

Sector-Specific MEB Companion Guidance: Non-Food Items

This CALP Network Sector-Specific Minimum Expenditure Basket Companion Guidance for including Non-Food Items (NFIs) objectives in Minimum Expenditure Baskets (MEBs) builds on the CALP Network 2022 Guidance 'Calculating the Minimum Expenditure Basket' (CALP Network 2022) and the Global Shelter Cluster's guidance on 'Shelter Considerations for MEB Development and MPCA Program Design' (Global Shelter Cluster 2023).

Purpose of guidance

This Companion Guidance aids country cluster coordinators in integrating shelter needs into Multi-Purpose Cash Assistance (MPCA) and MEBs. It covers essential household items and services enabling functional living inside housing once initial shelter access is established. This includes basic household items, utilities, heating, and materials and services for minor upgrades. This guidance refers to these items as 'Shelter NFIs' (NFIs are 'Non-Food Items').

Relevant Global Shelter cluster outcome indicators (Global Shelter Cluster Accountability Working Group 2013) covered in this guidance include:

- Number and percentage of households in need of NFIs;
- Percentage of targeted households satisfied with essential household item assistance received;
- Percentage of households using item assistance to address other basic needs;
- Percentage of interventions considering environmental impact;
- Percentage incorporating hazard mitigation measures.

The guidance does not address access to shelter itself or major repairs, which are covered in the Sector-Specific MEB Companion Guidance: Shelter. By outlining coordination challenges, analysis required, and balanced approaches, this guidance strengthens capacity for evidence-based, strategic shelter-related NFI inclusion within MPCA. It promotes inter-sectoral coordination to optimize the inclusion of feasible selected shelter NFI components in MEBs. It also shows how cluster coordinators can identify and advocate for the inclusion of dedicated shelter technical programming needed to fill identified gaps.

Why focus on the MEB and shelter NFIs?

The MEB serves as a foundational element in humanitarian responses, particularly when employing MPCA as an intervention strategy. MEBs are typically constructed with

operational objectives in mind, providing a benchmark to determine transfer values for MPCA, assess vulnerabilities, and monitor cost of living fluctuations over time' (Klein and Warring 2021). In practical terms, shelter NFI programmes find themselves intricately linked to the MEB, as it forms a critical prerequisite for the design and implementation of MPCA programmes.

MPCA, by definition, is a financial transfer – either regular or one-off – designed to fully or partially cover a household's basic needs (CALP Network 2023). Donors and humanitarian agencies have agreed on the value of defining these basic needs through the consensus of an inter-agency group, culminating in the establishment of the MEB. For instance, the Bureau for Humanitarian Assistance (BHA) from USAID states: 'MPCA contributes to meeting a Minimum Expenditure Basket (MEB) or a similar calculation of the amount required to cover basic needs' (USAID/BHA 2022). Similarly, the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) advises that: 'To meet recurrent basic needs, an MPCA transfer value should be defined based on an estimate of the gap between the MEB and what beneficiaries can contribute towards their needs' (DG ECHO 2022). From a shelter NFI programming perspective, this underlines the importance of integrating shelter-specific NFI objectives into the MEB. By doing so, Shelter cluster actors can ensure that, when appropriate, the unique needs and vulnerabilities associated with shelter are adequately reflected and addressed within MPCA programmes, ultimately contributing to a more holistic and effective humanitarian response.

However, it is equally important to recognize that the MEB takes into account recurrent basic needs, and that 'there will always be sector-specific needs which cannot be met through recurrent cash assistance but rather must be met through, for example, a one-off transfer and/or more substantial transfers' (DG ECHO 2022). Equally, it is important to recognize that the shelter sector might need technical expertise in addition to 'just' cash (other 'sector-specific needs' refer to needs that are not typically included within a Minimum Expenditure Basket).

Shelter NFI-specific considerations for a MEB

This section of the guidance outlines nine key challenges faced by different clusters and working groups when trying to incorporate shelter-related NFI-specific considerations for an MEB.

Key Challenge One: Lack of intersectoral agreement on MPCA purpose

A fundamental first step is gaining intersectoral agreement on the MPCA programme's objective, i.e. its purpose, its targeted recipients and intended coverage of needs. As the MEB will be developed to cover the basic needs of the people targeted for MPCA, not having clarity on the objective of MPCA can lead to confusion and wasted efforts. As of March 2022, Shelter cluster coordinators can now point to clear Inter-Agency Standing Committee (IASC) guidance on cash coordination that states that CWGs: 'Do not decide upon humanitarian needs. Multi-sectoral assessments provide the basis for response analysis and design and are conducted by a wide spectrum of agencies across sectors/clusters under the lead of the IS/ICCG.' The guidance also states that the CWG can be mandated to contribute to response analysis and 'making a recommendation to the inter-sector/inter-cluster on the needs that should be met through MPCA, including financial needs' (IASC 2022). As such, in theory, the CWG is only leading on defining MEBs and MPCA objectives within a mandate agreed by the ICCG. However, in practice this is not always the case and the ICCG and CWG may lack capacity to fully engage and agree on a mandate.

- **Recommendation:** Shelter coordinators should proactively stress the urgent need for the CWG/ICCG to lead an effort to delineate the MPCA programme framework as part of the HRP or flash appeal process, including:
 - Intended recipients – population groups targeted
 - Needs to be covered – basic, recovery or a combination
 - Geographical scope and duration.

Referencing the global guidance from the IASC can help ensure that the ICCG and the CWG are held accountable when formulating the MPCA framework. However, Shelter cluster coordinators must acknowledge and realistically approach the capacity limitations often present within the ICCG or CWG in various contexts. This acknowledgment may necessitate sustained involvement by the Shelter cluster to address these challenges effectively.

Clear delineation of sector needs covered by MPCA is essential for Shelter cluster coordinators to develop their Humanitarian Response Plan (HRP) chapter accurately. Therefore, a primary recommendation is for the ICCG to provide explicit, upfront guidance on these parameters at the start of the HRP cycle. In the absence of such guidance, Shelter cluster coordinators are advised to promptly raise the issue as a matter of urgency, request a definitive resolution at the ICCG level, and continue progressing on their HRP chapter in parallel.

Key Challenge Two: Determining appropriate inclusion of Shelter-related NFI in MPCA, vs a Sectoral Cash Top Up, or standalone Shelter Cash or Voucher programme.

Building on the previously mentioned challenge, once the objectives of the MPCA are established by the CWG or ICCG, it is the responsibility of the Shelter cluster to ascertain that only those shelter needs aligning with these objectives are incorporated into the MEB. This inclusion should inform the MPCA transfer value associated with the MEB. Furthermore, the Shelter cluster must identify which needs fall outside these objectives. Those needs may then be evaluated for inclusion in a Sectoral Shelter Top Up addressed through a standalone Shelter Cash or Voucher programme.

- **Recommendation:** Clearly define the terms for various cash-based interventions. This can be complex but the Global Shelter Cluster's 2023 guidelines (Global Shelter Cluster 2023) offer clear distinctions.
- **Standalone Shelter Cash or Voucher Programmes** are initiatives that fulfil specific shelter objectives through cash transfers, allowing beneficiaries to purchase necessary items on the market. These programmes necessitate supplementary technical support for shelter design and quality assurance and must be executed on the ground by a dedicated Shelter team.
- **Sectoral Shelter Cash Top Up Programmes** consist of one-time or repeated cash transfers that address shelter-related basic needs not encompassed by MPCA objectives and which can be satisfied through market solutions. Unlike Standalone Shelter Cash or Voucher Programmes, these top-up cash transfers can be distributed by teams addressing non-shelter basic needs or conducting emergency responses, concurrently with an MPCA transfer. However, shelter-related outcomes often require technical support, specification or items. On such occasions, it is advised that these are treated as Standalone Shelter Cash or Voucher Programmes and managed by shelter specialists.
- **Multi-Purpose Cash Assistance** represents the regular support for the average basic needs of a household as outlined by the CWG/ICCG. There should be systems in place which enable any relevant humanitarian organization to identify these needs in order to provide assistance.



EXAMPLES OF STANDALONE CASH AND VOUCHER SHELTER PROGRAMMES

In 2022, Ukraine's Shelter Cluster introduced two Standalone Cash and Voucher Shelter Programmes alongside MPCA ([OCHA 2023](#)):

- Cash for Winterization Non-Food Items: One-time grants for essentials like blankets and heating appliances, targeting vulnerable families in collective centres and inadequate hosting situations.
- Cash for Winterization Fuel: Providing funds to vulnerable households in conflict zones for heating fuel, prioritizing those in damaged homes and collective centres.

Other examples include:

- Cash transfers for owner-driven reconstruction after disasters, in Sri Lanka after the 2004 tsunami ([Swiss Solidarity 2007](#)).
- Voucher fairs for emergency shelter materials and NFIs, for example in DRC in 2012 ([CALP Network, 2012](#)).



EXAMPLES OF SECTORAL CASH TOP UP PROGRAMMES

One-off household items which individuals don't buy every month (like pots and pans) are a good example of the kind of purchases funded by sectoral cash top up programmes. Unlike items like shoes and jackets, they are not recurrent regular costs so may not be included in the MEB. Since 2015, the Shelter cluster in Ukraine has been coordinating two Sectoral Cash Top Up Programmes alongside MPCA ([Shelter Cluster Ukraine 2023](#)):

- Distributing cash or in-kind standard NFI kits with essentials like kitchen sets and bedding to both displaced and non-displaced households.
- Providing specialized kits, including sleeping bags and solar lamps, to non-displaced families taking refuge in bomb shelters.

Inclusion of Shelter NFIs into the MEB/MPCA:

- In Cameroon, the Shelter cluster recommended inclusion of the monthly cost of basic NFI kits in the Minimum Expenditure Basket that informs the MPCA transfer value for IDPs living with host families ([Cameron Shelter Cluster 2022](#)).

Key Challenge Three: Determining Appropriate Integration of Shelter Non-Food Items within MEBs and MPCA.

- **Recommendation:** Conduct regular market monitoring and analysis to understand NFI availability, pricing, and supply chains. This provides the evidence base for determining appropriate transfer values and adjustments over time.
- **Example:** In the Philippines, the Shelter cluster excluded unique items like tarpaulins and CGI sheets from the MEB 'to ensure standards are met through complementary programming'. In NW/SW Cameroon, the Shelter cluster coordinator developed an MEB and transfer value guidance specifically for the NFI response. This supported cash and vouchers to be used to restart disrupted market systems in the context. Some flexibility in NFI transfer values was allowed where sensitization enabled priority spending, given lower risks compared to shelter needs. The coordinator drew on global guidelines and donor priorities as references when developing the NFI guidance. However, limited partner capacity posed challenges for regular market monitoring to update the guidance over time.

Key Challenge Four: Determining frequency of NFI needs.

The diversity of NFI goods makes it difficult to determine standard frequencies for transfer design. Items like blankets are one-off needs, while kitchenware involves replacement. Misalignment risks gaps or inefficiency.

- **Recommendation:** Categorize NFIs by need duration: one-off, recurring, seasonal, etc. Tailor transfer periodicity and values accordingly – one-off, monthly, seasonal, etc. Distinguish items in MEBs and MPCA similarly based on intended frequency of provision.
- **Example:** In Cox's Bazar, the Shelter cluster coordinated with partners to divide NFI support into emergency kits for new arrivals, recurring hygiene items via MPCA, and seasonal needs like extra blankets in winter through timed distributions. Categorization enabled targeted alignment of transfer design with need duration.

Key Challenge Five: Formulating Context-Specific NFI Guidance for MPCA and MEB.

Developing precise Shelter NFI guidance can enable effective MPCA and MEB integration.

- **Recommendation:** Enhance local capacities, especially in market monitoring, to foster sustainable, relevant Shelter cluster NFI guidance. Utilize global resources and donor frameworks, but ensure adaptations are made based on the unique characteristics of the local context. Engage field coordinators directly in the guidance development process, ensuring their on-the-ground insights are considered.
- **Example:** In NW/SW Cameroon, the Shelter cluster coordinator faced challenges updating NFI guidance regularly due to limited partner capacity for market monitoring. This demonstrated the importance of different contexts in engaging field coordinators directly in developing context-specific sub-national level guidance.

Key Challenge Six: Coordinating to Avoid NFI Support Overlaps and Gaps.

Fragmented NFI assessments and planning lead to inefficiencies and gaps in support.

- **Recommendation:** Harmonize standards and methodologies across sectors for NFI data collection and analysis. Utilize an NFI matrix to clarify cluster contributions, distinguish between shelter, WASH NFIs, etc., and design interventions that complement rather than duplicate MPCA provisions.
- **Example:** In Lebanon, an NFI matrix clarified distributions, ensuring MPCA covered blankets while UNHCR provided kitchen sets, streamlining efforts and highlighting needs like hygiene kits.

Key Challenge Seven: Balancing NFI quality and standards in MEBs/MPCA.

Incorporating NFIs in MEBs/MPCA risks overly rigid guidance on quality being impractical where availability is constrained or preferences differ. On the other hand, ignoring standards undermines outcomes.

- **Recommendation:** Consult beneficiaries to adapt kit guidance to feasible local options where possible. Provide guidance in the local language on safe use and disposal for items procured through MPCA, to be shared along with the registration and/or distribution of cash. Design Shelter/NFI separate voucher or in-kind programmes to coordinate complementary distributions where some key items cannot be purchased locally. Allow pragmatic flexibility to make context-specific trade-offs where unavoidable.

- **Example:** In Ethiopia, blankets that met Shelter cluster standards were unavailable in the markets so it didn't make sense to include them in the MEB. As a result, lower quality local items were endorsed for inclusion in the MEB along with guidance on extending durability of the items to be given alongside the MPCA transfers. Where possible complementary top up blankets were distributed to uphold thermal comfort.

Key Challenge Eight: Tailoring MPCA NFI Provisions for Varied Family Sizes.

Providing sufficient NFIs through MPCA can be challenging, especially for larger families..

- **Recommendation:** Equip NFI actors with clear MPCA programme design and objectives. Base NFI provisions on per-person design or average household size, adjusting for context. Gather data on family sizes and composition, advocating for additional NFI quantities for larger and age-diverse households when needed. Identify and support vulnerable groups requiring more than standard MPCA allowances. Use monitoring data to guide pragmatic adjustments.
- **Example:** In Haiti, monitoring revealed that MPCA was insufficient for larger families, prompting the implementation of additional NFI kits for households exceeding six members.

Key Challenge Nine: Ensuring Environmentally Sustainable NFI Provision.

Distributing disposable NFIs generates waste and environmental impact. To mitigate this, the NW/SW Cameroon Shelter cluster coordinator highlighted the importance of considering environmental factors in NFI assistance. Guidance sought to more specifically use cash and vouchers to reduce wasted NFIs and ensure that households received exactly what they needed.

- **Recommendation:** Utilize cash and vouchers to encourage repairing/maintaining existing or distributed NFIs or locally buying replacements, minimizing waste and promoting sustainability. If in-kind aid is necessary, prioritize durable, reusable, and locally sourced materials.
- **Example:** In Cox's Bazar, blending MPCA for recurring needs with vouchers for household essentials minimized disposable distributions, reducing waste and better meeting unique needs.

Strategic engagement for shelter in MPCA/MEB: a concise guide

Below is a short guide for coordinators to effectively engage in MPCA/MEB processes, ensuring inclusive and realistic outcomes.

- 1. Evidence-Based Strategy:** Assess NFI, utility and service needs and market availability to devise context-specific plans outlining modalities and objectives.
- 2. Integration Analysis:** Proactively collaborate with CWG/ICCG, defining MPCA scope and advocating for inclusion of relevant recurring costs like NFI replacement and utilities.
- 3. Tactical Coordination:** Ensure that the work on Inter-sectoral definition of MPCA is started early in HRP processes, advocating standards-based cost guidance for MEB, and designing complementary shelter programmes where needed.
- 4. Pragmatic Cost Negotiations:** Note negotiating expenditure figures for NFI, utility and service costs based on feasibility constraints.
- 5. Continuous Monitoring:** Implement tracking of MPCA outcomes related to dignified living conditions and service access.
- 6. Recognize when to disengage:** Consider issues like market access barriers preventing dignified conditions, requiring advocacy and refocus on priorities.

Shelter assistance decision-making workflow

Assess NFI, Utility and Service Needs and Market Conditions: Valuate the specific needs for NFIs, utilities and services inside dwellings. Analyse market conditions to devise context-specific plans.

Assess Need for Technical NFI or Service Provision: Determine if implementation requires a technical team for NFI distribution, utility access or service provision.

If yes: Design a Standalone Shelter Cash or Voucher programme.

If no: Proceed to the next step.

Assess if Quality Assurance Needed: Determine if NFI quality assurance or service access standards are required.

If yes: Design a Standalone Shelter Cash or Voucher programme.

If no: Proceed to the next step.

Assess Market Purchase Feasibility: Can NFIs, utilities and services be purchased locally?

If yes: Proceed to the next step.

If no: Design a Standalone Shelter Voucher or In-kind programme.

Assess Objectives and Targeting: Do the objectives meet recurring household NFI, utility and service needs as defined in the MEB/MPCA?

If yes: Include the shelter objectives in the MEB/MPCA design.

If no: Design a Sectoral Shelter Cash Top Up programme.

Conclusion

This guidance equips shelter coordinators to effectively engage in MPCA/MEB processes, addressing needs for non-food items/essential household items, utilities and services. Highlighting key challenges and solutions, it stresses coordinated advocacy, evidence-based costings, and transparent communication. It urges clarity about MPCA's scope, advocating for inclusion of relevant costs or, when required, dedicated programmes. While emphasizing MPCA's value, it cautions against over-reliance, as MPCA alone cannot ensure standards for dignity, quality of life and access. This strategic approach optimizes assistance related to Pillars 2 and 3 within MPCA, fills gaps through complementary modalities, and upholds dignified living conditions and service access. Adaptive programming responding to specific needs is vital.



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LIST OF GUIDANCE

Name of Document: Northwest Southwest Cameroon Shelter Cluster Position Paper on Minimum Expenditure basket
Link: <https://sheltercluster.org/north-west-south-west/documents/northwest-southwest-shelter-cluster-position-paper-minimum>

Name of Document: Northwest Southwest Cameroon Shelter Cluster Guidance on Transfer Value and Monetization of Assistance
Link: <https://sheltercluster.org/north-west-south-west/documents/shelter-cluster-guidance-transfer-value-and-monetization-shelter>

Name of Document: Market Monitoring Form Cameroon
Link: <https://sheltercluster.org/north-west-south-west/forms/nsw-cameroon-shelter-cluster-market-monitoring-form>

Name of Document: Shelter Cluster Price Monitoring Dashboard
Link: <https://sheltercluster.org/north-west-south-west/pages/northwest-and-southwest-cameroon-shelter-cluster-price-monitoring>