Market Analysis Task Force – COVID-19 Market Monitoring

1 June 2020
Rationale

What is the impact of the COVID-19 outbreak on markets in refugee communities across Uganda?

• What is the impact on commodity prices?
• … and on market functionality?
• How do containment measures affect prices and market functionality?

→ What are the implications for CASH assistance?
2 METHODOLOGY
Methodology of the COVID-19 Market Monitoring

- Quantitative assessment monitoring **commodity prices** and **market functionality** indicators across Uganda’s refugee communities
- Building on the existing **MEB price monitoring system**
- **Remote** quantitative data collection through the WFP mobile Vulnerability Analysis and Mapping (**mVAM**) unit
- Bi-monthly analysis rounds
  - Round 1: 15-30 April
  - Round 2: 1-14 May
  - Round 3: 15-31 May
  - ...
Assessed locations

Assessed markets

- Adjumani
- Bidibidi
- Imvepi
- Kiryandongo
- Kyaka II
- Kyangwali
- Lobule
- Nakivale
- Oruchinga
- Palabek
- Palorinya
- Rhino camp
- Rwamwanja

Refugee hosting districts

1-15 May 2020
3

KEY FINDINGS
Since March, **most commodities** that constitute the MEB have **appreciated in price**. **Grains** have generally appreciated more in price than other commodities like flour and cooking oil. Aggregated national results should be interpreted with caution, as **large differences across assessed settlements** prevail.
Commodity Prices

Changes in food prices (in UGX) in Soutwest (left) and West Nile (right) regions

- Price levels and changes **vary** regionally!
- Aggregated figures should be taken with a grain of salt
- ...and – where possible – **local effects** on price changes should be paid attention to
Market Functionality

- Results show **significant impact** on the functionality of assessed marketplaces in terms of:
  - Access to markets
  - Available supply
  - Security
- In general, markets in the **Southwest Region** appear to have been impacted more adversely than markets in the West Nile Region.
- Overall, the **access and security appears to have improved between April and May**
- Yet, **meeting demand** with the available supply **remains an issue**, first and foremost in the **Southwest Region**!
Market Functionality

- In April, most assessed marketplaces saw a **decrease in the number of both vendors and customers**

% traders reporting a decrease in the number of vendors – April (left) and May (right)

- In the Southwest region, **41%** of interviewed traders estimated a **decrease of vendors beyond 50%**, in April.
- **In May, none** of the interviewed traders estimated a decrease of vendors by more than 50%
Market Functionality

- **Meeting demand** with the available supply appears to become an increasing problem

% of interviewed traders reporting difficulty in obtaining enough supply to meet demand - in April (left) and May (right)
Market Functionality

• In April, many interviewed traders reported restrictions to transport goods to markets:

<table>
<thead>
<tr>
<th>Region</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationwide</td>
<td>13%</td>
<td>87%</td>
</tr>
<tr>
<td>Southwest Region</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>West Nile Region</td>
<td>11%</td>
<td>89%</td>
</tr>
</tbody>
</table>

1. Education items 45%
2. Shelter items 37%
3. Household Items 21%

1. Education items 72%
2. Household Items 41%
3. Shelter items 34%

1. Shelter items 38%
2. Education items 26%
3. Energy items 17%

• These appear to have decreased considerably, since May.
COVID-19 Market Monitoring

Refugee Settlement Price and Market Functionality Snapshot, 15-30 April 2020

OVERVIEW AND METHODOLOGY

Uganda is one of the top refugee-hosting countries in the world, with a protracted refugee situation and ongoing influxes of refugees from neighboring countries. The country hosts 1,423,740 refugees as of 30 April 2020, with nearly 94% of refugees living in settlements primarily in the West Nile and Southwest regions of Uganda.

Due to the changing situation since the Ugandan government introduced COVID-19 containment measures in mid-March 2020, there is a risk that markets could be significantly affected and beneficiaries receiving cash assistance may not be able to access critical goods. The main objective of this market monitoring assessment is to understand the impact of COVID-19 on commodity prices and functionality of markets in refugee communities across Uganda and provide timely information to actors on a regular basis.

Data was collected remotely through key informant telephone interviews with traders, individuals selling key commodities, in markets across 13 refugee settlement locations from 15-30 April 2020. Key informants were purposively sampled, meaning the findings are indicative only. The figures represented in this factsheet are presented at the national and regional level, unless stated otherwise.

While limitations in remote data collection (for more details see textbox on page 2) made it impossible to calculate a reliable estimation of the April 2020 MEB price, this market monitoring exercise aims at providing accurate figures of MEB prices in future rounds.

KEY FIGURES

194 traders interviewed nationwide
55 traders interviewed in Southwest Region
139 traders interviewed in West Nile Region

[Map 1: Assessed settlements]

Uganda Minimum Expenditure Basket (MEB)

Food Items (monthly)
- Maize flour: 44 kg
- Cassava (fresh): 3 kg
- Beans: 27 kg
- Salt: 1 kg
- Sorghum grain: 8 kg
- Leafy vegetables: 15 kg
- Oil: 4 L
- Fish (smoked): 3 kg
- Milk: 2 L

Non-Food Items (monthly)
- Laundry soap: 2.26 kg
- Clothing*: 3,806 UGX
- Firewood: 168 kg

Other Components (monthly)
- Water*: 3,750 UGX
- Livelihoods*: 37,705 UGX
- Education**: 22,567 UGX
- Transport**: 11,001 UGX
- Health**: 2,069 UGX
- Communication**: 4,256 UGX
- Lighting*: 5,000 UGX

Other Items (once per year)
- Reusable sanitary pads: 8 pc
- Saucepan: 3 pc
- Jerry can (20 L): 2 pc
- Plate: 5 pc
- Jerry can (5 L): 1 pc
- Serving spoon: 2 pc
- Bucket with lid: 1 pc
- Cup: 5 pc
- Blanket: 5 pc
- Mingle (stirrer): 2 pc

The MEB represents the minimum culturally adjusted group of items required to support a five-person refugee household in Uganda for one month. Several core items were identified as being required once per year, so the total cost was divided by 12 to calculate the monthly amount. 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 Cash Working Group in consultation with relevant sector leads. Some components were calculated based on item cost and others through a combination of analysis of household expenditures and sector-expert opinion.

*Starters or components were calculated based on average sectoral or component cost per month based on expenditure data.
**Education costs were calculated based on average cost per school year.

Latest reported cost of the full MEB (March): 502,711 UGX
Latest reported cost of the food MEB (March): 333,619 UGX

COVID-19 Market Monitoring
Refugee Settlement Price and Market Functionality Snapshot, 1-15 May 2020

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KEY FIGURES
210 traders interviewed nationwide
38 traders interviewed in the Southwest Region
172 traders interviewed in the West Nile Region

Latest reported cost of the full MEB (March): 502,711 UGX
Latest reported cost of the food MEB (March): 333,819 UGX

Questions?

Thanks for your attention!