Cash & Voucher Training

June 7 – 9, 2017 Juba

Market and food security

- Market is linked to two pillars of food security
 - Availability
 - Access
- Market facilitates the movement of goods between locations
- Market plays pivotal roles in SS as the country largely depends on import

Why WFP monitor markets

- Food security monitoring
- Response options
- Transfer values adjustment
- Cost efficiency analysis
- Procurement purpose

What do we monitor?

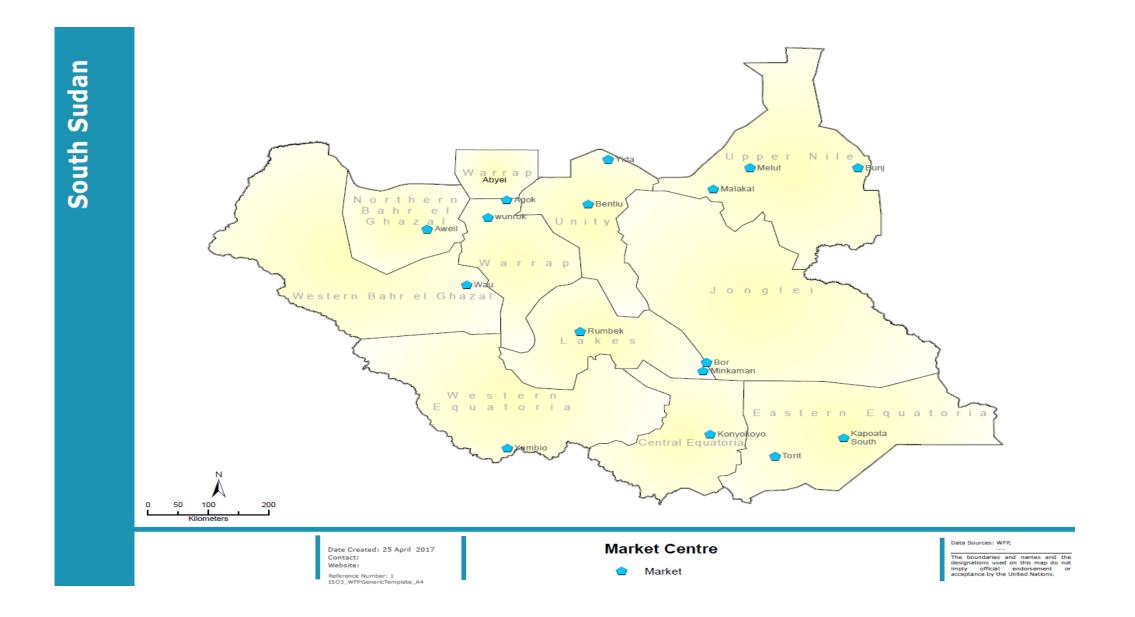
Quantitative information

- Staple food commodities
- Livestock
- Daily laborer wages
- Exchange rates
- Fuel prices
- Terms of trade
- Consumer price indices

Qualitative information

- Availability of commodities
- Market constraints
- Functionality of trade routes

WFP's market monitoring coverage



Frequency of price monitoring

- Frequency depends on market situation basically stability of prices
- Daily/Weekly/monthly

Challenges of price monitoring

- Averaging the same brand but different qualities
- Lack of differentiating commodities (food aid versus commercial)
- Less attention to qualitative information
 - Reasons for prices change
 - Trade routes
 - Roads blockade
 - Transport constraints
 - Availability of commodities
 - Trade barriers
 - HH access to markets

Challenges of market monitoring

- Irregularity of prices data collection and transfer
- Inconsistency of data
- Standardization of local measurements to standard units
- Use of different units of measurement

Implications of poor quality data

- Credibility and acceptance of products
- Programmatic decisions based on wrong data
- Costs to organization and beneficiary households
- Distort the market and purchasing power of non-beneficiaries

What can we do to improve

- Declines and spikes should be explained to provide the context
- Ensure uniform quality products are monitored
- Maintain the regularity of prices data and avoid gaps
- Check the changes in prices compared to previous period (use graphs)
- Set up conversion factor for local measurements

What can(Cont'd)

- Avoid averaging prices of different qualities
- Collaboration among agencies and to avoid duplication of efforts
- Expand the use of mVAM to have wider monitoring coverage
- Collect qualitative information about the market dynamics
 - Changes in traditional source market
 - Functionality of trade routes
 - Changes in directions of commodity flows
 - Changes in demand and supply
 - Changes in mode of transport etc

Thank You