

# Libya Joint Market Monitoring Initiative (JMMI)

1–8 June 2018

Libya Cash & Markets  
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 & Markets Working Group (CMWG) in June 2017. The initiative is guided by the CMWG Markets Taskforce, led by REACH and supported by the CMWG members. It is funded by OFDA and UNHCR.

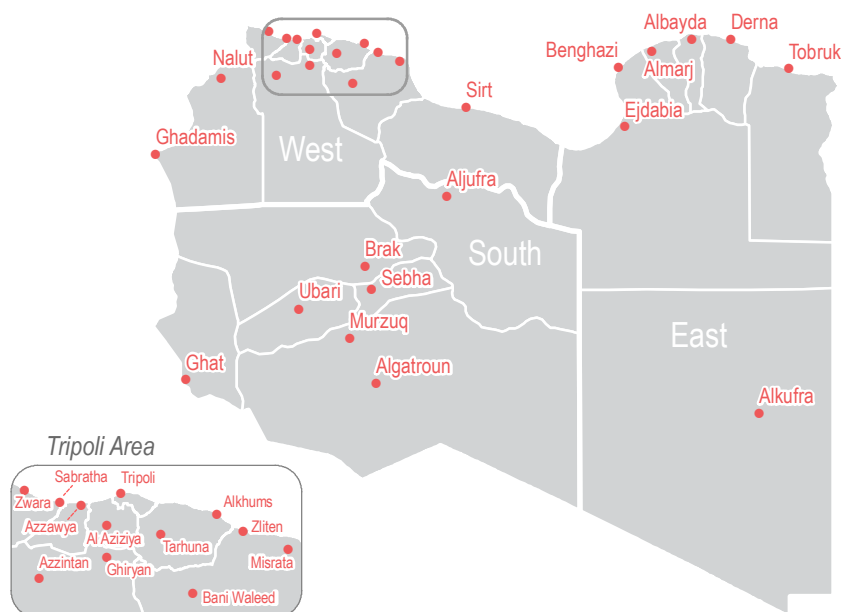
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

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).

## 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 an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

## ASSESSED LOCATIONS



## KEY FINDINGS

- Due to heavy clashes in Derna, **supply chains for key goods were disrupted**. KIs reported that many residents had uncertain access to food<sup>2</sup>, and eleven monitored items from the MEB were reported absent from the markets, with only two bakeries continuing to function. Due to these shortages, it was not possible in June to calculate the cost of an MEB in Derna.<sup>3</sup>
- Ongoing difficulties with the supply of subsidised flour to bakeries caused a **rise in prices reaching 19.0% for flour and 10.1% for bread in 4 months**. In Tripoli, many bakeries went on strike to demand that subsidised wheat flour be provided at earlier levels. According to KIs in Benghazi, bakeries that formerly sold bags of 6-7 pieces of bread for 1 LYD were now selling 4-piece bags for the same price.
- Across Libya, due to inflation, the **MEB reached a median cost of 633.28 LYD (+2.7%)**. In comparison with May, the **greatest growth was in the east (+4.7%)**. Despite decreasing prices in the south (-2.0%), the median MEB remained significantly higher than in the west and the east.
- Overall, the value of REACH's price indices still increased slightly since May 2018. Across all assessed locations, since February 2018, **the west of Libya recorded the highest price index increases** reaching +20.6% for food items and 4.7% for NFIs. Food items accounted for 85.2% of the cost of the MEB's key elements, slightly higher than in May.
- Shortages of subsidised LPG in official shops have led to a growing parallel market. **The median LPG on the parallel market, 11.00 LYD per 11 kg, was almost three times higher than that observed in subsidised official shops (4.00 LYD)**, with some parallel-market traders charging as much as 85 LYD per 11 kg.

## JMMI KEY FIGURES

Data collection from **1-8 June 2018**

**5** participating agencies  
(ACTED, DRC, Mercy Corps, REACH, WFP)  
**29** assessed cities  
**34** assessed items  
**503** assessed shops

## EXCHANGE RATES<sup>1</sup>

<b>1.364</b> USD/LYD official ▲ 1.6%	<b>7.200</b> USD/LYD parallel market ▲ 9.9%	<b>8.370</b> EUR/LYD parallel market ▲ 5.8%
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## KEY MONTHLY CHANGES IN MEB

**Median cost of overall MEB:**  
▲ **633.28 LYD (2.7%)**

**Food items:** ▲ **3.1%**    **Hygiene items:** ▼ **1.7%**    **Cooking fuel:** ▼ **1.9%**

## MEDIAN COST OF MEB BY REGION

<b>West</b>	600.05 LYD	2.9% ▲
<b>East</b>	643.89 LYD	4.7% ▲
<b>South</b>	785.76 LYD	2.0% ▼

## ITEMS ABSENT FROM MARKETS

In Derna:

Cooking fuel (LPG)	Chicken
Bottled water	Eggs
Chickpeas	Tomatoes
Beans	Peppers
Condensed milk	Potatoes
Tomato paste	

*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 Elements<sup>3</sup>

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float <sup>4</sup>	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 CMWG 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

**633.28 LYD**

Change since May 2018

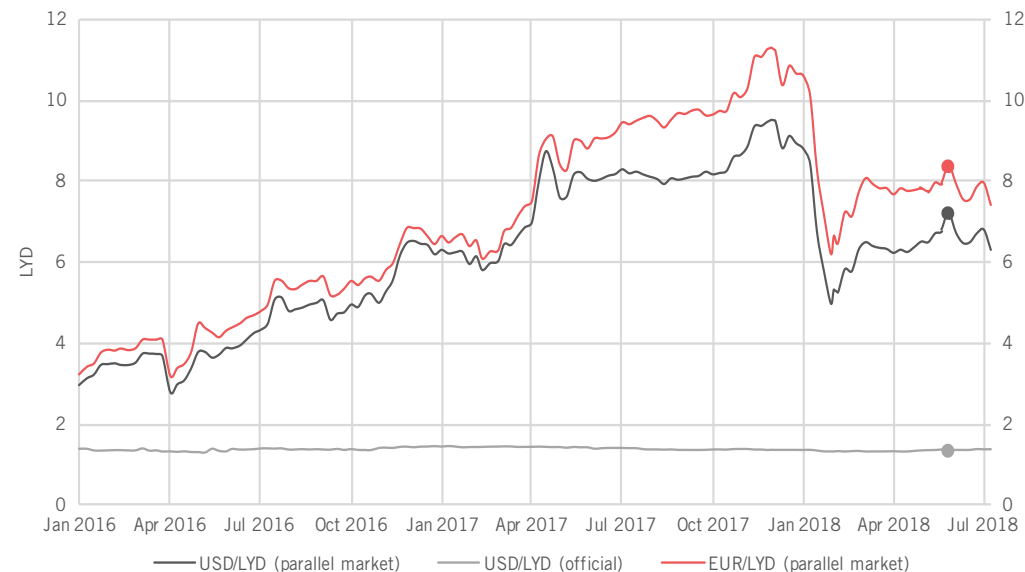
▲ **616.34 LYD (+2.75%)**

## MEDIAN MEB COST BY LOCATION

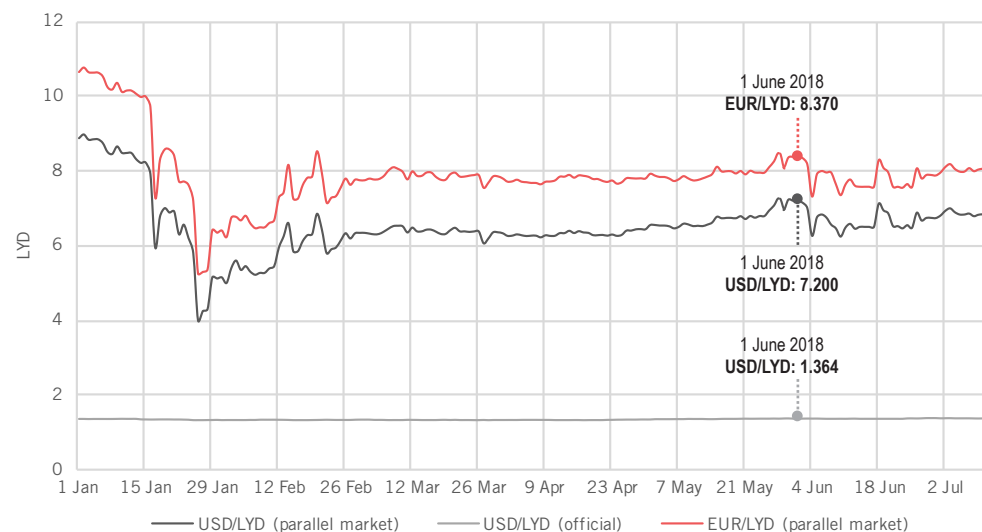
Location	Cost of MEB key elements (in LYD)	Change since May 2018
Sabratha	669.96	+12.3%
Zwara	656.81	+2.3%
Azzawya	652.93	+8.8%
Ghadamis	641.13	+2.3%
Gharyan	626.00	+4.0%
Al-Aziziya	622.81	+6.8%
Zintan	618.51	+6.8%
Zliten	594.19	-0.2%
Nalut	583.15	-16.6%
Al-Khums	576.70	+3.1%
Misrata	567.34	+5.9%
Sirte	544.36	+1.6%
Tripoli	519.06	-4.1%
<b>MEDIAN West</b>	<b>600.05</b>	<b>+2.9%</b>
Al-Kufrah	729.34	+0.7%
Tobruk	695.32	+8.2%
Al-Bayda	667.98	+2.5%
Al-Marj	648.40	+5.4%
Benghazi	595.89	+0.8%
Ajdabiya	541.47	+2.8%
Derna	Incomplete MEB	
<b>MEDIAN East</b>	<b>643.89</b>	<b>+4.7%</b>
Al-Gatroun	910.11	+0.9%
Ghat	908.25	+6.1%
Ubari	855.3	-1.5%
Murzuq	813.77	-1.7%
Al-Jufrah	749.29	+5.1%
Brak	729.91	+2.5%
Sebha	722.89	-7.0%
<b>MEDIAN South</b>	<b>785.76</b>	<b>-2.0%</b>
<b>MEDIAN Overall</b>	<b>633.28</b>	<b>+2.7%</b>

## EXCHANGE RATES OVER TIME<sup>1</sup>

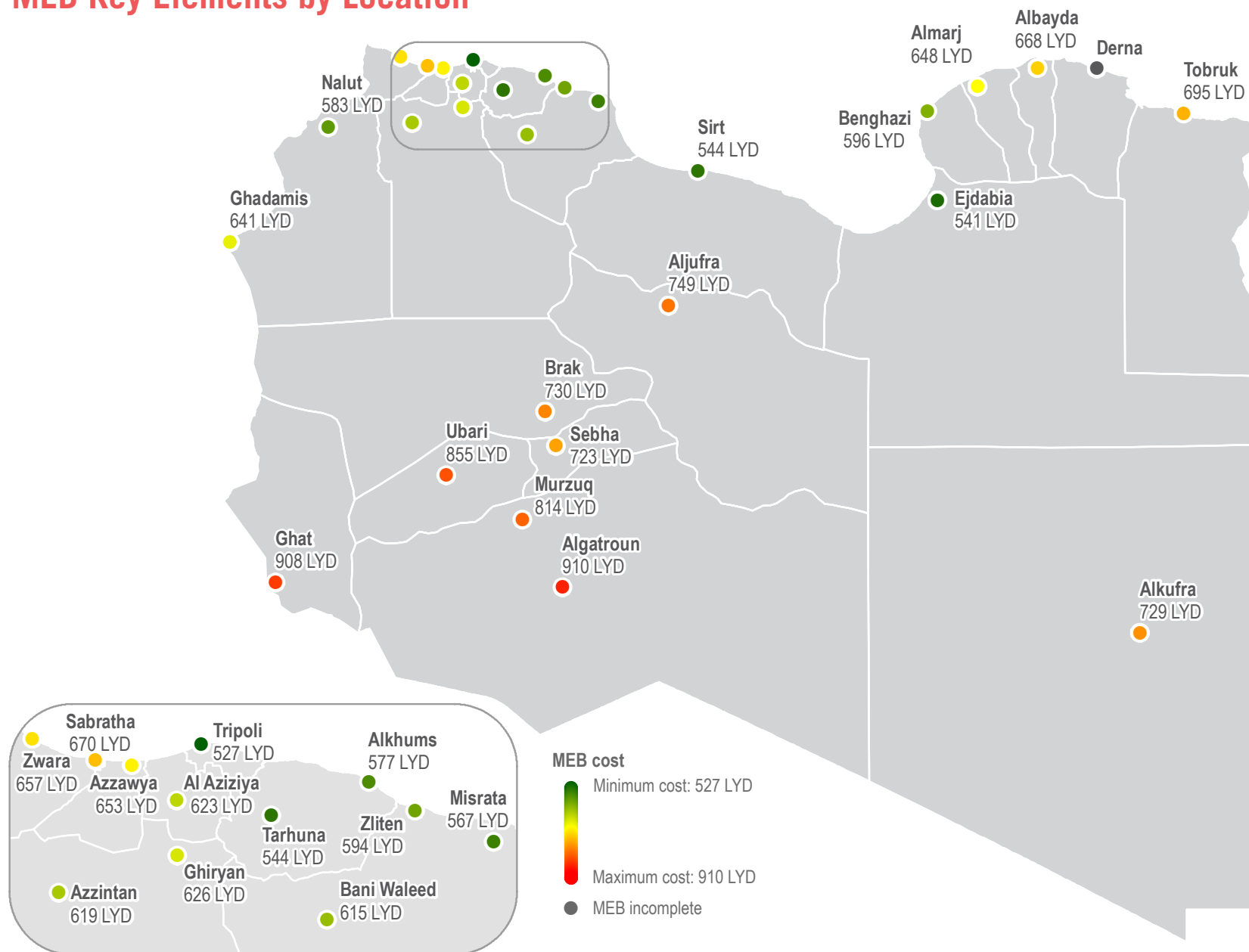
### Since January 2016



### Since January 2018



## Cost of MEB Key Elements by Location

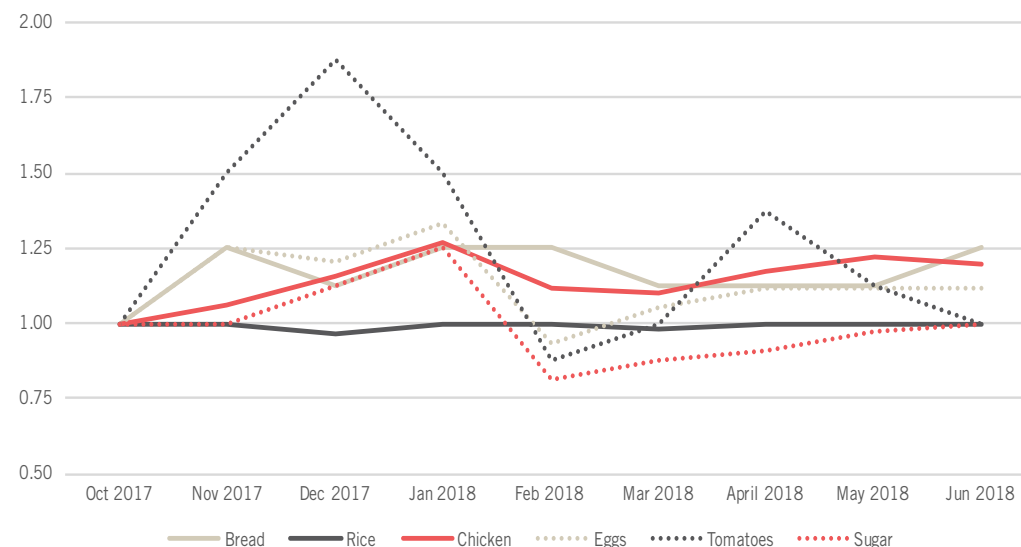


## PRICES OF MONITORED ITEMS

Item	Unit	Median price (in LYD)	Change since May 2018 (in %)	Change since Oct 2017 (in %)
<b>Food items</b>				
Beans	400 g	3.00	+20.0%	+20.0%
Black tea	250 g	7.00	+3.7%	-6.7%
Bread	5 pc	1.25	+11.1%	+25.0%
Chicken	1 kg	12.50	-2.0%	+19.6%
Chickpeas	400 g	3.00	0.0%	+14.3%
Condensed milk	200 mL	3.82	+38.9%	+69.8%
Couscous	1 kg	3.75	+11.1%	-6.3%
Eggs	30 eggs	12.00	0.0%	+11.6%
Flour	1 kg	2.38	+8.0%	+58.3%
Green tea	250 g	5.00	0.0%	0.0%
Lamb	1 kg	41.00	+7.9%	+38.4%
Milk	1 L	5.00	+5.3%	+17.6%
Onions	1 kg	2.00	0.0%	0.0%
Pasta	500 g	1.50	0.0%	-14.3%
Peppers	1 kg	4.25	-5.6%	+13.3%
Potatoes	1 kg	2.00	0.0%	-33.3%
Rice	1 kg	3.50	0.0%	0.0%
Salt	1 kg	1.25	+11.1%	+25.0%
Sugar	1 kg	4.00	+2.6%	0.0%
Tomato paste	400 g	2.00	+60.0%	+60%
Tomatoes	1 kg	2.00	-11.1%	0.0%
Tuna (canned)	200 g	4.10	+5.7%	-0.7%
Vegetable oil	1 L	4.13	+10.0%	+10.0%
<b>Hygiene items</b>				
Baby diapers	30 pc	21.00	-4.5%	+5.0%
Dishwashing liquid	1 L	2.75	+10.0%	0.0%
Handwashing soap	1 bar	2.00	0.0%	+45.5%
Laundry detergent	1 L	1.60	-8.6%	No data
Laundry powder	1 kg	8.13	+12.8%	+8.3%
Sanitary pads	10 pads	4.00	0.0%	+3.2%
Shampoo	250 mL	6.00	+7.2%	-15.7%
Toothbrush	1 pc	2.25	-9.1%	0.0%
Toothpaste	100 mL	5.57	-4.2%	-11.5%
<b>Other items</b>				
Bottled water	1 L	1.94	-3.1%	No data
Cooking fuel (LPG)	11 kg	8.50	-1.9%	No data

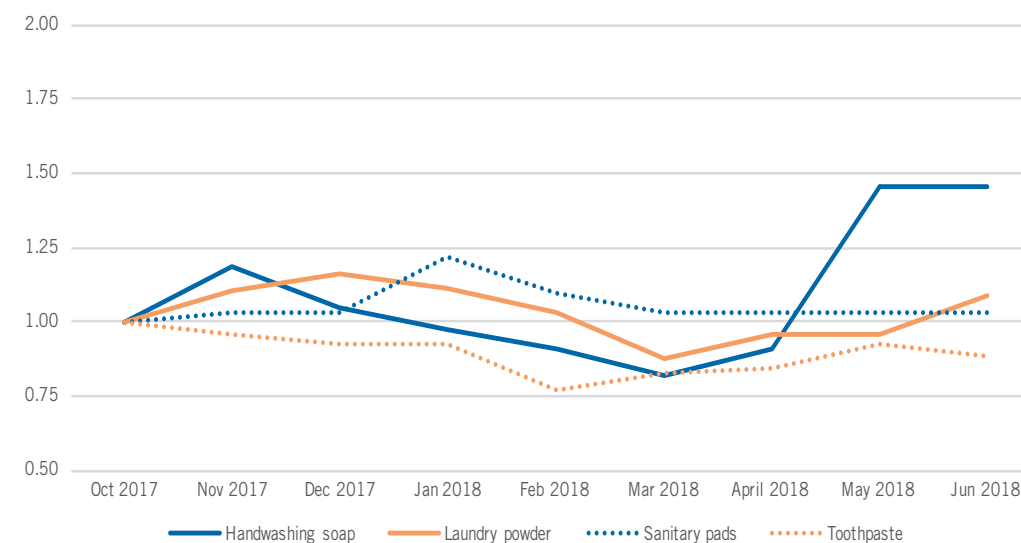
## FOOD PRICES OVER TIME

Selected items (normalised, October 2017 = 1.00)<sup>6</sup>

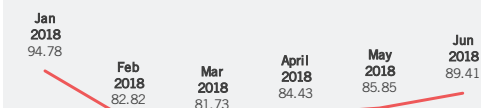


## HYGIENE ITEM PRICES OVER TIME

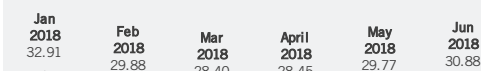
Selected items (normalised, October 2017 = 1.00)<sup>6</sup>



## FOOD PRICE INDEX OVER TIME



## NFI PRICE INDEX OVER TIME



## NOTABLE MONTH-ON-MONTH CHANGES

Tomato paste	▲ 60.0%
Condensed milk	▲ 38.9%
Beans	▲ 20.0%
Laundry powder	▲ 12.8%

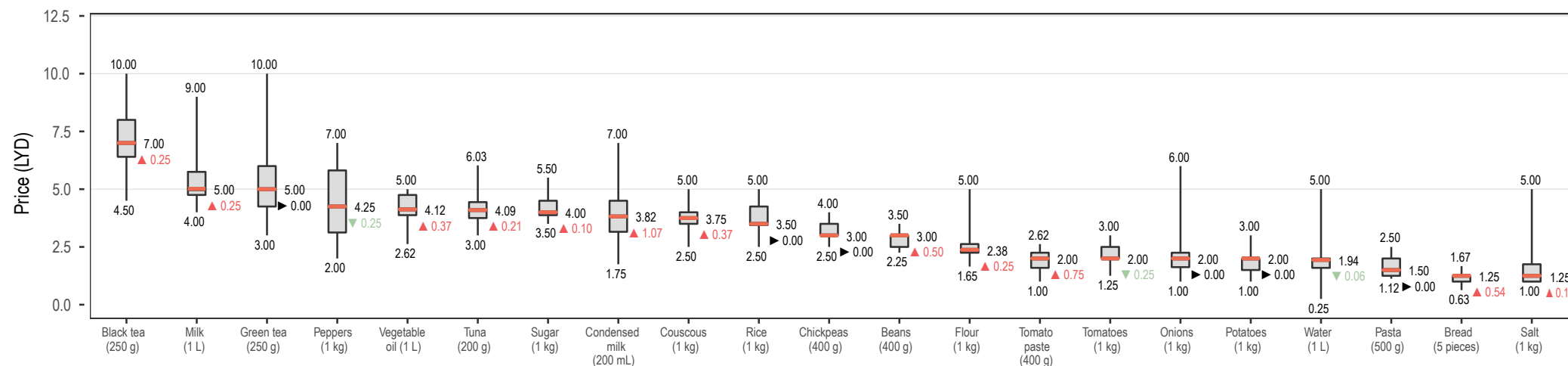
## ITEMS ABSENT FROM MARKETS

In Derna:

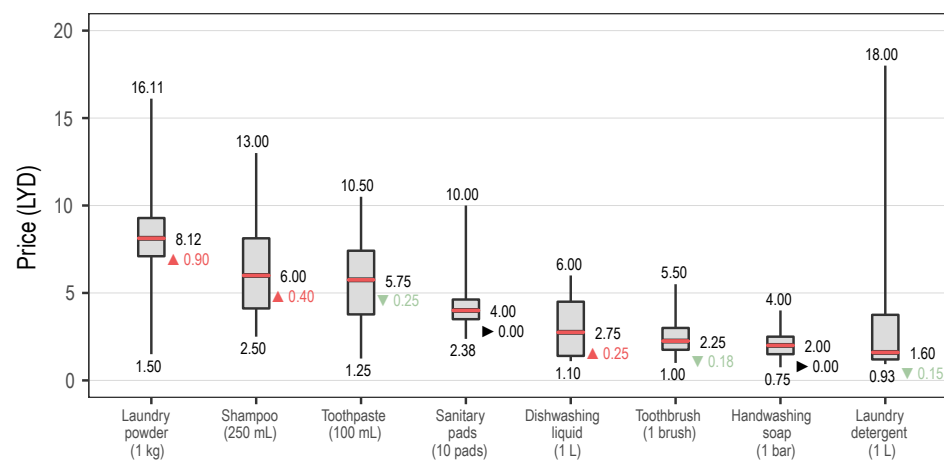
Cooking fuel (LPG)	Chicken
Bottled water	Eggs
Chickpeas	Tomatoes
Beans	Peppers
Condensed milk	Potatoes
Tomato paste	

# Distribution of Prices in Libya

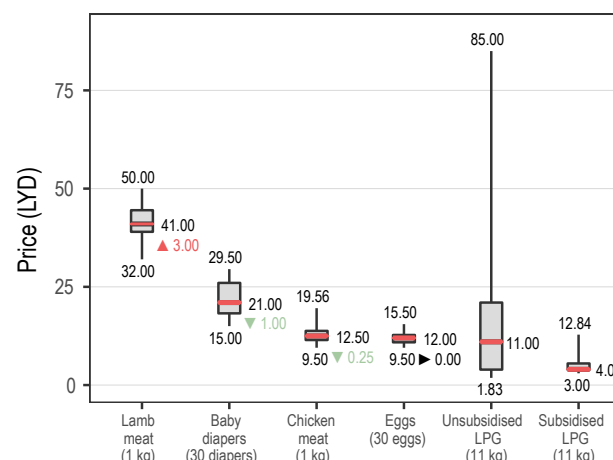
## FOOD ITEMS



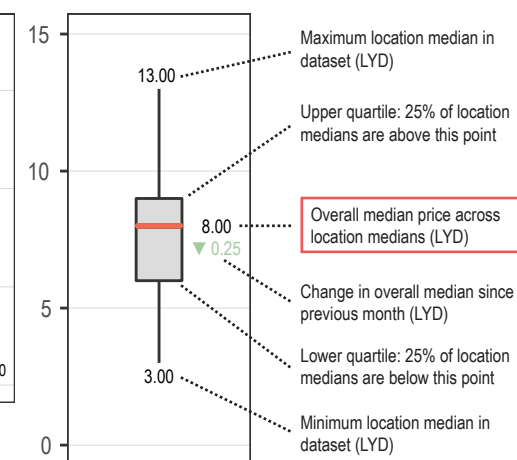
## HYGIENE ITEMS



## 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.

# Appendix

## PREVIOUS JMMI OUTPUTS

### Factsheets

### Datasets

#### 2018

May	May
April	April
March	March
February	February
January	January

#### 2017

December	December
November	November
October	October
September	September
August	August
July	July
June	June

### Trends Analyses

June–December 2017

## PAYMENT MODALITIES ACCEPTED IN ASSESSED SHOPS (% of shops)

Cash	100%	0%
Bank transfer	8%	92%
Store credit	2%	98%
Credit/debit card	2%	98%
Certified cheque	2%	98%
Mobile money	0%	100%
Gold	0%	100%
Barter	0%	100%
Online payments	0%	100%
Other modalities	0%	100%

■ Modality accepted ■ Modality not accepted

## MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	30–40%
Certified cheques	10–45%
Mobile money	N/A

assessed items.

- Prices in these shops need to be good indicators of the general price levels in the assessed area.
- 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 CMWG 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 CMWG 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.

As trends in the cost of the MEB cannot yet be analysed, REACH continues to track month-on-month changes in its former price indices. The Food Price Index is calculated by adding the median prices of one unit of each monitored food item (excluding lamb meat due to its high price); the NFI Price Index, by adding the median prices of one unit of each monitored hygiene item (excluding laundry detergent and baby diapers due to their high prices). 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 between data collection rounds.
- The data is only indicative of the general price levels in the assessed cities – 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' socio-economic levels.

- The JMMI data collection tool requests the cheapest available brand of each item to be recorded, but does not require a specific brand, as availability varies. Therefore, price comparisons across regions may be based on slightly varying products.
- 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

<sup>1</sup> Official rate: Central Bank of Libya (1 June 2018), retrieved from [www.cbl.gov.ly](http://www.cbl.gov.ly). Parallel market rates: Ewan Libya (1 June 2018), retrieved from [www.ewanlibya.ly](http://www.ewanlibya.ly). The rates from 1 May and 1 June 2018 were used for the calculation of the monthly changes.

<sup>2</sup> 1 June 2018, *Derna Rapid Situation Overview* retrieved from: <http://bit.ly/2LdgVeo>.

<sup>3</sup> Libya Observer (30 June 2018), *Flour mill pledges to halt bread crisis if bank credits are provided*, retrieved from [www.libyaobserver.ly/inbrief/flour-mill-pledges-halt-bread-crisis-if-bank-credits-are-provided](http://www.libyaobserver.ly/inbrief/flour-mill-pledges-halt-bread-crisis-if-bank-credits-are-provided)

<sup>4</sup> 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.

<sup>5</sup> The 20% float is designed to cover regular expenditures that do not fall neatly into any other category. This includes expenses on healthcare, medicine, education, utilities, transportation and communications.

<sup>6</sup> Due to the unique conflict dynamics in Derna, it was not possible to impute prices for missing items.

<sup>7</sup> Prices were normalized by setting October 2017 as the baseline and dividing each month's price by the price in October.