Kenya | Joint Market Monitoring Initiative (JMMI)

Q4 (October - December, 2023)

MARKET OVERVIEW

INTRODUCTION

The Kenya Joint Market Monitoring Initiative (JMMI) was launched by the Kenya Cash Working Group (KCWG) in arid and semi-arid lands (ASAL) counties since March 2022. It is implemented through partners as a joint effort and conducted on a quarterly basis. The JMMI aims to provide regular, reliable information on prices and market functionality using harmonised tools and validated analysis.

Following the December 2023 drought phase classification by the National Drought Management Authority (NDMA), all ASAL counties were classified in the normal drought phase.[1] The October-November-December (OND) 2023 "short rains" season had benefits, such as increased agricultural production activities, and enhanced pasture and water resources.[2] However, the OND season was exacerbated by el Niño induced rainfall, leading to devastating flooding. Consequences of the flash floods include displacement of people, destroyed farmlands and loss of livestock. Among the counties that were adversely affected by floods include Mandera, Garissa, Tana River, Wajir and Isiolo.[3]

The JMMI tracks the price and availability of all components of the Minimum Expenditure Basket (MEB)[4], as well as other food and non-food items (NFIs) . In addition, the JMMI monitors the functionality of the markets, assessing the supply chain and insights into the vendors' perceptions of the market and their businesses.

ONLINE DASHBOARD

An interactive dashboard is available online to explore the data collected through the JMMI, such as the prices of monitored food and NFIs, as well as the cost of the MEB in different ASAL counties in Kenya and time periods. To use the online dashboard, click here.

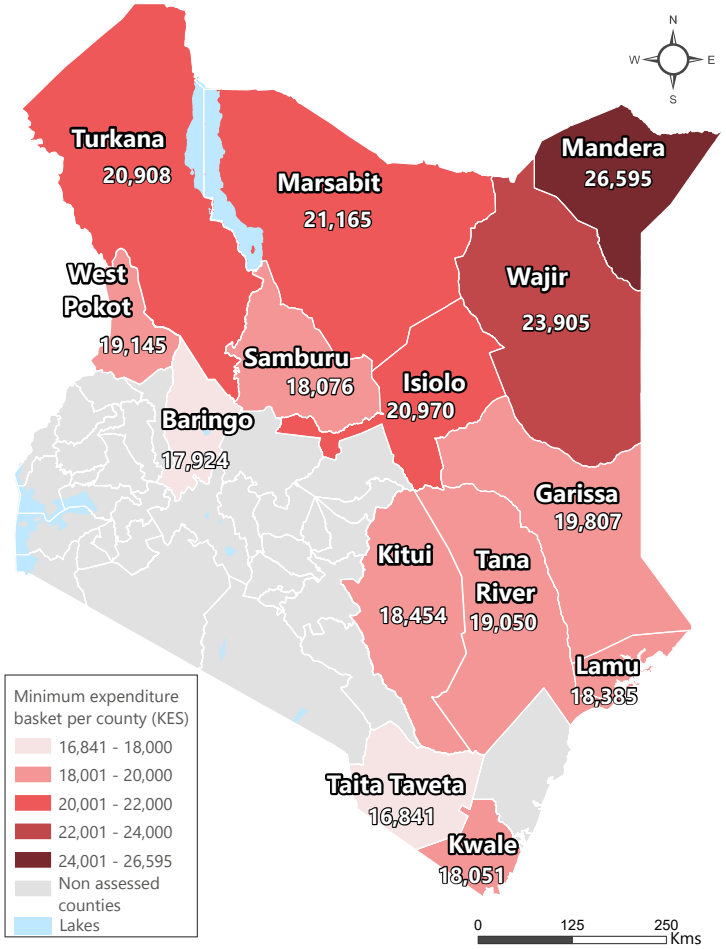
KEY INDICATORS

Cost of Food MEB[4]
14,637 KES
93.6 USD[5]
▲ 461 KES (3%)[6]

Cost of Non-Food MEB[4]
4,780 KES
30.6 USD[5]
▲ 158 KES (3%)[6]

Cost of Total MEB[4]
19,098 KES
122.1 USD[5]
▲ 865 KES (5%)[6]

ASSESSED COUNTIES AND MEDIAN MEB VALUES



KEY FINDINGS

- The national median cost of the MEB[4] was on a downward trend from Q1 2023 to Q3 2023, **however, it increased to 19,098 KES in Q4 2023. Mandera was found to have the highest cost of the MEB[4] at 26,595 KES.** Unit prices for all food and NFIs, except for sugar, soap and toothpaste exceeded the median prices, contributing to Mandera having the costliest food and NFI MEB.
- Affordability remains an issue, as 54% of interviewed vendors reported that the cost of the available items was the main financial barrier facing their customers. Additionally, 56% of vendors cited high supplier prices as the main challenge for business operations and stocking. Affordability notably emerged as the primary dimension adversely affecting the classification of the functionality of markets.
- Markets were generally accessible, with the majority (74%) of vendors reporting no physical barriers. Lack of transportation was the most reported barrier. Furthermore, the majority (89%) of vendors reported that they did not face any social barriers such as discrimination that deterred them from accessing the marketplaces.

Q4 2023 ASAL COVERAGE

2,409	Vendors interviewed
228	Markets assessed
34	Commodities assessed
14	Counties assessed
11	Participating agencies

KENYA CASH WORKING GROUP

MINIMUM EXPENDITURE BASKET (MEB)

The MEB[4] is composed of essential commodities and services and represents the average minimum cost of the culturally adjusted basic items required to support a six-person household (HH) for one month.

The cost of the MEB can be used as a proxy for the expenses facing a six-person HH to cover its basic needs for one month. Only the MEB's key elements i.e. food and NFIs as defined by the KCWG were incorporated into computing the MEB.

Food Items	Quantity
Maize flour	32.25 Kg
Rice	22.5 Kg
Cowpeas	7.5 Kg
Dried beans	7.5 Kg
Cow milk, whole, not fortified	22.5 Kg
Leafy vegetables, dark green	15 Kg
Salt, Iodized	0.75 Kg
Sugar	0.75 Kg

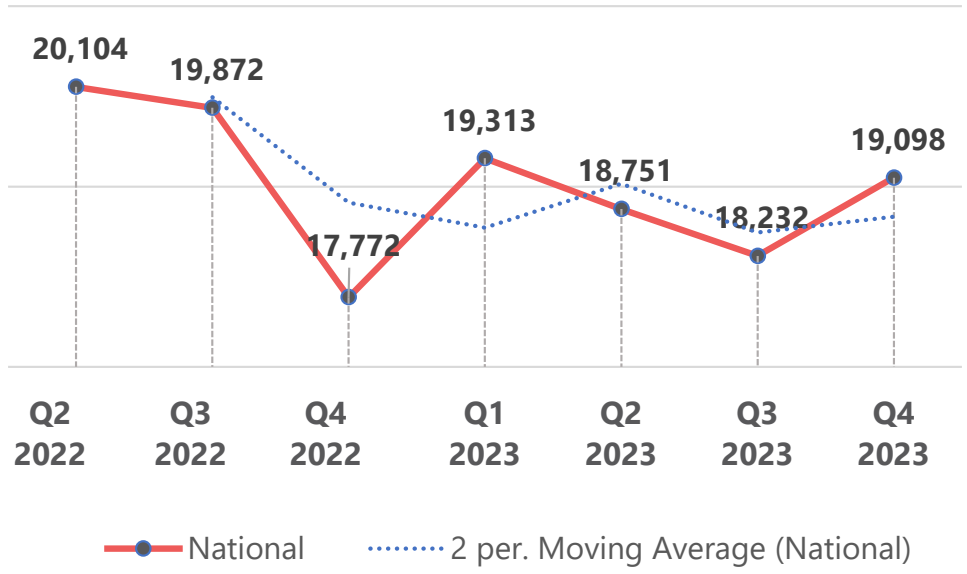
Non-Food Items	Quantity
Water	1,125 L
Multipurpose soap	2.2 Kg
Toothpaste	0.425 L
Sanitary pads	2 packs of 8
Education (pen, pencil, book, rubber, sharpener)	2 stationary kits
Charcoal	12 Kg
Solar Lamp	1 piece
National Health Insurance Fund	500 KES
Communication (Airtime)	300 KES
Public transport	200 KES

COST OF THE MEB IN KES[5] AND CHANGE SINCE Q3

County	MEB	Change since Q3 2023	Food MEB	Change since Q3 2023	NFI MEB	Change since Q3 2023
Mandera ●	26,595		19,714		6,882	
Wajir	23,905	▲ 9%	17,940	▲ 10%	5,965	▲ 3%
Marsabit	21,165	▲ 1%	15,458	0%	5,708	▲ 3%
Isiolo	20,970	▼ 7%	16,560	▲ 3%	4,410	▼ 33%
Turkana	20,908	▼ 7%	17,089	▼ 4%	3,820	▼ 18%
Garissa	19,807	▼ 19%	15,110	▼ 14%	4,697	▼ 33%
West Pokot	19,145	▼ 1%	15,713	▲ 3%	3,433	▼ 18%
Tana River	19,050	▲ 6%	14,165	▼ 1%	4,885	▲ 32%
Kitui	18,454	▲ 2%	13,590	▲ 1%	4,864	▲ 5%
Lamu	18,385	▲ 1%	13,181	▼ 7%	5,204	▲ 28%
Samburu	18,076	0%	13,184	▼ 3%	4,892	▲ 8%
Kwale	18,051	▲ 1%	13,388	▼ 3%	4,664	▲ 13%
Baringo	17,924	▲ 4%	13,962	▲ 5%	3,961	▲ 3%
Taita Taveta	16.841	▼ 6%	12,371	▼ 10%	4,470	▲ 10%

● : No change in MEB baskets reported due to the absence of data collection for Mandera County during the previous round (Q3, 2023).

EVOLUTION OF NATIONAL MEB (KES[5]) OVERTIME



Q4 MEB TAKEAWAYS

- The cost of the MEB[4] increased in two-thirds of the assessed counties between Q3 and Q4 2023, while a decrease was observed in five counties.
- Wajir County was found to have the largest increase (9%) in the cost of the MEB[4], primarily due to the increase (10%) in the food MEB. The unit price for all food items increased, except for cattle milk and leafy vegetables.
- On the other hand, Garissa County observed the largest decrease (19%). The decline in the cost of the NFI MEB was attributed to a significant drop in the price of 20 L water refill (60%) and 2 Kg charcoal (30%).
- The fall in the cost of NFI MEB observed in the four counties was largely due to a reduction in the price of water.
- Conversely, the increased cost of solar lamps and charcoal drove up the NFI MEB across most counties.

FOOD AND NFI PRICE COMPARISON

- In Q4 2023, the national median cost of the MEB[4] increased to 19,098 KES, contrary to the downward trend observed in previous quarters of the year 2023. Moreover, the inflation rate trended downwards, dropping from 9.0% at the beginning of the year to 6.6% in December 2023. Additionally, the Consumer Price Index increased by 1.6% within the last quarter.[6]
- Among the food items monitored, rice had the greatest price increase at the national level (8%), followed by vegetable oil (7%) and beans (6%).
- The NFI with the highest median price increase (+10%) was charcoal, whilst the largest decrease (-25%) was in the price of refilling a 20 L jerry can of water.

COST OF THE MEB IN KES[5] AND CHANGE SINCE PREVIOUS ROUND

Items	Overall median cost	Change[7]	Baringo	Garissa	Isiolo	Kitui	Kwale	Lamu	Mandera	Marsabit	Samburu	Taita Taveta	Tana River	Turkana	Wajir	West Pokot
White maize (1 Kg)	80	▼ 16%	80	120	80	60	75	100	140	90	65	80	80	100	100	65
Maize flour (1 Kg)	100	0%	80	120	120	90	80	100	170	120	70	90	90	120	140	100
Beans (1 Kg)	180	▲ 6%	160	200	200	170	130	200	240	160	180	150	180	160	200	200
Cowpeas (1 Kg)	145	▲ 4%	190	130	220	100	140	120	150	150	240	100	120	140	210	200
Pigeon peas (1 Kg)	179	▲12%	*	155	360	150	167.5	190	*	150	200	195	255	*	150	*
Rice (1 Kg)	140	▲ 8%	140	150	140	130	130	130	200	140	140	140	140	140	200	130
Sugar (1 Kg)	200	▼ 9%	200	200	220	200	200	220	200	200	200	200	200	250	200	200
Wheat flour (1 Kg)	120	0%	120	120	120	100	100	105	160	120	120	100	100	120	140	100
Vegetable oil (1 L)	300	▲ 7%	280	310	300	250	280	240	350	300	280	250	300	300	350	300
Tea leaves (50 g)	25	0%	20	20	30	25	100	20	50	20	25	35	30	25	25	20
Salt (200 g)	10	0%	10	10	10	20	10	15	20	10	15	15	10	15	10	10
Cattle milk (1 L)	120	0%	120	90	140	120	120	80	122.5	140	80	90	120	200	110	140
Onions (1 Kg)	150	0%	130	160	150	150	100	135	200	180	140	150	200	130	200	100
Tomatoes (1 Kg)	106	▲ 6%	102.5	120	110	100	90	150	200	100	100	100	132.5	130	200	100
Kale (1 Kg)	100	0%	90	130	95	100	100	110	140	70	80	50	100	100	100	100
Spinach (1 Kg)	100	0%	80	130	100	100	100	80	125	70	90	60	100	100	100	130
Traditional vegetables (1 Kg)	80	▼ 20%	80	50	*	100	100	80	*	100	60	70	80	100	70	100
Cabbage (500 g)	110	▲ 38%	60	150	100	80	80	120	200	120	80	50	150	125	200	60
Soap (200 g)	50	0%	40	50	50	50	35	40	50	50	50	50	50	30	80	30
Jerry can (20 L)	180	▲ 20%	180	200	200	120	100	150	300	150	180	100	150	200	200	180
Bucket (20 L)	238	▼ 5%	250	250	250	200	150	120	225	275	225	215	320	280	300	200
Sanitary pads (8 pack)	90	▲ 12%	80	100	100	70	80	80	150	100	80	80	100	100	100	80
LPG 6KG refill	1,400	▲ 8%	1,600	1,600	1,429	1,350	1,400	1,325	1,500	1,275	1,400	1,350	1,350	1,500	1,600	1,400
Firewood (1 bundle)	100	0%	100	65	100	90	100	60	165	200	200	250	200	100	50	120
Charcoal (2 Kg)	75	▲ 50%	75	70	150	75	100	60	150	100	70	95	60	50	200	50
Kerosene (1 L)	180	▼ 12%	100	246	350	190	100	140	400	170	160	206.5	150	275	300	150
Pencil (1 pc)	10	0%	10	10	10	10	10	10	15	10	10	10	10	10	10	10
Pen (1 pc)	10	0%	10	10	10	10	10	10	20	10	15	12.5	10	10	10	10
Exercise book (1 pc)	19	▲ 25%	15	20	15	20	15	17.5	20	20	20	30	15	20	15	12.5
Rubber (1 pc)	10	0%	5	10	5	10	10	5	10	10	5	12.5	10	10	10	5
Sharpener (1 pc)	10	0%	5	10	5	10	10	5	12.5	10	10	12.5	5	10	10	10
Water refill from borehole (20 L)	15	▼ 25%	5	20	2	20	10	10	37.5	30	20	10	20	10	20	7.5
Toothpaste (35 ml)	50	0%	70	50	55	60	45	45	50	70	50	50	70	50	70	40
Solar lamp (1 pc)	625	▲ 4%	600	575	800	650	1,200	1,950	1,100	600	800	750	600	600	500	550

* : No price data collected as a result of the unavailability of the respective commodity at the time of data collection.

AVAILABLE STOCK, TIME NEEDED TO RESTOCK, AND CURRENT AVAILABILITY OF ITEMS IN THE MARKET

Items [8]	Number of KIs interviewed per item	Wide availability (% KIs)	Limited availability (% KIs)	Complete unavailability (% KIs)
White maize (1 Kg)	686	84%	16%	0%
Maize flour (1 Kg)	1,212	91%	9%	0%
Beans (1 Kg)	1,045	82%	18%	0%
Cowpeas (1 Kg)	245	72%	27%	1%
Pigeon peas (1 Kg)	144	64%	35%	1%
Rice (1 Kg)	1,253	90%	10%	0%
Sugar (1 Kg)	1,264	91%	8%	1%
Wheat flour (1 Kg)	1,066	92%	8%	0%
Vegetable oil (1 L)	1,068	91%	9%	0%
Tea leaves (50 g)	1,142	94%	6%	0%
Salt (1 Kg)	1,203	94%	6%	0%
Cattle milk (1 L)	616	86%	13%	1%
Onions (1 Kg)	614	72%	27%	1%
Tomatoes (1 Kg)	603	73%	26%	1%
Kale (1 Kg)	367	73%	27%	0%
Spinach (1 Kg)	316	67%	30%	2%
Traditional vegetables (1 Kg)	190	71%	29%	0%
Cabbage (500 g)	594	70%	29%	1%
Soap (200 g)	1,047	91%	9%	0%
Jerry can (20 L)	520	67%	32%	1%
Bucket (20 L)	312	69%	30%	1%
Sanitary pads (8 pack)	796	88%	11%	0%
LPG 6KG refill	251	73%	27%	0%
Firewood (1 bundle)	185	62%	37%	1%
Charcoal (2 Kg)	309	65%	34%	1%
Kerosene (1 L)	102	51%	46%	2%
Pencil (1 pc)	770	88%	11%	0%
Pen (1 pc)	830	89%	10%	0%
Exercise book (1 pc)	687	88%	12%	0%
Rubber (1 pc)	452	88%	11%	0%
Sharpener (1 pc)	435	86%	14%	0%
Water refill from borehole (20 L)	195	70%	28%	2%
Toothpaste (15 ml)	622	87%	13%	0%
Solar lamp (1 pc)	190	51%	46%	2%

Items	Remaining stock (days)	Time needed to restock (days)
White maize (1 Kg)	14	2
Maize flour (1 Kg)	14	1
Beans (1 Kg)	14	1
Cowpeas (1 Kg)	15	2
Pigeon peas (1 Kg)	15	2
Rice (1 Kg)	14	1
Sugar (1 Kg)	10	1
Wheat flour (1 Kg)	14	1
Vegetable oil (1 L)	14	1
Tea leaves (50 g)	14	1
Salt (1 Kg)	18	1
Cattle milk (1 L)	7	1
Onions (1 Kg)	5	1
Tomatoes (1 Kg)	3	1
Kale (1 Kg)	2	1
Spinach (1 Kg)	2	1
Traditional vegetables (1 Kg)	2	1
Cabbage (500 g)	4	1
Soap (200 g)	14	1
Jerry can (20 L)	21	2
Bucket (20 L)	21	2
Sanitary pads (8 pack)	21	1
LPG 6KG refill	20	2
Firewood (1 bundle)	7	2
Charcoal (2 Kg)	7	1
Kerosene (1 L)	11	2
Pencil (1 pc)	28	1
Pen (1 pc)	28	1
Exercise book (1 pc)	30	1
Rubber (1 pc)	30	1
Sharpener (1 pc)	30	1
Water refill from borehole (20 L)	**	**
Toothpaste (15 ml)	21	1
Solar lamp (1 pc)	30	2

** : No information regarding the remaining stock days and the time needed to restock water was obtained.

In December 2023, food and NFIs were reported to be mostly available, with 38% of all interviewed vendors reporting limited availability or complete unavailability of some commodities. This is an improvement compared to the findings in Q3, where 51% of vendors reported limited availability or complete unavailability of some commodities. This improvement may be attributed to increased agricultural production activities during the OND 2023 "short rains" season.

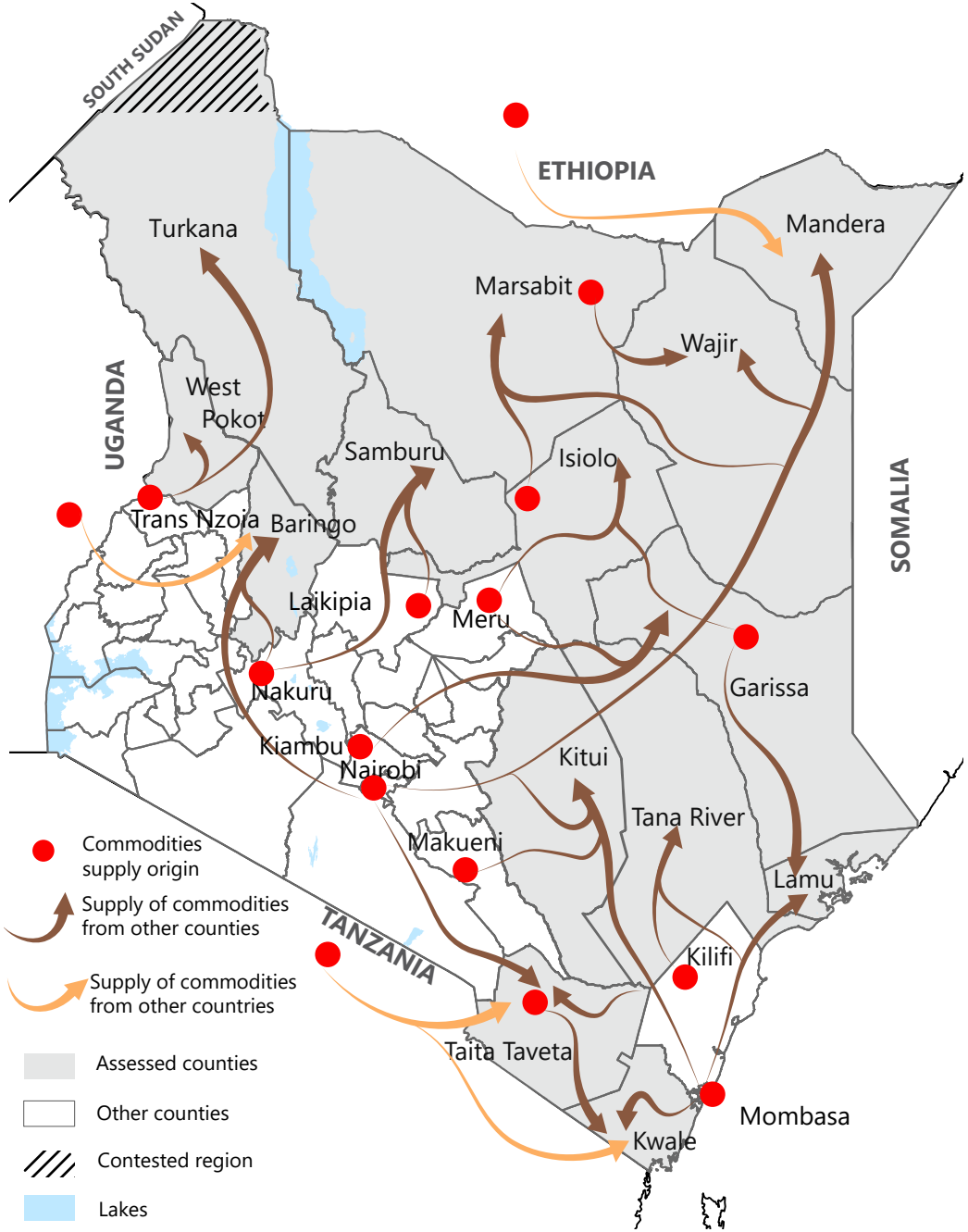
Pigeon peas (35%) and leafy vegetables such as spinach (30%) and traditional vegetables (29%) were among the food items for which a higher proportion of vendors reported limited availability. As a result, the absence of vendors selling pigeon peas and traditional vegetable led to gaps in price data in Baringo, Isiolo, Mandera, Turkana and West Pokot counties. This is likely due to local dietary preferences or seasonality of the produce, in the specific case of leafy vegetables

Among the NFIs, sources of energy such as solar lamps (46%) and kerosene (46%) followed by firewood (37%) were found to have the highest proportion of interviewed vendors reporting limited availability within the market at the time of data collection.

Vendors were asked about the items they had in stock at the time of data collection, as well as the availability within the marketplace and beyond their own business.

The reported number of days needed to restock both food and NFIs was 1 day. The short time needed to restock suggest a low likelihood of commodity shortages. It may be a result of most vendors (61% for food items and 65% for NFIs) relying on multiple suppliers to source for various food and NFIs. Additionally, most vendors reported sourcing primarily from within their respective counties.

MAIN SUPPLY ROUTES



LOCATION OF MAIN SUPPLIER

The map displays the supply routes of commodities from the main supplier as reported by the interviewed vendors. These insights into the supply routes are important to determine the resilience of markets.

A high proportion of vendors (98%) indicated that their main supplier was located within the country, primarily located within their respective counties followed by the neighbouring counties. Most counties, except for Garissa and Isiolo, maintained similar supply routes compared to the previous quarter. It is worth noting that few vendors (2%) indicated relying on their own production.

Furthermore, a few vendors reportedly sourced their commodities from neighbouring countries, namely Tanzania and Ethiopia. This was common among vendors in counties that bordered these respective countries.

REPORTED PREDICTED CHANGES IN SUPPLIERS' PRICES

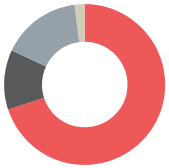
Most of the interviewed vendors (68%) stated that they could predict price changes in popular commodities one month from the time of data collection, findings similar to the previous quarter. However, close to a quarter (21%) of vendors reported that they were not in a position to predict change in prices, citing frequent price fluctuations as the primary reason for their inability to predict prices.

According to the Kenya National Bureau of Statistics (KNBS), producer prices increased by 3.97% in December 2023 relative to September 2023 prices, potentially causing businesses to transfer the burden to consumers by increasing the prices of commodities.[9] The majority (70%) of vendors reportedly able to predict stated that the prices are likely to increase.

Proportion of vendors reporting their ability to predict supplier price changes for popular commodities in the one month after data collection:**

Yes	68%
No	21%
Don't know	11%

Expectation of supplier price changes one month following data collection, by % of vendors who reported being able to predict supplier price changes (68%)



Increase	70%
Decrease	12%
No change	16%
No answer	2%

** - This is a self-reported question by the vendors, and opinions may change from one vendor to another.

SUPPLIER

% of vendors reporting that they mostly relied on a single supplier for food items at the time of data collection:

31%	Yes
68%	No
1%	Do not know

% of vendors reporting that they mostly relied on a single supplier for NFIs at the time of data collection:

23%	Yes
76%	No
1%	Do not know

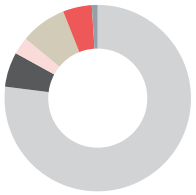
At the time of data collection, the majority of interviewed vendors (68% for food items and 76% for NFIs) reported relying on multiple suppliers. This trend was observed across most assessed counties except for Lamu (62%) and Wajir (61%) counties, as most vendors reportedly relied on a single supplier for food. Vendors who rely on a sole supplier are vulnerable to supply disruptions, which may arise from having limited alternative options.

ACCESS TO A LOCKED, SECURED STORAGE FACILITY

Most vendors (83%) reported having access to a locked or secured facility within the marketplace in the 3 months prior to data collection. Of all the vendors interviewed, 77% reported the storage was within their own business facility while 6% reported the storage was located elsewhere within the market.

On the other hand, 11% of vendors reportedly had no storage within the marketplace; instead, their storage facilities were located outside the marketplace or at their residences. Only 5% reported having no access to any storage facility, which likely hinders the vendors' ability to maintain adequate stock and limit product offerings. Moreover, the business may be vulnerable to theft or vandalism ultimately impacting the profitability and sustainability of the business.

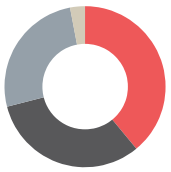
% of vendors reporting on access to a locked, secured storage facility within the marketplace in the 3 months prior to data collection:



77%	Yes, storage within own business facility
6%	Yes, storage elsewhere within the marketplace
3%	No, storage outside the marketplace at another facility
8%	No, storage at the home
5%	No storage facility
1%	Prefer not to answer

CHANGE IN THE NUMBER OF VENDORS

Proportion of vendors reporting on changes in the number of vendors operating in their marketplace in the 3 months prior to data collection:



Decrease	39%
Increase	32%
No change	26%
Don't know	3%

% of vendors estimating the proportion of businesses that had stopped operating in their marketplace in the 3 months prior to data collection among the vendors (42%) who reported a decrease: [8]

Very few (1%-10%)	46%
Few (11%-25%)	29%
Some (26%-50%)	16%
A lot (51%-75%)	7%
Most (76%-100%)	1%

CHALLENGES FACED BY VENDORS

Most reported challenges faced in the 3 months prior to data collection, by % of all interviewed vendors:[10]

60%	Price increase from the source
48%	Lack of funds to restock
46%	Number of customers reduced
17%	High transportation costs

Most vendors reported facing a variety of challenges, the most reported challenges were price increases from the source (60%)[10] and lack of funds to restock (48%)[10]. An additional challenge reported was reduced number of customers (46%)[10]. These challenges affect vendors' ability to purchase additional stock and compromises the profitability of the business. These findings should be considered alongside 39% of interviewed vendors who reported that the number of vendors operating in their marketplace had decreased.

Additionally, challenges related to the effects of floods were experienced, particularly in the flood-affected counties. Vendors in Wajir (41%), Mandera (29%) and Isiolo (23%) reportedly experienced challenges in accessing the marketplace due to flooding. However, this did not affect the time taken to restock, as the average reported number of days needed for restocking both food and NFIs was 1 day. Vendors also reported experiencing frequent power loss due to rains within the market, predominantly in Mandera (16%) and Garissa (12%).

DIFFICULTY IN KEEPING THE BUSINESS OPERATIONAL AND WELL STOCKED

Most reported restocking challenges at the time of data collection, by % of all interviewed vendors:[10]

- **56%** Difficulty with price charged by supplier
- **16%** Difficulty with availability of core goods
- **10%** Difficulty fully staffing the store
- **8%** Theft or damage of commodities

More than half (69%) of interviewed vendors reported having faced difficulties keeping their businesses operational and well-stocked.

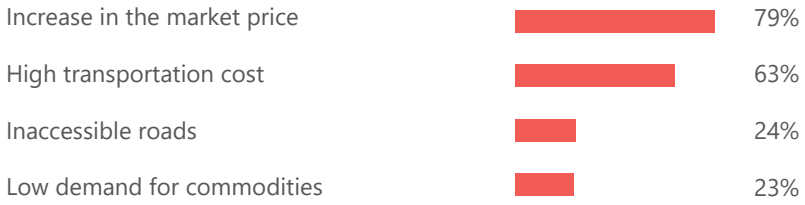
Similar to Q3, difficulty with the high prices charged by suppliers was the main concern among vendors in all the assessed counties. According to the KNBS, the producer inflation rate increased by 0.7% within the fourth quarter. Over the year 2023, producer inflation was highest in March 2023.[9]

In contrast to Q3, some vendors reported experiencing difficulties in keeping their businesses operational and well-stocked due to flooding. Mandera (29%), Isiolo (26%), Wajir (17%), Tana River (17%), and Lamu (15%) are among the counties where vendors reportedly faced challenges related to flooding.

These findings should be considered alongside similar issues in these counties, where flooding hindered market access, affecting the availability of core goods. Vendors in Mandera (37%), Isiolo (32%), and Lamu (26%) counties mostly reported difficulties related to availability of core goods.

SHORTAGE OF COMMODITIES

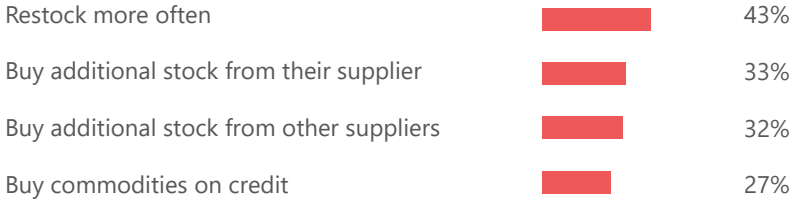
Most reported causes of shortages for commodities at the time of data collection, by % of vendors (38%) who reported limited availability or complete unavailability of some commodities:[10]



A leading cause of shortages, reported by a high proportion (79%)[10] of the vendors who reported limited availability or complete unavailability of some commodities (38%), was the increase in market prices of commodities. Subsequently, vendors (63%)[10] reported the high transportation costs as a common cause, which is potentially a contributor to driving up prices for some commodities.

COPING MECHANISMS EMPLOYED

Most reported strategies used by interviewed vendors to address unavailability of commodities at the time of data collection, by % of vendors (38%) who reported experiencing shortages of some commodities:[10]



The most common coping mechanism among vendors facing commodity shortages was restocking more frequently due to the limited or complete unavailability of some commodities. Only 4% of vendors did not have any coping mechanisms in place in case of shortages. As a result, these vendors are vulnerable to loss of revenue and disruptions in business operations.

CHALLENGES FACED WHEN TRANSPORTING COMMODITIES

Most reported transportation challenges in the 3 months prior to data collection, by % of all interviewed vendors:[10]

- **73%** High cost of transport
- **26%** Unusable roads
- **17%** Damage of goods on transit
- **16%** Delay in delivery of goods

The high cost of transport (cited by 73%[10] of all vendors) was the most frequently mentioned transport challenge across all counties. This may be attributed to an increase in transportation costs resulting from road and supply route disruptions caused by the floods, likely contributing to the observed rise in prices.

The most common means of transport were the use of passenger vehicles (23%) and motorcycles (21%) by vendors when restocking commodities.

Other means of transportation included walking, use of animals and boats.

Most commonly reported mode of transport used by vendors when restocking commodities:

1. 27% Supplier delivers to the shop
2. 23% Passenger cars
3. 21% Motorcycle

BARRIERS TO MARKET ACCESS

Physical barriers

Marketplaces appeared to be accessible as 74% of interviewed vendors reported not facing any issues with physically accessing the marketplace. However, more than half of surveyed vendors in Lamu (81%), Baringo (56%), Wajir (54%) and Samburu (52%) counties reportedly faced challenges when physically accessing the markets. Wajir and Mandera had the highest proportion of vendors, with 29% and 18% respectively, reporting experiencing challenges in accessing markets due to flooding.

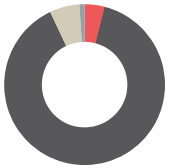
Most reported physical barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:[10]

- **9%** Lack of transportation
- **7%** Markets inaccessible due to flooding
- **5%** Damages on roads
- **5%** Inadequate facilities

Social barriers

Baringo County had the highest proportion of vendors (29%) reporting social barriers, resulting in people avoiding going to the marketplace.

% of vendors reporting groups of people who sometimes avoided going to the marketplace in the 3 months prior to data collection due to discrimination, exclusion, or feeling unwelcome:



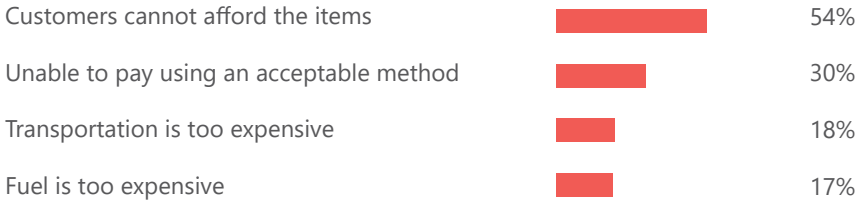
Yes	4%
No	89%
Don't know	6%
Prefer not to answer	1%

Financial barriers

A majority of vendors reported that the main financial challenge was that customers could not afford the items available, followed by customers not being able to pay using an acceptable method, which likely contributed to the reduced number of customers noted by vendors.

Close to a quarter (24%) of vendors reported that most customers did not face any financial challenges to access the marketplace.

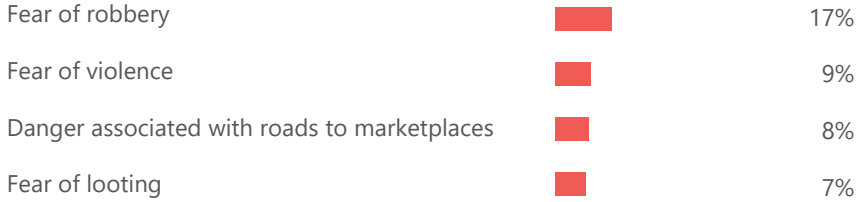
Most reported financial barriers to accessing the marketplace in the 3 months prior to data collection, by % of all interviewed vendors:[10]



Customers cannot afford the items	54%
Unable to pay using an acceptable method	30%
Transportation is too expensive	18%
Fuel is too expensive	17%

SECURITY ISSUES

Most reported security factors that negatively impacted businesses in the 3 months prior to data collection, by % of all interviewed vendors:[10]



Fear of robbery	17%
Fear of violence	9%
Danger associated with roads to marketplaces	8%
Fear of looting	7%

Close to three-quarters (74%) of vendors in Lamu County reported experiencing security issues. The most reported security threat in Lamu was dangers associated with roads leading to the markets, followed by fear of robbery. More than half of the vendors in Baringo (56%) and Samburu (52%), reported experiencing security-related issues, specifically violence and robbery, that may negatively impact their business.

ACCEPTABLE MODE OF PAYMENT

Most commonly reported accepted payment methods by vendors in the 3 months prior to data collection:[10]

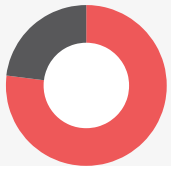
1. 97% Cash
2. 74% Mobile money
3. 19% Informal credit (customers can borrow and pay later)
4. 8% Money transfers
5. 3% Credit/ Debit cards

CHANGE IN THE NUMBER OF CUSTOMERS

Proportion of vendors reporting changes in the number of customers purchasing from their shops in the 3 months prior to data collection:

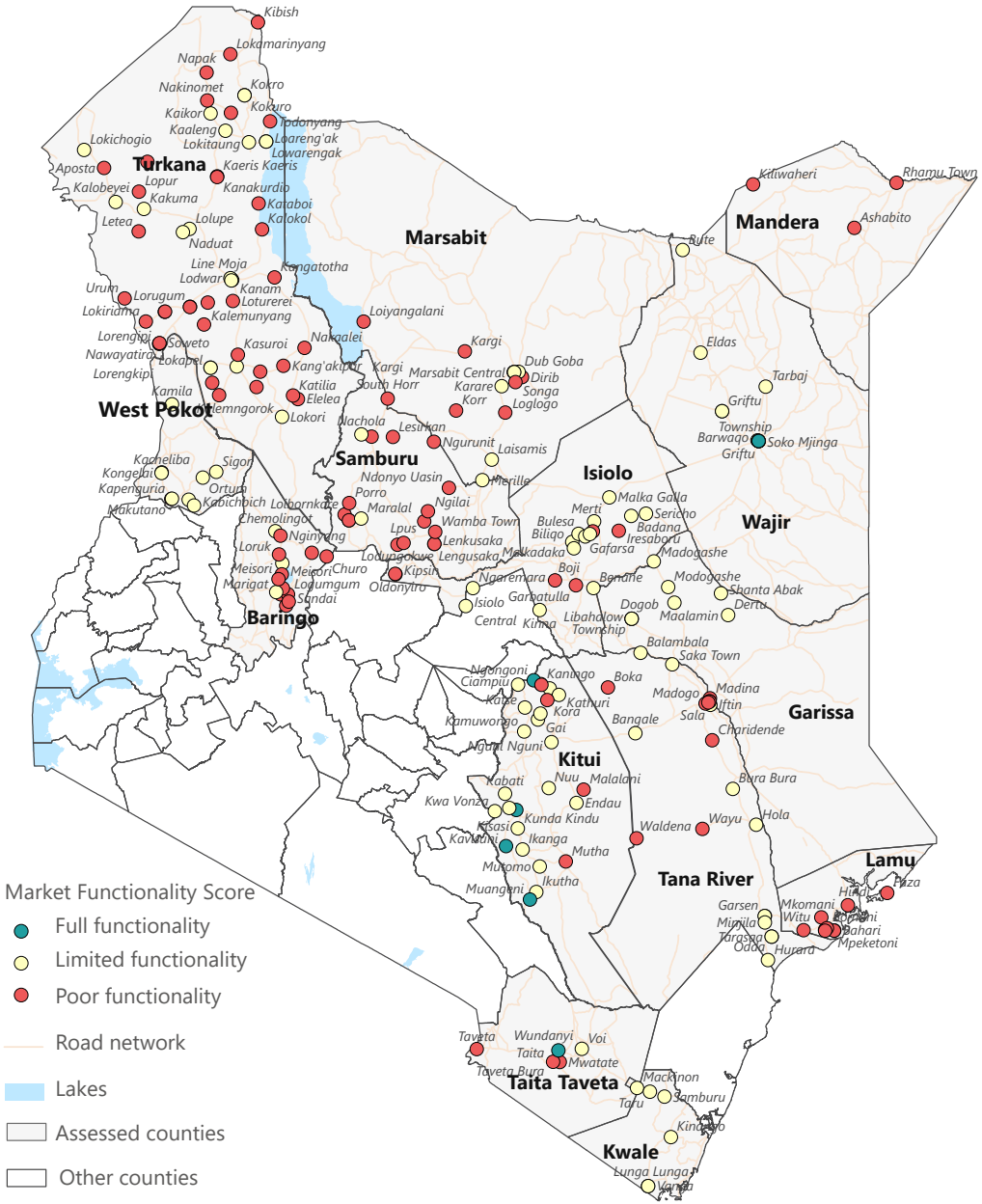
Yes	72%
No	25%
Don't know	3%

% of vendors reporting on the change in the number of customers purchasing from their shop in the 3 months prior to data collection, among those vendors (72%) who reported a change:



Decrease	77%
Increase	23%

MARKET FUNCTIONALITY SCORE (MFS)



MARKET FUNCTIONALITY[11]

The majority of markets across the country are facing functionality issues, with 51% (117) classified as poor functionality and 46% (105) as limited functionality. Only 3% (6) markets – Wundanyi in Taita Taveta County, Griftu in Wajir County, Ngononi, Muangeni, Kunda Kindu and Kavisuni, all in Kitui County—were classified as fully functional.

Market functionality is an extension of the JMMI and is useful to aid actors to inform their programming. Aid actors engaged in cash and voucher assistance (CVA) may target more functional markets, while those employing interventions like in-kind distribution may consider less functional markets more suitable for effective programming. Markets classification is determined by assessing each market's level of functionality by assigning a market functionality score (MFS). The MFS brings together indicators from the JMMI assessment and is based on the following 5 key dimensions:

- **Accessibility (25%)**: physical and social access to markets.
- **Availability (30%)**: ability of markets to consistently supply core commodities.
- **Affordability (15%)**: financial access to markets and price volatility.
- **Resilience (20%)**: vulnerability of supply chains and ease of restocking.
- **Infrastructure (10%)**: state of markets' physical and financial infrastructure.

Affordability was the least performing dimension. Most (88%) of the assessed markets scored below 50% of the maximum weighted score of 15% for affordability. Comparison of the prices of monitored items against the national medians, customers' financial access and price predictability contributed to determine this.

The dimension with the overall best performance was infrastructure, with the majority (95%) of assessed markets achieving more than 50% of the maximum score within this dimension. This can be inferred from only a few vendors (5%) reporting on hazards or damage on roads leading to the markets and 1% of all interviewed vendors reporting on damaged, or unsafe buildings in the markets. Furthermore, the prevalence of mobile money platforms in Kenya provides an alternative payment method to cash strengthening the financial infrastructure within the markets.

In Q4 2023, 64 out of the 228 markets assessed were assigned different classifications compared to Q3 2023. The classifications for 7 markets deteriorated including Mkomami in Lamu, Mwatate in Taita Taveta and Charindende and Wayu in Tana River. These are among the counties affected by floods.[12]

On the other hand, classification for 57 markets improved with 47 markets classified as having limited functionality from poorly functional. Additionally, 5 markets previously unclassified due to insufficient data at the time have been classified in this round. These markets comprise of Garbatulla market in Isiolo, Nuu market in Kitui, Lengusaka market in Samburu, and Lorugum and Nakaalei markets in Turkana County.

Methodology

The JMMI is conducted jointly with KCWG partners. The geographic coverage was determined by the access and capacity of participating partners. The participating agencies collectively developed and reviewed the data collection tools and trained their enumerators on the JMMI methodology and data collection tools. Primary data was collected through structured interviews with vendors (who sell directly to customers) in the targeted marketplaces. Enumerators were asked to record three prices per item in each targeted marketplace. Data was collected through the KoboCollect mobile application and was uploaded to a secure Kobo server for cleaning and analysis.

For each item, the median prices per marketplace were calculated, after which the median of all those locations was calculated to derive the aggregated median prices presented in this factsheet. This methodology is derived to minimise the effects of outliers and differing amounts of data among assessed locations. Outliers are reported only where relevant. Non-numeric indicators of categorical values are calculated as proportions.

Using the purposive sampling method, 2,409 vendors were interviewed as key informants. A target of at least three prices per item in each of the assessed counties were collected for a total of 34 basic food and NFIs. The interviews were conducted both face-to-face and remotely with vendors selling food and non-food items. Data was collected between the 5th and 22nd of December 2023 across 228 markets in the assessed counties.

REACH Initiative performed daily data quality checks with the partners during and after data collection. This process includes checking for duplicate interviews and numerical outliers (particularly item prices). Data was analysed at the county level using R statistical software.

All findings are indicative and only apply to the period within which data was collected. Moreover, item specifications may vary slightly between locations according to the different brands available, and comparability between the locations assessed is limited.

Challenges and Limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary between data collection rounds.
- The methodology specifies that three prices are collected per commodity, per market. Due to the unavailability of multiple vendors selling various commodities at the market, it was not possible to collect 3 prices for some commodities in some markets.
- For some questions such as the challenges faced by vendors or change in the number of customers required vendors to recall events over a 3-month period. This is a long period of time, which might impact the accuracy of answers.
- 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.
- Some vendors lacked weighing scales and owing to this, an estimation of how much forms a Kg was done. This was for commodities such as vegetables, onions, and tomatoes. In some cases, the estimation may not have been accurate.
- Price changes may be driven by shifts in geographic coverage at the county level as some markets were not accessible owing to the effects of floods.

Endnotes

[1] National Drought Early Warning Bulletin by NDMA, December 2023

[2] Food Security Outlook by Famine Early Warning Systems Network, December 2023

[3] Heavy rains and floods impact and response by OCHA, December 2023

[4] The Minimum Expenditure Basked (MEB) is defined as what a household requires to meet basic needs on a regular or seasonal basis - and its average cost.

[5] USD-156.37 KES in January 2024

[6] Consumer Price Indices and Inflation Rates by KNBS, December 2023

[7] Change since the last round of JMMI data collection in September 2023 (Q3).

[8] The total percentages may not add up to 100% due to respondents choosing "Prefer not to answer" or indicating "I do not know."

[9] Producer Price Index (PPI) Fourth Quarter Report by KNBS, December 2023

[10] For multiple answer questions, respondents could select multiple options hence the findings may exceed 100%.

[11] Market functionality is determined by assigning a MFS. The MFS consists of a collection of indicators, drawn from a single vendor-focused assessment for ease of analysis, that capture data on the five different dimensions of market functionality. The markets are categorized into "full functionality", "reduced functionality", "limited functionality", or "poor functionality".

[12] El Nino Floods Humanitarian Situation Report No. 1 by UNICEF, December 2023

About the Kenya Cash Working Group

The KCWG is a multi-agency, inter-cluster technical working group set up to ensure that cash and voucher assistance (CVA) in Kenya is coordinated, harmonised, and context-specific, and is undertaken in a manner that does not inflict harm or exacerbate vulnerabilities of the affected population. The working group was established to provide an enabling environment for collective learning, operational and technical collaboration. The KCWG sought technical support from Cash Cap to undertake the required steps toward reviewing the interim MEB guidance document and additionally, develop a common reference point for both national and international actors for the harmonization of multi-purpose cash assistance (MPCA) across the country. The KCWG is currently co-chaired by the National Drought Management Authority (NDMA) and Kenya Red Cross Society (KRCS), and the MEB workstream is co-chaired by the World Food Programme (WFP) and REACH Initiative.

Participating agencies

NDMA – National Drought Management Authority – Committed to ending drought emergencies

Kenya Red Cross

WFP World Food Programme

World Vision Kenya

Pastoralist Girls Initiative – Empower Girls, Save Community

acted

RECONCILE – Fisheries, Forestry, Land, Pastoralism, Agriculture

WELT HUNGER HILFE – WHH

RACIDA – Building Resilient Communities for Sustainable Development

CRS – CATHOLIC RELIEF SERVICES

MERCY CORPS

REACH – An initiative of IMPACT Initiatives, ACTED and UNOSAT

GiveDirectly