



The Food Price Monitor: Kenya is a monthly report developed for the Food Security Portal (FSP), facilitated by IFPRI, with the goal of providing clear and accurate information on commodity price trends and variations in selected markets throughout Kenya. The reports are intended as a resource for those interested in agricultural commodity markets in Kenya, namely producers, traders, consumers, or other agricultural stakeholders.

Highlights

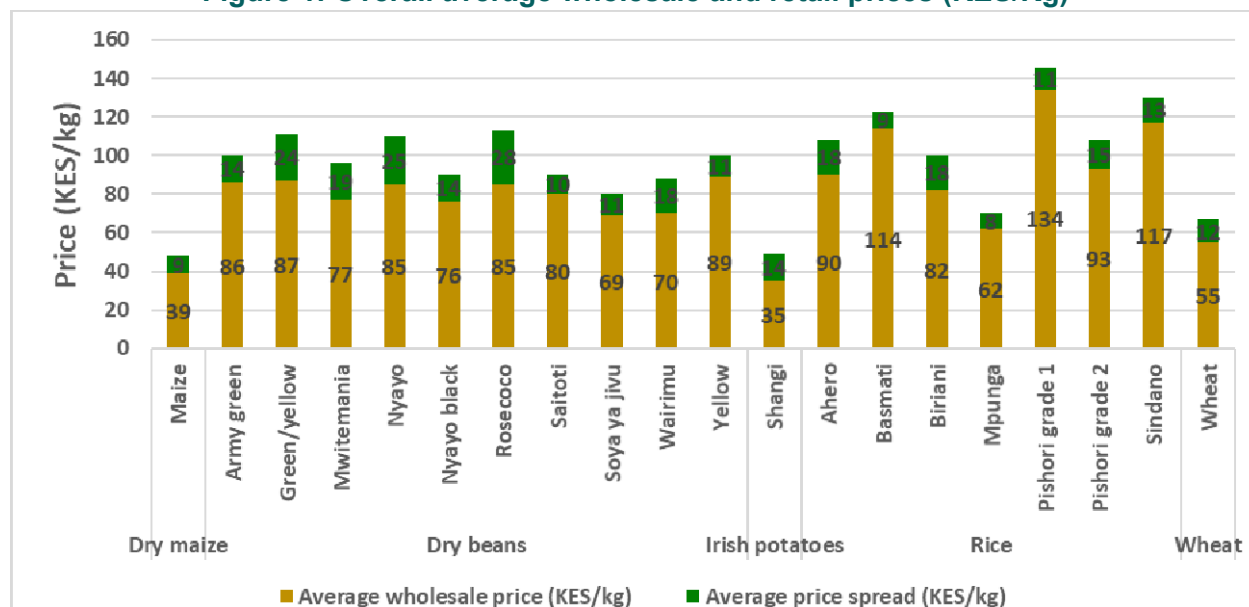
- ▶ Variations in wholesale and retail price margins can be largely attributed to low seasonal output, high demand, import costs, and increased fuel costs which consequently drove up the cost of production and transport.
- ▶ Variations in bean prices can be attributed to seasonal scarcity and high fuel prices which escalated distribution costs.
- ▶ The progressive surge in maize prices is due to maize shortages in Kenya and neighboring East African countries, driven by ongoing drought in the region
- ▶ High Irish potato prices are driven by scarcity. Notably, the current variety grown by Kenyan farmers does not meet the required quality standards for food products such as French fries; the use of poor quality or substandard seeds is partly due to limited availability of certified, high-quality seeds.
- ▶ High rice and dry wheat prices are a result of rising import costs, depreciation of the Kenyan shilling, and high transaction costs.

Overall Wholesale and Retail Prices for February

Other than Basmati and Pishori grade 1 rice, all commodities recorded price margins of above 10% in February (Figure 1). Most dry beans and rice varieties recorded price margins of between 11% and 18%, including Army green (16%), Nyayo black (18%), Saitoti (13%), Soya ya jivu (16%), yellow beans (12%), Mpunga rice (13%), Pishori grade 2 (16%), and Sindano rice (11%). Food

commodities that recorded price margins of between 20% and 29% included dry maize (23%), dry wheat (22%), Biriani rice (22%), Ahero rice (20%), and some dry bean varieties (green/yellow (28%), Mwitmania (25%), Nyayo (29%), and Wairimu (26%)). On the other hand, Rosecoco beans (33%) and Shangi Irish potatoes (40%) saw higher price margins of above 30%. Variations in wholesale and retail price margins can be largely attributed to increased fuel costs, which consequently drove up the cost of production and transport.

Figure 1: Overall average wholesale and retail prices (KES/Kg)



Source: Daily Market Survey for the month of February

Wholesale and Retail Commodity Prices

Commodity prices varied regionally (Table 1). Most dry beans recorded lower wholesale prices compared to the government recommended price of 93KES/kg. Compared to the national average for February (87 KES/kg), wholesale prices of green/yellow beans were higher in Eldoret (89 KES/kg), Kisumu (94 KES/kg), Mombasa (90KES/kg) and Nairobi (95KES/kg). Mwiternania beans recorded higher retail prices in Mombasa (83 KES/kg) and Nairobi (87 KES/kg) compared to the national average price of 77 KES/kg. A similar scenario was recorded for wholesale prices in Nairobi (120 KES/kg) and Nyeri (100KES/kg). Rosecoco beans showed higher retail prices in Eldoret (89KES/kg) and Nairobi (88 KES/kg) and significantly higher wholesale prices in Kisumu (128KES/kg), Nairobi (120KES/kg), and Nyeri (130KES/kg) when compared to national average retail price of 85KES/kg and average wholesale price of 113 KES/kg. Variation in bean prices can be attributed to seasonal scarcity and high fuel prices which escalated distribution costs.

Dry maize recorded higher wholesale prices in Eldoret (53KES/kg) and Nairobi (42KES/kg) compared to the national average wholesale price of 39KES/kg; dry maize also recorded higher retail prices in Eldoret (60KES/kg), Kisumu (50KES/kg), and Nairobi (50KES/kg). Maize prices have been increasing gradually in Kenya due to maize shortages in the country and in neighboring East Africa countries, occasioned by drought in the region. Eldoret, a

major maize-producing area located in the grain basket zone, recorded the highest retail maize price (60KES/kg) due to shortages in Trans-Nzoia County, one of the country's leading maize-producing counties (The Star Business Kenya, 2022). Dry maize recorded atypically high wholesale and retail prices in Eldoret compared to other regions; this has led to skyrocketing maize flour prices across the country. Consumers Federation of Kenya (Cofek) has blamed the rapid increase of maize flour prices on hoarding by maize by millers who purchased the grain at low cost during the harvest period and caused artificial shortages by hoarding their stocks (Business Daily, February 2022)

Compared to the national average wholesale price of 35KES/kg, Irish potatoes recorded higher prices in Mombasa (40KES/kg) and Nairobi (59KES/kg). Similarly, Kisumu and Nairobi showed higher retail prices of 62 KES/kg and 73KES/kg, respectively, compared to the national average price of 49KES/kg. Increased Irish potato prices in heavily populated cities is attributable to a reduced supply of the perishable commodity. Kenya currently relies on neighboring countries like Tanzania to meet its Irish potato demand, as the current variety that Kenyan farmers grow does not meet the required quality standards for making food products such as French fries. This is due to use of poor quality or substandard seeds, partly driven by limited availability of certified high-quality seeds and by recycling crops from the previous season to use as seed (Business Daily Africa (2022).

Several rice varieties are traded across Kenya, but Pishori rice was common to all regions in February. Compared to the national wholesale average price of 134 KES/kg, Pishori grade 1 rice recorded higher wholesale prices in Eldoret (146 KES/kg), Mombasa (145 KES/kg), and Nairobi (145 KES/kg). The same regions also recorded higher retail prices compared to the national retail average price of 145 KES/kg. Notably, all rice varieties across all regions recorded lower prices than the government recommended price for Basmati rice of 170KES/kg. Kenya only produces around 15% of the rice consumed within the country and hence relies largely on imports (The Star Magazine, February 2022). High rice prices are attributable to high import costs, the depreciation of Kenyan shilling, and high transaction costs.

Dry wheat saw higher wholesale prices in Kisumu (69 KES/kg) and Nairobi (60 KES/kg), as well as higher retail prices in Eldoret (70 KES/kg), Kisumu (75KES/kg), Nyeri (70KES/kg), and Nairobi (80 KES/kg), compared to the national average wholesale and retail prices of 55 KES/kg and 67KES/kg, respectively. Notably, all regions recorded higher dry wheat prices compared to the government recommended price of 36KES/kg. Wheat prices are higher in non-producing regions and in populous cities due to these areas' dependence on wheat imports. Data from Agriculture and Food Authority show that 90% of the wheat consumed in the country is imported, mainly from Russia and Ukraine (Star Farmer Magazine, 2022). Consequently, the increase in international prices due to instability in the Black Sea region and increased global fuel prices will certainly have an effect on consumer wheat prices in the country.

Table 1: Average wholesale and retail prices (kes/kg) by region for February

Product	Variety	Average wholesale price (KES/kg)						Average retail price (KES/kg)						Total average wholesale price (KES/kg)	Total average retail price (KES/kg)
		Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri		
Dry beans	Army green			90	82	87				99	114	88		86	100
	Green/yellow	89	94	90	95	80	76	100	140	99	120	85	120	87	111
	Mwitemani			83	87	64	74			90	120	75	100	77	96
	Nyayo		93	76	85				120	90	120			85	110
	Nyayo black			76						90				76	90
	Rosecoco	89	85		88	79	83	100	128		120	86	130	85	113
	Saitoti			80						90				80	90
	Soya yajivu			69						80				69	80
	Wairimu	78	72	69	72	60	68	85	110	80	100	63	91	70	88
Yellow	89						100						89	100	
Dry maize	Maize	53	38	34	42	35	34	60	50	40	50	46	40	39	48
Irish potatoes	Shangi	25	28	40	59	23	32	30	62	47	73	42	40	35	49
Rice	Ahero		90						108					90	108
	Basmati	112		110		114	121	120		120		123	130	114	123
	Biriani			82						100				82	100
	Mpunga			62						70				62	70
	Pishori grade 1	146		145	145	110	126	151		150	170	120	133	134	145
	Pishori grade 2	98	96			84		103	130			90		93	108
Sindano	138		106		123	100	150		120		129	120	117	130	
Wheat	Wheat	50	69	55	60	44	51	70	75	60	80	50	70	55	67

Source: Daily Market Survey for the month of February

Wholesale and Retail Price Trends by Region

Differences in weekly prices were seen across regions between week 1 and weeks 2 through 4. In Eldoret, all dry bean varieties, dry maize, and dry wheat showed stable wholesale and retail prices. Rice varieties portrayed mixed results, with Basmati and Sindano rice varieties recording stable wholesale and retail prices and Pishori grade 1 recording reduced wholesale prices (-3%) and increased retail prices (8%) between week 5 and week 1. Stable maize prices in the grain basket zone can be attributed largely to imports from East African Community member states, particularly Uganda and Tanzania, whereas stable wheat prices are as a result of ample supplies from the harvest season.

In Kisumu, a comparison between week 4 and week 1 showed stable retail and wholesale prices for most commodities and increased retail and wholesale prices for a few. Most dry beans, maize, and some rice varieties saw stable wholesale and retail prices. Shangi Irish potatoes and wheat saw increased wholesale prices of 3% and 12%, respectively.

Stable wholesale and retail prices were observed in the Mombasa region for most commodities. A comparison of prices between week 4 and week 1 showed stable retail prices for all commodities, with the exception of Army green and green/yellow beans, which saw increased prices of 6% each. Similarly, most commodities saw stable wholesale prices, with the exception of dry maize and Mwitmania beans, which saw a slight increase in prices of 3% each. Stable prices can be attributed to imports from Uganda and Tanzania.

The Nairobi region saw mixed results, with different commodities seeing stable, reduced, or increased prices. Wholesale prices between week 4 and week 1 showed stable prices for Wairimu beans, dry maize, Pishori grade 1 rice, and dry wheat; slight increases were recorded for green/yellow beans (1%), Mwitmania beans (1.5%), and Nyayo beans (11%), whereas a decline in prices (of less than 10%) was recorded for Army green beans, Rosecoco beans, and Shangi Irish potatoes. For retail prices, all commodities saw stable prices when week 1 was compared to week 4, with the exception of Army green beans and Shangi Irish potatoes, which saw a reduction in prices of 17% and 7%, respectively.

A comparison of wholesale and retail prices between week 4 and week 1 in Nakuru showed mixed results, with different commodities seeing increased, reduced, and stable prices. A comparison of wholesale prices between week 4 and week 1 showed an increase in prices for green/yellow beans

FOCUS ON BEANS ACROSS SELECTED REGIONS

Dry beans are grown in almost all regions in Kenya and are a staple food crop. The main producing areas for dry beans include the Rift Valley, Eastern, Lake Victoria Zone, and the Western and Central regions. The decision regarding of what variety to plant is based on ecological requirements, maturity period, performance, and resistance to pests and diseases. The most common varieties include Rosecoco, yellow beans, Wairimu, Mwitmania, kidney beans, and Mwezi Moja.

Dry bean prices vary depending on quality and type of beans. Beans typically fetch better prices during off-season periods, but some varieties and some regions are more expensive than others. During February, different bean varieties registered varying prices across selected regions. The most common bean varieties included green/yellow beans, Rosecoco, and Wairimu beans. The most expensive beans were Rosecoco, Green/yellow, Nyayo, and Army green beans. Rosecoco showed higher price margins of 33% and recorded significantly higher retail prices in Kisumu (128KES/kg), Nairobi (120KES/kg), and Nyeri (120KES/kg) compared to the national average retail price (113KES/kg). Green/yellow recorded a higher price margin of 29% and higher wholesale prices in Eldoret (89KES/kg), Kisumu (94KES/kg), Mombasa (90KES/kg) and Nairobi (95KES/kg) compared to the national average wholesale price (87KES/kg). Compared to the national averages, Kisumu and Nairobi regions recorded significantly higher retail and wholesale prices, which can be attributed to scarcity and high demand in the populous cities.

Table 2: Average wholesale and price spread (KES/kg)

Variety	Average wholesale price (KES/kg)						Average retail price (KES/kg)					
	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri	Eldoret	Kisumu	Mombasa	Nairobi	Nakuru	Nyeri
Army green			90	82	87			99	114	88		
Green/yellow	85	94	90	95	88	76	100	140	99	120	85	120
Mwitmania			83	87	64	74			90	120	75	100
Nyayo		93	76	85			120	90	120			
Rosecoco	89	85		88	79	83	100	120	120	86	130	
Wairimu	78	72	69	72	68	68	100	80	100	83	91	

Source: Daily Market Survey for the month of February.

(10%), Rosecoco (7%), Wairimu (6%), dry maize (10%), Pishori grade 1 rice (26%), and dry wheat (2%). Slight price reductions of between 2% and 7% were observed for Shangi Irish potatoes, Basmati rice, and Sindano rice, while stable prices were recorded for Army green, Mwitmania beans, and Pishori grade 2 rice.

Similarly, mixed results were recorded in Nyeri. A comparison of wholesale prices between week 4 and week 1 showed most commodities seeing a decline in prices of between 1% and 4%, including green/yellow beans, dry maize, Shangi Irish potatoes, Basmati rice, and Pishori grade 1 rice. For retail prices, all commodities saw stable prices, with the exception of Wairimu beans and dry wheat, which saw increased prices of 3% and 7%, respectively, and maize, Irish potatoes, and Pishori grade I rice, which recorded a slight decline in prices of 1%, 0.5%, and 1.4%, respectively.

Comparison of National Average Prices between January and February 2022

A comparison of overall prices (national averages for all commodities) for January and February (Table 4) shows stable wholesale and retail prices for most commodities, a slight increase for a few commodities, and a slight decrease for a few others.

Most commodities saw stable retail and wholesale prices (between 2% and -1%). Food commodities that saw increases of greater than 3% but less than 12% in wholesale and retail prices included dry maize, Army green beans, and Nyayo beans. Yellow beans saw slight decreases in wholesale and retail prices of 7% and 9%, respectively. The stable wholesale and retail prices for most commodities between January and February can be attributed to imports from neighboring Uganda and Tanzania.

Table 4: Comparison of January and February 2022 prices

Product	Variety	Average Wholesale Price (Kes/Kg)			Average Retail Price (Kes/Kg)		
		January	February	Percentage change	January	February	Percentage change
Dry maize	Maize	36	39	8%	44	48	9%
Dry beans	Army green	81	86	6%	94	100	6%
	Green/yellow	85	87	2%	111	111	0%
	Mwitmania	77	77	0%	97	96	-1%
	Nyayo	76	85	12%	106	110	4%
	Nyayo black	76	76	0%	90	90	0%
	Rosecoco	84	85	1%	114	113	-1%
	Saitoti	80	80	0%	90	90	0%
	Soya ya jivu	69	69	0%	80	80	0%
	Wairimu	69	70	1%	88	88	0%
	Yellow	96	89	-7%	110	100	-9%
Irish potatoes	Shangi	33	35	6%	48	49	2%
Rice	Ahero	90	90	0%	109	108	-1%
	Basmati	115	114	-1%	124	123	-1%
	Biriani	82	82	0%	100	100	0%
	Mpunga	62	62	0%	70	70	0%
	Pishori grade 1	134	134	0%	143	145	1%
	Pishori grade 2	94	93	-1%	107	108	1%
	Sindano	115	117	2%	126	130	3%
Wheat	Wheat	55	55	0%	68	67	-1%
Key <2 but >-1 Stable >-5 but <-9 Slight Decrease >3 but <12 Slight Increase							

Source: Daily Market Survey for the month January and February

Outlook for the Month of March

During the month of March, the following changes are expected:

- Selected food commodity prices are expected to increase further in the coming months due to scarcity, increased fuel prices, involvement of many middlemen, and higher demand.
- Heightened tensions in the Black Sea region could edge up food commodity prices, specifically for imported wheat and rice.
- Production costs are expected to surge on the back of increasing oil prices, which are being driven by the Ukraine-Russia conflict.
- Prices of imported commodities are expected to increase due to the effects of the performance of the Kenyan shilling against the U.S. dollar in the foreign exchange market and to the continued depreciation of the shilling.
- Increased political activity ahead of the August 9 elections might affect business performance, including acquisition of inputs and food importation, as investors adopt a wait-and-see approach to investments.

FOCUS ON MOMBASA REGION

Mombasa, situated in Southeast Kenya along the Indian Ocean, is the country's second-largest city. The agricultural sector is an important component in the city's socioeconomic development (Ministry of Agriculture Livestock and Fisheries (MoALF), 2021).

Commodity prices are collected from Kongowea market, the largest wholesale market in East and Central Africa. Kongowea serves most of the neighboring sub-counties and counties in the Coast region, which depend on it for fresh produce and other agricultural products. Diverse agricultural products are sold in the wholesale market as well as the retail section. Although Kongowea is a wholesale market, it is also the major source of produce for Mombasa County retail markets. Kongowea is run by the county government of Mombasa and is open for trading for all members of the general public at a fee. The market operates seven days a week and on a typical day, the market is open from 4:00 am. Traders source beans from Uganda and Loitoktok, while rice is sourced from Mwea, Tanzania, and Pakistan. Irish potatoes are sourced from Nakuru (Molo and Mau Narok) and Nyandarua (Kinare, and Ol-Kalau), and wheat is sourced from the Rift Valley (Narok, Uasin-Gishu, and Nakuru Counties).

During February, all commodities recorded constant retail and wholesale prices between week 1 and week 4, with the exception of Army green beans, yellow /green beans, Mwitemania beans, and dry maize. For wholesale prices, a comparison between week 1 and week 4 indicated that Army green and Yellow/green beans showed an increase of 7.9% each for both commodities, while Mwitemania beans and dry maize recorded a decline of 3.1% and 3.2%, respectively.

Table 3: Average Retail and Wholesale Prices, Mombasa Region

Commodity	Average wholesale price (KES/kg)				Total average wholesale price (KES/kg)	Total average retail price (KES/kg)
	Week 1	Week 2	Week 3	Week 4		
Army green	91	91	91	91	90	99
Green/yellow	91	91	91	91	90	99
Mwitemania	85	82	82	82	83	90
Wguye	76	76	76	76	76	90
Wguye black	76	76	76	76	76	90
Sukari	80	80	80	80	80	90
Soya ya jivu	69	69	69	69	69	80
Mbaraka	69	69	69	69	69	80
Mbaraka	34	33	33	33	34	40
Shamba	48	48	48	48	48	47
Mbaraka	118	118	118	118	118	120
Mbaraka	82	82	82	82	82	80
Mbaraka	62	62	62	62	62	70
Pichani grade 1	345	345	345	345	345	350
Sundara	306	306	306	306	306	320
Mbaraka	55	55	55	55	55	60

Source: Daily Market Survey for the month of February.

ABOUT THIS SERIES

The Food Security Portal (FSP), facilitated by the International Food Policy Research Institute (IFPRI), aims to improve food security for the world's poor and increase the resilience of global food systems against food and financial crisis. The project brings together international, regional, and country-level data, news, and research aimed at meeting countries' immediate food security needs and building long-term global food security. The FSP is designed to pool information in structured ways to ensure high-quality, timely, and relevant data and to provide the opportunity for collaboration among policymakers, development professionals, and researchers.

This report is part of the FSP's efforts to monitor country-level food prices in order to improve the governments' ability to respond to and prevent food crises. It presents monthly price trends and movements for key food commodities, including dry beans, dry maize, rice, wheat, and Irish potatoes, in selected major regions and markets in Kenya.

DATA COLLECTION AND METHODOLOGY

The study was conducted in the Mombasa, Nairobi, Nakuru, Eldoret, Kisumu, and Nyeri regions of Kenya. These regions comprise the key markets in major urban centers. The five selected commodities comprise the major staple foods in Kenya¹.

Data assistants, some of whom were traders, collected average daily wholesale and retail prices from the main markets of the selected regions. Data was collected daily for six days (Mondays to Saturdays) from stockists/wholesalers and traders in the morning hours.

During the last week of the month, the following qualitative data were captured:

- General observations on food prices during the month, including price variations and the lowest, highest, and prevailing wholesale and retail prices
- The source of food commodities and their availability throughout the month
- The effects of the COVID-19 pandemic, as well as government restrictions including curfews and cessation of movement, on food prices and availability (both supply and demand)
- Traders' adaptation strategies to the COVID-19 pandemic, including sourcing and selling

Additional secondary data was obtained from the Ministry of Agriculture, Kenya Government Food Security War Room (FSWR), Ministry of Agriculture Livestock and Fisheries (MoALF), and Regional Agriculture Trade Intelligence Network (RATIN).

¹ NB: While the report covers wheat, consumption of that commodity in Kenya is comprised mainly of wheat products (flours, pastries, and highly processed foods) rather than raw wheat itself.

REFERENCES

- Business Daily Africa (February 23, 2022). "Kenya Seeks Funding for Seed Potato Study." Available at: <https://www.potatopro.com/news/2021/kenya-seeks-funding-seed-potato-study>.
- Business Daily (February 3, 2022). "Blow for Farmers as Maize Price Declines by Sh400." Available at: <https://www.businessdailyafrica.com/bd/markets/commodities/blow-for-farmers-as-maize-price-declines-by-sh400-3703234>.
- Star Farmer Magazine (February 28, 2022). "Wheat Flour Prices Could Go Up Due to Russia-Ukraine War." Available at: <https://www.the-star.co.ke/news/star-farmer/2022-02-28-wheat-flour-prices-could-go-up-due-to-russia-ukraine-war/>.
- The Star Magazine (January 21, 2022). "Rice Increasingly Popular, Farmers Should Grow More - State." Available at: <https://www.the-star.co.ke/news/star-farmer/2022-01-23-rice-increasingly-popular-kenya-should-grow-more--state/>.
- Ministry of Agriculture Livestock and Fisheries (MoALF) (2021). Market Research and Information February 2022 Data.
- Central Bank of Kenya (2022). Monthly Exchange Rate. Monthly Exchange rate (period average) | CBK (centralbank.go.ke). Available at: <https://www.centralbank.go.ke/statistics/exchange-rates/monthly-exchange-rate-period-average/>.
-

About the authors

Ruth T Chepchirchir: African Research and Economic Development Consultants Limited (AFREDEC), Nairobi, Kenya

Maina B.J.K: African Research and Economic Development Consultants Limited (AFREDEC), Nairobi, Kenya

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

A world free of hunger and malnutrition

IFPRI is a CGIAR Research Center

1201 Eye Street, NW, Washington, DC 20005 USA | T. +1-202-862-5600 | F. +1-202-862-5606 | Email: ifpri@cgiar.org | www.ifpri.org | www.ifpri.info

© 2022 International Food Policy Research Institute (IFPRI). This publication is licensed for use under a Creative Commons Attribution 4.0 International License (CC BY 4.0). To view this license, visit <https://creativecommons.org/licenses/by/4.0>.