



Joint Markets and Supply Chain Update

31 July - 07 August 2022

Key messages

- ◆ Bossaso port statistics released this week indicate that food imports increased in July by (67%) compared to the previous month, sugar commands the largest share at 58% of the total food imports followed by wheat flour at 26%.
- ◆ Cross border trade between Somalia and Ethiopia at Abudwaaq and Balanbale border points was halted this week due to insecurity.
- ◆ Water scarcity continues throughout the country, water trucking is ongoing in most affected villages and price is increasing in some locations.

Banadir

- In Hamarweyne market in Mogadishu town, prices of sugar and wheat flour sharply increased by 55% and 38%. Also, in Bakaara market, prices of rice, wheat flour and sugar increased from \$15.5 to \$ 17, \$14.5 to \$20, and \$16.5 to \$25.5 respectively per 25 kg bag. This is due to reduced supplies from the upstream market (India).
- In Mogadishu, diesel and petrol prices remained unchanged as from last week. In addition, charcoal remained the same however, cooking gas decreased slightly by 4% per 13Kg cylinder.
- In the capital, most roads are accessible and transport services are normal. Operations are ongoing normally at the port of Mogadishu and goods are moving smoothly to downstream markets.

Hirshabelle

- In Jowhar, prices of red sorghum and white maize increased by 8% and 10% respectively per 50kg bag due to scarcity. However, prices of imported food items and fuel remained the same as last week.
- In Beletweyne, prices of local cereals such as white sorghum and maize increased by 6% and 7% respectively per kg. In addition, imported food items such as rice, sugar and wheat flour increased by 9%, 10% and 11% respectively per 25kg bag.
- Traders plying Mogadishu - Jowhar corridor complained of increased checkpoint levy that has led to high transportation cost affecting food prices. For instance, cost of transporting 50kg bag increased from \$2 to \$3.5

- Cross border trade between Somalia and Ethiopia at Feerfeer border point that was halted last week is gradually returning to normal. However, tension is high and trucks crossing the border from both sides have significantly reduced.

Galmuduug

- Cross border trade between Somalia and Ethiopia at Abudwaaq and Balanbale border points was closed due to confrontation between the forces of Ethiopia and insurgents. This might lead to a supply-demand imbalance especially fruits and vegetables sourced from the Ethiopian side.
- In addition, fuel availability and prices have been affected by the border closure above. For instance, in Guriel town, prices of petrol and diesel increased from \$1.1 to \$1.5 and \$1 to \$1.3 respectively per litre due to supply break.
- In Galkayo South, prices for local cereals (white maize, red and white sorghum) and imported food items such as rice, wheat flour, pasta and vegetable oil remained unchanged for four weeks in a row.
- In Dhusamareb, livestock prices are increasing due to scarcity of saleable animals and poor body conditions as result of drought. For instance, camel prices increased from \$585 to \$615 per head.
- In Dhusamareb town and its environs, water trucking is ongoing due to scarcity and prices are very high. For instance, a 200 litre tank is trading at \$1.5.
- Most roads throughout Galmudug are accessible and transport services are ongoing smoothly, movement of goods from upstream to downstream markets is ongoing normally.

Somaliland

- Cross-border trade for goods and services between Ethiopia and Somaliland continues, despite the conflict on the Ethiopian side. Prices of fruits and vegetables remained unchanged for two weeks in a row. Tomatoes, onions and potatoes remained at \$1.2, \$1.0 and \$0.9 respectively per kg. Garlic and carrots remained the same at \$4.3 and \$1.2 respectively per kg. A medium sized watermelon is trading at \$5.6 per piece.
- Diesel prices increased in Hargeisa, leading to increased transport costs. For instance, a litre of diesel increased from \$0.9 to \$1.2. However, petrol prices remained unchanged for five weeks in a row at \$1.3 per litre.
- Despite light rains in some pockets in Hargeisa, Borama and Gebiley districts of Woqooyi Galbeed, water scarcity continues and water trucking is ongoing in the most affected locations such as Hawd zone of Burco and eastern sides of Owdweyne district.
- There is scarcity of sugar, wheat flour and camel milk in major markets of Hargeisa, Erigavo and Burco due to limited supply from source market (India) and drought.
- A new corridor is under construction in the environs of Hargeisa town that will join the Berbera corridor at Abaarso village. This new corridor is intended for commercial trucks heading to Ethiopia from Berbera port. In addition, the corridor linking Asho and Zeila towns via Ado is currently inaccessible due to huge loamy soil blocking the road. Commercial trucks have opted for an alternative route via Tokoshi town resulting in increased lead time and likely to affect prices negatively.

South West

- In Baidoa, prices of local cereals are decreasing compared with last week. For instance, red sorghum and maize decreased from \$0.85 to \$0.75 and \$1 to \$1.90 respectively per kg. However, imported food items such as rice, wheat flour, pasta and vegetable oil remained unchanged as from last week except sugar that increased by 5% per kg.
- In Hudur local cereal prices remained unchanged as from last week except white maize that decreased from \$1.2 to \$1.0 per kg. In addition, imported food items, such as rice, sugar, pasta, and vegetable oil remained unchanged as from last week except sugar that increased by 17%.
- Scarcity of vegetables continues in markets such as Waajid, Diinsoor and Qansaxdhere due to a combination of scarcity and limited accessibility as a result of road blockades by insurgents limiting movement.
- Diesel and petrol prices remained unchanged as from last week in Baidoa and Hudur.
- In Qansaxdhere, local cereals prices remained unchanged as from last week. In addition, imported food items such as rice, sugar, pasta remained the same for two weeks in a row.

Puntland

- July port statistics released this week indicate that food imports increased in July by (67%) compared to the previous month, sugar commands the largest share at 58% of the total food imports followed by wheat flour at 26%. Livestock export volumes decreased by 55% in July compared to the previous month. Also, reduced by 51% compared to the same period last year and by 37% compared to five-year average (2017–2021).
- Increased supplies through Bossaso port have led to improved availability of imported food commodities and price reductions. For instance, in Bossaso, prices of wheat flour and sugar decreased from \$19.0 to \$18.5 and \$21 to \$20.5 respectively per 25kg bag.
- According to interviewed key Informants, volume of water trucked in rural areas is declining due to low purchasing power by pastoralist and rural communities. Also, majority of pastoralists are concentrated near water points due to weak body condition of the livestock.
- Diesel and petrol prices remained unchanged as from last week in major markets of Garowe, Bossaso and Qardho.
- Prices of vegetables such as tomato, onion and potatoes remained the same as last week in Bossaso but are high.
- Cross-border trade between Ethiopia and Puntland is ongoing smoothly. However, there is reduced volume of fuel, fresh fruits and vegetables into Puntland due to shortages at the source markets in Ethiopia.
- Most roads are accessible and transport services are ongoing smoothly and movement of goods from upstream to downstream markets is ongoing normally. Furthermore, port operations in Bossaso are ongoing smoothly despite monsoon winds.

Jubaland

- Despite the bad condition of the roads and the informal taxation throughout Jubaland, transport services and the movement of goods from Mogadishu to downstream markets in Jubaland are ongoing normally. For example Beletahawa.
- Fuel prices in major markets in Jubaland remained unchanged for the last four weeks but high. For instance, in Doolow, petrol and diesel prices remained at \$1.5 and \$1.3 per litre respectively.
- Water prices remained unchanged as from last week but high due to scarcity. For instance, in Doolow and Beletahawa prices remained at \$1.5 and \$2 per 200 Litres drum respectively.
- Informal cross-border trade between Kenya and Somalia in Beletahawa, Elwaq and Dhobley is ongoing, and goods are moving from both sides. However, there is a decrease in volume of food items.
- In most markets throughout Jubaland state, exchange rate of the local currency against the USD is stable. For instance, in Doolow, Luuq and Beletahawa the exchange rate is 26,000 SO SH per USD for the last five weeks.

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