# KENYA COVID-19 MARKET MONITORING INITIATIVE IN NAIROBI INFORMAL SETTLEMENTS

AUGUST 2020

## BACKGROUND

The total number of positive COVID-19 cases in Kenya stands at 30,636 as of 18 August 2020. Social distancing measures, including the temporary closing of venues or large public gatherings and movements, as well as limitations to movements within the Nairobi area, 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 Nairobi depend.

To understand the market systems and inform humanitarian programming in light of COVID-19, IMPACT Initiatives, in coordination with Oxfam, Concern Worldwide, ACTED, the Kenya Red Cross, Wangu Kanja Foundation and Centre for Rights Education and Awareness (CREAW), conducted a joint market monitoring exercise in Gatina, Gitare-Marigo, Kibera, Korogocho, Kayole, Lunga Lunga, Majengo, Mathare, Mukuru and Soweto informal settlements in Nairobi County between 24 and 26 August 2020. This was the third market monitoring assessment. This round of assessment followed the second round of market monitoring conducted between 21 and 23 July 2020. The first round of market monitoring was conducted between 28 and 31 June 2020, and will be followed by similar assessments on a monthly basis until October 2020.

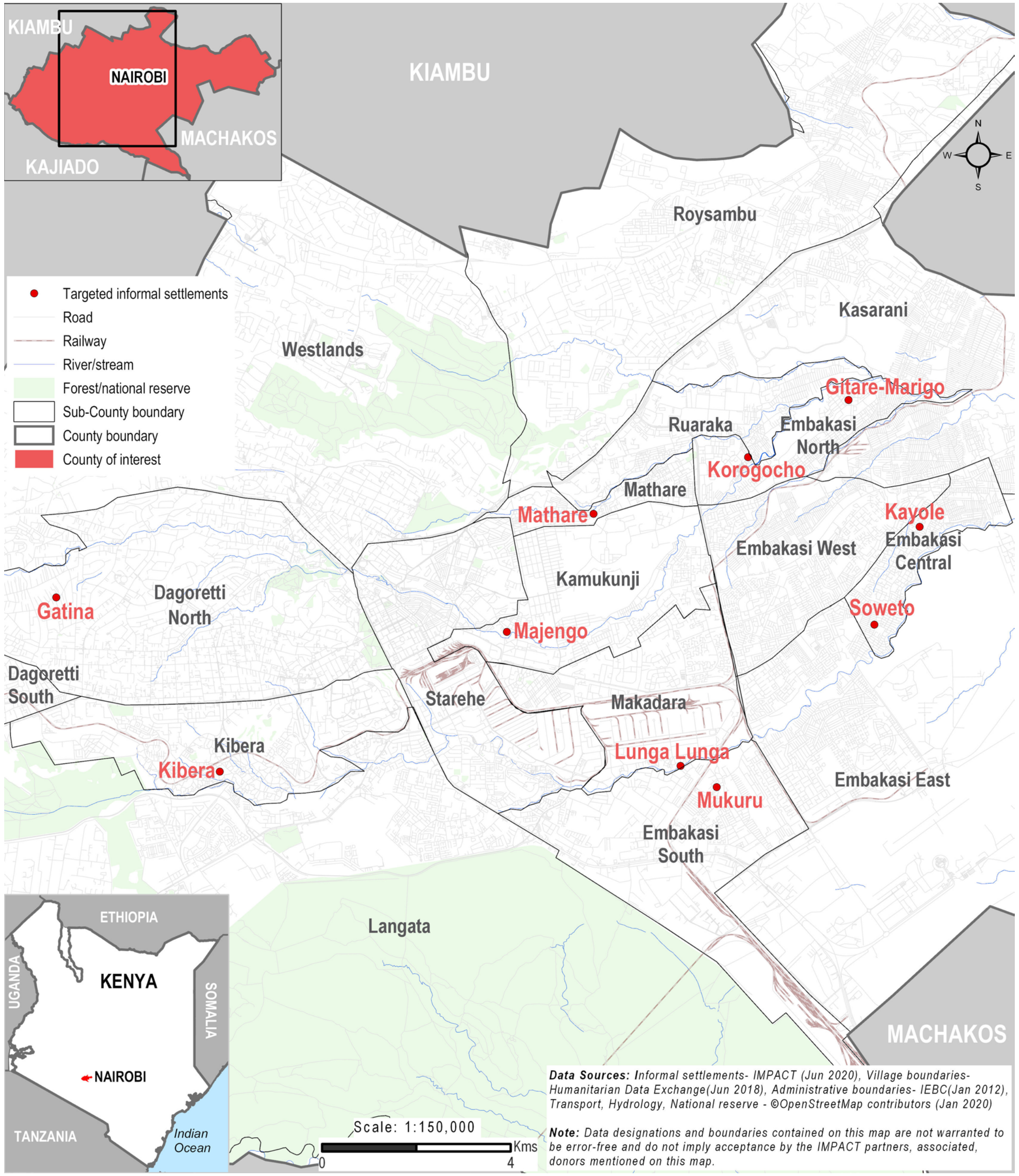
During the second round, a high proportion of retailers (81%) reported facing demand and supply challenges. About half (53%) of the retailers reported that increased price of items from their suppliers was the main challenge that they were experiencing. Half of retailers reported that community members were facing challenges in accessing the markets and 94% of retailers reported that the community had a low purchasing power.

This factsheet presents an overview of median prices of key food and non-food items, stock levels, restocking times, and challenges faced by the community and retailers in light of COVID-19, as well as changes of these variables since round one in June 2020. Findings are indicative for assessed locations and the time frame in which the data was collected.

## METHODOLOGY

The third round of market monitoring was conducted through phone interviews with **152 purposively selected retailers.** The interviews were conducted with retailers selling food and non-food items in the informal settlements. The retailers were asked about the price of fuel, water, critical non-food items and all food components of the minimum expenditure basket (MEB), which present the culturally-adjusted group of key food items and non-food items to last an average Kenyan household of three persons for 30 days. A total of 29 items were assessed. For stock levels, the retailers were asked to give an estimate of the number of days they expected their current stock to last. This could change depending on the demand of items.

## LOCATIONS OF DATA COLLECTION




*Data Sources: Informal settlements- IMPACT (Jun 2020), Village boundaries- Humanitarian Data Exchange(Jun 2018), Administrative boundaries- IEBC(Jan 2012), Transport, Hydrology, National reserve - ©OpenStreetMap contributors (Jan 2020)*

*Note: Data designations and boundaries contained on this map are not warranted to be error-free and do not imply acceptance by the IMPACT partners, associated, donors mentioned on this map.*

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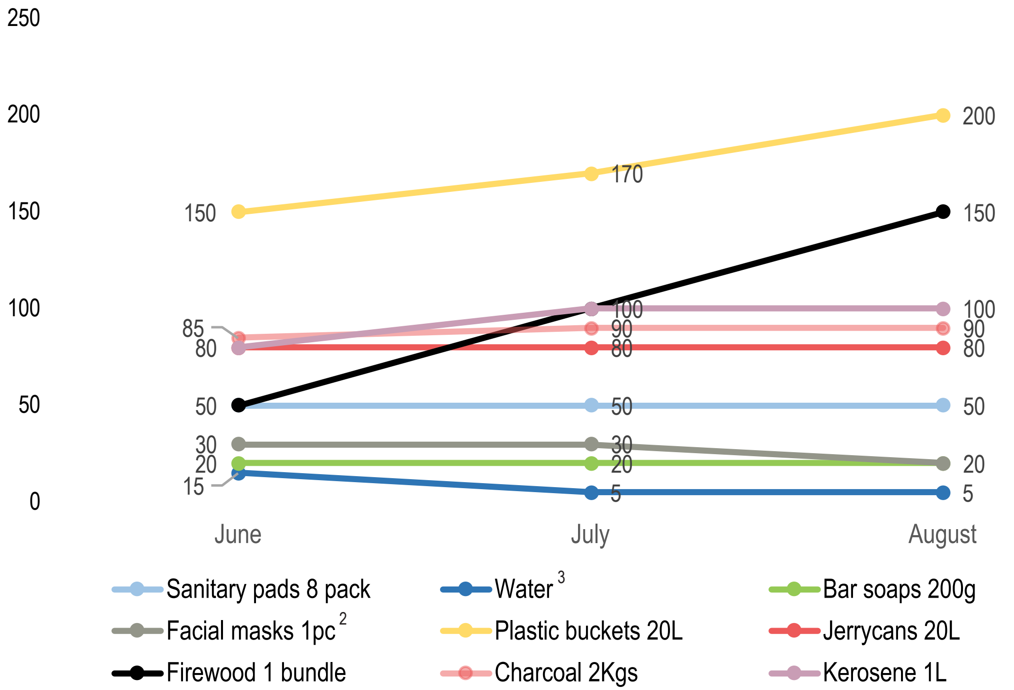
## Food and non-food items assessed

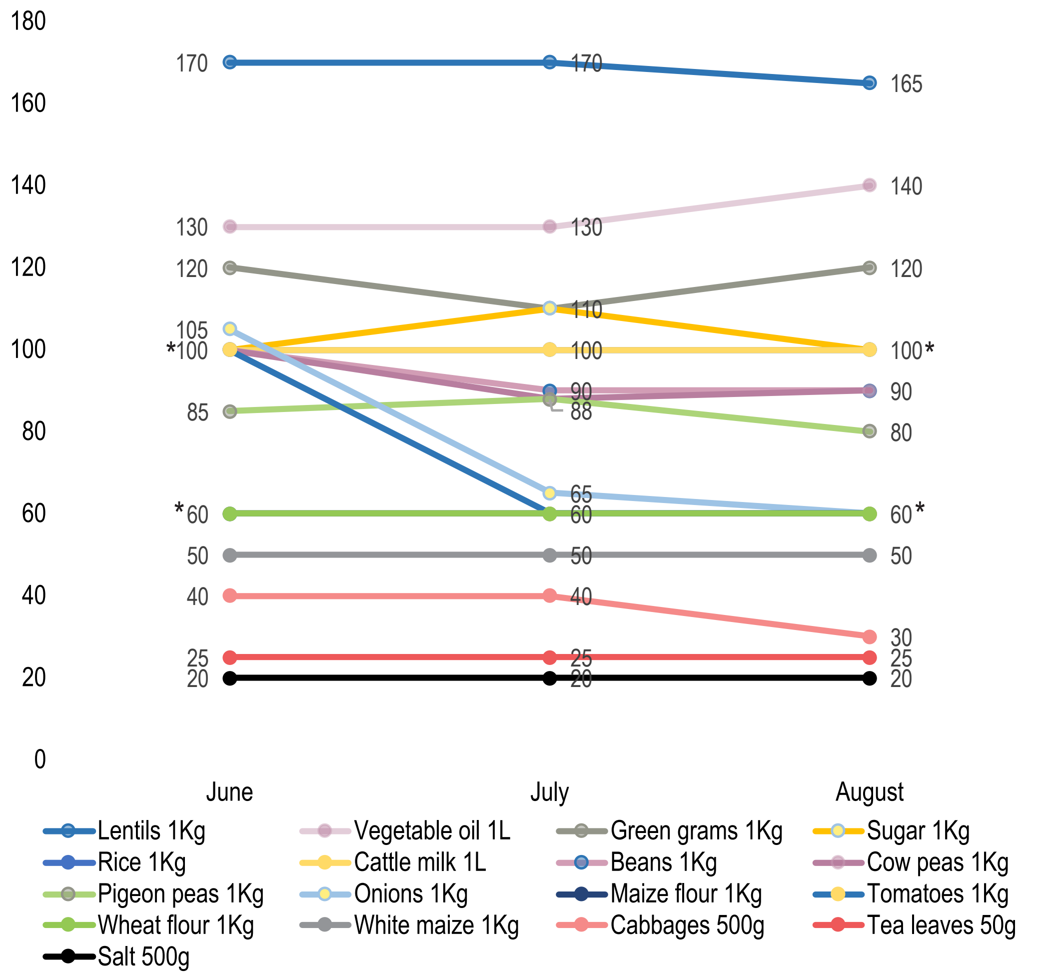
| Category | Commodities | | | |
|---|---|---|---|---|
| Food items | Cow peas 1Kg | Lentils 1Kg | Tea leaves 50g | Cabbages 500g |
| | White maize 1Kg | Rice 1Kg | Salt 500g | Cattle milk 1L |
| | Pigeon peas 1Kg | Maize flour 1Kg | Vegetable oil 1L | Goat meat 1Kg |
| | Green grams 1Kg | Wheat flour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

## Change in median prices (KES[1]) for non-food items between June-August 2020:




The median price of firewood reportedly increased by 50% from 100 KES[1] to 150 KES[1]. The median price of plastic buckets had reportedly increased by 18% in August. On the other hand, the median price of facial masks had reportedly decreased by 33% in August. The median prices of other assessed non-food items remained unchanged. The median price of gas was reportedly 850 KES[1].

## Change in median prices (KES[1]) for food items between June-August 2020:




*Similar prices were recorded for rice and cattle milk (100 KES[1] in August), and maize flour and wheat flour ( 60 KES[1] in August). Due to overlapping values, maize flour and rice are not visible.

The median price of vegetable oil and green grams had reportedly increased by 8% and 9% respectively. The median price of lentils, sugar, pigeon peas, onions and cabbages had reportedly decreased in August. Other items that dropped in prices in July were beans, cow peas, green grams and goat meat. The other assessed food items were seemingly not subjected to any price changes between June-August. The median price of goat meat and cattle meat was reportedly 520 KES[1] and 400 KES[1] respectively.

1. 1 USD=106.38413 KES in July 2020
2. Both surgical and cloth facial masks
3. 20-L jerry can from public and private networks

## Changes in reported stock levels (in days) for food and non-food items between July-August 2020:

| Sector | Items | August days needed to restock | August stock (days) | % change from July to August |
|---|---|---|---|---|
| **Food items** | Onions | 1 | 4 | -20% |
| | Maize flour | 1 | 5 | -17% |
| | Vegetable oil | 1 | 5 | -17% |
| | Tea leaves | 1 | 11 | -15% |
| | Pigeon peas | 2 | 13 | -13% |
| | Beans | 1 | 13 | -7% |
| | Sugar | 1 | 7 | 0% |
| | Green grams | 1 | 16 | 0% |
| | Cattle milk | 1 | 6 | 0% |
| | Cattle meat | 1 | 2 | 0% |
| | Goat meat | 1 | 2 | 0% |
| | Vegetable oil | 1 | 5 | 0% |
| | Cattle milk | 1 | 6 | 0% |
| | Cow peas | 1 | 2 | **8%** |
| | Rice | 1 | 8 | **11%** |
| | Salt | 1 | 15 | **15%** |
| | White maize | 1 | 17 | **21%** |
| | Lentils | 1 | 22 | **47%** |
| | Cabbages | 1 | 2 | 100% |
| | Average | 1 | 8 | -3% |
| **Non-food-items** | Buckets | 1 | 11 | -35% |
| | Bar soaps | 1 | 13 | -33% |
| | Jerry cans | 1 | 10 | -33% |
| | Face masks[3] | 1 | 8 | -20% |
| | Charcoal | 4 | 14 | **8%** |
| | Sanitary pads | 1 | 16 | **23%** |
| | LPG | 1 | 10 | **43%** |
| | Bar soaps | 1 | 13 | **44%** |
| | Firewood | 7 | 18 | **50%** |
| | Kerosene | 1 | 5 | **67%** |
| | Average | 2 | 11 | **13%** |

On average, the number of days retailers reported expecting their current stock to last decreased by 11% from 9 days in July to 8 days in August. The average reported number of days needed to restock food items had remained the same for almost all the assessed food items (1 day on average), and had remained the same for almost all the assessed non-food items (2 days on average), except for charcoal (4 days on average, down from 5 days) and jerry cans (1 day on average, down from 2 days).

## Reported market challenges for retailers and community members in light of COVID-19

The proportion of retailers reporting facing demand and supply challenges at the time of data collection was slightly lower in August 2020 (78%) compared to July (81%) and June (88%).

**Of retailers reportedly facing challenges meeting demand and supply, most commonly reported challenges:[4]**

| | June | July | August |
|---|---|---|---|
| Decreased demand of items | 34% | 46% | 75% |
| Increased price of items | 63% | 53% | 32% |
| Lack of items from suppliers | 21% | 20% | 11% |

The proportion of retailers reporting that community members were facing challenges in accessing markets decreased from 75% in June to 50% in July but increased to 57% in August. The proportion of retailers reporting low purchasing power among community members as a major challenge had increased by 6% in August.

**Most commonly reported challenges perceivably faced by local communities when accessing markets, by % of retailers :[4]**

| | June | July | August |
|---|---|---|---|
| Low purchasing power | 84% | 94% | 100% |
| Items are too expensive | 36% | 41% | 10% |
| Fear of contracting COVID-19 | 12% | 7% | 7% |

Eighty-two percent (82%) of retailers reported the number of customers buying from their businesses had changed in the one month prior to data collection. Retailers reporting a decrease in number of customers dropped from 99% to 88% in July then to 82% in August 2020. Out of the 18% retailers who reported an increase in the number of customers, 61% reported suspecting that the number of customers had increased because people had adapted to the new situation.

Retailers were asked if they knew of any shops that had closed down close to their stand as a result of COVID-related challenges. Between March and June 2020, an estimated 449[5] businesses had reportedly closed down, followed by an additional 330[5] in July and 296[5] in August.

4. Retailers could select multiple answers

5. There is a possibility of duplication in the number of retailers who closed down their business because several vendors from the same settlement could have been referring to the same retailers.

## Cost of MEB at the time of data collection (24 to 26 August 2020)

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 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 CWG.

The Nairobi urban MEB is based on a typical Kenyan household in Nairobi, consisting of three household members. In addition to the urban MEB, to assess the MEB in informal settlements, the Nairobi informal settlements MEB reflects an average household size of four members instead. Between July and August 2020, the total cost of the informal settlements MEB was found to have decreased by 2%, while the total cost of the MEB decreased by 1%.

## Nairobi urban MEB

| Sector | Items | Quantity | Median price KES[1] |
|---|---|---|---|
| Food items | Maize meal | 19.35 Kg | 1,161 |
| | Rice | 13.5 Kg | 1,350 |
| | Dry beans | 9 Kg | 810 |
| | Vegetables oil | 3.15 L | 441 |
| | Cow milk, whole, not fortified | 13.5 Kg | 1,350 |
| | Cabbage, raw | 18 Kg | 1,080 |
| | Salt, Iodized | 0.45 Kg | 18 |
| | Sugar | 0.45 Kg | 45 |
| Energy | Electricity | 21.6 kWh | 336 |
| | Kerosene | 13.5 L | 1,350 |
| WASH items | Soap (multipurpose) | 1350 g | 135 |
| | Water (cooking, drinking and other | 675 L | 169 |
| | Sanitary pads (15 pcs) | 6 pack | 188 |
| Communication | Communication (airtime) | 0.75 | 150 |
| Transport | Public transportation | 12 trips | 200 |
| Health | National Medical Insurance (NHIF) | 1 monthly | 500 |
| | Cloth masks | 6 pcs | 120 |
| | Thermometer | 1pc | 500 |
| Education | School stationery | 1 kit | 175 |
| Shelter | Rent expense | 1 monthly | 4,000 |
| | Cost of Nairobi urban food MEB | | 6,255 |
| | Total cost of Nairobi urban MEB | | 14,078 |

## Nairobi informal settlements MEB

| Sector | Items | Quantity | Median price KES[1] |
|---|---|---|---|
| Food items | Maize meal | 13.2 Kg | 792 |
| | Rice | 13.2 Kg | 1,320 |
| | Dry beans | 13.2 Kg | 1,188 |
| | Vegetables oil | 7.8 L | 1,008 |
| | Cow milk, whole, not fortified | 12 Kg | 1,200 |
| | Cabbage, raw | 12 Kg | 720 |
| | Salt, Iodized | 1.2 Kg | 48 |
| | Sugar | 1.2 Kg | 120 |
| | Maize grain | 13.2 Kg | 660 |
| | Sorghum | 13.2 Kg | 792 |
| Energy | Electricity | 15.57 kWh | 467 |
| | Kerosene | 2 L | 1,200 |
| Communication | Communication (airtime) | 1 | 200 |
| Transport | Public transportation | 12 trips | 200 |
| Shelter | Rent expense | 1 monthly | 2,700 |
| | Cost of Nairobi informal settlements food MEB | | 7,848 |
| | Total cost of Nairobi informal settlements MEB | | 12,615 |

## Total cost of the MEB in June, July and August 2020

| | Month | Cost of food MEB in KES[1] | Total cost of MEB in KES[1] |
|---|---|---|---|
| **Nairobi urban MEB** | June | 6,017 | 14,130 |
| | July | 6,588 | 14,463 |
| | August | 6,255 | 14,078 |
| **Nairobi informal settlements MEB** | June | 8,192 | 12,687 |
| | July | 8,028 | 12,795 |
| | August | 7,848 | 12,615 |