



Joint Market and Supply Chain Update

12th July — 19th July, 2020.

Key messages

- ◆ Moderate to heavy rains were reported in some locations (Banadir and Hirshabelle) with no effect on supply corridors and transport services are normal.
- ◆ Scarcity of fruits and vegetables such as bananas, tomatoes, onions, mangoes and watermelons continue in most regions and prices remain high.
- ◆ Livestock prices have shown mixed trends this week but remain high in Southwest and Jubbaland.

Banadir and Hirshabelle

- Consumer Price Index (CPI) June 2020 report published by FGS, department of statistics indicates an increase of CPI by (0.23%). All Groups CPI was 122.04 in the month of June 2020, compared with 121.76 in the month of May 2020.
- Due to unrest in Ethiopia cross border imports volume declined especially fruits and vegetables.
- Moderate to heavy rains were received during the week in Banadir, parts of Middle Shabelle and Beletweyne with no effect on supply corridors and transport services are normal.
- In Buloburto, there is an ongoing rehabilitation of a 24km irrigation canal, which will be of benefit to the agro-pastoralists' community in the area. This will boost supplies of fresh foods within the regions and beyond.
- Limited access to Buloburto by road has been hampered by insurgents (A.S) manning the entry and exit points to the district. This has had trickle-down effects to areas such as Jalalaqsi district as the price of food commodities like sugar, rice, wheat flour, vegetable oil, petrol, diesel and milk powder increased.
- In Beletweyne, retail and wholesale prices of both local (white maize, red and white sorghum) and imported food items (rice, wheat flour, vegetable oil, sugar, dates) remained the same for two weeks in a row.
- Fuel prices in Beletweyne increased this week from \$0.6 to \$0.7 (17%) for diesel and petrol from \$0.7 to \$0.8 (14%)

per litre.

Galmuduug

- The supply corridor linking Garowe and Dhusamareb has witnessed an increase in security checks triggered by the federal government meeting happening in Dhusamareb. This has however not affected the price of commodities in the market.
- Cross border trade between parts of central Somalia and Ethiopia resumed after a temporary closure triggered by civil unrest in Ethiopia.
- In Hobyo and Adado, prices of onions slightly increased from \$1.35 to \$1.40 (4%) per kg, while tomatoes significantly increased from \$1.30 to 2.10 (62%) per kg this week compared to last week.
- In Adado vegetable oil (imported) price increased from \$3.2 to \$4.5 (41%) per litre compared to the previous week due to high demand from across Ethiopia.
- Fuel prices (petrol and diesel) have remained the same as the previous week in most markets in Galmudug and are low.
- Export quality goat prices have remained the same in most markets compared to last week except in Galkayo market where prices increased from \$65 to \$73 (12%).
- In most markets of Galmudug, the price of camel milk exhibited declining trend this week from \$1.8 to \$1.2 (-33%) but is still high.
- In Mudug and Galgaduud regions, both retail and wholesale prices of local cereal (white maize and red sorghum)

Puntland

- In June, both livestock exports and food imports in Bossaso port remained relatively the same with a decrease of (-3%) and (-2%) for exports and imports respectively compared to May.
- In Garowe and Qardho, tomatoes, onion and potatoes prices decreased from 75,000 to 60,000 So.SH (20%) compared to last week. In addition, in Bossaso, prices of tomatoes, onions and potatoes decreased by 40% due to supply from Yemen.
- Fruits such as mango, orange and watermelon prices increased averagely by 40% compared to the last week in all main markets due to limited availability and poor production due to recent floods.
- Livestock prices declined in Garowe and Bossaso markets from \$75 to \$60 (-20%) due to reduction of livestock export volumes to Saudi Arabia for Hajj season due to COVID-19 restrictions hence many pastoralists are selling livestock locally.
- In Garowe and Bossaso, cowpeas prices decreased from 70,000 to 60,000 So SH. (-14%) compared to last week.
- Supply and availability of imported food commodities remained stable throughout the regions.
- The exchange rate of local currency vs USD increased by (8%) in many locations from 37,000 to 40,000 So SH per USD.

Somaliland

- Prices of fruits and vegetables have exhibited a declining trend this week after normalcy returned in unrest hit areas in Ethiopia and reopening of cross border trade. For instance, tomatoes (1Kg) decreased from 17,000 to 27,000 SL SH (-29%), onions from 18,000 to 8,000 SL SH. (-56%), garlic from 14,000 to 9,000 SL SH. (-36%), carrots from 14,000 to 12,000 (-14%). Potatoes remained the same as last week.
- International flights have resumed this week in Somaliland after the committee on COVID-19 lifted restrictions. All flight services will be undertaken in line with COVID-19 preventive guidelines.
- In most urban centres in Somaliland, goat meat prices have shown slight decreases this week but remain high. For instance in Hargeisa price of goat meat (kg) decreased from \$9.5 to \$9.0 (-5%).
- The exchange rate of local currency vs USD remains the same for the past five weeks throughout Somaliland. For instance in Hargeisa the exchange rate between local currency is 8,500 SL SH. per USD.
- In Hargeisa, local cereals (white maize, red and white sorghum) prices either increased slightly or remained the same compared to last week. For instance, red sorghum increased from 2,400 to 2,500 SL SH. (4%). Both white maize and white sorghum prices remained the same as last week.
- Trade and transport services from Buuhoodle to Laascanood, Burco and other locations have fully resumed after cease of fight between two rival clans in Buuhoodle.
- Livestock for export is moving from Puntland and from across Ethiopia to Berbera ready for export. Currently export quality shoa is trading at \$66 and camel \$690.

South West

- In Baidoa, retail prices of local food items (white maize, dry beans, red and white sorghum) increased by (3% to 6%). In addition, imported food items (rice, pasta, wheat flour, sugar and vegetable oil) increased by (2% to 8%).
- The exchange rate of local currency vs USD remains the same for the past one month in Baidoa, \$1 is equivalent to 25,000 SO SH.
- In Baidoa market, there is scarcity of potatoes hence prices increased from \$0.88 to \$1.12 (27%) per Kg compared to last week.
- In most regions, fuel prices either remained the same or increased slightly (<10%). For instance, in Baidoa diesel (1 litre) increased from 22,000 to 23,000 So. SH (5%) and petrol increased from 23,000 to 25,000 So.SH (9%).
- Labour (unskilled) rates have increased from \$ 5 to \$ 7 (40%) in Bay region (rural) due to limited availability of labourers resulting from rural urban migration. However, in the urban centres there is cheap labour, this may increase in the few weeks due to restriction of movement imposed by the Authorities as preventive measure of COVID-19.

Jubbaland

- Retail and wholesale prices of imported food items remain the same for two weeks in a row in most markets.
- There is a slight increase of livestock prices particularly goats and sheep due to the upcoming EID al Adha festival in the end of July. For instance, In Doolow goat/sheep prices increased from \$50 to \$70 (40%).
- There is a shortage of potatoes in Doolow and Luuq due to recent unrest in Ethiopia, which affected the supply of vegetables.
- In Doolow district, there was a shortage of staple food commodities caused by redemption activities. Retailers not contracted by WFP avoided stocking up during this period for fear of having limited customers.
- As part of the bilateral agreement between local authorities, seven (7) donkey carts were allowed to supply vegetables from Doolow Ado (Ethiopia) to Doolow Somalia. Consultations between the two sides continue concerning cross border trade.
- In Garbaharey, trucks carrying food commodities from Mogadishu to Garbaharey stalled in Luuq town due to fear of high taxation by insurgents (A.S) along the supply corridor. This has led to food price increase in the district due to supply-demand imbalance.
- Border between Kenya and Somalia at Beletthawa and Mandera crossing points remain closed. During the week, there was a price decrease for some commodities such as sugar, rice and vegetable oil due to high supplies in the market.

For further information contact the Somalia VAM ME and Logistics:

Raul Cumba, raul.cumba@wfp.org

Julie Vanderwiel, julie.vanderwiel@wfp.org