Q&A document



WFP / CaLP webinar series

Webinar #1: Tools to improve quality of MEB calculation



1. Is there a season of the year when it is advisable to calculate the MEB? Do you base the MEB on season or on emergency situations?

Generally speaking, the MEB reflects average, recurrent basic/essential needs of households and the cost of those needs. It is often calculated as a monthly threshold. However, in some contexts, if needs vary a lot over seasons, the MEB has a seasonal top-up for specific additional needs (for instance if winter gets really cold, resulting in more energy expenditures or need for warmer clothes - often called 'wintertization').

There is no rule for when to calculate MEBs and they can be used both in protracted crisis situations and in emergencies. Be aware that if a MEB is calculated in a very specific emergency situation it can be important to revisit the MEB composition frequently as needs might change relatively quickly in the aftermath of an emergency.

Remember, that even if the composition of the MEB stays the same, it is good practice to regularly monitor the price of the MEB (this could be on a monthly or more or less frequent basis).

If seasonal changes are linked to seasonal inflation however, this should be monitored carefully to avoid fuelling price increase.

2. What does the transfer value mean? Should the transfer value always be at least some minimum percentage of the MEB?

The transfer value is the monetary value that recipients receive in a cash or voucher programme.

There is no predetermined percentage of the MEB that defines the transfer value; a gap analysis should be conducted to identify how much of their needs the household can cover by themselves, also taking into account any other support/assistance might be provided to the household. Other constraints such as funding may also come into play when determining the transfer value (see webinar #4 for more on this topic).

3. How would you account in the expenditures the assistance that households might be getting and how does that feed into the MEB?

In an expenditure-based MEB, we use households' expenditures to understand consumption patterns. We specifically look at expenditures of a cohort of households who are 'just able to meet their essential/basic needs'. Because we are ultimately interested in how these households consume, we usually combine all of their consumption expenditures (expenditures made directly in cash or on credit, and 'indirect' such as the value of consumed own production and consumed assistance). That way, we obtain a full picture of consumption.

However, in contexts of a large presence of assistance amongst the surveyed households, some care must be taken in the analysis. If households receive a lot of assistance, in particular in-kind assistance or vouchers restricted to specific products, this may (to some extent) skew their consumption choices. Also with a large presence of external assistance, case needs to be taken when selecting the cohort to analyse and sensitivity checks are recommended. In summary - take the value of consumed assistance into account when analyzing expenditures. But if assistance plays a disproportionately large role, be careful in your analysis and in the cohort selection. A hybrid approach taking into account external or qualitative information can be useful to check if your MEB is realistic and adjust where necessary.

4. What approach to constructing the MEB is suitable in which kind of situation, e.g. in emergency situations? Do we have cases where both were used but yielded different results? Do you have evidence on the typical proportion between food and non-food in the MEBs developed so far?

There is no approach that fits all contexts, and the selected approach typically depends on the objective of the MEB, what data and other information you have available or will collect, the time and resources you have etc. The right approach is the one that will provide you with an MEB that is reality-checked and rooted in actual consumption behaviour! There has been countries where organizations have worked separately on different MEBs that sometimes ended up with different results. This is not something that should be encouraged as it slows down the convergence towards one common MEB, duplicate efforts and waste resources and time. Rather, collaborative approaches to ensure consensus and uptake of the MEB are promoted as good practice.

Often, a hybrid approach between an expenditure-based and a right-based MEB is chosen. This can help ensure that the MEB is getting as close as possible to actual consumption behaviour while keeping the rights-based lens. Being pragmatic and ensuring acceptance of the MEB is important. Also remember that the construction of the MEB should not be a simple desk-exercise of compilation of sector specific needs - rather it should be a reflection of average needs of the target group. Every household and individual will make different decisions based on different needs and priorities.

There is no 'global convergence' in the proportion between food and non-food in the MEBs developed so far. How much each need makes up of the basket really depends on the context and on peoples' priorities. In some contexts, food makes up the majority of the basket cost, while in others, it weighs much less. For instance in urban contexts, rent can play a very large part in the cost of living, and the MEBs in such places reflect that. We've also seen contexts where when asking recipients, a majority of them would prioritize health expenditures over other needs.

5. In a rights-based approach do we also count the needs of specific vulnerable groups in the family? How can the MEB be used to meet the specific needs of certain categories of beneficiaries: for example unaccompanied children or women who are victims of GBV?

The MEB is typically not supposed to go into the level of details of specific needs for each category of households - regardless of approach. It can target a specific group (like refugees) but does not include specific needs like pregnancy women etc. However, it can serve as a basis to analyze what other needs remain that could be partially or fully covered through top-offs and complementary interventions, once the MEB is operationalised.

6. If we have an outcome analysis based on HEA following a shock, is it possible to use the survival and livelihoods thresholds deficit to calculate the MEB gap and determine minimum cash value for CVA?

The Household Economy Approach (HEA) is an approach for analysing food security and livelihoods. While it at times collects some household quantitative data, the expenditure data collected is typically sampled differently and is less comprehensive than the data required for an expenditure-based MEB analysis. If the HEA is adapted to include all types of needs and looks comprehensively at expenditures (beyond food), then the information can be very useful input into the MEB construction, to reinforce expenditure-based approaches or in hybrid approaches. However, a HEA analysis cannot automatically replace a MEB analysis.

7. Please can you give more examples practical ones please for beginners like me.

You will find different examples in CaLP's <u>MEB tip sheet</u> that was presented in the webinar. CaLP's <u>library</u> also includes case studies documenting MEB construction. WFP's <u>MEB guidance</u> includes further examples.

8. Priority needs and recipients to be included in MEB vary from context to context, so is there no globally agreed component/items to always be considered in the MEB? What is the limit not to be exceeded when calculating the MEB?

There is no standard component of the MEB nor a predetermined threshold that the MEB should not exceed. It really depends on context and crisis. In all contexts a food component is included, but its composition varies a lot. It sometimes makes up a large part of the MEB, but in other cases, other needs are prioritized or constitute a larger part of the MEB (such as shelter needs). The idea is to get a comprehensive picture of what are the needs of the recipients, balancing between being as representative as possible to actual needs while anchoring into local reality and what makes the MEB a pragmatic and efficient reference for all stakeholders. As explained in CaLP's MEB tip sheet, there won't be a "perfect" MEB as it's always a consensus among different actors, but what makes a MEB "good enough" is its uptake by humanitarian practitioners.

As presented during the webinar, sector specific needs assessment and standards can help guide decisions regarding what should be covered in the MEB, through MPC and thus influence complementary in-kind distributions, but those should be adapted to the context and not piled-up together.