Ethiopia | Joint Market Monitoring Initiative (JMMI)

04 - 20 December 2023

INTRODUCTION

The aim of the Ethiopia JMMI is to provide regular and reliable information on prices and market functionality through the use of harmonised tools and validated analysis. The Ethiopia JMMI is a joint exercise led by REACH in close collaboration with Ethiopia Cash Working Group (ECWG) members. This initiative aims to collaboratively develop an evidence base for the wider use of cash and voucher assistance (CVA), as well as facilitate discussions of changes in critical market dynamics, which are an integral part of cash feasibility considerations.

With a uniform methodology, ECWG members collect data from their respective areas of operation on a voluntary basis. The geographical coverage of the exercise depends on the ability of ECWG members to consistently collect data and thus the coverage varies from month to month.

Data has been collected using key informant interviews (KIIs) with three retail vendors located in a woreda capital. For commodity prices and stock levels, the median prices/stock levels are calculated for each item within each assessed woreda. The national and regional median prices are aggregated results of the woreda median prices.

22	Participating agencies
12	Assessed regions
85	Assessed woredas
832	Key informant interviews (KIIs)
35	Commodities assessed

KEY INDICATORS

Median Cost of JMMI Full Basket
11,597.85 ETB

208.57USD*

▲ 1,116 ETB +11%

Median Cost of JMMI Food Basket
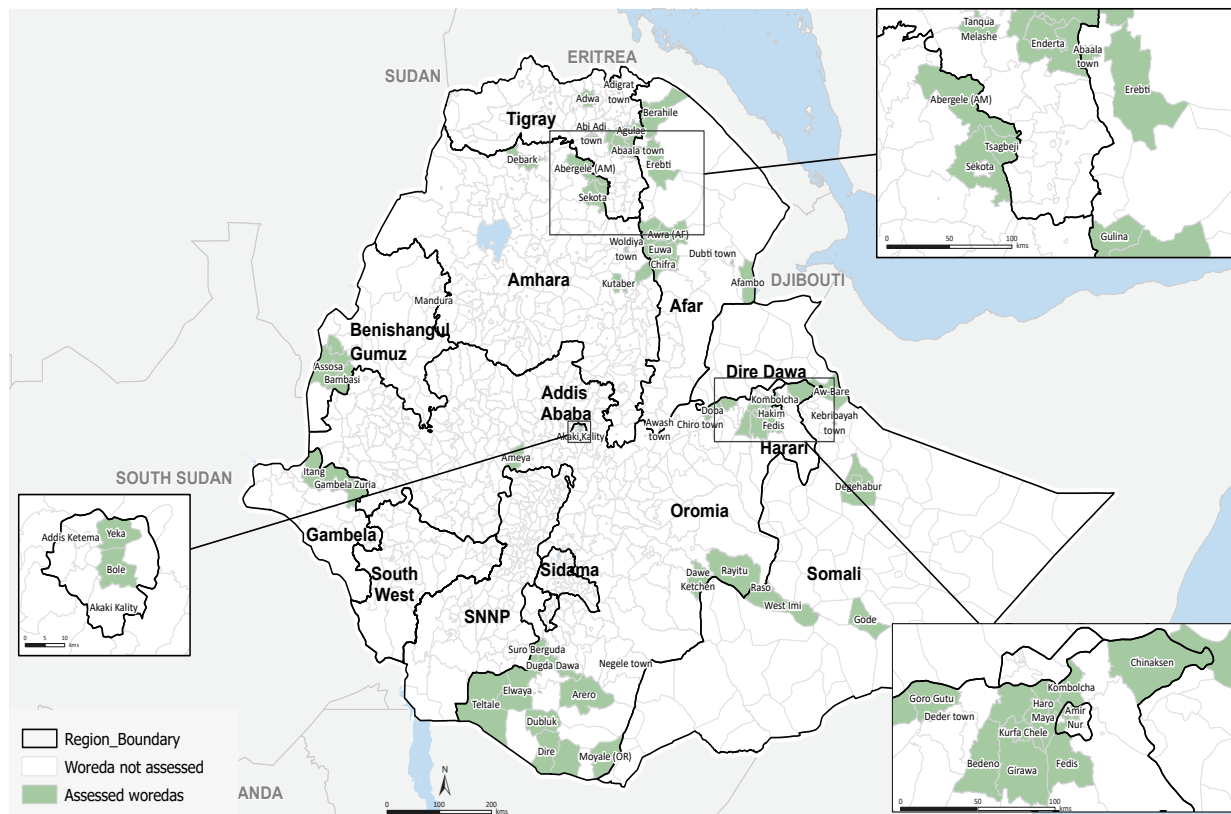11,080.35 ETB

199.26 USD*

▲ 1,139 ETB +11%

Median Cost of NFI Basket
517.50 ETB

9.31 USD*

▼ 22.5 ETB -4%

Map 1: Assessed Woredas, By Woreda

Legend:
- Region_Boundary
- Woreda not assessed
- Assessed woredas

- The number of assessed woredas has been increased by 5 since November 2023.

Key Messages

- In December, the national JMMI full basket median price increased by 11%.
- Among cereals, rice (+45%) and maize (+9%) were observed to have the largest increase in median prices at the national level since November 2023.
- Among vegetables, green leafy (+50%), okra (36%), and potatoes (23%) were observed to have the largest increase in median prices at the national level since November 2023.
- All of the interviewed retailers reported that camel meat (100%) had limited availability, while about half of traders reported that wheat (43%) and tomatoes (41%) had limited availability. The overall market functionality score indicates that the majority of assessed markets in December had poor functionality.
- Markets in Harari, SNNP, and Somali regions had severe score regarding availability, while other regions had poor score regarding availability of key commodities in December 2023.
- Almost all markets had poor score regarding consistency in supplying key commodities.

Market Functionality Score (MFS)

The Market Functionality Score (MFS) is a method of classifying markets 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. The MFS is divided into five 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

Key Findings

- Markets in Harari, SNNP, and Somali regions had severe score regarding availability, while other regions had poor score regarding availability of key commodities in December 2023.

- In December, almost all markets had poor score regarding resilience in supplying key commodities.

- Market infrastructure was classified as limited in all regions.

Map 2: Market Functionality Score (MFS), By Woreda
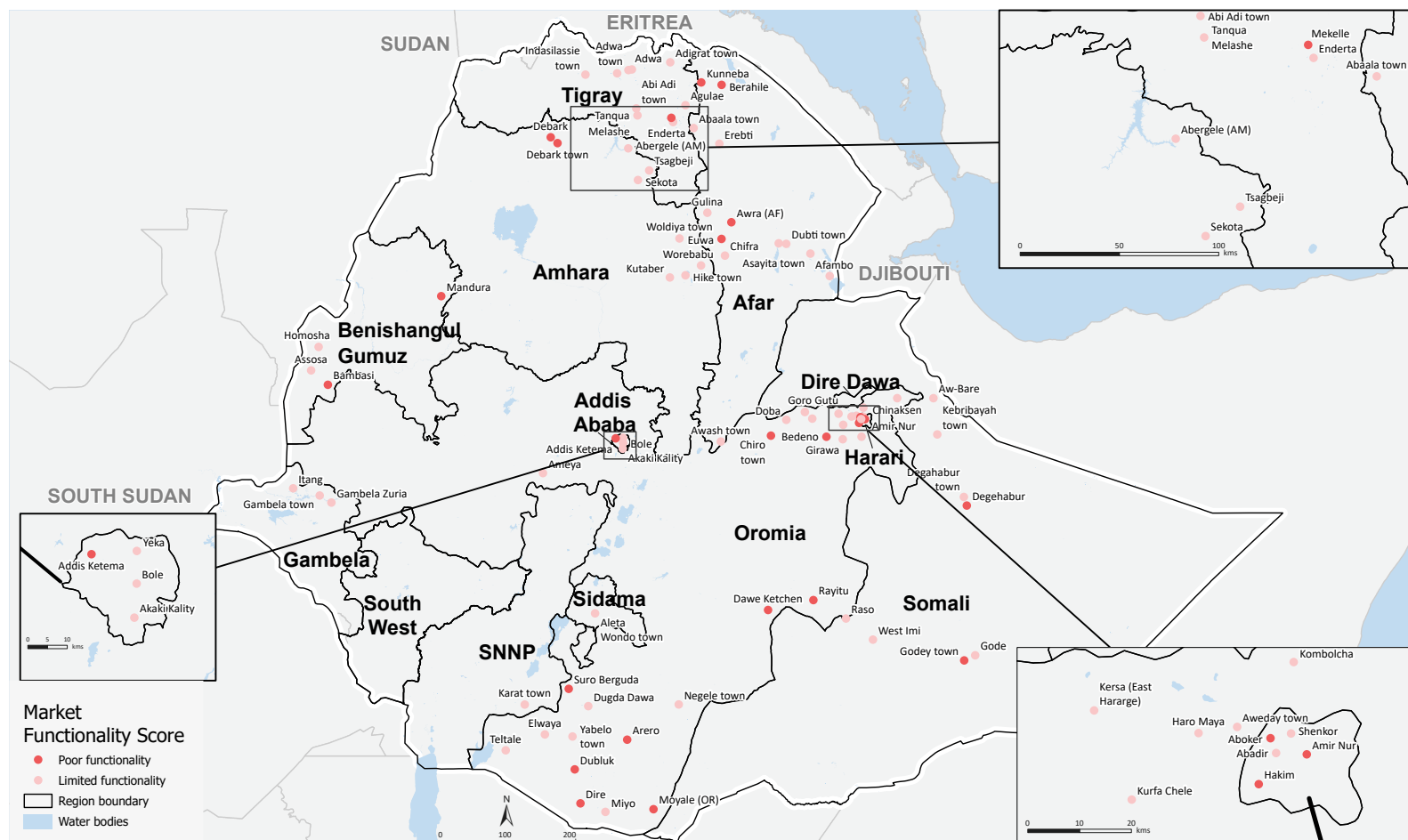
JMMI Basket

The JMMI basket is a selection of food and hygiene items that represent some of the core monthly expenditures incurred by an average Ethiopian household (6 persons) in an average month (30 days). It is designed to incorporate a different set of four staple crops in each region in order to reflect consumption patterns in the regions. While the JMMI Basket is based in part on the Ethiopia Cash Working Group's effort to develop a Minimum Expenditure Basket (MEB) for the Somali region in 2020,[1] it is not a complete MEB itself and does not reflect the full spectrum of regular household expenditures in Ethiopia. It can, however, be tracked over time to understand how household financial burdens are evolving.

Food Items

Cereals & root crops (maize, sorghum, wheat, teff, Barley, rice & enset)	72 kg	Tomatoes	5 kg
		Potatoes	3 kg
		Onions	5 kg
		Egg	18 pieces
		Cooking oil	5.86 L
Meat	2.7 kg		
Green leafy vegetables	5 kg		

Non-Food Items

Bath soap	0.375 kg (3* 125g bars)
Laundry soap	1.2 kg (6* 200g bars)

**USD/ETB official exchange rate[2]**

55.607 ETB

The food basket composition according to the regional consumption patterns:

Beef	Addis Ababa, Amhara, Benishangul Gumuz, Gambela, Oromia, SNNP[3], Harari, Dire Dawa, Sidama
Beef and goat meat	Afar
Camel and goat meat	Somali
Maize, sorghum, teff, wheat	Addis Ababa, Gambela, Oromia, Amhara, Benishangul Gumuz, Harari, Dire Dawa
Maize, sorghum, wheat, rice	Somali
Maize, sorghum, teff, barley	Afar
Maize, teff, barley, enset	SNNP, Sidama

Table 1: JMMI Full Basket Median Price Per Region

Region	Full basket median price in Dec (ETB)	Full basket median price in Dec (USD)	Full basket median price in Nov ETB)	Full basket median price in Nov (USD)	Change since Nov 2023	
Addis Ababa	10,488.86	188.62	11,131.12	200.58	▼	6%
Afar	11,244.57	202.22	11,650.17	209.94	▼	3%
Amhara	11,186.00	201.16	10,316.04	185.89	▲	8%
Benishangul Gumuz	10,952.47	196.96	10,517.97	189.53	▲	4%
Dire Dawa	NA	NA	11,589.11	208.84		-
Gambela	11,232.09	201.99	9,785.87	176.34	▲	15%
Harari	11,521.44	207.19	11,868.24	213.87	▼	3%
Oromia	9,667.74	173.86	9,502.77	171.24	▲	2%
Sidama	10,682.90	192.11	11,256.20	202.84	▼	5%
SNNP	9,068.88	163.09	8,261.60	148.87	▲	10%
Somali	14,056.74	252.79	10,924.44	196.86	▲	29%
Tigray	9,551.16	171.76	9,394.92	169.30	▲	2%
JMMI full basket	**11,597.85 ETB**	**208.57 USD[1]**	▲ **ETB 1,116**	▲	11%
JMMI food basket	**11,080.35 ETB**	**199.26 USD[1]**	▲ **ETB 1,139**	▲	11%

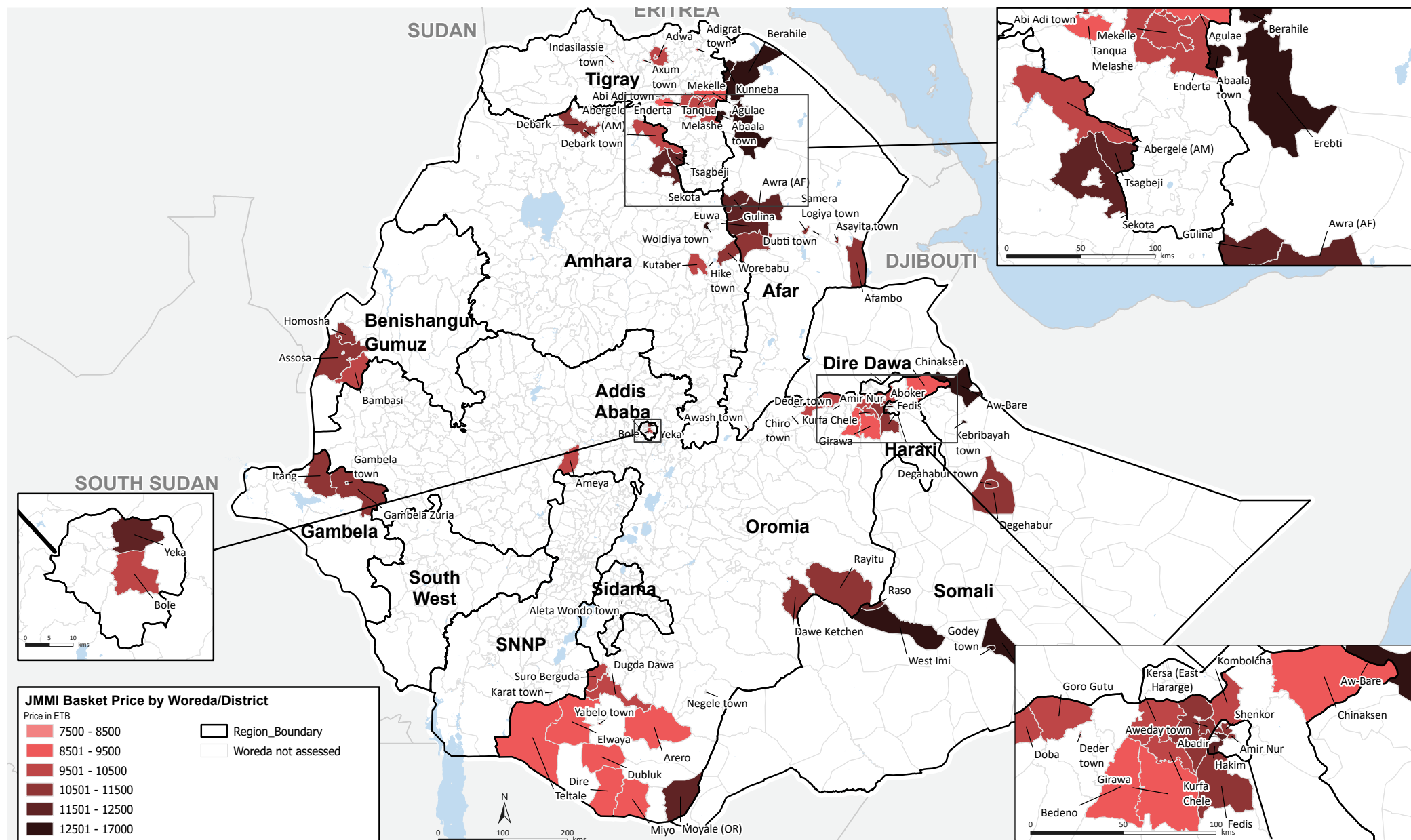## Figure 1: National and Regional JMMI Full Basket Median Prices
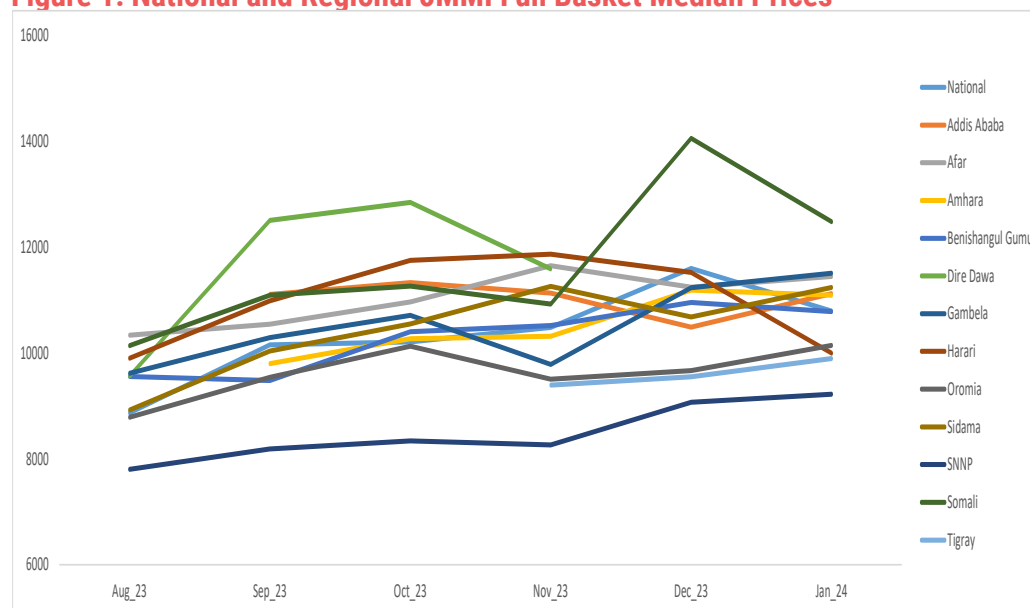
- In December, the majority of regions experienced JMMI full basket median price rise.

- An overall JMMI full basket median price increase was observed in the Somali (29%) and Gambela (15%) regions, compared to regional median prices in November 2023.

- In December, the Somali region had the highest full basket median price compared to the price in other regions.

1. Minimum Expenditure Basket for Somali Region Guidance Note, June 2020. Additional sources consulted to assemble the JMMI Basket include the Ethiopia Food Security and Water, Sanitation and Hygiene (WASH) sectors, World Food Programme (WFP) vulnerability analysis and mapping (VAM), and publications by the Global WASH Cluster, Famine Early Warning System Network (FEWS NET), and the Food and Agriculture Organization of the United Nations (FAO).

2. Exchange rates are taken from the United Nations (UN) Operational Rates of Exchange

3. Southern Nations, Nationalities and Peoples' Region

Map 3: Cost of JMMI Full Basket, By Woreda

JMMI Basket Price by Woreda/District

Price in ETB

7500 - 8500	Region_Boundary
8501 - 9500	Woreda not assessed
9501 - 10500	
10501 - 11500	
11501 - 12500	
12501 - 17000	

All items listed under the shelter and education sections are not included in the JMMI basket. Additionally, water treatment and CBHI[4] are also not in the JMMI basket. These items are assessed solely to inform humanitarian actors involved in CVA about price evolution of the items.

- Among cereals, rice (+45%) and maize (+9%) were observed to have the largest increase in median prices at the national level since November 2023.

- In December, the highest increase on pulses was recorded on faba bean (+28%) and garden pea (+10%).

- In December, the price of milk (+25%) also showed the highest rise since November 2023.

- The price of washing basin also increased at 29%.

## Table 2: National and Regional Median Prices Per Item[5]

Item	National change since Nov 2023	National	Addis Ababa	Afar	Amhara	Benihsangul Gumuz	Dire Dawa	Gambela	Harari	Oromia	Sidama	SNNP	Somali	Tigray
Cereals														
Maize	▲ 9%	49.25	55	60	49	55	NA	50	51.5	40	36	30	100	41.5
Sorghum	▲ 1%	60	85	65	62.5	65	NA	40	61.25	50			117.5	55
Teff	▲ 5%	115	110	117.5	115	105	NA	130	118.75	100	110	95		115
Wheat	0	70	80		70	70.75	NA	70	NA	65			50	68.5
Barley	▼ 2%	70			100						45	44		
Enset	▼ 25%	100									100	NA		
Rice	▲ 45%	145											145	
Pulses														
Garden pea	▲ 10%	85	85	140	NA	110	NA	80	NA	105	NA	NA	NA	80
Faba bean	▲ 28%	82.5	82.5	142.5	NA	105	NA	120	NA	NA	NA	NA	NA	72.5
Lentils	▲ 7%	150	140	160	140	155	NA	170	NA	152.5	NA	NA	NA	137.5
Meat and Fish														
Beef	▼ 4%	670	600		900	625	NA	700	975	685	800	800		600
Goat meat	▲ 23%	800		800									675	
Camel meat	-	675											675	
Dry fish	▼ 53%	130							130					
Vegetables														
Green leafy	▲ 50%	60	65	55	70	140	NA	100	NA	45	40	20	80	38.75
Tomatoes	▲ 3%	80	70	90	65	82.5	NA	150	80	80	70	80	120	50
Onions	▲ 3%	123.75	100	120	132.5	122.5	NA	130	120	130	120	140	160	115
Potatoes	▲ 23%	50	30	60	58	40	NA	52.5	40	40	30	30	120	45
Okra	▲ 36%	75						75						
WASH														
Bath soap	▼ 13%	55.5	49	55	72	50	NA	85	60	40	50	62	110	50
Laundry soap	0	60	62.5	60	56	62.5	NA	72.5	70	56.5	60	45	120	55
Sanitary pads	0	60	54	57.5	58.75	81.25	NA	70	77.5S	60	50	NA	NA	55
Water treatment	▲ 11%	28.25	45	15	NA	NA	NA	20	NA	15	NA	NA	50	27.5
Shelter														
Plastic bucket	0	180	167.5	205	180	150	NA	240	NA	115	NA	NA	325	165
Washing basin	▲ 29%	200	242.5	250	190	NA	NA	210	NA	165	NA	NA	NA	162.5
Education														
Exercise book	▲ 5%	52.5	52.5	62.5	52.5	65	NA	60	45.3	50	NA	NA	60	47.5
Pen/pencil	▼ 15%	19.5	18	17.5	18.75	12.5	NA	20	19.5	20.8	NA	NA	16.25	12.5
Rubber	▼ 26%	10	11.5	7.75	10	15	NA	20	NA	10	NA	NA	15	10
Ruler	▲ 25%	25	29	35	25	36.25	NA	35	NA	22.5	NA	NA	50	13.75
Other														
Cooking oil	▲ 3%	197.5	156	180	195	210	NA	200	200	200	220	150	200	175
Milk	▲ 25%	100	100	200	63.75	100	NA	200	NA	92.5	NA	NA	100	80
Egg	▲ 4%	13.5	12	15	11	18	NA	20	14.5	10.5	13	12	22.5	12.25
Salt	▲ 4%	31.25	50	40	30	87.5	NA	50	NA	32.5	25	NA	20	25

4. Community Based Health Insurance.

5. The blank spaces represent the item is not part of the basket in that region.

REPORTED PREDICTED CHANGE IN PRICE OF FOOD ITEMS

% of vendors reporting predicted price changes for food items in the 30 days following data collection:

1%   Decrease

33%   Stay the same

66%   Increase

0%   Don't know

0%   Don't want to answer
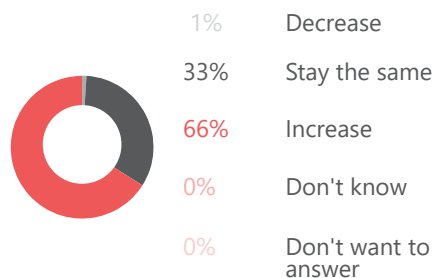
Out of those vendors predicting an increase in food prices, the most frequently cited reasons were:[6]

❶   27%   Rising exchange rate

❷   17%   Customers will demand more of these items

❸   16%   Customers will run out of these items

REPORTED PREDICTED CHANGE IN PRICE OF NON-FOOD ITEMS

% of vendors reporting predicted price changes for hygiene items in the 30 days following data collection:

2%   Decrease

39%   Stay the same

59%   Increase

0%   Don't know

0%   Don't want to answer
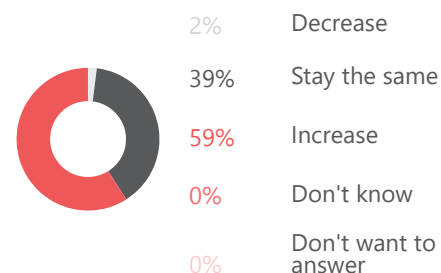
Out of those vendors predicting an increase in hygiene item prices, the most frequently cited reasons were:[6]

❶   24%   Rising exchange rate

❷   17%   Customers will run out of these items

❸   14%   Customers will demand more of these items

LOCATION OF MAIN SUPPLIERS FOR FOOD ITEMS

53% of vendors reported that their main supplier of food items was located in the same woreda.

Proportion of vendors by reported origin of their main supplier for food items (out of the 49% of the vendors whose suppliers were not located in the same woreda):

97%   Domestic

3%   International
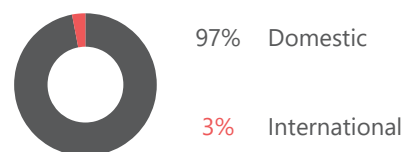
46% of vendors reported that their main supplier of food items was not located in the same woreda as them.
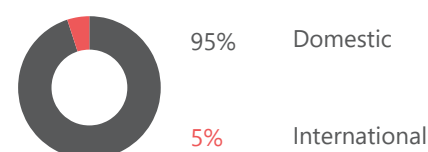
Proportion of vendors whose main food items supplier was not located in the same woreda by reported region where the supplier is located:[6]

38%   Oromia

16%   Amhara

12%   Tigray

7%   Addis Ababa

6%   Afar

LOCATION OF MAIN SUPPLIERS FOR NON-FOOD ITEMS

43% of vendors reported that their main supplier of NFIs was located in the same woreda.

Proportion of vendors by reported origin of their main supplier for NFI items (out of the 54% of the vendors whose suppliers were not located in the same woreda):

95%   Domestic

5%   International

55% of vendors reported that their main supplier of NFIs was not located in the same woreda as them.

Proportion of vendors whose main NFIs supplier was not located in the same woreda by reported region where the supplier is located:[6]

22%   Oromia

18%   Tigray

17%   Amhara

17%   Addis Ababa

6%   Harari

6. Percentages do not add up to 100% as vendors were allowed to give multiple answers.

DIFFICULTIES IN MEETING DEMAND AND TRANSPORTING OR PROCURING SUPPLIES

24% (n= 171) of vendors reported having faced difficulties obtaining enough food items to meet demand in the 30 days prior to data collection.

The three most frequently cited reasons for shortage of food items supply were:[6]

❶   24%   (n=41)   Not enough money

❷   18%   (n= 31)   Not enough credit

❸   16%   (n= 27)   Producers producing less

21% (n= 49) of vendors reported having faced difficulties obtaining enough NFIs to meet demand in the 30 days prior to data collection.

The three most frequently cited reasons for shortage of NFIs supply were:[6]

❶   40%   (n= 20)   Transport shortage

❷   20%   (n= 10)   Domestic transport restrictions

❸   20%   (n= 10)   Not enough money

CHANGE IN NUMBER OF CUSTOMERS AND VENDORS

Proportion of vendors reporting perceived changes in the number of customers coming to their shop as compared to previous month:

15%   Decrease

59%   Stay the same

24%   Increase

2%   Don't know

0%   Don't want to answer
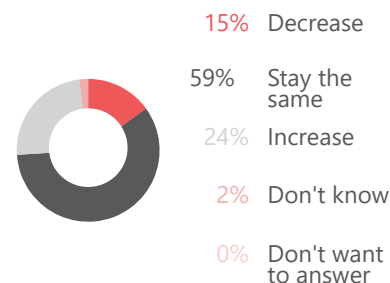
Proportion of vendors reporting perceived changes in the number of active traders in their marketplace as compared to previous month:

9%   Decrease

64%   Stay the same

24%   Increase

2%   Don't know

1%   Don't want to answer

TYPES OF PAYMENT MODALITIES

Proportion of vendors reporting accepting different types of payment in the 30 days prior to data collection:[6]

❶   94%   Cash (ETB)

❷   17%   Mobile money

❸   16%   Money transfer

BARRIERS TO MARKET ACCESS FOR CUSTOMERS

Customer groups that were reported to have faced difficulties visiting markets in the 30 days prior to data collection, by proportion of vendors (e.g., due to movement restrictions):[6]

❶   4%   Women

❷   4%   Children

❸   3%   Chronically ill people

Proportion of the vendors reporting having observed or heard of any safety or security incidents in their market place in the 30 days prior to data collection.[6]
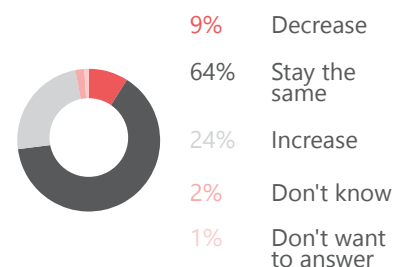
❶   8%   Fear of robbery

❷   6%   Fear of violence

❸   5%   Fear of looting

❹   4%   Curfew

Table 3: Availability of Items in the Market, Available Stock and Time Needed to Restock in December 2023

Item[7]	Availability			Stock and Restock	
	Available (% KIs)	Limited Available (% KIs)	Not available (% KIs)	Days stock available	Days needed to restock
Cereals					
Maize	70%	24%	6%	15	4
Sorghum	48%	39%	13%	15	4
Teff	53%	36%	11%	15	5
Wheat	39%	43%	16%	14	5
Barley	30%	33%	32%	25	3
Enset	11%	14%	66%	2	2
Rice	43%	34%	14%	13	4
Pulses					
Garden pea	100%	0%	0%	30	3
Faba bean	100%	0%	0%	20	3
Lentils	100%	0%	0%	18	3
Meat and Fish					
Beef	60%	28%	12%	2	1
Goat meat	73%	27%	0%	1	1
Camel meat	0%	100%	0%	2	4
Dry fish	100%	0%	0%	8	2
Vegetables					
Green leafy	58%	39%	2%	3	2
Tomatoes	59%	41%	0%	4	2
Onions	62%	36%	0%	5	2
Potatoes	68%	32%	0%	5	3
Okra	100%	0%	0%	2	1
WASH					
Bath soap	85%	15%	0%	20	3
Laundry soap	85%	14%	1%	20	3
Sanitary pads	61%	18%	20%	15	3
Water treatment	25%	25%	42%	25	2
Shelter					
Plastic bucket	42%	32%	21%	25	3
Washing basin	39%	28%	25%	20	3
Education					
Exercise book	59%	25%	8%	25	3
Pen/pencil	69%	18%	7%	18	3
Rubber	44%	23%	21%	20	3
Ruler	44%	24%	23%	16	3
Other					
Cooking oil	74%	26%	0%	15	3
Milk	41%	30%	20%	1	1
Egg	51%	40%	6%	5	2
Salt	79%	17%	1%	20	3

- All of the interviewed retailers reported that camel meat (100%) had limited availability, while about half of traders reported that wheat (43%) and tomatoes (41%) had limited availability. Tomatoes were also having limited availability in November 2023, as reported by 51% of the traders respectively at that time.

7. Red numbers in this table flag the rate of unavailability of items.

Methodology

JMMI data is collected in the form of key informant interviews (KIIs), with retailers in target markets serving as the key informants (KIs). KIs were asked for information encompassing the 30 days prior to data collection. Findings represent KIs' understanding of the situation in their markets and therefore are indicative only.

A woreda's largest urban market place(s) devoted to retail is/are prioritised for data collection, with expansion to rural areas depending on the availability of contributing partners. For the purposes of the Ethiopia JMMI, a market place is defined as an area with a relatively sizable concentration of traders in close proximity to each other. Within each target market place, field teams are responsible for identifying a sufficient number of traders to interview those who sell directly to consumers, who sell at least one item of that region's JMMI Basket and who are patronised by average consumers in the area. Field teams aim to collect a minimum of three prices per assessed item per assessed woreda.

Once data has been collected, it is uploaded to a secure KoBo server for cleaning and analysis. As the data is collected at the KI level, the following steps are undertaken to aggregate the trader level data to the location level:

- Availability is defined categorically (available, limited, unavailable) for each item
- Commodity prices and stock levels are collected from individual traders and median prices/stock levels are calculated for each item within each assessed woreda

- National and regional medians are then calculated using a "median of medians" approach, i.e. by calculating a new median from all woreda-level medians
- All vendors are asked about their ability to restock and whether a trader has restocked in the last month. If any given trader states they are able to restock an item or, if at least one trader restocked in the last month, respectively, then those abilities are assumed for that woreda.

Data collection for this round took place between 4 and 20 December 2023. In December, 22 of the JMMI partners conducted a total of 832 KIIs. This round covered 218 market places, which were sampled by partners nationwide based on their access and existing areas of intervention. This round includes 85 out of 1040 woredas in Ethiopia.

Challenges and limitations

- The South west and Dire Dawa regions were not assessed due to the unavailability of data collection partners.
- In December 2023, enset prices were not collected in SNNP and the number of covered marketplaces decreased in the Amhara region, which can be one factor for the monthly price change reported in Table 2.
- The JMMI methodology specifies that three prices should be collected per commodity, per woreda. For this round of data collection, less than three prices were collected per woreda for fababean, lentils, plastic bucket, rubber, ruler, washing basin and water treatment items.
- All findings are indicative and not statistically generalisable at any level.

About the CWG

The Ethiopia Cash Working Group (ECWG) is a forum of technical professionals dedicated to enhancing the quality of CVA. Established in 2021, the ECWG serves as an inter-agency and inter-sectoral platform providing strategic and technical support on cash programming across sectors and clusters, social-protection mechanisms and development and resilience-based response. The CWGs support includes both technical functions that focus on process and strategic functions that focus more on results and impact.

Participating agencies

- ACF – Action Contre le Faim
- ACTED – Agency for Technical Cooperation and Development
- ASDEPO – Action for Social Development and Environmental Protection Organization
- AIE – Action Aid Ethiopia
- Ayuda en Acción Ethiopia
- CARE
- Caritas Switzerland
- Christian Aid
- CISP –
- Concern Worldwide
- COOPI – Cooperazione Internazionale
- DCA – Danish Church Aid
- EECMY DASSC
- FRC – Finish Refugee Council
- GOAL
- IRC – International Rescue Committee
- IRE – Islamic Relief Ethiopia
- Mercy Corps
- NRC – Norwegian Refugee Council
- Oxfam
- SCI – Save the Children
- WVI – World Vision International

About REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications Programme (UNITAR-UNOSAT).
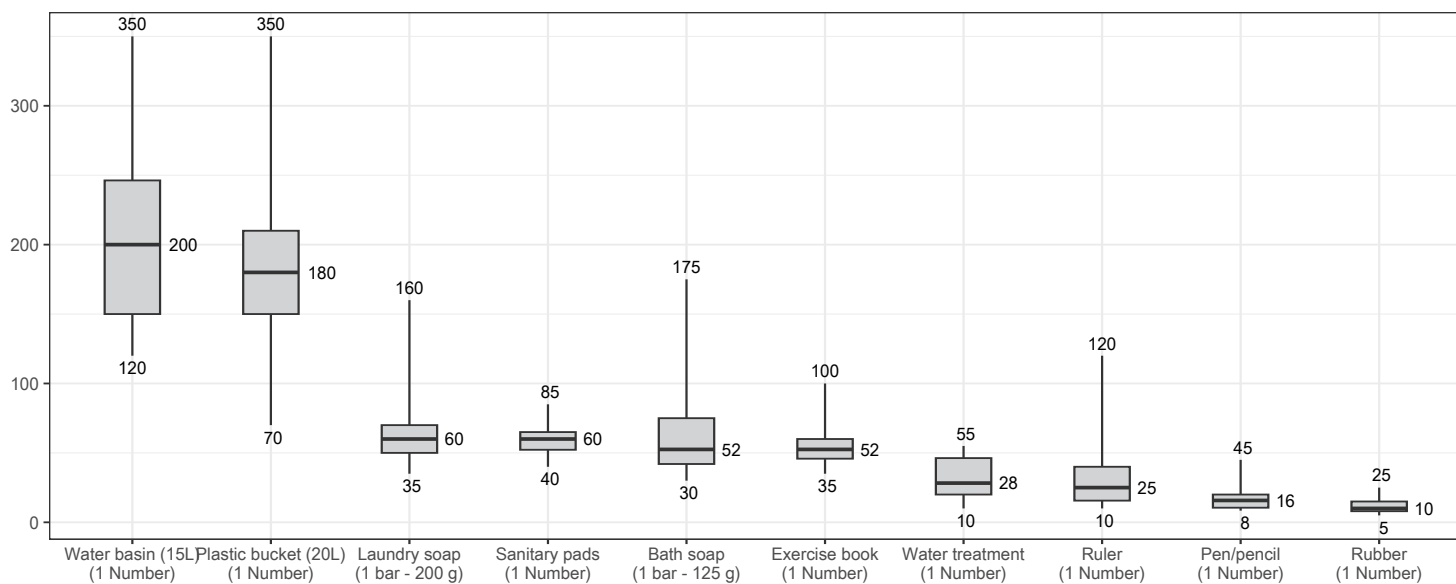
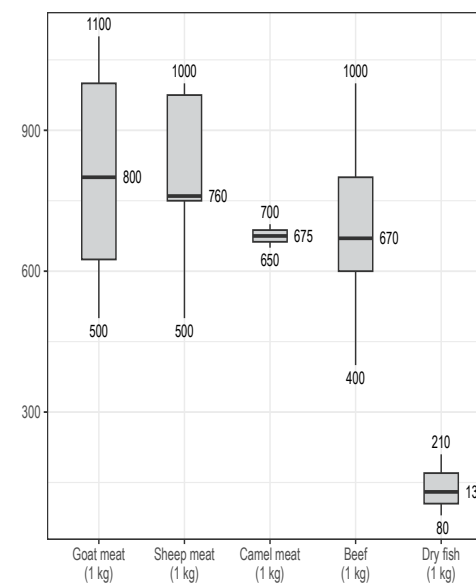## ANNEX 1: Distribution of Prices

Food Items 1
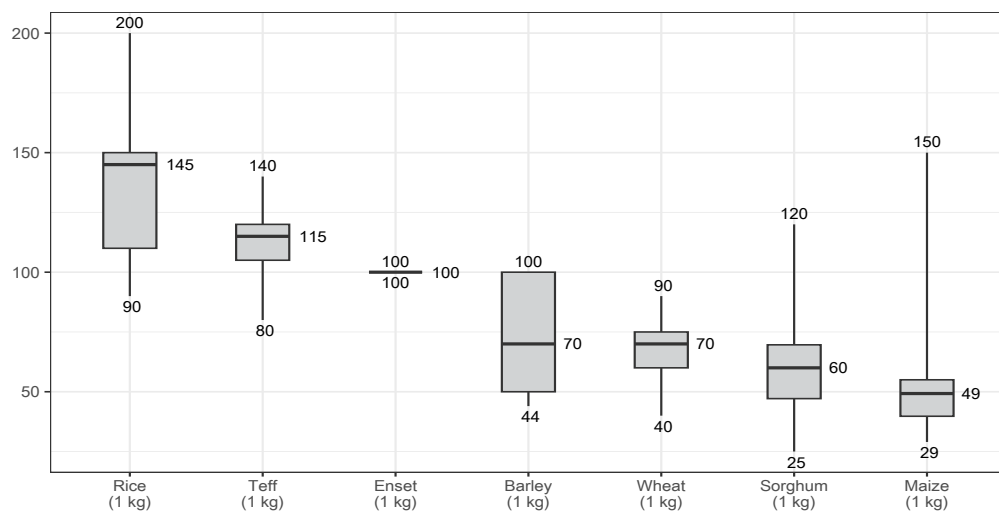
Food Items 2
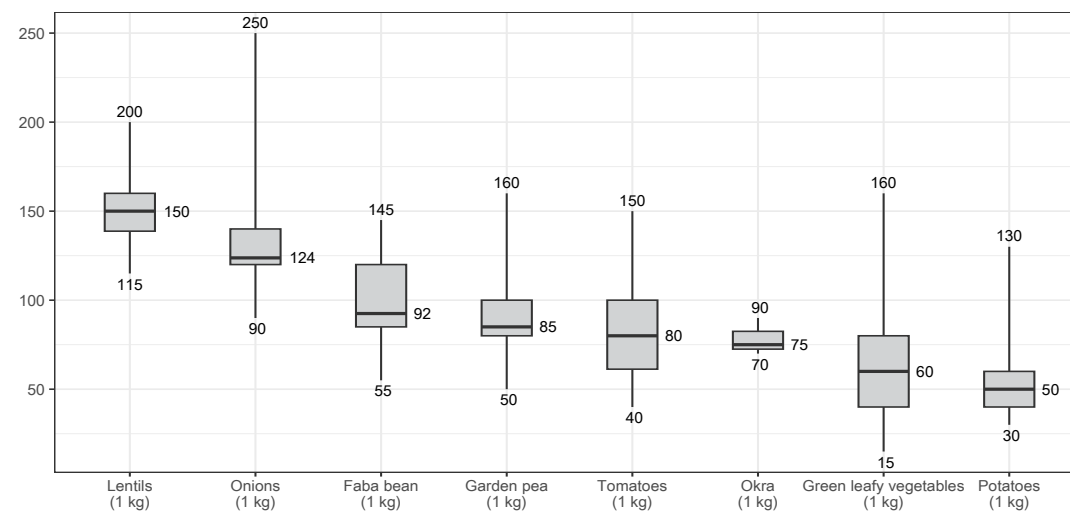
NFIs

Meat Items

Other Food Items