

Libya Joint Market Monitoring Initiative (JMMI)

27 January - 4 February 2021

Libya Cash Working Group

REACH Informing
more effective
humanitarian action

INTRODUCTION

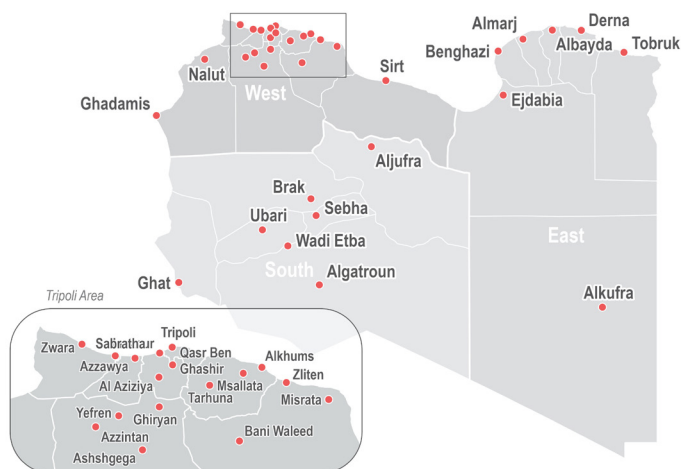
In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash & Markets Working Group (CMWG) in June 2017. The initiative is led by REACH and supported by the CMWG members. It is funded by the Office of U.S. Bureau of Humanitarian Assistance (BHA) and the United Nations High Commissioner for Refugees (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). A detailed breakdown of the MEB can be found on [page 2](#).

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. Qualitative information is also gathered from local informants and economic experts through key informant (KI) interviews. The JMMI data collection was brought forwards by one week for the February 2021 round, in order to investigate any sudden price changes due to the devaluation of the Libyan dinar in January.

- More details are available in the Methodology section of the [Appendix](#).

COVERAGE



ECONOMIC REFORMS

- On 3rd January 2020, a united Central Bank of Libya (CBL) board introduced a new exchange rate from 1.356 to 4.48 USD/ LYD. Consequently, the **commercial banks have opened up access to foreign currency through the use of debit cards**. This has incentivised many merchants and households to deposit cash in their bank accounts and **allow banks to raise their withdrawal limits**.¹ While some alleviation of the liquidity crisis is expected, given that individuals have started to deposit foreign currency into their bank accounts. However, households and vendors in need of physical foreign currency incur additional fees, as they sell their debit cards to parallel market vendors that must withdraw cash abroad.²
- On 3 February 2021, for the first time since 2014, eastern and western governments agreed on a unified budget, leading to the CBL allocating interest free loans to Libyan commercial banks and reducing pressure on the banking system. **The United Nations Special Mission in Libya (UNSMIL) has warned that this will not address the underlying causes of the economic crisis, but it may support households and business in accessing credit.**³

- A Global Witness report has found widespread **discrepancies within Libya's letters of credit (LoC) scheme**, the system in which foreign currency is imported into Libya for businesses and authorities. The report mentions that the LoC value exceeded the demands for goods in Libya. For example, the cheap access to foreign currency given to meat importers from April - June 2020 was larger than Libya's recorded meat imports than in 2016, 2017 or 2018.⁴ The report is published at an important time, **as this provides some context for the decision to unify the exchange rate, a decision made in part to limit profiteering from differential exchange rates.**⁵

JMMI KEY FINDINGS

- The cost of the MEB across Libya increased by overall **6.1% between January and February 2021**. This overall rise was balanced by the continuing decrease (-9.1%) in cost of cooking fuel despite the increase in the cost of the food portion of the MEB (+6.4%) and the hygiene portion of the MEB (+10.5%). **The cost of the MEB in February 2021 was 18.1% higher than pre-COVID-19 levels in March 2020.**
- Since the unification of the exchange rate on the 3 January 2021, a number of imported goods increased in price, such as vegetable oil (+60.0%), milk (+25%), condensed milk (+20%), flour (+20%) and sugar (+20%) and tuna (+14.3%). It is unclear whether these changes are related to the devaluation and/or the CBL decision to suspend the LoCs from September 2020. For example, vegetable oil and milk prices have respectively increased by 77.8% and 29.0% from November 2020 – February 2021.
- The largest increase in the cost of the MEB were observed in western coastal cities, such as **Zwara (+24.9%), Misrata (+23.1%), and Sabratha (+20.9%)**. According to local KIs an increased amount of small skirmishes, the creation of additional checkpoints, longer inspection times along the coastal road between Zwara, Sabratha and Zawia had inflated transportation fees, therefore may have had an effect on the food and fuel prices in Zwara and Sabratha.
- **Unofficial gasoline (-50%) and cooking fuel (-15.8%) prices have continued to decrease across Libya compared to December 2020.** Southern Libyan unofficial cooking fuel prices are the lowest since JMMI cooking fuel records began in May 2018. Over the past 11 months, the cost of an 11-kg cooking fuel cylinder fell 81.3% from 200 LYD in April 2020 to 37.5 LYD in February 2021.

JMMI KEY FIGURES

Data collection from **27 January - 4 February**

3 participating agencies
(REACH, WFP, DRC)
36 assessed cities
45 assessed items
709 assessed shops

EXCHANGE RATES⁶

4.456	5.370	6.500
USD/LYD	USD/LYD	EUR/LYD
official	parallel market	parallel market
▲ +0%	▲ +4.0%	▲ +4.3%

KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB		
743.4 LYD	▲ +42.9 LYD	▲ +6.1%
Food items		
▲ +6.4%	Hygiene items	
	▲ +10.5%	▼ -9.1%
Cooking fuel ⁹		

MEDIAN COST OF MEB BY REGION

West	713.1 LYD	▲ +7.0%
East	706.6 LYD	▲ +2.5%
South	892.6 LYD	▲ +2.7%

MARKET SHORTAGES

- None reported

Reported changes are month-on-month

Access the **JMMI online dashboard**

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	32 kg	Tomatoes	10 kg
Rice	10.5 kg	Potatoes	12 kg
Pasta	9.5 kg	Onions	7 kg
Couscous	5.5 kg	Peppers	4.5 kg
Beans	6 kg	Tomato paste	6 kg
Chicken	7.5 kg	Black tea	2 kg
Tuna	4 kg	Vegetable oil	5 L
Eggs	4 kg	Sugar	2 kg
Milk	8.5 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.4 kg (9 150-g bars)
Toothpaste	0.5 kg (5 100-g tubes)
Laundry detergent	1.3 L
Dishwashing liquid	1.3 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements

Water (drinking use only)	458 L
Median rent for 3-rm flat	1 month
Floot	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a five-person Libyan household (HH) 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 CMWG 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

743.4 LYD

Change since
January 2021

▲ **+42.9 LYD**
(+6.1%)

Change since
March 2020

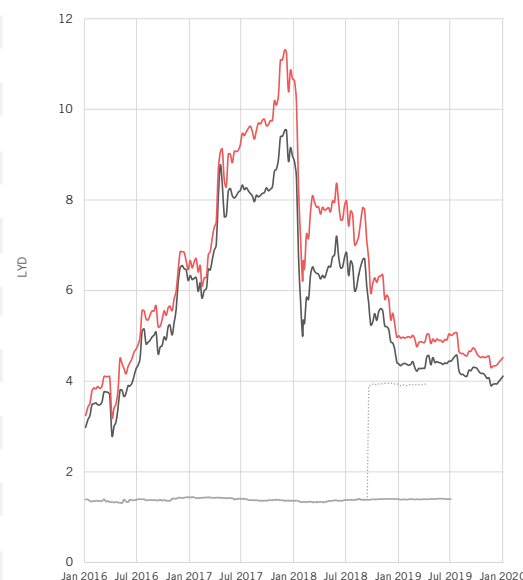
▲ **+113.9 LYD**
(+18.1%)

MEDIAN MEB COST BY LOCATION

Location	Cost of MEB (LYD)	Since Jan 2021	Since March 2020
Nalut	811.6	1.9%	10.9%
Ghadamis	802.4	9.5%	17.4%
Azzintan	790.6	-2.9%	16.2%
Sabratha	786.4	20.6%	41.1%
Zwara	785.3	24.9%	43.5%
Misrata	769.5	23.1%	37.2%
Ghiryayn	766.1	-0.8%	9.8%
Ashshgega	735.0	4.3%	13.8%
Tripoli	734.7	6.5%	12.2%
Azzawya	729.8	15.2%	33.7%
Al Aziziya	723.4	5.9%	32.2%
Yefren	708.6	5.6%	8.1%
Zliten	703.2	6.3%	14.3%
AlKhums	702.8	9.8%	30.1%
Sirt	695.7	-1.0%	14.9%
Tarhuna	689.7	6.4%	17.2%
Msallata	684.9	3.1%	14.9%
Bani Waleed	681.1	6.8%	14.0%
Janzour	668.2	15.7%	12.7%
Qasr Ben Ghashir	595.4	-5.6%	No Data
Median West	713.1	7.0%	14.2%
Benghazi	795.1	1.1%	29.9%
AlKufra	786.9	5.4%	20.6%
AlMarj	738.3	0.4%	15.4%
Ejdabia	735.3	-2.7%	13.3%
AlBayda	704.1	3.2%	9.1%
Tobruk	675.6	4.5%	7.5%
Derna	618.2	3.9%	1.6%
Median East	706.6	2.5%	12.1%
Ghat	1069.7	-5.6%	-6.5%
Algatroun	1006.1	-7.6%	-11.1%
Ubari	1005.5	-7.7%	-7.8%
Wadi Etba	894.1	3.1%	6.4%
Sebha	836.9	9.4%	10.8%
Brak	831.4	9.4%	14.0%
AlJufra	824.8	8.7%	6.9%
Median South	892.6	2.7%	1.5%
Median Overall	743.4	6.1%	18.1%

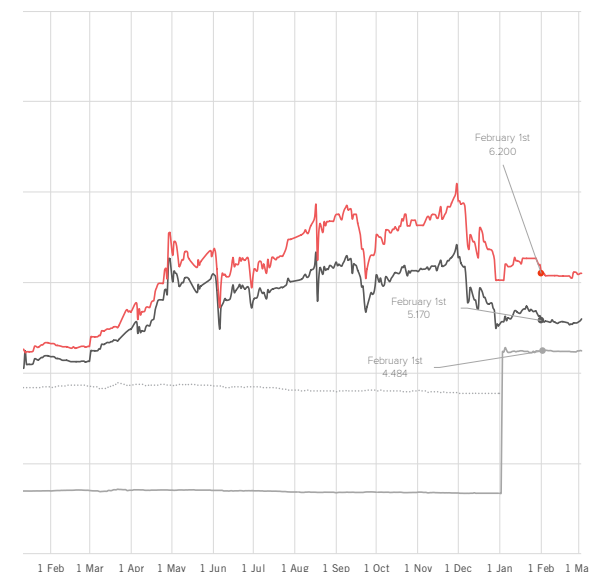
EXCHANGE RATES OVER TIME⁸

January 2016-January 2020

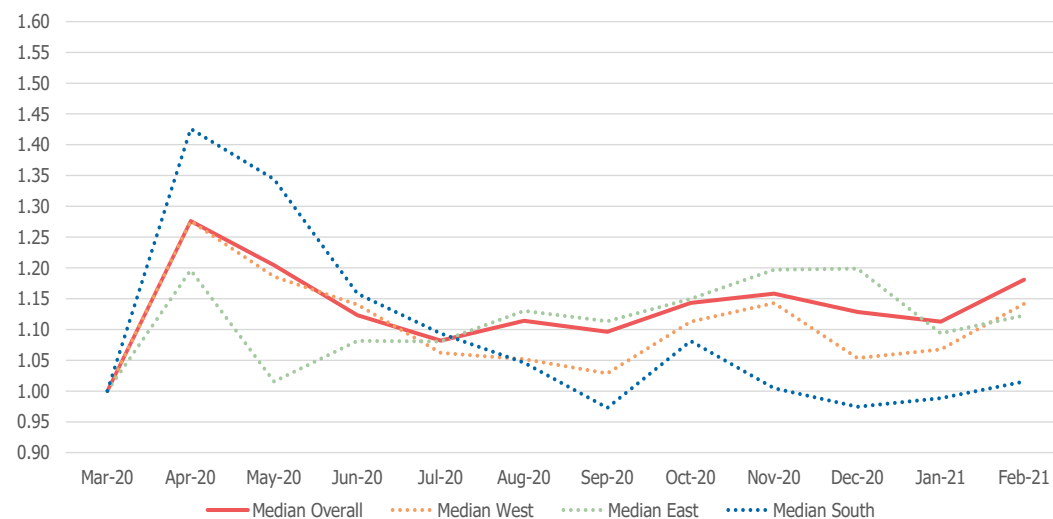


— USD/LYD (official) - - - - USD/LYD (official) + tax — USD/LYD (parallel market) — EUR/LYD (parallel market)

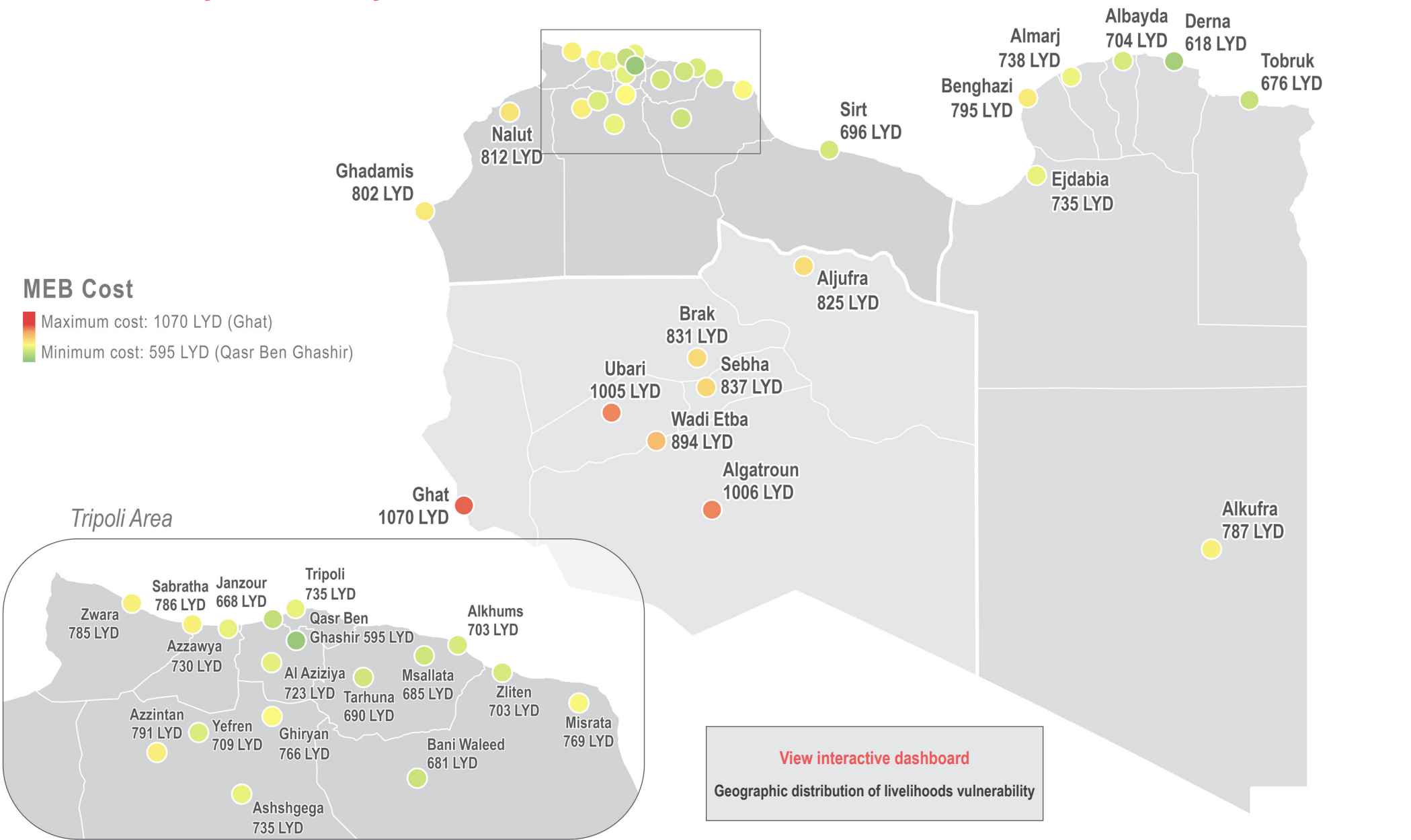
Since February 2021



Since March 2020 (normalised, March 2020 = 1.00)⁹



Cost of MEB Key Elements by Location

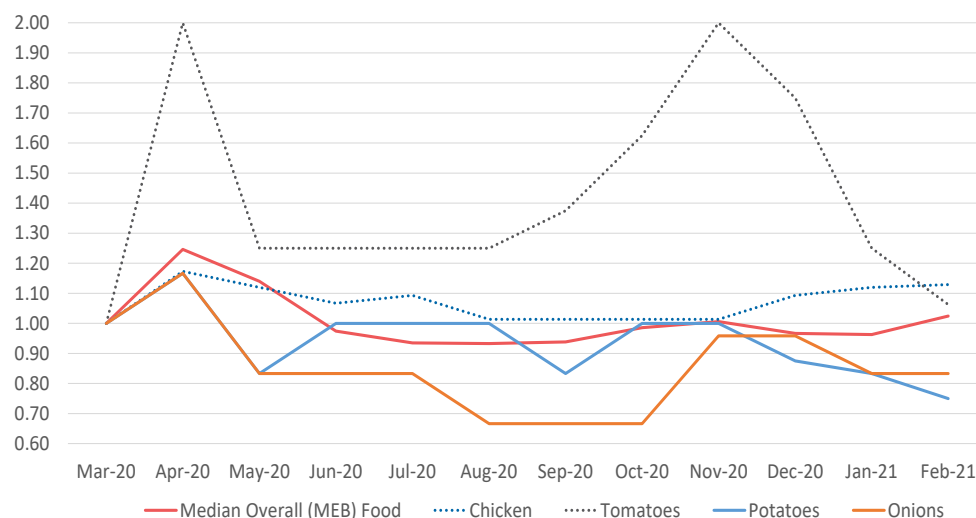


PRICES OF MONITORED ITEMS

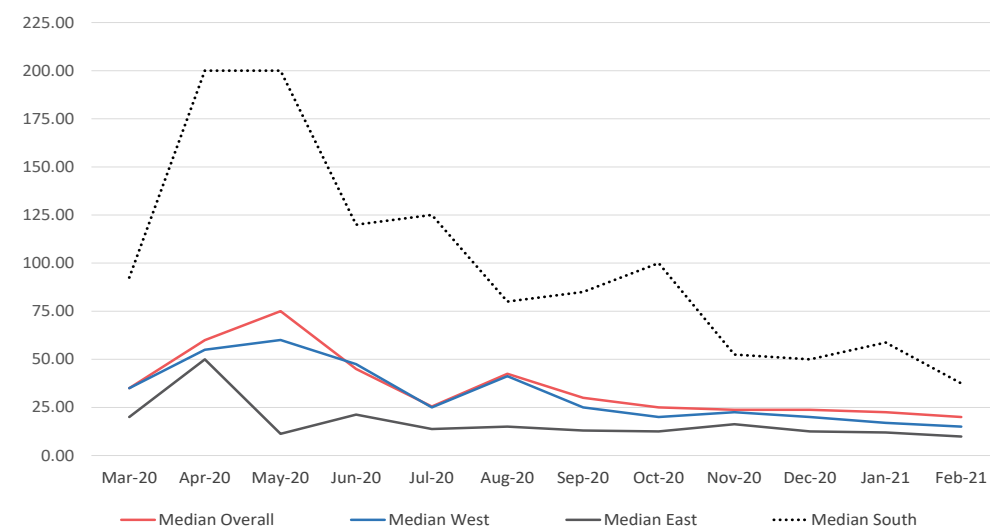
Item	Unit	Median price (LYD)	Change since Nov 2020	Change since March 2020
Food items				
Vegetable oil	1 L	8.00	33.3%	77.8%
Tuna	200 g	4.00	23.1%	33.3%
Condensed Milk	200 mL	3.00	20.0%	50.0%
Flour	1 kg	3.00	20.0%	50.0%
Green tea	250 g	4.00	14.3%	33.3%
Sugar	1 kg	3.00	11.6%	26.3%
Milk	1 L	5.00	11.1%	42.9%
Tomato paste	400 g	2.75	10.0%	37.5%
Beans	400 g	2.25	9.1%	38.5%
Peppers	1 kg	4.00	6.7%	0.0%
Black tea	250 g	6.31	6.3%	26.2%
Chickpeas	400 g	2.12	6.2%	41.7%
Rice	1 kg	3.44	5.8%	5.8%
Eggs	30 eggs	14.50	3.6%	45.0%
Couscous	1 kg	3.94	3.3%	12.5%
Lamb meat	1 kg	39.25	3.3%	10.6%
Chicken meat	1 kg	10.59	0.8%	12.9%
Bread	5 pieces	1.25	0.0%	11.1%
Onions	1 kg	2.50	0.0%	-16.7%
Pasta	500 g	2.00	0.0%	33.3%
Salt	1 kg	1.44	0.0%	43.8%
Potatoes	1 kg	2.25	-10.0%	-25.0%
Tomatoes	1 kg	2.12	-15.0%	6.2%
Hygiene items				
Shampoo	250 mL	7.28	32.3%	43.3%
Handwashing soap	1 bar	1.94	29.2%	29.2%
Toothpaste	100 mL	5.00	12.6%	25.0%
Toothbrush	1 brush	2.50	11.1%	25.0%
Laundry powder	1 kg	6.50	4.0%	0.0%
Laundry detergent	1 L	2.54	3.6%	12.8%
Baby diapers	30	17.00	1.5%	13.3%
Dishwashing liquid	1 L	2.95	-1.7%	10.3%
Sanitary pads	10 pads	4.12	-2.9%	17.9%
Bleach	1 L	7.25	-9.4%	No data
Hand Sanitiser	1 L	20.00	-13.0%	No data
Other items				
Water	1 L	0.29	3.6%	0.0%

FOOD PRICES OVER TIME

Selected items (normalised, March 2020 = 1.00)¹⁰



PRICES FROM UNOFFICIAL COOKING FUEL VENDORS (11 KG LPG CYLINDER) (since March 2020, non-normalised)

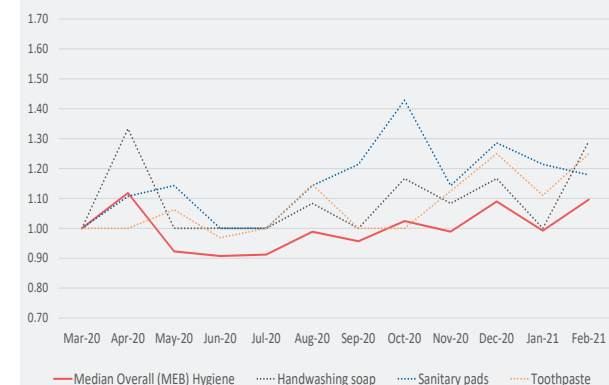


PRICES OF FUEL AND HEALTH ITEMS

Item	Unit	Median price (LYD)	Change since Jan 2021	Change since March 2020
Fuel items				
Official LPG	11 kg	5.00	0.0%	0.0%
Official Gasoline	1 Litre	0.15	0.0%	No data
Unofficial LPG	11 kg	20.00	-11.1%	-42.9%
Unofficial Gasoline	1 Litre	0.75	-20.0%	No data
Pharmaceutical items				
Vitamin B	[40 pack]	15.00	20.0%	46.3%
Metoclopramide	10mg [40 pack]	13.50	10.2%	35.0%
Amoxicillin	500mg [21 pack]	10.00	0.0%	11.1%
Ibuprofen	400mg [20 pack]	7.00	0.0%	27.3%
Paracetamol	400mg [20 pack]	6.00	-16.5%	-13.5%

HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, March 2020 = 1.00)¹¹

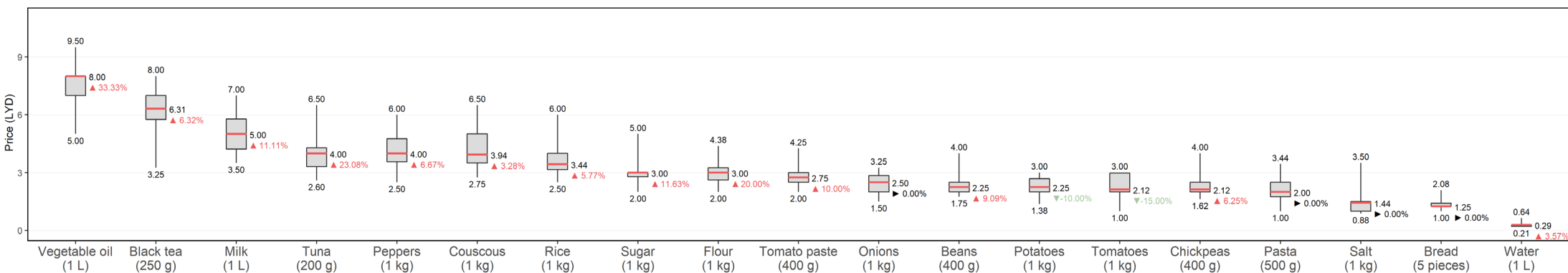


NOTABLE MONTH-ON-MONTH CHANGES

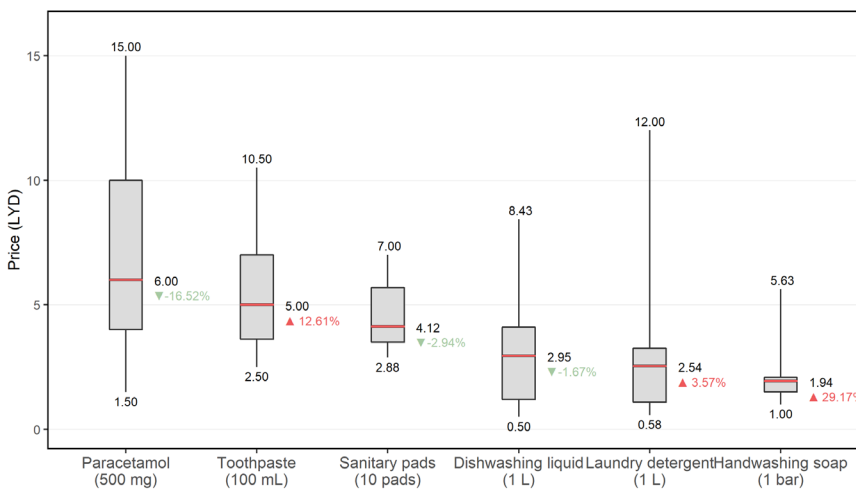
Vegetable Oil	▲ +33.3%
Tuna	▲ +23.1%
Handwashing Soap	▲ +29.2%
Flour	▲ +20.0%
Unofficial Gasoline	▼ -20.0%

Distribution of Prices in Libya

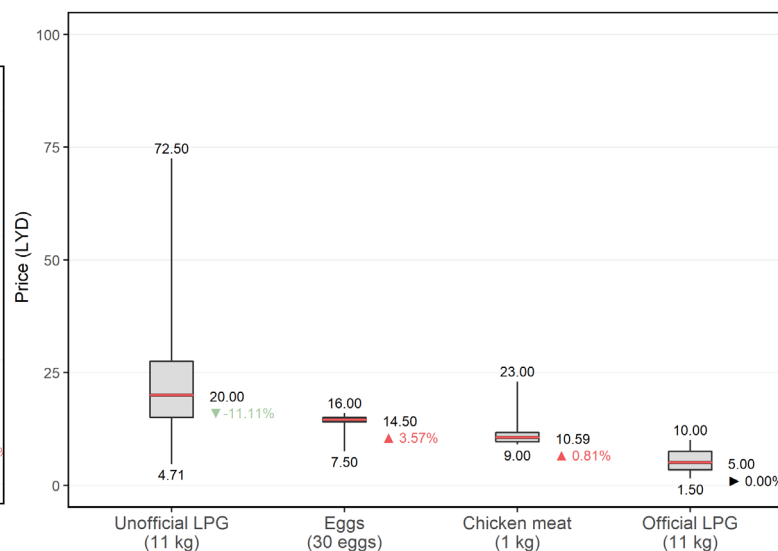
FOOD ITEMS



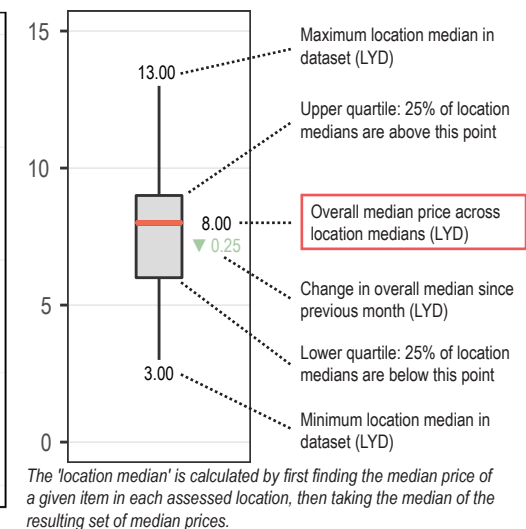
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



Introduction

- Ever since the onset of the conflict in and around Tripoli and Murzuq in April 2019, Tripoli has been a key displacement destination for Internally Displaced Persons (IDPs)¹². Furthermore, conflict related political tensions in West Libya lead to large numbers of IDPs to move to eastern cities, especially Benghazi.
- REACH is therefore exploring rent monitoring as part of the JMIMI, in order to provide humanitarian actors with a more accurate overview of key expenditures facing IDPs in Tripoli and Benghazi.

Methodology

- From May 2020 onwards, in addition to the price monitoring of key items (MEB) REACH commenced analyzing rental prices, which were extracted on a daily basis from the website 'Open Souq'. In **February 2021, 1713 rental prices were collected in Tripoli and Benghazi**. The price change findings are indicative.
- In order to standardise property prices, key features were isolated through consultation with KIs to identify the average apartment specification for typical HHs in Tripoli and Benghazi. The average apartment for typical HHs was found to be a furnished, 3-bedroom apartment with 1 bathroom. All rental prices presented in this report have been standardised to this accommodation type.

Key Findings

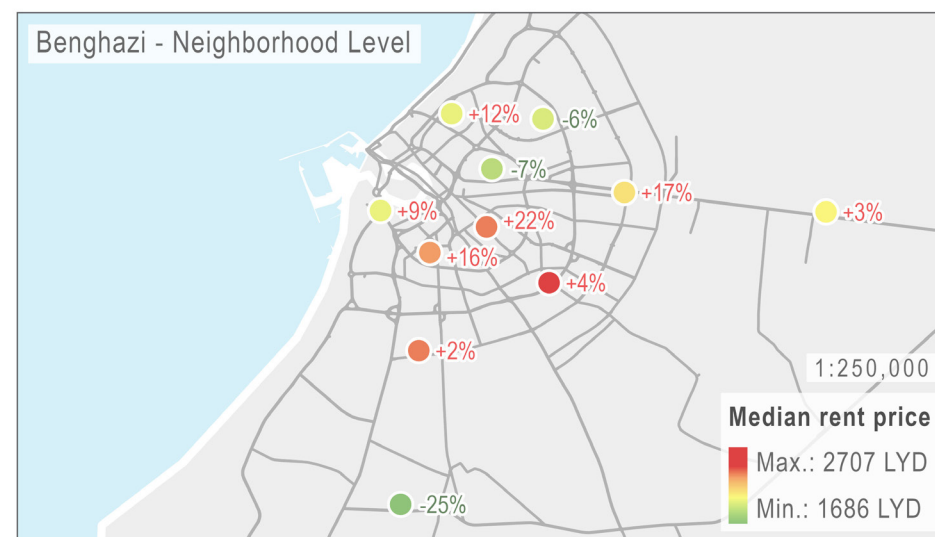
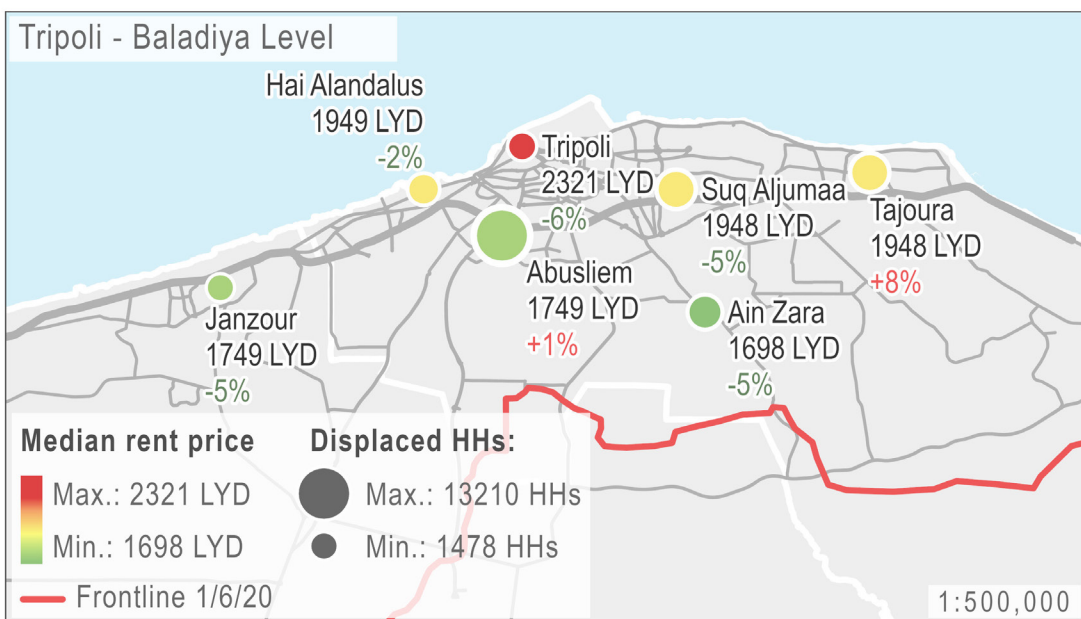
- From May 2020 - February 2021, rental prices seemed to have considerably decreased in Tripoli overall (-27.3%).** Between April and December 2020, there has been a 51% decrease in IDP numbers in Tripoli overall. **
- In contrast, the number of IDPs in Benghazi has reportedly increased by 32.9% from April to December 2020. ** Findings indicate that Benghazi has seen a 4.4% overall increase in rental prices from May 2020 to February 2021.

Standardised rental prices February 2021

Location	Standard price (LYD)	Since Jan 2021	Since May 2020	Change in IDP** numbers	Change in Returnee** numbers
Municipality					
Abusliem	1749	1.3%	-34.8%	-14.3%	3.4%
Ain Zara	1698	-5.3%	-41.9%	0.0%	100.8%
Hai Alandalus	1949	-1.7%	-27.3%	-5.9%	0.0%
Janזור	1749	-5.4%	-24.0%	-9.4%	16.9%
Suq Aljumaa	1948	-5.0%	-27.3%	-28.1%	0.0%
Tajoura	1948	8.1%	-17.3%	-22.3%	No Data
Tripoli Center	2321	-5.6%	-22.2%	-64.7%	0.0%
Tripoli Overall	1948	5.4%	-27.3%	-24.1%	28.9%
Benghazi Overall	2067	0.8%	4.4%	0.3%	0.0%

* Change in the number of IDPs and returnees, is derived from the latest Displacement Tracking Matrix (DTM) (Rounds 33 and 34) from the IOM.

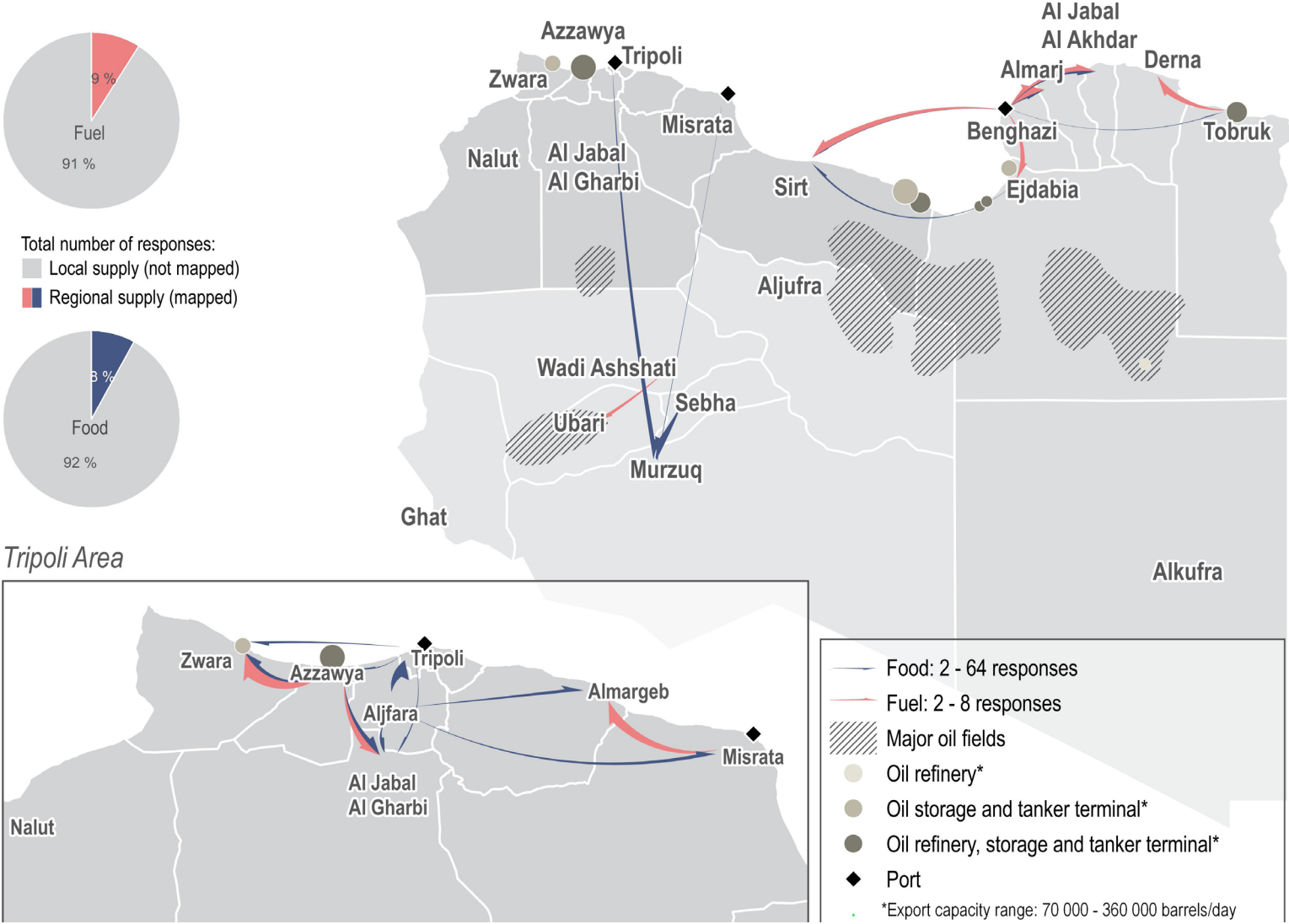
** Numbers based on IOM-DTM numbers as well, comparing December to October 2020. Note December is the latest known data.



Main Food and Fuel Supply Routes

This map indicates the source and flow of transported fuel and food products according to the shop owner and vendor KIs. The arrow sizes are determined by the quantity of responses and provide an indicative scale of the reported supply routes.

The indicated supply routes only visualize the flow of goods between mantikas (on a regional level), the map does not show the trajectory of goods that are sourced more locally.



PREVIOUS JMMI OUTPUTS

Factsheets

Datasets

2021

January

January

2020

December

December

November

November

October

October

September

September

August

August

July

July

June

June

May

May

April

April

March

March

February

February

January

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2019

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December

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June

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May

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April

April

March

March

February

February

January

January

What is the CMWG?

The Libya Cash & Markets Working Group (CMWG), established in September 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)

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 the MEB in each assessed market.

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 mahalla); 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.

Rent Price Monitoring

Benghazi consists of only one municipality, therefore neighbourhoods across the city were grouped together into 11 area units.

Limitations: the data collected are new offers presented by Open Souq, therefore they may not represent the rental expenses of all IDPs, as tenants may receive cheaper offer through informal channels.

Endnotes

¹ Libyan liquidity crisis eases after exchange rate shift, Reuters, 3rd February 2021

² ibid.

³ Libyan parties agree on a two-month unified National Budget and Work to Address the Banking Crisis, UNSMIL, 8th Feb

⁴ How Libya's multibillion-dollar trade finance scheme risks defrauding the country via London banks, Global Witness, February 2019

⁵ According to local KIs

⁶ Official rate: Central Bank of Libya (27 January 2021). Parallel market rates: Ewan Libya (27 January 2021). The rates from 1 January 2021 and 1 January 2020 were used for the calculation of the monthly changes.

⁷ The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.

⁸ Official rate: Central Bank of Libya (1 January 2021). Parallel market rates: Ewan Libya (1 January 2021). The rates from 1 January 2021 and 1 January 2021 were used for the calculation of the monthly changes.

⁹ The MEB price index was normalised by setting March 2020 as the baseline and dividing each month's price by the price in March 2020.

¹⁰ The food prices were normalised by setting March 2020 as the baseline and dividing each month's price by the price in March 2020.

¹¹ The hygiene prices were normalised by setting March 2020 as the baseline and dividing each month's price by the price in March 2020

¹² Libya IDP and Returnee Report March - April 2020, DTM IOM, October 2020

REACH is a program of ACTED. It strengthens evidence based decision-making by humanitarian actors through efficient data collection, management and analysis in contexts of crisis.

ACTED is an international NGO. Independent, private and non-profit, ACTED respects a strict political and religious impartiality, and operates following principles of non-discrimination, and transparency. Since 2011, ACTED has been providing humanitarian aid and has supported civil society and local governance throughout Libya, from its offices in Tripoli, Sebha and Benghazi.