

ETHIOPIA

Market Price Trends in Ethiopia

Ethiopia JMMI
January 2023 - June 2024

June 2024



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About REACH

REACH 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](#). You can contact us directly at geneva@reach-initiative.org and follow us on Twitter @REACH_info.

Summary

The ongoing conflict and drought in Ethiopia, the Sudanese civil war and the war in Ukraine coupled with other domestic and global macroeconomic incidences have severely impacted food security, leading to significant price increases and widespread hunger. This report analyzes price trends from January 2023 to June 2024, focusing on how these factors impacted the cost of the Joint Market Monitoring Initiative (JMMI) full and basic baskets. The report aims to complement the monthly JMMI assessments by providing a deeper analysis of underlying trends and their implications for food security.

Data was collected through a combination of Key Informant Interviews (KIIs) with local market vendors and desk reviews of reports from various organizations, including UN OCHA, FEWS NET, ACLED, REACH, and news outlets. Data analysis involved calculating price indices, comparing prices across regions, and identifying key factors influencing price changes. The analysis focused on the 13 regions from which data was collected, with a particular emphasis on recently covered areas like Tigray and South West Ethiopia. JMMI data collection transitioned from a collaboration with the Collaborative Cash Delivery (CCD) network to the Ethiopia Cash Working Group (CWG) in October 2023, expanding coverage across the country.

The report reveals a significant increase in prices of basic commodities across Ethiopia, driven by conflict, drought, and global factors. The increases were also reported in the prices of both national and regional baskets. The full and food baskets at the national level, for instance, increased by 63% and 66%, respectively, throughout the assessment period. These increases have severe implications for food security, particularly for vulnerable households.

Key Messages

Ethiopia witnessed sharp price increases in 2023 and the first half of 2024, with the JMMI full basket surging by 65% nationally throughout 2023, while, between January 2023 and June 2024 a 63% rise was reported. The highest monthly increase (16%) occurred in February 2023 mainly linked to the ongoing conflict, further escalating the existing humanitarian crisis. Similarly, the full basket price between January and June 2024 has also shown a 6% increase. The ongoing conflict in Amhara and Oromia regions, the gradual removal of fuel subsidies, drought, and global factors such as the continuous increase in prices of commodities at the global market stage, Sudanese civil war, and the ongoing war in Ukraine are considered key drivers of changes in the JMMI basket cost throughout the reporting period.

Despite monthly fluctuations in the JMMI basket cost and varying degrees of change, all regions experienced basket cost increases over the reporting period. In the Somali region the highest basket cost was recorded in December, possibly linked to severe floods in parts of the region. Benishangul Gumuz and Gambella regions reported the highest upward shifts, with a 79% and 70% increase, respectively, in their JMMI basket costs between January and December 2023. Meanwhile, JMMI basket costs in Amhara, Somali and Sidama regions also rose by more than 50% within the same period. The overall regional price increases between January 2023 and June 2024 ranged from 28% in Harari to 81% in South Ethiopia.

Similar to the national and regional baskets, the prices of all commodities monitored in 2023 increased between January and December. This also concerns basic necessities like cereals, vegetables and meat products. Among these items, teff, onion, and goat meat prices experienced the highest increases within their respective categories. The highest rise of all commodities was observed in the price of onions (+254%). Teff is the national staple and the increase in teff prices could be translated into threatened food security for millions of people who were already struggling.

Similar increasing trends have been observed in the first half of 2024, with the national JMMI full basket cost increase by 6%. The highest rise was reported from April to May at 12%. South Ethiopia experienced a 29% hike over the first six months of 2024 which could be due to the prolonged drought and flooding¹ within the region and neighboring regions.

¹ IRC, [Crisis in Ethiopia: What You Need to Know and How to Help](#) (Addis Ababa, 2024).

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List of Acronyms

CCD:	Collaborative Cash Delivery Network
CVA:	Cash and Voucher Assistance
DTM:	Displacement Tracking Matrix
ECWG:	Ethiopia Cash Working Group
FAO:	Food and Agriculture Organization
IDP:	Internally Displaced Persons
IOM:	International Organization for Migration
JMMI:	Joint Market Monitoring Initiative
JRAM:	Joint Rapid Assessment of Markets
KI:	Key Informant
KII:	Key Informant Interview
SNNPR:	Southern Nations, Nationalities, and Peoples' Region
WASH:	Water, Sanitation and Hygiene
WFP:	World Food Programme

Geographical Classifications

Region:	The highest form of sub-national governance
Zone:	The second tier of sub-national governance
Woreda:	The third tier of sub-national governance

1. BACKGROUND

Several socioeconomic, environmental, and political factors, including conflict, drought, and flooding, affected market activities in Ethiopia throughout 2023 and the first half of 2024. These dynamics also hindered social and economic activities, posing multifaceted challenges to vulnerable groups. As of November 2023, 4 million people required an urgent scale up of multi-sectoral response, including food and nutrition assistance.² Overall, 21.4 million people are in need of multi-sectoral assistance, including 15.8 million needing food assistance and 5 million needing nutrition assistance, in February 2024.³

According to the International Organization for Migration's (IOM) Displacement Tracking Matrix (DTM), the number of internally displaced persons (IDPs) in Ethiopia reached 3.45 million in 2023 alone. Conflict and drought account for the majority of displacements (67% and 17% respectively).⁴ Conflicts in different parts of the country continued to exacerbate an existing humanitarian crisis in Ethiopia.

In January 2023, conflicts in the borderlands between Amhara and Oromia regions caused displacement of households and destruction of livelihoods.⁵ As stated by IOM⁴, the Tigray region hosted the highest number of conflict-caused IDPs. However, the IDP situation in Amhara region was not covered in the IOM report due to security issues.

In early 2023, increased tensions and scattered conflicts were reported in Amhara region.⁶ The situation persisted and even worsened throughout 2023⁷ and the first six months of 2024. Ongoing conflicts in Oromia and protracted clashes along the disputed (border)

² OCHA, [Ethiopia - Situation Report](#) (Addis Ababa, 2024).

³ OCHA, [Ethiopia Humanitarian Needs Overview 2024](#) (2024).

⁴ IOM, [Ethiopia National Displacement](#) (Addis Ababa, 2023).

⁵ OCHA, [Ethiopia - Situation Report](#) (Addis Ababa, 2024).

⁶ Crisis Group, [Ethiopia's Ominous New War in Amhara](#) (2023).

⁷ Carnegie Endowment for International Peace, [Ethiopia's Fragile Stability Remains at Risk](#) (Washington DC, 2023).

territories of Afar and Somali regions were reported in May 2024.⁸ These conflicts significantly impacted market activities and the lives of vulnerable sections of the society. One such impact was reflected in the prices of commodities. In addition to contributing to price increases, conflicts set socio-economic barriers for households living under the conflict situation and surroundings areas. Indeed, households within the conflict zones are likely to lose their livelihoods and have their sources of income dry up. This exacerbates the situation of already vulnerable households, forcing them to resort to unfavorable alternatives like displacement and begging.⁹ Most notably, children, women and elderly were disproportionately impacted by armed conflicts.

In addition, recurring climatic shocks including drought and flooding put pressure on economic activities in Somali, Tigray, Afar, Amhara, parts of Oromia, South Ethiopia and South West Ethiopia regions. This was particularly evident in drought-stricken areas like Somali, Amhara, Tigray, and Afar, where communities already grappling with water scarcity and scorched farms faced further hardship. Additionally, the 2022 rainy seasons were the driest in 70 years, leaving 17.2 million people without basic amenities and reliant on humanitarian assistance for survival.¹⁰ In Somali region, for instance, the drought affected livelihoods, leaving 70% of households in the region unable to meet their basic needs.¹¹ Notably, in a country like Ethiopia where agriculture constitutes 37.5% of the economic output¹², even a single season of insufficient rain poses multifaceted challenges. Furthermore, a lack of robust agricultural infrastructure, particularly limited small-scale irrigation projects¹³, weakens resilience and exacerbates the impact of climate-borne challenges.

⁸ ACLED, [EPO Weekly Update](#) (Addis Ababa, 2024).

⁹ FEWS NET, [Lasting, Severe Impacts of Conflict and Drought Leave Millions Struggling to Cope](#) (Addis Ababa, 2023).

¹⁰ OCHA, [Ethiopia – Situation Report](#) (Addis Ababa, 2024).

¹¹ REACH Initiative, [The Impact of Drought and Climate-Related Shocks on Livelihood Practices in Somali](#) (Addis Ababa, 2024).

¹² Statista, [Ethiopia: Share of economic sectors in the gross domestic product \(GDP\) from 2012 to 2022](#).

¹³ International Water Management Institute (IWMI), [Navigating the Future of Irrigation in Ethiopia: Public-Private Partnerships for Small-Scale Irrigation Development and Management](#) (Addis Ababa, 2023).

The impact of conflict, drought and flooding on market activities is substantial, disrupting supply chains, reducing food availability, driving price surges, depleting market resilience, and impacting other elements like vendor participation and trading volumes. Security and climate are integral to market functionality, directly impacting production, transportation, and consumer behavior. Additionally, the conflict in Sudan and the war in Ukraine could also be mentioned as global factors that impacted supply chain. The observed rise in the prices of individual commodities and entire baskets can be at least partly attributed to these factors. Understanding these connections is crucial, as it allows for informed interventions and more resilient market systems. Therefore, whilst this report does not directly establish causal relationships, it aims to demonstrate the links between the aforementioned incidents and the price changes observed throughout 2023.

2. METHODOLOGY

The Ethiopia JMMI employs standardised and harmonised methods and techniques throughout its assessment rounds. Each round involves quantitative data collection through Key Informant Interviews (KIIs) with at least three vendors per item at the woreda level. Data collection covered 11 regions for most months of the year (see Annex 1 for the list of regions). In November, a partnership with the Ethiopia CWG allowed for expansion to Tigray. 18 items (16 food and 2 hygiene items) were consistently monitored throughout the year. This has increased to 34 since November 2023 to include additional items from different clusters such as nutrition, shelter, education, and WASH. However, the basket items remain unchanged to ensure comparability across regions and track the availability of newly added items. Therefore, this report focuses solely on the JMMI basket items.

The data collection process was carried out in collaboration with JMMI partners and commenced on the first Monday of each month, to be finalised within ten days. Taskforce meetings were held at the end of each month to finalise the next month's data collection coverage. The data collection step followed, revolving around submission of data to a central KoBo server administered by REACH for cleaning and analysis.

Following the data cleaning, the REACH data team conducted data analysis using "location medians" or "medians-of-medians" for prices and other key indicators. Using this method, the median prices for all assessed items were calculated within each assessed location (in this case, the woreda), and then the median of all location medians were calculated to derive regional and national aggregated prices. This methodology was utilized to minimise the effects of outliers and differing amounts of data among assessed locations.

In addition, the report utilised secondary data to corroborate the JMMI data, and to explain factors that contributed to the price changes. To this end, reports from World Food

Programme (WFP), Office for the Coordination of Humanitarian Affairs (OCHA), Ethiopia Peace Observatory (EPO), other humanitarian agencies, and media outlets have been used. The secondary data was used in cases where significant changes were observed over the JMMI full basket and prices of commodities. Explanations for these price changes have been provided when the contextual information allows.

Further information on the methodology of the Ethiopia JMMI is available in Annex 1 of this report.

3. JMMI FINDINGS

3.1. National and Regional JMMI Basket Costs

The national JMMI basket cost rose by 65% throughout 2023, highlighting the severe impact of various socioeconomic challenges across Ethiopia. Reflecting this rise, in November, general inflation still stood at a high 28.3%, despite a decline compared to the same period in 2022.¹⁴ According to FEWS NET¹⁵, 2023 witnessed the highest increase in the price of basic commodities compared to the average of the three preceding years, since 2020. Similarly, the national JMMI basket cost experienced a significant rise of 63% between January 2023 and June 2024.

The highest monthly increase (16%) occurred in February 2023, potentially linked to religious disputes¹⁶ in some regions, leading to supply chain disruptions. The WFP further attributed the February hike to the widening gap between the official and parallel exchange rates and a January fuel price revision. As part of the gradual lifting of fuel subsidies, the government raised diesel and benzene prices by 12% and 7%, respectively.¹⁷ Since fuel is an integral part of market activities, its price change can automatically translate to higher prices for other commodities.

The gradual devaluation of the birr and the widening gap between the official and parallel exchange rates could also be taken as a contributing factor to this rise. In June, the official exchange rate valued 1 USD at ETB 57.02, while the parallel market rate was double at ETB 116. The rate on the parallel market also experienced continuous rise, increasing at 24% between January 2023 and June 2024.

¹⁴ Ethiopian Statistical Service, [Monthly News Release: Inflation Report on November, EFY 2016](#) (Addis Ababa, 2023).

¹⁵ FEWS NET, [Ethiopia – Key Message Update: Emergency \(IPC Phase 4\) outcomes expected in northern Ethiopia](#) (Addis Ababa, 2024).

¹⁶ EPO, [Religious disputes and government involvement in Ethiopia](#) (Addis Ababa, 2023).

¹⁷ WFP, [Ethiopia Market Watch, March 2023](#) (Addis Ababa, 2023).

In the same period, the ongoing instability in Amhara and Oromia regions likely exacerbated the overall cost increase, with JMMI basket costs rising by 52% and 43% in these regions, respectively. However, these figures are lower than the national increase as the two regions are main producers and sources of supply for basic commodities. Given their vast size and strategic location in the supply chain, the situation in these regions could also have a significant impact on market prices throughout the country.

The Somali region had the highest basket cost, reflecting the combined effects of devastating floods that occurred in November¹⁸ and December and of persisting drought since 2020. Consequently, JMMI basket costs experienced the highest prices in Somali region, reaching ETB 14,430 in February 2024, compared to other regions in most of the reporting months. The majority of the population in this region are pastoralists and are dependent on livestock rearing for their livelihood. Pastoralists in this region make up 53% of the total number of pastoralists in the country. The drought resulted in poor livestock body condition, leading to declining value and jeopardizing terms of trade, further deepening hardship for these pastoralist communities who rely on livestock sales for income.¹⁹

Between January 2023 and June 2024, the highest rate of regional JMMI basket cost increase was reported at 81% in South Ethiopia while Benishangul Gumuz saw a 79% rise. These regional hikes, along with broader national disruptions, may have deepened food insecurity, and made it difficult for socio-economically disadvantaged groups to afford basic necessities. Further supporting this, the East Africa Food Security Outlook by FEWS NET²⁰ highlighted that the above events hampered market activities and continue to threaten food security.

¹⁸ OCHA, [Ethiopia - Floods Flash Update #2](#) (Addis Ababa, 2023).

¹⁹ WFP, [WFP Ethiopia Market Watch, March 2023](#) (Addis Ababa, 2023).

²⁰ FEWS NET, [Ethiopia Food Security Outlook Update December 2023: Drought-induced crop failure leads to Emergency in conflict-affected north](#) (Addis Ababa, 2023).

Consequently, most areas in the northern, southern and southeastern parts of the country face crisis and emergency levels of acute food insecurity.²¹

In addition to domestic factors, global and regional factors could have also played a role. Ethiopia relies heavily on grain imports from Ukraine and Russia, whose conflict has likely contributed to price increases. Specifically, Ukraine and Russia's grain exports constitute over 50% of grain imports of 15 African countries which includes Ethiopia. Russia's withdrawal from the Black Sea Grain Initiative (BSGI) in July 2023 exacerbated the situation, leaving wheat exports in 2023/24 below the average of the two wartime seasons.²² Additionally, Ethiopia imports essential commodities, including vegetables and oil, from Sudan and uses Port Sudan for maritime access. However, the Sudanese civil war disrupted supply chains and impacted markets by decreasing production and making its ports inaccessible to neighboring countries²³ including Ethiopia, although the bulk of Ethiopia's overall maritime trade continues to travel through Djibouti. Consequently, these factors could be considered as contributing factors for the demand-supply gap and apparently JMMI basket cost hikes in Ethiopia.

Figure 1 shows the monthly changes in the national JMMI full and food basket costs. Key local events in 2023 and the first six months of 2024, which potentially contributed to these changes, include:

- *Religious disputes*: Ethiopia experienced widespread religious conflict in several areas of the country, particularly Central Ethiopia, Amhara, and Oromia regions in February 2023.

²¹ FEWS NET, [Ethiopia – Key Message Update: Emergency \(IPC Phase 4\) outcomes expected in northern Ethiopia](#) (Addis Ababa, 2024).

²² CSIS, [Setting the Record Straight on Ukraine's Grain Exports](#) (2024).

²³ IFPRI Sudan, [the Economy-wide Impact of Sudan's Ongoing Conflict: Implications on Economic Activity, Agrifood System and Poverty](#) (Khartoum, 2023).

- *Renewed conflict in Oromia:* The ongoing conflict between the Oromo Liberation Army (OLA) and government forces intensified in May 2023 following a failed negotiation.
- *Conflict in Amhara:* Rising tensions in Amhara broke out into full-scale conflict in July 2023, which has resulted in significant displacement, infrastructure damage, and disruption of agricultural activities, likely leading to supply shortages and price increases.

FIGURE 1: NATIONAL JMMI FULL AND FOOD BASKET COSTS (TRENDS OVER TIME)

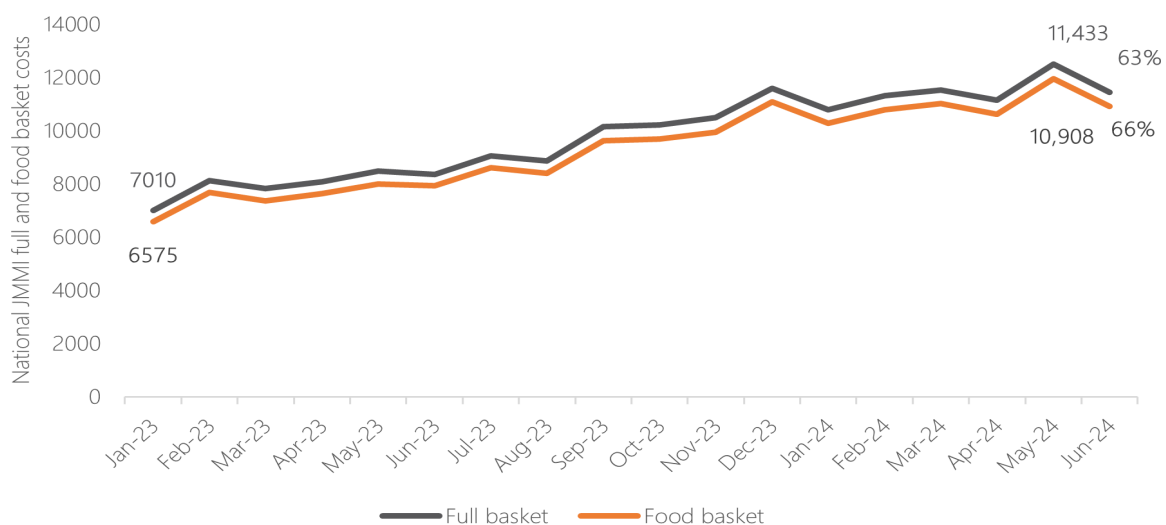
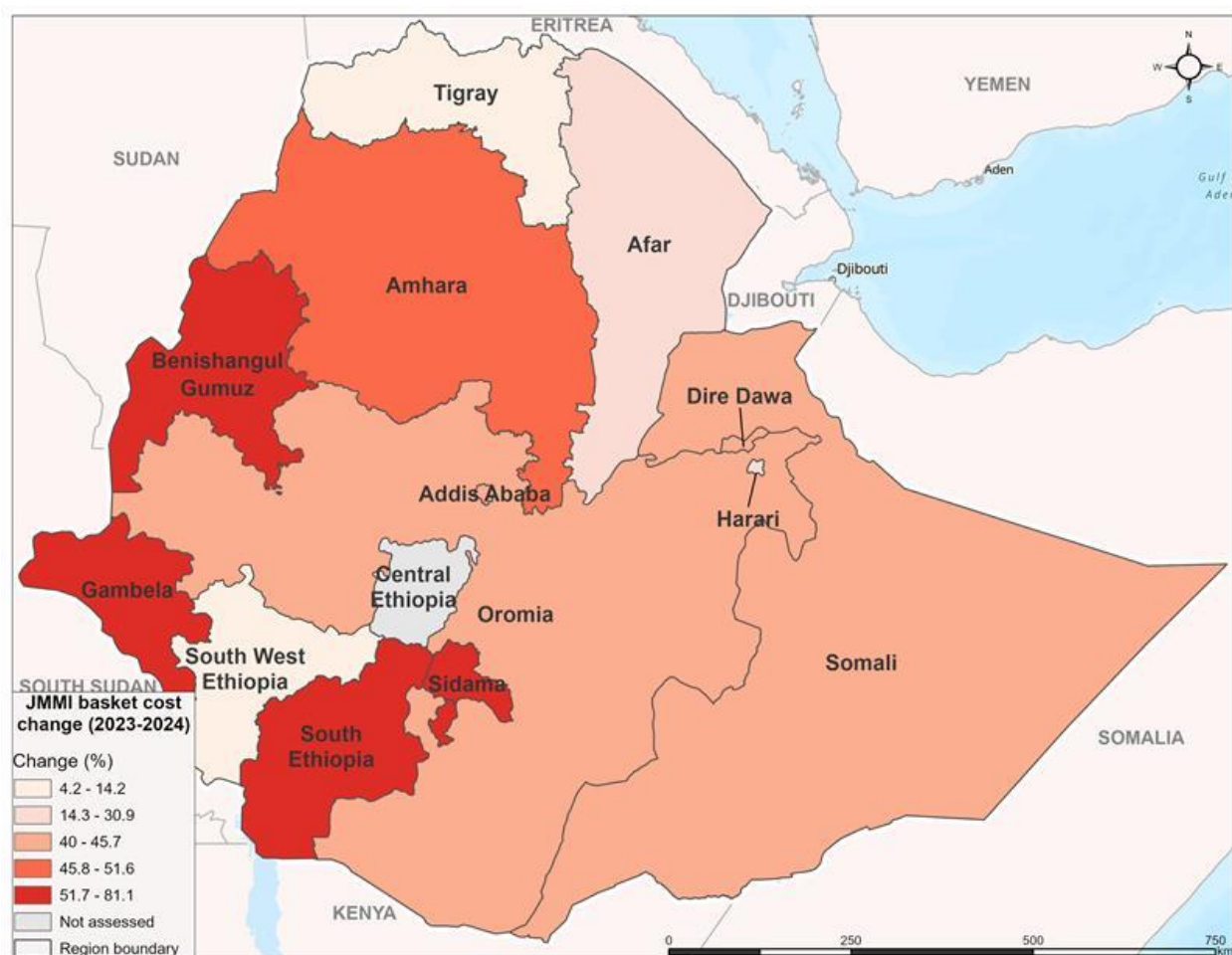


FIGURE 2: NATIONAL JMMI FULL AND FOOD BASKET COSTS (PERCENTAGE INCREASE BY REGION)



Map 1 shows the changes in the prices of regional JMMI baskets between January 2023 and June 2024. However, Tigray and South West Ethiopia were only covered after November 2023 and February 2024, respectively. The color scheme, ranging from light to dark red, represents the percentage change in prices across the regions, with darker shades indicating higher price increases.

3.2. Prices of Cereals

The national JMMI data reveals food price increases in Ethiopia, ranging from 34% for maize to a high of 450% for enset across the reporting period while in 2023, the highest increases were reported in enset prices at 400%. Similarly, the prices of barley, wheat and sorghum

were reported to have increased by 100%, 56% and 46%, respectively. Teff, Ethiopia's staple cereal, experienced a staggering 105% price increase throughout 2023 and a 132% surge between January 2023 and June 2024. This highlights the severe consequences of ongoing conflicts in Amhara and Oromia regions²⁴ and its spillover effects on agricultural productivity. A record rise in teff price was recorded between January and March 2023, with the price increasing by 30% over three months. Wheat, another staple, also saw a significant 62% price increase throughout the assessment period. The war in Ukraine, a major global wheat exporter, disrupted supply chains and contributed to this price surge. In 2021, Ethiopia sourced 46.1% and 8% of its wheat imports from Ukraine and Russia, respectively. However, due to the conflict, these percentages decreased to 19.8% and 2.3% in 2022, respectively, highlighting the impact of the war on Ethiopia's wheat supply.²⁵

The first six months of 2024 saw relatively similar trends in cereal prices with barley, enset, teff and wheat prices increasing by 20%, 10%, 8% and 4%, respectively. In contrast, prices of maize, sorghum and rice declined in the same period. This increase could also be widely associated with the security incidents and road blockages in Amhara and some parts of Oromia regions, the two largest crop producing regions.²⁶ Additionally, these two regions are at the core of Ethiopia's teff supply chain. According to the Ethiopian Statistical Service (ESS), during the 2021/2022 cultivation season, Oromia and Amhara constituted 52% and 40% of national teff production, respectively. In the same season, these two regions produced a combined 83% of the nation's crops.²⁷ This highlight how significant the effect of conflict in Amhara and Oromia could be on cereal markets not only within these regions but throughout the entire country. However, the observed hike in the prices of enset could be

²⁴ ICG, [Ethiopia's ominous new war in Amhara](#) (Addis Ababa, 2023).

²⁵ The Observatory of Economic Complexity (OEC), [Ethiopia \(ETH\) Exports, Imports, and Trade Partners](#) (2022).

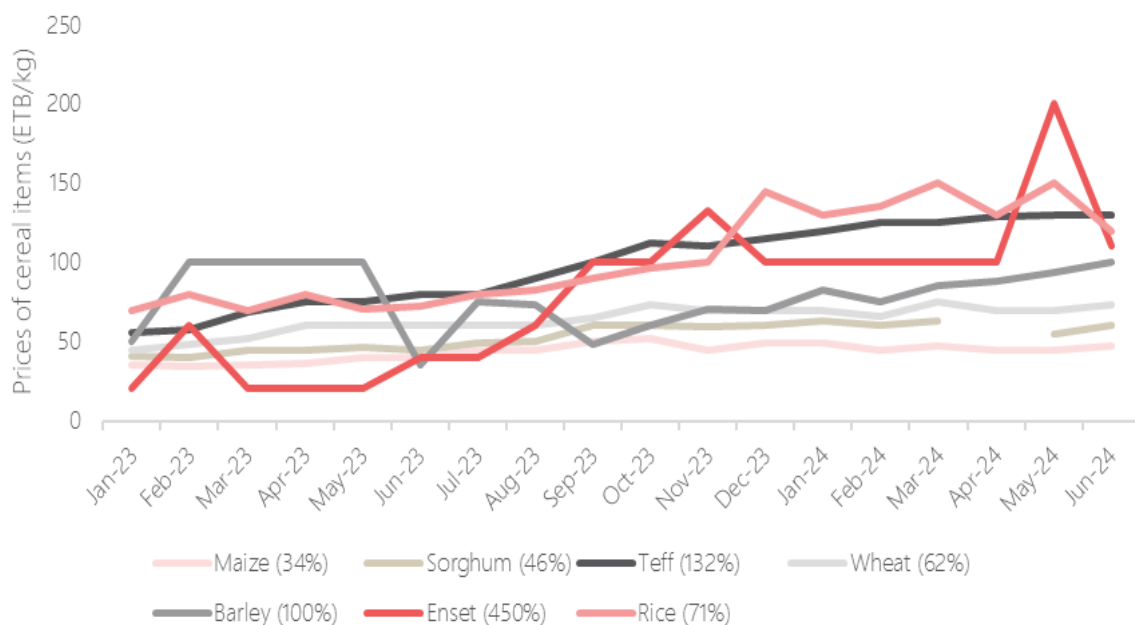
²⁶ Zenebe A. et al, [Identification and Prioritization of Context-Specific Climate-Smart Agricultural Practices in Major Agro-ecological Zones of Ethiopia](#) (Addis Ababa, 2023).

²⁷ Ethiopia Statistical Service, [Agricultural Sample Survey 2021/2022: Farm Management Practices \(Private Peasant Holdings, Meher Season\)](#) (Addis Ababa, 2022).

taken as non-market-related due to limited JMMI coverage in regions where enset is a staple food. Enset is mainly consumed in Sidama, and some parts of South and Central Ethiopia regions, but price data is only available from Sidama because of lack of data collection partners in the other regions.

In addition to these core cereals, JMMI data shows significant price increases across other crops. The price of rice, primarily imported and monitored only in the Somali region, has risen by 107% throughout 2023 and showed a 71% increase from January 2023 to June 2024. The ongoing devaluation of the Ethiopian birr and the gap between official and parallel market exchange rates likely contributed to this increase, as it may have done in the case of wheat (56%), which is also mostly imported. These price hikes pushed basic food commodities out of reach for many Ethiopians. The affordability of essential food items had plummeted, jeopardised food security and raised concerns about food security, particularly among vulnerable groups.

FIGURE 3: CEREAL PRICE TRENDS (JANUARY 2023 – JUNE 2024)



3.3. Prices of Vegetables

The prices of vegetables generally increased between January 2023 and June 2024 despite the month-on-month fluctuations. Onions and tomatoes, for instance, saw overall price increases of 100%, while potatoes and green leafy vegetables rose by 40% and 22%, respectively. The highest change was reported in 2023 in the prices of onions (+254%) and tomatoes (+146%). In October, onion prices soared by an additional 63% compared to September, likely caused by supply chain disruptions and flooding in Somali and Oromia regions.

In general, the prices of most vegetables fluctuate seasonally, with a peak in October and a low in January. Smallholder vegetable growers, who typically lack access to irrigation, rely on these seasonal changes to cultivate their crops. However, the decline lasted mainly in January and February until a surge recorded in March. For instance, A sharp increase (+100%) in the price of tomatoes was reported between April and June 2023. The security situation in Amhara and Oromia may have contributed to this price increase. The price of onions, a primary ingredient in Ethiopian cuisine, rose in May 2023 likely due to the holiday season, particularly Easter and Ramadan. In Ethiopia, onion consumption increases during holiday seasons, leading to an attendant rise in prices. The instability in parts of Amhara²⁸ and Oromia regions, that began to re-emerge in mid-July and disrupted supply chains, is also likely contributed to the price rises in the months afterwards.²⁹ Additionally, drought in the northern, southern, and eastern parts of the country also hampered vegetable production and contributed to overall price increases throughout the year.

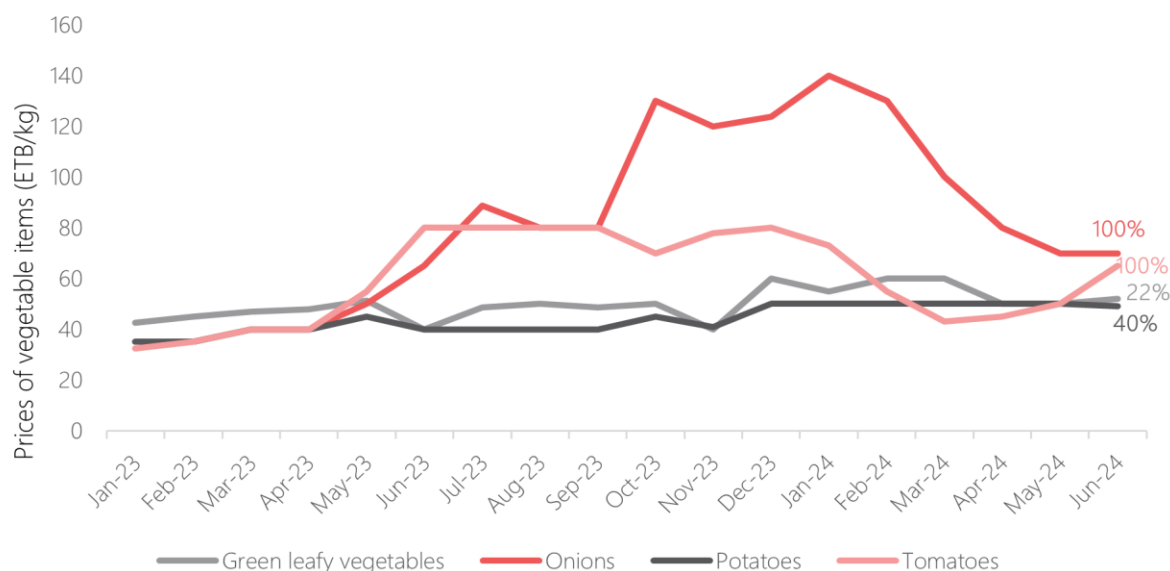
Regional instability, particularly the conflict in Sudan, could also be a factor in rising vegetable prices. Ethiopia relies on imports, primarily from Sudan, to meet gaps in its domestic

²⁸ Addis Standard, [News Update: Heavy artillery fired in Kobo as protests engulf Amhara region following decision to dissolve regional special forces](#) (Addis Ababa, 2023).

²⁹ ACLED, [Ethiopia: EPO weekly: 23-29 September 2023](#) (Addis Ababa, 2023).

vegetable supply. For example, Ethiopia imported \$1.3 million worth of onions, vegetables, and root crops from Sudan in 2022 alone.³⁰ Disruptions caused by the conflict in Sudan could be limiting these imports, thereby driving up the prices of vegetables like onions, potatoes, and tomatoes.

FIGURE 4: VEGETABLE PRICE TRENDS (JANUARY 2023 – JUNE 2024)



3.4. Prices of Meat Products

Between January 2023 and June 2024, Ethiopia witnessed a continuation of the general upward trend in meat prices, with significant increases across all types. The price of beef, the most commonly consumed type of meat in Ethiopia, increased by 39% between January 2023 and June 2024. During the same period, goat meat and camel meat that are consumed mainly in Afar and Somali saw the highest increases at 50% and 39%, respectively. The rise in goat and camel meat prices could be linked to the drought that affected pastoralist areas in Somali, Afar and some parts of Oromia regions. Floods³¹ that affected Somali, Oromia, South Ethiopia, South West Ethiopia and Afar regions in May 2023 likely triggered the sharpest

³⁰ Trading Economics, [Ethiopia Imports from Sudan of Edible Vegetables and Certain Roots and Tubers](#) (2024).

³¹ OCHA, [Ethiopia: Floods Flash Update](#) (Addis Ababa, 2023).

increase of 25% for both goat and camel meat prices between April and May 2023. These rises in prices and supply issues could contribute to malnutrition.

A Joint Rapid Assessment of Markets (JRAM) (2023)³² conducted by REACH highlighted the effect of drought on market activities in pastoralist areas of Somali region in 2023. Pastoralist communities in these regions are the primary source of goat and camel meat to the national market. The ongoing drought has had a severe effect on their livestock herds, decimating their numbers and reducing their income sources. Over 6.8 million livestock have died in Ethiopia due to drought since 2021³³, significantly impacting the meat supply chain. With a severely limited supply due to these losses, the price of goat and camel meat naturally increased, leaving both producers and consumers struggling to cope with the economic repercussions. Additionally, the security situation in different sections of the country could also have impacted the goat and camel meat supply chain, potentially triggering price hikes.

Beef, a widely consumed meat across the country, also experienced similar trends. While the overall annual price increased by 17% in 2023, while a closer look reveals a price jump of 25% between August and September and 23% between January and June 2024. Overall, a 39% increase was recorded throughout the months (January 2023- June 2024) covered in this report. These increases are likely linked to the intensified security situation in Amhara and Oromia regions³⁴, the major beef-producing regions in Ethiopia.³⁵ These conflicts likely disrupted transportation and livestock movement, further straining the already stressed supply chain. Beef consumption is not limited to these conflict-affected areas; it is a staple in Tigray, Southern Ethiopia, South West Ethiopia, and Central Ethiopia as well. Disruption in the

³² REACH Initiative, [Joint Rapid Assessment of Market \(JRAM\) in Drought Affected Areas of Somali Region](#) (Addis Ababa, 2023).

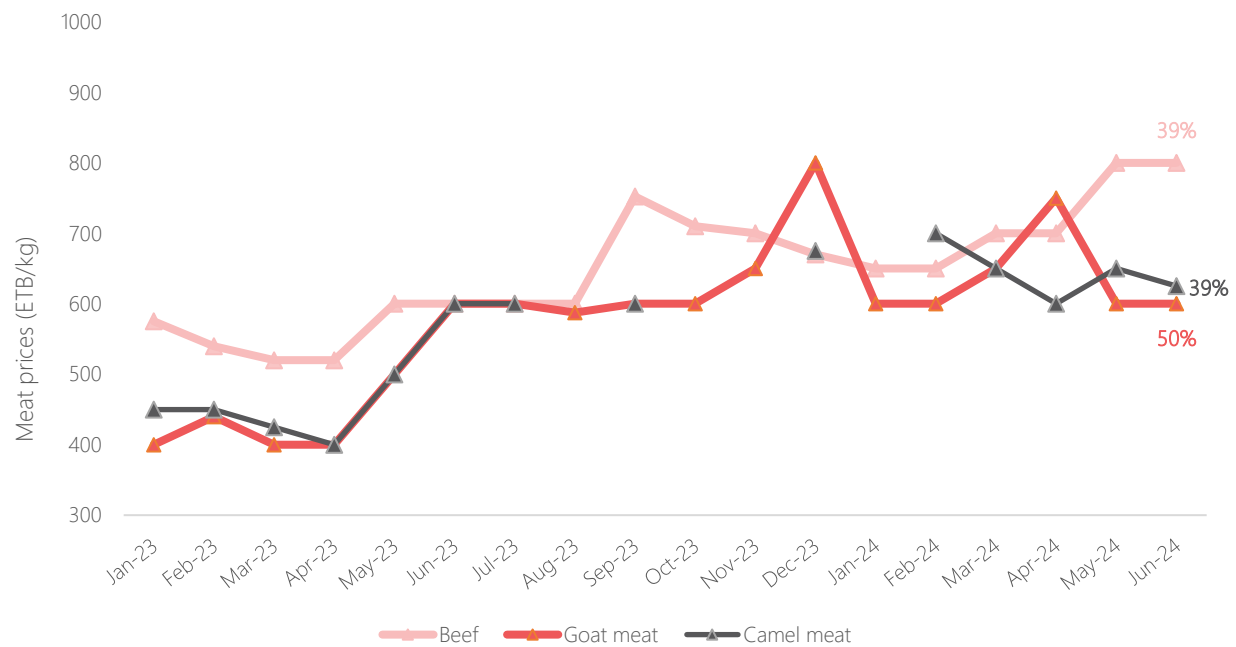
³³ OCHA, [Ethiopia: Drought Snapshot](#) (Addis Ababa, 2023).

³⁴ Ethiopia Peace Observatory (EPO), [EPO Weekly: 16-22 September 2023](#) (Addis Ababa, 2023).

³⁵ Ethiopian Statistics Service (ESS), [Agricultural Sample Survey: Livestock and Livestock Characteristics \(Private Peasant Holdings\)](#) (Addis Ababa, 2022).

supply chain and price hikes, particularly in the major beef-producing regions of Amhara and Oromia, meant increased malnutrition and food insecurity in these areas and beyond.

FIGURE 5: MEAT PRODUCT PRICE TRENDS (JANUARY 2023 – JUNE 2024)



4. CONCLUSION

This report investigated the diverse factors driving market volatility in Ethiopia, emphasizing the significant price increases observed throughout 2023 and the first half of 2024. The analysis reveals how conflict, drought, and flooding have disrupted supply chains, impacted production, and triggered inflation, particularly affecting vulnerable populations. This understanding of interconnected market dynamics is crucial for humanitarian actors responding to food insecurity and economic hardship.

The price rise in JMML-monitored items and monthly variations observed were also triggered by macro-economic and global factors, which in return could increase the need for multi-sectoral assistance. For that matter, conflict in Amhara and Oromia regions, the civil war in Sudan, drought and flooding in some regions of the country accounted for the majority of the sharpest increases. Notably, the humanitarian situation in Northern Ethiopia, which had just emerged from years of conflict, was further exacerbated by multiple consecutive failed harvests driven mainly by below average rainfall and drought-like conditions.

While this report provides an overview of price trends, further research is needed to establish causal relationships and assess the specific impact of individual events on price changes. Future studies could benefit from supply chain assessments that delve deeper into market barriers affecting basic commodities. By leveraging these findings, humanitarian actors can tailor their interventions to address the root causes of market instability and enhance their effectiveness in supporting socioeconomically disadvantaged groups in Ethiopia.

Annex 1: JMMI methodology

JMMI basket contents

In February 2022, as a result of REACH monthly reviews of JMMI basket's relevance to the Ethiopian context, adjustments were made as follows: water³⁶ was excluded; eggs, tomatoes, potatoes, onions, camel meat and laundry soap³⁷ were included as new items and adjustment on meat was made based on regional variation.

JMMI Food Basket			
Cereals and root crops	72 kg	Cooking oil	5.86 L
Meat	2.7 kg	Onions	5 kg
Eggs (local)	18 eggs	Tomatoes	5 kg
Green leafy vegetables	5 kg	Potatoes	3 kg
JMMI NFI Basket			
Bath soap	3x 125 g bars		
Laundry soap	6x 200 g bars		

Assumptions:

1. The meat component was equally distributed among beef, goat, and camel when calculating the national-level JMMI basket. Different meat products were assessed in different regions by taking consumption patterns into account:

³⁶ Water was removed from the basket, while packed water is not common among ordinary people.

³⁷ On the other hand, potatoes, tomatoes, onions, camel meat and laundry soap were added as new items by taking the significance of these items for regional MPCs into account.

Beef	Addis Ababa, Amhara, Benishangul Gumuz, Gambela, Oromia, Southern Nations, Nationalities, and Peoples region (SNNP), Harari, Dire Dawa, Sidama, South West Ethiopia ³⁸ , Tigray ³⁹
Beef and goat meat	Afar
Camel and goat meat	Somali

2. When calculating the national-level JMMI basket, the cereal and root crop components were equally distributed among all seven staple cereals and root crops monitored (10.3 kg each). These items were also equally distributed among the four specific staple cereals and/or root crops included in the basket for each region (18 kg each). Different cereals were monitored in different regions by taking consumption patterns into account:

Maize, sorghum, teff, wheat	Addis Ababa, Gambela, Oromia, Amhara, Benishangul Gumuz, Harari, Dire Dawa, Tigray
Maize, sorghum, wheat, rice	Somali
Maize, sorghum, teff, barley	Afar
Maize, teff, barley, enset	Southern Nations, Nationalities, and People's region (SNNPR), Sidama, South West Ethiopia

Data collection and geographical scope of JMMI

Until October 2023, JMMI data was collected in collaboration with CCD network members using a harmonised methodology and a predetermined data collection schedule. However, JMMI embarked into a new data collection partnership with the Ethiopia Cash Working Group (CWG) aiming to gain additional partners and expand coverage. Data collection sites were

³⁸ Our partners did not have operation in South West Ethiopia region, so we could not get data from that region until February 2024.

³⁹ REACH could not get data in Tigray until October 2023 due to the conflict and inability of partners.

determined by consulting the Ethiopia CWG and its members based on their convenience and capacity to collect data.

The assessment only considered individual interviews (IIs) with retail vendors in markets frequented by average households. The interviews were held on a voluntary basis and at their own facilities to reduce inconvenience. Data was collected using smartphones equipped with an offline data collection app called KoBoCollect. To ensure data quality, enumerators were provided with on boarding training and frequent follow-up and refreshment trainings remotely. The approach allows paper-based data collection only where the implementation of the mobile application became difficult (such as during electric blackouts), although the final data should be converted and submitted into KoBo. Enumerators were asked to address vendors in person except in some instances where physical access was restricted due to road blockages and insecurity. In those situations, data collectors were allowed to gather data remotely using the same tool and data collection procedure.

For the purpose of the Ethiopia JMMI, a marketplace is defined as an area with a relatively sizable concentration of traders in close proximity to each other. Within each target marketplace, field teams were responsible for identifying a sufficient number of traders to interview those who sell directly to consumers, who sell at least one item from the respective regional JMMI Basket and who are patronised by average consumers in the area.

The unit of analysis for this assessment was woreda (Admin 3), representing both the administrative level on which most humanitarian assistance in Ethiopia is planned and the largest administrative level across which partners can be confident that markets are fully integrated. All data was aggregated first to the woreda level, then upwards to the regional and national levels.

Data analysis

Data analysis was carried out immediately after the completion of data cleaning. Different techniques and levels of analysis were used based on the nature and type of data. The methodology used for price analysis and other numeric indicators was “location medians” or “medians-of-medians,” whereby the median prices for each of all assessed items were calculated within each assessed location and then the median of all of those location medians was calculated to derive aggregated prices. This methodology was designed to minimize the effects of outliers and differing amounts of data among assessed locations. Quartiles and modes were used only where relevant.

REACH developed and incorporated a market functionality score in the JMML data collection tools and analysis. The Market Functionality Score is a method developed by REACH to classify markets based on their level of functionality, enabling comparisons across and among countries. This is a key task to help humanitarian actors understand which markets function well enough to be good targets for cash and voucher assistance (CVA). To this end, the functionality score was analysed using five criteria as outlined below:

- *Accessibility:* This element of the market functionality scores determines whether consumers and other market actors could access the assessed market area. Specifically, this score answers:
 - Do all market actors, including customers, have physical access to this market (meaning most people are able to reach and enter marketplaces and/or businesses from their shelters without major physical effort or expense, and customers are physically able to bring goods back to their shelters in large enough quantities)?
 - Do all market actors, including customers, have social access to this market (meaning they are not prevented from accessing marketplaces and/or businesses or obtaining

goods due to their gender, ethnicity, affiliation, or other physical or social characteristics)?

- Are this marketplace and the roads leading to it safe and secure (meaning customers and other market actors can reach marketplaces and/or businesses without putting themselves at risk)?
- *Availability*: Can vendors in this market reliably provide all core items that local households need to purchase on a regular basis?
- *Affordability*: Do customers have financial access to this market (meaning core items are consistently sold at prices an average local household can afford)?
 - Are the prices for core items stable in this market (meaning they change slowly enough to enable vendors and customers to plan future expenditures).
 - Prices: Using prices collected from individual traders, median prices will be calculated for each item per assessed woreda. National and regional medians will then be calculated using a “median of medians” approach, i.e. by taking a second median across all of the woreda-level medians calculated across the country or across the region.
- *Resilience*: Do supply chains for core items in this market function reliably?
 - Are vendors in this market consistently able to restock the core items they carry before they run out?
 - Do market actors in this market obtain their goods from a variety of cities and/or supply routes, or do most goods reach this market via a single supply route that may be vulnerable to disruption?
- *Infrastructure*: Is the physical infrastructure in and around this market (buildings, roads, etc.) in good enough condition to support normal livelihood and trading activities?
 - Do vendors in this market have access to locked, secure storage facilities where they can keep their stock?

- Does the financial infrastructure exist in this market to support alternative payment modalities beyond physical cash and informal credit?