

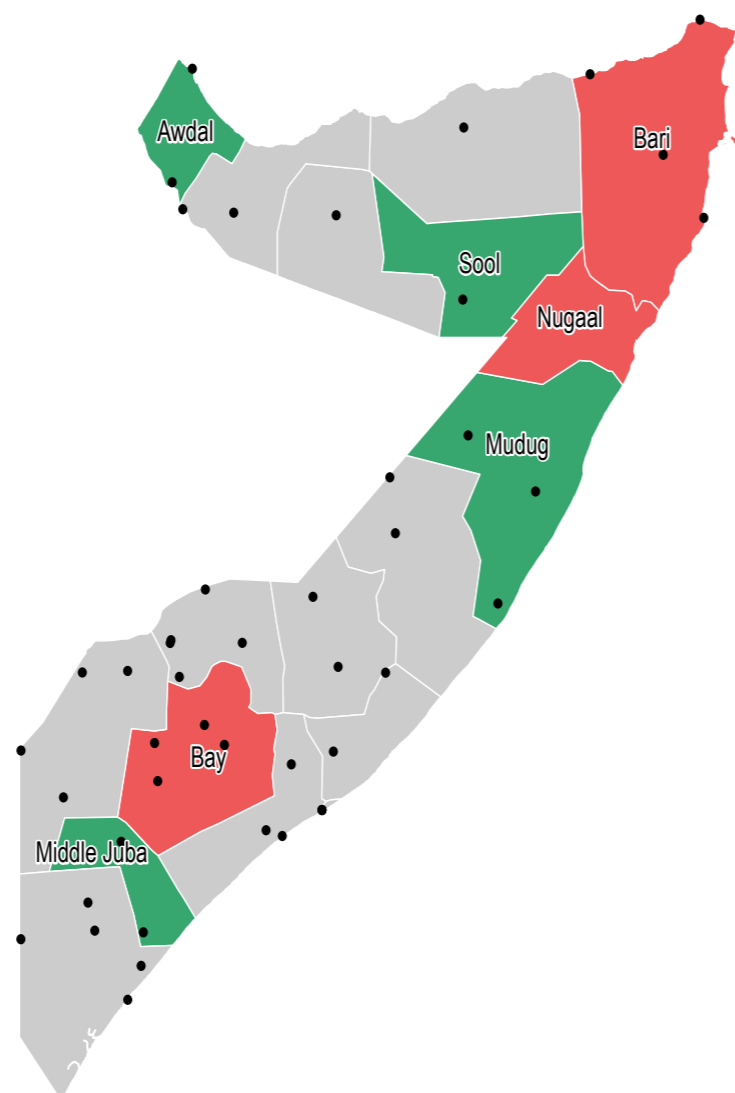
## INTRODUCTION

Cash-based interventions have been used by humanitarian organisations in Somalia since 2003<sup>1</sup>. Initially, significant variations in transfer values were implemented by different organisations, occasionally leading to different transfer values in the same locations. It was against this backdrop, and as a response to the increasing number of agencies using cash-based interventions to respond to the 2016-2017 drought, that the Somalia Cash Working Group (CWG) started convening in February 2017. The aim of the CWG is to streamline the design, development, and implementation of cash-based interventions in Somalia.

Pursuant to these aims, the CWG provides quarterly transfer value recommendations, based on Somalia's standard minimum expenditure basket (MEB), to humanitarian organisations implementing cash-based interventions in Somalia.

This dashboard presents the CWG's transfer value recommendations for populations classified in the Integrated Food Security Phase Classification (IPC) phases 3 ('acute') and 4 ('emergency'), in addition to an overview of market performance for the period of October-December 2020. The primary data sources used are datasets and briefs from the Food Security and Nutrition Analysis Unit (FSNAU), which provides price data, and the World Food Programme (WFP), which provides supply chain and port data. Data from other CWG partners is used on an as-available basis.

## Regions with positive and negative changes in the recommended transfer values for either multi-purpose and/or food assistance



**KEY**  
 ▲ increase in recommended transfer value  
 ▼ decrease in recommended transfer value  
 ● monitored markets

## SUPPLY CHAINS<sup>2</sup>

In the last week of October, prices of imported food commodities have slightly increased in Adado, due to taxes levied on trucks. The pattern was the same in Galkacyo and Hobyo, where prices of imported food commodities increased due to effects of Deyr rains on transport services. In Diinsoor, prices of imported food products were high, also due to the restriction on the transport of goods inside and outside the district.

In the last week of November, traders in North Galkacyo rejected Somali Shillings on several markets because the Somali Shilling was devalued. This resulted in public resentment causing fear and civil unrest. Xudur's blockade and restricted movement from rural to urban centres due to insecurity, contributed to increases in the prices of food.

In Qansaxdhere and Xudur food prices were extremely high during the second week of December. Furthermore, food availability was very low because of the restriction of movement of goods in and out of the towns. Since high prices are a result of low item availability, increasing transfer values could result in inflation. If possible, programming should be adapted to in-kind aid. **Please contact the Cash Working Group for the revised recommended transfer values for Xudur.**

Fruit and vegetable prices in Mogadishu increased throughout December. The price of certain items doubled, such as tomatoes and carrots, while others were not available, such as hot pepper and parsley. This was due to recent floods that destroyed crops and farmland in and around the Lower and Middle Shabelle regions. Imported food items in Rabdhure remained at a very high price but were still available.

During the same period, food prices in Puntland started to decrease as a result of a correction in the exchange rate between the Somali Shilling and the United States Dollar. However, most wholesalers were unwilling to accept local Somali Shilling notes, while small traders and retailers accepted Somali Shilling notes.

## RECOMMENDED TRANSFER VALUES (USD)

Region	Multi-purpose	Food
Awdal	95	75 ▼
Bakool	75	65
Banaadir	70	60
Bari	85	95 ▲
Bay	60 ▲	40 ▲
Galgaduud	110	100
Gedo	85	75
Hiraan	65	60
Lower Juba	90	70
Lower Shabelle	50	40
Middle Juba	50 ▼	35 ▼
Middle Shabelle	80	65
Mudug	80	65 ▼
Nugaal	125 ▲	80 ▲
Sanaag	85	60
Sool	100 ▼	70 ▼
Togdheer	90	75
W. Galbeed	95	80

## ASSESSMENT COVERAGE

- 55 assessed districts
- 71 assessed markets (46 main, 25 rural)
- 44 assessed items

## EXCHANGE RATES<sup>3</sup>

37,041	25,155	8,507
USD/SoSh	USD/SoSh	USD/SiSh
-6%	0%	0%
Bossaso	Mogadishu	Hargeisa

## NOTES

1. C.M. Daniels and G. Anderson, [Evaluation of the 2017 Somalia Humanitarian Cash-Based Response](#), 1 August 2018.
2. Import/export data and supply chain analysis provided by WFP.
3. Reported exchange rates are averages for this quarter and are derived from monthly FSNAU exchange rate data. The percentage change in exchange rates is based on the average for this quarter compared to the average for the previous quarter.
4. MEB calculations performed by FSNAU
5. Difference is calculated with the month before previous. Eg. March 2020 prices are compared with January 2020 prices
6. Price data is collected by FSNAU. Price changes represent the percentage change in the average price of a commodity this quarter compared to the previous quarter. Following consensus by CWG members, trend analysis has focused on Baidoa, Bossaso, Hargeisa, Jowhar, Kismayo, and Mogadishu districts given their regional significance when it comes to markets and trade.
7. Import/export data and supply chain analysis provided by WFP.

## FULL MEB FOR THE QUARTER (USD)<sup>4</sup>

Region	Oct 20	Nov 20	Dec 20
Awdal	109	108	107
Bakool	94	93	93
Banaadir	87	89	92
Bari	104	104	118
Bay	72	73	72
Galgaduud	131	132	130
Gedo	98	100	99
Hiraan	86	87	88
Lower Juba	106	103	101
Lower Shabelle	63	65	66
Middle Juba	62	58	60
Middle Shabelle	90	93	92
Mudug	91	90	87
Nugaal	129	131	157
Sanaag	106	110	117
Sool	131	135	124
Togdheer	111	114	115
W. Galbeed	120	122	125

## TRANSFER VALUES CHANGES (USD)

Region	Type of transfer	Current value	Previous value
Awdal	Food	70 ▼	90
Bari	Food	95 ▲	85
Bay	Multi	60 ▲	50
Bay	Food	40 ▲	35
Middle Juba	Multi	50 ▼	70
Middle Juba	Food	35 ▼	60
Mudug	Food	65 ▼	75
Nugaal	Multi	125 ▲	95
Nugaal	Food	80 ▲	60
Sool	Multi	100 ▼	110
Sool	Food	70 ▼	85

## METHODOLOGY

The MEB represents the minimum culturally adjusted set of basic food items (comprising 2,100 kilocalories per person per day of basic energy) and non-food items (NFIs) required to support a household of 6-7 members in Somalia for one month.

The CWG uses FSNAU's MEB values as the basis for determining transfer value recommendations. These recommendations focus on the needs of populations in IPC phase 3 and phase 4.

As per the decision of the CWG, transfer values should be based on urban MEB rates only. This is because:

- Rural MEB rates are not available in all regions;
- In some regions, large differences between the rural and urban rates have been difficult for partners to explain;
- The thresholds of 'rural' and 'urban' are not always clear to partners, which would open the possibility that different transfer values may be applied in the same location.

Further, the food transfer value recommendations should correspond to 100% of the food MEB, while the multi-purpose

transfer value recommendations should correspond to 80% of the full MEB, both rounded to the nearest 5 USD to ease implementation at the field level.

The CWG also determined that transfer value recommendations should remain fixed for three months at a time, and should only be subject to change if the value of either the full or the food MEB in any particular region changes by more than 10%.

This dashboard considers the transfer value recommendations from December 2020 and compares them to the full and food MEB values from September 2020. In accordance with the methodology above, only when a 10% change in either value is observed will the transfer value change.

On this account, in regions where more than a 10% change in either the food or full MEB was recorded, an updated recommendation is provided in the 'Recommended Transfer Values' table. Note that the previous recommendations are provided only for comparative purposes and should not be applied in implementation.

## CHANGES TO THE COST OF THE FULL MEB OVER TIME<sup>5</sup>

Region	April 20	May 20	June 20	July 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20
Awdal	-8%	-1%	3%	-3%	-2%	-4%	-3%	-2%	-2%
Bakool	9%	15%	2%	1%	7%	5%	-4%	-4%	-1%
Banaadir	-2%	-4%	-3%	-2%	1%	0%	-3%	-1%	5%
Bari	7%	7%	0%	-3%	-2%	-2%	-2%	-1%	13%
Bay	8%	9%	1%	5%	4%	-3%	6%	10%	0%
Galgaduud	8%	10%	0%	-4%	-2%	-1%	-3%	-1%	0%
Gedo	-1%	8%	6%	0%	5%	-6%	-10%	1%	0%
Hiraan	11%	13%	2%	0%	0%	-5%	-4%	2%	2%
Lower Juba	9%	14%	-1%	-10%	-10%	-4%	3%	-2%	-5%
Lower Shabelle	7%	12%	2%	-7%	-8%	-9%	-7%	1%	4%
Middle Juba	-2%	23%	33%	24%	1%	-21%	-39%	-31%	-3%
Middle Shabelle	12%	13%	-3%	-4%	-2%	-4%	-3%	3%	1%
Mudug	8%	11%	-5%	-7%	-1%	4%	-2%	-5%	-4%
Nugaal	9%	10%	2%	-3%	3%	-1%	7%	13%	21%
Sanaag	-4%	-12%	-13%	-5%	-2%	0%	-1%	-1%	10%
Sool	2%	-2%	-2%	2%	3%	12%	2%	-2%	-5%
Togdheer	8%	4%	1%	-1%	0%	0%	-4%	-1%	4%
Woqooyi Galbeed	6%	3%	0%	-2%	-2%	-1%	1%	2%	4%

## MAIN CHANGES

Prices in the fourth quarter of 2020 in Bari, Bay and Nugaal were relative higher than in the previous quarter, leading to an adjustment of the recommended transfer value in those regions. In Bakool, Hiraan, Banaadir, and Sanaag there was also a slight price increase, but it was not reflected in a different recommendation of transfer value. Middle Juba, Sool, and Awdal have accumulated price decreases that resulted in a lower recommended transfer value, when compared to the previous quarter.

### KEY

- Large increase (> 20%)
- Medium increase (11% to 20%)
- Small increase (1% to 10%)
- No change
- Small decrease (-1% to -10%)
- Medium decrease (-11% to -20%)
- Large decrease (< -20%)

## MEB CONTENTS

Below are the basic food and non-food items taken into account as part of the MEB in urban Somalia:

Food items	Quantity
Cereal	90 kg
Sugar	3 kg
Vegetable oil	6 L
Cowpeas	6 kg
Non-food items	Quantity
Kerosene	1.5 L
Soap (laundry)	4 pcs
Firewood (bundle)	30 pcs
Water (200-L drums)	9 drums
Human drugs	SoSh. 20,000
School fees	SoSh. 90,000
Grinding cost	30 kg of grain
Clothes	SoSh. 30,000
Social tax	SoSh. 12,500
Other core NFIs	SoSh. 30,000

## AVERAGE COMMODITY PRICES AND CHANGE FROM PREVIOUS QUARTER<sup>6</sup>

	Baidoa		Bossaso		Hargeisa		Jowhar		Kismayo		Mogadishu	
	Oct-Dec (SoSh)	Change (%)	Oct-Dec (SoSh)	Change (%)	Oct-Dec (SISh)	Change (%)	Oct-Dec (SoSh)	Change (%)	Oct-Dec (SoSh)	Change (%)	Oct-Dec (SoSh)	Change (%)
<b>Local crops</b>												
Cowpeas (1 kg)	20,917	+10%	67,917	+15%	15,000	-1%	23,150	+18%	12,083	-31%	27,031	0%
White maize (1 kg)	6,900	-42%	-	-	6,000	+9%	6,528	-10%	11,417	-23%	11,344	-7%
White sorghum (1 kg)	8,092	+20%	-	-	3,858	+9%	-	-	-	-	8,903	-12%
Red sorghum (1 kg)	6,600	+13%	37,500	+5%	2,625	-5%	6,375	+12%	9,667	-12%	9,944	-2%
<b>Imported food commodities</b>												
Vegetable oil (1 L)	36,250	+17%	47,667	+4%	13,083	-5%	28,000	+16%	34,000	+6%	23,392	+4%
Wheat flour (1 kg)	16,500	+16%	22,000	+5%	6,000	0%	15,333	+8%	14,250	-10%	12,028	0%
Red rice (1 kg)	16,250	+7%	23,833	+7%	6,975	0%	15,367	0%	14,000	-3%	12,164	-1%
Sugar (1 kg)	17,333	+17%	23,333	+3%	4,958	-15%	16,167	+7%	14,000	0%	13,889	+10%

## MAIN CEREALS

In this quarter, average country-wide cereal prices have declined by -3%. In 19 of the 42 districts assessed, there was a decrease in the price of the main cereal consumed (red sorghum, white maize or red rice based on location) in December 2020, while another 19 districts experienced an increase in prices. Price increases of more than 10% were reported in the districts of Diinsoor, Xudur, Wajid, Iskushuban, and Ceerigaabo. The largest price decreases (59%) were reported in Buale and Jilib, while prices in Marka decreased by 21%. Other districts that reported a significant decline in prices are Qorley, Barawe and Jawhar, with a decrease of 18%, 14%, and 12%, respectively.

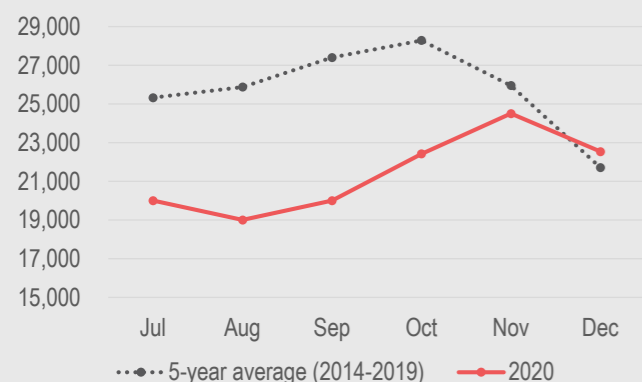
## KEY LOCAL CROPS AND IMPORTED FOOD

The price of cowpeas increased in most districts, except for Kismayo where there was a large decrease of 31% and Mogadishu where there was no reported change in price. The price of white maize has decreased in Baidoa, Kismayo and Jowhar but slightly increased in Hargeisa. The price of white sorghum increased in Baidoa and Hargeisa, and decreased in Mogadishu. Red sorghum has seen price increases in most of the districts such as Baidoa, Jowhar and Bossaso.

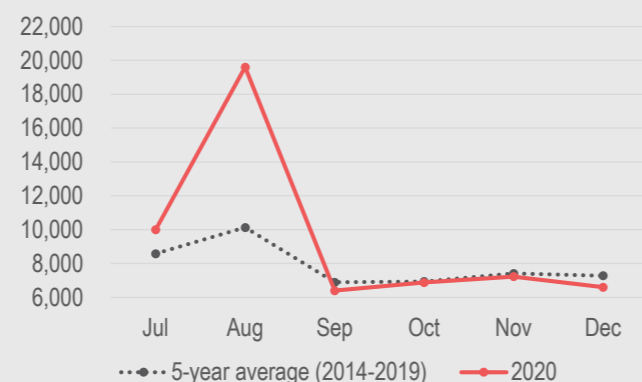
Looking at imported food commodities, there has been a small to medium increase in vegetable oil prices across all major districts except Hargeisa, which has shown a small decrease. Wheat flour prices increased significantly in Baidoa, but increased slightly in Bossaso and Jowhar.

## NOTABLE SIX-MONTH TRENDS IN AVERAGE COMMODITY PRICES

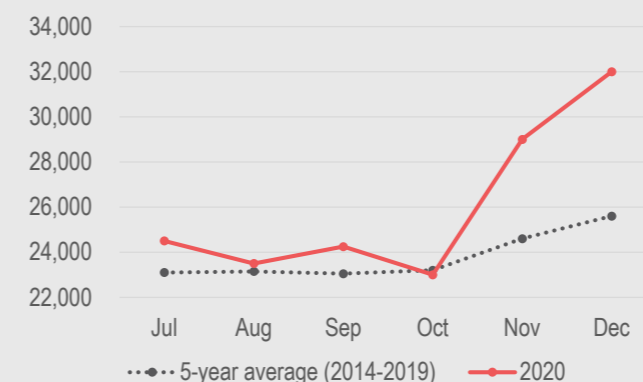
### COWPEAS, JOWHAR



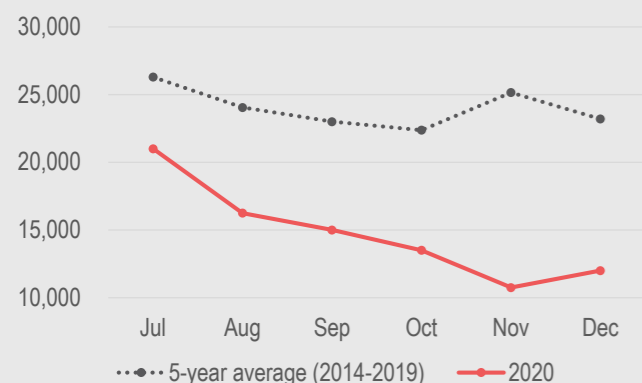
### WHITE MAIZE, BAIDOA



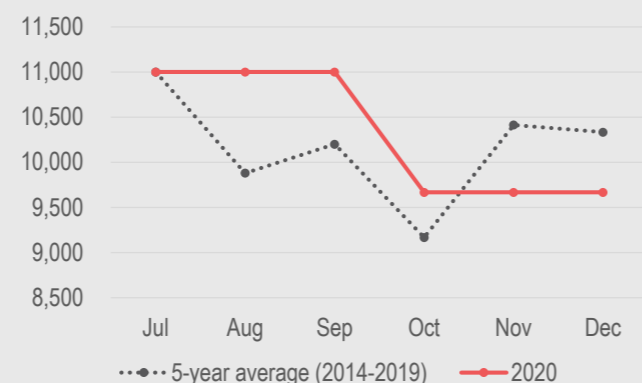
### VEGETABLE OIL, JOWHAR



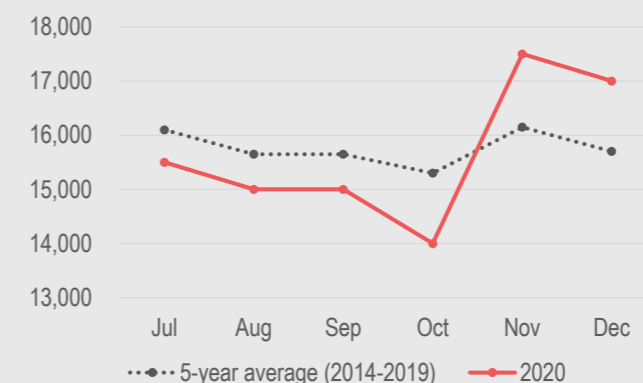
### COWPEAS, KISMAYO



### RED SORGHUM, KISMAYO



### SUGAR, JOWHAR



## PORT DATA<sup>7</sup>

In comparison with the previous quarter, total imports in the Bossaso port appeared to decline throughout the last quarter of 2020. The decline has intensified in the last two months of the year, until it reached its lowest point of the whole year in December.

