KENYA COVID-19 MARKET MONITORING INITIATIVE IN NAIROBI INFORMAL SETTLEMENTS

SEPTEMBER 2020

BACKGROUND

The total number of positive COVID-19 cases in Kenya stands at 38,529 as of 30 September 2020. Social distancing measures, including the temporary closing of venues or large public gatherings were put in place in March 2020 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 22 September and 2 October 2020. This was the fourth market monitoring assessment. This round of assessment followed the third round of market monitoring conducted between 24 and 26 August 2020. The second round of market monitoring was conducted between 21 and 23 July 2020 and the first round of market monitoring was conducted between 28 and 31 June 2020.

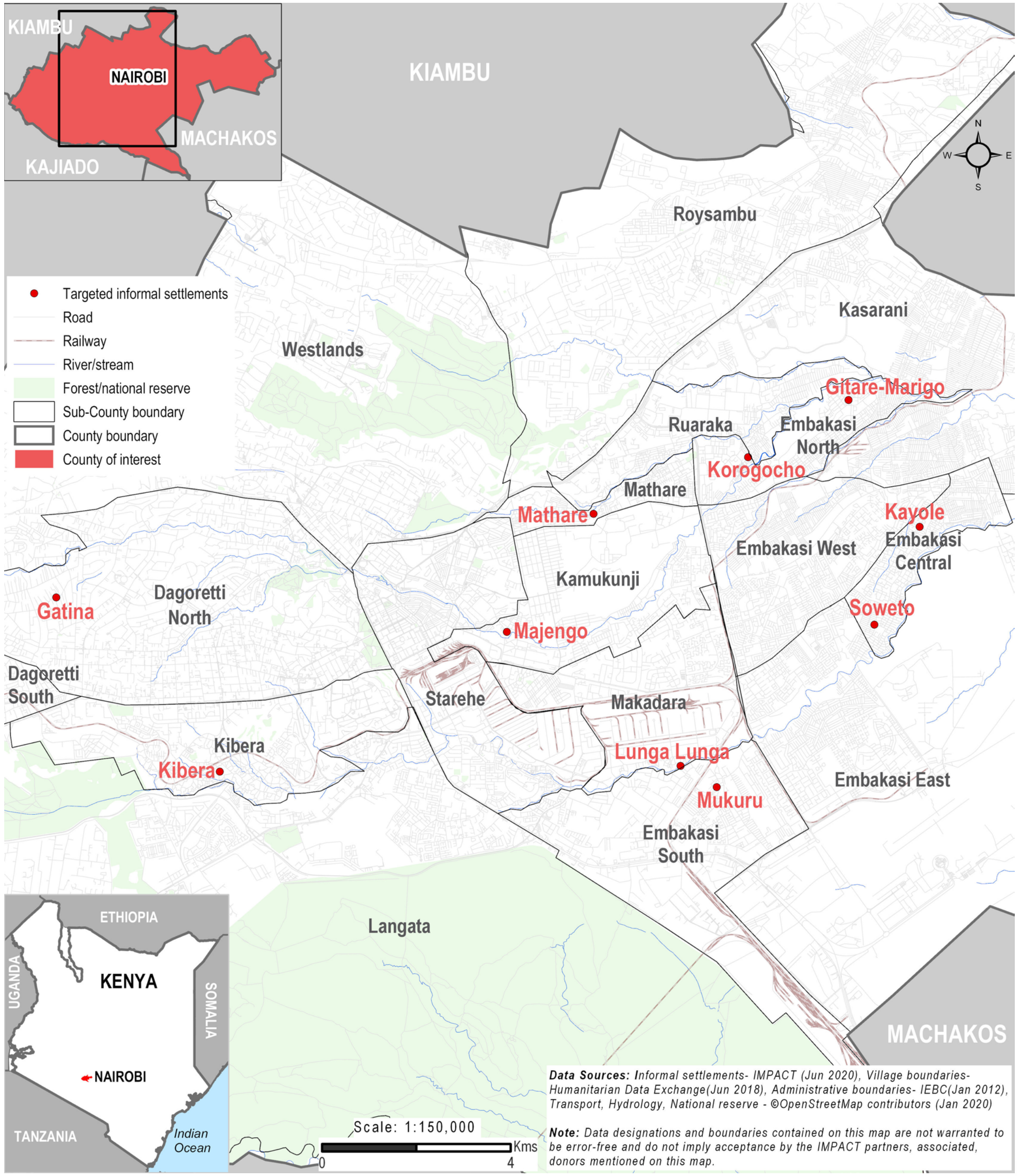
During this round, a high proportion of retailers (81%) reported facing demand and supply challenges. This is a return to the July figure (also 81%) from small decrease in September (78%). During the third round, 75% of the retailers reported that decreased demand of items by the customers was the main challenge that they were experiencing. During the third round, 57% of retailers, down from 50% in July reported that community members were facing challenges in accessing the markets and all retailers reported that the community had a low purchasing power. The proportion of retailers reporting fear of COVID-19 as a challenge among community members had decreased from 7% in August to 3% in September.

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 fourth round of market monitoring was conducted through phone interviews with **211 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. Please refer to the terms of reference for more information on the methodology.

LOCATIONS OF DATA COLLECTION



Funded by European Union

OXFAM

Concern worldwide

ACTED

Kenya Red Cross

Wangu Kanja Foundation

CREAW Centre for Rights Education and Awareness — Changing You, Transforming All!

IMPACT Shaping practices Influencing policies Impacting lives

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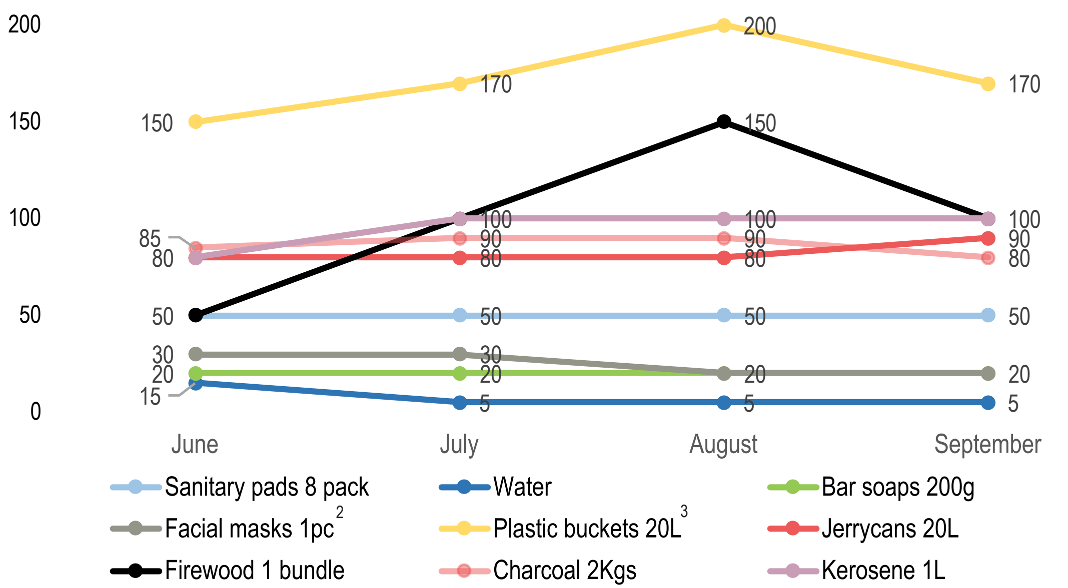
Food and non-food items assessed

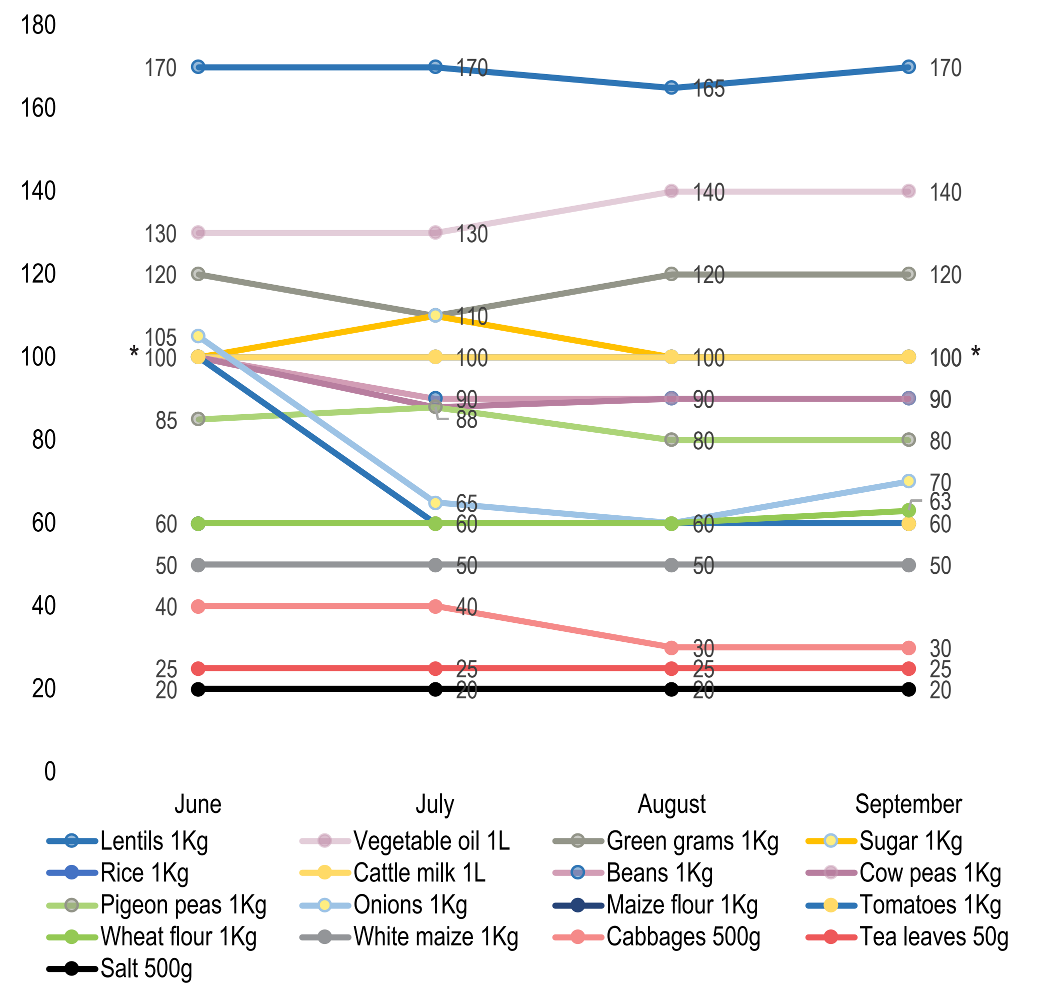
Category	Commodities			
Food items	Cow peas 1Kg	Lentils 1Kg	Tea leaves 50g	Cabbages 500g
	White maize 1Kg	Rice 1Kg	Salt 500g	Cattle milk 1L
	Pigeon peas 1Kg	Maize flour 1Kg	Vegetable oil 1L	Goat meat 1Kg
	Green grams 1Kg	Wheat flour 1Kg	Onions 1Kg	Cattle meat 1Kg
	Beans 1Kg	Sugar 1Kg	Tomatoes 1Kg	
Non-food 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-September 2020:



In September, the median price of firewood reportedly decreased by 33% from 150 KES[1] to 100 KES[1]. The median price of plastic buckets had reportedly decreased by 15% in September. On the other hand, the median price of jerry cans had reportedly increased by 13% in September. The median price of gas was reportedly 800 KES[1] which was a 6% decrease from 850 KES[1] in August. The median prices of other assessed non-food items remained unchanged. Follow up interviews with retailers indicated that the price of gas and firewood had decreased since more retailers had started selling these items leading to competition among retailers.

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



*Similar prices were recorded for rice and cattle milk (100 KES[1] from June to September). Due to overlapping values, rice is not visible.

A majority of the food items were not subjected to any price changes between August and September 2020. However, the median reported price of onions, lentils and wheat flour had slightly increased. The median price of goat meat and cattle meat was reportedly 500 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	September days needed to restock	September stock (days)	% change in stock from August to September 2020
Food items	Lentils	1	14	-36%
	White maize	1	11	-35%
	Green grams	1	12	-25%
	Pigeon peas	1	11	-15%
	Cow peas	1	12	-14%
	Wheat flour	1	6	-14%
	Tea leaves	1	10	-9%
	Beans	1	12	-8%
	Salt	1	14	-7%
	Cabbages	1	2	0%
	Cattle meat	1	2	0%
	Cattle milk	1	2	0%
	Goat meat	1	2	0%
	Tomatoes	1	2	0%
	Vegetable oil	1	5	0%
	Rice	1	9	**13%**
	Sugar	1	8	**14%**
	Onions	1	5	**25%**
	Maize flour	1	7	**40%**
	Average	1	8	-4%
Non-food-items	Bar soaps	1	11	-15%
	LPG	1	9	-10%
	Sanitary pads	1	15	-6%
	Charcoal	2	14	0%
	Firewood	3	20	**11%**
	Jerry cans	1	13	**30%**
	Kerosene	1	7	**40%**
	Face masks[3]	1	12	**50%**
	Buckets	1	17	**55%**
	Average	1	13	**17%**

On average, the number of days retailers reported expecting their current stock to last increased from 8 days in August to 9 days in September. 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 gone down from 2 days in August to 1 day in September. The average reported number of days needed to restock most of the non-food items remained the same, except for charcoal (2 days on average, down from 4 days) and firewood (3 days on average, down from 7 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 (81%) had returned to levels experienced in July (81%) which was slightly higher than in August 2020 (78%), yet still lower than in June (88%).

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

	June	July	August	September
Decreased demand of items	34%	46%	75%	86%
Increased price of items	63%	53%	32%	38%
Lack of money to restock items	42%	33%	16%	28%
Lack of items from suppliers	21%	20%	11%	12%

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 then to 65% in September. All retailers reporting community members faced challenges contributed this, amongst other reasons, to a low purchasing power. The proportion of retailers reporting fear of COVID-19 as a challenge among community members had decreased from 7% in August to 3% in September.

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

	June	July	August	September
Low purchasing power	84%	94%	100%	100%
Items are too expensive	36%	41%	10%	7%
Lack of basic items in the markets	7%	0%	2%	6%
Fear of contracting COVID-19	12%	7%	7%	3%

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 but increased to 90% in September 2020. Out of the 10% retailers who reported an increase in the number of customers, 44% 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-19 related challenges. Between March and June 2020, an estimated 449[5] businesses had reportedly closed down, followed by an additional 330[5] in July, 296[5] in August and 333[5] in September.

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 (22 to 24 September 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. The total cost of the informal settlements MEB remained te same between August and September 2020.

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 use)	675 L	169
	Sanitary pads (15 pcs)	6 pack	200
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		14,090

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
	September	6,255	14,090
Nairobi informal settlements MEB	June	8,192	12,687
	July	8,028	12,795
	August	7,848	12,615
	September	7,848	12,615