

Libya Joint Market Monitoring Initiative (JMMI)

1 - 9 March 2020

Libya Cash Working Group

REACH Informing more effective humanitarian action

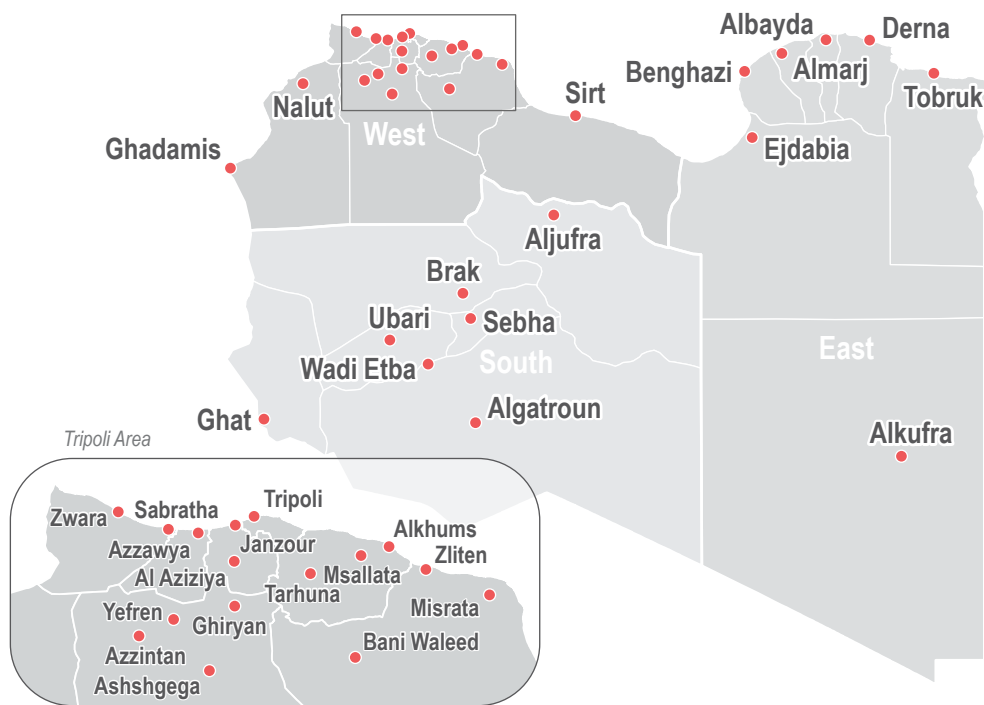
INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFIs) sold in local shops and markets.

This factsheet presents an overview of price ranges and medians for key food items and NFIs in the assessed areas, as well as the costs associated with key elements of the Minimum Expenditure Basket (MEB).

ASSESSED LOCATIONS



METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least four prices per assessed item were collected within each location. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item.
- Enumerators were trained on methodology and tools by REACH. Data collection was conducted through the KoBoCollect mobile application.
- Following data collection, REACH compiled and cleaned all partner data, normalising prices, cross-checking outliers and calculating the median cost of the MEB in each assessed market.
- More details are available in the Methodology section of the [Appendix](#).

KEY FINDINGS

- **Fuel Updates:** The price of unofficial liquified petroleum gas (LPG) has continued to vary significantly by region this month reflecting the on-going impact of the oil blockade imposed in January. **In the south, prices continued to increase, rising by 8.8% since February.** Cumulatively this has seen the price on unofficial markets increase by **117.7% in the past two months.** While unofficial markets **in the east** continue to provide the lowest median cost of LPG compared to the west (35 LYD) and the south (93 LYD), prices were also found to have **doubled from 10 LYD in February to 20 LYD in March.** By contrast, unofficial LPG prices have **dropped by 18.7% in the West.** This reduction is likely to reflect measures implemented by the western authorities to mitigate the effects of the fuel shortage with additional imported fuel shipments.¹ There is some indication from local key informants in the South that **authorities are attempting to close parallel markets and facilitate access to official fuel shipments.** With the intention of providing access to subsidised fuel, the intervention may have contributed to unofficial LPG prices rising further in the south.
- **Macro-economic environment:** As of 23rd March, oil production has sunk as low as 95,000 barrels per day. Consequently, the government has since lost \$3.5bn in state revenues and is depending mostly on its foreign reserves. **The National Oil Company (NOC)** is currently considering to **"cut subsidies to all non-essential expenses"** within the next few months.² Therefore, official and parallel market fuel prices may rise in the coming months.
- **Foreign exchange:** On the 10th March 2020, the parallel market exchange rate **reached 5 LYD/USD**, which is the highest recorded figure since December 2018.³ During the first three weeks of March 2020, the Central Bank Libya (CBL) **blocked official access to foreign exchange**, making it difficult for importers to pay for shipments of goods into the country. During March, food prices have remained relatively stable, but are **expected to increase sharply due to the 3-week import blockage.**

JMMI KEY FIGURES

Data collection from **1 - 9 March 2020**

- 4 participating agencies (ACTED, DRC, REACH, WFP)
- 34 assessed cities
- 43 assessed items*
- 691 assessed shops

*Additional Prices: 5 pharmaceutical items and 4 construction items are available in the data set

EXCHANGE RATES⁴

1.410 USD/LYD <i>official</i> ▲ +0.6%	4.270 USD/LYD <i>parallel market</i> ▼ -2.3%	4.590 EUR/LYD <i>parallel market</i> ▼ -1.3%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

702.54 LYD ▼ 10.64 LYD ▼ -1.5%

Food items ▼ -1.2%	Hygiene items ▲ +6.2%	Cooking fuel⁶ ▼ -27.5%
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MEDIAN COST OF MEB BY REGION

West	685.2 LYD	-0.3% ▼
East	710.88 LYD	+2.8% ▲
South	890.53 LYD	-1.7% ▼

MARKET SHORTAGES

- In south Libya, LPG is only available on parallel markets
- LPG not available in Sirte, Bani Waleed, Tarhuna and Derna

Reported changes are month-on-month

Access the [JMMI online dashboard](#)

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements⁸

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁹	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the CWG in consultation with relevant sector leads.

Only the MEB's key elements (food and non-food items) were incorporated into the calculations in this factsheet.

COST OF MEDIAN OVERALL MEB

695.2 LYD

Change since
February 2020
▼ 10.64 LYD
(-1.5%)

Change since
January 2019
▼ 75.02 LYD
(-10.7%)

MEDIAN MEB COST BY LOCATION

Location	Cost of MEB (LYD)	Since Feb 2020	Since Jan 2019
Nalut	810.5	1.4%	0.6%
Ghiryan	770.8	-6.2%	4.5%
Ghadamis	769.4	-0.4%	6.0%
Azzintan	750.7	3.1%	0.2%
Tripoli	716.5	1.5%	-5.5%
Yefren*	714.5	0.2%	No data
Ashshgega*	708.5	-3.0%	No data
Zliten	704.8	0.4%	-0.7%
Sirt	673.6	0.1%	-4.0%
Janzour*	673.3	1.0%	No data
Msallata*	670.7	-4.6%	No data
Bani Waleed	655.3	-7.4%	-7.8%
Tarhuna	646.0	-6.6%	-9.7%
Misrata	633.4	-4.9%	-25.2%
Sabratha	619.2	1.9%	-19.0%
Alkhums	613.7	-4.5%	-10.8%
Zwara	608.8	-0.2%	-17.5%
Azzawya	608.8	1.9%	-18.7%
Al Aziziya	602.2	-1.0%	-16.9%
Median West	685.2	-0.3%	-8.6%
Alkufra	730.9	0.9%	-26.8%
Ejdabia	723.0	3.3%	-6.2%
Albayda	722.5	3.4%	-9.4%
Almarj	717.0	No data	-0.5%
Tobruk	710.0	-2.6%	-8.6%
Benghazi	691.1	3.0%	-5.3%
Derna	687.0	4.5%	-5.3%
Median East	710.9	2.8%	-8.7%
Ghat	1174.1	6.8%	7.1%
Algatroun	1162.5	-1.8%	-1.7%
Ubari	1136.4	4.5%	8.5%
Wadi Etba*	862.8	-3.2%	No data
Aljufra	816.0	-4.1%	-10.4%
Sebha	737.8	-6.0%	-12.0%
Brak	727.0	-2.4%	-13.4%
Median South	890.5	-1.7%	-10.7%
Median Overall	695.2	-1.5%	-9.7%

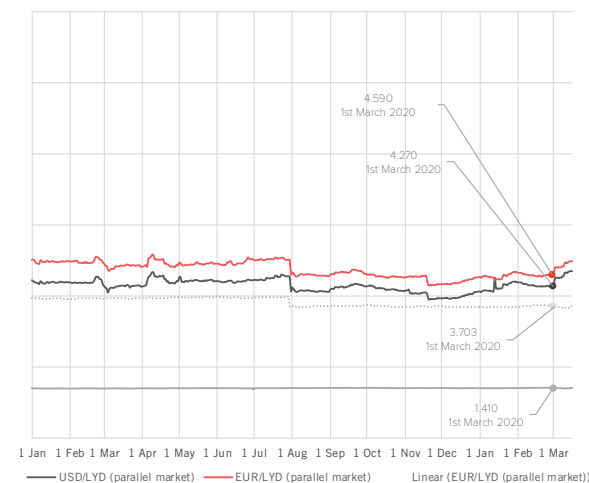
* A lack of information is due to data collection beginning from March 2019 onwards

EXCHANGE RATES OVER TIME⁷

January 2016-January 2019

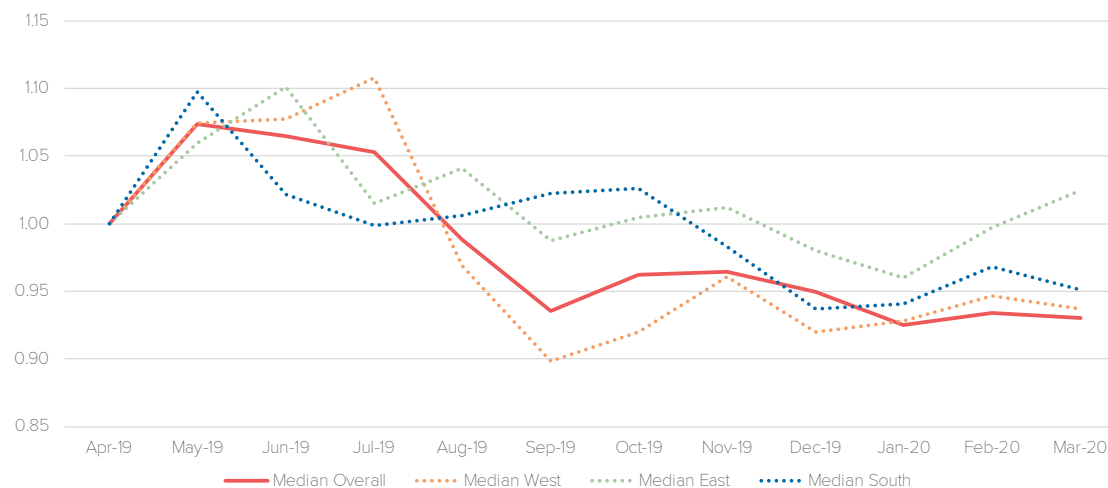


Since January 2019

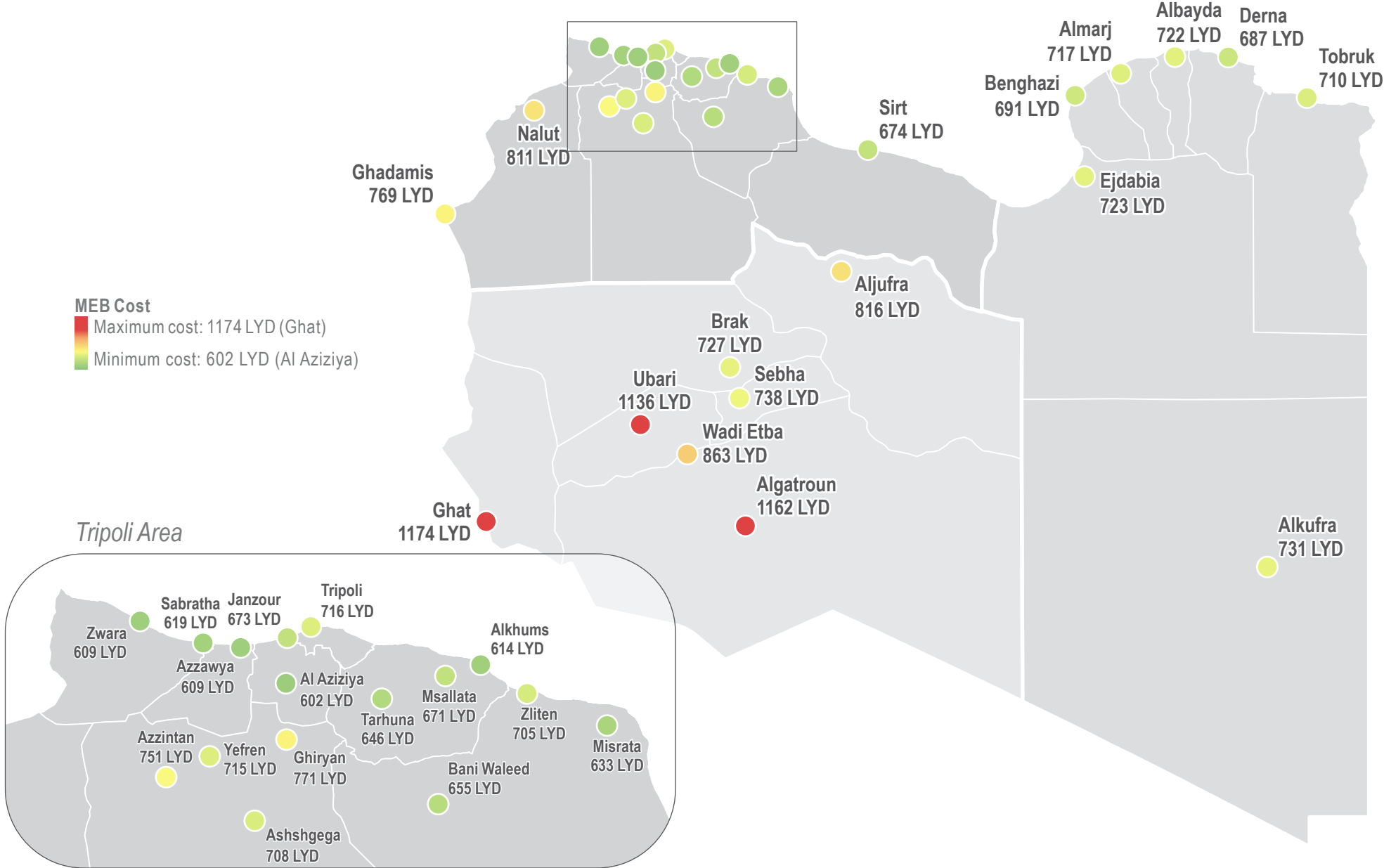


MEB PRICE INDEX

Since April 2019 (normalised, April 2019 = 1.00)¹⁰



Cost of MEB Key Elements by Location

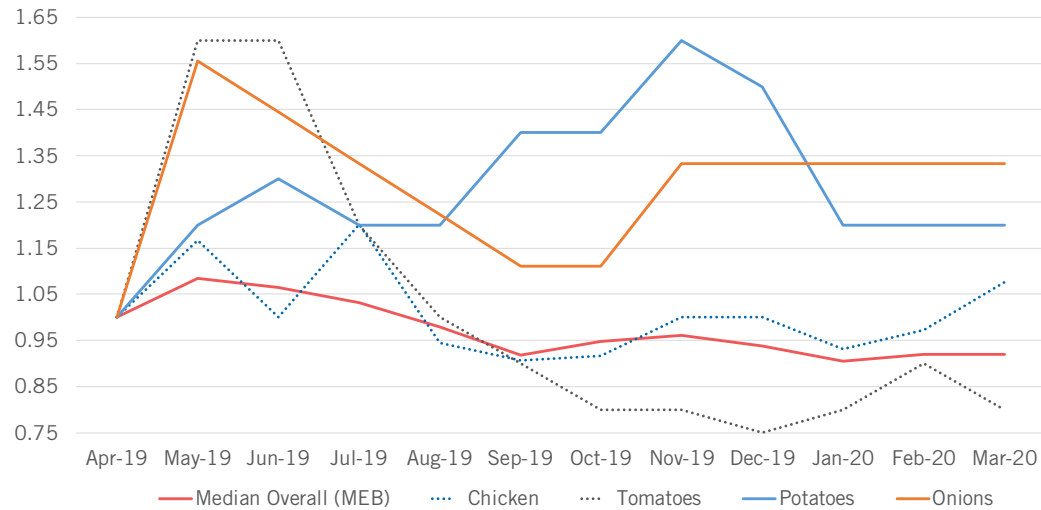


PRICES OF MONITORED ITEMS

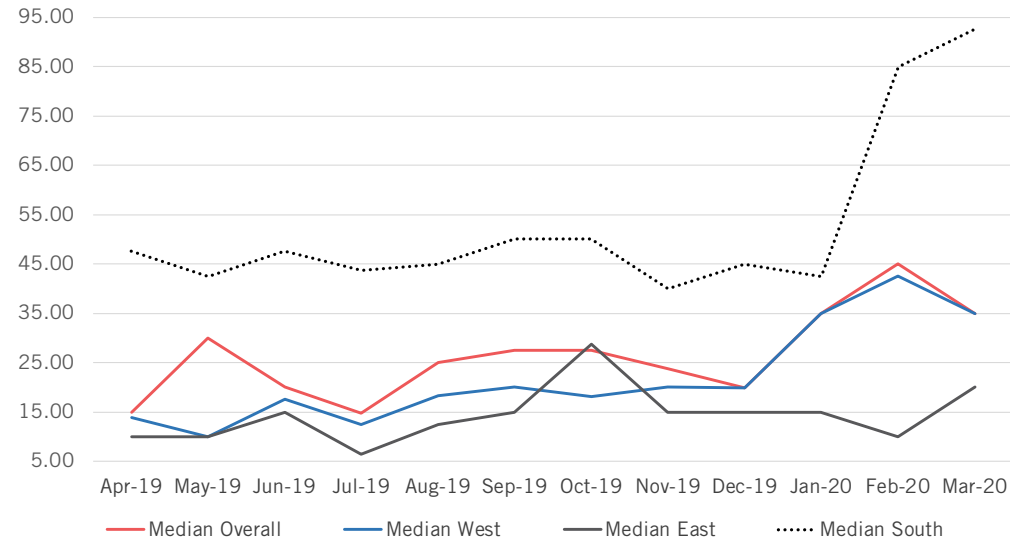
Item	Unit	Median price (LYD)	Change since Feb 2020	Change since Jan 2019
Food items				
Chicken	1 kg	9.38	7.1%	1.4%
Couscous	1 kg	3.50	5.7%	0.0%
Sugar	1 kg	2.38	2.7%	-5.0%
Milk	1 L	3.50	1.8%	16.7%
Lamb meat	1 kg	35.50	1.4%	1.4%
Condensed milk	200 ml	2.00	0.0%	-27.3%
Flour	1 kg	2.00	0.0%	-20.0%
Green tea	250 g	3.00	0.0%	-22.6%
Onions	1 kg	3.00	0.0%	50.0%
Pasta	500 g	1.50	0.0%	0.0%
Peppers	1 kg	4.00	0.0%	0.0%
Potatoes	1 kg	3.00	0.0%	50.0%
Salt	1 kg	1.00	0.0%	0.0%
Tomato paste	400 g	2.00	0.0%	-20.0%
Canned tuna	200 g	3.00	0.0%	-31.5%
Vegetable oil	1 L	4.50	0.0%	-7.7%
Rice	1 kg	3.25	-1.9%	-27.8%
Bread	5 pieces	1.13	-5.3%	-10.0%
Eggs	30 eggs	10.00	-5.9%	-9.1%
Beans	400 g	1.63	-7.1%	-35.0%
Black tea	250 g	5.00	-9.1%	-25.9%
Tomatoes	1 kg	2.00	-11.1%	-11.1%
Chickpeas	400 g	1.50	-14.3%	-40.0%
Hygiene items				
Dishwashing liquid	1 L	2.68	15.7%	78.3%
Toothpaste	100 ml	4.00	14.3%	-33.3%
Shampoo	250 ml	5.08	1.5%	-31.8%
Baby diapers	30	15.00	0.0%	-6.3%
Handwashing soap	1 bar	1.50	0.0%	-25.0%
Laundry detergent	1 L	2.25	0.0%	87.5%
Sanitary pads	10 pads	3.50	0.0%	0.0%
Toothbrush	1 brush	2.00	0.0%	0.0%
Laundry powder	1 kg	6.50	-2.8%	-13.3%
Other items				
Bottled water	1 L	0.29	0.0%	0.0%
Official LPG	11 kg	5.00	0.0%	0.0%
Unofficial LPG	11 kg	35.00	-22.2%	250.0%

FOOD PRICES OVER TIME

Selected items (normalised, April 2019 = 1.00)¹¹

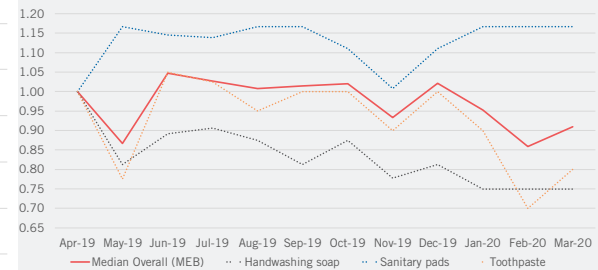


PRICES FROM UNOFFICIAL COOKING FUEL VENDORS (11 KG LPG CYLINDER) (since April 2019, non-normalised)

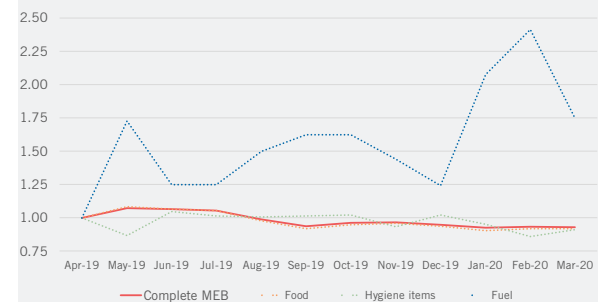


HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, April 2019 = 1.00)¹²



FOOD, HYGIENE AND FUEL PRICES OVER TIME (normalised, April 2019 = 1.00)¹³

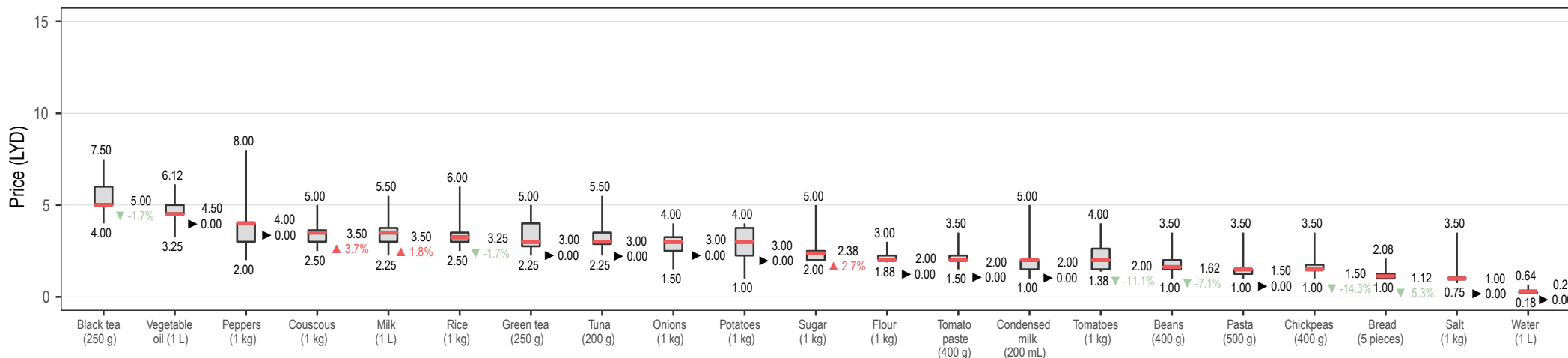


NOTABLE MONTH-ON-MONTH CHANGES

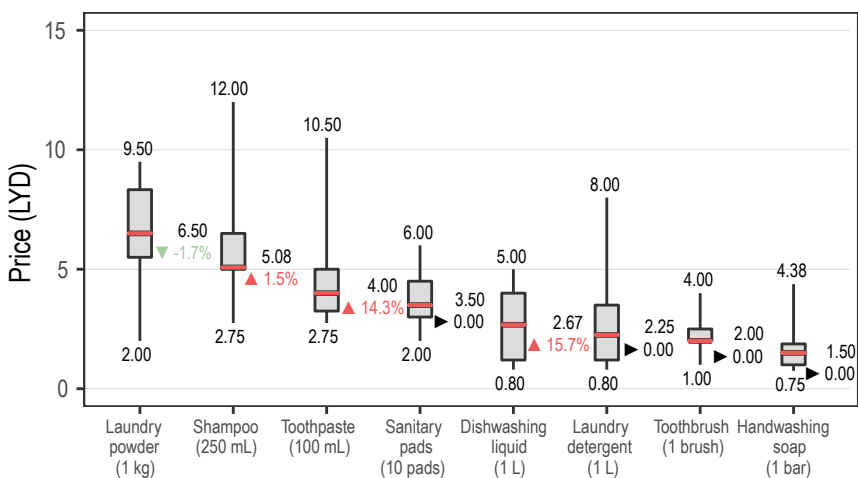
Unofficial LPG	▼ -22.2%
Dishwashing Liquid	▲ +15.7%
Chickpeas	▼ -14.3%
Toothpaste	▲ +14.3%
Tomatoes	▼ -11.1%

Distribution of Prices in Libya

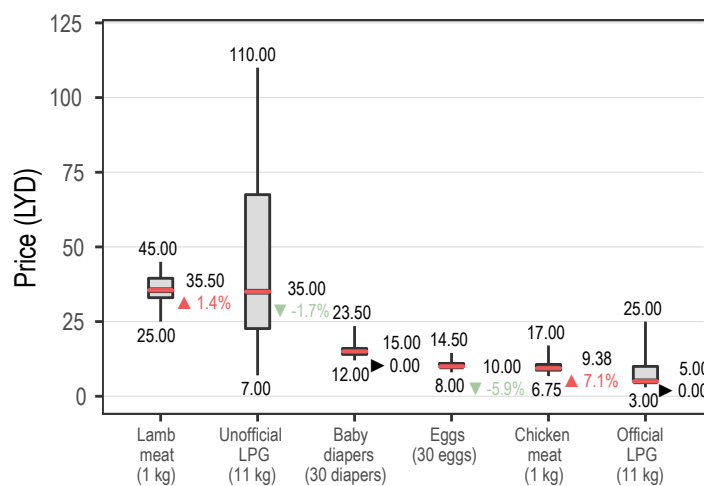
FOOD ITEMS



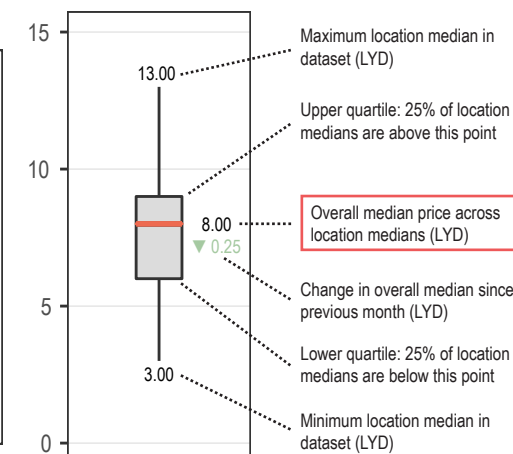
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot

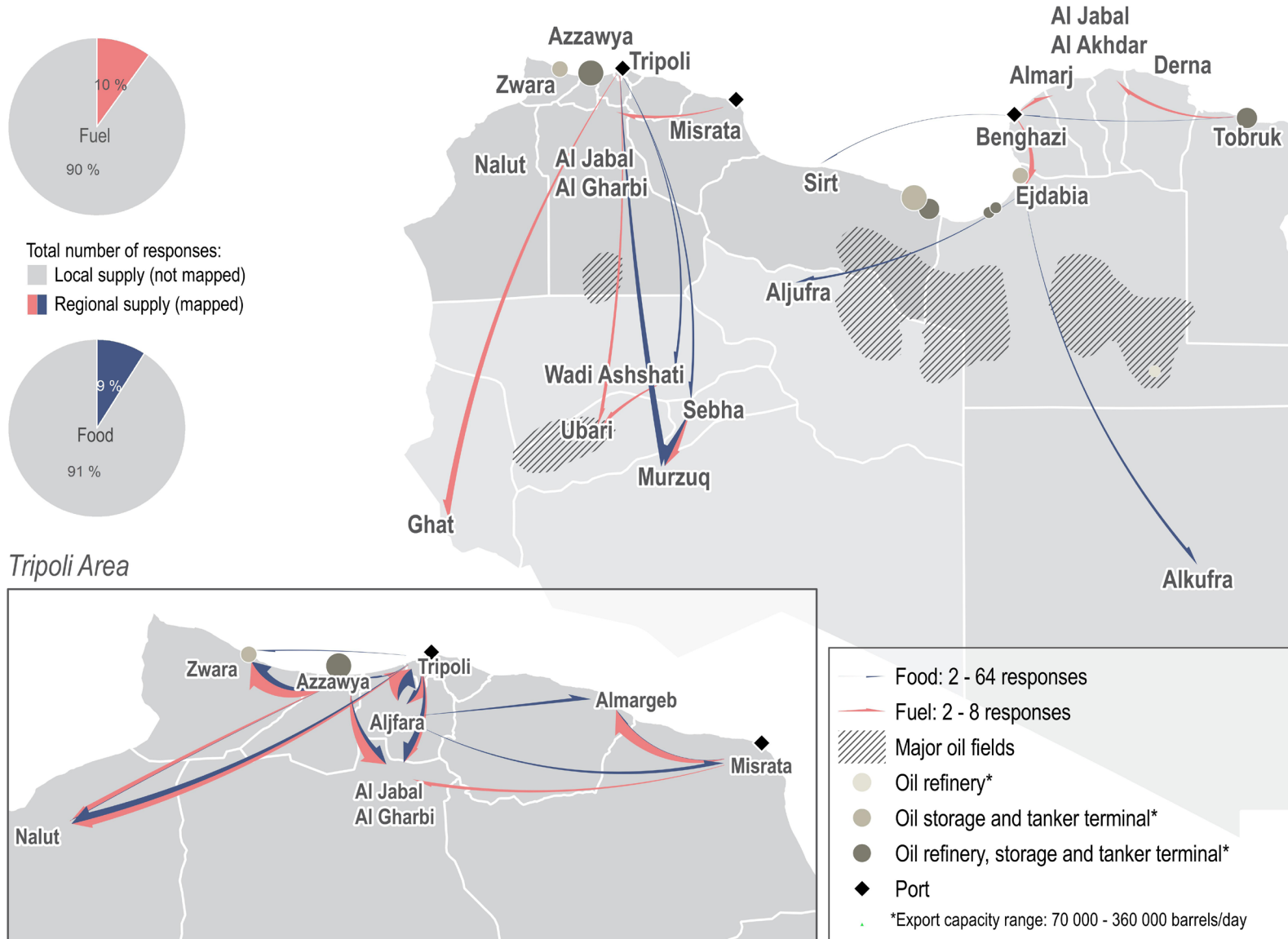


The 'location median' is calculated by first finding the median price of a given item in each assessed location, then taking the median of the resulting set of median prices.

Main Food and Fuel Supply Routes

This map indicates the source and flow of transported fuel and food products according to the shop owner and vendor key informants (KIs). The arrow sizes are determined by the quantity of responses and provide an indicative scale of the supply routes.

The routes show the flow of goods from mantika to mantika, but does not show the proportion of goods that are sourced locally.



PREVIOUS JMMI OUTPUTS

Factsheets	Datasets
2020	
February	February
January	January
2019	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January
2018	
December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January

Trends Analyses

July 2018 - October 2019
January–June 2018
June–December 2017

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	NA
Certified cheques	0-30%
Mobile money	0%

What is the CWG?

The Libya Cash Working Group (CWG), established in August 2016, is a community of humanitarian actors that support and coordinate cash-based interventions in Libya. The CWG, based jointly in Tripoli and Tunis, is currently led by UNHCR and co-led by Mercy Corps.

Methodology (cont. from page 1)

The methodology for the JMMI is based on purposive sampling. In each assessed market, at least four prices per item need to be collected from different shops to ensure the quality and consistency of collected data. Partner field teams, in coordination with the CWG, identify shops to assess based on the following criteria:

1. Shops need to be large enough to sell all or most assessed items.
2. Prices in these shops need to be good indicators of the general price levels in the assessed area.
3. Shops should be located in different areas within the assessed city or baladiya.

In locations where it is not possible to identify four large markets that fulfil criterion (1), smaller shops, such as grocery shops, vegetable vendors, butchers and bakeries, are added to the shop list, as long as they fit criteria (2) and (3), in order to guarantee at least four prices per item of interest. Each month, price data is collected from the same shops whenever possible to ensure comparability across months.

The CWG primarily targets urban areas throughout Libya, aiming to ensure coverage of markets that serve as commercial hubs for surrounding regions.

Data is collected via the KoBo mobile data collection application. The CWG maintains a joint KoBo account for the JMMI. The data collection tool is published alongside the dataset every month and disseminated to the humanitarian community.

Analyses

The median prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and differing amounts of data among assessed locations. First, the median prices of all assessed items are calculated within each assessed location (city or mahalla); then, REACH calculates the median of this list of medians. All boxplots, as well as MEB and price index calculations, are created using this method.

The cost of the MEB is calculated by multiplying the median price of each item in the MEB's 'Key Elements' section by the quantity listed in the table on page 2. In cases where no median price is available for an item in a particular location, the median price for that item across the region (west, east, or south) is substituted.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary during the weeks between adjacent data collection rounds.
- The data is only indicative of the general price levels in each assessed location. Representativeness on the mantika (district) level cannot be claimed. Even on the city level, price data must be interpreted with caution, particularly in larger cities with substantial variation in neighbourhoods' socioeconomic levels.
- The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product.
- The JMMI does not intend to measure general inflation levels on Libyan markets. As per JMMI

methodology, only the cheapest available price per item is collected, meaning that changes in middle-market and upmarket goods are not captured.

Endnotes

- ¹ 34 Million Litres of Petrol arrive in Port Tripoli, Libya Observer, 26th February 2020
- ² Austerity Measures due to Blockade, NOC, 13th March 2020
- ³ The exchange rate of the dollar exceeded the barrier of 5 dinars in the parallel market for the first time in months, Libya Akhbar, 10th March
- ⁴ Official rate: Central Bank of Libya (1 March 2020). Parallel market rates: Ewan Libya (1 March 2020). The rates from 1 February 2020 and 1 March 2020 were used for the calculation of the monthly changes.
- ⁵ The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.
- ⁶ The cooking fuel price is calculated by taking the average of the official LPG median and the unofficial LPG median.
- ⁷ Official rate: Central Bank of Libya (1 March 2020). Parallel market rates: Ewan Libya (1 March 2020). The rates from 1 February 2020 and 1 March 2020 were used for the calculation of the monthly changes.
- ⁸ The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.
- ⁹ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.
- ¹⁰ The MEB price index was normalised by setting April 2019 as the baseline and dividing each month's price by the price in April 2019.
- ¹¹ The food prices were normalised by setting April 2019 as the baseline and dividing each month's price by the price in April 2019.
- ¹² The hygiene prices were normalised by setting April 2019 as the baseline and dividing each month's price by the price in April 2019.
- ¹³ The fuel, food and hygiene prices were normalised by setting April 2019 as the baseline and dividing each month's price by the price in April 2019.

REACH is a program of ACTED. It strengthens evidence based decision-making by humanitarian actors through efficient data collection, management and analysis in contexts of crisis.

ACTED is an international NGO. Independent, private and non-profit, ACTED respects a strict political and religious impartiality, and operates following principles of non-discrimination, and transparency. Since 2011, ACTED has been providing humanitarian aid and has supported civil society and local governance throughout Libya, from its offices in Tripoli, Sebha and Benghazi.