

Libya Joint Market Monitoring Initiative (JMMI)

1–9 January 2019

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.

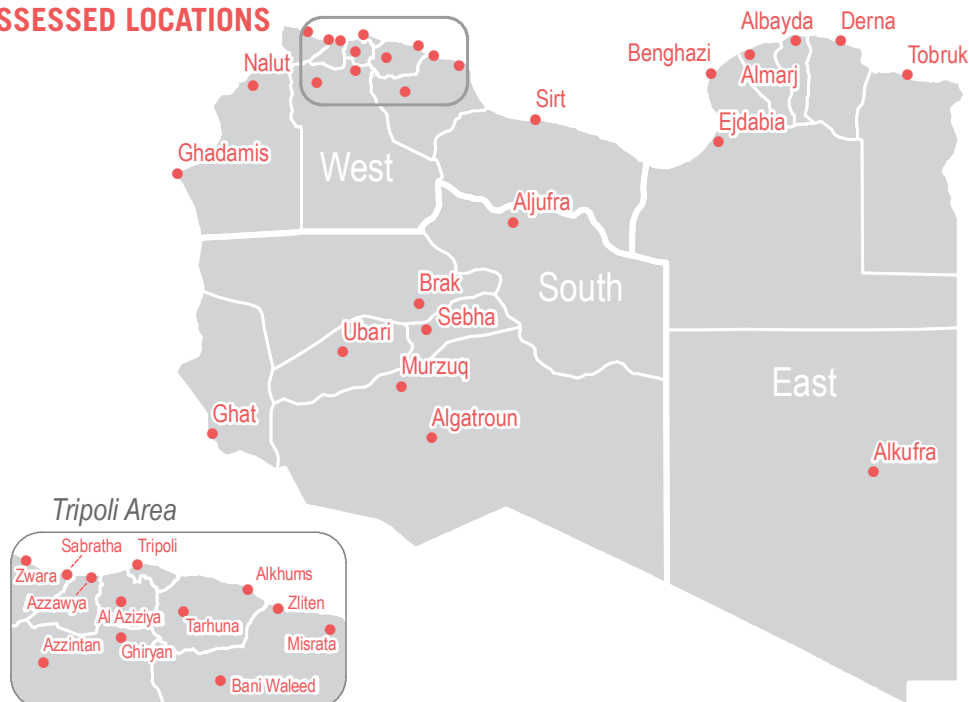
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

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

- Between December and January, the **Libyan dinar (LYD) continued to strongly appreciate by +15.4% against the US dollar and the Euro on the parallel market**. Considering the +183% tax on foreign transactions, the gap between the effective official and parallel market USD/LYD exchange rates sharply narrowed, reaching a difference of 0.473 LYD in January¹. Consequently, import items continued to decrease in price², notably food (-6.8%) and hygiene items (-3.6%).
- In January, the **overall median cost of the Minimum Expenditure Basket (MEB) was 780.94 LYD**, a decrease by 6.0% compared to December. This is the lowest cost recorded since the MEB was first added to the JMMI in May 2018³. This overall decrease was notably impacted by the West (-5.8%) while the median cost of the MEB increased in the East (+3.0%) and the South (+0.2%).
- The **beginning of 2019 was also marked by the greatest monthly decrease in the median price of the food portion of the MEB** since it was calculated in May 2018. Except slight rises in the median price of rice (+5.9%) and condensed milk (+1.3%), no food items increased in price in January.
- Between December and January, the **median price of cooking fuel increased by 23.7%** across Libya. Insecurity in the southern region probably impacted prices as production was reduced due to looting and protests.⁴
- Disruptions to the supply of subsidised flour, which led to bakery strikes across Libya in summer 2018, appeared to be abating. Following several months of price fluctuations, the **median price of bread, which cost 1.25 LYD for 5 pieces of bread, remained unchanged** when compared to January 2018.

JMMI KEY FIGURES

Data collection from 1-9 January 2019

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

EXCHANGE RATES⁵

1.391 USD/LYD <i>official</i> ▼ -0.3%	4.410 USD/LYD <i>parallel market</i> ▼ -13.4%	5.000 EUR/LYD <i>parallel market</i> ▼ -13.3%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB 780.94 LYD	▼ 49.62 LYD	-6.0%
Food items	▼ -6.8%	
Hygiene items	▼ -3.6%	
Cooking fuel	▲ +23.7%	

MEDIAN COST OF MEB BY REGION

West	754.59 LYD	-5.8% ▼
East	783.35 LYD	+3.0% ▲
South	1047.60 LYD	+0.2% ▲

MARKET SHORTAGES

None reported

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 Elements⁶

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁷	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

780.94 LYD

Change since
December 2018

▼ 49.62 LYD
(-6.0%)

Change since
May 2018

▼ 1.52 LYD
(-0.2%)

MEDIAN MEB COST BY LOCATION

Location	Cost of key elements (LYD)	Change since Dec 2018	Change since May 2018
Misrata	848.34	+10.1%	+25.5%
Nalut	820.42	-2.0%	-5.1%
Sabratha	773.61	-5.6%	-0.3%
Tripoli	768.26	+0.2%	+7.6%
Azzintan	758.57	No data	+3.9%
Azzawya	756.59	-5.0%	-3.7%
Zwara	744.08	-10.7%	-10.1%
Ghiryan	742.11	-4.3%	-0.1%
Al Aziziya	736.93	-7.7%	-5.4%
Ghadamis	734.50	-5.4%	-7.8%
Bani Waleed	720.94	-9.8%	No data
Tarhuna	720.60	-13.5%	No data
Zliten	712.56	-8.8%	-4.9%
Sirt	706.44	-3.3%	+1.3%
Alkhums	689.81	-16.4%	-3.2%
Median West	754.59	-5.8%	+1.5%
Alkufra	1023.63	+4.6%	+5.6%
Albayda	802.05	+1.8%	-2.5%
Ejdabia	774.24	+3.4%	+13.0%
Tobruk	781.83	-0.6%	-1.5%
Derna	740.50	-4.5%	-25.9%
Benghazi	739.29	+3.5%	-1.9%
Almarj	725.85	-8.1%	-7.3%
Median East	783.35	+3.0%	-0.6%
Algatroun	1247.91	-4.9%	+10.7%
Murzuq	1218.94	+5.1%	+14.2%
Ghat	1181.63	-14.8%	+15.9%
Ubari	1092.50	+2.7%	-1.0%
Aljufra	946.07	-4.1%	+7.2%
Brak	889.05	+1.4%	+3.7%
Sebha	868.31	-9.1%	-9.3%
Median South	1047.60	+0.2%	+5.7%
Median Overall	780.94	-6.0%	-0.2%

EXCHANGE RATES OVER TIME⁵

January 2016-July 2018



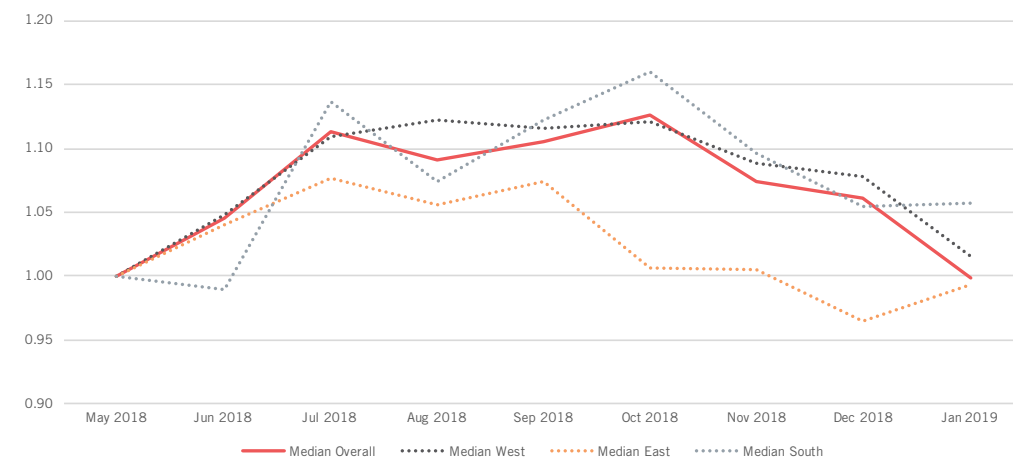
Since July 2018



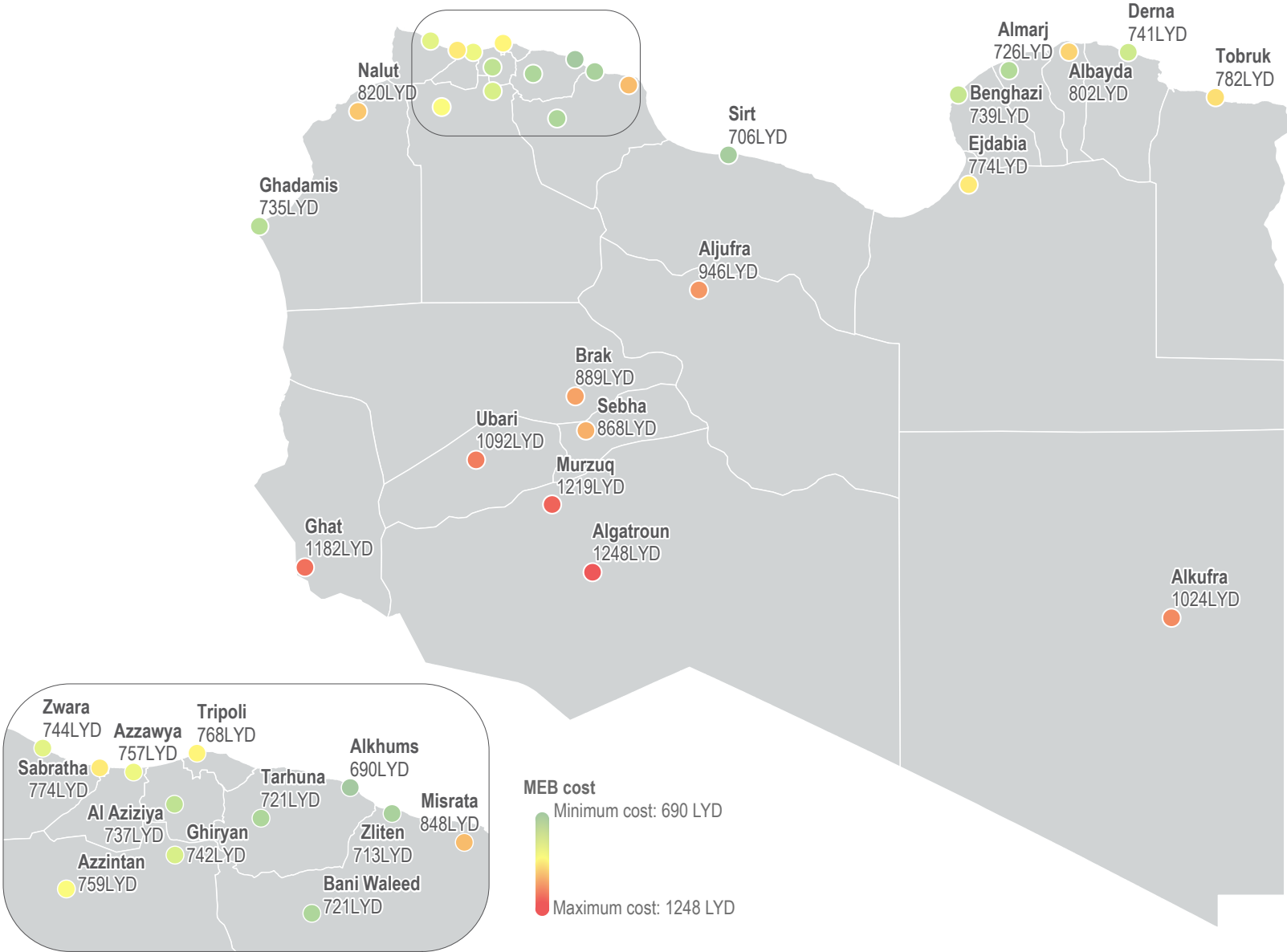
— USD/LYD (parallel market) — USD/LYD (official) USD/LYD (official) + tax — EUR/LYD (parallel market)

MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)⁸



Cost of MEB Key Elements by Location

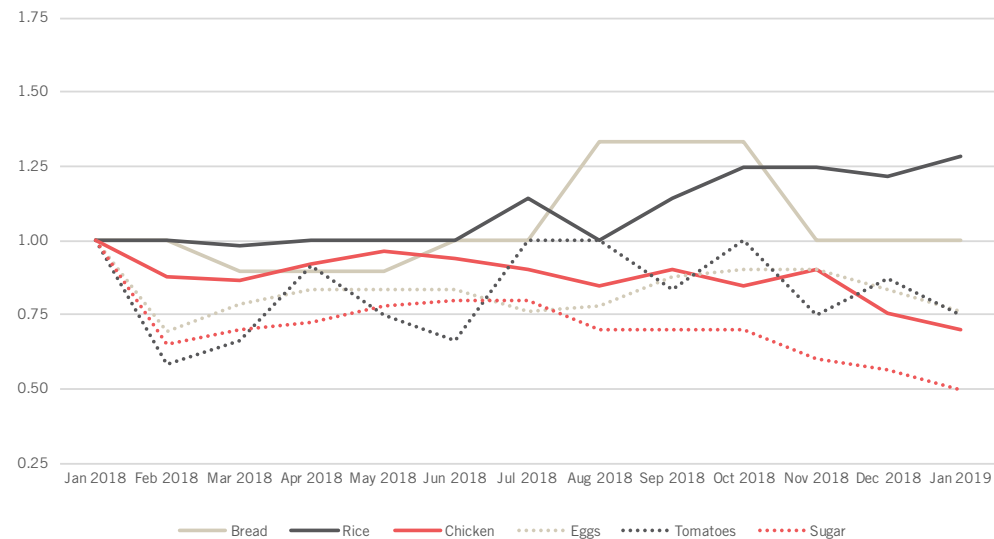


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since Dec 2018	Change since Jan 2018
Food items				
Rice	1 kg	4.50	+5.9%	+28.6%
Condensed milk	200 ml	2.75	+1.3%	+10.0%
Bread	5 pieces	1.25	0.0%	0.0%
Onions	1 kg	2.00	0.0%	-33.3%
Potatoes	1 kg	2.00	0.0%	-33.3%
Salt	1 kg	1.00	0.0%	0.0%
Pasta	500 g	1.50	-1.0%	-10.4%
Lamb meat	1 kg	35.00	-2.1%	-7.9%
Milk	1 L	3.00	-4.0%	-25.0%
Canned tuna	200 g	4.38	-6.6%	-8.8%
Couscous	1 kg	3.50	-6.7%	-12.5%
Black tea	250 g	6.75	-6.9%	-3.6%
Chicken	1 kg	9.25	-7.5%	-30.2%
Eggs	30 eggs	11.00	-8.3%	-23.5%
Sugar	1 kg	2.50	-11.1%	-50.0%
Vegetable oil	1 L	4.88	-11.4%	+30.0%
Flour	1 kg	2.50	-13.0%	+21.2%
Tomato paste	400 g	2.50	-13.0%	+90.5%
Tomatoes	1 kg	2.25	-14.3%	-25.0%
Beans	400 g	2.50	-14.9%	-9.1%
Chickpeas	400 g	2.50	-14.9%	-16.7%
Peppers	1 kg	4.00	-20.0%	-36.0%
Green tea	250 g	3.88	-22.5%	-29.5%
Hygiene items				
Shampoo	250 ml	7.45	+21.6%	+30.4%
Laundry powder	1 kg	7.50	+8.7%	-10.0%
Toothpaste	100 ml	6.00	+5.9%	0.0%
Handwashing soap	1 bar	2.00	0.0%	+49.5%
Baby diapers	30 pieces	16.00	-15.8%	-28.9%
Sanitary pads	10 pads	3.50	-16.0%	-25.6%
Laundry detergent	1 L	1.20	-22.6%	No data
Toothbrush	1 brush	2.00	-33.3%	-8.6%
Dishwashing liquid	1 L	1.50	-41.7%	-63.6%
Other items				
Subsidised LPG	1 L	5.00	+173.2%	No data
Unsubsidised LPG	11 kg	10.00	+21.2%	No data
Bottled water	11 kg	0.29	+1.5%	No data

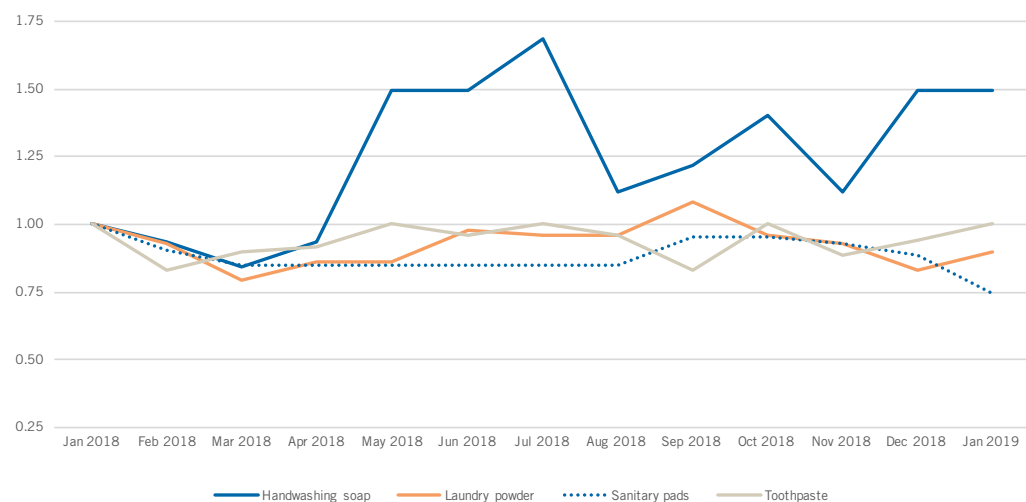
FOOD PRICES OVER TIME

Selected items (normalised, January 2018 = 1.00)⁹



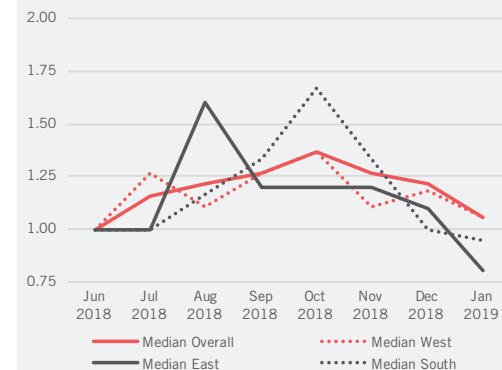
HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, January 2018 = 1.00)⁹



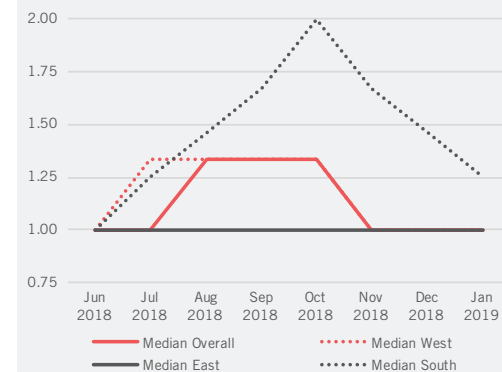
FLOUR PRICES OVER TIME¹⁰

(normalised, June 2018 = 1.00)



BREAD PRICES OVER TIME¹⁰

(normalised, June 2018 = 1.00)



NOTABLE MONTH-ON-MONTH CHANGES

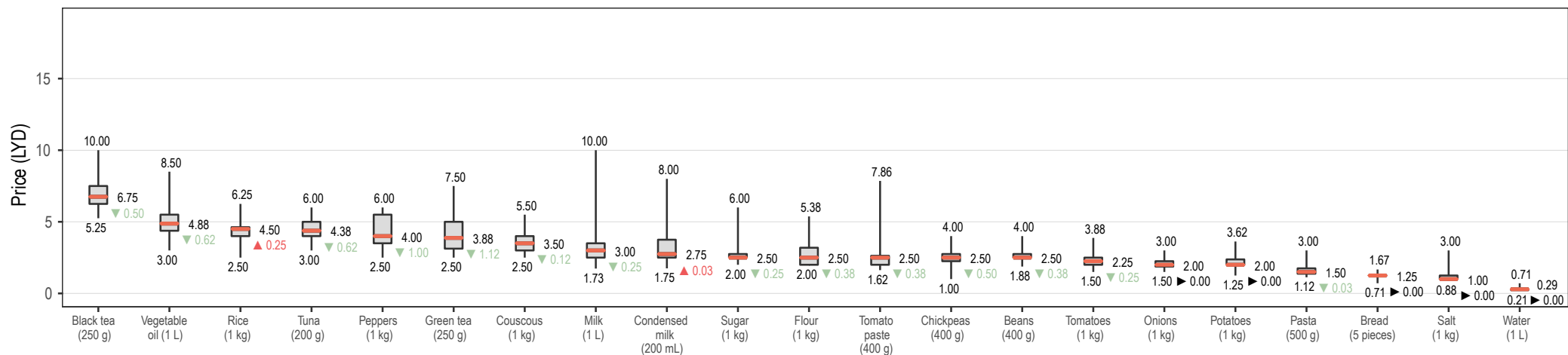
Subsidised LPG	▲ +173.2%
Shampoo	▲ +21.6%
Unsubsidised LPG	▲ +21.2%
Diswashing liquid	▼ -41.7%
Toothbrush	▼ -33.3%

MARKET SHORTAGES

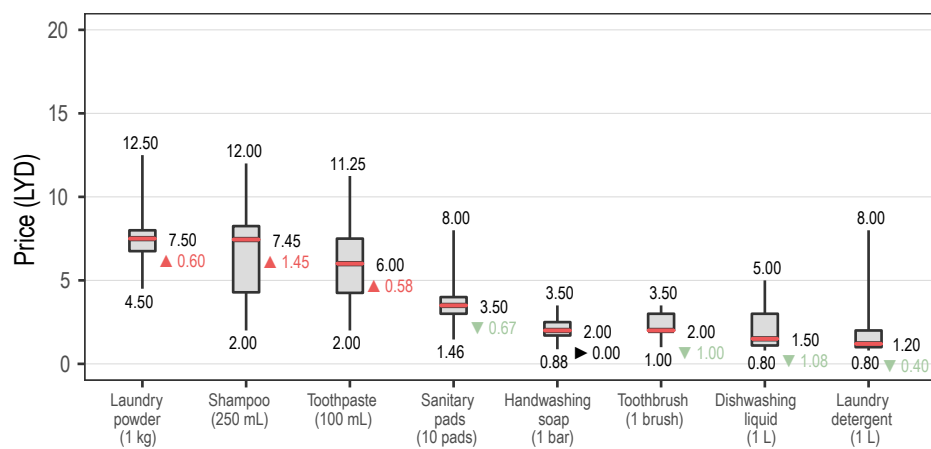
None reported

Distribution of Prices in Libya

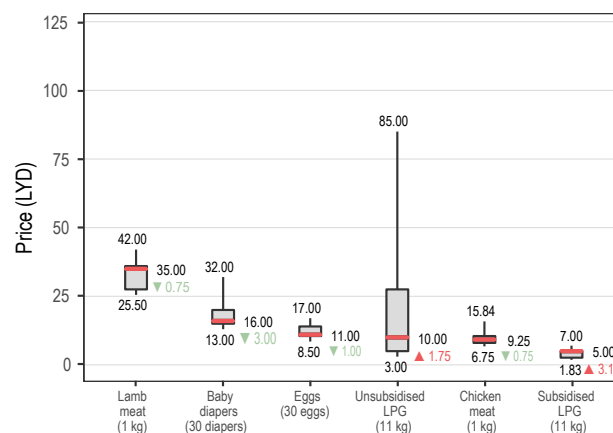
FOOD ITEMS



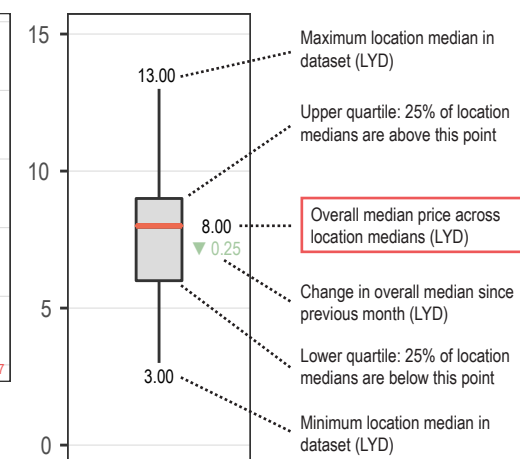
HYGIENE ITEMS



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.

PREVIOUS JMMI OUTPUTS

Factsheets	Datasets
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

2017	
December	December
November	November
October	October
September	September
August	August
July	July
June	June

Trends Analyses

January–June 2018
June–December 2017

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	0%
Certified cheques	10-15%
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 In January 2019, the USD/LYD exchange rate including the +183% fee on foreign transaction was 3.937 LYD (p.2) while the USD/LYD on parallel market was 4.410 LYD.

² See key findings of the [December JMMI 2018 factsheet](#).

³ The first MEB in Libya was calculated in May 2018. The median cost was 782.46 LYD. For further details, see: [May 2018 JMMI factsheet](#).

⁴ For further details, see: <https://www.libyaobserver.ly/news/libyas-noc-says-sharara-oilfield-could-lose-8500-bpd-looting> and <https://www.libyaobserver.ly/news/protesters-shut-down-libyas-biggest-oilfield-sharara>.

⁵ *Official rate*: Central Bank of Libya (1 January 2019), retrieved from www.cbl.gov.ly. *Parallel market rates*: Ewan Libya (1 January 2019), retrieved from www.ewanlibya.ly. The rates from 1 December 2018 and 1 January 2019 were used for the calculation of the monthly changes.

⁶ 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.

⁷ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.

⁸ The MEB price index was normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.

⁹ The food and hygiene prices were normalised by setting December 2017 as the baseline and dividing each month's price by the price in December.

¹⁰ Trends in flour and bread prices have been analysed from June 2018 onward to capture volatility that began roughly around that time.