

METHODOLOGY

Working through the Cash and Voucher Working Group (CVWG) and its partners, REACH facilitated the implementation of a partner-driven Joint Market Monitoring Initiative (JMMI) in Afghanistan. It is intended to be conducted on a monthly basis to provide longitudinal market and price data.

The JMMI assessment employs a quantitative key informant interview (KII) approach. The methodology includes surveys with purposively sampled traders (both retail and wholesale), acting as key informants (KIs) for their respective markets. Participants are selected through partner KI networks in their respective market areas.

Each KI was asked to report on general market functionality indicators, as well as prices for all relevant items that they trade. Depending on access and availability, partners conducted 4 KIIs per item with retail traders, and 2 KIIs per item for wholesale traders (for food and non-food items (NFIs)). KIs were asked for information encompassing the 30 days prior to data collection. Findings rely on the knowledge of KIs regarding their respective markets. The findings are, therefore, indicative and may not always fully reflect market activity in the assessed area.

Data from the 17th round of the JMMI was collected between October 11th and 27th.

20	participating agencies
30	assessed provinces
586	key informant interviews (KIIs)
22	commodities assessed

Median cost of MEB¹
20,396 AFN

232.09 USD

▲ 2%²

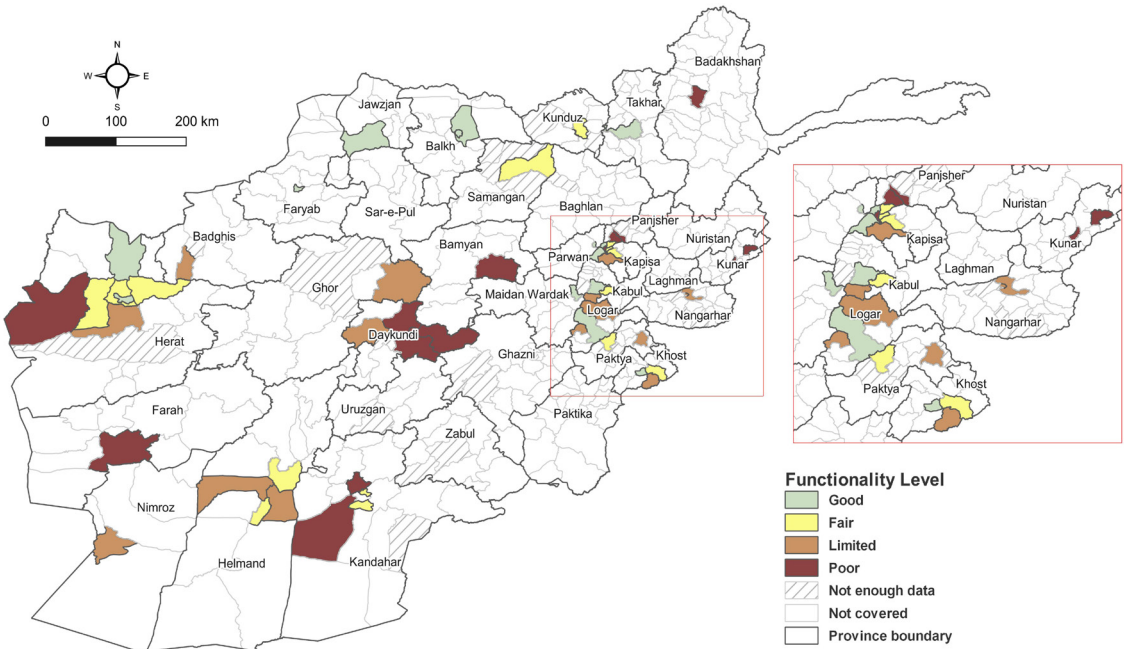
Median cost of Food Basket
6,909 AFN

78.62 USD

▲ 5%²

19% of KIs reported difficulties in restocking and obtaining commodities. The key items reportedly more difficult to obtain and restock are vegetable oil (90%), cereals (79%) and pulses (38%).

MARKET FUNCTIONALITY INDEX (MFI), BY DISTRICT



The MFI is based on a percentage calculated at district level. If 4 or more retailers in the district are interviewed, then the MFI is calculated. If less than 4 are interviewed, then there is insufficient data and the MFI is not calculated in that district.

87% of KIs report an increase in price of food items and the most reported reasons are the increase in cost of suppliers (87%), followed by in transportation cost (62%) and seasonality (13%).

To further inform the CVWG's JMMI in Afghanistan, REACH developed the JMMI Market Functionality Index (MFI), based on the similar index with the same name designed by the World Food Program's (WFP's) Research, Assessment & Monitoring, and Supply Chain divisions. The aim of the MFI is to assess markets' health at the district level, in order to inform the humanitarian community on whether cash and voucher assistance (CVA) may or may not be the most appropriate response to meet the beneficiaries' needs. The MFI is based on the assumption that, should the markets not be functional, beneficiaries who received the CVA may be unable to access basic commodities.

This map presents findings from rounds 16th and 17th of the JMMI's MFI, visualizing a scale of most functional assessed markets (dark shades) to the least functional ones (light shades) at the district level across Afghanistan.

For further information kindly consult the WFP technical guidance [here](#).

MINIMUM EXPENDITURE BASKET (MEB) CALCULATIONS

AFGHANISTAN MEB CONTENTS*

Basic Food Basket

Wheat flour (imported)	60 kg	Pulses**	14 kg
Local rice	29 kg	Salt	1 kg
Vegetable oil	6 L	Sugar	6 kg

Healthcare (fixed at 3,000 AFN)

Shelter (fixed at 5,828 AFN)

Transportation (fixed at 359 AFN)

Communication (fixed at 136 AFN)

Water (20 L water drum) (fixed at 74 AFN)

Fuel and Electricity (fixed at 716 AFN)

Dignity-hygiene

Antiseptic soap (95-110g)	2 pc	Soft cotton cloth (2m ² piece)	2 pc
Underwear	2 pc (fixed at 80 AFN)		

Education (fixed at 1,200 AFN)

Monthly stationary costs	multiple items	Snacks and school lunch	24 pc
School transportation tickets	48	Uniforms (including shoes and sport clothing)	3 pc
Backpack	1 pc	Documentation and school fees	fixed

Unmet needs (10% of sum of above)***

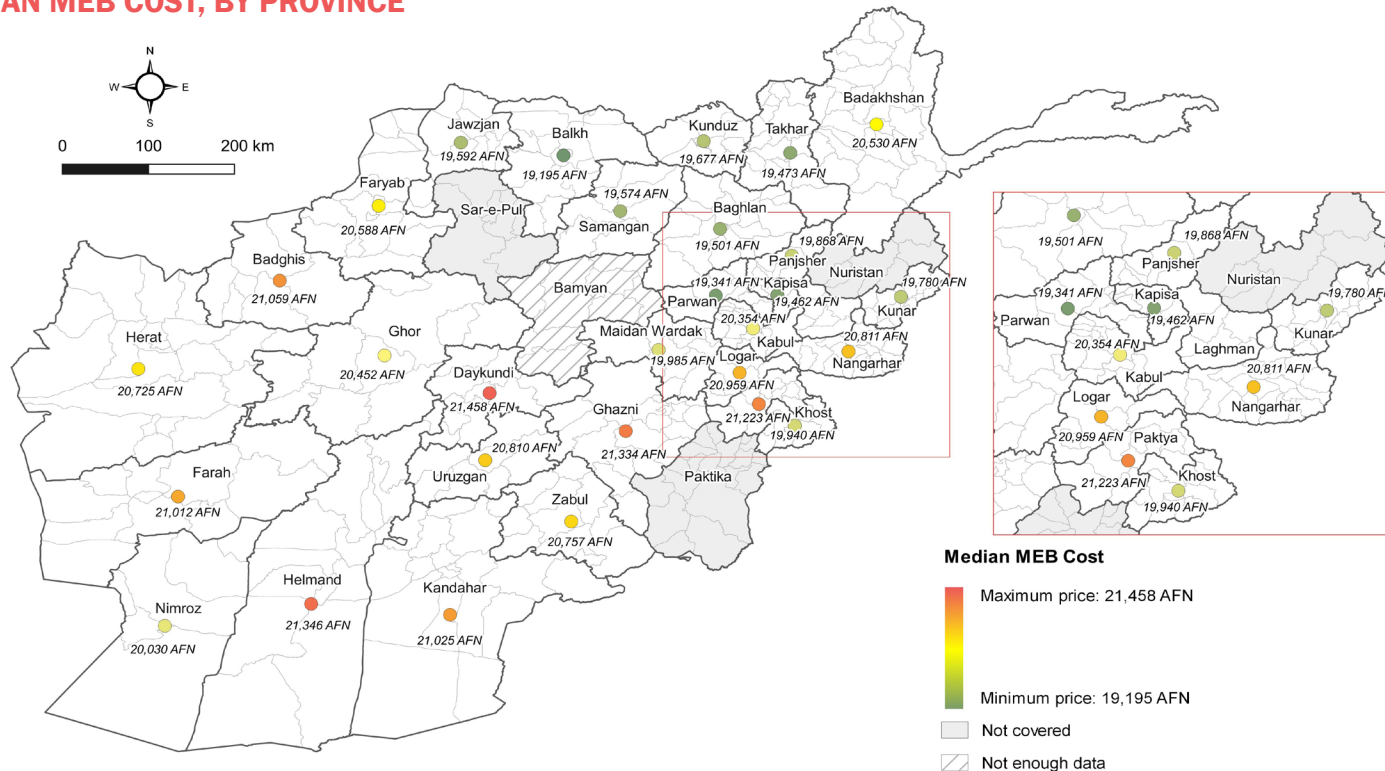
The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support an average seven-person Afghan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's content was defined by the CVWG in consultation with relevant sector leads.

* The MEB cost was calculated in this factsheet using the relevant food and non-food item prices monitored. For items whose prices were not collected, calculations included the existing price used by the CVWG as a baseline. For the healthcare and shelter components, the listed fixed amount was used in the calculation. The AFN to USD conversion uses a fixed exchange rate of 87.8 AFN to 1 USD with reference to United Nations Treasury.

** Pulses in this factsheet are calculated as the average price of all three types of pulses monitored: lentils, beans, and split-peas.

*** An additional percentage has been included to take into account unmet needs which are not mentioned above (this can also include leisure and free time). The Afghanistan MEB unmet needs is defined as 10% of the total sum of the MEB.

MEDIAN MEB COST, BY PROVINCE IN AFN



MEDIAN MEB PRICE AT REGIONAL AND PROVINCIAL LEVEL³

Province	MEB in AFN	MEB in USD	Change since last round
Capital	19,647	223.56	▲ 3%
Kabul	20,354	231.62	▲ 4%
Kapisa	19,462	221.46	▲ 4%
Logar	20,959	238.49	▲ 9%
Wardak	19,985	227.42	▼ 1%
Panjsher	19,868	226.08	NA
Parwan	19,341	220.09	▲ 2%
Central Highland	21,399	243.50	▲ 8%
Daykundi	21,458	244.17	▲ 2%
East	20,828	237.01	▲ 9%
Kunar	19,780	225.08	▲ 7%
Nangarhar	20,811	236.81	▲ 9%
North-East	19,760	224.85	▲ 2%
Badakhshan	20,530	233.62	▲ 3%
Baghlan	19,501	221.90	▲ 1%
Kunduz	19,677	223.91	▲ 3%
Takhar	19,473	221.59	▲ 1%
North	19,469	221.55	▲ 1%
Balkh	19,195	218.42	▲ 1%
Faryab	20,588	234.27	▲ 6%
Jawzjan	19,592	222.94	▲ 2%
Samangan	19,574	222.73	▼ 0% ³
South-East	21,067	239.73	▲ 3%
Ghazni	21,334	242.77	▲ 5%
Khost	19,940	226.90	▲ 4%
Paktya	21,223	241.50	▲ 3%
South	21,082	239.90	▲ 2%
Helmand	21,346	242.89	▲ 3%
Kandahar	21,025	239.25	▼ 3%
Nimroz	20,030	227.92	▼ 1%
Uruzgan	20,810	236.80	NA
Zabul	20,757	236.20	▲ 8%
West	20,670	235.21	▲ 2%
Badghis	21,059	239.63	▲ 6%
Farah	21,012	239.09	NA
Ghor	20,452	232.73	▼ 4%
Herat	20,725	235.83	▲ 2%

ITEM PRICE MONITORING

NATIONWIDE MEDIAN ITEM PRICE AT TIME OF INTERVIEW, AND RECORDED CHANGE (%) SINCE THE 16TH ROUND OF DATA COLLECTION

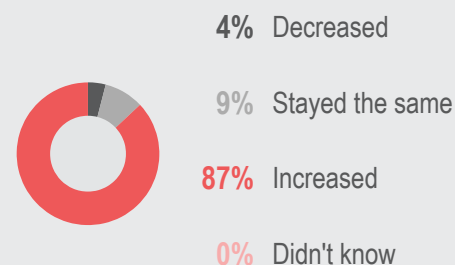
Item	Unit	Price in AFN	Price in USD	Change (%)
Food Items				
Wheat flour (local)	1 kg	43	0.49	▲ 19%
Wheat flour (imported)	1 kg	45	0.51	▲ 15%
Local rice	1 kg	65	0.74	▼ 7%
Vegetable oil	1 L	150	1.71	▲ 11%
Pulses ⁷	1 kg	75	0.85	No change
Salt	1 kg	14	0.16	▲ 17%
Sugar	1 kg	60	0.68	▲ 2%
Tomatoes	1 kg	19	0.21	▼ 7%
NFIs				
Pen and pencil	1 pc	10	0.11	No change
Notebook	1 pc	20	0.23	No change
Rubber	1 pc	5	0.06	No change
Cotton cloth (2m ²)	1 pc	90	1.02	▲ 6%
Toothbrush (adults)	1pc	30	0.34	No change
Toothpaste	1 pc	50	0.57	No change
Sanitary pads	1 box	50	0.57	No change
Antiseptic soap bar	1 pc	30	0.34	No change
Other NFIs				
Safe (drinking) water without jerry can	20 L	50	0.57	No change
Coal or charcoal	1 kg	14	0.16	▲ 13%
LPG	1 L	85	0.97	▲ 13%
Firewood	1 kg	11	0.13	▼ 5%
Cooking fuel	1 kg	80	0.91	▲ 11%
Diesel	1 L	65	0.74	▲ 12%
Petrol	1 L	73	0.83	▲ 11%

CURRENT AVAILABILITY OF ITEMS FROM SUPPLIERS

Item	Available (% KIs)	Limited (% KIs)	None (% KIs)
Food Items			
Wheat flour (local)	92%	7%	1%
Wheat flour (imported)	95%	4%	1%
Local rice	93%	5%	2%
Vegetable oil	96%	3%	1%
Pulses ⁷	96%	3%	1%
Salt	98%	2%	0%
Sugar	97%	3%	0%
Tomatoes	94%	3%	3%
NFIs			
Pen and pencil	94%	5%	1%
Notebook	95%	4%	1%
Rubber	96%	3%	1%
Cotton cloth (2m ²)	92%	5%	3%
Toothbrush (adults)	96%	3%	1%
Toothpaste	96%	4%	0%
Sanitary pads	92%	4%	4%
Antiseptic soap bar	96%	4%	0%
Other NFIs			
Safe (drinking) water without jerry can	84%	6%	10%
Coal or charcoal	83%	5%	12%
LPG	93%	5%	2%
Firewood	91%	3%	6%
Cooking fuel	94%	3%	3%
Diesel	94%	4%	3%
Petrol	94%	5%	1%

REPORTED CHANGE IN PRICE OF FOOD ITEMS IN 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE⁴

% of KIs reporting change in price for food items in the 30 days prior to data collection:

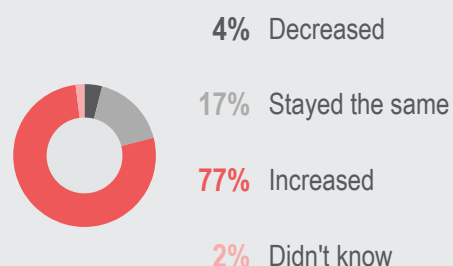


Out of those KIs reporting an increase in food prices, the most frequently cited reasons were:

- 1 87% Increased cost of supplies
- 2 62% Increased transportation costs
- 3 13% Seasonality

REPORTED CHANGE IN PRICE OF NFIs IN THE IN 30 DAYS PRIOR TO DATA COLLECTION, AND REPORTED REASONS FOR INCREASE IN PRICE⁴

% of KIs reporting change in price for NFIs in the 30 days prior to data collection:



Out of those KIs reporting an increase in NFIs prices, the most frequently cited reasons were:

- 1 88% Increased cost of supplies
- 2 68% Increased transportation costs
- 3 13% Seasonality

MARKET SUPPLY

LOCATION OF MAIN SUPPLIERS FOR FOOD ITEMS AND NFIs⁵

Proportion of KIs by reported location of their main supplier of food items:



- 7% Imported from abroad
- 34% Different province
- 37% Province capital city
- 4% Same province
- 4% Same district
- 15% Other

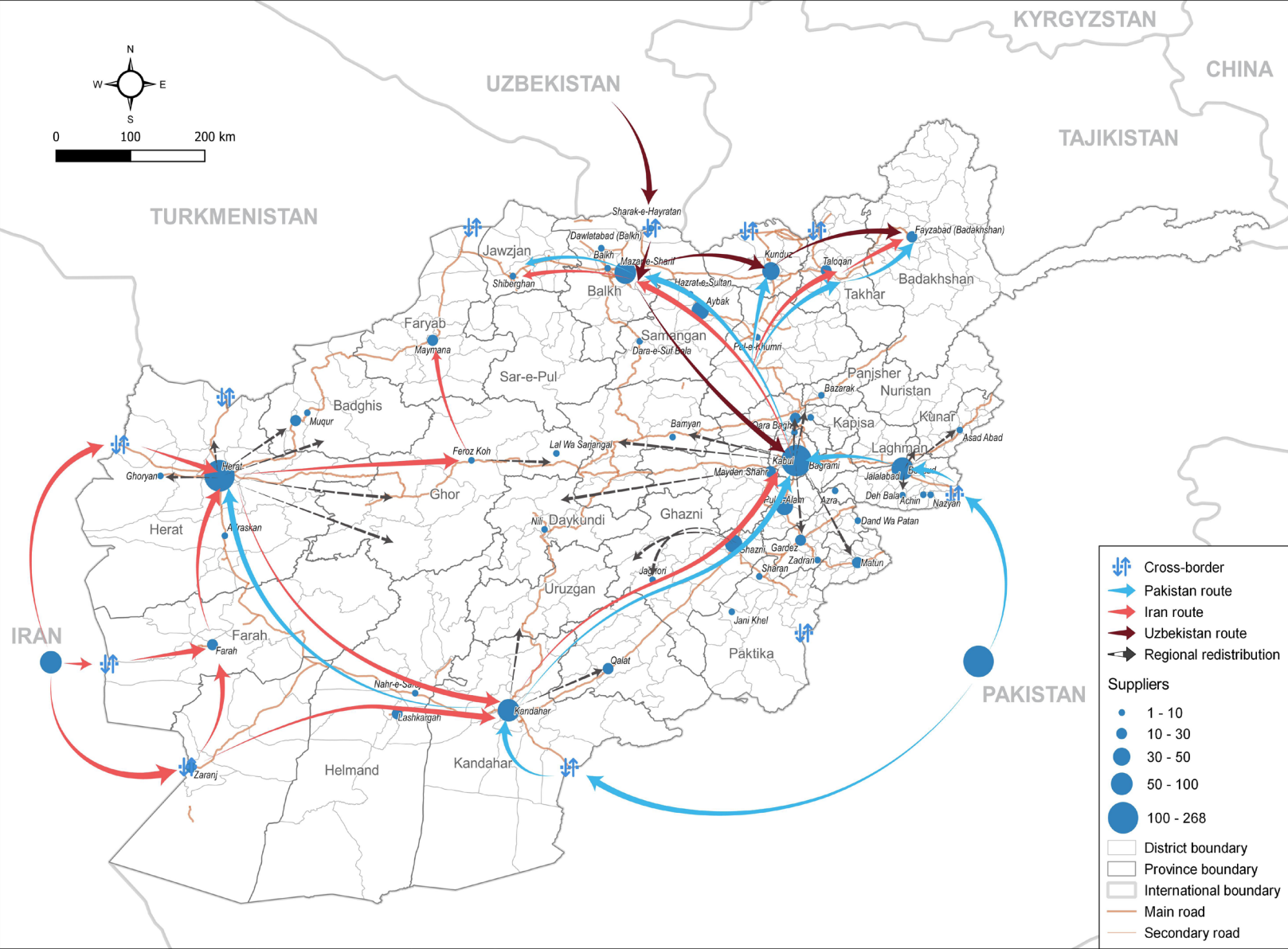
Proportion of KIs by reported location of their main supplier of NFIs:



- 4% Imported from abroad
- 35% Different province
- 40% Province capital city
- 4% Same province
- 6% Same district
- 12% Other

SUPPLY ROUTE MAP

The supply route map represents the location of main food and NFI suppliers



ACCESS CHALLENGES, TRADERS & MARKET FUNCTIONALITY

DIFFICULTIES TO MEET DEMAND AND TO TRANSPORT OR PROCURE SUPPLIES⁵

19% of KIs reported having faced difficulties obtaining enough commodities to meet demand in the 30 days prior to data collection. The three most frequently cited reasons were:

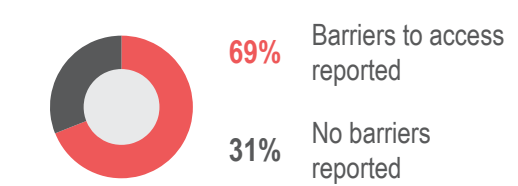
- 1 90% Financial constraints and inability to purchase supplies
- 2 38% Difficulties in transporting commodities
- 3 37% Limited availability of imported items and commodities

22% of KIs reported having faced difficulties in road-based transportation of goods in the 30 days prior to data collection. The three most frequently cited difficulties were:

- 1 12% Restrictions from the authorities
- 2 6% Conflict
- 3 3% Roadblocks

BARRIERS TO MARKET ACCESS FOR CONSUMERS

Proportion of KIs reporting consumers faced at least one of the mentioned barriers to accessing the market in the 30 days prior to data collection:



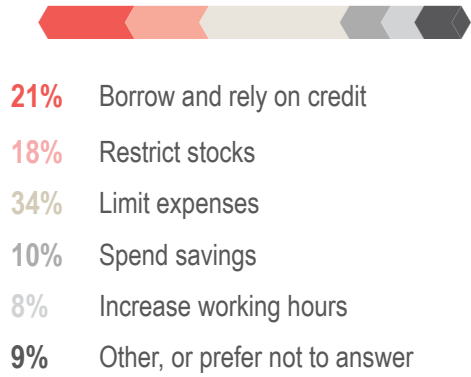
In the South, 87% of KIs reported consumers faced at least one barrier to accessing markets in the 30 days prior to data collection, which is a relatively high percentage compared to the national average of 74%.

Among those KIs reporting that people face barriers to accessing markets, the most frequently cited reasons were:

- 1 54% Financial barriers
- 2 8% Fear of exposure to COVID-19, and public health restrictions
- 3 3% Insecurity travelling to the market

TRADERS' COPING MECHANISMS AND RELIANCE ON CREDIT

Proportion of KIs reporting on the use of main coping mechanisms to address reduced or limited income:



Main reported sources from which KIs borrowed money or purchased on credit to support their business in the 30 days prior to data collection:

- 1 51% Supplier (buy on credit)
- 2 43% Family and friends
- 3 5% Informal services

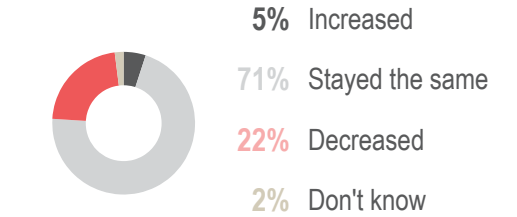
PRESENCE OF FINANCIAL SERVICES

Proportion of KIs reporting on the presence of functional money transfer services in or near their market area, by type:

- 1 89% Hawala
- 2 33% Banks
- 3 7% Formal transfer services

TRADER PRESENCE IN THE MARKET

35% of KIs reported that (almost) all shops in the marketplace are open. Furthermore, KIs reported on the perceived change in the number of shops that have been open in the 30 days prior to data collection:⁶

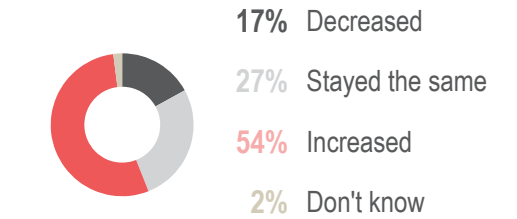


Three most frequently cited reasons for a reported decrease in number of traders present and open in the marketplace:

- 1 79% Financial constraints
- 2 17% Restrictions from the authorities
- 3 9% COVID-19

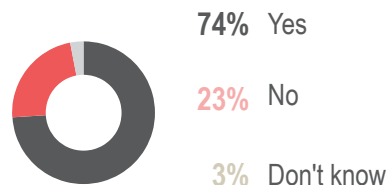
CONSUMERS, PAYMENT, & CREDIT

Proportion of KIs reporting on the number of customers purchasing on credit to have changed in the 30 days prior to data collection:



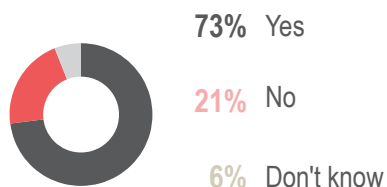
USD TO AFN EXCHANGE

Proportion of KIs reporting on feasibility of exchanging USD to AFN in the market:



CASH ACCESS

Proportion of KIs reporting on their ability to access cash:

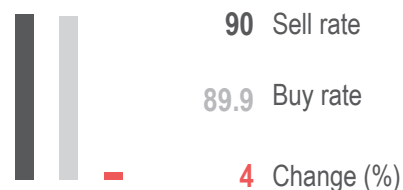


ENDNOTES

1. The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a seven-person Afghan household for one month.
2. The % of change between the price of the MEB and the Food Basket during data collection refers to the changes recorded since the previous (16th) round of the JMMI.
3. Where JMMI data recorded a MEB price variation of less than 100 AFN, it was chosen to present the variation as 0% because the amount is too small to be approximated as 1%, but too significant to be categorized as "no change".
4. All KIs were asked about changes in prices of food items and NFIs in general. KIs that reported an increase or decrease were asked to report on the main reason for this.
5. Any KI that reported selling any food item or NFI was asked to report the location of their main supplier, whether the number of suppliers had changed in the last 30 days, and the main means of transportation of goods.
6. KIs that reported the number of shops open in the market to have decreased in the past 30 days. Multiple options could be selected and findings may therefore exceed 100%.
7. Pulses in this table are calculated as the median (normalized) price of all three types of pulses monitored: lentils, beans, and split-peas.

USD TO AFN EXCHANGE RATE

Exchange rate of 1 USD to AFN and change (%) since the 15th round of data collection:



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, 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).

