



## Joint Market and Supply Chain Update

13<sup>th</sup> March, 2022 — 20<sup>th</sup> March, 2022.

### Key messages

- ◆ Consumer Price Index (CPI) February 2022 report published by FGS, department of statistics indicates a monthly increase of 0.55% and annual inflation of 6.45%.
- ◆ Fuel prices are increasing significantly throughout the country following the global trend, leading to increased transport prices and food prices.
- ◆ Water scarcity continues throughout the country, water trucking is ongoing in most affected villages and prices are increasing in some locations.

#### Banadir

- Consumer Price Index (CPI) February 2022 report published by FGS; department of statistics indicates a monthly increase of CPI by (0.55%). All Groups CPI was 127.61 in the month of February 2022, compared with 126.92 in the month of January 2022. In addition, the annual inflation rate over the twelve-month period, from February 2021 to February 2022 is 6.45%. The most significant monthly price increase was food and non-alcoholic beverages (+1.24%) and transport (+1.78%)
- In the capital, most roads are accessible and transport services are normal. Furthermore, operations are ongoing normally in the port of Mogadishu.
- In Bakara market, imported food items, fruits and vegetables prices are increasing. For instance, vegetable oil increased by 28% per a ten litre container. Also, potatoes, onions, bananas, spinach increased by 5% to 33% compared to last week.
- In Bakara market petrol and diesel prices remained the same as week. However, cooking gas prices increased from \$23 to \$28 per 13 KG cylinder.

#### Hirshabelle

- Throughout Hiraan, water prices are very high and water trucking is ongoing in the most affected locations. The cost of water hit \$6.7 per 200 litres tank.
- In Buloburto, vegetable oil prices are increasing compared to last week. For instance, prices increased from \$20 to \$36 per a ten litres container.
- In Jowhar, diesel and petrol prices increased by 19%

and 16% respectively per 200 litres tank following global trends.

- The cross border trade between Somalia and Ethiopia, through Beletweyne town at Feerfeer border point is normal with goods moving smoothly from both sides.

#### Galmuduug

- Food prices are increasing in Dhuusamarreb and Galkayo that can be attributed to the holy month of Ramadan nearing and other issues. For instance, rice increased from \$30 to \$32 and \$27 to \$31 respectively per 50 Kg bag. Sugar increased in Galkayo by 3% and Dhuusamarreb by 10% per 50 kg bag. In addition, pasta prices increased in all the markets averagely by 9% per Kg.
- Cross border trade between Somalia and Ethiopia through Saaxo is normal. Both traders and consumers have safe access to the marketplace.
- Water trucking across districts in Galmudug state is ongoing, water prices remained the same for the last eight weeks but high. In addition, livestock prices are decreasing due to effects of drought and deteriorating body conditions.
- In Galkayo South diesel and petrol prices increased by 15% and 25% per litre following global trends.
- In Dhusamareb, vegetable oil prices are increasing compared to last week. For instance, prices increased from \$2.0 to \$2.8 per litre.
- In Hobyo, the price of vegetables soared due to drought that hit the country, for instance, onions, tomatoes and potatoes increased from \$1.2 to \$1.3 to \$1.5 to \$1.7 and \$1 to \$1.3. respectively per Kg

### Somaliland

- Cross-border trade between Ethiopia and Somaliland continues, despite conflict in the Ethiopian side. Prices of fruits and vegetables remained the same as last week. Potatoes, garlic, tomatoes, onions and carrots remained the same at 6,000 SL SH, 31,000 SL SH, 7,000 SL SH, 6,500 SL SH, and 8,000 SL SH respectively per Kg. Also, a medium sized watermelon remained at 40,000 SL SH per piece.
- Many international markets have halted exports of certain key commodities to Somaliland in a bid to safeguard their reserves. For instance, Egypt, the biggest supplier of wheat flour, pasta, and beans to Somaliland, slashing down exports in the next 3 months.
- The sky-rocketing global fuel prices has hit hard on Somaliland economy with the multiplier effect heavily felt on the huge reduction of consumer purchasing power. Fuel prices have gone up in all regions. For instance, in Berbera market (near port) petrol and diesel have increased by 12% and 7% respectively. Erigavo (approx. 500km away from Berbera port) prices of petrol and diesel increased by 88% and 87% respectively.
- The construction of Berbera - Hargeisa corridor covering approximately 170kms is 80% complete, once complete the corridor will improve supply between the two towns and reduce lead-time. In addition, construction of a free zone (dry port), about eight square KMs close to Berbera port that started in February 2022 is ongoing.
- The dry condition persists across Somaliland regions with significant households having poor access to safe drinking water especially in the rural villages. Water trucking is ongoing in the most affected locations of Hawd plateau, northern inland pastoral of Sool and Sanaag and pockets of Guban, coastal strip of Awdal and Waqooyigalbeed.
- In Hargeisa, diesel and petrol prices remain the same as last week at 8,600 SL SH and 7,500 SL SH respectively per litre.

### South West

- In Wajid, water trucking is ongoing in some parts of the town, where the shallow wells dried up due to drought conditions, some people are fetching water from the isolated shallow wells with reduced amount of water.
- In Diinsor, the road blockades by insurgents continues to affect the supply flow of commodities into the market. This has led to shops being closed due to lack of stock.
- In Wajid, diesel and petrol prices increased by 28% and 25% respectively per litre following global trends. Also in Baidoa increased by 63% and 71% respectively
- In Wajid and Xudur, there is scarcity of vegetable and fruits such as mangoes, bananas, potatoes, tomatoes, onions, lemon, and watermelon due to poor access and insecurity (road blockades by insurgents) limiting supply delivery from upstream markets and production areas.
- In Qansaxdhere, both diesel and petrol prices increased from \$2 to \$2.2 per litre following global trends. This will likely lead to increased transport cost and affect food prices negatively.
- In most markets through South West state, exchange rate of the local currency Somali Shilling against the USD remains stable at 26,000 SO SH per USD for two weeks in a row.

### Puntland

- Prices of imported food items such as wheat flour sugar and rice are increasing. For instance, in Bossaso wheat flour increased from \$26 to \$32 per 50 Kg bag. Also, in Garowe and Qardho prices increased from \$28 to \$36 per 50 Kg bag.
- Scarcity of water continues in most areas throughout Puntland, water prices are fluctuating between \$5 and \$7 per 200 litre tank.
- In Garowe, cowpeas and maize prices remain the same as last week but prices are high. However, red sorghum prices increased by 9% per 50 Kg bag.
- In Bossaso, fuel prices are increasing following global trends. For instance, diesel and petrol prices increased from \$20 to \$22 and \$20 to \$21 per 20 litre container. In addition, cooking gas increased from \$39 to \$42 per 13 Kg cylinder gas.
- Generally, livestock prices remain the same in Bossaso due to deteriorating livestock body conditions resulting from scarcity of water and pasture.
- Fruits and vegetables prices remain the same for three weeks in a row in the major markets of Garowe, Bossaso and Qardho with the exception of onions which increased from \$1.3 to \$1.8 per Kg.
- Throughout Puntland, most roads are accessible and transport services are normal, movement of commodities from Bossaso port to downstream markets is ongoing normally. In addition, cross border trade with Ethiopia is ongoing normally.

### Jubaland

- Water levels in water reservoirs have significantly reduced, and others dried up and prices are high. In Luuq, Doolow and Balat-hawo districts where water is available through water trucking, low supply and high demand are pushing water prices upward by 50%. Most water sources in Ceel Waaq are saline hence drinking is trucked in from other areas, resulting in higher water prices compared to other districts in Gedo region.
- Fuel prices are increasing in Luuq, Doolow, BeletXawo, and Kismayo following global trends. For instance, petrol and diesel prices increased averagely by 21% per litre in the four locations. This fuel crisis has consequently affected different sectors of the economies. For instance, transport cost for using a 3-wheeler (Bajaj) within Doolow town has increased from \$ 0.8 to \$ 1.3, a radius of 1 km and between \$ 2.7 and \$ 4.4 for villages outside Doolow town.
- Fresh fruits and vegetables such as potatoes, tomatoes, cabbage, spinach, mangoes, oranges, watermelons, apples prices have increased across markets in Gedo and Lower juba in the view of the fact that the cost of production have greatly increased (water and Fuel).
- Informal cross-border trade between Kenya and Somalia in Belet-hawo, Elwaq and Dholey is ongoing, and goods are moving from both sides.

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