

# Libya Joint Market Monitoring Initiative (JMMI)

4 - 11 May 2020

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. Foreign Disaster Assistance (OFDA) and the United Nations High Commissioner for Refugees (UNHCR).

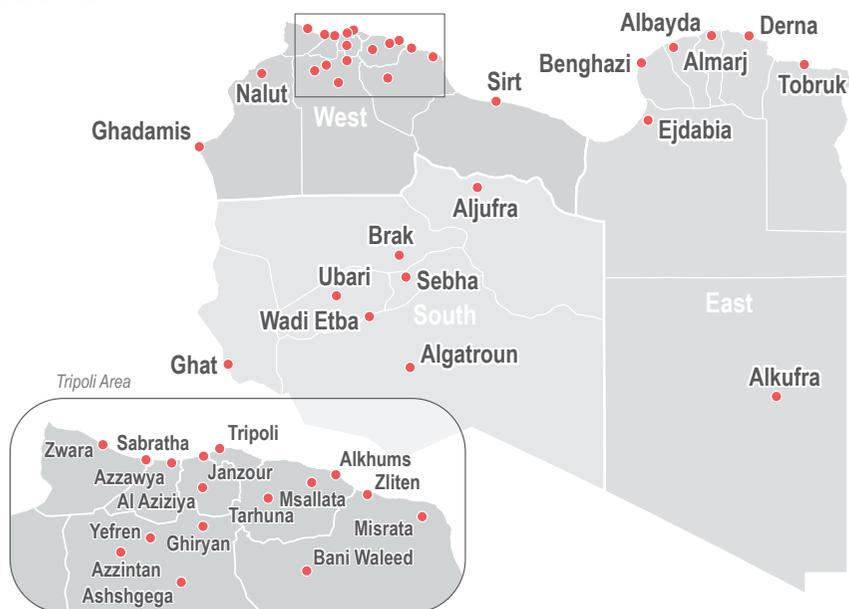
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFIs) sold in local shops and markets. This factsheet presents an overview of price ranges and medians for key food items and NFIs in 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 through an [interactive dashboard](#).

## METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least **three** 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.
- REACH has also asked vendors COVID-19 related questions regarding financial barriers, change in customers, and shortages.
- More details are available in the Methodology section of the [Appendix](#).

## COVERAGE



## KEY FINDINGS

- The cost of MEB overall in Libya remained high this month, with a minor decrease of 5.6% recorded. This marks a 23% increase since pre-COVID levels. The MEB varied significantly between regions, with some areas found to be experiencing price decreases that brought the MEB closer to March 2020. For example, Nalut (-30%), Albayda (-28.8%) and Tobruk (-27.9%). Price reductions may be attributed to seasonal harvest cost reductions for domestically produced vegetables, such as tomatoes (-37.5%), potatoes, peppers and onions (-28.6%).
- From March to May 2020, the USD/ LYD parallel market exchange rates rose by 37.5%. Historically, forex fluctuations take a month to have an effect on the cost of goods in Libya. Therefore, Libya may witness large price spikes in June 2020.<sup>1</sup>
- Fuel prices continued to increase in the west. Consequently, unofficial liquified petroleum gas (LPG) prices are 400% more expensive in May 2020 than in March 2019. Since June 2019, Bani Walid and Tarhuna have experienced fuel shortages for both official and parallel markets. Inhabitants living in these cities are sometimes required to travel over 100km to acquire LPG.<sup>2</sup> The change in administrative power in February 2019 stopped the region from receiving fuel from Misrata. Furthermore, large amounts of military activity in early 2020 prevented fuel shipments arriving from other supply routes.<sup>3 4</sup>
- The Minister of Finance enforced price controls on 16 essential goods.<sup>5</sup> Nonetheless, the May JMMI data indicates that many vendors exceeded the set prices for these commodities.
- The on-going oil blockade has led to austerity measures, such as a decrease in public salaries and the potential foreign currency transaction fee increase from 163% to 205%.<sup>6</sup> If the transaction fee were to increase, the country may witness price spikes in essential commodities.
- According to a recent IOM migrant assessment, 63% of migrants in Libya had to resort to food-related coping strategies due to a lack of food or means to buy food. Besides the demise in livelihood opportunities, high prices were reported as a driver of vulnerability.<sup>7</sup>

## JMMI KEY FIGURES

Data collection from **4 - 11 May 2020**

- 3** participating agencies (DRC, REACH, WFP)
- 33** assessed cities
- 31** assessed items
- 417** assessed shops

## EXCHANGE RATES<sup>8</sup>

<b>1.418</b> USD/LYD <i>official</i> ▲ +0.4%	<b>6.020</b> USD/LYD <i>parallel market</i> ▲ +21.6%	<b>6.600</b> EUR/LYD <i>parallel market</i> ▲ +23.4%
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## KEY MONTHLY CHANGES IN MEB

<b>Median cost of overall MEB</b> 758.2 LYD	▼ 45.0 LYD	▼ -5.6%
<b>Food items</b>	▼ -8.4%	
<b>Hygiene items</b>	▼ -4.6%	
<b>Cooking fuel<sup>9</sup></b>	▲ +23.1%	

## MEDIAN COST OF MEB BY REGION

<b>West</b>	685.2 LYD	▼ -7.1%
<b>East</b>	710.9 LYD	▼ -15.1%
<b>South</b>	890.6 LYD	▼ -5.7%

## MARKET SHORTAGES

- In south Libya, LPG is only available on parallel markets
- LPG not available in Ghadamis, Bani Waleed, Tarhuna

*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<sup>11</sup>

Water (drinking use only)	458 L
Median rent for 3-rm flat	1 month
Float <sup>12</sup>	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 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

# 758.20 LYD

Change since  
April 2020  
▼ -45.0 LYD  
(-5.6%)

Change since  
March 2019  
▲ 88.57 LYD  
(+13.2%)

## MEDIAN MEB COST BY LOCATION

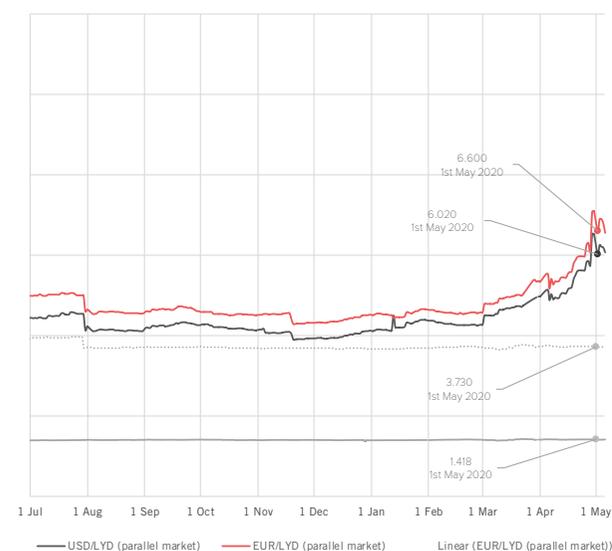
Location	Cost of MEB (LYD)	Since April 2020	Since March 2019
Tarhuna	851.7	11.1%	33.7%
Ghiryan	850.9	0.0%	21.6%
Bani Waleed	848.6	0.5%	35.3%
Ashshgega	846.8	-12.6%	30.1%
Azzintan	833.7	-3.2%	23.8%
Yefren	788.9	-9.3%	15.9%
Tripoli	777.2	-2.3%	20.3%
Nalut	769.5	-30.1%	8.9%
Ghadamis	760.9	-25.1%	10.2%
Msallata	746.0	-9.8%	26.5%
Zwara	732.9	-6.0%	10.5%
Sabratha	694.6	-16.4%	8.6%
Misrata	687.3	-3.4%	10.3%
Al Aziziya	677.7	-7.9%	7.3%
Alkhums	673.7	-11.2%	5.7%
Azzawya	660.0	-14.5%	1.9%
Janzour	656.3	-0.3%	12.9%
Sirt	645.9	-3.8%	10.8%
Zliten	616.6	-12.0%	-5.8%
<b>Median West</b>	<b>740.8</b>	<b>-7.1%</b>	<b>14.9%</b>
Benghazi	767.0	-7.4%	26.7%
Derna	701.2	5.6%	13.8%
Alkufra	668.8	-1.8%	1.1%
Tobruk	649.6	-27.9%	5.0%
Albayda	642.1	-28.8%	5.0%
Ejdabia	635.5	-18.4%	2.2%
Almarj	623.4	-14.3%	4.0%
<b>Median East</b>	<b>639.9</b>	<b>-15.1%</b>	<b>4.3%</b>
Algatroun	1446.6	-11.5%	37.0%
Ghat	1355.1	-5.3%	28.7%
Ubari	1282.7	-6.8%	30.0%
Wadi Etba	1173.1	-3.4%	No data
Sebha	1036.2	1.7%	50.6%
Aljufra	872.9	-5.5%	16.4%
Brak	847.5	-15.5%	20.7%
<b>Median South</b>	<b>1181.5</b>	<b>-5.7%</b>	<b>38.5%</b>
<b>Median Overall</b>	<b>758.2</b>	<b>-5.6%</b>	<b>13.2%</b>

## EXCHANGE RATES OVER TIME<sup>10</sup>

### January 2016-July 2019

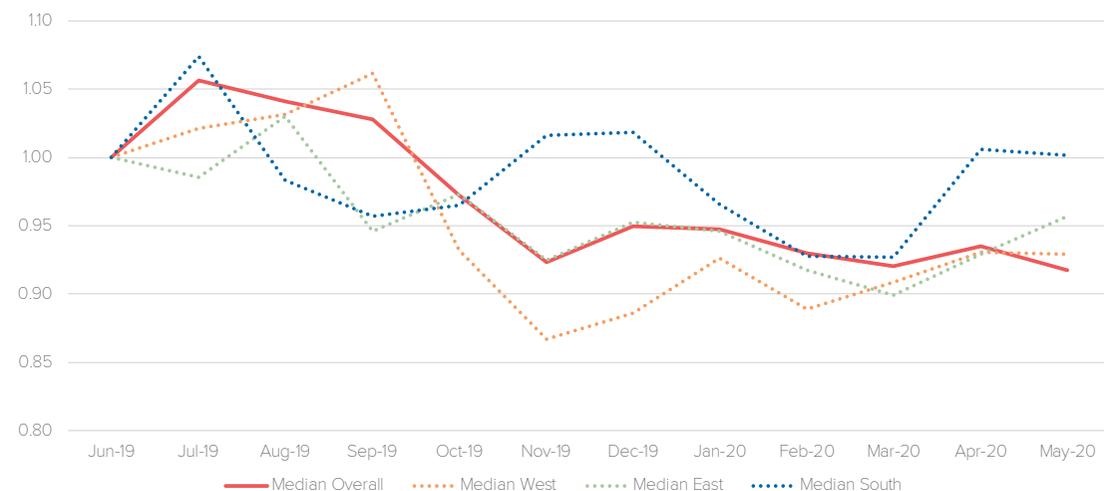


### Since July 2019

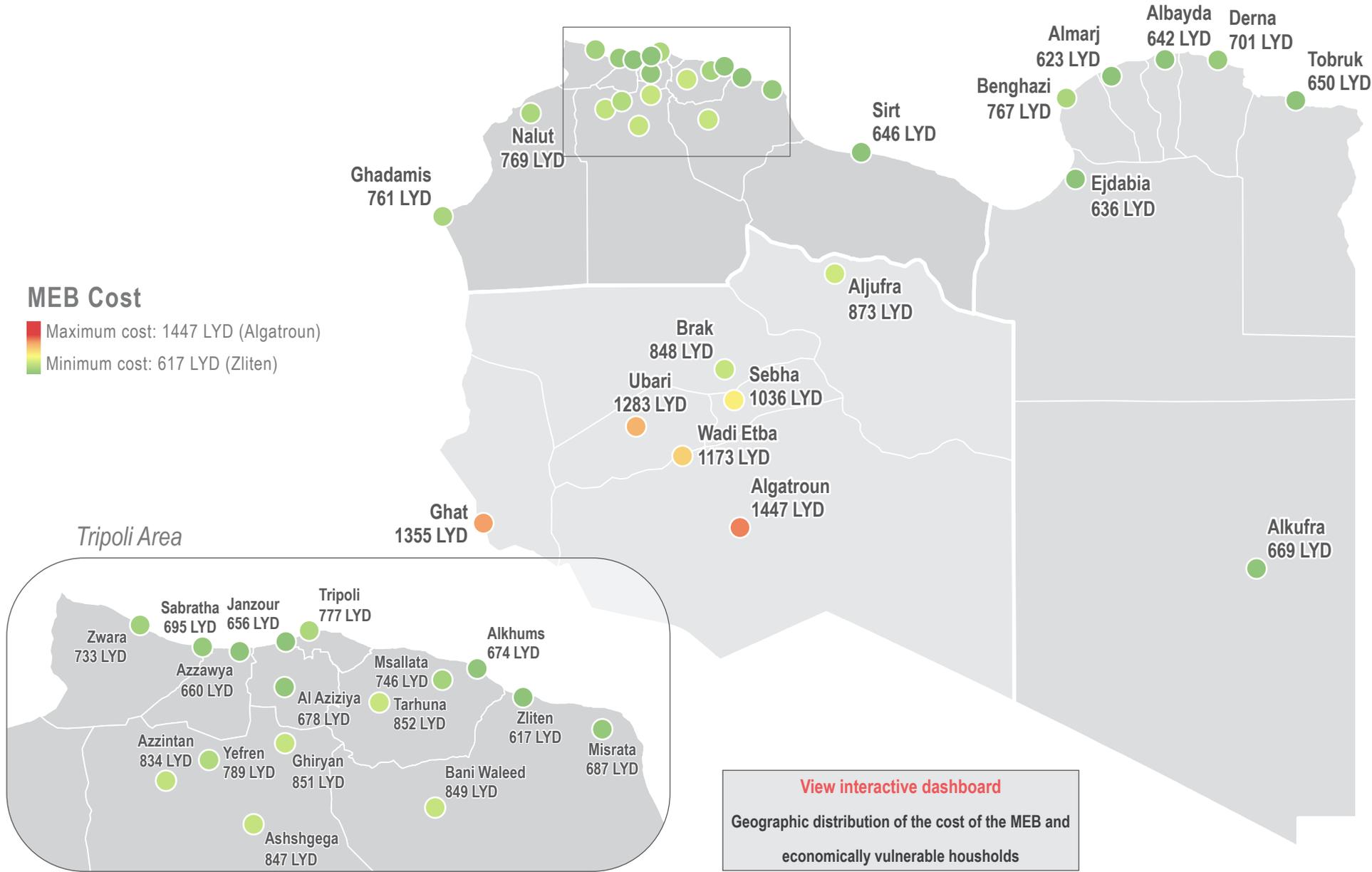


## MEB PRICE INDEX

### Since June 2019 (normalised, June 2019 = 1.00)<sup>13</sup>



# Cost of MEB Key Elements by Location

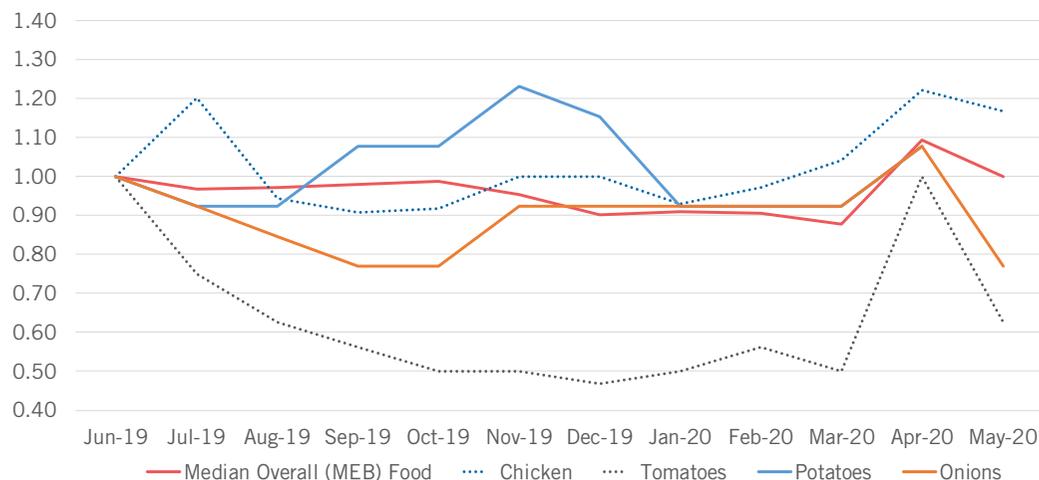


## PRICES OF MONITORED ITEMS

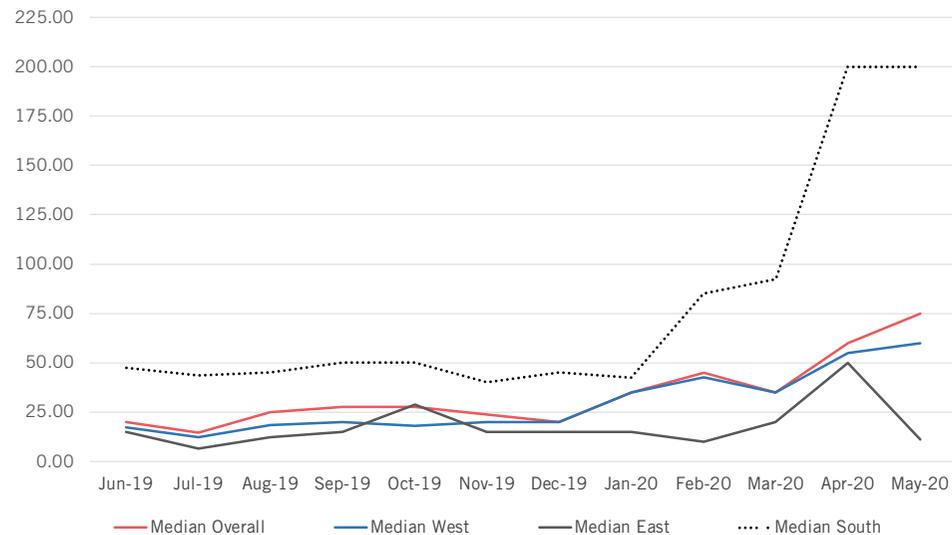
Item	Unit	Median price (LYD)	Change since April 2020	Change since March 2019
<b>Food items</b>				
Green tea	250 g	4.00	33.3%	14.3%
Condensed milk	200 ml	2.38	18.8%	6.7%
Lamb meat	1 kg	40.00	12.7%	29.0%
Milk	1 L	5.00	11.1%	53.8%
Salt	1 kg	1.38	10.0%	37.5%
Beans	400 g	2.00	0.0%	-15.8%
Black tea	250 g	6.00	0.0%	-5.9%
Bread	5 pieces	1.25	0.0%	0.0%
Chickpeas	400 g	2.00	0.0%	-11.1%
Couscous	1 kg	4.00	0.0%	28.0%
Flour	1 kg	3.00	0.0%	33.3%
Pasta	500 g	1.75	0.0%	16.7%
Sugar	1 kg	3.00	0.0%	41.2%
Canned tuna	200 g	3.50	0.0%	-18.4%
Chicken	1 kg	10.50	-4.5%	16.7%
Rice	1 kg	3.50	-6.7%	-12.5%
Vegetable oil	1 L	5.50	-8.3%	15.8%
Tomato paste	400 g	2.50	-9.1%	11.1%
Eggs	30 eggs	13.00	-10.3%	23.8%
Onions	1 kg	2.50	-28.6%	11.1%
Peppers	1 kg	5.00	-28.6%	11.1%
Potatoes	1 kg	2.50	-28.6%	0.0%
Tomatoes	1 kg	2.50	-37.5%	0.0%
<b>Hygiene items</b>				
Dishwashing liquid	1 L	3.00	50.0%	100.0%
Shampoo	250 ml	7.00	37.9%	16.7%
Laundry powder	1 kg	7.00	7.7%	0.0%
Toothpaste	100 ml	4.25	6.3%	-15.0%
Sanitary pads	10 pads	4.00	3.2%	33.3%
Baby diapers	30	15.00	0.0%	-6.3%
Toothbrush	1 brush	2.00	0.0%	-20.0%
Laundry detergent	1 L	2.75	-15.4%	No data
Bleach	1 L	11.25	-16.7%	No data
Hand Sanitiser	1 L	27.00	-18.2%	No data
Handwashing soap	1 bar	1.50	-25.0%	-25.0%
<b>Other items</b>				
Unofficial LPG	11 kg	75.00	25.0%	400.0%
Official LPG	11 kg	5.00	0.0%	0.0%
Bottled water	1 L	0.29	0.0%	0.0%
Paracetamol	12 pack	6.25	-10.7%	No data

## FOOD PRICES OVER TIME

Selected items (normalised, June 2019 = 1.00)<sup>14</sup>



## PRICES FROM UNOFFICIAL COOKING FUEL VENDORS (11 KG LPG CYLINDER) (since June 2019, non-normalised)



## HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, June 2019 = 1.00)<sup>15</sup>



## FOOD, HYGIENE AND FUEL PRICES OVER TIME (normalised, June 2019 = 1.00)<sup>16</sup>



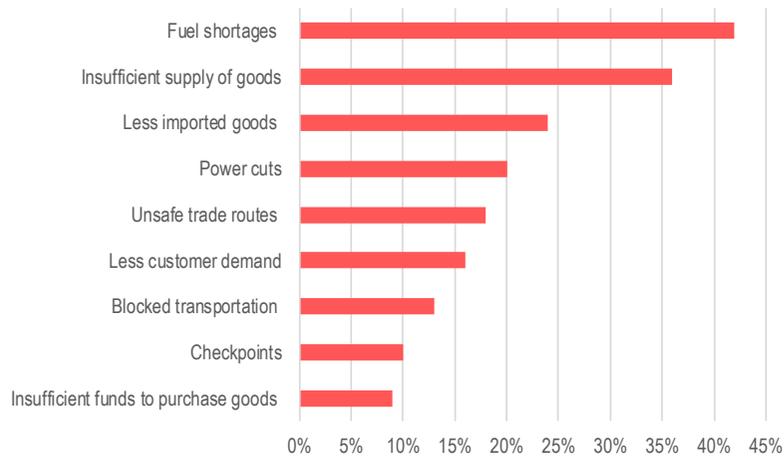
## NOTABLE MONTH-ON-MONTH CHANGES

Dishwashing liquid	▲ +50.0%
Shampoo	▲ +37.9%
Tomatoes	▼ -37.5%
Green tea	▲ +33.3%
Laundry detergent	▼ -30.8%

## COVID-19 related difficulties



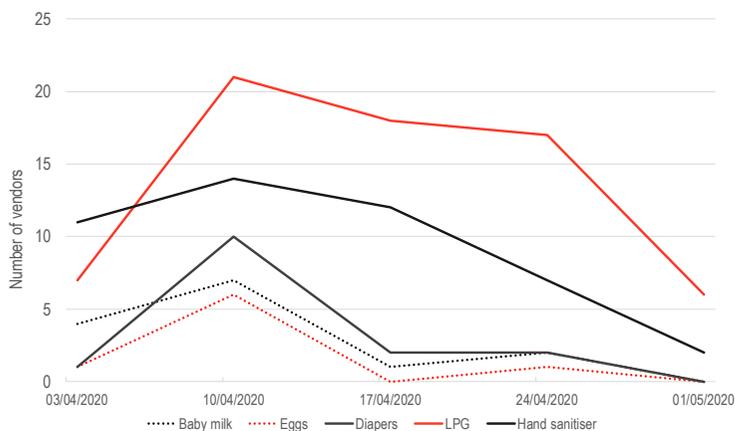
**Figure 1 - Reported perceptions of barriers faced by vendors due to COVID-19 in the month prior to data collection, by % of vendors**



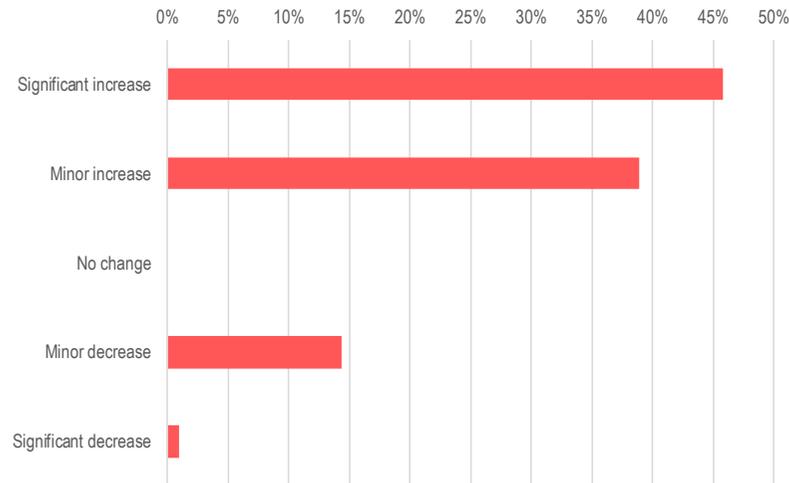
## Shortages



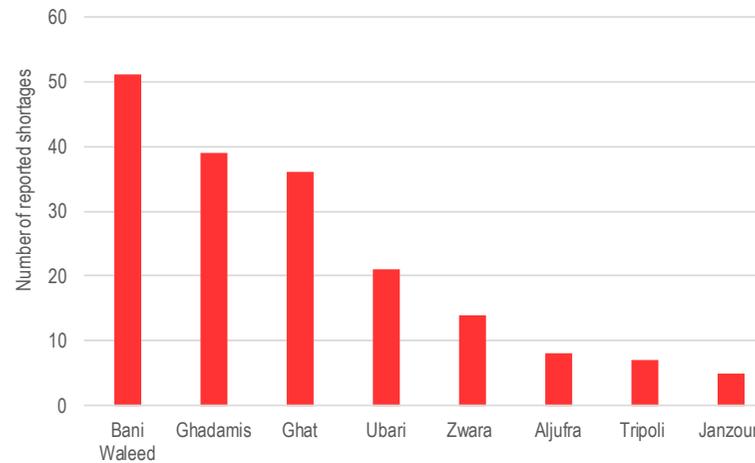
**Figure 3 - number of vendors that have reported a commodity not to be available in their store**



**Figure 2 - % of vendors reporting a change in the number of customers over the week prior to data collection**



**Figure 4 - the highest % of vendors reporting shortages over the five weeks prior to data collection**



## Methodology

Enumerators asked 417 vendors in 33 cities (approximately 12 vendors for every city) a series of COVID-19 related questions regarding barriers to their business, change in customers and key shortages.

### Figure 1:

The information is taken from the data collection period: 4th -11th May. KIs were able to select multiple answers, therefore findings may exceed 100%. This is the first time that the question has been posed to the vendors.

### Figure 2:

The information is taken from the data collection period: 4th -11th May. Vendors were asked to make estimates based on the week prior to data collection. The graphs visualised the most commonly reported shortages. Vendors were only able to select one option.

### Figure 3:

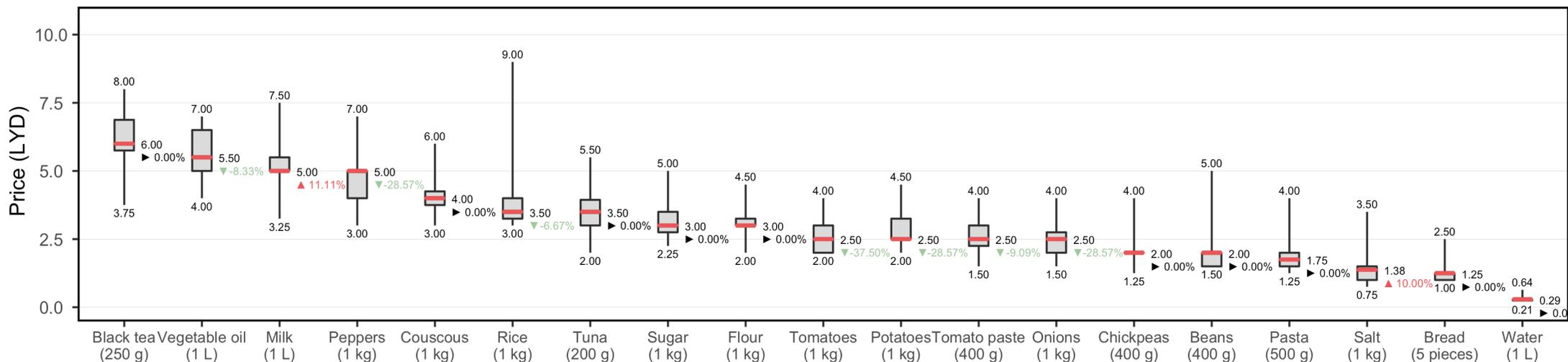
All surveyed vendors across Libya were asked if there were any reported shortages for commodities in the JMMI. Data was collected on a weekly basis from 3rd April - 11th May.

### Figure 4:

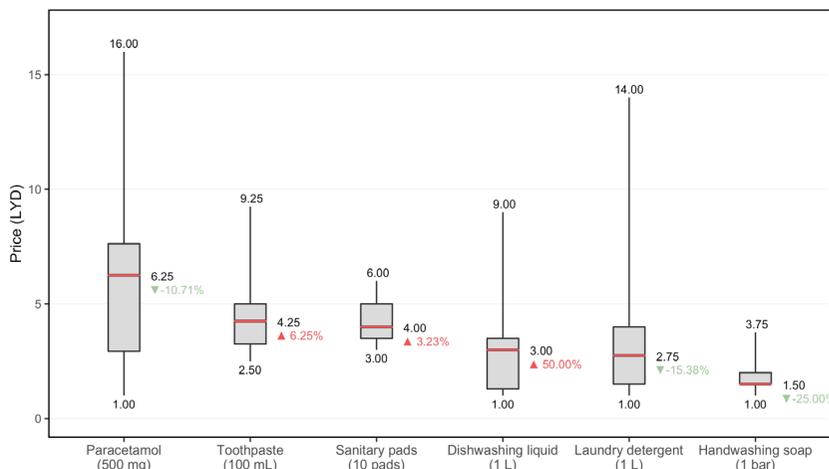
The graph is an accumulation of reported shortages for all types of staple commodities. The information was gathered from weekly data collection on 3rd April - 11th May.

# Distribution of Prices in Libya

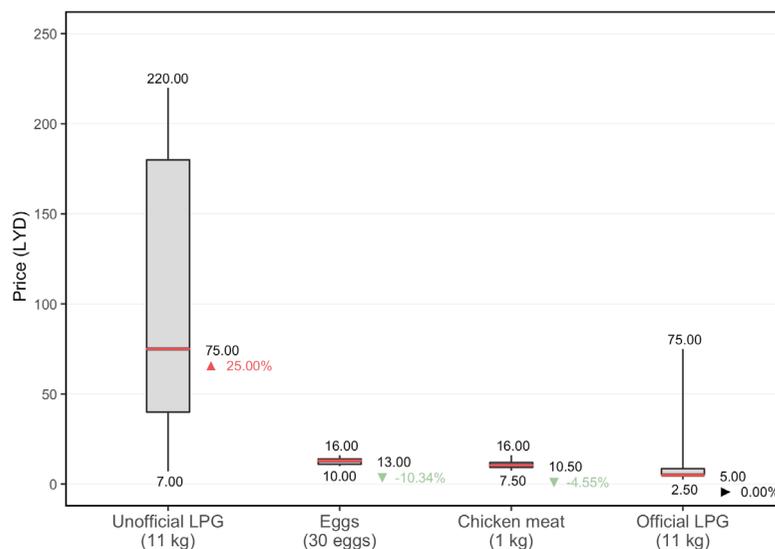
## FOOD ITEMS



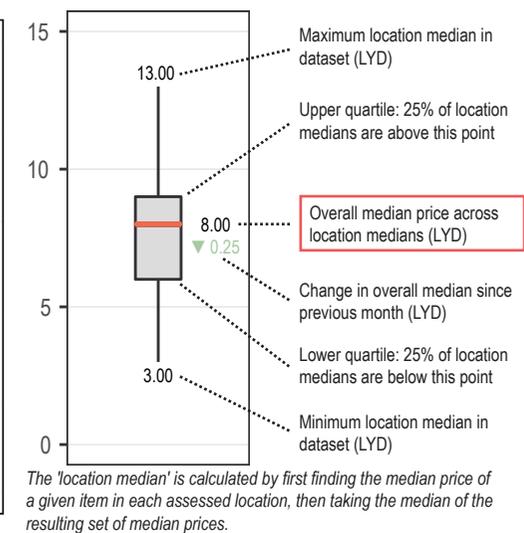
## HYGIENE ITEMS



## ITEMS WITH HIGHEST PRICES



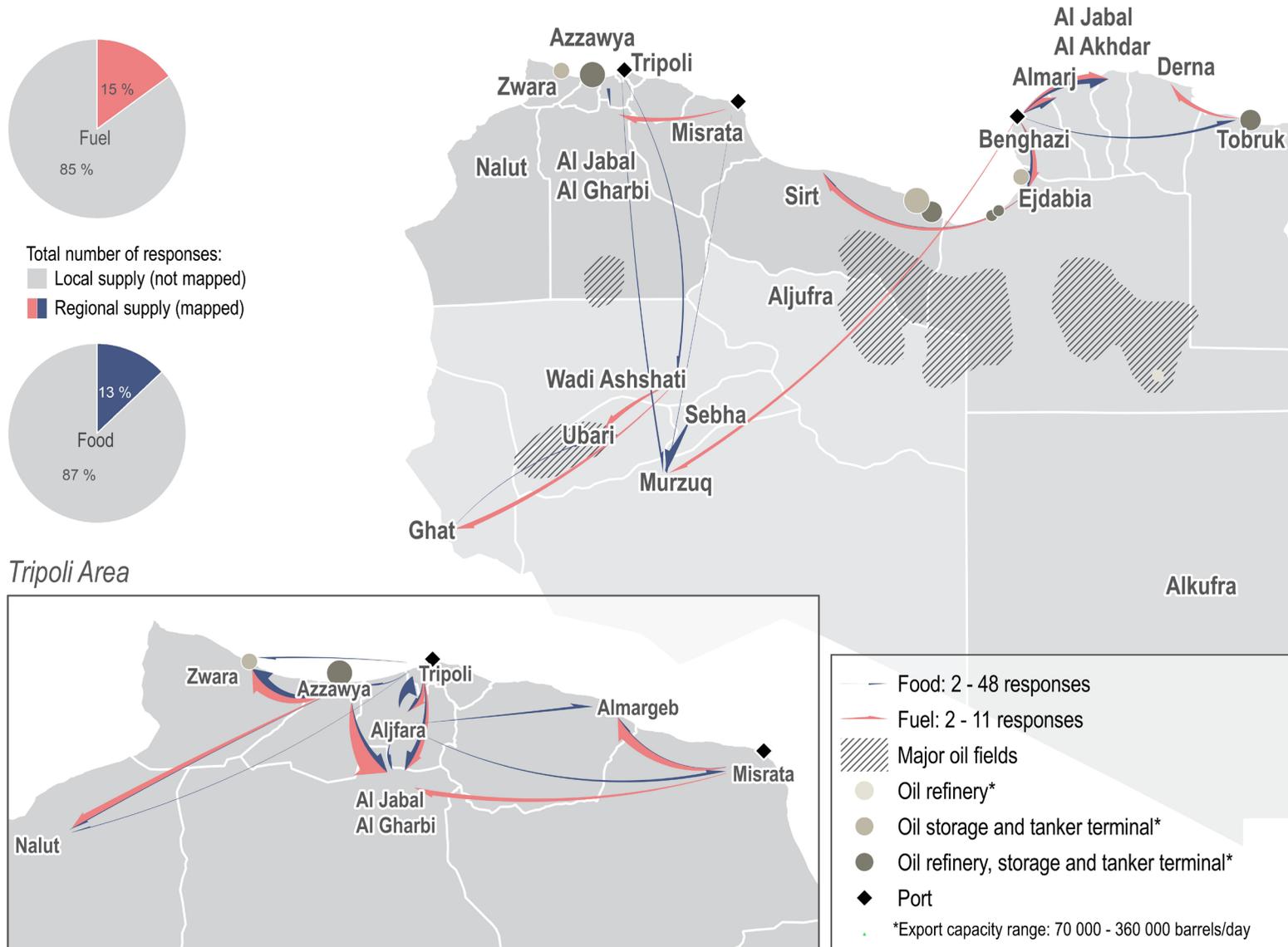
## How to read a boxplot



# 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 key informants (KIs). The arrow sizes are determined by the quantity of responses and provide an indicative scale of the supply routes.

The routes show the flow of goods from mantika to mantika, but does not show the proportion of goods that are sourced locally.



## PREVIOUS JMMI OUTPUTS

Factsheets	Datasets
<b>2020</b>	
April	April
March	March
February	February
January	January
<b>2019</b>	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January
<b>2018</b>	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January

## MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	NA
Certified cheques	0-30%
Mobile money	0%

## What is the CMWG?

The Libya Cash & Markets Working Group (CMWG), 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. Qualitative information is also gathered from local sources with key informant interviews (KIs).

## 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

- <sup>1</sup> Market Trends in Libya: Unravelling economic reforms and conflict, REACH, October 2019
- <sup>2</sup> Interviews with key informants
- <sup>3</sup> Al-Wefaq airspace targets a fuel truck in the Shemikh area, south of Bani Walid, Libya 24, 24th April 2020
- <sup>4</sup> GNA army spokesman announcement, Read and Rise Twitter Publication, 4th May 2020
- <sup>5</sup> Al-Issawi sets price controls for 16 food commodities, Alwasat, 27th April
- <sup>6</sup> Tripoli government announces further salary cuts to rationalize spending in light of oil production and export stoppage attributed to Hafter, Libya Observer, 13th April 2020
- <sup>7</sup> Migrant Emergency Food Security Report, IOM, May 2020
- <sup>8</sup> Official rate: Central Bank of Libya (1 June 2020). Parallel market rates: Ewan Libya (1 June 2020). The rates from 1 March 2020 and 1 June 2020 were used for the calculation of the monthly changes.
- <sup>9</sup> The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.
- <sup>10</sup> Official rate: Central Bank of Libya (1 June 2020). Parallel market rates: Ewan Libya (1 June 2020). The rates from 1 March 2020 and 1 June 2020 were used for the calculation of the monthly changes.
- <sup>11</sup> 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.
- <sup>12</sup> The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.
- <sup>13</sup> The MEB price index was normalised by setting June 2019 as the baseline and dividing each month's price by the price in June 2019.
- <sup>14</sup> The food prices were normalised by setting June 2019 as the baseline and dividing each month's price by the price in June 2019.
- <sup>15</sup> The hygiene prices were normalised by setting June 2019 as the baseline and dividing each month's price by the price in June 2019.
- <sup>16</sup> The fuel, food and hygiene prices were normalised by setting June 2019 as the baseline and dividing each month's price by the price in June 2019.

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.