

Sector-Specific MEB Companion Guidance: Shelter

This CALP Network Sector-Specific Minimum Expenditure Basket Companion Guidance for including Shelter objectives in 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 Minimum Expenditure Baskets (MEBs). It encompasses the physical shelter structure itself, major repairs, materials, tools, and necessary infrastructure for the shelter. 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 shelter assistance;
- Average covered living area per person among population receiving shelter assistance;
- Percentage of targeted households satisfied with shelter assistance received;
- Percentage of shelters taking into account environmental impact;
- Percentage incorporating hazard mitigation measures.

This guidance does not address non-food items (NFIs), utilities, heating or minor upgrades which are covered in the 'Sector-Specific MEB Companion Guidance: NFI'. 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 is also designed to help cluster coordinators identify and advocate for the space for shelter coordination of dedicated technical programming to fill identified gaps.

Why the focus on the MEB and shelter?

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 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 to define 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 posits that **'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 programming perspective, this underlines the importance of integrating shelter-specific objectives into the MEB. By doing so, shelter cluster coordinators and shelter 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.

It is equally important to recognize that: **'The MEB takes into account recurrent basic needs, and 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](#)). Similarly, it is also important for the shelter sector to recognize that technical expertise might be needed in addition to 'just' cash. Other 'sector-specific needs' refer to needs that are not typically included within a MEB.

Shelter NFI-specific considerations for a MEB

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

Key Challenge One: Lack of intersectoral agreement on purpose of MPCA

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, lack of clarity on MPCA objectives can lead to confusion and wasted efforts. As of March 2022, Shelter Coordinators can point to the clear Inter Agency Standing Committee (IASC) guidance on Cash Coordination that states that Cash Working Groups (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 IASC also makes it clear that the CWG can be mandated to contribute to response analysis and make 'a recommendation to the intersectoral/intercluster 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 Inter-Cluster Coordination Group (ICCG). 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 Human Resource Plan (HRP) or flash appeal process. This should identify:
 - 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 the sector needs covered by MPCA is essential in order 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 shelter inclusion in MPCA, vs a Sectoral Cash Top Up, or standalone Shelter Cash or Voucher programme.

Building on the previously identified challenge, once the objectives of the Multi-Purpose Cash Assistance are established by the Cash Working Group or ICCG, it is the responsibility of the Shelter Cluster to make sure that only those shelter needs which meet these objectives are incorporated into the Minimum Expenditure Basket (MEB). The inclusion of these needs 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 or addressed through a standalone Shelter Cash or Voucher programme.

- **Recommendation:** Clearly define terms for various cash-based interventions. This can be complex but the Global Shelter Cluster's 2023 guidelines ([Global Shelter Cluster 2023](#)) offer valuable 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 which address shelter-related basic needs not encompassed by MPCA objectives and can be satisfied through market solutions. Unlike Standalone Shelter Cash or Voucher Programmes, these top-up funds can be distributed by teams addressing non-shelter basic needs or conducting emergency responses, concurrently with an MPCA technical support or specification or items are required, which is often the case for shelter-related outcomes, it is advised that these be 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.



EXAMPLE OF STANDALONE CASH SHELTER PROGRAMMES

- In Ukraine in 2023, the Shelter Cluster created a Cash for Light and Medium House and Apartment Repairs programme. The programme provides grants for tenant-driven repairs to restore safety, dignity, and the function of damaged structures. The programme requires technical guidance, quality monitoring, and conditionality to ensure adequate repairs ([Shelter Cluster Ukraine 2023](#)).
- In 2022 in Yemen, the Shelter Cluster coordinated the design of guidance for cash for rental assistance for Internally Displaced People (IDPs), providing temporary allowances so families could secure adequate winter shelter. Guidance identified the need for monitoring and verification of tenants' rights. Also, in Yemen in 2023, the cluster conducted guidance for cash for shelter repairs, giving grants to vulnerable households for essential fixes by technicians that improved structural integrity, weatherization, and habitability ([Shelter Cluster Yemen 2022](#)).
- In 2009 and 2010 in the Philippines, the Red Cross implemented a commodity voucher programme for shelter repairs post-typhoons, giving households the equivalent of USD 190 in materials from pre-selected suppliers for swift early recovery shelter assistance ([IFRC Philippines 2010](#)).



EXAMPLE OF SECTORAL CASH TOP UP PROGRAMMES

- In Ukraine in 2023, the Shelter Cluster launched the Cash for Winterization for Critical Shelter Repairs programme, providing one-time cash transfers that could be provided alongside MPCA prior to winter for urgent upgrades like insulation, sealing, and heating system repairs in under-insulated conflict-damaged homes. This targeted lifesaving aid restored thermal protection for vulnerable residents facing extreme winter conditions ([Shelter Cluster Ukraine 2023](#)).

Key Challenge Three: Ensuring stakeholders understand that MPCA's recurring basic assistance cannot replace comprehensive technical shelter delivery.

As noted above, there will always be sector-specific needs which cannot be met through recurrent cash assistance and which must, instead, be met through alternative solutions (such as a one-off transfer and/or more substantial transfers (DG ECHO 2022)). In particular, helping shelter sector stakeholders understand that technical expertise might be needed in addition to 'just' cash can be a challenge.

- **Recommendation:** Clearly communicate the precise limits of what MPCA covers to the ICCG, CWG and Donors (i.e. it caters for the average recurring needs of households and does not cover the full scope of technical shelter assistance required). More specifically, it should be made clear that shelter repairs and construction need targeted interventions due to their technical nature. The following actions are recommended to address this:
 - Develop and disseminate clear guidelines to stakeholders, stating that shelter repairs and construction should be managed through specialized programmes that include technical guidelines and support.
 - Develop and disseminate clear guidelines for standalone cash programmes specifically earmarked for shelter needs that come with additional support (such as training for beneficiaries, regular monitoring, and required work approvals) to ensure quality.
 - Advocate for the inclusion of Post-Distribution Monitoring (PDM) forms that specifically inquire about expenditure on shelter-related items to gauge the effectiveness of MPCA in meeting shelter needs.
 - Deliver research to compare the shelter conditions of MPCA recipients with those who have received labelled and targeted cluster assistance and use the insights to inform and adjust transfer values or to design complementary programmes.
 - Promote understanding around the need for balanced funding across different assistance modalities to ensure that scaling up MPCA does not undermine specialized shelter interventions. Emphasize that both general assistance and targeted interventions are vital components of a comprehensive humanitarian response.

This approach underscores the importance of specialized shelter interventions alongside MPCA, ensuring a holistic and technically sound response to shelter needs in humanitarian settings.



EXAMPLE

In 2023 in Western Cameroon, the coordinator aligned with global recommendations by emphatically excluding repairs from MEB guidance because the technical nature of these repairs exceeded MPCA's scope and MPCA actors' capabilities ([Shelter Cluster NW/SW Cameroon 2022](#)). The coordinator in Cameroon stated that: 'The shelter cluster was adamant that there should never be a minimum expenditure basket for repairs'. In 2022 in the Philippines, the Shelter Cluster advocated against including repair costs in the MEB as the required monitoring of material standards and work quality was not possible under the MPCA programme. As a result, dedicated repair assistance was coordinated to meet needs.

Key Challenge Four: Balancing the inclusion of shelter and funding constraints in MEBs

Funding constraints significantly impact the inclusion of shelter in MEBs. This is especially evident in terms of rental assistance, which often faces reductions to extend programme reach but at the cost of sufficient transfers. When funds are scarce, shelter components may be the first to be cut, as shelter is always among the priority needs, but inclusion can dramatically increase the cost of the MPCA transfer value linked to the MEB. This leads to a tough choice between maintaining standards or broadening coverage. Advocacy for realistic shelter inclusion is vital, yet practical limitations cannot be ignored.

- **Recommendation:** Ensure a nuanced approach to incorporating shelter into MEBs by balancing rights-based data (reflecting the actual costs needed to uphold shelter standards) and expenditure-based data (that might show current, potentially inadequate spending). This balance is pivotal, ensuring that aspirational shelter standards are maintained while navigating funding realities. Global guidance ([Global Shelter Cluster 2023](#)) emphasizes the use of rights-based data for advocacy to establish a needs benchmark. However, it also necessitates pragmatic negotiations for feasible expenditure-based compromises, ensuring dignity is upheld. Achieving this requires a coordinated effort and an in-depth understanding of both local shelter needs and the broader funding environment. Shelter Cluster Coordinators play a crucial role in ensuring that this advocacy is undertaken on behalf of their cluster and that there is transparency about MEB limitations where compromises are made. Where it is necessary to ensure shelter outcomes, they also ensure that there are alternatives beyond MPCA.

Key Challenge Five: Rental Costs in MEBs and MPCA

Decisions on integration of rental costs into MEBs for MPCA demand careful, context-specific evaluation. While excluding rental costs neglects a significant household expense, inclusion without proper measures can risk tenant safety. Global guidance recommends a nuanced approach which, on the one hand, recognizes circumstances where immediate rental allowances in MPCA can aid rapid shelter access but, on the other, where prolonged inclusion without oversight can compromise housing standards and tenure security.

- **Recommendation:** Read the comprehensive guide on providing rental assistance in crisis situations as this is a highly complex area. This provides detailed guidance published by the IFRC ([IFRC 2020](#)). However, in short, it is crucial to evaluate the formal nature of the rental market, the risks to tenants, and the duration of the programme. This evaluation will help determine the viability of including rental costs in MPCA. It is essential to champion the comprehensive inclusion of rental assistance to ensure that housing access exceeds basic minimum standards. Where the rental costs prove to be inadequately covered by MPCA, beneficiaries should not be classified as having received shelter assistance. Furthermore, it's important to recognize that obstacles to rental access extend beyond financial constraints. Factors such as significant destruction of the housing stock, discriminatory practices, or surges in population can impede housing availability. These elements must be factored into the advocacy and planning for rental assistance to ensure that housing needs are met effectively within the context of MPCA.

EXAMPLE



The experience of the Shelter Cluster in Iraq in 2015 and in Ukraine's 2022 Humanitarian Response Plan (HRP) illustrate these challenges. In Iraq, despite engaging with the Cash Working Group, integrating shelter costs into MPCA proved difficult, leading to a shift towards tailored interventions. In Ukraine, political complexities made aligning cash transfers with humanitarian needs challenging and required dedicated programming beyond MPCA, such as winterization and emergency repairs. These cases underscore the necessity of a transparent, coordinated approach and the ability to navigate funding limitations while striving to meet shelter needs.

EXAMPLE



In 2019, after Hurricane Dorian struck the Bahamas, an unconditional multi-purpose cash grant was initially provided to meet basic needs including temporary shelter. As the response transitioned to early recovery, humanitarian organizations shifted to a targeted rental assistance programme with conditional CVA to ensure minimum housing standards. This transitional support provided secure tenure while most households planned to eventually rebuild and return to their original homes.

The phased approach demonstrates prudent evaluation of rental support duration to balance expediency with oversight for adequacy and protection (IFRC 2020). However, in some contexts, short-term rental needs (such as payment of daily fees during transit) may also arise, as happened in 2023 for people in Sudan who were waiting for a visa into Egypt or can be needed to cover a month's rent while cleaning up a flooded property.

This transitory rental differs from the first month of a longer-term rental arrangement. Assessing the intended duration and objective is key when evaluating inclusion of rental costs in MEBs.

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

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

- 1. Evidence-Based Strategy:** Assess shelter needs and market conditions to devise context-specific plans, outlining modalities and objectives.
- 2. Integration Analysis:** Proactively collaborate with CWG/ICCGs, defining MPCA scope and identifying shelter components for inclusion, considering programme specifics.
- 3. Tactical Coordination:** Ensure that work on the Inter-sectoral definition of MPCA is started early in HRP processes and that it advocates for standards-based cost guidance for MEB and design of complementary shelter programmes where needed.
- 4. Pragmatic Cost Negotiations:** Contribute data to MEB discussions, aiming for realistic figures while navigating constraints, and seeking dignified compromises.
- 5. Continuous Monitoring:** Shelter Cluster Information Managers (IMs) should ensure that the MPCA design includes robust tracking of MPCA outcomes and that agreed global standards on shelter outcomes are included as appropriate. This process should also address gaps through data-driven adjustments and policy enhancements ([Global Shelter Cluster Accountability Working Group 2013](#)).
- 6. Recognize when to disengage from unproductive discussions:** Recognize if politics or lack of capacity prevent the meaningful discussion needed to enable a refocus on shelter priorities while elevating the issue at ICCG and ensuring clarity on shelter outcomes in HRPs.

Shelter assistance decision-making workflow in 5 steps

STEP ONE: Assess Shelter Needs and Market Conditions: Evaluate the specific needs for shelter and analyse the market conditions to devise context-specific plans. Identify possible shelter objectives that need to be covered. The outputs of this should include a list of shelter objectives and context-specific plans.

STEP TWO: Assess Shelter Objectives for Field Implementation: Determine if the identified shelter objectives require implementation at the field level by a technical shelter team.

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

If no: Proceed to the next step.

STEP THREE: Assess Need for Technical Shelter Design: Determine if the shelter objectives require complementary technical shelter design or quality assurance of materials etc.

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

If no: Proceed to the next step.

STEP FOUR: Assess Market Purchase Feasibility: Can the shelter objectives be met by purchasing items from the local market?

If yes: Proceed to the next step.

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

STEP FIVE: Assess Shelter Objectives and Targeting: Determine if the shelter objectives and targeting meet the recurrent average basic needs of a household as defined by the CWG/ICCG, can be met via the market, and executed by any humanitarian actor.

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 engage effectively with MPCAs/MEBs and address shelter needs. Highlighting challenges and offering practical solutions, it emphasizes coordinated advocacy, evidence-based costings, and the necessity of transparency. It calls for clear communication of MPCA objectives and limitations and advocates for the inclusion of shelter or, when necessary, dedicated programmes which support this need. While emphasizing MPCA's value, it warns against over-reliance, making it clear that MPCA should not be seen as a replacement for comprehensive technical shelter delivery. Following this strategic approach ensures optimized shelter standards within MPCA, fills gaps within multimodal responses, and upholds shelter access and quality of life for affected communities, adapting assistance to their specific needs.



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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>