

# Libya Market Update

mVAM Bulletin #3: October 2022



## Highlights:

- The national average price of Food Minimum Expenditure Basket has increased from **792.8 LYD** in August 2022 to **822.3 LYD** in October 2022 (**+30 LYD**) (**+4%**).
- The complete cost of the Minimum Expenditure Basket (Food and Non-Food items) has increased from **893.2 LYD** in August 2022 to **926.2 LYD** in October 2022 (**+33 LYD**) (**+4%**)
- On a regional level, the increase of price of the food basket between August and October (past two months) has recorded an increase of (**+2%**) in the East, (**+1%**) in the South, and (**+1%**) in the West.
- In October 2022, the South region continued to record the highest cost of the food basket (**865.4 LYD**, **+13%** higher than the national average), followed by the West (**819.8 LYD**, **-0.3%** less than the national average), and the East (**768.5 LYD**, **-6%** less than the national average).
- The impact of Ukraine Crisis continues to play a role in the increased price of key food items, the price of cereals such as Flour has increased by (**+19%**), Bread (**+34%**), Couscous (**+76%**), Pasta (**+50%**), while the price of Vegetable Oil has increased by (**+36%**) while the overall cost of the food basket has increased by (**+18%**) between October 2022 and January 2022 (Pre-Conflict).

Food Basket Components	Price (LYD)	Price Change %		
	October 2022	% Since August 2022	% Since January 2022 (Pre-Ukrainian Conflict)	% Since October 2021 (Annual Increase)
Rice (1kg)	4.5	0%	-14%	16%
Pasta (500g)	3.0	0%	50%	50%
Couscous (1kg)	6.5	-9%	76%	79%
Beans (400g)	2.7	0%	8%	8%
Chicken (1kg)	13.3	21%	36%	2%
Tuna (200g)	5.9	8%	22%	23%
Eggs (30 eggs)	12.9	5%	-10%	-5%
Milk (1L)	4.3	1%	1%	11%
Tomatoes (1kg)	2.5	11%	25%	-44%
Potatoes (1kg)	3.3	13%	30%	24%
Onions (1kg)	2.5	11%	0%	0%
Peppers (1kg)	4.0	19%	-16%	0%
Tomato paste (400g)	3.8	-6%	25%	30%
Black tea (250g)	7.0	0%	7%	1%
Vegetable oil (1L)	12.3	-6%	36%	49%
Flour (1kg)	3.5	-3%	19%	17%
Sugar (1kg)	4.0	0%	3%	14%
Salt (1kg)	1.0	0%	0%	0%
Food Basket (MEB)	822.3	4%	18%	15%

## Food Price Outlook

The national prices of most monitored key commodities in October 2022 recorded a stabilization/decline compared to the considerable increase since January 2022 with the exception of certain commodities that have recorded an increase over the past two months (since August 2022) like chicken (+21% increase), Lamb meat (+2% increase), canned Tuna (+8% increase), eggs (+5% increase).

Additionally, when observing the price changes since the beginning of the Ukrainian Conflict, the prices of almost all food commodities have recorded a considerable increase compared to pre-conflict periods (January 2022), especially cereals such as Flour (+19% Increase), Couscous (+76% increase), Pasta (+50% Increase), Bread (+34% increase), and oils such as Vegetable Oil (+36% increase).

Regional variation in table (2) shows that increased prices of Pasta was recorded in all regions, this increase appears to be highest in the East, while the price of Flour, Vegetable Oil, Couscous, and Eggs has increased most prominently in the South. Table (3) shows that the considerable increase of almost all key commodities since January 2022 (Pre-conflict) with the exception of eggs is pronounced across all regions, prices of Flour and Vegetable Oil has the highest increase in the South, while Couscous, Pasta, and Lamb meat recorded the highest increase in the West, and Canned Tuna and Milk recorded the highest increase in the East.

Figure (1) National Cost of Key Commodities (Baseline= Jan 2022)

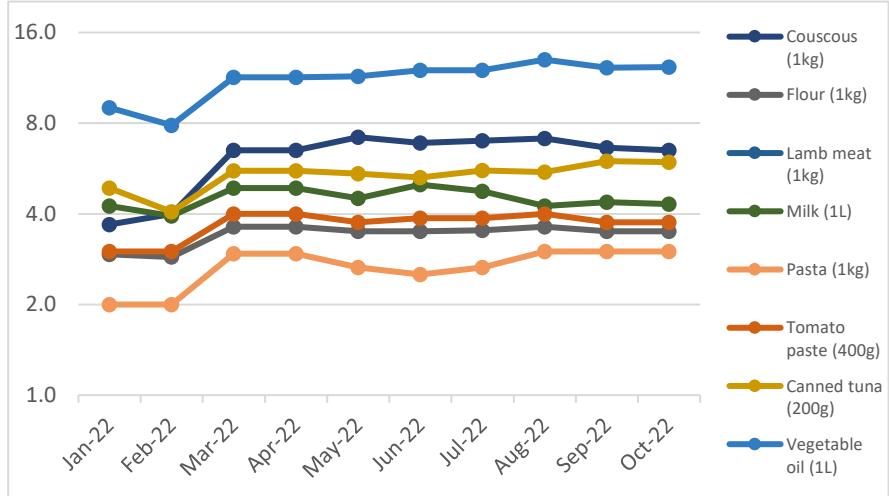


Table (2) commodity price change between August/October Per region

Region	Flour (1KG)	Couscous (1KG)	Lamb Meat (1KG)	Pasta (1KG)	Vegetable Oil(1L)	Canned Tuna(200g)	Milk (1L)	Eggs (30 eggs)
West	-2%	-13%	1%	2%	-8%	-7%	0%	-11%
East	0%	-10%	-4%	14%	-10%	-2%	-3%	6%
South	3%	17%	0%	11%	13%	0%	0%	7%

Table (3) commodity price change between January/October Per region

Region	Flour (1KG)	Couscous (1KG)	Lamb Meat (1KG)	Pasta (1KG)	Vegetable Oil(1L)	Canned Tuna(200g)	Milk (1L)	Eggs (30 eggs)
West	27%	86%	17%	90%	32%	10%	0%	-25%
East	17%	58%	12%	44%	38%	47%	6%	-12%
South	33%	47%	13%	25%	44%	11%	0%	-6%



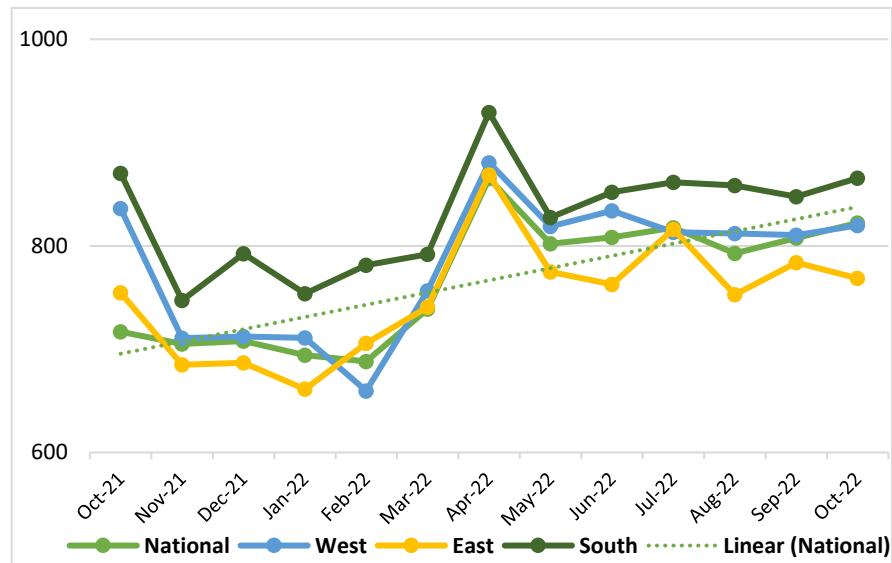
## Minimum Expenditure Basket

The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a five-person Libyan household (HH) for one month. The cost of the MEB is used as a proxy for the financial burden facing households.

The national cost of the food basket in October 2022 was 822.2 LYD. The southern region continuous to record the highest price levels throughout the year and more recently in October, the cost of the food basket in the south was 865.4 LYD (5% higher than the national average).

Since the last reporting period, the national cost of the food basket has increased by (+4%) over the last two months (between August and

Figure (4) Cost of Food Portion of MEB Over the past 12 months



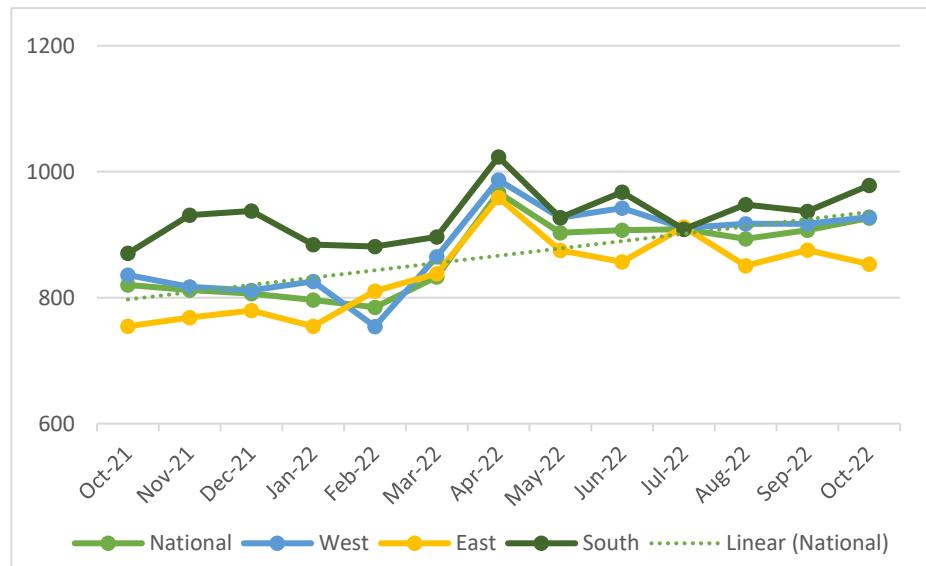
Region	Food MEB Price (October2022)	% Change From August 2022	% Change from Januray 2022
West	819.8 LYD	1%↑	15%↑
East	768.5 LYD	2%↑	16%↑
South	865.4 LYD	1%↑	15%↑
National	822.3 LYD	4%↑	18%↑

October), and by (+18%) since January 2022(Pre-conflict), although the cost of the food basket in the eastern region is the least compared to other regions, it recorded the highest price increase

over the past two months (since August) (+2% increase) and since January 2022(Pre-conflict) (+16% Increase). Figure (4) shows that the trend of the national average of food portion of the minimum expenditure basket continues to move in an upward direction with an annual increase of (+15%) since October 2021. (See figure4)

Figure (5) Cost of Complete MEB Over the past 12 months

The complete Minimum Expenditure Basket (MEB) is composed of food and non-food items including hygiene items and fuel. The cost of complete MEB was 926.2 LYD, similar to the food portion of the MEB, the southern region also recorded the highest price levels for food and non-food items 978.2 LYD (+6% higher than the national average), the national cost of the complete MEB has increased by (+4%) over the past two months (Since August 2022), and by (+16%) since January 2022 (Pre-conflict), and an annual increase of (+16%) since October 2021.



Region	Complete MEB Price (October2022)	% Change From August 2022	% Change from Januray 2022
West	928.2 LYD	1%↑	12%↑
East	853.5 LYD	0%↑	13%↑
South	978.2 LYD	3%↑	11%↑
National	926.2 LYD	4%↑	16%↑

## Food Groups and Assessing Impact on Households

The impact of the pandemic, and the Ukrainian conflict continues to contribute to the price evolution across all food groups, as food prices continue to inflate, purchasing power of vulnerable households are at stake, in addition, the increase in prices of nutritious food can lead to the deterioration in the nutritional status and physical wellbeing of vulnerable households.

Table (6) shows the combined impact of the Ukrainian Conflict and the pandemic on the prices of different food groups. For example, Prices of Oils (Vegetable Oil) have shown a marked increase of 36% since the Ukraine Conflict and 173% percent since the Pandemic. Prices of cereals and

protein rich food including pulses are also on the rise. According to IOM DTM Round 42<sup>1</sup> 99% of households experience difficulties in obtaining their daily food consumption due high food prices, this marks third round of a continued upward trend of food prices reported as too high and potentially prohibiting access to adequate food for vulnerable populations.

Results of WFP remote food security outcome assessment conducted between June and August 2022<sup>2</sup> show that households often resort to reduce their food consumption by limiting portion size of meals and reducing number of meals eaten per day frequently during the week and relying on less quality/less expensive food to maintain their access to food.

In addition, households are reported to having used or exhausted coping strategies classified as crisis or emergency strategies such as borrowing money, buying food on credit resulting in accumulated debts, and reducing on non-food expenditure on other essential needs like health, thereby hindering their capacity to respond to potential future shocks. The survey also shows that the consumption of iron rich foods like flesh meat, organ meat, and fish is low for more than half of the respondents.

*Table (6) price change across food groups*

	October 2022/Jan 2022 (Impact of Ukraine Crisis)	October 2022/December 2019 (Now vs pre-pandemic levels)	Included Food items
Protein	15%	43%	Chicken, Lamb Meat, Eggs, Vanned Tuna
Dairy	1%	37%	Condensed Milk, Milk
Cereals	32%	51%	Bread, Flour, Rice, Pasta, Couscous, Potatoes
Oils	36%	173%	Vegetable Oil
Pulses	6%	70%	Beans, Chickpeas
Vegetables	3%	6%	Onions, Peppers, Tomatoes
Condiments	14%	47%	Salt, Sugar, Tomato (Paste), Black Tea, Green Tea

<sup>1</sup> [DTM Round 24 IDP And Returnee Report May-June 2022](#)

<sup>2</sup> [WFP Food Security Outcome Monitoring August 2022](#)

## Methodology:

This brief is on market price updates for Libya during the months of June and August 2022. The figures above were developed using the data collected for the "Libya Joint Market Monitoring Initiative" (JMMI). The JMMI was created by the Libya Cash & Markets Working Group (CMWG) in June 2017. The initiative is led by REACH and supported by the CMWG members. At least four prices per assessed item were collected within each location in key urban areas across Libya and are assessed monthly. In each location, field teams record prices and availability of basic food and non-food items (NFIs) sold in local shops and markets. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item. WFP contributes to the data collection in parts of Libya through our partners in 20 municipalities. Data collected was processed, cleaned, and analysed by REACH initiative to generate median prices for different components of the minimum expenditure basket used here in this analysis.

The current MEB was established by the Cash Working Group (CWG) Taskforce in 2019. The current MEB was established using a hybrid approach which consisted of structured consumer interviews conducted with typical Libyan households, and an additional structured consumer interviews to achieve saturation supplement by semi-structured qualitative focus group discussions conducted with groups of consumers. In terms of the food basket components and given that there is no representative sample to rely on an expenditure-based approach, WFP proposed a rights-based approach until a separate assessment is conducted to construct MEB, based on an expenditure-based approach. WFP are currently discussing this with the Libya Cash and Market Working Group members.

### For further information, please contact

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