



INAUGURAL ISSUE:

This quarterly bulletin provides an insight about the 2016 transfer value for refugee cash beneficiaries using price data collected from Adjumani, Rhino Camp, Kiryandongo, Rwamwanja, Kyangwali and Kyaka II settlements. However, it is worth noting that price data collection in Rwamwanja, Kyangwali and Kyaka II settlements started in April 2016.

Key Highlights

- The cash transfer provided by WFP to beneficiaries on full ration (100%) and half ration (50%) during the third quarter (July - September) was higher than the value of a similar in-kind food basket provided by WFP at local market price as a result of reduced maize grain prices.
- There was no significant difference between the WFP cash transfer value provided to the extremely vulnerable households (EVH) and the market price value at settlement level during the third quarter. This is because maize flour price fluctuations (a key commodity in the food basket) are minimal.
- Price for maize flour increased slightly in July compared to June by 6% but later normalized in August and September 2016.

Introduction

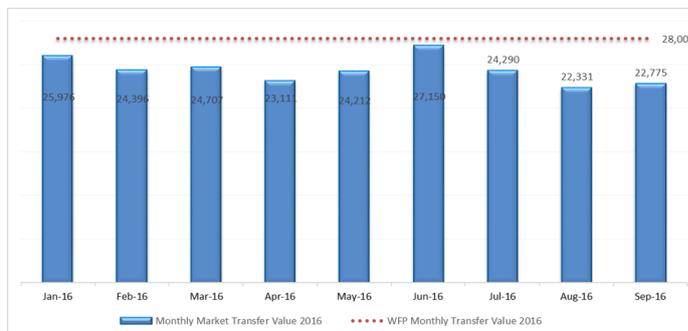
WFP offers cash as one of the transfer modalities to assist the vulnerable refugee beneficiaries in Adjumani, Rhino Camp and Kiryandongo, Rwamwanja, Kyaka II, Kyangwali and Koboko settlements.

The current WFP transfer value is equivalent to UGX 36,000 for EVH and UGX 28,000 (Full Ration-100%) and UGX 15,000 (Half Ration-50%) for the rest of the beneficiaries. The transfer value is calculated based on average prices of commodities in the food basket (maize grain, maize flour, beans, vegetable oil, salt and millet flour for Corn Soy Blend (CSB)).

Price data for commodities used in calculating the transfer value is collected by WFP staff from main markets around the settlements that receive cash transfers on a monthly basis. Market price for the in-kind food basket provided by WFP is analyzed and compared with the cash transfer value to ensure that households receiving cash continue to receive their appropriate entitlement.

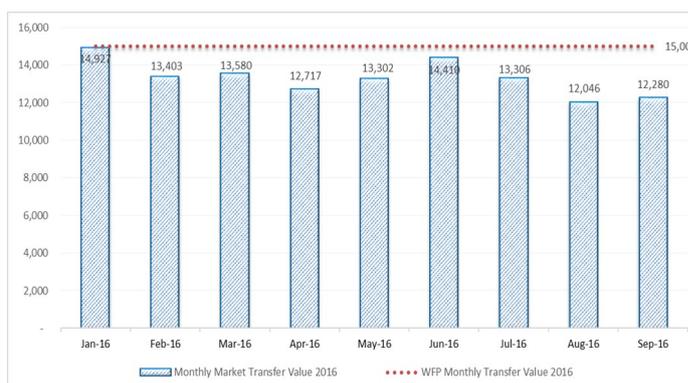
Monthly Transfer Value Analysis

Figure 1: 2016 Monthly Transfer Value (Full Ration 100%)



The in-kind food basket (full ration –100%) per person per month for normal beneficiaries contains the following commodities; cereals (maize grain)-12kg, pulses (beans)-2.4kg, vegetable oil-0.9kg, CSB 1.5kg and salt-0.15kg. During the third quarter, price for maize grain (a key commodity in the food basket) reduced by 13% compared to second quarter. As a result, the WFP transfer value (UGX 28,000) remained higher than the actual market transfer value for the in-kind food basket in July, August and September 2016.

Figure 2: 2016 Monthly Transfer Value (Half Ration 50%)



Beneficiaries on 50% ration also receive similar commodities as those on full ration but the quantity is reduced. Half ration beneficiaries receive cereals (maize grain)-6kg, pulses (beans)-1.2kg, vegetable oil-0.3kg, CSB 1.5kg and salt-0.15kg. Similarly, the reduction in price for maize grain during the third quarter increased the purchasing power for the WFP cash transfer (UGX 15,000) at market price within the settlements. The reduced price for maize grain helps the cash beneficiaries have some money to buy extra or other food commodities.

Figure 3: 2016 Monthly Transfer Value (EVH)

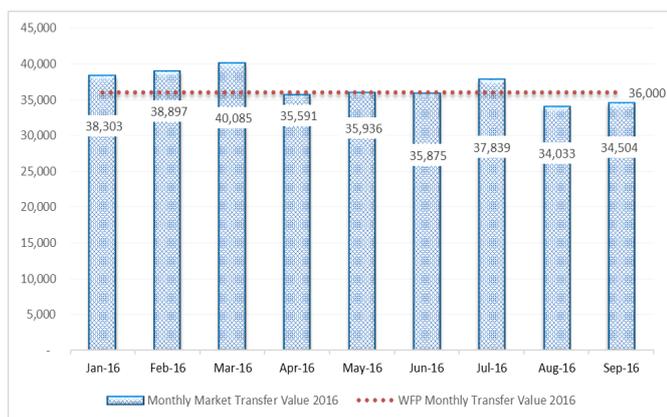
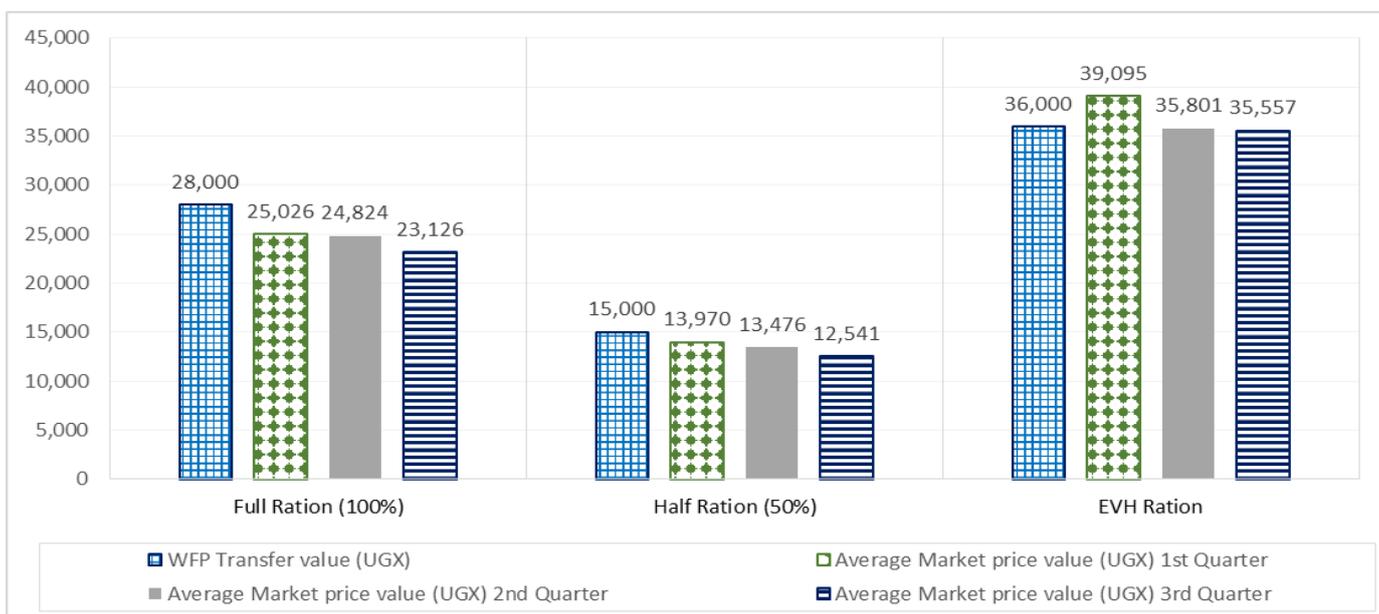


Figure 3 compares the WFP cash transfer value for the extremely vulnerable households (EVH). EVH receive similar food commodities as other beneficiaries except for maize grain where they are provided with milled maize (flour). **There was an increase in price for maize flour in July by 6% which resulted into the WFP cash transfer value being less than the market price transfer value. However, the maize harvest in July resulted into reduced prices and the WFP Cash transfer value went up again in August and September.**

Quarterly and Half Year Cash Transfer Value Analysis

Figure 4: 2016 Quarterly Transfer Value



The reduced maize grain prices improved the purchasing power of the cash transfer beneficiaries on full ration (100%) during the third quarter. **The cash transfer value provided by WFP remained higher than the value of the in-kind food basket at local market price by 17%. The third quarter market transfer value was lower compared to the first two quarters of the year because of the harvest experienced in July.**

A similar trend was observed among the beneficiaries on half ration (50%) since they receive a similar food basket. **Among the half-ration beneficiaries the WFP cash transfer value was higher than the market value for the in-kind food basket during the third quarter by 16%.**

Among the extremely vulnerable households (EVH), the WFP cash transfer value (UGX 36,000) was close but slightly higher than the market value of the in-kind food basket during the third quarter at UGX 35,557. The difference in the WFP cash transfer value and the market value among the EVH was not much compared to their counterparts who receive maize grain because prices for maize flour do not fluctuate much.

Therefore the WFP cash transfer value provided to the EVH during the third quarter was just enough to buy the intended food basket with a minor surplus of UGX 443 which can be used to buy tomatoes, onions or other vegetables to improve their diet.

Price Trends 2015-2016

Figure 5: Maize grain

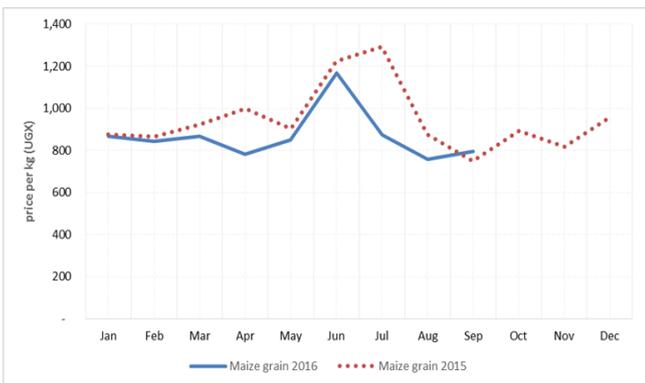


Figure 8: Beans

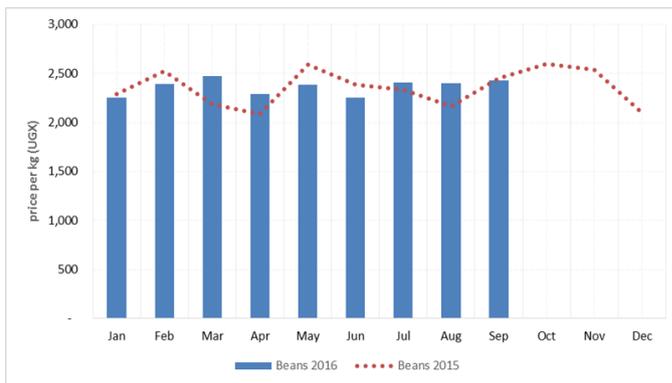


Figure 6: Maize flour



Figure 9: Vegetable Oil

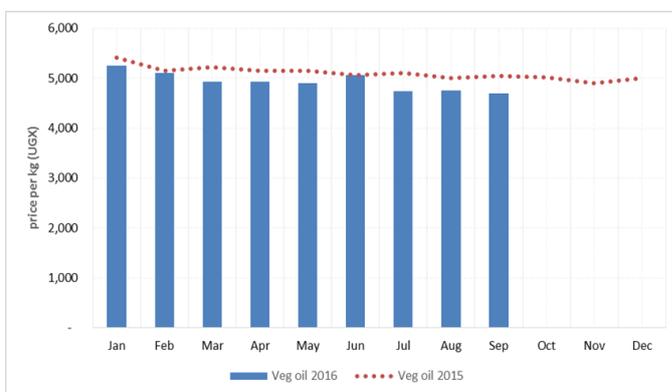
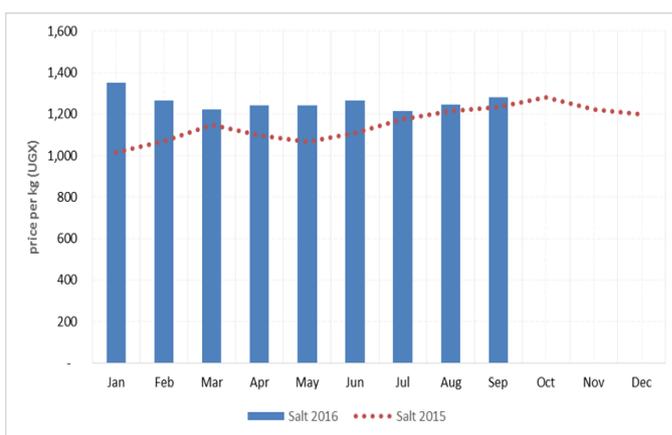


Figure 7: Millet flour



Figure 10: Salt



For further information please contact the AME unit WFP Uganda

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