

Monthly Factsheet: CWG Iraq - Joint Price Monitoring Initiative

December 2016

CWG

**CASH
WORKING
GROUP**

REACH Informing
more effective
humanitarian action

INTRODUCTION

The Joint Price Monitoring Initiative (JPMI) was developed by the Cash Working Group in Iraq (CWG) and REACH Initiative (REACH) to conduct harmonized monthly price monitoring activities among all cash actors in Iraq. In each assessed market, JPMI field teams recorded the prices and stock levels of selected food and non-food items (NFIs) sold by local retailers. Monitored commodities have been identified by the CWG based on what is typically available, sold and used by an average Iraqi household. All assessable commodities of the Survival Minimum Expenditure Basket (SMEB), as defined in Table 1, were included. The SMEB represents the minimum culturally adjusted group of items required to support a six-person Iraqi household for one month, as defined by the CWG.

This factsheet provides an overview of price ranges and medians for key foods, NFIs and types of fuel across the areas assessed. In order to illustrate variation in prices and availability, REACH has used the collected data to map the price of an SMEB in each district. The cleaned data sets are distributed to CWG partners, clusters, and key stakeholders.

PARTICIPATING PARTNERS

ACF	DRC
IRC	Mercy Corps
NRC	Oxfam GB
REACH Iraq	TdH
Tearfund	Triangle GH
WHH	World Vision

METHODOLOGY

Price data for the JPMI is collected on a monthly basis, with associated factsheets and datasets published and distributed after every round. Data collection for the second round of the JPMI was conducted between 26 December - 5 January, during which enumerators from 12 participating partner agencies (ACF, DRC, IRC, Mercy Corps, NRC, Oxfam GB, REACH Iraq, TdH, Tearfund, Triangle GH, WHH, and World Vision) gathered price data from 334 individual shops in 13 districts across Baghdad, Diyala, Dohuk, Erbil, Kirkuk and Sulaymaniyah governorates. In addition, to calculate average monthly rent, transportation, and communications costs, the CWG compiled post-distribution monitoring data provided by partner agencies.

Eligible markets were divided into central and secondary markets. Central markets were defined as permanent areas of commerce large enough to host at least three wholesalers providing bulk goods to retailers, and diverse enough to provide access to a variety of food and non-food items (NFIs).¹ Secondary markets were defined similarly, but not large enough to host a wholesaler. Within each assessed district, at least three central markets and three secondary markets were selected for data collection.² Markets were selected by partner agency field staff, in order to ensure that localised knowledge was taken into consideration. Partner staff were instructed to select the primary central and secondary markets within their selected districts, to ensure relevant price data was collected. In each of the identified markets, partner enumerators were trained to collect three prices from distinct retailers for each of the 14 food and non-food items.

1. In districts with limited market capacity, some markets with 1-2 wholesalers were categorized as Central Markets.

2. Some exceptions were made based on partner agency feedback during the market selection process.

In line with the purpose of the SMEB, only the lowest available prices were recorded for each item. All data collection was conducted through a KoBo-based mobile data collection tool. Following data collection, REACH compiled and cleaned all partner data, normalising prices and cross-checking outliers. The cleaned data was then analysed by commodity and by district. In addition, REACH calculated and mapped the average cost of an SMEB in each district. Prices were also gathered for an additional set of Food and NFI goods not included in the SMEB, but which are stable components of the Iraqi consumer economy.

CHALLENGES & LIMITATIONS

The geographic coverage for data collection was limited by the security context in several governorates – particularly Kirkuk and Ninewa. This affected market selection, as certain identified central and secondary markets were inaccessible to partner enumerator teams due to security concerns. In Kirkuk Governorate, for example, the only Central Markets accessible to partner enumerators were those in the district capitals of Kirkuk City and Daquq City.

JPMI KEY FIGURES

- 12** Participating Partner Agencies
- 7** Assessed Governorates
- 13** Assessed Districts
- 72** Markets Assessed
- 334** Shops Assessed

ASSESSED DISTRICTS

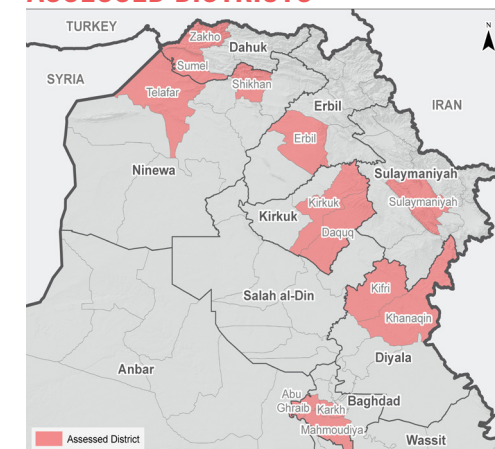


TABLE 1: SURVIVAL MINIMUM EXPENDITURE BASKET (SMEB)

	Item	Quantity
Food Items	Lentils	10.8 kg
	Rice	40.5 kg
	Sugar	5.94 kg
	Vegetable Oil	5.94 kg
	Wheat Flour	40.5 kg
Non-Food Items	Bath Soap	8 x 125 g
	Toothbrush	4 units
	Toothpaste	2 x 75 ml
	Shampoo	2 x 500 ml
	Disinfectant Solution	1 L
	Sanitary Napkins	1 pack (20)
	Garbage Bags	1 pack (20)
Fuel	Butane	10.5 kg
	Kerosene	16.67 L
Other	Sub-standard Rent	Family of 6 (avg.)
	Transportation	Family of 6 (avg.)
	Communication	Family of 6 (avg.)
	Health*	7% of 70% of total

** Health values are not included in the total calculation of the SMEB within this factsheet

Some items proved difficult for partner enumerators to find – in particular butane and kerosene. To supplement incomplete price data for these goods, partner enumerators were instructed to survey retailers in assessed markets to determine the local prices for both items, even if those retailers did not sell either item. As both butane and kerosene prices are relatively stable in the localized context, this methodology returned results consistent with prices collected from butane and kerosene vendors. To fill any remaining gaps in price data for both items, relevant partner organizations were informally surveyed after the data collection period in order to triangulate prices.

Collected price data is indicative at the district level. In addition, all data is gathered by partner agencies of the JPMI - as such, the geographic coverage of the JPMI was determined by partner capacity and interest and can change over time. As this is only the second factsheet output, there remains limited harmonized historical data-set to provide for comprehensive comparative analysis. However, the JPMI dataset will increasingly allow for the identification of longer-term price trends across all assessed districts.

Non-consumable SMEB components such as rent, transportation, and communication costs are based on Post-Distribution Monitoring (PDM) data collected from partners. Due to data gaps for Diyala governorate (Khanqin and Kifri districts), combined data from Diyala/Anbar/Baghdad was used to supplement.

In reporting on percentage changes in price data, it is important to note that while the reported changes are representative of the assessed markets, it is possible for particularly small changes in percentage to fall within the margin of error of the assessment.

COMPARATIVE ANALYSIS

Overall, the average prices of assessed consumer goods fell by 4%, driven primarily by price decreases in Abu Ghraib district (14%), as well as in Karkh (11%), Kifri (11.5%), and Sumel (10%) districts. Across all assessed districts, nine saw their average consumer goods prices fall, with only four districts seeing increase in overall average consumer goods prices – the largest of which was in Shikhan district (7.5%). Generally, consumer prices were relatively stable, with 8 of 13 assessed districts recording average consumer good prices within 5% of the average from November 2016.

When compared to November, prices for the five SMEB food items decreased in all but 2 districts. The largest decreases in overall average food prices were recorded in Zakho (11.3%) and Sumel (10.6%) districts – both in Dohuk governorate. These decreases were primarily due to changes in the localized prices of lentils – a 19% decrease in Zakho (360 IQD) and 13% decrease in Sumel (215 IQD) – and rice – a 16% decrease in Zakho (275 IQD) and 14% decrease in Sumel (179 IQD). **Only Mahmoudiya and Talafar recorded increases in the overall average food prices;** however, the increases were only 1.5% and 0.5%, respectively.

The only food item to see an overall increase in prices was lentils, with prices rising in 7 of 13 assessed districts. The most significant price increase was in Abu Ghraib district, which recorded average prices 35% higher than November – an overall price increase of approximately 500 IQD. However, the average increase across all districts was only 4%, or approximately 50 IQD (\$0.04).³ Rice recorded price decreases in 12 of 13 districts, with an average 12% decline in prices across all districts. The largest price reduction (for rice) was also in Abu Ghraib district, with a 30% – or 576 IQD – drop in the overall averages prices.

As in November, the highest food prices were

3. Exchange rate of 1 USD = 1,182.10 IQD as of 17/01/17, via www.xe.com.

found in the three assessed districts in Baghdad governorate: Abu Ghraib, Mahmoudiya, and Karkh. Abu Ghraib maintained the highest prices for both sugar (1,400 IQD) and wheat flour (1,183 IQD), with Mahmoudiya again posting the highest prices for vegetable oil (1,720 IQD). The lowest overall average food prices were recorded in Shikhan (Ninewa governorate) and Sumel (Dohuk governorate) districts. Sumel recorded the lowest prices for both lentils (1,487 IQD) and sugar (980 IQD), while Shikhan registered the lowest prices for vegetable oil (1,408 IQD) and wheat flour (542 IQD). As in November, the food item with the most significant variation in price between districts was wheat flour, with a 641 IQD (118%) difference between the highest price (1,183 IQD in Abu Ghraib) and the lowest price (542 IQD in Shikhan).

Conversely to the prices of SMEB food items, the NFI component of the SMEB saw prices rise in 10 of 13 districts. However, the overall average cumulative price increase for NFI items was only 4%, or approximately 260 IQD (\$0.22).⁴ For the six NFI items for which there is price data from November, three recorded price increases (toothbrushes, disinfectant solution, and garbage bags) and three recorded price decreases (bath soap, toothpaste, and shampoo). The largest price shift occurred for disinfectant solution, with a recorded average price increase of 23% across all districts. This change was primarily driven by the three assessed districts in Baghdad governorate – Abu Ghraib, Mahmoudiya, and Karkh – which recorded price increases of 99%, 72%, and 59%, respectively.

4. Exchange rate of 1 USD = 1,182.10 IQD as of 17/01/17, via www.xe.com.

KEY AVERAGE PRICE CHANGES OF ASSESSED GOODS

ABU GHRAIB	14%	↓
KIFRI	11.5%	↓
KARKH	11%	↓

Zakho and Abu Ghraib districts again posted two of the three highest average prices or NFI items. Erbil posted the highest NFI prices overall, with the highest recorded prices for both bath soap (374 IQD) and sanitary napkins (232 IQD). The lowest prices for NFIs were logged in Sumel and Khanqin districts – with Sumel recording the lowest average prices for shampoo (901 IQD). As in November, the NFI good with the most significant price variation was toothbrushes, with a 530 IQD (144%) difference between the most expensive (897 IQD in Karkh) and the least expensive (367 IQD in Shikhan). **Overall, NFI goods saw more significant variations in price than food items – with 4 of 7 items reporting a 100% or greater difference between the most expensive and least expensive average prices recorded across all assessed districts.** This variation was primarily due to differences in the quality of items stocked, as well as the quantities in which they were sold.

Fuel prices remained consistent between November and December, with both butane and kerosene recording slight prices decreases of 1%, each. The most expensive fuel prices were recorded in assessed districts in Ninewa and Dohuk governorates, while the least expensive fuel prices were recorded in assessed districts in Baghdad and Kirkuk governorates.

CENTRAL VS. SECONDARY MARKETS

In contrast to price data from November, the overall average prices for food, NFI, and fuel items were higher in central markets than in secondary markets for in 7 of 13 districts. While November data showed 9 of 13⁵ items reporting higher prices in secondary markets, December price data showed 8 of 14 items reporting higher prices in central markets. However, in the four districts reporting higher prices in secondary markets, an average of 88% of items followed that trend, versus 56% of items in those districts reporting higher prices in

5. Excluding sanitary napkins.

central markets. That pattern was strongest in Karkh and Mahmoudiya districts, which reported 100% of items as being more expensive in secondary markets. **Overall, the combined price data from November and December shows that there is not necessarily an identifiable price trend for central versus secondary markets –** though increased historical price data will allow for a more comprehensive picture of any these trends.

DOMESTIC VS. IMPORTED GOODS

For all assessed goods, enumerators recorded whether the item was imported or domestically produced. The majority of both food and NFI goods were imported, while butane and kerosene were overwhelmingly produced domestically. Overall, 79% of food items were imported; a 4% decrease from November. NFI items also saw a similar decrease in the percentage of imports, declining from 85% to 80% of items. For fuel items, the percentage of imported butane also saw a decrease of 5%, from 9% to 4%; while the percentage of imported kerosene increased from 8% to 9%. **For all assessed items, prices for imported and domestic items were similar.** The most significant difference was recorded for disinfectant solution, with the prices of domestically produced items approximately 31% higher than for imported items. Overall, there were no identifiable trends in price variation between imported and domestic goods.

PERCENT OF GOODS IMPORTED

FOOD	79%
NFI	80%
FUEL	7%

KEY REPORTED SHORTAGES

Wheat Flour, Rice, Sugar, Disinfectant Solution

SHORTAGES

For every surveyed item, retailers were also asked whether there had been a shortage of that item within the past 30 days. **Overall, 20 of 72 assessed markets reported shortages of at least one food, NFI, or fuel item.** The majority (60%) only reported shortages for 1-2 items, with an additional 20% reporting shortages of 3-4 items. **However, there were key exceptions, particularly in Talafar district, where all 6 assessed markets reported shortages of at least one item.** Three markets – Zummar, Bardiya, and Domiz Collective – reported shortages of 11, 12, and 7 items, respectively. The shortages were especially severe in Bardiya, with 100% of assessed retailers reporting shortages of sugar, vegetable oil, and sanitary napkins – and 75% reporting shortages of lentils, rice, and bath soap. Outside of Talafar, Saadiya market in Khanaqin also reported shortages for 12 of 14 items. **The most commonly reported shortage was wheat flour (11% of markets), followed by rice, sugar, and disinfectant solution (10% of markets).**

SMEB CALCULATION

The total SMEB values were calculated using the quantities defined by the CWG (as shown in Table 1). These values were calculated per district (see Table 2).

As in November, the districts with the highest average SMEB values – Abu Ghraib (603,064 IQD), Karkh (587,849 IQD), and Mahmoudiya (586,025 IQD) – are all in Baghdad governorate.

Also in line with November figures, the districts with the lowest average SMEB values were primarily clustered in neighbouring districts in Dohuk and Ninewa governorates: Sumel (372,852 IQD), Shikhan (398,859 IQD), and Zakho (400,759 IQD), and Talafar (419,234 IQD).

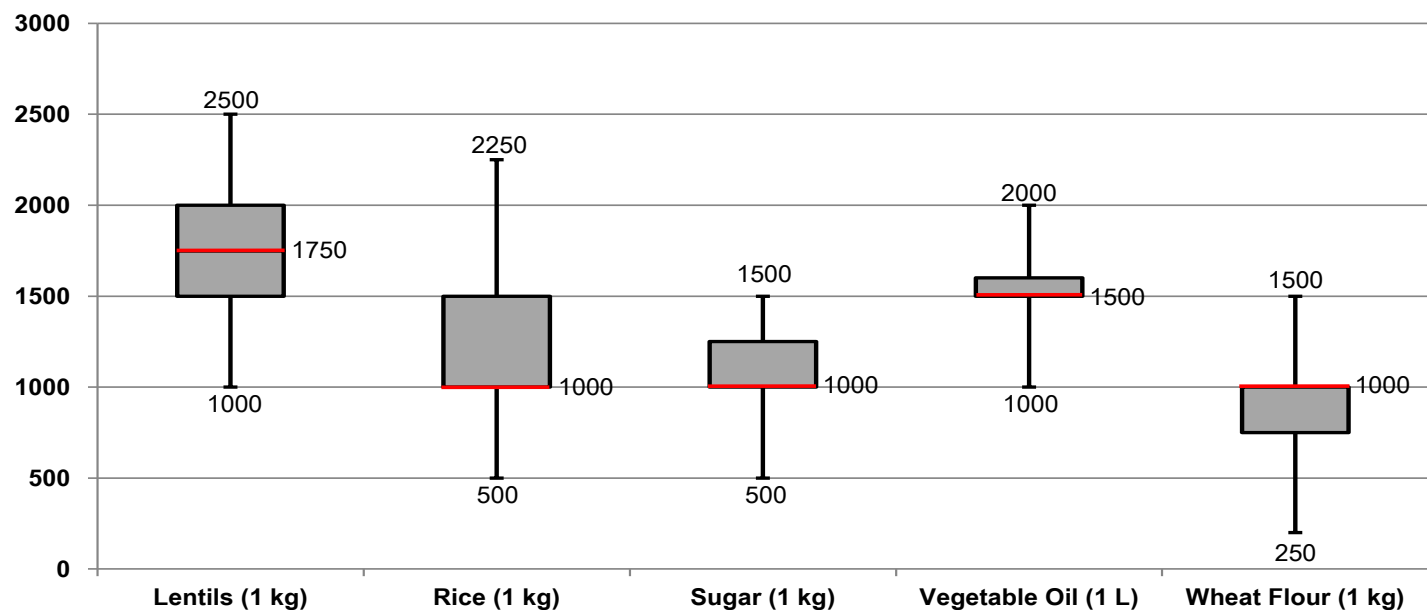
TABLE 2: AVERAGE SMEB VALUES

District	IQD	USD ⁶
Abu Ghraib	603,064.27	\$509.99
Karkh	587,849.38	\$497.12
Mahmoudiyah	586,024.64	\$495.58
Khanaqin ⁷	553,751.48	\$468.29
Kifri ⁷	547,717.25	\$463.19
Daquq	478,421.40	\$404.58
Kirkuk	472,283.00	\$399.39
Erbil	427,453.54	\$361.48
Talafar	419,234.36	\$354.53
Sulaymaniyah	413,922.09	\$350.04
Zakho	400,759.36	\$338.91
Shikhan	398,858.62	\$337.30
Sumel	372,851.56	\$315.31

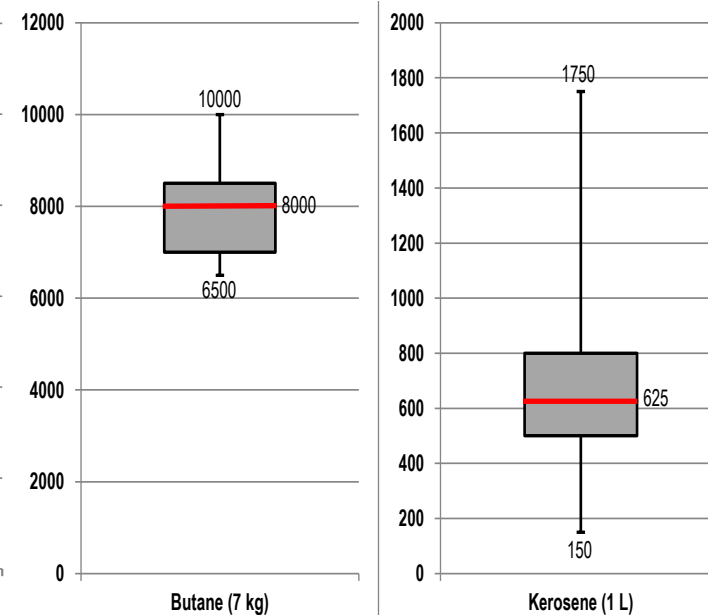
6. Exchange rate of 1 USD 1,182.10 IQD retrieved from www.xe.com on Jan 16, 2016.

7. Combined PDM data from Diyala/Kerbala/Anbar used to supplement.

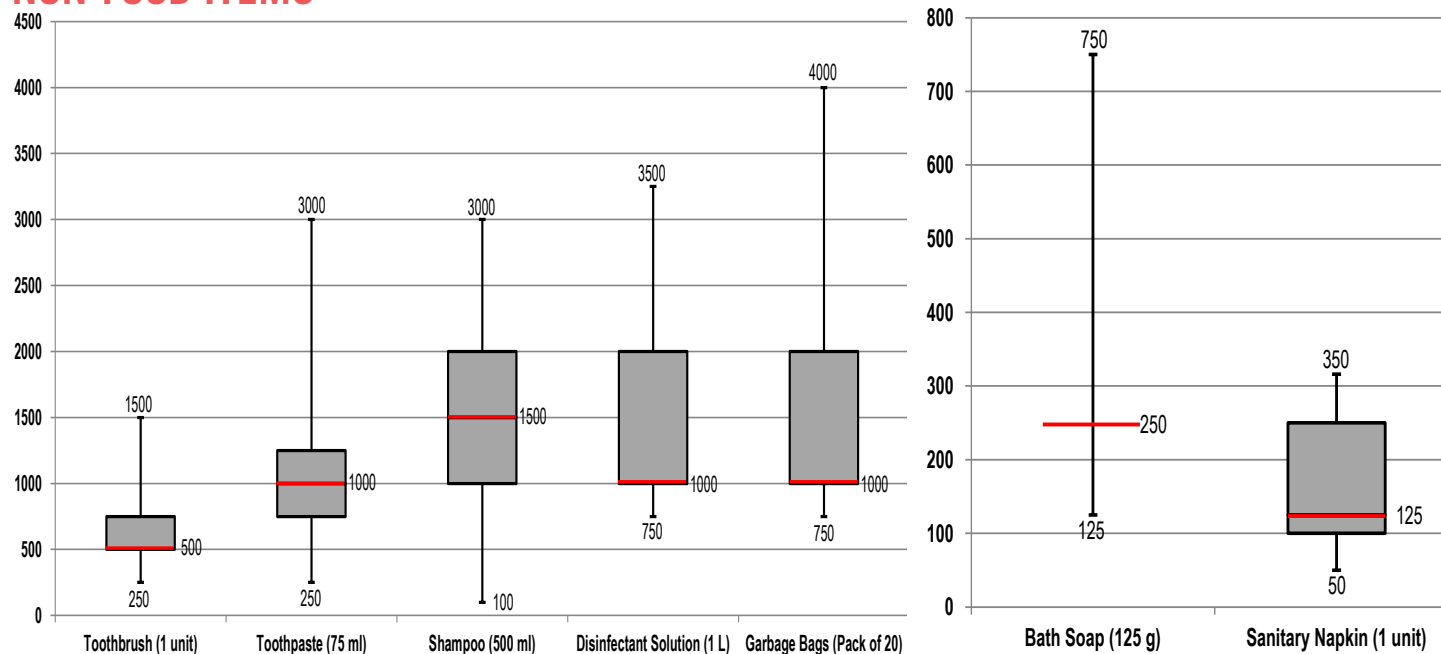
FOOD ITEMS



FUEL

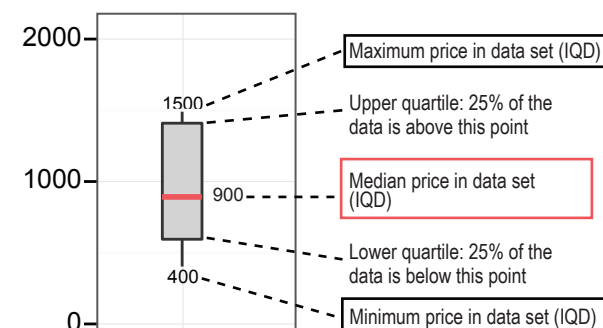


NON-FOOD ITEMS



How to Read a Boxplot

Boxplots provide a variety of data to aid in understanding the distribution of the dataset. All prices are in IQD unless otherwise specified.



CWG - Iraq JPMI Average District SMEB Values (December 2016)

