

INTRODUCTION

Cash-based interventions have been used by humanitarian organisations in Somalia since 2003¹. Initially, significant variations in transfer values were implemented by different organisations, occasionally leading to different transfer values in the same locations. It was against this backdrop, and as a response to the increasing number of agencies using cash-based interventions to respond to the 2016-2017 drought, that the Somalia Cash Working Group (CWG) started convening in February 2017. The aim of the CWG is to streamline the design, development, and implementation of cash-based interventions in Somalia.

Pursuant to these aims, the CWG provides quarterly transfer value recommendations, based on Somalia's standard minimum expenditure basket (MEB), to humanitarian organisations implementing cash-based interventions in Somalia.

This dashboard presents the CWG's transfer value recommendations for populations classified in the Integrated Food Security Phase Classification (IPC) phases 3 ('acute') and 4 ('emergency'), in addition to an overview of market performance for the period of January-March 2021. The primary data sources used are datasets and briefs from the Food Security and Nutrition Analysis Unit (FSNAU), which provides price data, and the World Food Programme (WFP), which provides supply chain and port data. When available, data from other CWG partners is also used.

ASSESSMENT COVERAGE

55

assessed districts

71

assessed markets (46 main, 25 rural)

44

assessed items

EXCHANGE RATES³

42,900

25,352

8,502

USD/SoSh

USD/SoSh

USD/SiSh

+16%

+1%

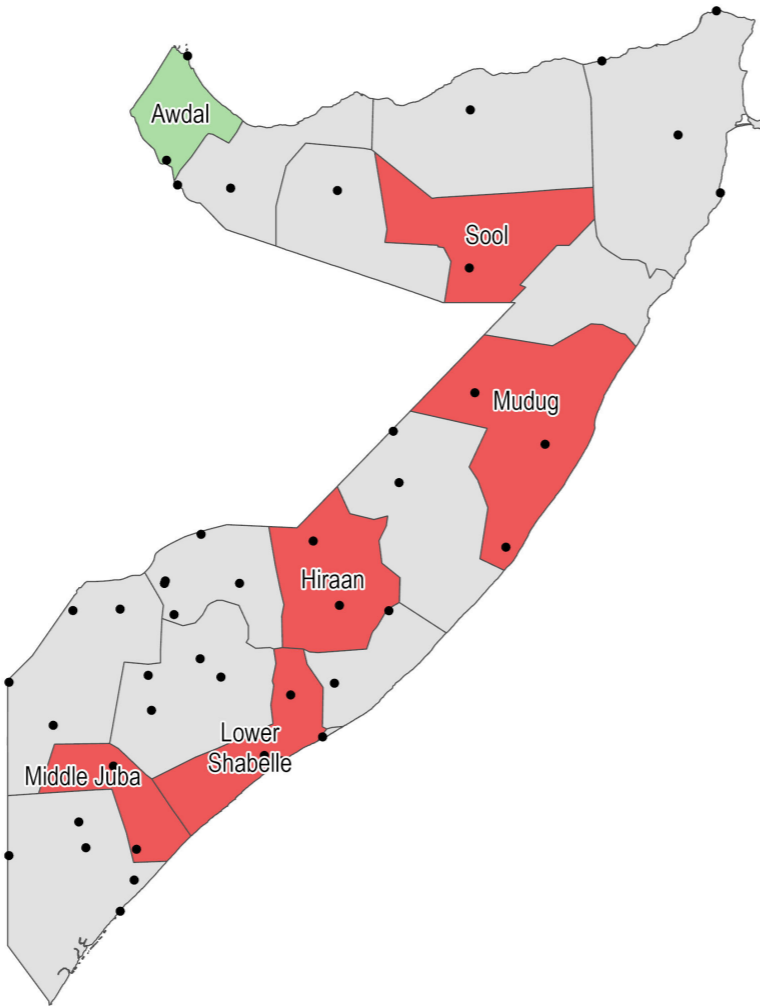
0%

Bossaso

Mogadishu

Hargeisa

Regions with positive and negative changes in the recommended transfer values for either multi-purpose and/or food assistance



KEY

▲

increase in recommended transfer value

▼

decrease in recommended transfer value

●

monitored markets

SUPPLY CHAINS²

Throughout January, imported food items in Xudur remained scarce due to insecurity and prices were very high compared to the last week of December as a result of low-availability. In the third week of January, the arrival of commercial flights carrying food items improved availability of items such as sugar, vegetable oil, and although prices decreased and stabilized somewhat, they remained comparatively high throughout February and March. In addition, a scarcity of fuel was reported to limit transport services, and prices of both diesel and petrol were high.

In the third week of March, insurgents blocked all roads entering Xudur town, leading to a scarcity of fruits and vegetables. Overall, economic activities were very low due to poor livestock market and movement restrictions.

In Quarter 1 of 2021, the Somali shilling (SoSh) continued to lose its value in Puntland, and all transactions in the main markets were reportedly being conducted mainly in United States dollars (USD).

Beginning in the last week of February, and continuing throughout the month of March, livestock and meat prices in Somaliland decreased significantly due to anticipation of a harsh upcoming Jilaal season and decreased export volumes. In the same time period, similar seasonal trends were observed in Garowe and Bossaso, where prices of the local quality livestock decreased by 5-10% in the first week of March, with most farmers selling their livestock.

In the last week of February, water availability was reportedly low in some areas in the Northwest regions, although prices remained the same and were normal. By the last week of March, water trucking was ongoing in Northeast, Northwest, and some locations in the central and Southern parts of the country. Water prices were increasing due to scarcity, with Puntland recording the highest increment of more than 50%. In Xudur, there was reported limited availability of water in shallow wells water trucking was not ongoing.

Following a second wave of COVID-19 in the last week of March, daily labour rates were declining in Dhuusamarreb and Abuduwaq, due to limited available economic opportunities.

RECOMMENDED TRANSFER VALUES (USD)

| Region | Multi-purpose | Food |
|-----------------|---------------|------|
| Awdal | 85 ▼ | 75 |
| Bakool | 75 | 65 |
| Banaadir | 70 | 60 |
| Bari | 85 | 95 |
| Bay | 60 | 40 |
| Galgaduud | 110 | 100 |
| Gedo | 85 | 75 |
| Hiraan | 75 ▲ | 60 |
| Lower Juba | 90 | 70 |
| Lower Shabelle | 60 ▲ | 45 ▲ |
| Middle Juba | 65 ▲ | 50 ▲ |
| Middle Shabelle | 80 | 65 |
| Mudug | 80 | 75 ▲ |
| Nugaal | 125 | 80 |
| Sanaag | 85 | 60 |
| Sool | 115 ▲ | 85 ▲ |
| Togdheer | 90 | 75 |
| W. Galbeed | 95 | 80 |

NOTES

- C.M. Daniels and G. Anderson, [Evaluation of the 2017 Somalia Humanitarian Cash-Based Response](#), 1 August 2018.
- Import/export data and supply chain analysis provided by WFP on a weekly basis, January through March 2021.
- Reported exchange rates are averages for this quarter and are derived from monthly FSNAU exchange rate data. The percentage change in exchange rates is based on the average for this quarter compared to the average for the previous quarter.
- MEB calculations performed by FSNAU
- Difference is calculated with the month before previous. Eg. March 2021 prices are compared with January 2021 prices
- Price data is collected by FSNAU. Price changes represent the percentage change in the average price of a commodity this quarter compared to the previous quarter. Following consensus by CWG members, trend analysis has focused on Baidoa, Bossaso, Hargeisa, Jowhar, Kismayo, and Mogadishu districts given their regional significance when it comes to markets and trade.
- Import/export data and supply chain analysis provided by WFP on a weekly basis, January through March 2021.

FULL MEB FOR THE QUARTER (USD)⁴

| Region | Jan 21 | Feb 21 | Mar 21 |
|-----------------|--------|--------|--------|
| Awdal | 108 | 109 | 106 |
| Bakool | 100 | 95 | 98 |
| Banaadir | 91 | 91 | 96 |
| Bari | 105 | 104 | 111 |
| Bay | 76 | 75 | 76 |
| Galgaduud | 128 | 124 | 129 |
| Gedo | 98 | 99 | 101 |
| Hiraan | 87 | 87 | 92 |
| Lower Juba | 101 | 101 | 106 |
| Lower Shabelle | 67 | 70 | 73 |
| Middle Juba | 70 | 74 | 82 |
| Middle Shabelle | 93 | 95 | 99 |
| Mudug | 85 | 91 | 97 |
| Nugaal | 162 | 141 | 149 |
| Sanaag | 118 | 101 | 114 |
| Sool | 132 | 142 | 145 |
| Togdheer | 115 | 115 | 116 |
| W. Galbeed | 125 | 126 | 126 |

TRANSFER VALUES CHANGES (USD)

| Region | Type of transfer | Current value | Previous value |
|----------------|------------------|---------------|----------------|
| Awdal | Multi | 85 ▼ | 95 |
| Hiraan | Multi | 75 ▲ | 65 |
| Lower Shabelle | Multi | 60 ▲ | 50 |
| Lower Shabelle | Food | 45 ▲ | 40 |
| Middle Juba | Multi | 65 ▲ | 50 |
| Middle Juba | Food | 50 ▲ | 35 |
| Mudug | Food | 75 ▲ | 65 |
| Sool | Multi | 115 ▲ | 100 |
| Sool | Food | 85 ▲ | 70 |

METHODOLOGY

The MEB represents the minimum culturally adjusted set of basic food items (comprising 2,100 kilocalories per person per day of basic energy) and non-food items (NFIs) required to support an average-sized household of 6-7 members in Somalia for one month.

The CWG uses FSNAU's MEB values as the basis for determining transfer value recommendations. These recommendations focus on the needs of populations in IPC phase 3 and phase 4.

As per the decision of the CWG, transfer values should be based on urban MEB rates only. This is because:

- Rural MEB rates are not available in all regions;
- In some regions, large differences between the rural and urban rates have been difficult for partners to explain;
- The thresholds of 'rural' and 'urban' are not always clear to partners, which would open the possibility that different transfer values may be applied in the same location.

Further, the food transfer value recommendations should

correspond to 100% of the food MEB, while the multi-purpose transfer value recommendations should correspond to 80% of the full MEB, both rounded to the nearest 5 USD to ease implementation at the field level.

The CWG also determined that transfer value recommendations should remain fixed for three months at a time, and should only be subject to change if the value of either the full or the food MEB in any particular region changes by more than 10%.

This dashboard considers the transfer value recommendations from March 2021 and compares them to the full and food MEB values from December 2020. In accordance with the methodology above, only when a 10% change in either value is observed will the transfer value change.

On this account, in regions where more than a 10% change in either the food or full MEB was recorded, an updated recommendation is provided in the 'Recommended Transfer Values' table. Note that the previous recommendations are provided only for comparative purposes and should not be applied in implementation.

CHANGES TO THE COST OF THE FULL MEB OVER TIME⁵

| Region | July 20 | Aug 20 | Sep 20 | Oct 20 | Nov 20 | Dec 20 | Jan 21 | Feb 21 | Mar 21 |
|-----------------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| Awdal | -3% | -2% | -4% | -3% | -2% | -2% | 0% | +1% | -1% |
| Bakool | +1% | +7% | +5% | -4% | -4% | -1% | +7% | +2% | -2% |
| Banaadir | -2% | +1% | 0% | -3% | -1% | +5% | +1% | 0% | +6% |
| Bari | -3% | -2% | -2% | -2% | -1% | +13% | +1% | -12% | +5% |
| Bay | +5% | +4% | -3% | +6% | +10% | 0% | +4% | +4% | -1% |
| Galgaduud | -4% | -2% | -1% | -3% | -1% | 0% | -3% | -5% | +1% |
| Gedo | 0% | +5% | -6% | -10% | +1% | 0% | -2% | 0% | +2% |
| Hiraan | 0% | 0% | -5% | -4% | +2% | +2% | -1% | -1% | +6% |
| Lower Juba | -10% | -10% | -4% | +3% | -2% | -5% | 0% | +1% | +5% |
| Lower Shabelle | -7% | -8% | -9% | -7% | +1% | +4% | +3% | +7% | +8% |
| Middle Juba | +24% | +1% | -21% | -39% | -31% | -3% | +20% | +23% | +18% |
| Middle Shabelle | -4% | -2% | -4% | -3% | +3% | +1% | 0% | +4% | +6% |
| Mudug | -7% | -1% | +4% | -2% | -5% | -4% | -5% | +4% | +14% |
| Nugaal | -3% | +3% | -1% | +7% | +13% | +21% | +24% | -10% | -8% |
| Sanaag | -5% | -2% | 0% | -1% | -1% | +10% | +7% | -14% | -4% |
| Sool | +2% | +3% | +12% | +2% | -2% | -5% | -2% | +14% | +9% |
| Togdheer | -1% | 0% | 0% | -4% | -1% | +4% | +1% | 0% | +1% |
| Woqooyi Galbeed | -2% | -2% | -1% | +1% | +2% | +4% | +3% | 0% | +1% |

MAIN CHANGES

Prices in the first quarter of 2021 in Hiraan, Lower Shabelle, Middle Juba, Mudug, and Sool were relatively higher than in the previous quarter, leading to an adjustment of the recommended transfer value in those regions. In Awdal, a relative decrease in prices compared to the previous quarter led to an adjustment of the multi-purpose transfer value. Slight decreases in prices were also noted in Bari, Gedo, Galgaduud, and Nugaal, but this was not reflected in a different recommendation of transfer values.

KEY

- Large increase (> 20%)
- Medium increase (11% to 20%)
- Small increase (1% to 10%)
- No change
- Small decrease (-1% to -10%)
- Medium decrease (-11% to -20%)
- Large decrease (< -20%)

MEB CONTENTS

Below are the basic food and non-food items taken into account as part of the MEB in urban Somalia:

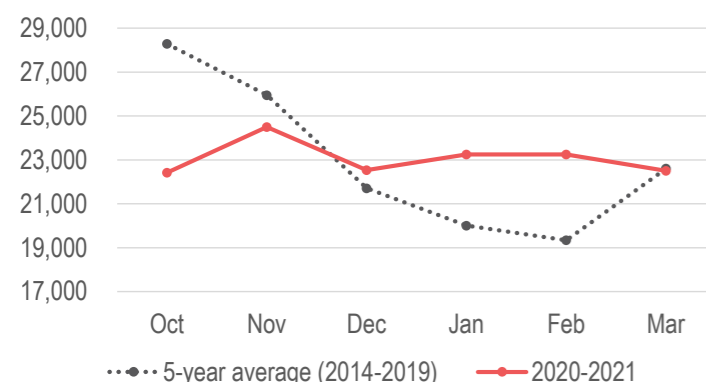
| Food items | Quantity |
|---------------------|----------------|
| Cereal | 90 kg |
| Sugar | 3 kg |
| Vegetable oil | 6 L |
| Cowpeas | 6 kg |
| Non-food items | Quantity |
| Kerosene | 1.5 L |
| Soap (laundry) | 4 pcs |
| Firewood (bundle) | 30 pcs |
| Water (200-L drums) | 9 drums |
| Human drugs | SoSh. 20,000 |
| School fees | SoSh. 90,000 |
| Grinding cost | 30 kg of grain |
| Clothes | SoSh. 30,000 |
| Social tax | SoSh. 12,500 |
| Other core NFIs | SoSh. 30,000 |

AVERAGE COMMODITY PRICES AND CHANGE FROM PREVIOUS QUARTER⁶

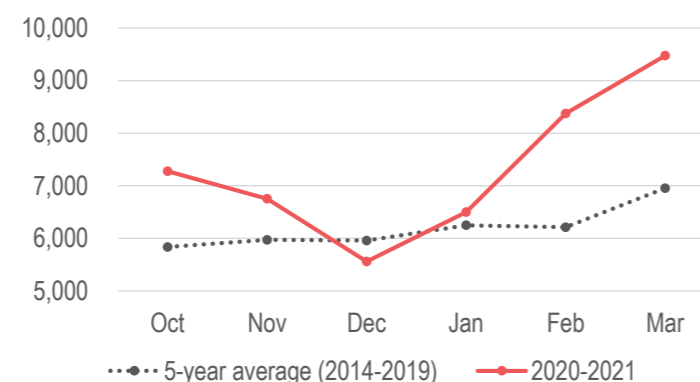
| | Baidoa | | Bossaso | | Hargeisa | | Jowhar | | Kismayo | | Mogadishu | |
|----------------------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
| | Jan-Mar (SoSh) | Change (%) | Jan-Mar (SoSh) | Change (%) | Jan-Mar (SISh) | Change (%) | Jan-Mar (SoSh) | Change (%) | Jan-Mar (SoSh) | Change (%) | Jan-Mar (SoSh) | Change (%) |
| Local crops | | | | | | | | | | | | |
| Cowpeas (1 kg) | 21,467 | +3% | 65,033 | -4% | 15,00 | 0% | 23,000 | -1% | 12,733 | +5% | 29,941 | +11% |
| White maize (1 kg) | 7,393 | +7% | - | - | 6,000 | 0% | 8,117 | +24% | 11,667 | +2% | 11,341 | 0% |
| White sorghum (1 kg) | 7,125 | -12% | - | - | 4,638 | +20% | - | - | - | - | 11,084 | +25% |
| Red sorghum (1 kg) | 6,600 | 0% | 37,050 | +1% | 2,758 | +5% | 7,250 | +14% | 9,200 | -5% | 9,863 | -1% |
| Imported food commodities | | | | | | | | | | | | |
| Vegetable oil (1 L) | 37,833 | +4% | 52,933 | +11% | 13,000 | -1% | 35,083 | +25% | 37,083 | +9% | 27,679 | +18% |
| Wheat flour (1 kg) | 15,817 | -4% | 22,367 | +2% | 6,000 | 0% | 14,750 | -4% | 14,467 | +2% | 11,683 | -3% |
| Red rice (1 kg) | 16,000 | -2% | 23,583 | -1% | 6,987 | 0% | 15,333 | 0% | 14,133 | +1% | 12,331 | +1% |
| Sugar (1 kg) | 17,300 | 0% | 24,683 | +6% | 5,000 | +1% | 16,667 | +3% | 14,933 | +7% | 13,926 | 0% |

NOTABLE SIX-MONTH TRENDS IN AVERAGE COMMODITY PRICES

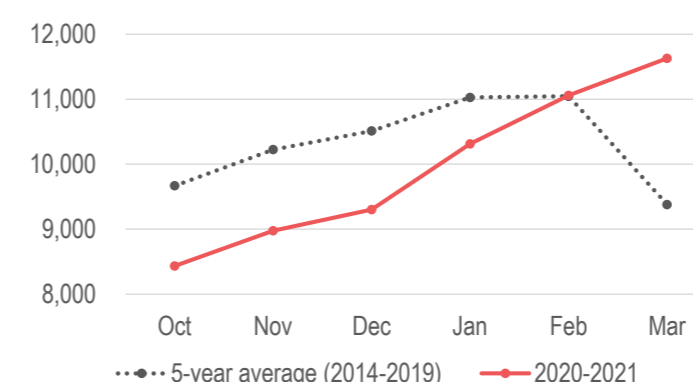
COWPEAS, JOWHAR



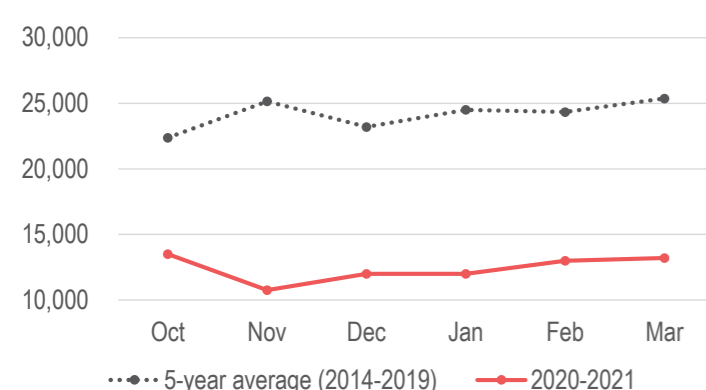
WHITE MAIZE, JOWHAR



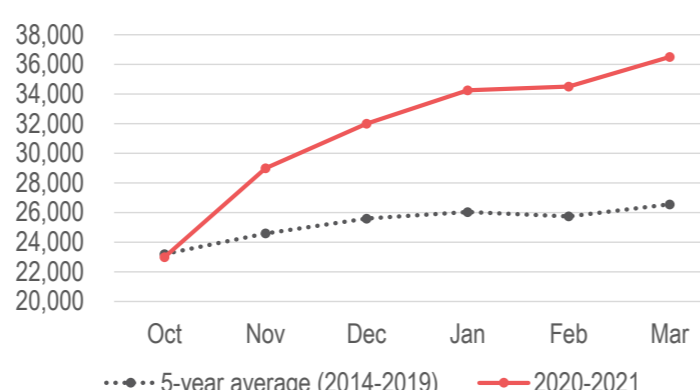
WHITE SORGHUM, MOGADISHU



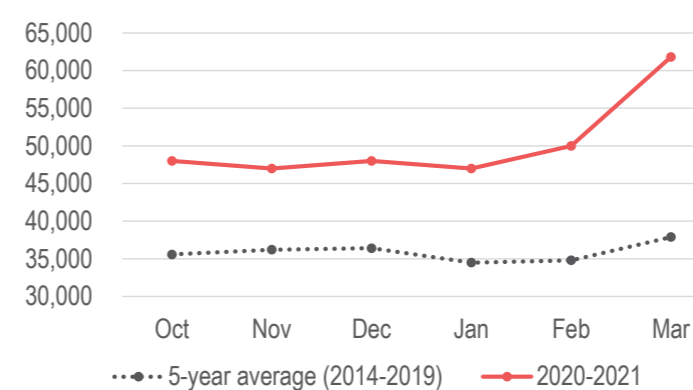
COWPEAS, KISMAYO



VEGETABLE OIL, JOWHAR



VEGETABLE OIL, BOSSASO



MAIN CEREALS

In this quarter, cereal prices increased in 31 out of 42 assessed districts, and the average country-wide cereal prices increased by 8%. In 14 districts, the January–March 2021 average price of the main cereal consumed (red sorghum, white maize, or red rice depending on location) was 10% more expensive than the October–December 2020 average. The largest price increases were reported in Jilib (43%), Xudur (39%), Qoryoley (34%), and Marka (32%). A price decline of 17% was reported in Wanlaweyne.

KEY LOCAL CROPS AND IMPORTED FOOD

The price of white maize did not change in Hargeisa or Mogadishu, but increased by 24% in Jowhar. In Baidoa, the price of white Sorghum decreased by 12%, while it increased by 20% in Hargeisa and by 25% in Mogadishu. The price of cow peas remained relatively stable in most districts, but increased by 11% in Mogadishu.

Looking at imported food commodities, the price of vegetable oil increased in all major districts except Hargeisa, which saw a small decrease. The largest increase in vegetable oil prices took place in Jowhar (25%) and Mogadishu (18%). Wheat flour and red rice prices remained relatively stable across all districts (all reported price changes fell within ±5%). Slight increases in the price of sugar were reported in all districts except Baidoa and Mogadishu, where the price of sugar remained the same.

On the left are breakdowns of key commodity six-month trends.

PORT DATA⁷

In comparison with the previous quarter, total imports in the Bossaso port appeared to increase throughout the first quarter of 2021. Despite total imports in February 2021 being lower than total imports in February 2020, total imports in March 2021 are significantly higher than the reported 5 year average and last year's imports for this month.

