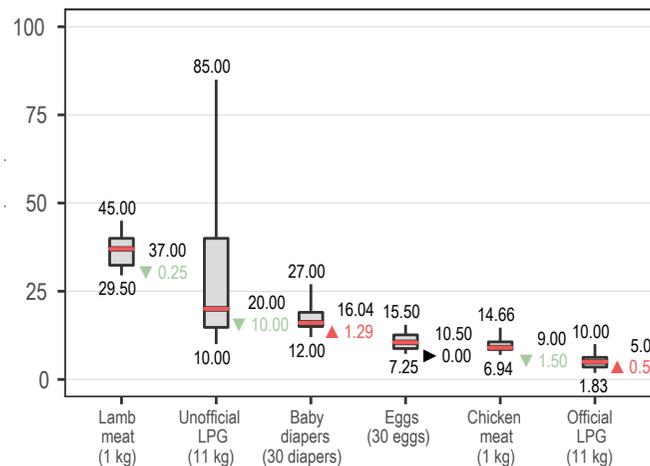
FOOD ITEMS



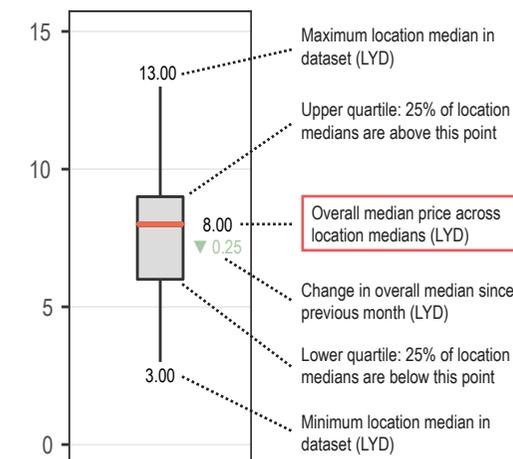
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



The 'location median' is calculated by first finding the median price of a given item in each assessed location, then taking the median of the resulting set of median prices.

PREVIOUS JMMI OUTPUTS

Factsheets Datasets

2019

May	May
April	April
March	March
February	February
January	January

2018

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

2017

December	December
November	November
October	October
September	September
August	August
July	July
June	June

Trends Analyses

January–June 2018
June–December 2017

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	NA
Certified cheques	0-15%
Mobile money	0%

What is the CWG?

The Libya Cash Working Group (CWG), established in August 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)

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.

Endnotes

¹ Gard, "Libya - port situation", 17 June 2019, <http://www.gard.no/web/content/libya-port-situation>

² Reuters, "Total, other foreign firms seek to renew Libya licenses", 14 June 2019, <https://www.reuters.com/article/us-libya-security-economy/total-other-foreign-firms-look-to-renew-libya-licenses-idUSKCN1TF0W8>

³ Official rate: Central Bank of Libya (1 June 2019), retrieved from www.cbl.gov.ly. Parallel market rates: Ewan Libya (1 June 2019), retrieved from www.ewanlibya.ly. The rates from 1 May 2019 and 1 June 2019 were used for the calculation of the monthly changes.

⁴ The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.

⁵ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.

⁶ The MEB price index was normalised by setting January 2019 as the baseline and dividing each month's price by the price in January 2019.

⁷ The food and hygiene prices were normalised by setting January 2019 as the baseline and dividing each month's price by the price in January 2019.

⁸ The flour prices were normalised by setting January 2019 as the baseline and dividing each month's price by the price in January 2019.