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TAJIKISTAN MINIMUM EXPENDITURE BASKET, GAP ANALYSIS AND TRANSFER VALUE CONSIDERATION FOR CVA

Technical Guidance Note (Version 1.0)

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1. United Nations Children's Fund (UNICEF)
2. United Nations World Food Programme (WFP)
3. United Nations Humanitarian Commission for Refugee (UNHCR)
4. Acted
5. Red Crescent Society of Tajikistan (RCST)
6. International Federation of the Red Cross and Red Crescent Societies (IFRC)

LIST OF ACRONYMS

CWG- Cash working Group.

CVA- Cash and Voucher Assistance

TV- Transfer Value

HH- Household

IDP- Internal Displaced Population

JPMI- Joint Price Monitoring Initiative

MEB- Minimum Expenditure Basket

MPCA- Multi-Purpose Cash Assistance

NFI- Non-Food Items

PDM- Post-Distribution Monitoring

SMEB- Survival Minimum Expenditure Basket

VAM- Vulnerability Analysis and Mapping

WFP- World Food Programme

NORCAP- Norwegian Capacity

CASHCAP- Cash Capacity

EiE- Education in Emergency

EFSA- Emergency Food Security Assessment

DCC- Development Coordination Council

TJS- Tajikistan Somoni

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CONTEXT AND BACKGROUND

Cash and voucher assistance (CVA) in humanitarian programming has become a widely used modality among international and local organisations due to its efficiency and placing at the centre beneficiary priorities in meeting their needs and supporting local markets. It is increasingly recognized as a cost-effective and efficient strategy for providing humanitarian assistance.¹ This modality is generally viewed to be quicker, easier to administer, and more empowering compared to traditional assistance (depending on context and programme objectives), as it enables recipients to immediately prioritise and choose what they need. According to the Humanitarian Practice Network, one of the more exciting innovations in the response to humanitarian crises of recent years has been the use of cash. Cash and voucher assistance can be used in a variety of settings, as long as there is a stable market and a safe way to provide vulnerable people with cash or vouchers. Across the humanitarian sector there

is growing recognition that cash assistance can support people affected by emergencies (natural disasters and conflict) in ways that maintain human dignity, provide access to food and shelter, help rebuild or protect livelihoods through do no harm approaches. The question is no longer whether cash is an appropriate way to meet the needs of people engulfed in crisis, but how organisations, donors, and governments can use cash assistance to best effect. Cash and voucher assistance has been viable in recent years in many low-income countries partially because market mechanisms are now active and resilient. Financial, transport, and communications infrastructure have improved. In such situations, items are available, yet people are unable to purchase them. Moreover, cash assistance reduces the likelihood of people in need resorting to harmful coping strategies while directly benefitting the local economy and contributing to peaceful coexistence within and among communities.

¹ [Increasing-the-use-of-humanitarian-cva-opportunities-barriers-and-dilemmas.pdf](#)

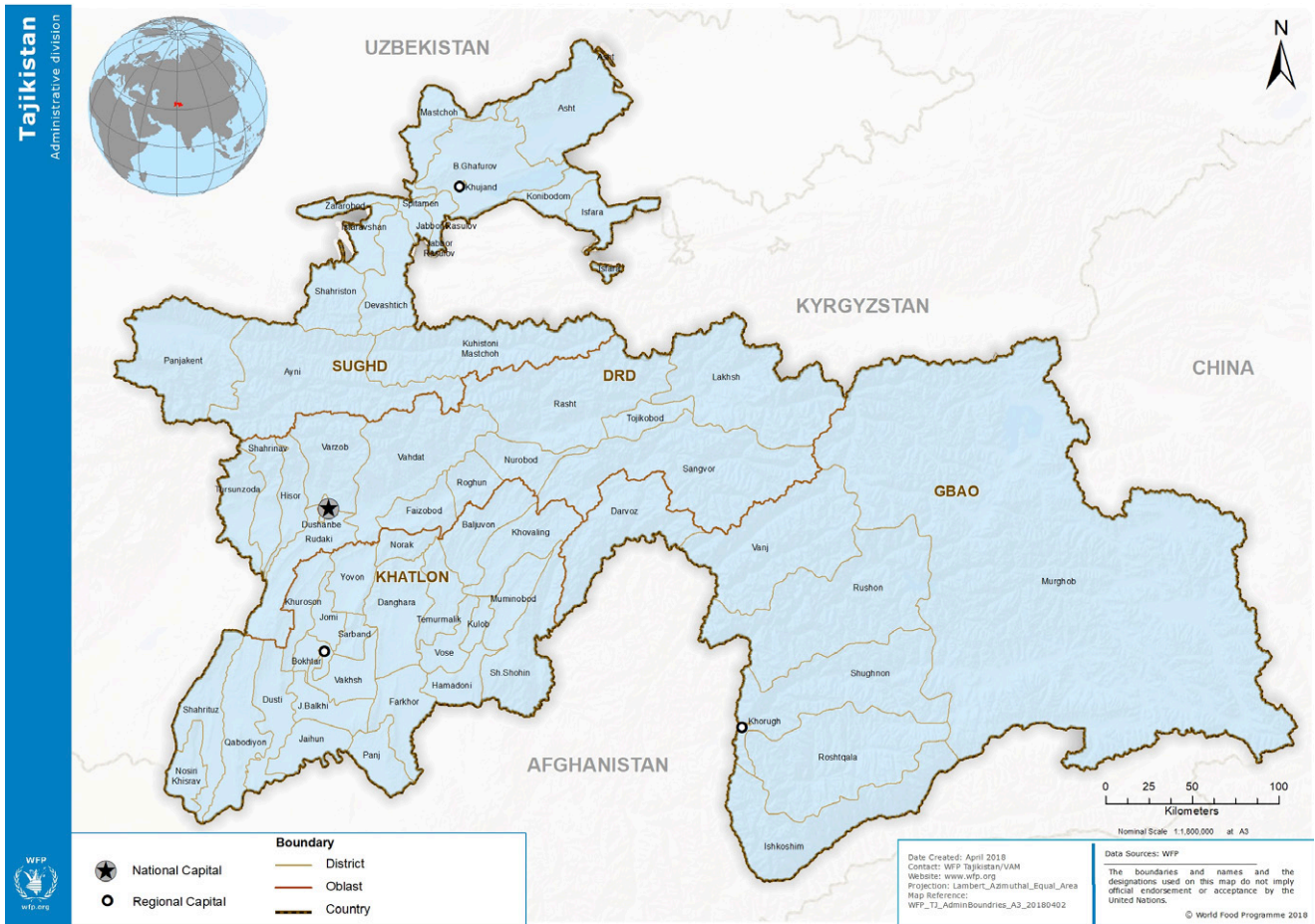


Figure 1: Map of Tajikistan

OBJECTIVES AND SCOPE

This document explains the steps and processes adopted for the construction of the Minimum Expenditure Basket for Tajikistan. The objective of this document is to provide guidance to the Cash and Voucher Assistance (CVA) community of Tajikistan on the Minimum Expenditure Basket (MEB), gap analysis and the corresponding Transfer Values (TV) for Tajikistan. This is the first MEB constructed in Tajikistan, and it shall remain a living document and would be amended as per the evolving context in Tajikistan and the developments led by the CWG Tajikistan regarding the MEB and Transfer Values.

The scope encompasses the complete process undertaken for the development of the Minimum Expenditure Basket and guidance on the of the corresponding gap and Transfer Values for the country. The document also covers the deliberations with the respective task team, working groups and the logic for selection of the minimum commodities included in the basket, the final recommendations from the Cash Working Group on MEB and TVs.

WHAT IS MEB?

An MEB is an operational tool to identify and quantify, in a particular context and for a specific moment in time, the average cost of the regular or seasonal basic/essential needs of a household that can be covered through the local market. Agencies can individually benefit from the analysis of an MEB to inform assessment, programme design and monitoring. If an MEB is developed through an interagency collaborative process involving different actors in the ecosystem, it does not only support the calculation of the transfer amount of a cash grant for multisectoral outcomes, but it can also contribute to better vulnerability analysis, monitoring and improved coordination.²

MEB can support the humanitarian community for the following.

1. Providing guidance on setting up of transfer values for food, non-food items and services.
2. Inform the CVA community on the list of commodities and services to be monitored to assess the market situation.
3. Advocating and promoting the multi-sectoral joint programming approach among the CVA actors.
4. Can also attract donor funding for joint multi-sectoral programming.
5. More cost efficient and effective CVA programming.

WHY MEB?

As global challenges affecting humanitarian needs become more complex, there is a growing impetus to move from fragmentation to integration in aid. Our business models and coordination structures are built for fragmentation. An MEB offers a different way of working. A well designed and implemented MEB process should enable a particular response to be built around needs and not mandates. MEBs are useful to design integrated multisector CVA programmes that align holistically with the many ways that people use money. It is a concrete tool that contributes to wider vulnerability analysis and an understanding of needs in a multisectoral way to enable the sectors to operate in an integrated way. An MEB can be a holistic and demand-driven reflection of needs as perceived by vulnerable people, and as such provides

a better understanding of their economic capacity, consumption and expenditure. MEBs also inform what other non-cash goods or services form part of people's basic needs and should be part of an integrated response or complementary interventions.³

UN agencies and development partners have been exploring opportunities for CVA during emergencies and development work in Tajikistan but the need for a coordinated and harmonized approach among all actors to achieve maximum effectiveness and efficiency was evident. One of gaps is the absence of Minimum Expenditure Basket (MEB) and harmonization of Transfer Values (TV) guide among the humanitarian CVA programmes actors. This leads to an un-uniform transfer value considered by each actor in their various implementation.

² [Calculating the minimum expenditure basket: A guide to best practice \(calpnetwork.org\)](https://calpnetwork.org/)

³ [MEB_CALP.pdf \(calpnetwork.org\)](https://calpnetwork.org/)

METHODOLOGY

PROCESS OF THE MEB DEVELOPMENT

Since the COVID-19 pandemic response, agencies have used different transfer value because as there is no harmonize or commonly agreed MEB among CVA actors in Tajikistan. This gap was further proven during the Tajik-Kyrgyz border conflict response in November 2022. It was identified as a huge gap by the CVA actors. With this, the Cash actors in Tajikistan identified the urgent collaboration to development MEB in the country to give room for a unified MEB and harmonized transfer value.

A right base approach was adopted to be used referring to the global humanitarian standards. This was triangulated with some available expenditure data, EFSA, baseline data and PDM reports in country. Step by step process used during this activity.

1. Creation of a Task-team who will led and supported the entire process with specific support to sectorial baskets. The task-team included UNICEF, WFP, UNHCR, Acted, RCST and IFRC.

2. Selection of minimum required items and services base on sectors: A basket of items

for the MEB are selected to meet minimum basic needs. Referencing sphere humanitarian standards to identify the composition of all items that make up the basket. This was done making reference to some KAP survey reports, PDMs, assessment reports and key informant and expert view.

3. The selected basket was validated with the working groups where inputs from the engagement was considered in the design.

4. Costing and current prices of items identified with the basket was collected using different approach depending on sector. The market situation update report by WFP was used by the Food and Nutrition sector sub-committee and other sectors like WASH/ NFI and Education deploy a team of enumerators who collected current market prices of items that informed the costing.

5. The cost of other items and services which were not determine under the market price exercise was estimated using some secondary cost/pricing information and validated by CWG members.

RESULTS

MEB BY SECTOR

MEB by Sector in % for HH of 6

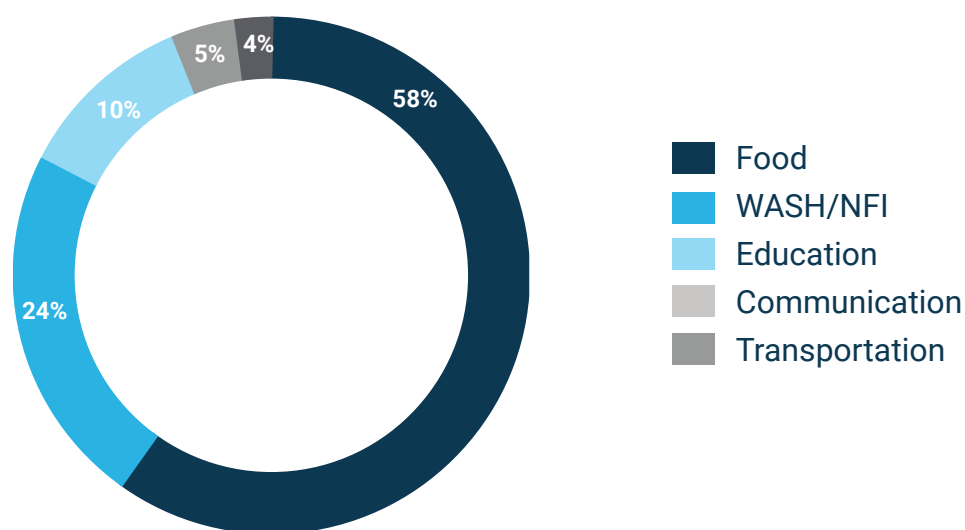


Figure 2: MEB by sector

FOOD

The food basket component was calculated in coordination with the Food Security and Nutrition DCC working group and based on the recommended right-based approach in-line with Sphere Standards for achieving a minimum of 2,100 kcal per person per day minimum consumption of 2,100Kcal per person per day. The country household food consumption and expenditure pattern were used alongside local context knowledge and beneficiaries' preference. The availability, price and seasonality of the food items was used to select the composition of food items.

Dietary diversity, food group and classes were included in the consideration for the food basket in order to meet minimum micro-nutrient requirement. NutVal calculator was used to determine the quantities needed to meet the Kcal required.

Recent prices were collected and calculated based on averages This data is gotten from the WFP market situation report which is a regular price and market monitoring exercise that cover all the major markets in Tajikistan. The items consist in this basket are considered to be replenished monthly.

Table 1: Food MEB

Sector	Item	Unit	Qty in kg/ PP/Month	Unit Price/ PP/Month	Total Price/ PP/Month (TJS)	Total Price/ HH/Month (TJS)
Food	Rice	kg	2.10	14.8	31.1	186.48
	Potatoes	kg	3.90	5.7	22.2	133.38
	Beans (Haricot)	kg	1.00	17.4	17.4	104.40
	Milk	kg	5.00	6.7	33.5	201.0
	Egg	kg	0.75	22.8	17.1	102.60
	Cabbage	kg	2.91	4.0	11.6	69.84
	Carrot	kg	1.50	5.0	7.5	45.0
	Onion	kg	2.91	5.7	16.6	99.52
	Green leaf vegs	kg	1.80	3.0	5.4	32.40
	Salt	kg	0.30	0.8	0.2	1.44
	Sugar	kg	1.00	10.3	10.3	61.80
	Tea	kg	0.20	45.0	9.0	54.0
	Fruit (Apple)	kg	3.20	7.6	24.3	145.92
	Oil (Vegetable)	kg	1.40	17.5	24.5	147.0
	Chicken	kg	0.20	30.2	6.0	36.20
	Wheat flour	kg	7.50	5.2	39.0	234.0
						276

The ratio of food quantity against the Food consumption score indicators showed that the main staples (Wheat flour, Rice and Potatoes) constitute about 38% of the food basket, 25% Vegetable, 14% Milk and milk pro-

duct, 9% Fruits, 4% oil/butter/animal fats, 3% Pulse/Beans/nuts, 3% Meat/Poultry/eggs, 3% Sugar/honey and 1% others (Salt and Tea). See chart below.

Figure 3: Ratio Food quantity along FCS Indicators

Ratio Food Quantity along FCS Indicators

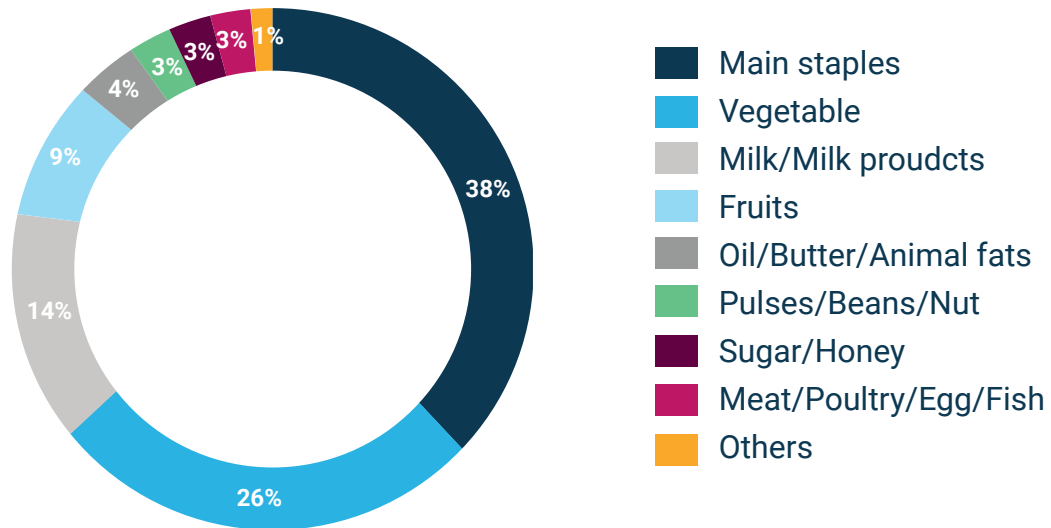
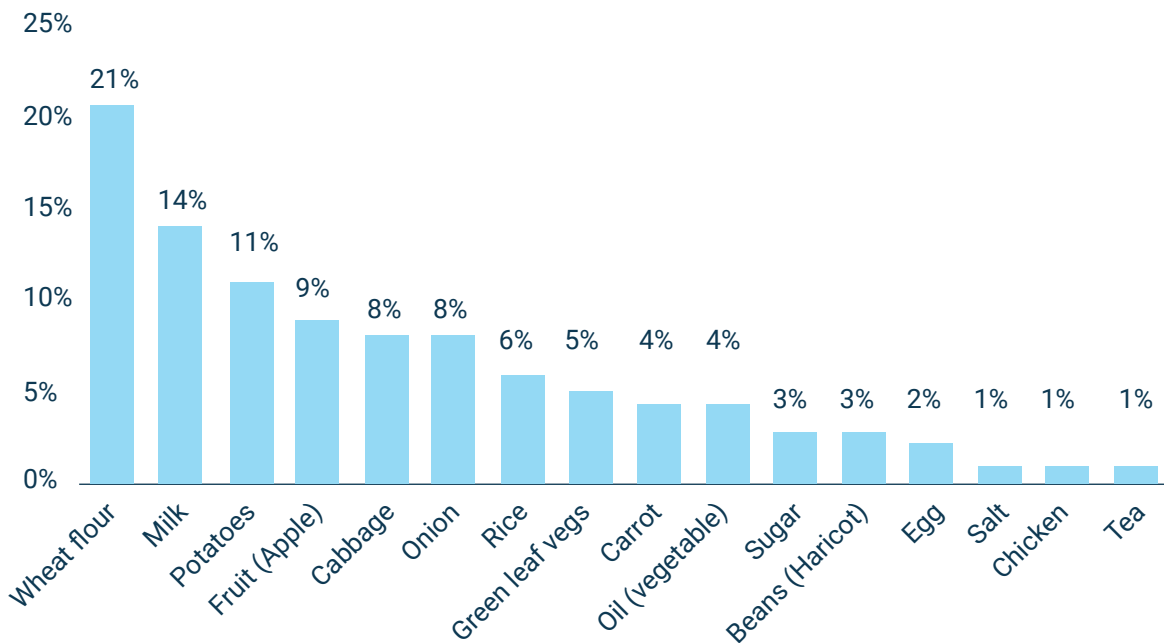


Figure 4: Food Basket vs the kg



WASH/NFI

The WASH/NFI basket was determined and calculated in coordination with the WASH DCC working group. Several considerations were made to arrive at the composition of the items. This component consists of consumable hygiene items, of which all items and quantities are considered based on WASH/NFI humanitarian standards and context information from several emergency response reports of humanitarian agencies in Tajikistan.

The price was determined by an taking the current average market price monitoring conducted by two agencies across the country. This data collection was done for the purpose of this activity.

The items consist in this basket are considered to be replenished monthly for 6 household size.

Table 2: WASH/NFI MEB

	Item	Unit	Qty/HH/ Month	Unit Price/HH/ Month (TJS)	Total Price/PP/Mon- th (TJS)
WASH/ NFI	Laundry detergent	Pack	1.0	70.2	11.7
	Sanitary pads	Pack	4.0	227.1	38
	Shampoo	Piece	2	53.9	9
	Soap	Piece	6	58.2	10
	Adult Toothbrush	Piece	3	32.8	5
	Child Toothbrush	Piece	3	86.4	14
	Baby Diaper	Pack	1	50.8	8
	Toothpaste	Piece	3	62.5	10
	Garbage bags	Roll	1	33.1	6
					675

EDUCATION

Following several consultation and engagement with relevant agencies and sector teams' leads, for education needs identified as most essential and minimum for children/families to cover their basis needs to support their uninterrupted learning process during any emergency, like natural hazard etc. that includes particularly School essential items and clothing.

The total cost per child is calculated at 850 TJS per child with the consideration of 4 chil-

dren at school age in a family, the total 3,400 TJS will be required to cover the basic educational needs of a child/family for a period of minimum one academic calendar (session). This is advice to be included even when transfers are planned for a short period.

The items consist in this basket are considered to be replenished per academic calendar session.

Table 3: MEB Education

Item	Items Breakdown	Price (TJS)	Comment
School in a bag	Book exercise, A5, ruled-8mm,48 pgs.	200	Most essential items
	Book exercise A5,5mm-sqre,48 pgs.		
	Book drawing, A5, plain,96 pgs.		
	Pen, ball-point, black		
	Pencil, HB grade, black		
	Pencil sharpener, metal		
	Eraser, soft, for pencil		
	Colouring pencils,12 ass cols, in case		
	Ruler plastic, c.30cm		
	Bag carrier, A4, interlock seal		
School clothing	Shirt	650.00	Most essential items
	Trousers for boys/skirt for girls		
	Suit/jacket		
TOTAL PER CHILD		850	School items and clothing
TOTAL PER FAMILY		3400.0	For the number of children in the family. Maximum of 4 was used for this calculation)

TRANSPORTATION

Transportation is considered essential as populations are required to move distances for search of services like Health, market, schools etc. This cost is considered significant and in order to support the beneficiaries and avoid walking long distance which could

put them at risk of protection and security related issues especially for the vulnerable women, children and aged person, this cost is proposed within the MEB by the protection working group. The Lumpsum of 100 TJS per HH per day was agreed.

COMMUNICATION

Communication is considered as a critical need especially during emergencies. The emergency comes with displacement among family members. Tracing, connecting and reuniting family link has been supported by communication. High number of families who are displaced from their homes are reliant on relatives in other locations. To this effect, the cost of communication has been considered in the construction of MEB. A Lumpsum amount has been agreed and endorsed by the task team considering some justifications.

Every year, the [International Telecommunication Union](#) calculates for many countries

what a mobile phone contract costs to use. A monthly budget averaging **US\$ 4.80** was calculated Tajikistan in 2021. According to the mobile service provider tariff plan survey in Tajikistan 140 TJS can afford a family an Internet tariff package of not less than **15 GB**, unlimited outgoing within the network, not less than 60 minutes calls to other mobile operators within Tajikistan and also access to basic social media platform like Viber, Whatsapp, Telegram, IMO, Facebook Messenger, WeChat, Instagram etc.

Other cross-cutting cost like energy and rent(housing) would be considered in the next MEB update.

WHAT COULD TRIGGER UPDATING AND OR REVIEW OF THE MEB?

UPDATING

Inflation, national and global events (such as the recent war in Ukraine) may affect prices of items listed in the MEB. Therefore, it is important to monitor prices regularly. The food component of the basket is monitored on monthly basis by WFP. This valuable data, collected systematically, may be used as a valuable proxy for MEB price fluctuation. This is also encouraged for other sectorial baskets.

In order to adjust the MEB when prices rise or fall, the trigger for re-evaluation of the MEB and corresponding TVs is set at +/-15%. In other words, if prices of items change by +/-15% the CWG will convene a process to evaluate possible corrections and updating of the MEB. The CWG should aim to monitor prices of the remaining items at least on quarterly basis.

REVIEWING

Review has to do with the relevance of the basket composition which may result in changes to the goods and services that are included in the basket. This is recommended when the MEB composition does not reflect the needs of a specific population at a particular moment. Example: when education responsibilities/cost or part of it is taken over by the government or other agencies, then the particular component should

be expunged from the MEB or when there is a new need identified and is required to be added to the component within the MEB in this case too, a review is required. All these happen on the agreement of the CWG members. But at the interim, we would propose a review in second quarter of 2024 in an attempt to enrich the MEB then subsequently 1-2years if none of the conditions mentioned above is not triggered.

PERFORMING 'GAP ANALYSES FOR CALCULATION OF TRANSFER VALUE

The MEB is not equivalent to a transfer value – although an MEB is a critical factor when determining transfer values. This distinction is important because an MEB remains the same regardless of program objectives.

Organizations can use the total recommended MEB based transfer value as the assistance package for their MPCA package design. This means that according to this work, organizations can use the MEB of 2,570 TJS monthly + 3400 TJS one-off payment annually based on recommended transfer values as 'lumpsum'. MPCA transfer value (2,570 TJS for food security/Nutrition, WASH/NFI, Transportation and Communication while the 3400 TJS is for education per HH). This is an easy method which allows the organizations to base their project planning on CWG recommendations saving time and energy in designing the MPCA packages. This means, that if organizations in Tajikistan are using CWG recommended transfer values, then the MPCA package is **2,570 TJS monthly + 3400 TJS one-off payment annually**.

For the purpose of non-MPCA or sectoral response a more detailed package design may be required building on this data by the CWG, organizations may conduct household level Situation and Response Analysis (SRA)

with various sector experts to determine the total household needs. Following this, an additional household level income and gap analysis is also performed to calculate the household current capacities and estimate what portion of total needs households can make up themselves through income, including remittances and production. Taking all these factors into consideration, the following approach should be applied.

(A): Calculate the ideal total needs 100% of a household which is the MEB already calculated.

(B): Calculate the total needs a household can address through income and other sources including the assistance provided by government and/ or other humanitarian actors, remittances and production. This to be determine during project design or planning by each agency.

(C): To calculate the GAP, subtract **A-B**. The total needs met by the household from the ideal needs required by a HH. This will give a 'GAP' of the needs. This gap calculated is equivalent to the transfer value TV. Except when there is a specific gap to be covered by a top up.

C= A-B

(A=MEB, B=Average HH Income and C= Gap/Transfer value)

SCENARIO 1

Targeted population in this location are at emergency with the population displayed and very high vulnerability as most population are women and children. The population tends to depend on negative coping strategies to meet their needs. Population continues to rise as insecurity and conflict-based displacement remains. After deploying your household level income and gap analysis to calculate the household current capacities, you found out that the households cannot make up for themselves any percentage of

income to cater for their needs due to the high vulnerability and the complexity of the conflict or disaster, then in such cases, agencies are recommended to cover 100% of the MEB designed while monitoring closely the HH income.

If $A=2,570$ TJS, $B=0$ TJS.

$C= A-B.$

$C=2,570-0= 2,570$

$C= 2,570$ TJS

SCENARIO 2

The target population in this location are settling back as returnees after an initial conflict that led to displacement and have developed coping mechanisms to meet some of their needs. Livelihood programming for this target group is anticipated to increase as the day goes by. If the total monthly MEB calculated for the region is 2,500 TJS representing 100% of the needs, and the population average monthly income (this income includes sources from assistance provided by government and/ or other humanitarian actors, remittances, production and others) is 750 TJS as calculated during the house-

hold income capacity assessment which is about 30% of their basic needs (MEB), which therefore means that this population is able to meet 30% of the MEB and so the recommended transfer value is the calculated gap which is 70%.

$C=A-B$ (Where $A=2,570$ TJS, $B= 750$ TJS)

$C= 2570-750= 1,820$ TJS

$C=1,820$ TJS which is same as the Transfer value 1,820 TJS

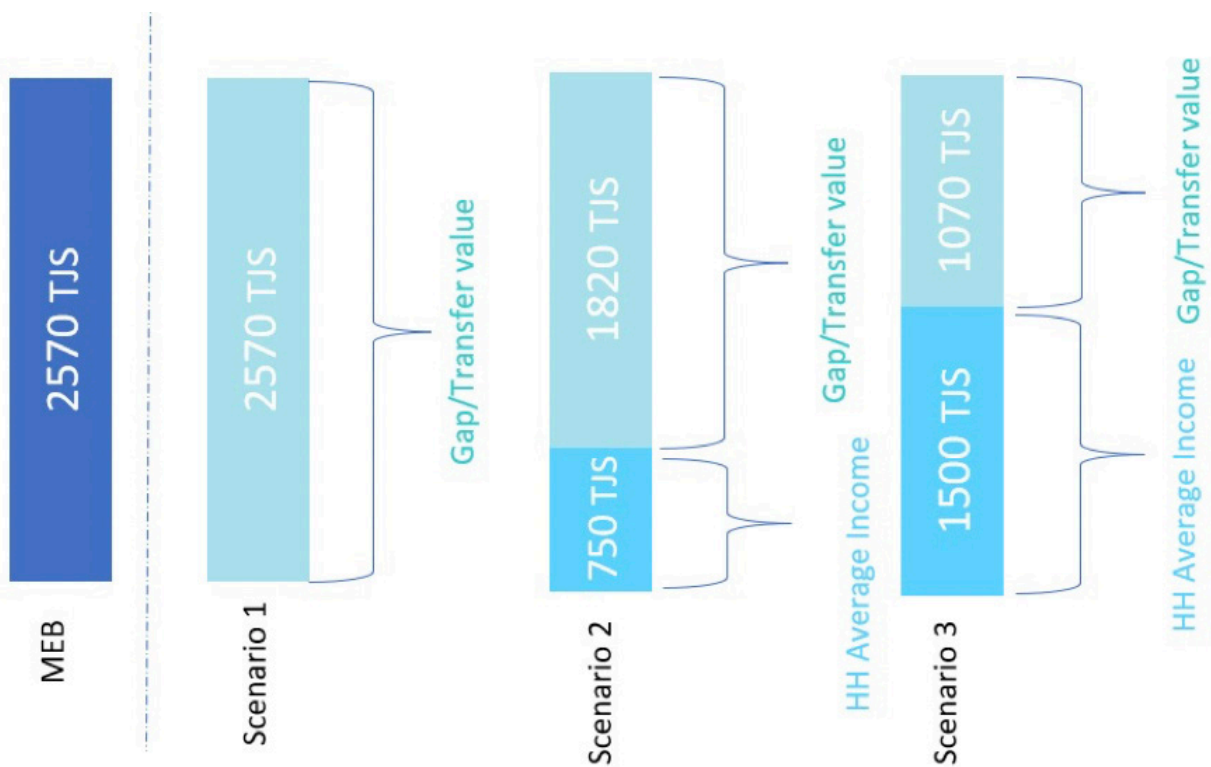
Therefore, the recommended transfer value is 1,820 TJS.

SCENARIO 3

Target population in similar situation as above but with average monthly income of 1,500 TJS. Therefore the recommended calculated gap would be;

C=1070 TJS which is same as the Transfer value 1,070 TJS
Therefore, the recommended transfer value is 1,070 TJS.

$C=A-B$ (Where $A=2,570$ TJS, $B= 1,500$ TJS)
 $C= 2570-1500= 1070$ TJS



Scenario 1: HH Average Income = 0 TJS
Scenario 2: HH Average Income = 750 TJS
Scenario 3: HH Average Income = 1500 TJS

Figure 5: Gap analysis scenarios

RECOMMENDATIONS

The CWG recommends that all CVA practitioners use the MEB constructed and follow the technical guidance note provided for gap analysis and determination of transfer values. In order to safeguard the Do No Harm principle, ensure all agencies are using a well harmonize and coordinated approach.

Conduct markets price monitoring of all items registered under the MEB using the WFP markets situation report for food items and other sources. This is to monitor availability of goods, price fluctuations and inflation of items listed in our MEB baskets.

Consider collecting additional, first-hand information during the next review phase: The

MEB has been developed based on a hybrid approach but more right using humanitarian standards, secondary data review, key informant, PDM and other KAP survey reports. However, there is an information limitation on household's level consumption and expenditure patterns covering all areas of the country. It is important to collect additional information at the household's level to ensure the appropriateness and relevance of the MEB. It will be ideal if Households Expenditure Assessment and Focus Group Discussion with local community can be conducted to triangulate the findings documented here.



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