

Ethiopia | Joint Market Monitoring Initiative (JMMI)

06 - 17 November 2023

MARKET OVERVIEW

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.

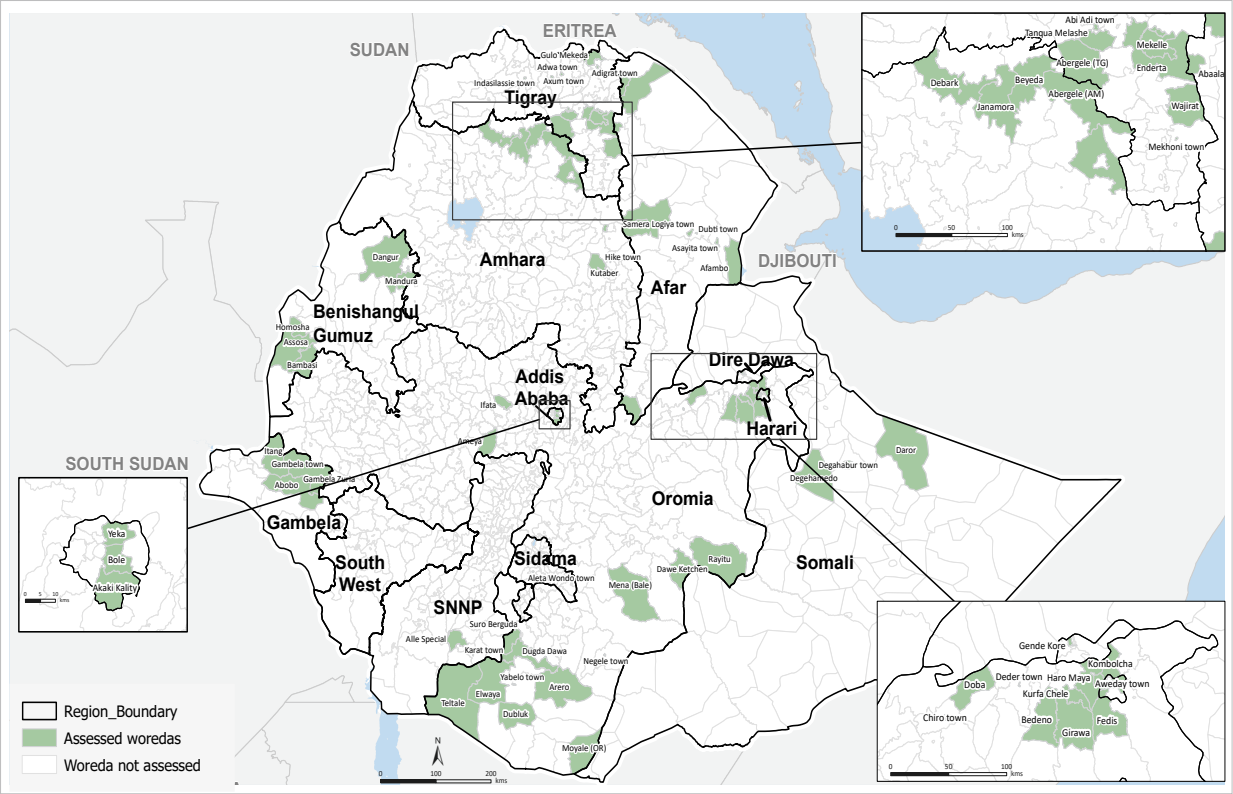
Data has been collected using key informant interviews (KIIs) with three retail vendors located in a woreda capital. For commodity prices and stock levels, the median prices/stock levels are calculated for each item within each assessed woreda. The national and regional median prices are aggregated results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

17	Participating agencies
12	Assessed regions
80	Assessed woredas
863	Key informant interviews (KIIs)
38	Commodities assessed

KEY INDICATORS

Median Cost of JMMI Full Basket	Median Cost of JMMI Food Basket	Median Cost of NFI Basket
10,481.45 ETB	9,941.45 ETB	540 ETB
188.88 USD*	179.14 USD*	9.74 USD*
▲ 274 ETB +3%	▲ 251 ETB +3%	▲ 23 ETB +4%

Map 1: Assessed Woredas, By Woreda



- The number of assessed woredas has been increased by 12 since October 2023.

Key Messages

- In November, the national JMMI full basket median price increased by 3% despite decreases ranging from 1% to 10% in most regions. This discrepancy arises because both national and regional medians are calculated using the median prices at the woreda level. These local prices can vary considerably, leading to a national median that may not reflect the experience in specific regions.
- Enset, barley and tomatoes experienced the highest price increases in November, rising by 33%, 19% and 11% respectively, compared to the prices in October 2023.
- Onions, goat meat and tomatoes were observed to have limited availability in November 2023.
- The overall market functionality score indicates that the majority of assessed markets in November had poor functionality.
- Markets in Amhara, Benishangul Gumuz, Gambela and Sidama had limited accessibility in November 2023.
- Almost all markets had poor consistency in supplying key commodities.

Market Functionality Score (MFS)

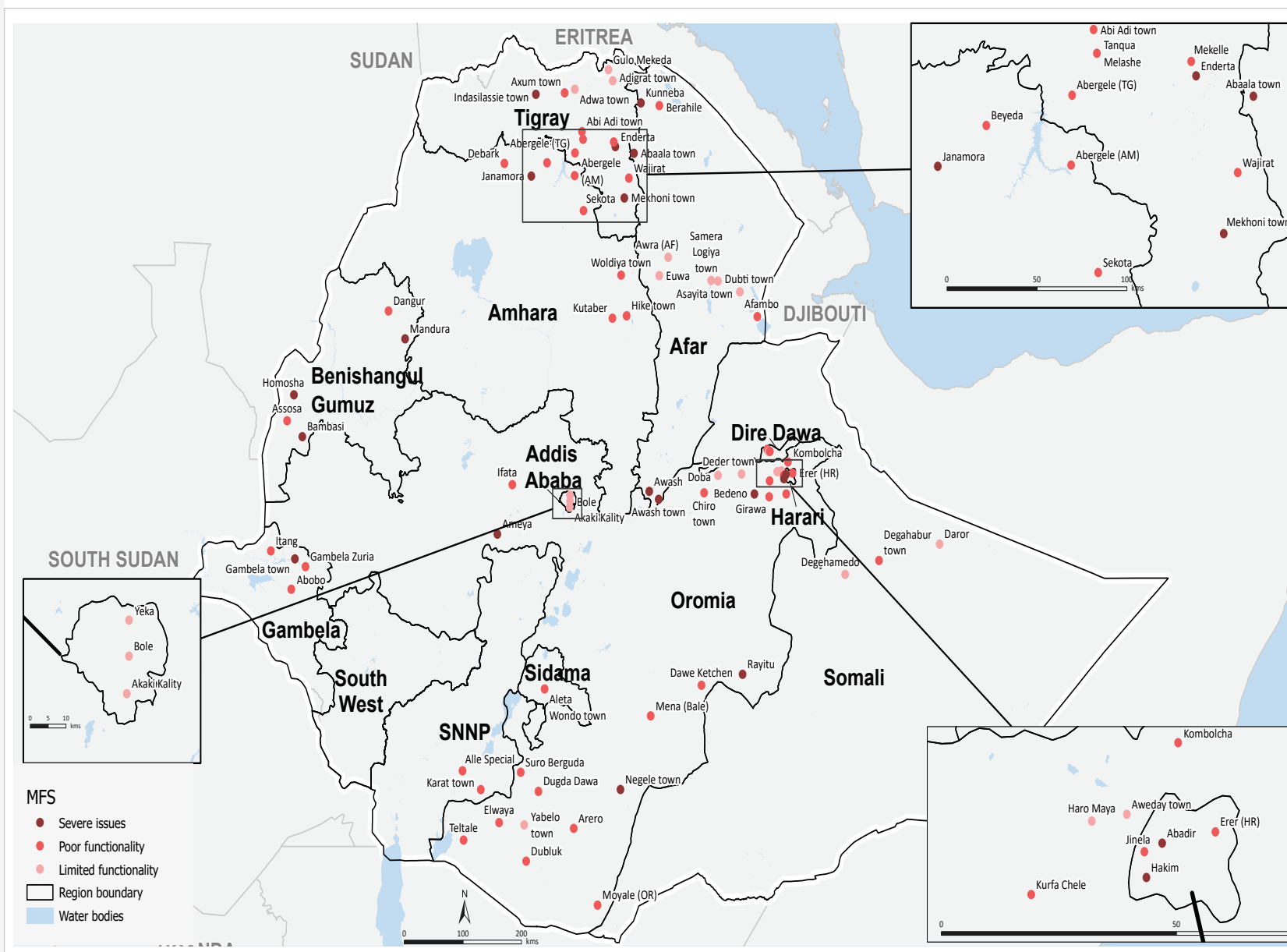
The Market Functionality Score (MFS) is a method of classifying markets based on their level of functionality, helping aid actors understand which markets function well enough to support cash and voucher assistance (CVA) and which may require alternative interventions. The MFS is divided into five dimensions:

- **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 Amhara, Benishangul Gumuz, Gambela and Sidama had limited accessibility in November 2023.
- Markets in all regions lacked core commodities in November 2023.
- Almost all markets had poor consistency in supplying key commodities.
- Market infrastructure was poor 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 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
Meat	2.7 kg	Potatoes	3 kg
Green leafy vegetables	5 kg	Onions	5 kg
		Egg	18 pieces
		Cooking oil	5.86 L

Non-Food Items

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

USD/ETB official exchange rate²

55.032 ETB

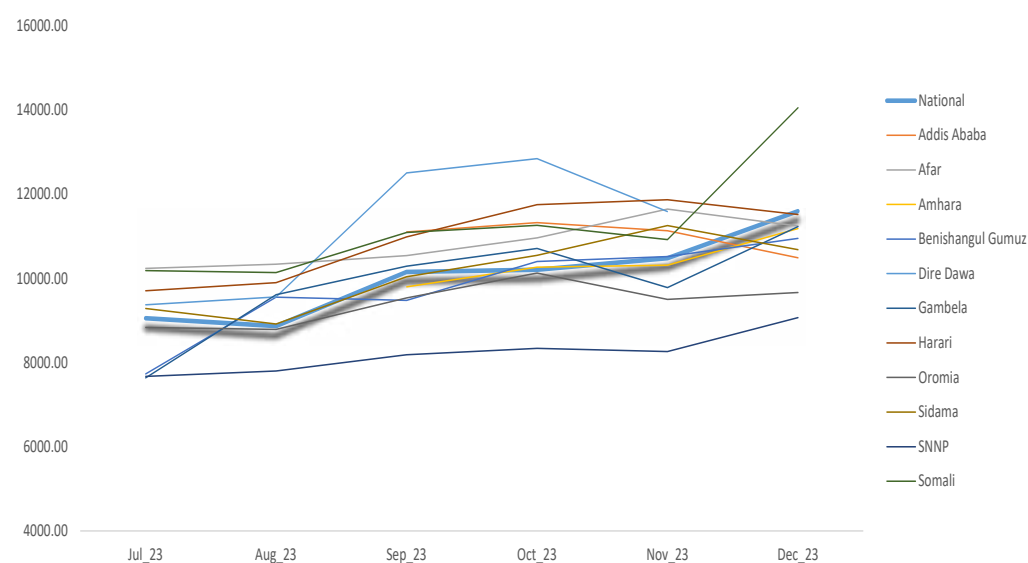
The food basket composition according to the regional consumption patterns:

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 Nov (ETB)	Full basket median price in Nov (USD)	Full basket median price in Oct (ETB)	Full basket median price in Oct (USD)	Change since Oct 2023
Addis Ababa	11,131.12	200.58	11,327.32	205.83	▼ 2%
Afar	11,650.17	209.94	10,966.52	199.28	▲ 6%
Amhara	10,316.04	185.89	10,270.79	186.63	-
Benishangul Gumuz	10,517.97	189.53	10,403.07	189.04	▲ 1%
Dire Dawa	11,589.11	208.84	12,843.99	233.39	▼ 10%
Gambela	9,785.87	176.34	10,710.87	194.63	▼ 9%
Harari	11,868.24	213.87	11,750.94	213.53	▲ 1%
Oromia	9,502.77	171.24	10,130.1	184.08	▼ 6%
Sidama	11,256.20	202.84	10,547.77	191.67	▲ 7%
SNNP	8,261.60	148.87	8,339.49	151.54	▼ 1%
Somali	10,924.44	196.86	11,264.26	204.69	▼ 3%
Tigray	9,394.92	169.30	NA	NA	NA
JMMI full basket	10481.45 ETB		188.88 USD¹	▲ ETB 274	▲ 3%
JMMI food basket	9941.45 ETB		179.14 USD¹	▲ ETB 251	▲ 3%

Figure 1: National and Regional JMMI Full Basket Median Prices



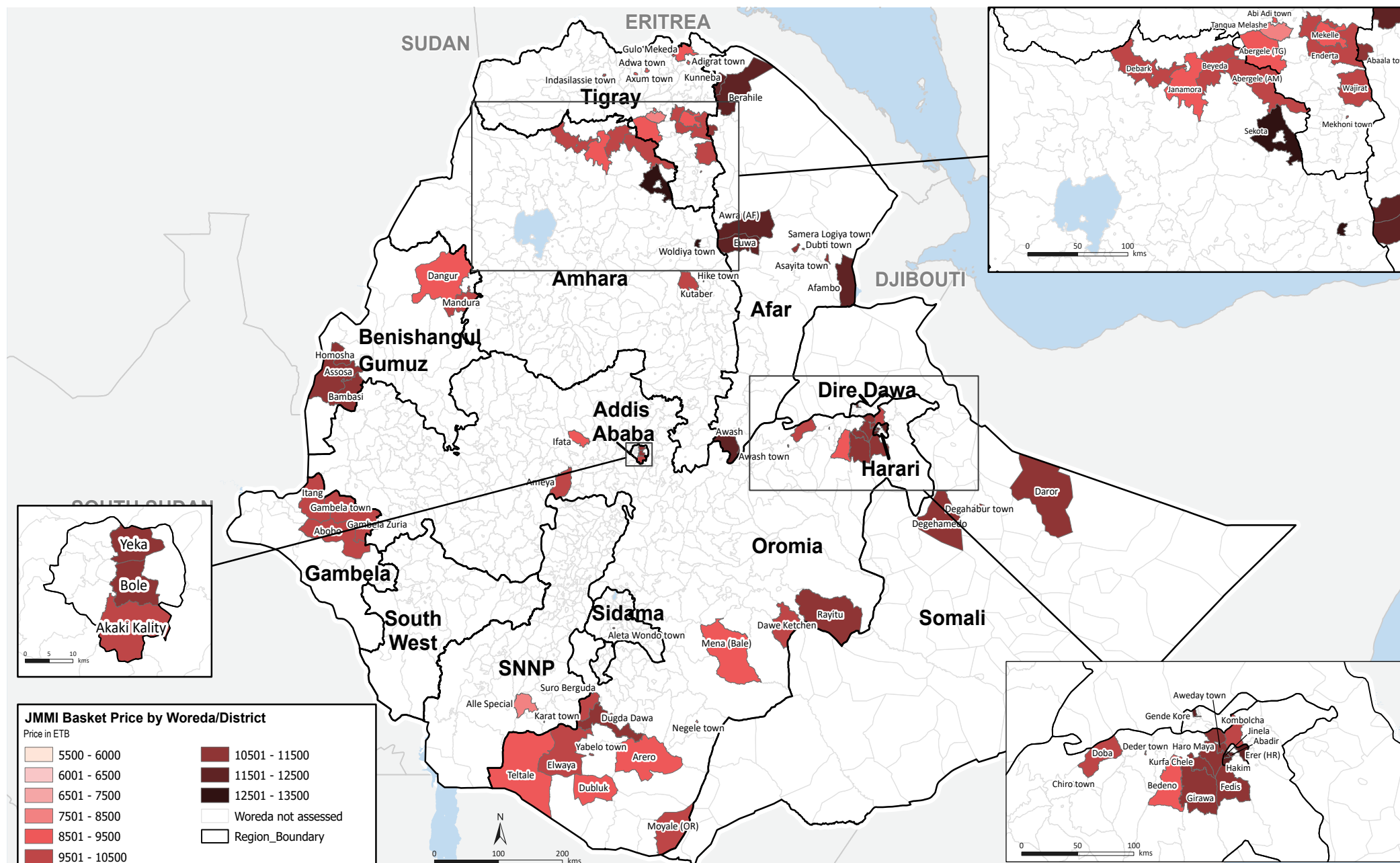
- An overall JMMI full basket median price increase was observed in Sidama (7%) and Afar (6%), when compared to regional median prices observed in October 2023.
- In this month Harari has the highest full basket median price compared to the price in other regions.

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



All items listed under the shelter and education sections are not included in the JMMI basket. Additionally, water treatment and CBHI⁴ 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, enset (+33%) and barley (+19%) were observed to have the largest increase in median prices at the national level since October 2023.
- Among vegetables, tomatoes (+11%) was observed to have the largest increase in median prices at the national level since October 2023.

Table 2: National and Regional Median Prices Per Item⁵

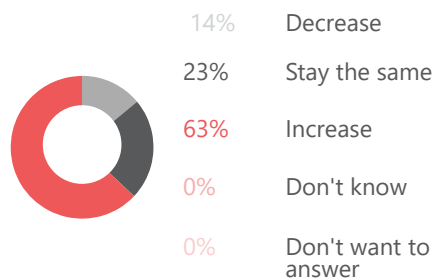
Item	National change since Oct 2023	National	Addis Ababa	Afar	Amhara	Benihsangul Gumuz	Dire Dawa	Gambela	Harari	Oromia	Sidama	SNNP	Somali	Tigray
Cereals														
Maize	▼ 13%	45	65	60	49	55	57.5	40	50	42	40	35	NA	41
Sorghum	▼ 1%	59.25	65	66.25	62.5	51	60	40	60	55	NA	NA	NA	58.5
Teff	▼ 2%	110	110	122.5	105	117.5	111.25	120	115	100	100	88.5	NA	110
Wheat	▼ 5%	69	75		70	70	80	57.5	70	67	NA	NA	NA	66.5
Barley	▲ 19%	71.25		100							50	37.5		
Enset	▲ 33%	133									133			
Rice	▲ 4%	100												100
Pulses														
Garden pea	NA	77	76	200	NA	50	NA	100	NA	100	NA	NA	NA	75
Faba bean	NA	72.5	70	80	77.5	70	NA	100	NA	65	NA	NA	NA	61.5
Lentils	NA	140	160	170	NA	157.5	NA	133.5	NA	135	NA	NA	NA	130
Meat and Fish														
Beef	▼ 1%	700	1000		725	600	1000	700	1000	602.5	800	700		500
Goat meat	▲ 8%	650		600										825
Camel meat														
Dry fish	NA	275						275						
Vegetables														
Green leafy	▼ 20%	40	35	58.75	52.5	80	30	40	30	37.5	50	20	NA	40
Tomatoes	▲ 11%	77.5	65	90	65	65	100	90	80	70	70	55	100	71.25
Onions	▼ 8%	120	85	150	110	140	120	80	120	120	110	120	190	117.5
Potatoes	▼ 10%	40.5	30	60	55	40.5	60	90	40	38	35	32.5	60	40
Okra	NA	55						55						
WASH														
Bath soap	▲ 14%	60	65	55	72	60	NA	68.75	50	42.5	50	57.5	45	53.75
Laundry soap	0	60	70	70	50	60	NA	55	170	57.5	60	39	65	56.25
Sanitary pads	NA	57.5	20	52.5	56.25	47.5	NA	61.25	100	60	50	NA	80	52.5
Water treatment	NA	25	25	NA	25	40	NA	50	NA	25	NA	NA	NA	22.5
Shelter														
Plastic bucket	NA	180	180	350	180	250	NA	215	NA	117.5	NA	NA	NA	157.5
Washing basin	NA	155	120	450	172.5	197.5	NA	150	NA	102.5	NA	NA	NA	150
Education														
Exercise book	NA	50	50	67	45	51	NA	46	NA	50	NA	48	40	48
Pen/pencil	NA	3	10	50	15	32.5	NA	28.75	50	27.5	NA	85	12.5	15
Rubber	NA	13.5	NA	NA	12	15	NA	15	NA	10	NA	NA	NA	22.5
Ruler	NA	20	25	50	20	22.5	NA	17.5	NA	20	NA	NA	NA	15
Other														
Cooking oil	▼ 3%	192.5	176	180	200	200	190	195	200	200	220	140	200	180
Milk	NA	80	70	175	85	100	100	40	100	75	60	NA	NA	77.5
Egg	▼ 7%	13	10	16	11	19	13	13.75	13	12	12	11	NA	13.75
Salt	NA	30	25	32.5	30	25	NA	35	NA	30	25	25	47.5	25

4. Community Based Health Insurance.

5. The blank spaces mean that the item is not part of the basket in that region. In November 2023, camel meet was not collected in Somali region, although it is part of the regional basket.

REPORTED PREDICTED CHANGE IN PRICE OF FOOD ITEMS

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

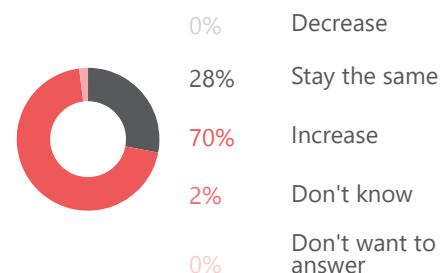


Out of those vendors predicting an increase in food prices, the most frequently cited reasons were:⁶

- 19% Customers will demand more of these items
- 17% Rising exchange rate
- 13% 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:



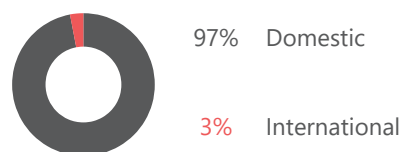
Out of those vendors predicting an increase in hygiene item prices, the most frequently cited reasons were:⁶

- 23% Rising exchange rate
- 17% Customers will demand more of these items
- 16% Customers will run out of these items

LOCATION OF MAIN SUPPLIERS FOR FOOD ITEMS

51% 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):



46% of vendors reported that their main supplier of food items was not located in the same woreda.

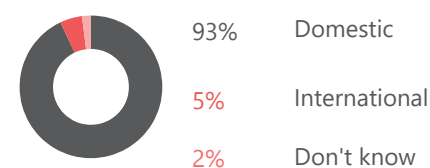
Proportion of vendors whose main food items supplier was not located in the same woreda by reported region where the supplier is located:⁶

39%	Oromia
16%	Amhara
14%	Somali
9%	Afar
6%	Benishangul Gumuz

LOCATION OF MAIN SUPPLIERS FOR NON-FOOD ITEMS

46% 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):



44% of vendors reported that their main supplier of NFIs was not located in the same woreda.

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

19%	Oromia
19%	Tigray
16%	Amhara
14%	Addis Ababa
6%	Afar

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

32% (n= 236) 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

- 1 19% (n=45) Not enough money
- 2 18% (n= 42) Producers producing less
- 3 16% (n= 38) Unavailability of enough credit

21% (n= 54) 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

- 1 23% (n= 12) Not enough money
- 2 21% (n= 11) Unavailability of enough credit
- 3 16% (n= 9) Increased demand

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

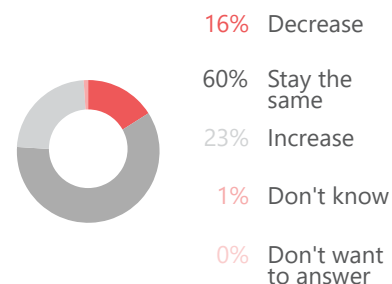
- 1 12% Children
- 2 10% Chronically ill people
- 3 10% Women

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

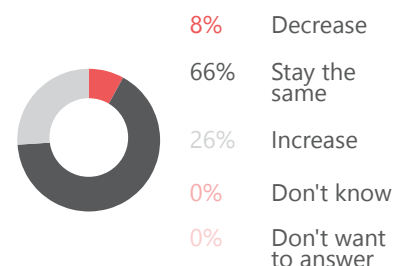
- 1 11% Fear of violence
- 2 9% Fear of robbery
- 3 6% Danger on route to the marketplace
- 4 6% Fear of looting

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:



Proportion of vendors reporting perceived changes in the number of active traders in their marketplace as compared to previous month:



TYPES OF PAYMENT MODALITIES

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

- 1 95% Cash (ETB)
- 2 20% Mobile money
- 3 19% Money transfer

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

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

Item ⁷	Availability			Stock and Restock	
	Available (% KIs)	Limited Available (% KIs)	Not available (% KIs)	Days stock available	Days needed to restock
Cereals					
Maize	68%	28%	4%	15	3
Sorghum	49%	42%	6%	15	4
Teff	45%	48%	7%	15	5
Wheat	34%	41%	21%	9	5
Barley	27%	44%	24%	19	2
Enset	7%	11%	66%	1	2
Rice	32%	34%	18%	10	4
Pulses					
Garden pea	100%	0%	0%	6	5
Faba bean	100%	0%	0%	12	3
Lentils	100%	0%	0%	18	3
Meat and Fish					
Beef	68%	19%	12%	2	1
Goat meat	46%	54%		1	1
Camel meat	50%	0%	50%		
Dry fish	100%	0%	0%	3	2
Vegetables					
Green leafy	57%	49%	4%	3	2
Tomatoes	46%	51%	3%	4	2
Onions	45%	55%	0%	5	2
Potatoes	57%	42%	1%	5	2
Okra	100%	0%	0%	2	1
WASH					
Bath soap	74%	26%	0%	15	2
Laundry soap	71%	25%	3%	15	2
Sanitary pads	53%	24%	19%	20	2
Water treatment	25%	22%	40%	5	2
Shelter					
Plastic bucket	37%	26%	26%	20	2
Washing basin	35%	35%	24%	20	3
Education					
Exercise book	57%	31%	7%	25	2
Pen/pencil	57%	31%	7%	20	2
Rubber	31%	26%	25%	23	3
Ruler	35%	26%	25%	15	3
Other					
Cooking oil	67%	30%	1%	15	3
Milk	36%	27%	24%	1	1
Egg	49%	37%	12%	5	3
Salt	79%	16%	1%	5	2

- More than half of retailers interviewed reported that onions (55%) and tomatoes (51%) had limited availability in the market at the time of data collection. These two items were also having limited availability in October 2023, as reported by 38% and 39% 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 6 and 17 November 2023. In November, 17 of the JMMI partners conducted a total of 863 KIIs. This round covered 225 market places, which were sampled by partners nationwide based on their access and existing areas of intervention. This round includes 80 out of 1040 woredas in Ethiopia.

Challenges and limitations

- The South west region was not assessed due to the unavailability of data collection partners.
- In November 2023, onset 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

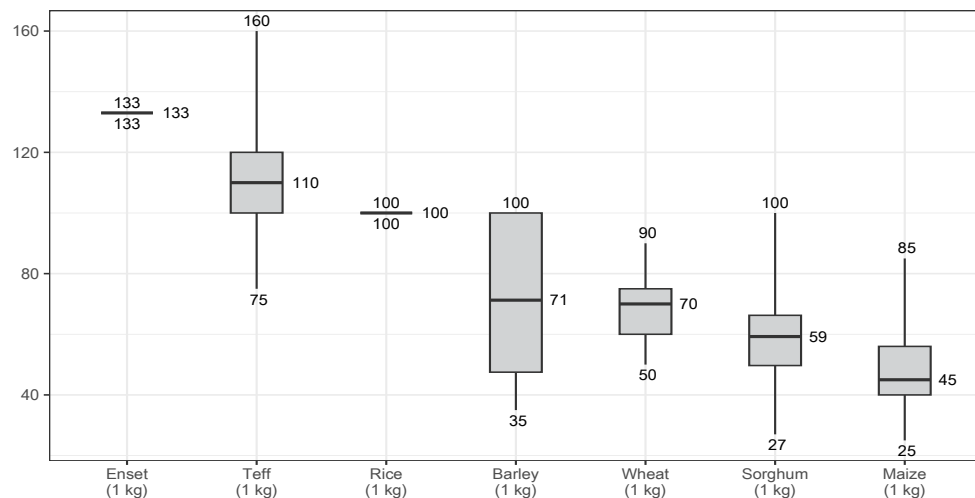
- ACF - Action Contre le Faim
- ACTED – Agency for Technical Cooperation and Development
- AIE – Action Aid Ethiopia
- CARE
- Caritas Switzerland
- Concern Worldwide
- COOPI – Cooperazione Internazionale
- DCA – Danish Church Aid
- FRC – Finish Refugee Council
- GOAL
- IRC – International Rescue Committee
- Mercy Corps
- NRC – Norwegian Refugee Council
- Oxfam
- SCI – Save the Children
- WHH – Welthungerhilfe
- WVI – World Vision International

About REACH

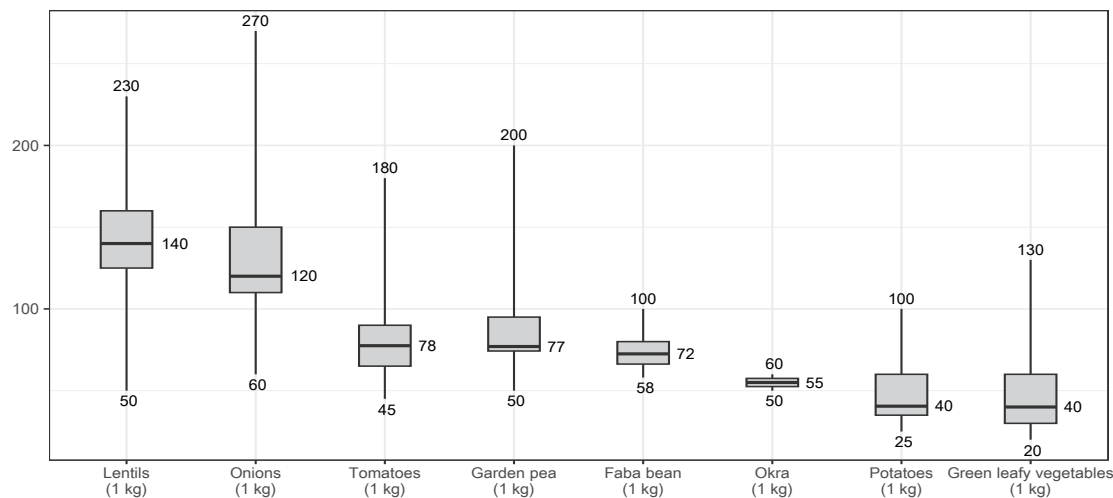
REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities 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

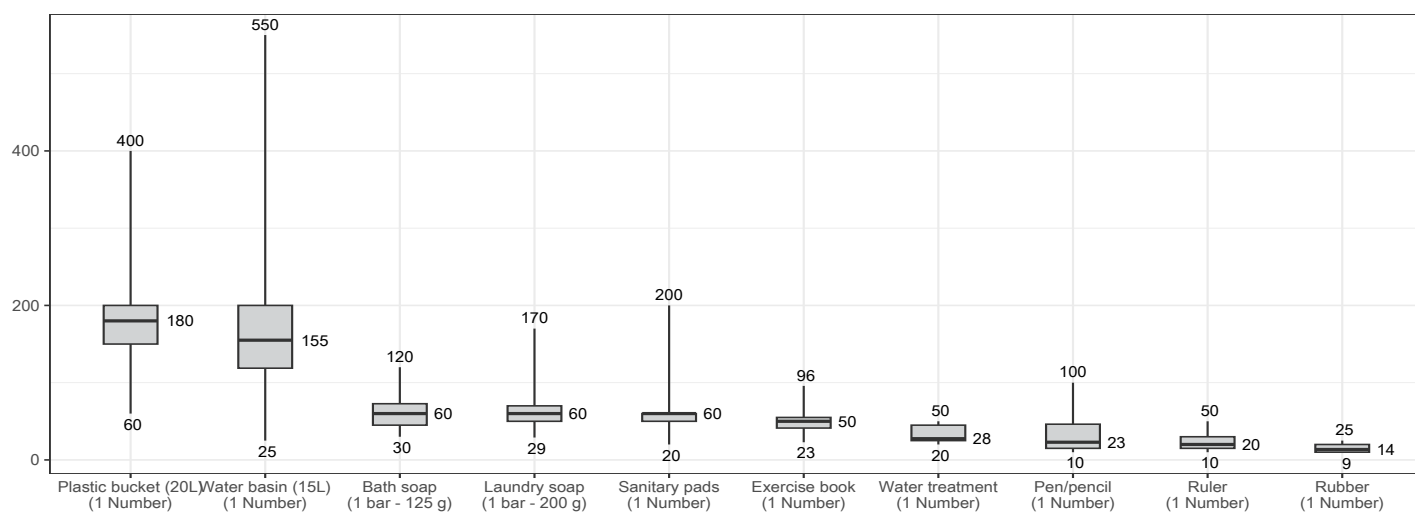
Food Items 1



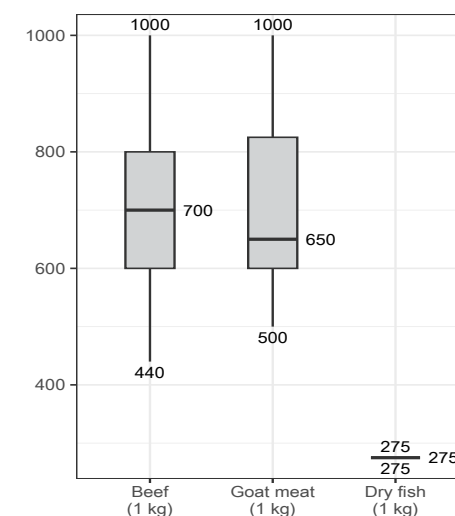
Food Items 2



NFIs



Meat Items



Other Food Items

