

Libya Joint Market Monitoring Initiative (JMMI)

1 - 6 October 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.

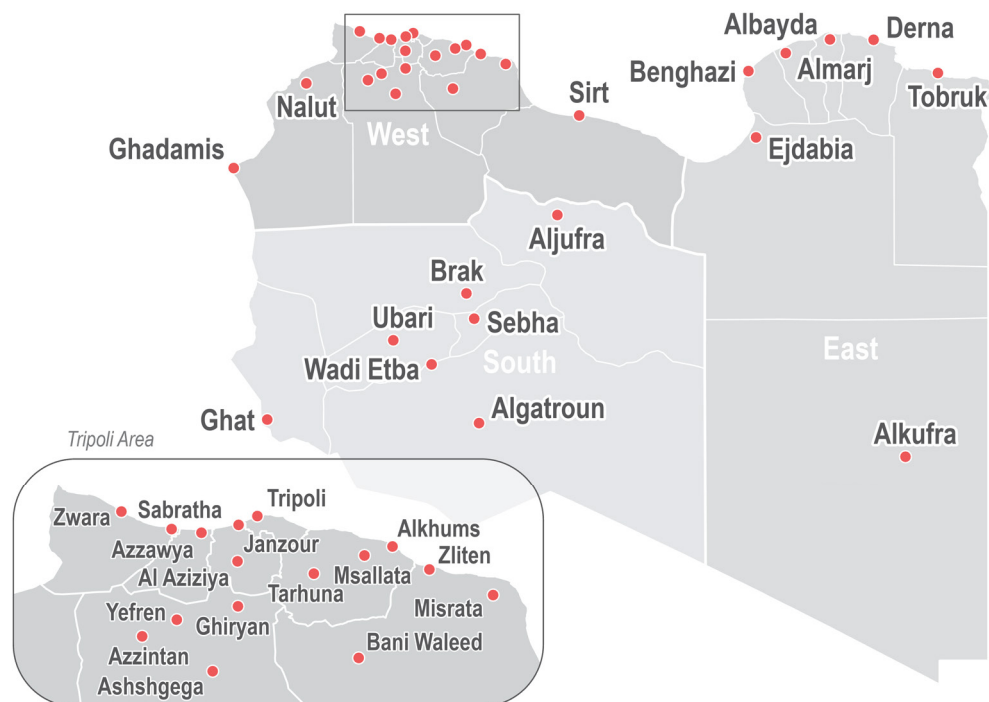
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

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 in the [Appendix](#).

ASSESSED LOCATIONS



KEY FINDINGS

- Unofficial Liquified Petroleum Gasoline (LPG) prices rose by 92% in the east**, despite fuel prices across the rest of the country being stable. The spike may be explained by the **decision from the National Oil Company (NOC) to cut fuel supplies to the region**.¹
- The price of the MEB continues to be volatile in several Western cities, **with rises seen in Sabratha (+14.8%), Tripoli (+9.9%) and Msallata (+7.4%)**. This comes after large price drops in **August** and **September** due to the foreign currency transaction tax reduction. The price spikes could be due to price-corrections following the drastic fall in the cost of the MEB in previous months.
- Certain cities in the south of Libya, Brak (-9.4%) and Sebha (-5.9%) have witnessed a drop in the cost of the MEB in October**. In the past, markets in the south have often responded one or two months later to macroeconomic changes, compared to other regions in the country. This is due to a slower supply chain turnover, as retailers must acquire larger stocks of goods and operate with less frequent shipments from the ports. **Thus, the changes in prices may be explained by a delayed response to the foreign currency transaction tax reduction**. On 29th July, the Presidential Council cut the foreign currency transaction fee from 183% to 163%, which reduced the parallel market US dollar and Euro exchange rates.
- The cost of domestically produced agricultural products, such as onions, peppers and potatoes, remains static with a 0% change in price. The main items that witnessed price fluctuations were certain imported goods, such as beans (+14.3%), black tea (+14.3%) and vegetable oil (+5.6%).
- The ongoing conflict in Tripoli continued to affect supply routes in the west of Libya. **During September/October the roads between Ghiryan and Al Aziziya were blocked and the routes connecting Ghiryan, Yefren and Azzawya are crowded due to large amounts of conflict related traffic**. The cities that rely on these routes for shipments from the coast (Ghiryan and Yefren) are prone to have volatile prices due to the logistical uncertainty and longer, rerouted journeys taken by transporters.

JMMI KEY FIGURES

Data collection from **1 - 6 October 2019**

4 participating agencies
(ACTED, DRC, REACH, WFP)
33 assessed cities
34 assessed items
523 assessed shops

EXCHANGE RATES²

1.4001 USD/LYD <small>official</small> ▼ -1.4%	4.150 USD/LYD <small>parallel market</small> ▼ -2.6%	4.530 EUR/LYD <small>parallel market</small> ▼ -1.5%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

727.13 LYD ▲ 20.46 LYD ▲ 2.9%

Food items ▲ +3.2%	Hygiene items ▲ +0.6%	Cooking fuel . ³ ► 0.0%
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MEDIAN COST OF MEB BY REGION

West	668.20 LYD	-7.6% ▼
East	696.88 LYD	-5.0% ▼
South	960.34 LYD	+1.6% ▲

MARKET SHORTAGES

No shortages 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

727.13 LYD

Change since
September 2019

▲ **20.46 LYD**
(+2.9%)

Change since
May 2018

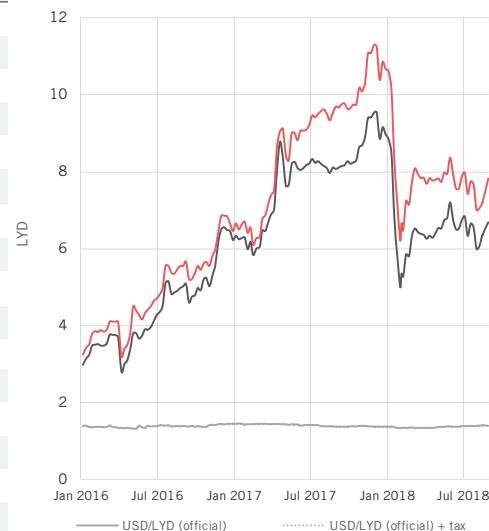
▼ **68.77 LYD**
(-6.2%)

MEDIAN MEB COST BY LOCATION

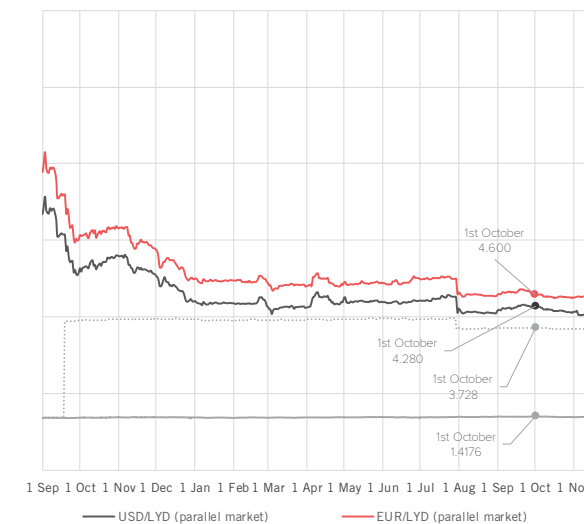
Location	Cost of MEB (LYD)	Since September 2019	Since May 2018
Nalut	824.4	4.8%	-2.4%
Ghadamis	820.0	6.0%	4.2%
Sirt	810.5	No data	17.1%
Ghiryan	787.7	-2.0%	6.7%
Azzintan	770.3	0.6%	6.2%
Alkhums	727.6	No data	2.4%
Tripoli	726.6	9.9%	2.5%
Sabratha	709.2	14.8%	-7.2%
Zliten	693.5	-2.7%	-7.0%
Msallata	690.4	7.4%	No data
Misrata	687.3	6.8%	1.9%
Yefren	684.9	4.5%	No data
Janzour	659.0	3.9%	No data
Ashshgega	654.8	No data	No data
Tarhuna	634.1	-7.0%	No data
Zwara	609.7	-0.7%	-24.4%
Bani Waleed	598.3	-7.4%	No data
Al Aziziya	592.0	-2.6%	-23.5%
Azzawya	587.1	-2.5%	-24.8%
Median West	668.2	2.4%	-9.5%
Alkufra	820.9	-2.5%	-14.4%
Derna	718.1	No data	-22.8%
Tobruk	713.8	4.6%	-9.9%
Albayda	701.1	2.0%	-14.4%
Almarj	687.5	4.5%	-11.8%
Ejdabia	653.0	-7.9%	-4.2%
Benghazi	649.1	0.7%	-13.0%
Median East	696.9	1.7%	-11.2%
Algatroun	1150.7	0.8%	7.8%
Ubari	1097.3	-2.7%	3.9%
Ghat	1051.7	4.7%	7.9%
Wadi Etba	1002.5	-1.2%	No data
Aljufra	845.6	0.8%	-2.5%
Sebha	754.1	-5.9%	-17.3%
Brak	727.9	-9.4%	-12.1%
Median South	960.3	0.3%	1.7%
Median Overall	727.1	2.9%	-6.2%

EXCHANGE RATES OVER TIME²

January 2016-October 2018

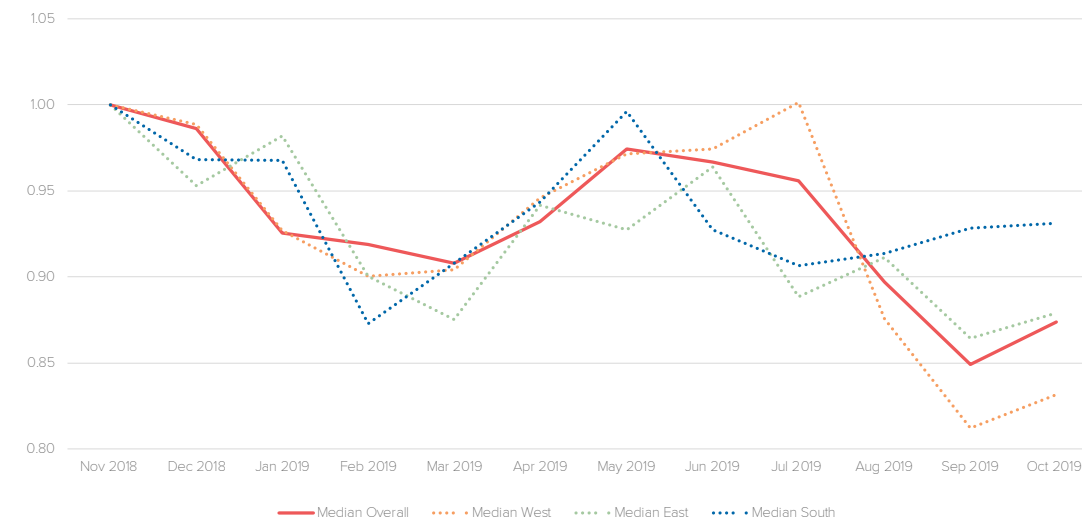


Since September 2018

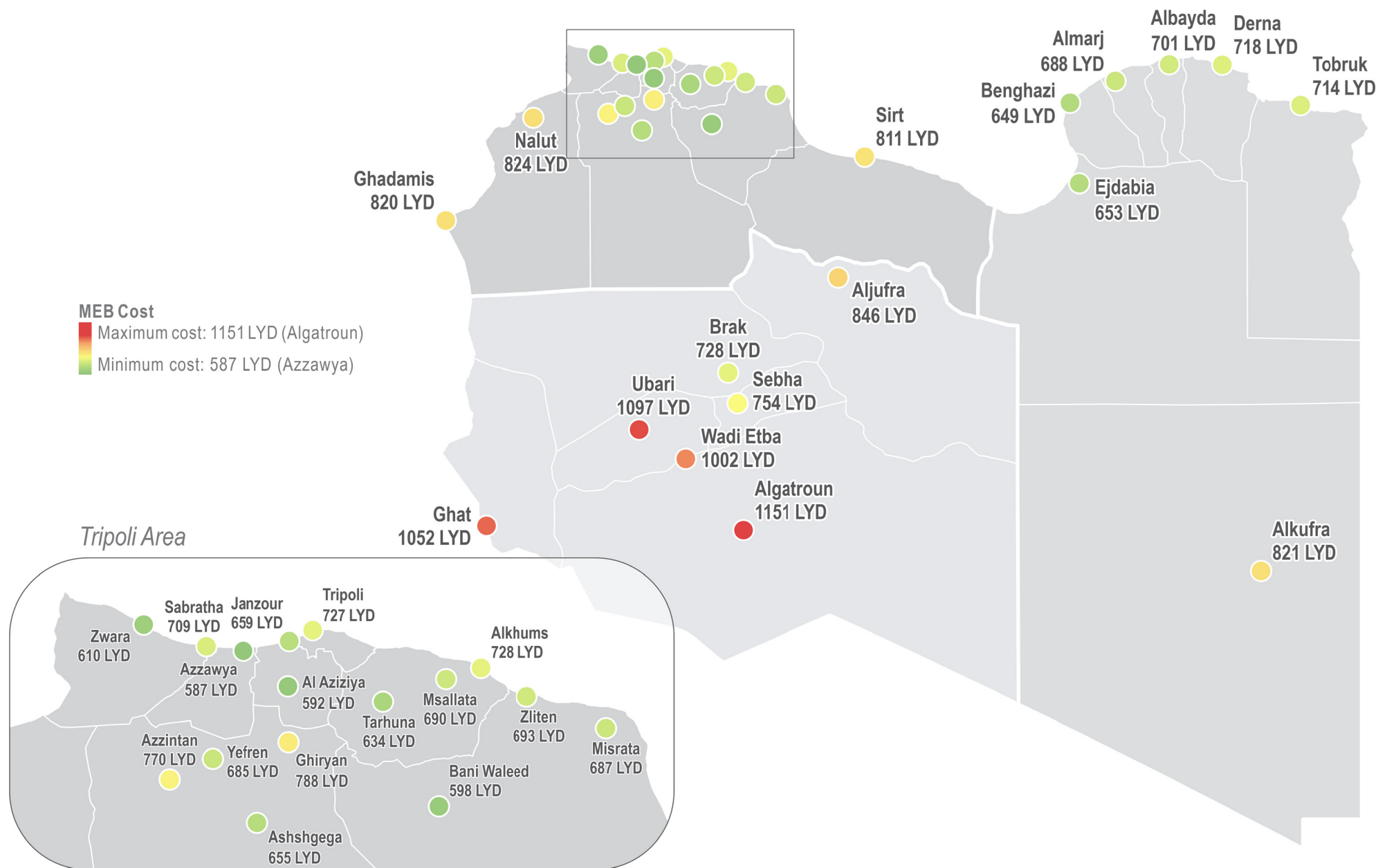


MEB PRICE INDEX

Since November 2018, November 2018 = 1.00⁶



Cost of MEB Key Elements by Location

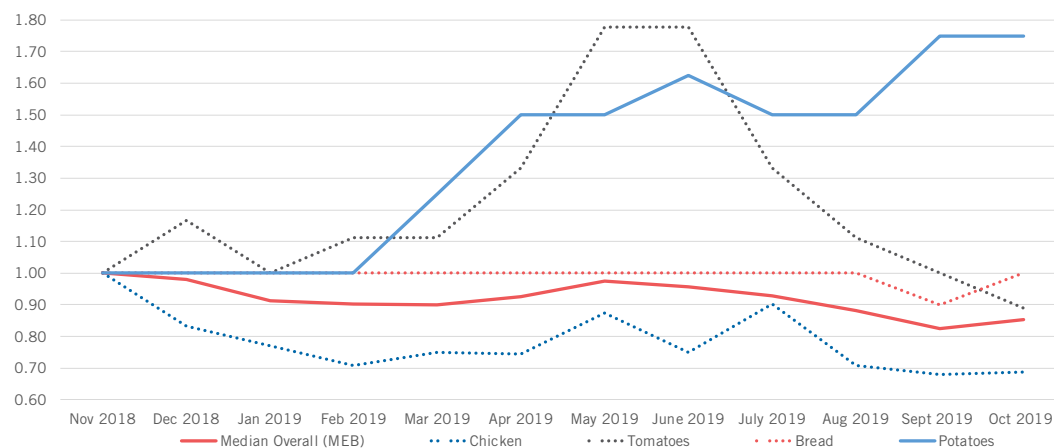


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since Sept 2019	Change since May 2018
Food items				
Beans	400 g	2.00	14.3%	-20.0%
Black tea	250 g	6.00	14.3%	-11.1%
Bread	5 pieces	1.25	11.1%	11.1%
Eggs	30 eggs	9.00	5.9%	-25.0%
Vegetable oil	1 L	4.75	5.6%	26.7%
Milk	1 L	3.00	4.3%	-36.8%
Couscous	1 kg	3.50	3.7%	3.7%
Sugar	1 kg	2.25	3.4%	-42.3%
Canned tuna	200 g	3.75	1.5%	-3.2%
Chicken	1 kg	8.25	1.0%	-35.3%
Chickpeas	400 g	1.75	0.0%	-41.7%
Condensed milk	200 ml	2.00	0.0%	-27.3%
Green tea	250 g	3.00	0.0%	-40.0%
Lamb meat	1 kg	35.00	0.0%	-7.9%
Onions	1 kg	2.50	0.0%	25.0%
Pasta	500 g	1.50	0.0%	0.0%
Peppers	1 kg	4.00	0.0%	-11.1%
Potatoes	1 kg	3.50	0.0%	75.0%
Rice	1 kg	3.50	0.0%	0.0%
Salt	1 kg	1.00	0.0%	-11.1%
Tomato paste	400 g	2.13	0.0%	70.0%
Flour	1 kg	2.00	-5.9%	-9.1%
Tomatoes	1 kg	2.00	-11.1%	-11.1%
Hygiene items				
Toothbrush	1 brush	2.25	12.5%	-9.1%
Handwashing soap	1 bar	1.75	7.7%	-12.5%
Baby diapers	30	15.00	5.3%	-31.8%
Shampoo	250 ml	5.50	2.2%	-1.7%
Laundry detergent	1 L	2.00	0.0%	14.3%
Toothpaste	100 ml	5.00	0.0%	-16.7%
Dishwashing liquid	1 L	2.50	-4.8%	0.0%
Sanitary pads	10 pads	3.33	-4.9%	-16.8%
Laundry powder	1 kg	6.50	-7.1%	-9.7%
Other items				
Bottled water	1 L	0.29	0.0%	No data
Official LPG	11 kg	16.25	0.0%	No data
Unofficial LPG	11 kg	5.00	0.0%	No data

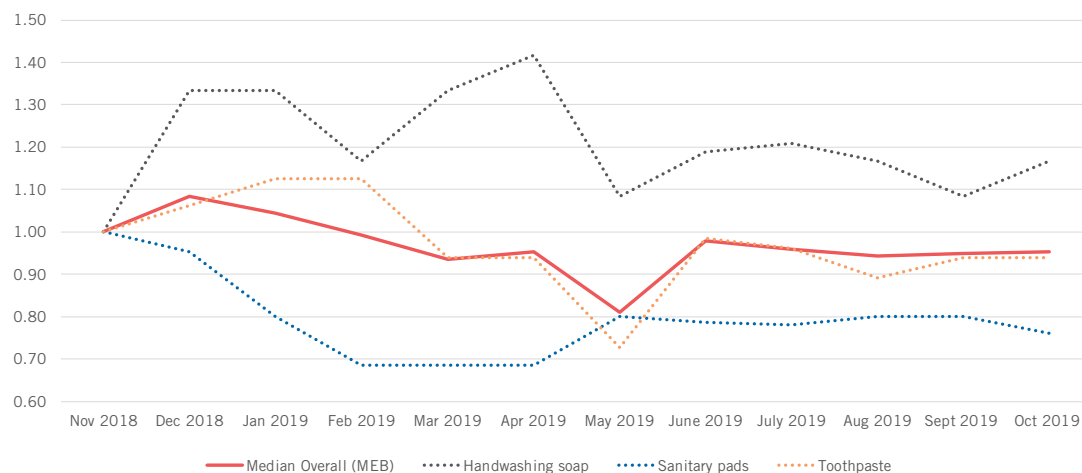
FOOD PRICES OVER TIME

Selected items (normalised, November 2018 = 1.00)⁷

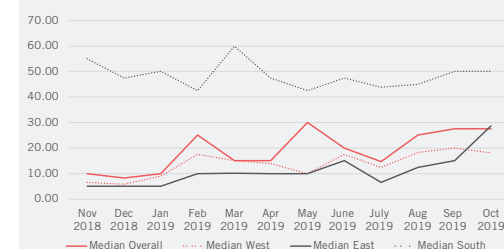


HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, November 2018 = 1.00)⁷



PRICES FROM UNOFFICIAL COOKING FUEL (LPG) VENDORS (since November 2018, non-normalised)⁸



NOTABLE MONTH-ON-MONTH CHANGES

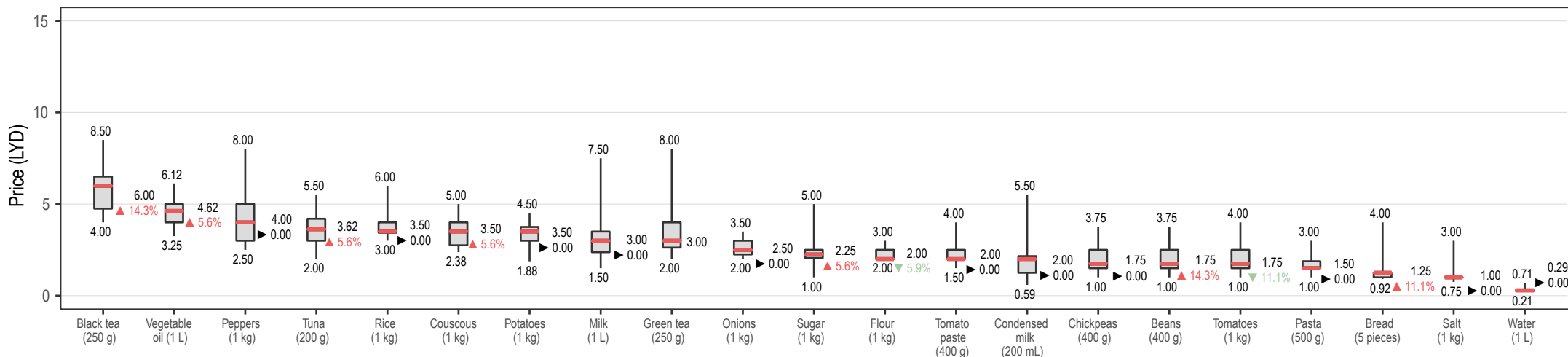
Beans	▲ +14.3%
Black tea	▲ +14.3%
Toothbrush	▲ +12.5%
Condensed milk	▲ +11.1%
Tomatoes	▼ -11.1%

MARKET SHORTAGES

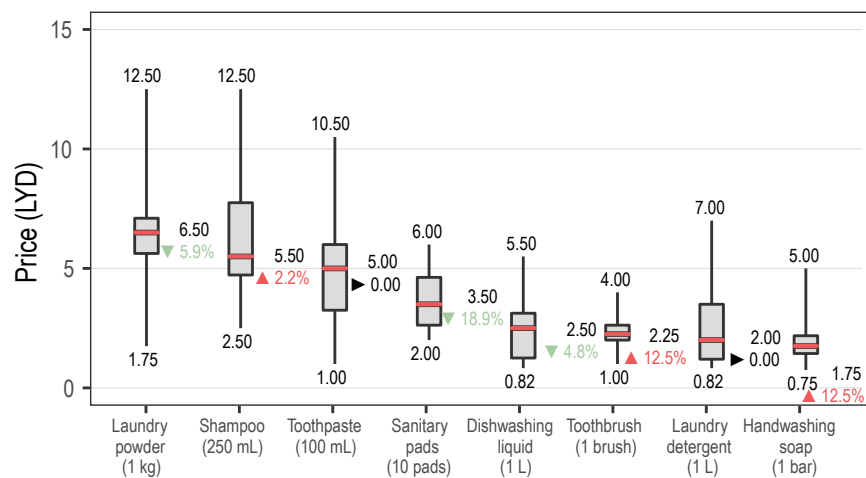
None reported

Distribution of Prices in Libya

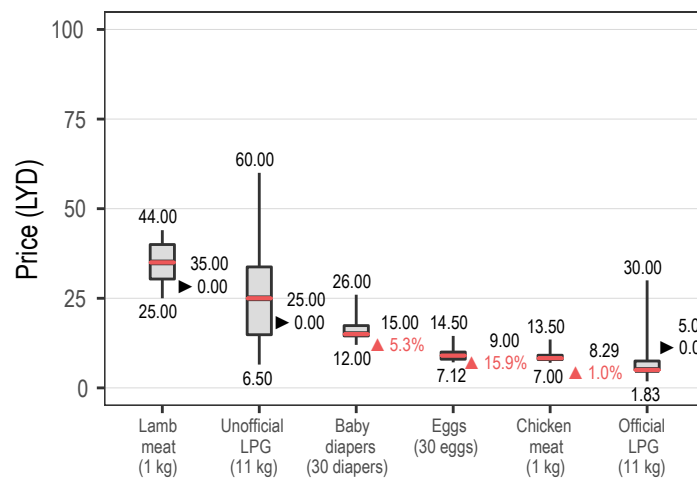
FOOD ITEMS



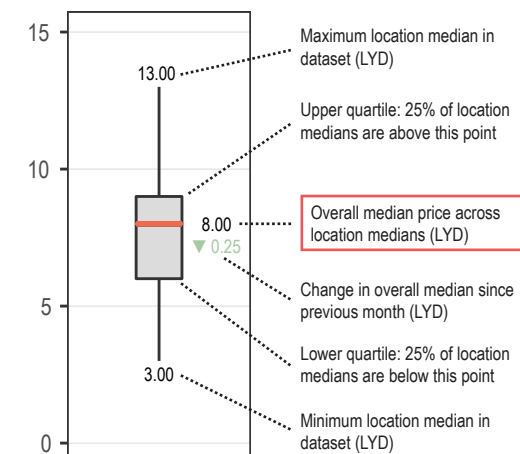
HYGIENE ITEMS



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

September	September
August	August
July	July
June	June
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 mahalla⁹); 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 Libyan state oil firm cuts back fuel supplies to east amid battle over capital, Reuters, 6th September 2019, <https://www.reuters.com/article/us-libya-security-oil-exclusive/exclusive-libyan-state-oil-firm-cuts-back-fuel-supplies-to-east-amid-battle-over-capital-idUSKCN1VR1E9>

² Official rate: Central Bank of Libya (1 October 2019), retrieved from www.cbl.gov.ly. Parallel market rates: Ewan Libya (1 October 2019), retrieved from www.ewanlibya.ly. The rates from 1 September 2019 and 1 October 2019 were used for the calculation of the monthly changes.

³ The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.

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 November 2018 as the baseline and dividing each month's price by the price in November 2018.

⁷ The food and hygiene prices were normalised by setting November 2018 as the baseline and dividing each month's price by the price in November 2018.

⁸ The unofficial LPG prices were normalised by setting November 2018 as the baseline and dividing each month's price by the price in November 2018.

⁹ Mahalla is a sub-district

MARK-UPS FOR ALTERNATIVE MODALITIES

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

REACH, a joint initiative of ACTED, IMPACT Initiatives, and UNOSAT, facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions. In Libya, REACH operates fully under the oversight of ACTED, and its activities are conducted in cooperation with inter-agency aid coordination mechanisms. For further information on this document, contact