

# Q&A document

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WFP / CaLP webinar series

## Webinar #3: Including energy needs in your MEB calculation.

### **1. Among the energy solutions presented (stand alone devices) for humanitarian interventions, how realistic/expensive is the supply of solar home systems?**

Pricing of solar home systems vary widely depending on market conditions and sophistication of the systems. As an example, one provider in Uganda offers solar home systems starting at approximately \$120 USD (cash payment) for a simple system with a 10w panel, 2 bulbs and phone charging capability. Simple solar powered lanterns (which may have charging capacity) are available at significantly lower price points.

### **2. In some countries, there are various sources for energy but due to Covid-19 countries faced limited provision of essential supplies in terms of energy. Experience showed that in such cases, some populations turned back to charcoal and firewood. How to deal in such a situation?**

If it's a temporary situation and that appropriate sources of energy can be provided in-kind, it can be worth reconsidering the use of CVA, being cautious of sanitary measures to deliver in-kind. A risk assessment should take into consideration health, environmental, sanitary and safety risks for recipients, and selection of modality should be a balance between needs, risks and what is currently feasible.

### **3. Covering energy needs: CVA or in-kind? In displacement contexts (IDPs/Refugees), how do we manage/transfer cooking fuel to households, particularly in contexts where the main fuel source is firewood and charcoal? Would it be better to provide in kind? / Would you recommend that humanitarian agencies should include the costs for fuel efficient stoves in the MEB or for it to be done as a separate cash for stoves transfer?**

Response option selection is made of different factors and criteria, including efficiency to address the needs, risks (health, safety, environment...) and feasibility. The way of approaching energy needs is extremely reliant on the context and the quality of needs assessments. We must be careful and avoid shortcuts (i.e more energy needs in urban areas, while sometimes part of it is already covered by rents OR consider that some alternatives are better than other ones without having clear ideas on carbon footprint all along the life cycle of it...). CVA can give the means to better quality sources of energy, or encourage bad practices (see Q7). Adopting market based approaches and training populations to produce and use other sources of energy to ensure better alternatives progressively get available is important. When alternative sources of energy are available, behaviour change activities can also be solutions. At the end, the level of overall needs' coverage influences the way recipients' spend CVA. If safe and quality sources of energy are not available in the markets or recipients are unlikely to purchase it because of different habits, inability to use them or other

factors, more restrictive modalities (vouchers, in-kind) can be considered while addressing the issues disabling recipients to directly access those alternative supplies.

**4. Do you find there is more reluctance for the inclusion of energy in a Survival Minimum Expenditure Basket (SMEB) compared to a MEB? Or are acceptance levels from stakeholders roughly the same?**

When it comes to energy needs, for advocacy, it is sometimes useful to remind positive externalities of sectoral outcomes (including health, protection, food utilization, time savings...). But the concept of SMEB itself is largely criticized. As per its definition, the MEB is already a minimum to ensure dignity and cover basic needs. The relevance of a lower standard is still to be demonstrated.

**5. With the many unending needs, how will practitioners ensure the cash received by people is indeed used for energy? I feel like people might tend to prioritize the cash for other needs like food, paying schools fees, medical services etc.**

We should not assume recipients' choices, and the purpose of a MPC designed based on a MEB is to give free choice to recipients to use cash as per their own priorities. However, humanitarians expect energy to be among the top needs and likely expenditure categories. As illustrated per Ground Truth Solutions' research in Bangladesh, energy needs are often among the most important unmet needs and getting access to a source of energy is the second reason why people declared selling aid.

**6. Should quality considerations and standards (eg. for cooking and lighting) only apply when we use a right-based (need-based) approach to calculate energy costs in the MEB?**

Quality should not be contingent to the different approaches that we could adopt. An expenditure-based approach should refer to a population group that is able to cover their basic needs while ensuring dignity, and thus access quality services and items. As seen in Kenya, triangulating need assessments, sources of energy available in the markets and expenditure patterns has helped identify "good practices" in the local context and draw from them to construct the MEB. Having an agreement and the appropriate level of consultation with various stakeholders is critical to generate a quality MEB suitable for a particular context.

**7. How to address the environmental impact of increased firewood collection? How to consider other aspects like health and safety (fire, fumes, etc.) and what are the needs in terms of behaviour change input?**

In the example of Kenya, sources of energy were assessed and included in the MEB to offer the means to recipients to access healthier and more sustainable sources of energy than firewood. In other cases as we've seen, there was no alternative so the risk was to increase firewood collection for people to sell it to CVA recipients. Sensitization and behaviour change activities are relevant to encourage good and safe practice in terms of energy, however this can be inefficient if people don't have access to alternative sources of energy. As shared in the polls by participants, market based approaches to build or develop those alternatives can be a solution. Providing safer and more sustainable sources of energy in-kind (like solar heaters) can also be a solution, but generates other environmental impact.

By planning energy solutions at a response-wide level (vs. trying to solve energy poverty issues for individual projects or sub groups), humanitarian actors have an opportunity to simultaneously address environmental, health and safety, and protection needs. This might mean, for example, planning a renewable energy mini-grid installation that can meet energy needs at household and community levels. This of course, requires longer-term commitment and high degrees of

coordination that are challenging to achieve (but that groups like the Global Plan of Action are actively confronting).

**8. Due to the shortages of fuel in Venezuela, we feel the need to include this in the MEB. Are there any examples from Latin America?**

According to the last JMMI (Joint Market Monitoring Initiative) lead by Reach in August, fuel issues are triple in Venezuela market: fuel high prices (90% of surveyed traders reported), lack of fuel (79% of surveyed traders reported) and high cost of transportation (74% of surveyed traders reported). Considering both high cost and limited access to fuel in the Venezuelan market it seems better to include those energy needs in the MEB in other ways: Including alternative items that households may prioritize (electric lamps in shelter needs for example) and services (transportation to health facilities, school, etc.). The situation in Venezuela is quite specific and difficult to compare to other countries in the region. But for reference the Ecuador MEB from January 2020 (available [here](#) only in Spanish) is not considering energy needs *per se* - or fuel as a basic item to incorporate into the MEB - but it is taking into consideration transportation needs to health and school centers and adding items and services like blankets, electricity and running water, etc.

**9. If we include Energy in the MEB, how do we take into consideration different households' sizes?**

When dealing with different household sizes, some of the costs are static (i.e. non-rival goods such as electricity and housing space do not necessarily change proportionally with the family size), while others depend on the number of the members in the family (e.g. food). In Kenya, the MEB was calculated based on an average household size that could then be divided by capita and adjusted according to the household size. However, the MEB does not aim at being a perfect reflection of each individual's needs as each household faces different specific vulnerabilities and needs. Instead, it aims at capturing average needs in a target group and / or area, that can inform MPC design and vulnerability assessment. If more specific needs are identified, those should be addressed either through complementary CVA interventions or other activities.