



## Joint Market and Supply Chain Update

13<sup>th</sup> September — 20<sup>th</sup> September, 2020.

### Key messages

- ◆ Heavy rainfall in Northwest has rendered Hargeisa - Lughaya corridor impassable, and trucks are stuck in loamy soil.
- ◆ Improved availability of fruits and vegetables such as bananas, tomatoes, onions, carrots and potatoes in Northwest regions although prices remain high.
- ◆ Cross border trade between Somalia / Ethiopia resumed in Gedo after reopening of the border this week.

#### Banadir and Hirshabelle

- In Jowhar, militants (A.S) burned entry of some construction materials (cements, sand, and gravel) into the town and all trucks carrying these items are held at the militants controlled checkpoint at Basra village, between Balcad and Jowhar.
- Access of main supply road linking Mogadishu to Jowhar is still difficult, for instance, cargo trucks are still using a diversion road controlled by militants (A.S) incurring double taxation.
- Consumer Price Index (CPI) August 2020 report published by FGS, department of statistics indicates a decrease of CPI by (-0.86%). All Groups CPI was 120.09 in the month of August 2020, compared with 121.13 in the month of July 2020. In addition, the annual inflation rate over the twelve-month period, from July 2019 to July 2020 is 4.05%.
- In Bakara market, both retail and wholesale prices of local items (white maize, red and white sorghum) and imported food items (rice, wheat flour, pasta, sugar, dates and vegetable oil) remained the same as last week and normal.
- Fuel prices have remained low and the same as last week in most markets. For instance, in Mogadishu prices remained at \$0.45 and \$0.50 for diesel and petrol respectively. In addition, prices of both petrol and diesel decreased by (-7%) in Beletweyne.

#### Galmuduug

- Retail prices of local cereals (white maize, red and white sorghum) remain the same compared with last week except in Dhusamareb market where local cereals (red sorghum and white maize) increased by 4%. Local Cereal availability has improved in most markets in Galmudug.
- In Dhuusamareeb and Adado, food and vegetable suppliers fear using Dhuusamareeb-Bossaso corridor due to unresolved disputes between two conflicting clan militias. This has resulted to a shortage of essential commodities in Dhusamareb and Adado districts.
- Congestion and delays at Bossaso port has triggered Abudwaq traders to source for food commodities from Berbera port (Somaliland). The change in source market has however led to increase in prices due to taxation from four different administrations of Somaliland, Ethiopia, Puntland and Galmudug.
- There was a shortage of mangoes and lemons in Abudwak due to floods experienced in Hiiran region.
- Prices of tomatoes and onions increased compared to last week in most markets. For instance in Hobyo and Abudwaq, tomatoes increased from \$1.0 to \$1.20 (20%) per kg and onions from \$1.30 to 1.50 (15%) per kg. This is due to limited supply from Ethiopia and high demand locally.
- In Galkayo, Abudwaq and Guriel the price of camel milk (1 litre) is high fluctuating between \$1.50 and \$1.80. In addition, powder milk prices exhibited slight decrease (1-3%) in Galkayo market.

### Somaliland

- Cross border between Ethiopia and Somaliland is now normal and supply of fruits and vegetables is now normal, as consequence, prices are decreasing but high. For instance in Hargeisa, prices of tomatoes (1 Kg) decreased from 11,500 to 11,000 SL. SH (-4%), garlicks from 12,000 to 11,500 SL SH. (-4%), carrots from 5,000 to 4,800 SL. SH. (-4%), onions from 7,000 to 6,800 SL. SH. (-3%), potatoes from 7,000 to 6,700 SL. SH (-4%), and watermelon increased from 24,000 to 35,000 (46%) due to scarcity. Traders have opted to get watermelons from Southern regions leading to increased prices.
- Heavy downpour experienced in the region has rendered Hargeisa-Lughaya corridor impassable as trucks are stuck in loamy soil.
- White sorghum prices are very high in some markets of Somaliland such as Berbera, Ceerigaabo and Laascaanood due to limited supply, current price is 4,000 SL SH. per Kg. However, red sorghum prices decreased this week from 3,500 to 3,000 SL. SH. (-14%) per Kg. due to increased supply from Ethiopia and food assistance.
- Fuel prices slightly decreased compared to last week in most markets and are low. For instance in Hargeisa, diesel decreased from 4,400 to 4,200 SL. SH (-4%) and petrol from 5,200 to 5,000 SL SH. (-4%) per litre.
- In most markets in Somaliland, camel milk remain the same as last week and high. For instance in Hargeisa, price of camel milk is 10,000 SL SH per litre.
- Livestock prices (goat and sheep) slightly decreased compared to last week and demand is low. For instance, In Hargeisa, goat prices is fluctuating between \$73 and \$75 per head, export camel price is \$625.
- There is a shortage of sugar in the whole region due to limited supply
- The Somaliland Shilling appreciated minimally against the USD. For instance, in Hargeisa, the exchange rate between local currency and USD is 8,570.

### Jubbaland

- In Doolow, despite availability of food commodities, there is price fluctuations due to the changing dollar rate, border restrictions, increased taxation from militants (A.S) and reinstatement of taxation of food commodities which had earlier been waived by Federal Government of Somalia especially Mogadishu sea port due to reduced impact of COVID 19.
- Ethiopia Somalia border was opened and cross border trade movement between Ethiopia and Somalia is now active with goods moving from both sides. In addition, Kenya/Somalia border is still closed although smuggling of food commodities from Mandera through porous points in BeletHaawo is ongoing.
- The activities in the port of Kismayu have fully resumed and this is good news to workers who depend on the port as a source of income.
- Prices of potatoes are now declining in Doolow due to opening of Ethiopia border.
- Generally, Livestock prices are low when compared to same time last year due to decrease of demand especially from Arabian Peninsula.

### Puntland

- In Garowe market, livestock price are decreasing by (-11%) compared to last week. This is mainly due to seasonality, whereby at the end of the dry season pastoralist sell more livestock in exchange of water, food and migration costs.
- In Bossaso market, prices of both local cereals and imported food items remain the same as last week.
- In Bossaso, prices of tomatoes and potatoes slightly increased by 5% and 7% respectively. In addition, prices of fruits such as oranges and watermelon increased by 14% and 8% respectively compared with last week due to limited supply.
- Camel milk prices has remained the same in the last two months but high. For instance, in Bossaso camel milk prices remain \$1.5 and in Garowe and Qardho is fluctuating between \$1 and \$1.2 for the last two months. According to the Camel milk traders, milk price likely to decrease significantly in next season due to expectation of high camel calving.
- Fuel prices have remained low and the same as last week in most markets.
- Cross border trade between Puntland and Ethiopia is normal but overall imported vegetable from Ethiopia still high in Puntland.
- In general food supplies from upstream market of Bossaso to other main markets is ongoing and port operations are normal.

### South West

- In Diinsor, there was a reduction in food supplies after militants (A.S) banned traders in Misir and Gurban villages from supplying food commodities to Diinsor market. Traders have opted to get commodities by flight from Mogadishu leading to increased food prices.
- Cross border between Ethiopia and Somalia was opened and supply of fruits and vegetables such as potatoes, onions, carrots and tomatoes is now normal. In addition potatoes prices decreased from \$1 to \$0.5 (-50%) per Kg.
- In Southwest, camel meat prices have remained the same in most markets for the last two months. For instance in Baidoa it has remained at \$5.0 per Kg.
- In Xudur, prices of local cereals either increased or remained the same compared to last week and are high. White sorghum increased by 4%, while red sorghum and white maize remained the same as last week.
- In Xudur, prices of imported food items remained the same or increased slightly by 1-3% compared to last week.
- The exchange rate of local currency vs USD remains the same in most markets for the past two months. For instance in Baidoa, Wajid and Xudur exchange rate has remained at 25,000 SO SH per USD.

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