

PERCEIVED IMPACT OF COVID-19 ON MARKETS

INTRODUCTION

The Afghanistan Joint Market Monitoring Initiative (JMMI) was launched by the **Afghanistan Cash and Voucher Working Group (CVWG)** and **partners**, in collaboration with REACH Initiative (REACH), and funded by the European Civil Protection and Humanitarian Aid Operations (ECHO). The objective is to provide regular updates on prices of key items and market functionality to inform Cash and Voucher Assistance (CVA). Data from the fifth round of the JMMI was collected between 10 and 22 September, in 30 provinces of Afghanistan.

17	participating agencies
30	assessed provinces
358	assessed marketplaces
965	key informants interviews (KIIs)
24	commodities assessed

JMMI PARTNERS

AADA
AAH
ACTD
ACTED
Caritas Germany (with RCDC and VOPOFA)
CRDSA
DRC
IOM
IRC
JACK
JIA
OHW
Save the Children International
WHH
World Vision

NATIONWIDE MEDIAN ITEM PRICE AND CHANGE SINCE JMMI 4TH ROUND¹

Item	Unit	Price in AFN	Change since 4th round
Food Items			
Wheat flour (local)	1 kg	31	no change
Wheat flour (imported)	1 kg	34	▲ 2%
Local rice	1 kg	50	no change
Vegetable oil	1 L	90	▼ 2%
Pulses ³	1 kg	50	no change
Salt	1 kg	12	▲ 9%
Sugar	1 kg	50	no change
Tomatoes	1 kg	20	▲ 33%
Potatoes	1 kg	20	no change
Onions	1 kg	14	▼ 6%
Eggs	1 pc	7	no change
NFIs			
Soft cotton cloth (2m ² piece)	1 pc	80	▼ X%
Antiseptic soap (95-110g)	1 pc	30	▲ 33%
Toothpaste	1 pc	40	▼ 20%
Toothbrush (adult)	1 pc	20	▼ 50%
Sanitary pad ⁴	1 box	40	▼ 20%
Washing detergent	1 pc	50	▲ 100%
Bleach	1 L	60	▲ 9%
Other NFIs			
Safe (drinking) water	1 L	200	no change
Firewood	1 kg	13	▲ 8%
Kindling ⁴	1 kg	13	▼ 7%
Cooking fuel	1 kg	57	▲ 4%

CHANGE IN DEMAND FOR ITEMS SINCE JMMI 4TH ROUND¹

Increase in demand (% KIs)	Same demand (% KIs)	Decrease in demand (% KIs)
35%	46%	19%
33%	49%	18%
28%	59%	13%
29%	60%	11%
70%	12%	18%
14%	82%	4%
32%	58%	10%
52%	39%	9%
47%	45%	8%
40%	51%	9%
34%	54%	12%
16%	66%	18%
37%	57%	6%
21%	73%	6%
19%	76%	5%
16%	76%	8%
33%	62%	5%
23%	65%	12%
33%	53%	14%
26%	59%	15%
25%	61%	14%
35%	58%	7%

PROPORTION OF KIs REPORTING A CHANGE IN DEMAND DUE TO COVID-19²

- **67%** of KIs reported all shops in the marketplace to be open.
- **75%** of KIs reported the number of shops open to have remained the same in the 30 days prior to data collection.

Median cost of MEB
13,770 AFN

179.07 USD*

▼ 167 +1%**

Median cost of Food Basket
5,042 AFN

65.56 USD*

▼ 158 +3%**

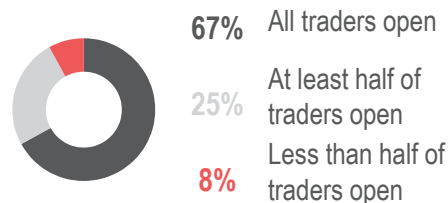
* All AFN to USD conversions in this factsheet use a fixed exchange rate of 78.25 AFN to 1 USD, unless otherwise stated. This is taken from the standard exchange rate used by the Afghanistan CVWG in MEB calculations. The official exchange rate on the first day of data collection of the fifth round of the JMMI (10th September) was 76.75 AFN to 1 USD (cash sell rate) and 77.06 (cash buy rate) as reported by [the Afghanistan Bank](#).

** The % of change between the price of the MEB during data collection, and the price of the MEB in [August 2020](#) is reflected here.

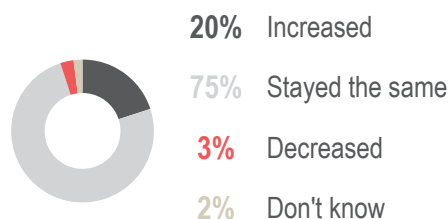
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TRADERS & BUSINESS

Proportion of KIs reporting shops usually present in the marketplace to be open:

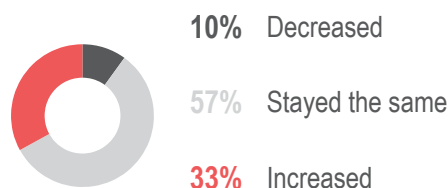


Proportion of KIs reporting the number of shops open to have changed in the 30 days prior to data collection:



Of the 3% of KIs reporting a decrease in the number of shops open, **18 KIs** explicitly reported perceiving this to be a consequence of COVID-19.

Proportion of KIs that reported changing their reliance on purchasing commodities on credit due to COVID-19:



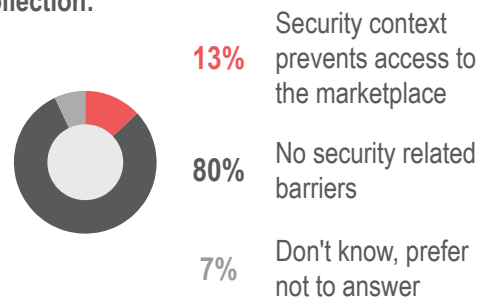
MARKET ACCESS & SAFETY

Proportion of KIs reporting COVID-19 to have impacted access to markets for certain population groups:⁵



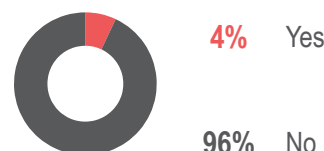
Overall, **55%** of KIs reported at least one population group whose ability to access markets had been impacted by COVID-19.

Proportion of KIs that reported **consumers** faced security constraints to accessing the market in the 30 days prior to data collection:



SUPPLY CHALLENGES

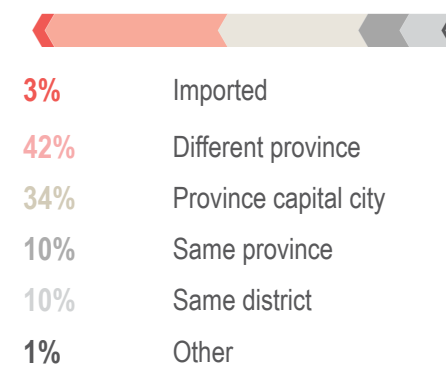
Proportion of KIs reporting that they faced difficulties obtaining enough commodities to meet demand in the 30 days prior to data collection:



Of the 4% of KIs reporting difficulties in obtaining enough commodities to meet demand in the 30 days prior to data collection, **12 KIs** explicitly reported perceiving this to be caused by reduced movement due to the imposed COVID-19 related restrictions.

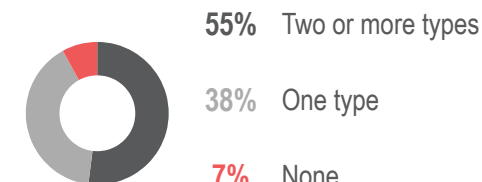
Overall, **26 KIs** reported that they had faced difficulties that were not present before in the road-based transportation of goods between suppliers and their business in the 30 days prior to data collection.

Proportion of KIs by source of their main reported supplier of food items and NFIs:



PRESENCE OF FINANCIAL SERVICES

Proportion of KIs reporting there to be any functional money transfer services in or near their market area:



In light of the current COVID-19 crisis in Afghanistan, many humanitarian actors are increasing the use of cash and voucher assistance (CVA) in their response; the presence of money transfer services can be key to this.

REACH & COVID-19

As an initiative deployed in many vulnerable and crisis-affected countries, REACH is deeply concerned by the devastating impact the COVID-19 pandemic may have on the millions of affected people we seek to serve. REACH is currently working with Cash Working Groups and partners to scale up its programming in response to this pandemic, with the goal of identifying practical ways to inform humanitarian responses in the countries where we operate. COVID-19-relevant market monitoring and market assessments are a key area where REACH aims to leverage its existing expertise to help humanitarian actors understand the impact of changing restrictions on markets and trade. Updates regarding REACH's response to COVID-19 can be found in a [devoted thread](#) on the REACH website. Contact geneva@impact-initiatives.org for further information.

METHODOLOGY

Working through the Cash and Voucher Working Group (CVWG) and its partners, and funded by the European Civil Protection and Humanitarian Aid Operations (ECHO), REACH facilitated the implementation of a partner-driven Joint Market Monitoring Initiative (JMMI) in Afghanistan. The World Food Programme (WFP) provided support in the tool review and development.

Each KI was asked to report on general market functionality indicators, as well as prices for all relevant items which they trade. Depending on access and availability, partners conduct 4 KIIs per item with retail traders, and 2 KIIs per item for wholesale traders (for food and NFIs). KIIs were asked for information encompassing the 30 days prior to data collection. Findings represent KIIs' understanding of the situation in their markets and therefore are **indicative only**.

Data collection took place between 10 and 22 September 2020, and a total of 965 KIIs were conducted. This round covered 358 markets, which were sampled by partners nationwide based on their access and existing areas of intervention. This includes markets in 30 out of 34 provinces in Afghanistan. For more information on the methodology, please see the [general JMMI output](#).

ENDNOTES

1. The data collection of the fourth round of the JMMI took place between 10 and 20 August 2020.
2. Any KI that reported an increase or decrease in demand of food items or NFIs was then asked to report the main reason for the change. Multiple options could be selected and findings may therefore exceed 100%. Pulses in this table are calculated as the median (normalized) price of all three types of pulses monitored: lentils, beans, and split-peas. The item 'kindling' is a highly seasonal winter item and therefore not frequently sold during the period of data collection.
3. The Minimum Expenditure Basket (MEB) was calculated using the prices of the relevant food and non-food item prices monitored. For items where prices were not monitored, or for fixed amounts for the health and shelter components, calculations used the fixed price set by the CVWG.
4. Due to limited data points and strong regional variation, the median price for the item 'cotton-cloth' and 'sanitary pads' in Jawzjan and Paktya correspond to the regional average, as it was not possible to calculate the price accurately and reliably in these two provinces.
5. KIIs could only report 'No, none', or select multiple options. Findings may therefore exceed 100%.

About the Afghanistan Cash and Voucher Working Group and REACH Initiative

The Afghanistan Cash and Voucher Working Group (CVWG) is an inter-cluster technical working group set up to ensure cash and voucher assistance (CVA) in Afghanistan is coordinated, follows a common rationale, is context specific and is undertaken in a manner that does not inflict harm or exacerbate vulnerabilities of the affected population. The working group was initially established in 2012 under the Food Security and Agriculture Cluster (FSAC), but since 2014 it has become an inter-cluster working group which is overseen by the Inter-Cluster Coordination Team (ICCT). The working group is currently co-chaired by the Danish Refugee Council (DRC) and the World Food Programme (WFP). For more information, please visit <https://www.humanitarianresponse.info/en/operations/afghanistan/cash-voucher>.

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). For more information please visit our website: www.reach-initiative.org. You can contact us directly at: geneva@reach-initiative.org and follow us on Twitter [@REACH_info](https://twitter.com/REACH_info).

Challenges & Limitations

- Due to COVID-19 data collection continued to be difficult as enumerators faced challenges finding KIIs to interview at the markets.
- Despite having the tool shortened, the length of the questionnaire remained challenging as KIIs were unable to participate for too long whilst working.
- A total of 30 provinces were covered in the fifth round of the JMMI. The full national coverage is yet to be achieved.
- Due to the aforementioned difficulties in data collection, data from the fifth round of JMMI was disaggregated at the province-level. In the next rounds of JMMI, the aim of the JMMI is to have data at the district-level.

JMMI Partners

- **AADA** - Agency for Assistance and Development of Afghanistan
- **AAH** - Action Against Hunger
- **ACTD** - Afghanistan Center for Training and Development
- **ACTED**
- **Caritas Germany (with RCDC and VOPOFA)**
- **RCDC** - Rural Capacities Development Committee
- **VOPOFA** - Village of Peace Organization for Afghans
- **CRDSA** - Centre of Rehabilitation and Development Services for Afghanistan
- **DRC** - Danish Refugee Council
- **IOM** - International Organization for Migration
- **IRC** - International Rescue Committee
- **JACK** - Just for Afghan Capacity and Knowledge
- **JIA** - The Johanniter International
- **OHW** - Organization of Human Welfare
- **Save the Children**
- **WHH** - Welthungerhilfe
- **World Vision**

