KENYA COVID-19 MARKET MONITORING INITIATIVE IN MOMBASA INFORMAL SETTLEMENTS

February 2021

BACKGROUND

As of 28 February 2021, the total number of confirmed COVID-19 cases in Kenya was 105,973. COVID-19 risk mitigation measures, including the temporary closing of venues and large public gatherings, were put in place to prevent the spread of the virus. These measures, while necessary from a public health perspective, are likely to negatively impact market systems on which vulnerable populations in Mombasa informal settlements depend.

In an urgent response to the growing humanitarian needs in light of COVID-19, the Kenya Cash Consortium (KCC), led by OXFAM in partnership with Concern Worldwide, ACTED, the Kenya Red Cross, Wangu Kanja Foundation and Centre for Rights Education and Awareness (CREAW) are implementing an emergency cash assistance programme for the affected populations in the 39 informal settlements in Changamwe, Jomvu, Kisauni, Likoni, Mvita and Nyali sub-counties. The World Food Programme (WFP) is also providing cash transfers to approximately 24,000 targeted households (HHs) in informal settlements in Mombasa County, who have lost their income and livelihoods, as a result of COVID-19.

To understand the market systems and inform humanitarian programming in light of COVID-19, WFP and IMPACT Initiatives[1] conducted a joint market monitoring exercise in the informal settlements in the six sub-counties where the KCC and WFP are implementing cash assistance programs. This is the fourth round of joint market monitoring, the third round was conducted in December 2020, while the second round took place from 18 to 20 November 2020 and the first one in October.

This factsheet presents an overview of median prices of food and non-food items, stock levels, days required to restock and challenges experienced by the community and retailers in light of COVID-19. The overall objective is to understand the impact of COVID-19 on markets systems in Mombasa informal settlements.

METHODOLOGY

Interviews were conducted by phone for **651** purposively selected retailers in the informal settlements in Mombasa. The retailers were asked to list the prices of fuel, water, critical non-food items and all food components of the minimum expenditure basket (MEB)[2]. A total of **32 items** were assessed between 9 and 28 February 2021. All findings are indicative, rather than representative of key item prices and retailers' experiences at the time of data collection. For more information on the methodology, please refer to the terms of reference.

ASSESSMENT COVERAGE

1. IMPACT Initiatives is implementing the Monitoring component on behalf of the KCC

2. More information about the Minimum Expenditure Basket (MEB) is found here.

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Key food and non-food items assessed

Category	Commodities						
Food items	Cow peas 1Kg	Beans 1Kg	Tea leaves 50g	Sugar 1Kg	Tomatoes 1kg	Onions 1Kg	Cattle meat 1Kg
	White maize 1Kg	Vegetable oil 1L	Wheat flour 1Kg	Salt 500g	Cabbages 500g	Cattle milk 1L	Goat meat 1 Kg
	Pigeon peas 1Kg	Green grams 1Kg	Maize flour 1Kg	Rice 1Kg			
Non-food Items	Sanitary pads 8 pack	Buckets 20L	Firewood 1	Water 20 L	Charcoal 2Kg	Pens 1 Pc	Exercise books 1pc
	Facial masks 1pc	Jerry cans 20L	Kerosene 1L	Gas 6Kg	Bar soaps 200g	Pencils 1 Pc	Rubber 1Pc

Change in median prices for food and non-food items in KES[2] (December 2020 to February 2021)

Assessed items	December 2020	February 2021	% Change (from Dec 2020)
Goat meat 1kg	500	500	0
Cattle meat 1kg	420	440	5% ▲
Vegetable oil 1L	160	190	19% ▲
Green grams 1Kg	120	120	0
Sugar 1Kg	110	110	0
Rice 1Kg	100	100	0
Cattle milk 1L	100	100	0
Beans 1Kg	100	100	0
Cow peas 1Kg	100	90	-10% ▼
Tomatoes 1Kg	90	80	-11% ▼
Pigeon peas 1Kg	90	80	- 11% ▼
Onions 1Kg	65	70	8% ▲
Maize flour 1Kg	60	70	17% ▲
Wheat flour 1Kg	65	60	-8% ▼
White maize 1Kg	55	60	9% ▲
Cabbages 500g	50	40	-20% ▼
Tea leaves 50g	30	30	0
Salt 500g	20	20	0

Assessed items	December 2020	February 2021	% Change (from Dec 2020)
Cooking gas 6kg	700	750	7% ▲
Plastic buckets 20L	150	150	0
Charcoal 2Kgs	60	60	0
Kerosene 1L	100	100	0
Jerrycans 20L	80	80	0
Firewood 1 bundle	50	50	0
Sanitary pads 8 pack	50	50	0
Bar soaps 200g	30	30	0
Facial masks[3] 1pc	20	10	-50% ▼
Water 20L	20	20	0
Exercise books 32pgs A5	15	15	0
Pens 1pc	10	10	0
Pencils 1pc	10	5	-50% ▼
Rubbers 1pc	5	5	0

According to the results of the survey, the median prices of vegatable oil, maize flour and white maize were found to have increased by 19%, 17% and 9% respectively between December 2020 and February 2021. This increase was most likey caused by increased costs of processing certain foods items (maize flour and vegetable oil) and increased transportation cost for white maize from local producers to nearby markets, after the price of petroleum was revised upwards in February 2021. Despite the increase in transportation costs, the median prices of unprocessed food items, such as cabbages, pigeon peas, cow peas, and tomatoes, were found to have decreased, which might be due to the recent harvest and the subsequent availability of these items on nearby markets. The reported prices of other assessed food items like goat meat, salt, tea leaves, beans, rice, cattle milk, sugar and green grams remained unchanged.

The median reported price of refilling a 6kg liquefied petroleum gas (LPG) cylinder increased by 7%. This increase can also be attributed to the upward review of petrol and petroleum products which in turn increases the cost of transportation of the liquefied petroleum gas (LPG) cylinders. The median prices of face masks[3] and pencils were found to have decreased by 50%. Findings also suggest that all the other non-food items did not experience prices changes.

2. 1 USD= 110.71872 KES in February 2021
3. Both surgical and cloth facial masks

Reported stock and supply levels (in days) for food and non-food items between December 2020 and February 2021

Sector	Items	February days needed to restock	December stock	February stock	% change in stock from December 2020 to February 2021
Food items	Sugar	1	9	10	11%
	Cabbages	1	3	3	0%
	Cattle meat	1	2	2	0%
	Vegetable oil	1	7	7	0%
	Wheat flour	1	7	7	0%
	Maize flour	1	5	5	0%
	Rice	2	8	8	0%
	Tomatoes	1	3	3	0%
	Green grams	1	10	9	-10%
	Pigeon peas	1	10	9	-10%
	Beans	1	9	8	-11%
	Tea leaves	1	15	13	-13%
	Cow peas	1	11	9	-18%
	Cattle milk	1	5	4	-20%
	Salt	1	18	14	-22%
	White maize	1	12	9	-25%
	Onions	1	7	5	-29%
	Goat meat	1	3	2	-33%
	Average	1	8	7	-12%
Non-food-items	Buckets	2	8	11	38%
	Gas	11	10	12	20%
	Jerry cans	2	7	7	0%
	Sanitary pads	1	17	16	-6%
	Bar soaps	1	13	12	-8%
	Firewood	3	17	15	-12%
	Charcoal	2	12	10	-17%
	Kerosene	1	9	7	-22%
	Pens	1	23	16	-30%
	Excercise books	1	26	18	-31%
	Face masks	1	13	8	-38%
	Rubbers	1	31	19	-39%
	Pencils	1	26	16	-39%
	Average	2	16	13	-20%

For all assessed items in February, the reported stock levels exceeded the number of days it reportedly took to restock, indicating that there were no stock shortages of any of the assessed key items at the time of data collection.

On average, the number of days retailers reported expecting their current stock to last decreased from 8 days in December 2020 to 7 days in February 2021 for food items and from 16 days in December to 13 days in February for non-food items. The average reported number of days needed to restock food and non-food items was one and two days respectively. This was similar to the average number of days it took to restock those items in December 2020. The reported stock levels of water bucket, 6 kg cooking gas and sugar went up by 38%, 20% and 11% respectively, between December 2020 and February 2021. The reported stock levels for cattle meat, green grams, wheat flour, cow peas, maize flour, rice, tomatoes and jerrycans remained the same between December 2020 and February 2021.

For food items, goat meat appeared to have the highest relative decrease in stock levels between December and February (-33%). On the other hand, the stock levels for rubbers and pencils under the non-food items category saw the greatest relative decrease (-39%).

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Reported market challenges for retailers and community members in light of COVID-19, between December 2020 and February 2021

The majority of retailers (63%) reportedly encountered challenges while restocking either food or non-food items (down from 65% in December). Of these, 60% cited high prices of commodities as the greatest challenge experienced while restocking. A slightly lower proportion of retailers (35% in Febuary 2021) cited lack of money as a challenge encountered while restocking. A further 34% of retailers reported unavailability of items in the market as challenge while restocking.

% of retailers who reported encountering restocking challenges at the time of data collection

Yes	63%
No	37%

Most commonly reported restocking challenges by retailers who encountered challenges (65% in December, 63% in February)

	December	February
High prices of the commodity	63%	60%
Lack of money to restock	40%	35%
Unavailability of the items	40%	34%

Forty percent (40%) of retailers reportedly sourced their commodities from suppliers within the Mombasa central business district. Furthermore, 30% of assessed retailers reported to have bought their retail commodities from wholesalers.

Reported supply points from where retailers buy their commodities

	December	February
Suppliers in the Mombasa CBD	34%	40%
Wholesalers at the nearby market	34%	30%
Local producers in other sub-counties	19%	17%
Local producers within the sub-county	9%	13%

The majority of assessed retailers (60%) reported having encountered challenges related to demand and supply. Some of the most frequently reported challenges include: Increased prices of commodities (57%), debts from customers (38%), and a sudden fall in demand of commodities (21%). Reporting on increased debt as a challenge was higher in February 2021 than in December 2020 (15%, of the 62% who reported having encountered challenges in December 2020)

% of retailers who reported encountering demand and supply related challenges at the time of data collection

Yes	60%
No	40%

Most commonly reported demand and supply related challenges by retailers who encountered such challenges (62% in December, 60% in February)

	December	February
Increase in price of commodities	55%	57%
Debts from the customers	14%	38%
Decreased demand	37%	21%

% of retailers who reported that community members were facing constraints in accessing markets due to the COVID-19 situation

Yes	35%
No	65%

The proportion of retailers reporting that community members were facing challenges accessing markets decreased from 41% in December 2020 to 35% in February 2021. The majority of these retailers attributed this to a low purchasing power (90%, up from 81% in December). In addition, 59% of retailers reported that items were too expensive, while the fear of COVID-19 as a barrier was reported by only 10% of retailers.

Most commonly reported market access constraints faced by community members, by retailers who reported constraints (41% in December, 35% in February)

	December	February
Low purchasing power	81%	90%
Items are too expensive	36%	59%
Fear of COVID-19	22%	10%

Reported change in the number of customers buying from retailers in the 30 days prior to data collection, by 63% of retailers who reported change

Customers increased	23%
Customers decreased	76%

Overall, 63% of retailers reported that the number of their customers visiting their shop in the 30 days prior to data collection had changed, among whom 23% reported having perceived an increase. Of these, 80% reported percieving people adapting to the COVID-19 situation as the reason for the increase in the number of customers.

Most commonly reported reasons for the increase in the number of customers buying from retailers in the 30 days prior to data collection, by respondents who reported an increase (15% in December, 23% in February)

	December	February
People adapting to the COVID-19	43%	80%
Referals from friends or customers	19%	17%
Increased cash transfers	44%	4%

Out of the retailers (76%) who reported a decrease in the number of customers buying from them in the 30 days prior to data collection, 88% cited low purchasing power as the reason for the decrease. In addtion, forty seven percent (47%) of retailers cited items being too expensive while four percent cited unaivalability of items as the reason for the decrease in the number of customers.

Most commonly reported reasons for the decrease in the number of customers buying from retailers in the 30 days prior to data collection, by respondents who reported a decrease (84% in December, 76% in February)

	December	February
Low purchasing power	89%	88%
Items are too expensive	21%	47%
Unavailability of items	4%	6%

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Cost of MEB at the time of data collection (9 to 28 February 2021)

The MEB is used as an operational tool to identify and quantify the average minimum cost of the contextual basic needs of an average Kenyan household, including items available at the local market. MEB values were calculated on the basis of price data gathered by IMPACT Initiatives and WFP for food items, water, sanitation, and hygiene (WASH) items and kerosene. The price of other key items was calculated from the urban MEB provided by the Kenya Cash Working Group.

The Mombasa urban MEB is based on a typical Kenyan household in Mombasa county, consisting of three household members. In addition to the urban MEB, to assess the MEB in informal settlements, the Mombasa informal settlements MEB reflects the contextualized basic monthly needs of an average household of four members residing in Mombasa's informal settlements.

Overall, the cost of Mombasa informal settlements' minimum food basket (MFB) is slightly higher than the Urban MFB because of the difference in household size.

Mombasa urban MEB

Sector	Items	Quantity	Median price
Food items	Maize meal	19.35 Kg	1,161
	Rice	13.5 Kg	1,350
	Dry beans	9 Kg	900
	Vegetables oil	3.15 L	599
	Cow milk, whole, not fortified	13.5 Kg	1,350
	Cabbage, raw	18 Kg	1,440
	Salt, Iodized	0.45 Kg	18
	Sugar	0.45 Kg	50
Energy	Electricity	21.6 kWh	336
	Kerosene	13.5 L	1,350
WASH items	Soap (multipurpose)	1350 g	203
	Water (cooking, drinking,other use)	675 L	675
	Sanitary pads (15 pcs)	6 pack	200
Communication	Communication (airtime)	0.75	150
Transport	Public transportation	12 trips	200
Health	National Medical Insurance (NHIF)	1 monthly	500
	Cloth masks	6 pcs	60
	Thermometer	1pc	500
Education	School stationery	1 kit	175
Shelter	Rent expense	1 monthly	4,000
	Cost of Mombasa urban MFB		6,867
	Total cost of Mombasa urban MEB		15,216

Mombasa informal settlements MEB

Items	Quantity	Median price KES[2]
Maize meal	13.2 Kg	792
Rice	13.2 Kg	1,320
Dry beans	13.2 Kg	1,320
Vegetables oil	7.8 L	1,368
Cow milk, whole, not fortified	12 Kg	1,200
Cabbage, raw	12 Kg	960
Salt, Iodized	1.2 Kg	48
Sugar	1.2 Kg	132
Maize grain	13.2 Kg	792
Sorghum	13.2 Kg	792
Electricity	15.57 kWh	467
Kerosene	2 L	1,200
Communication (airtime)	1	200
Public transportation	12 trips	200
Rent expense	1 monthly	2,700
Cost of Mombasa informal settlements MFB		8,724
Total cost of Mombasa informal settlements MEB		13,491

Total cost of MEB in December 2020 and February 2021

	February 2021		December 2020	
	Cost of MFB in KES[2]	Total cost of MEB in KES[2]	Cost of MFB in KES[2]	Total cost of MEB in KES[2]
Mombasa urban MEB	6,867 ▼	15,216 ▼	7,133	15,575
Mombasa informal settlements MEB	8,724 ▼	13,491 ▼	8778	13,545

	November 2020		October 2020	
	Cost of MFB in KES[2]	Total cost of MEB in KES[2]	Cost of MFB in KES	Total cost of MEB in KES[2]
Mombasa urban MEB	6,741	15,244	6,930	16,445
Mombasa informal settlements MEB	8,436	13,203	8,460	13,227