Monthly Factsheet: CWG Iraq - Joint Price Monitoring Initiative

January 2017

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 utilized the collected data to map the price of an SMEB in each district. Cleaned data sets are distributed to CWG partners, clusters, and key stakeholders.

PARTICIPATING PARTNERS

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

METHODOLOGY

Data collection for the JPMI occurs on a monthly basis, with associated factsheets and datasets published after every round. Data collection for the third round of the JPMI was conducted between 29 January - 2 February, during which enumerators from 14 participating partner agencies (ACF, ACTED, DRC, IRC, Mercy Corps, NRC, Oxam GB, REACH Iraq, Relief International, TdH, Tearfund, Triangle GH, WHH, and World Vision) gathered price data from 461 individual shops in 98 markets in 16 districts across Baghdad, Diyala, Dohuk, Erbil, Kirkuk, Ninewa, Salah al-Din 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 and UNHCR.

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 utilized. 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 feedback

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 within districts, as certain identified central and secondary markets remained 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. Similarly, ongoing military operations restricted partner access to areas of Ninewa governorate – particularly in Mosul and Talafar districts. For this third round of data collection, security concerns prevented data collection from one previously assessed market in Khanaqin governorate.

JPMI KEY FIGURES

14 Participating Partner Agencies

8 Assessed Governorates

16 Assessed Districts

98 Markets Assessed

461 Shops Assessed

ASSESSED DISTRICTS

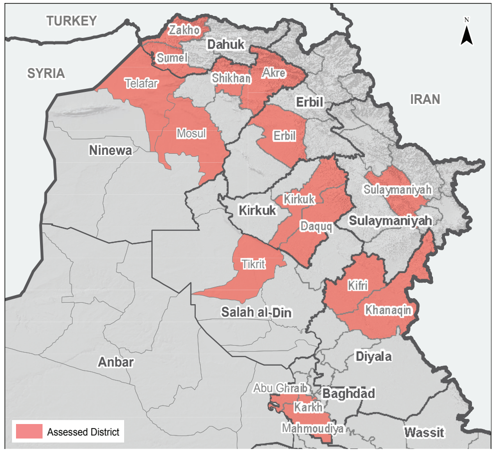


TABLE 1: SURVIVAL MINIMUM EXPENDITURE BASKET (SMEB)

	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 – especially 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. As both butane and kerosene prices are relatively stable within the localized context, this methodology returned results consistent with prices collected from butane and kerosene vendors.

Collected price data is representative 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 shift over time. As this is only the third factsheet output, there remains limited harmonized historical dataset 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 provided by partners. Due to data gaps for Khanaqin and Akre districts, average data from neighbouring districts 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

The average prices of assessed consumer goods[3] remained consistent from December, with an overall increase of approximately 2.4% across all assessed goods. This rise was driven primarily by price increases in Mahmoudiya district (12%), as well as in Sumel (7%), Kifri (6%), and Karkh (6%) districts. Across previously assessed districts, nine saw their average consumer goods prices rise, with only four districts seeing decreases in overall average consumer goods prices – the largest of which was in Daquq district (7%). **Generally, consumer prices were relatively stable, with 8 of 13 districts recording average consumer good prices within 5% of averages from December 2016.**

PRICES OF FOOD ITEMS

When compared to December data, prices for the five SMEB food items increased in 9 of 13 districts. The largest increases in overall average food prices were recorded in Mahmoudiya (8%) and Sumel (6%) districts. In Mahmoudiya, the increase was primarily due to changes in the localized prices of wheat flour and rice, which saw respective price increases of 23% and 14%. In Sumel, the change was driven by increases in the prices of wheat flour and lentils, which experienced respective price increases of 15% and 8% from December.

Of the four districts that saw their overall food prices fall, only two – Daquq (7%) and Sulaymaniyah (5%) – recorded decreases of more than 0.5%. The prices of all five assessed food items fell in Daquq in January, with the largest decreases in the prices of lentils (12%) and sugar (11%).

The only food item to see an overall decrease in prices was sugar, with prices falling in 8 of 13 districts. The most significant price decrease was in Abu Ghraib district, which recorded average sugar prices 11% lower than December – an overall price decrease of approximately 118 IQD. **All other food goods increased in price compared to December, though only by between 2-5%.**

As in November and December, the highest food prices were found in the three assessed districts in Baghdad governorate: Abu Gharib, Karkh, and Mahmoudiya. Abu Ghraib maintained the highest average prices for wheat flour (1,262 IQD), as well as for vegetable oil (1,817 IQD). Mahmoudiya posted the highest prices for the lentils (2029 IQD) and sugar (1,364 IQD). As in December, the lowest overall average food prices were recorded in Sumel (Ninewa governorate) and Shikhan (Dohuk governorate) districts. Sumel recorded the lowest prices for lentils (1,606 IQD), while Shikhan again registered the lowest average prices for wheat flour (651 IQD), as well as for sugar (975 IQD). As in previous months, the food item with the most significant variation in price between districts was wheat flour, with a 611 IQD (94%) difference between the highest price (1,262 IQD in Abu Ghraib) and the lowest price (651 IQD in Shikhan).

KEY AVERAGE PRICE CHANGES OF ASSESSED GOODS

MAHMOUDIYA	12%	↑
SUMEL	7%	↑
DAQUQ	6.5%	↓

PRICES OF NFI ITEMS

Conversely to the prices of SMEB food items, the NFI component of the SMEB only saw prices rise in 7 of 13 districts – with no overall net change in the average prices of NFI goods. The largest increase in NFI prices was a 12% rise in Sumel (622 IQD), largely due to a 38% (345 IQD) increase in shampoo prices. The most significant NFI price reductions were seen in Daquq and Mahmoudiya, recording declines of 12% (737 IQD) and 10% (663 IQD) respectively. In Daquq, the decline was due to a 19% decrease in both toothbrush and garbage bag prices, while in Mahmoudiya, the decline was primarily due to a 46% drop in the average prices of disinfectant solution.

Of the seven assessed NFI items, four recorded overall price increases (toothbrushes, toothpaste, shampoo, and sanitary napkins), two recorded price decreases (disinfectant and garbage bags), and one recorded no change (bath soap). The largest price shift occurred for sanitary napkins, with a recorded average price increase of 24% across all districts. This change was primarily driven by the two assessed districts in Baghdad governorate – Abu Ghraib and Mahmoudiya.

As in December, Erbil posted the highest NFI prices overall, with the highest recorded average price for disinfectant solution (1,806 IQD). In line with data from November and December, Zakho and Abu Gharib districts again posted two of the three highest average prices for NFI items; Zakho reported the highest price for toothbrushes (1,033 IQD), while Abu Gharib posted the highest prices for shampoo (2,708 IQD) and sanitary napkins (244 IQD). **The lowest prices for NFIs were logged in Sumel and Daquq districts** – with Sumel recording the lowest average prices for shampoo (1,246 IQD) and Daquq posting the lowest average price for toothbrushes (450 IQD). The NFI good with the most significant price variation was sanitary napkins, with a 133 IQD (120%) difference between the most expensive (244 IQD in Abu Ghraib) and the least expensive (111 IQD in Talafar).

Overall, NFI goods saw more significant variations in price than food items – with 5 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 available quality of items stocked, as well as the available quantities in which they were sold.

PRICES OF FUEL ITEMS

Fuel prices remained consistent between December and January, with butane prices remaining unchanged, and kerosene prices decreasing by 2%. The largest increases in butane prices occurred in Mahmoudiya and Karkh, with

3. The districts included in this section are the 13 for which there is comparative price data from previous months.

14% and 16% changes, respectively. For kerosene, the largest increases were seen in Erbil (13%) and Zakho (11%). However, Zakho also saw one of the largest decreases in butane price (11%), along with Shikhan (10%). The largest shift in kerosene prices was seen in Daquq, which recorded a 24% price decrease.

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, 86% of food items were imported; a 7% increase from December. The percentage of imported NFI items remained relatively consistent, increasing from 85% to 86%. For fuel items, the percentage of imported butane remained at 4%, while the percentage of imported kerosene decreased from 9% to 5%.** For most assessed items, prices for imported and domestic items were similar. The most significant difference was recorded for shampoo, with the prices of domestically produced items approximately 11% higher than for imported items. Overall, there were no identifiable trends in price variation between imported and domestic goods.

CENTRAL VS. SECONDARY MARKETS

The initial round of price data, collected in November 2016, showed a trend of higher average prices in central markets than in secondary markets. In December, that trend was not identified, with prices remaining relatively balanced between the market types. **However, the January price data exhibited yet a third trend, with 10 of the 14 assessed goods averaging higher prices in secondary markets than in central markets.** Sugar characterized this trend most strongly, reporting higher secondary market prices in 75% of assessed districts. For the remaining items, only kerosene recorded higher prices in central markets.

In addition, the price differentials between central and secondary markets showed geographic trends, with assessed districts in Baghdad, northern Diyala and northern Ninewa all recording higher average prices in secondary markets. The trend was most evident in Baghdad: in Mahmoudiya district, all assessed items were shown to have higher secondary market prices, as well as 93% of items in Karkh district and 79% of items in Abu Gharib. Conversely, the strongest opposite trend was observed in Sulaymaniyah district, where 93% of items recorded higher prices in central markets.

SHORTAGES

For every surveyed item, retailers were also asked whether there had been a shortage of that item within the past 30 days. **Overall, 39 of 98 assessed markets reported shortages of at least one food, NFI or fuel item.** The majority (79%) reported shortages for 1-2 items, with an additional 10% reporting shortages of 3-4 items. However, there were key exceptions, particularly in Talafar and Mosul districts, where more significant shortages were reported. In Mosul district, two assessed secondary markets saw shortages of seven items.

As in December, the most widespread shortages were reported in Talafar district, where all six assessed markets reported shortages of at least one item. However, the figures improved when compared to December, with only two markets – Zummar and Bardiya – reporting shortages for more than 50% of items, as opposed to four markets in December. Zummar also saw a decrease in the number of items registering shortages, falling from 11 to 9. As in previous months, the shortages remained the most severe in Bardiya, where shortages were reported for all 14 assessed items. Of these, all assessed retailers reported shortages of lentils, sugar, vegetable oil, wheat flour, butane, kerosene, toothpaste and sanitary napkins, with a further 80% reporting shortages of bath soap, shampoo, and disinfectant.

KEY REPORTED SHORTAGES

Sugar, Bath Soap, Butane, Kerosene

Overall, the most commonly reported shortage was kerosene, with an average of 69% of retailers in 18 markets reporting shortages. This trend was particularly evident in Akre district, where every assessed market reported some level of kerosene shortage. Sugar was the next most commonly reported shortage, with an average of 47% of retailers in 13 markets reporting shortages. Butane and bath soap also exhibited higher than average shortages, with approximately 50% of retailers in 10 markets reporting shortages.

NEWLY ASSESSED DISTRICTS

For the third round of data collection, the JPMI expanded into three new districts: Akre, Mosul, and Tikrit. While these districts do not yet have comparable data, the collected price data offers valuable insights into the price trends in those districts. **Mosul district, for example, recorded the lowest overall average prices for food and NFI items**, with the lowest average prices for lentils (1,583 IQD), rice (977 IQD), wheat flour (538 IQD), toothbrushes (406 IQD) and toothpaste (812 IQD). However, recorded butane prices in Mosul district were the highest of all assessed markets; average butane prices in the district were 56% higher than the overall average. Tikrit recorded the fourth highest average for food prices, and the highest overall average price for vegetable oil (1,833 IQD).

SMEB CALCULATION

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

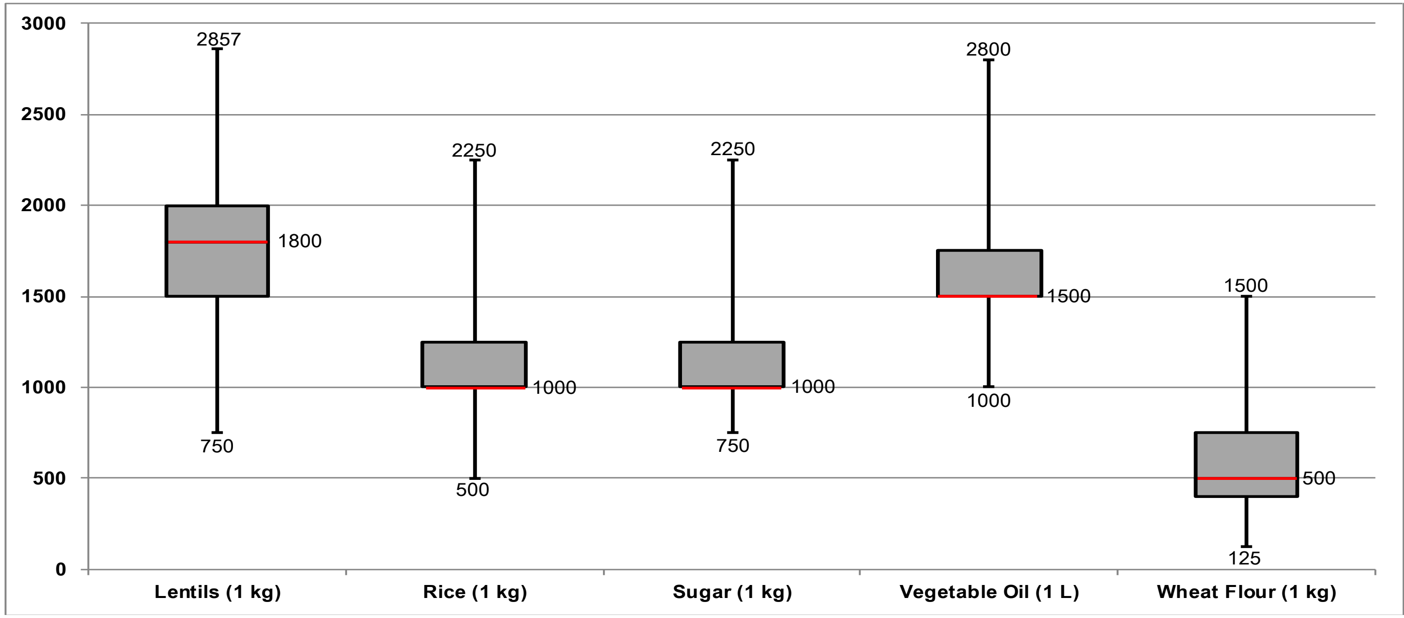
As in December, the districts with the highest average SMEB values – Karkh, Abu Ghraib, and Mahmoudiya – were all in Baghdad governorate. When compared to November and December figures, the districts with the lowest SMEB values were more dispersed – **though districts in Ninewa and Diyala comprise 4 of the 5 lowest values.**

TABLE 2: AVERAGE SMEB VALUES

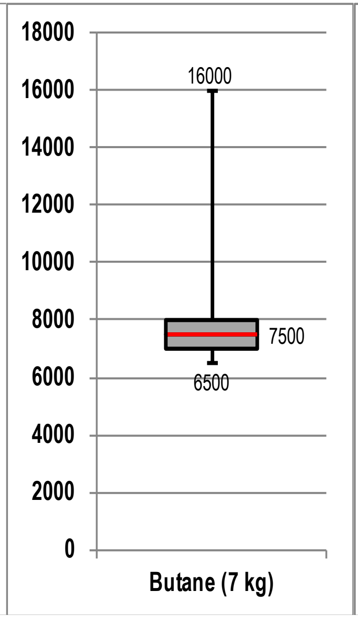
District	IQD	USD[6]
Karkh	647,316.00	$543.44
Abu Ghraib	528,842.99	$443.98
Mahmoudiyah	495,184.19	$415.72
Erbil	490,373.21	$411.68
Kirkuk	438,759.71	$368.35
Sulaymaniyah	426,773.44	$358.29
Akre[7]	413,135.85	$346.84
Sumel	409,056.55	$343.41
Zakho	402,534.78	$337.94
Tikrit	400,749.24	$336.44
Khanaqin[7]	394,438.97	$331.14
Shikhan	387,161.00	$325.03
Daquq	383,083.80	$321.61
Kifri	382,127.38	$320.81
Talafar	366,589.12	$307.76
Mosul	325,124.94	$272.95

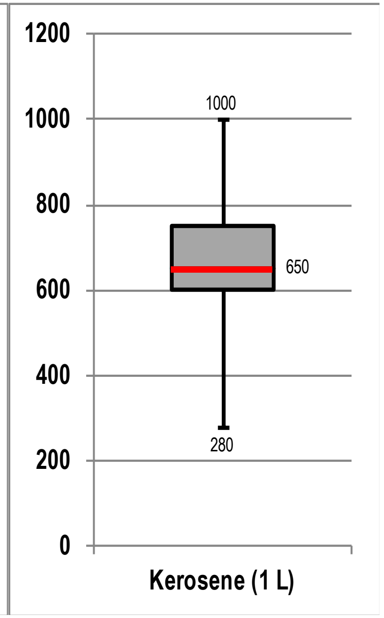
6. Exchange rate of 1 USD 1,190.61 IQD retrieved from www.xe.com on Feb.14, 2017.
7. Average PDM data from neighbouring districts used to supplement.

FOOD ITEMS

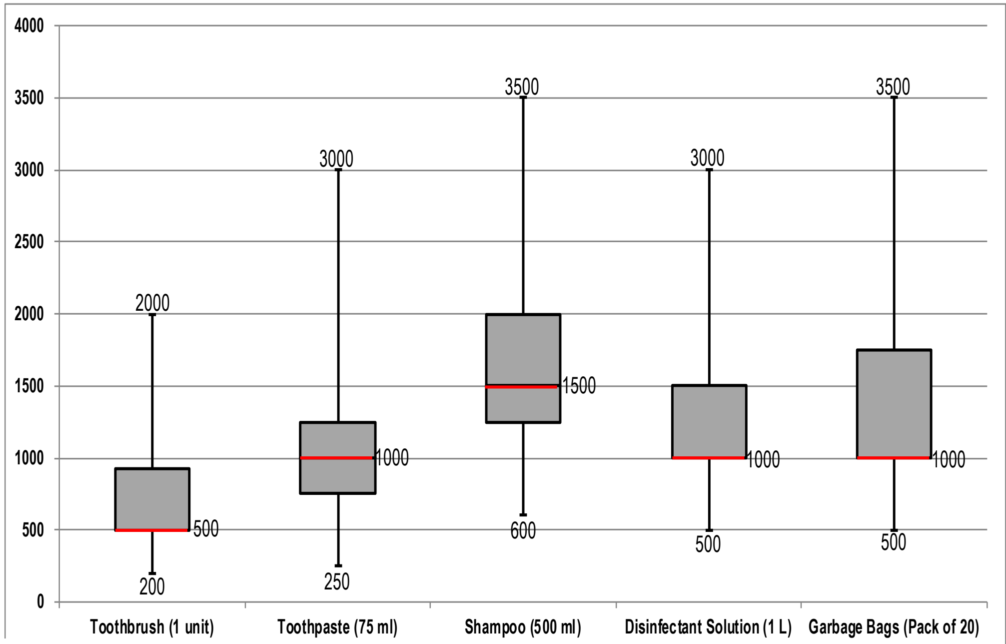


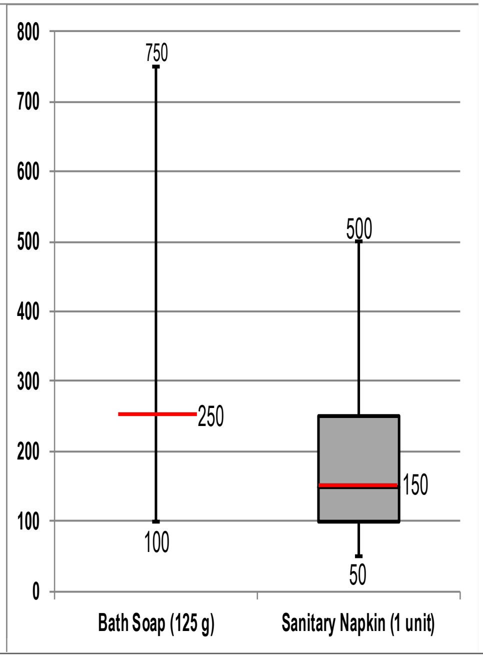
FUEL





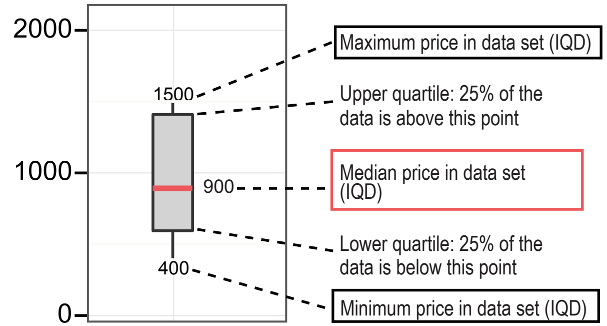
NON-FOOD ITEMS



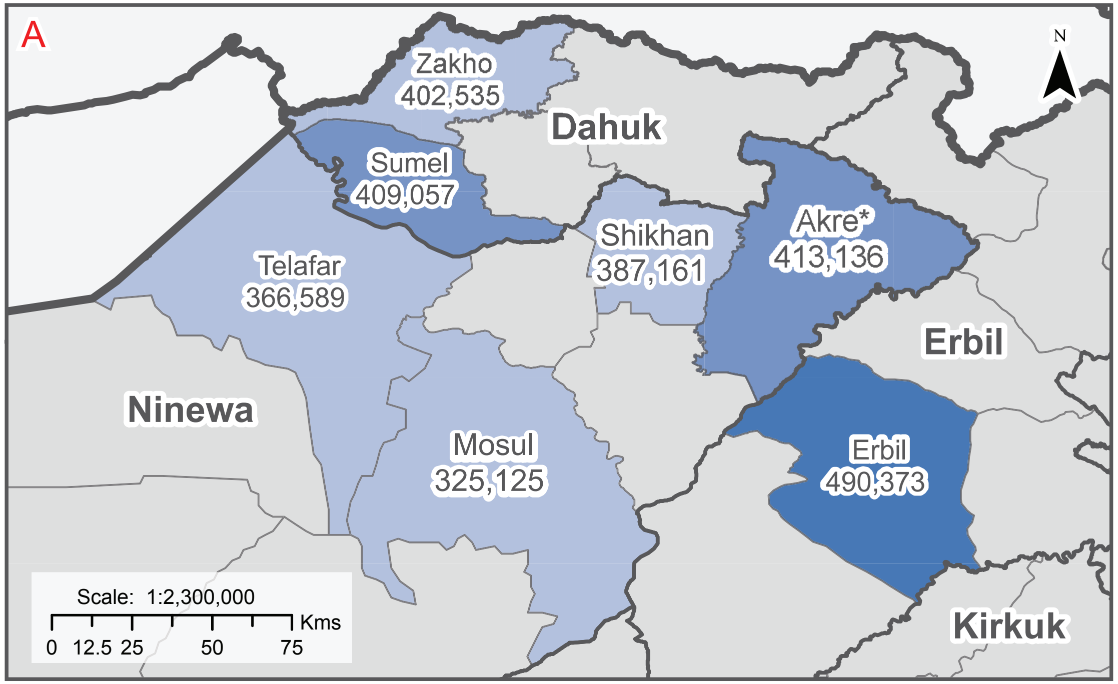


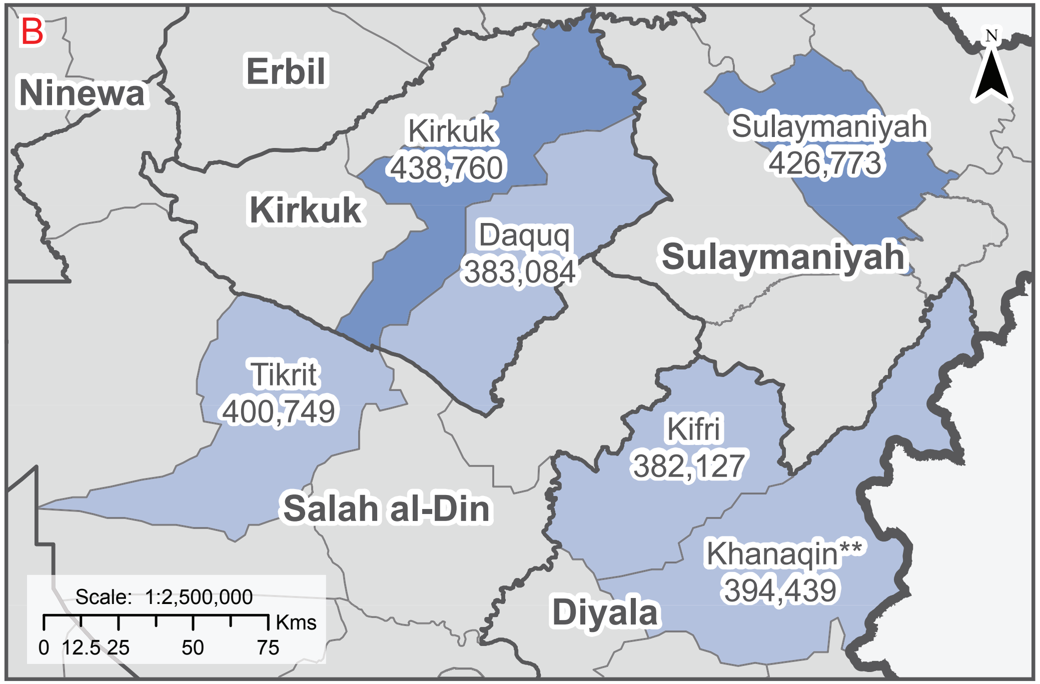
How to Read a Boxplot

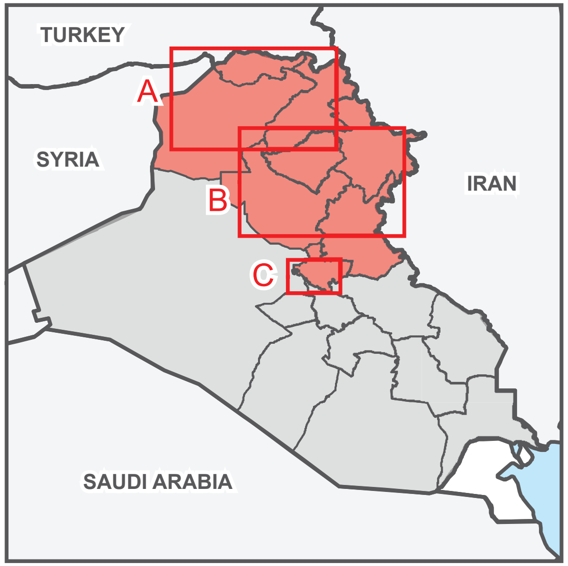
Boxplots provide a variety of data to aid in understanding the distribution of the dataset. All prices are in IQD unless otherwise specified.

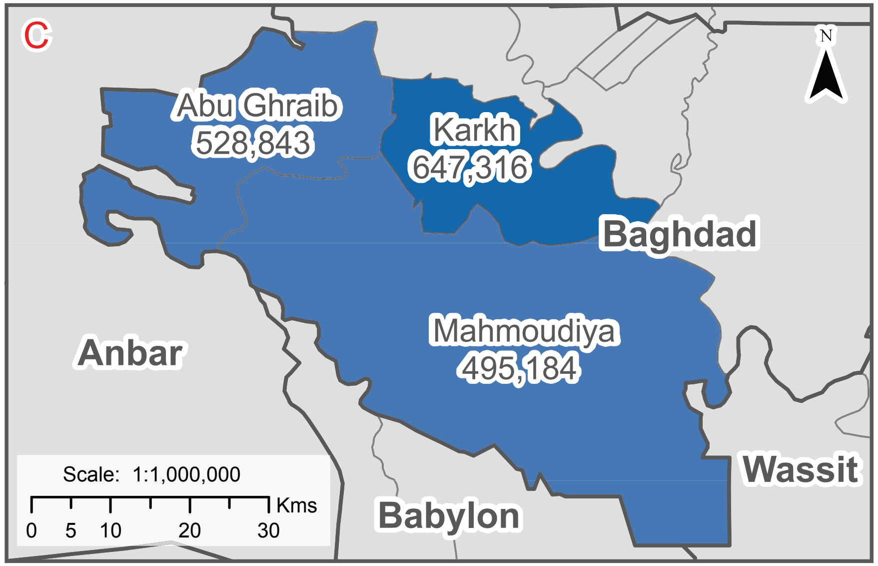


CWG - Iraq JPMI Average District SMEB Values (January 2017)









Average SMEB Value per District

- 575,001 - 660,000 IQD
- 490,001 - 575,000 IQD
- 405,001 - 490,000 IQD
- 320,000 - 405,000 IQD
- Unassessed District
- Country Border
- Governorate Border
- District Border

*Due to incomplete data for 2 non-consumable items in this district, average PDM data from Shikhan and Telafar districts were used.

**Due to incomplete data for 2 non-consumable items in this district, average PDM data from Kifri district were used.