
Afghanistan Cash & Voucher Working
Group (CVWG)
Minimum Expenditure Basket (MEB)
and Setting the Transfer Value
Guidance Document

Updated December 2021

Approved by the CVWG on 10 February 2022

*Written by
George Bete- Cash and Voucher Working Group Core-Lead (WFP), Afghanistan*

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Acknowledgements

The Cash and Voucher Working Group (CVWG) in Afghanistan is grateful to all the Cluster Leads who contributed to the revision of this Minimum Expenditure Basket (MEB). Special thanks goes to Daniel Mlenga- **Food Security and Agriculture Cluster (FSAC)** , François Bellet- **Water, Sanitation and Hygiene (WASH)**; Najeebullah Qadri - **Education Cluster**, Patrick Mutai - **Emergency Shelter and Non-Food-Items (ES/NFIs) Cluster**, and Dr Jamshed Ali Tanoli and Staniczai Shah Mansoor - **Health Cluster**. We are also grateful to the **World Food Program of the United Nations (WFP)** colleagues for their technical support during the whole process. Special mention goes Francesca Viberti; Almudena Serrano, Hashim Zaidi, Nynne Warring and Vlad Cozma. **REACH/JMMI** colleagues, Shahana Fedele and Svitlana Vershynina were pivotal in acquiring and analyzing data ensuring the MEB revision process would be evidence-based – special thanks go to them. Finally, special thanks go to some of the donor Organisations that provided some useful incites during the revision process, especially **ECHO** and **FCDO**.

Context and Background to the Minimum Expenditure Basket

Afghanistan is a disaster-prone country that is one of the world’s most complex humanitarian emergencies. Entering its 40th year of crisis. The country entered 2021 with an unclear socio-political situation which culminated in intensified conflict, the withdrawal of international forces and then the takeover of the country by the Taliban in mid-August 2015. The resulting social economic shocks have reverberated across the country with a massive deterioration of the humanitarian situation in the 4th quarter of 2021 and the outlook for 2022 remaining profoundly uncertain. The 2021 Whole of Afghanistan Assessment (WoAA) facilitated by REACH shows that 59 per cent of households reported high prices (too expensive) as a main barrier to accessing markets¹. Households have reported carrying higher debt loads in 2021 –more than six times the average of monthly income.² Food basket costs are steadily rising, constituting more than 82 per cent of the average household income at the time of revising this MEB³.

Within this environment humanitarian actors are scaling up responses including Cash and Voucher Assistance (CVA) responses. This is within a context where clusters are keen to implement effective responses. Some clusters wanted to alter contents, quantities and costing of items within the basket to match people’s needs in the current situation as well as removing duplications that were noted in the March 2021 MEB version. In addition, there was a period of uncertainty in the market which saw price hikes and inflation immediately after the take-over of government by the Taliban. All this initiated the discussions to revise the MEB that was last updated in March 2021. Based on the series of discussions held bilaterally with clusters and within the CVWG, the MEB was developed in December 2021 and approved in February 2022. During the period that preceded the MEB revision prices of goods and services increased in the Afghani currency by roughly 14%. However, significant changes in the exchange rate caused the dollar to gain value. The value of the Afghani currency dropped by nearly 25% when we compare the March MEB and the time that the current revision was done. Hence prices of goods and services had an aggregate increase of roughly 1% in USD terms. This, together with the changes that were made on the contents and costing of the MEB resulted in a new MEB Transfer value (after Gap calculation) of USD 140.61 against USD179 in March 2021.

Objective of this Guideline

The objective of these guidelines is to provide direction to the CVA Actors in Afghanistan on how to calculate

1 2021 WoAA Assessment

2 2021 WoAA Assessment

3 2021 WoAA Assessment

transfer values for sectoral responses including MPCA by using the MEB. This is a living document which will be amended as per the evolving context in Afghanistan. To do this these guidelines have recommended triggers and thresholds which will be monitored by the CVWG to initiate discussions about its revision. The document brings sectoral expertise, fostering greater involvement of sector working groups in MPCA interventions, along with other activities to best reach intended sectoral outcomes that can contribute to achievement of humanitarian objectives.

Why a Minimum Expenditure Basket?

The MEB is meant to guide the CVA actors to determine sectoral assistance packages including for MPCA designs. The MEB is designed to identify the percentage of the vulnerable population who are unable to meet their critical survival needs⁴. It helps the CVA actors to achieve the following:

- support decisions on transfer value amounts for food and non-food needs, including supporting multi-sector coordination (government, partners and donors);
- inform decisions on which goods and services to assess in a supply assessment;
- establish a relevant basket against which to monitor market prices and the cost of living⁵.

The MEB presented below is a tool for Afghanistan CVWG members to determine the minimum expenditure requirements of vulnerable Afghans to live a healthy and active life with dignity and adequate levels of protection. This harmonization guidance note proposes a reference average value of USD \$140.61 per family of 7 per month to meet essential needs. To ensure stability and continued use of the MEB during inflationary situation in our current context the MEB is pegged against the USD value which can be exchanged to the Afghani equivalent using the prevailing exchange rates during CVA project designs. This value should be used as a reference and by no means should be taken as a prescriptive value to apply without due diligence, vulnerability and market assessments at programmatic level and involvement of beneficiaries in the process of program design.

Defining the Minimum Expenditure Basket

The Minimum Expenditure Basket (**MEB**) *is defined as an average cost of what a household requires in order to meet basic needs – on a regular or seasonal basis – that could be covered entirely or partly through the market. Essential/basic needs are defined as essential goods, utilities and services required by households to ensure survival and minimum living standards*⁶. A MEB does not equate to the following;

- all the essential needs of a household. MEB is only supposed to capture needs that the household could cover entirely or partly through the market,
- a MEB is not equivalent to a transfer value – although a MEB is a critical factor when determining transfer values, transfer values are closely dependent on the capacity of the households to cater for their own essential needs with their own resources, other assistance received as well as what the program aims to achieve⁷.

⁴ WFP Minimum Expenditure Baskets Interim guidance note, WFP VAM | Food Security Analysis July 2018,

⁵ WFP Minimum Expenditure Baskets Interim guidance note, WFP VAM | Food Security Analysis July 2018,

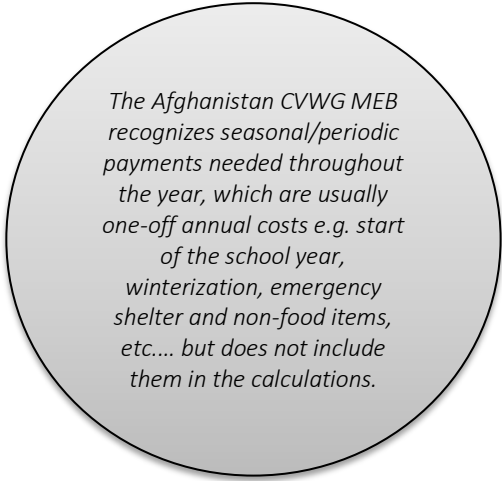
⁶ Minimum Expenditure Basket Harmonization Guidance Cash Based Interventions National Technical Working Group Refugee Response; file:///C:/Users/george.bete/Downloads/190327_MEB%20Harmonization%20Guidance%20V.1.pdf;

⁷ Minimum Expenditure Basket Harmonization Guidance Cash Based Interventions National Technical Working Group Refugee Response; file:///C:/Users/george.bete/Downloads/190327_MEB%20Harmonization%20Guidance%20V.1.pdf;

The Objectives of the Minimum Expenditure Basket

The Afghanistan CVWG recommended MEB designed as a threshold level of the cost of the minimum, culturally- appropriate items that an average family of seven needs on a recurrent basis for one month, aims to achieve the following:

- develop a common understanding of the data available to determine the ‘baseline’ or reference point for calculating the gap analysis and options for transfer values,
- encourage a consistent, harmonized and coordinated approach to meeting vulnerable Afghan needs through a market-based approach that is empowering and dignified,
- increase overall response efficiency and effectiveness. This will reduce logistical costs as well as reduce wastage from people receiving items that are not matching their actual needs,



The Afghanistan CVWG MEB recognizes seasonal/periodic payments needed throughout the year, which are usually one-off annual costs e.g. start of the school year, winterization, emergency shelter and non-food items, etc... but does not include them in the calculations.

How the Minimum Expenditure Basket was revised in Afghanistan

Based on recommendations that were coming from several clusters and some of the CVA actors, the CVWG in Afghanistan identified the need for the revision of the March 2021 MEB to match realities on the ground. The discussions were put forward for deliberations amongst the CVWG members in November 2021 which initiated the formal process for the revision of MEB beginning in December 2021. During preliminary discussions to revise the MEB, there was debate amongst the members whether to develop a national level MEB as compared to various sub-national MEBs. Related to the later, the idea was to develop province based MEBs on the assumption that each province has its own MEB contents and values. Although there were complications related to logistics of developing such MEBs and using the same to come up with the corresponding transfer values at every project design phase for 34 provinces in Afghanistan, the decision to consider that suggestion was to be based on evidence. Based on data that was analyzed from REACH/JMMI, it was noted that there are indeed variations across provinces, but operational and “do-no-harm” aspects, that would still support a national MEB, prevailed. There was then a suggestion to consider two different MEBs, one meant for rural responses and another for urban responses. Again, there was no tangible evidence that would warrant to take that approach. A decision was finally arrived at to consider retaining a national level MEB such as was last updated in March 2021.

Methodology

The CVWG facilitated the MEB revision process with a desk review and data analysis from different data sources. Separate bi-literal meetings took place with some of the active CVA actors in Afghanistan to discuss the most critical issues to consider during the revision process. Joint meetings with Cluster Leads followed- where they submitted essential needs to include in the basket. Price/costing of the essential needs came from the data that was collated from several sources including own assessments by the clusters. However, REACH triangulated the figures and conducted a reality check by using data from the Joint Markets Monitoring Initiatives (JMMI) and their own findings from the Whole of Afghanistan Assessment (WoAA). WFP’s monthly price monitoring data by their Vulnerability Analysis and Mapping (VAM) unit was also consulted for triangulation. A meeting with all the CVWG members was conducted where all the clusters presented on how they selected the Essentials needs and the related costings. It was an opportunity where CVWG members contributed in the revision process. In addition, a meeting with the Emergency Response

Mechanism (ERM) partners who are active in implementing CVA responses in Afghanistan was conducted to further refine the document. In revising the MEB, it was suggested by CVA actors to use a hybrid approach which combines rights based and essential needs-based⁸ approaches. Due to limited availability of household level expenditure data for some clusters a rights-based approach dominated. In order to harmonize calculations, all clusters agreed to use a household size of seven members.

The currency used for calculation of the Minimum Expenditure Basket

To ensure that CVA actors have a solid ground to calculate transfer values from, it was emphasized to switch the pegging of the MEB from Afghani currency to the United States Dollar (USD). This is because the Afghani is weakening and thus causing high price fluctuations⁹. The Afghani equivalent will be calculated at project design stage using the prevailing exchange rate. The CVWG will track the exchange rate on a monthly basis. To ensure a uniform rate when making the conversion, it is encouraged for CVA actors to use the UN exchange rate of the month. The CVWG can aid by communicating the UN exchange rate at the beginning of each month. REACH/JMMI pledged to continue monitoring the cost of the MEB in both Afghani and USD currencies to be able to provide timely information on the “real” value of the basket and eventually highlight any concerns if the equivalent in AFN of the USD-pegged values (based on the exchange rate of the moment) does not match the “real” value in AFN.

Contributions and Guidelines from Clusters on the Minimum Expenditure Basket

The document combines sectoral expertise, fostering greater involvement of various clusters that are keen in using CVA within their interventions. The process was inclusive and major clusters including FSAC, ES-NFI, WASH, Education, Protection and Health were consulted for their technical contributions- particularly the contents/essential needs that were included in the basket. Below are the essential needs as identified by all the clusters. We have included some brief explanation notes to define what each cluster considered during the process.

i. Food Security and Agriculture Cluster (FSAC)

The list of food commodities and the corresponding costs were provided by FSAC based on the latest minimum food basket. The choice of food items was based on the cluster recommended basic food basket (100% - 2,100Kcal/person/day for a family of seven). The minimum food basket differs from the March 2021 contents in that FSAC removed one item, sugar, due to the limited nutritional benefits arising from its consumption. Pulses were replaced with lentils. In addition, there was a revision on the quantities of some of the items including; Wheat Flour, Rice, and Vegetable Oil. There were suggestions coming from various key stakeholders and partners related to diversifying the food basket. FSAC is aware of this and will engage into a consultative process with their partners later this year to see how they can improve it in consideration of the local context and affordability. As with every other cluster, the value of the food basket was pegged in USD for stability – this can be translated into the Afghani equivalent at the prevailing exchange rate. The total food basket for a household of seven is estimated to be approx. USD 80. The items in the basket are primarily an average of what a vulnerable Afghan household would need as a minimum to meet basic recurrent needs for one month. The lists of commodities and corresponding costs provided by FSAC are given below for reference and record.

⁸ <https://www.alnap.org/help-library/wfp-essential-needs-assessment-guidance-note-0>

⁹ At the time of revising this MEB (Dec 2021), REACH/JMMI confirmed that prices in Afghani had increased roughly by 15% and by 2% for the USD between August and November 2021. Meaning there is justification to fix the MEB in USD- partners will convert in Afghani equivalent at the time of project design.

Table 1: Food Security and Agriculture Cluster Recommended Food Basket

Cluster recommended basic food basket (100% - 2,100Kcal/person/day for a family of seven) December 2021			
Food Items	Unit	Required Quantity for 7 people per month (100% of Kcal)	Unit Price (USD)
Wheat Flour	kg	89	44.50
Rice	kg	21	12.18
Vegetable Oil	litre	7	13.09
Lentil	kg	9	10.08
Salt	kg	1	0.15
Total USD			USD 80
Equivalent AFN amount should be based on the prevailing exchange rate			

ii. Health Cluster

This section of the basket is aimed at defining the common amount expended to arrive/access the health services. Like any other cluster, the discussions with the health cluster were around determining the critical list of items for inclusion in the MEB with a vivid realization that health needs vary from household to household which makes it impossible to quantify the specific needs for health. The health data confirms that biggest financial expenditures for both outpatient and inpatient care are costs for drugs and supplies (39%), followed by costs incurred for transportation (15%) to the health facility/services. Although transport, is considered as an independent cost within the MEB, the health cluster decided to keep it under their essential needs because it is perceived as indirect cost and mostly not covered through publicly available health interventions/packages. To avoid double dipping, in the revised MEB some of the health commodities that are purchased in health promotion programs (e.g. Soap for hygiene) are not considered in health MEB since they are covered under the WASH MEB contents. The health cluster in Afghanistan prioritized the essential health needs as listed in the table below- these have a combined value of USD 47.

Table 2: Health related essential needs as defined by the Health cluster

Items/Description	Unit/Pax	Qty	Unit Price (USD)	Total Price (USD)
Direct costs at public health facilities - Fees for diagnostic tests/examinations; - Fees for medication or medical supplies; and - Fees for medical assisted devices	Times	1	3.5	3.5
Health services (e.g. Doctor fee, lab) from private health providers, including traditional healers	Times	2	6.5	13
Purchasing prescription or non-prescription drugs from unregulated drug outlets, or private pharmacies	Times	3	7	21
Indirect costs related to transport or for a caretaker	Times	3	2.5	7.5
Health commodities (e.g. Mosquito nets, lotion/cream for babies nappy rash)	Times	1	2	2
Total				47
Equivalent Afghani (AFN) amount should be based on the prevailing exchange rate				

iii. Emergency Shelter (ES) and Non-Food Items (NFIs) Cluster

The Emergency Shelter (ES) and Non-Food-Items (NFI) cluster was engaged to identify and provide the list of ES/NFIs. During initial discussions it was debated to consider items that were targeted to specific audiences.

The suggestion was to make a distinction between items that are required by Internally Displaced People (IDPs), returnees, host communities and so on. This was not necessary because the variations were minimal. In addition, it meant CVA actors would have a dozen of commodity baskets. This could potentially lead to some confusion when adopting the same in calculating transfer values presumably for a single response that targets various groups. The other discussion was around making the MEB value for NFIs and shelter seasonal sensitive. This was not possible in the revision because most of the items that include; blankets, kitchen utensils, and heating equipment are not recurring on a monthly basis. Nevertheless, the ES/NFI cluster is aware that humanitarian actors need some guidance in designing and implementing winterization responses. To match this expectation, there is [a Joint Winterization Action plan here](#) which all clusters can refer to for a list of items and what to consider when developing winterization responses.

For MEB purposes, it was suggested to only limit the essential needs to what is recurring on a monthly basis and this only relates to cash for rentals. From the ES/NFI cluster perspective cash for rent is normally an applicable emergency shelter response for the urban areas where there are rental markets. Shelter support in rural areas is usually focused at rehabilitation and sometimes construction, details of which can be found in the [Joint winterization Action Plan](#) cited above. Using a rights-based approach, the ES/NFI cluster recommended USD75/family/month as cash support for shelter that includes the costs for rental plus utilities plus minor shelter repairs for the standard shelter conditions for a family of seven. However, the REACH/JMMI data and the WoAA costing from September 2021 that used an expenditure-based approach suggest that rentals have declined to USD30/family/month – a drop of USD45 from the March 2021 MEB. Therefore, this MEB revision adopted the figure (Table 3 below) from REACH/JMMI/WoAA since REACH was mandated to conduct a reality check on all clusters’ MEB values and the ES/NFI endorsed this approach. That said the value is subject to revision based on the expenditure-based approach calculation that matches current realities on the ground after REACH’s mid-term WoAA whose data will be available in March 2022.

Table 3: ES/NFI Cluster recommended items for a Household size of 7

Items/Description	Unit/Pax	Quantity	Unit Price (USD)	Total Price (USD)
Cash for rent/family /month	Month	1	30	30
Total (USD)				30
<i>***Equivalent Afghani (AFN) amount should be based on the prevailing exchange rate***</i>				

iv. Water Sanitation and Hygiene

The Water Sanitation and Hygiene (WASH) cluster MEB value was based on the consumables that are recurring on a monthly basis. Based on the standards and expenditure averages from the data collated by the cluster from its partners, the value of the basket is pegged at USD 18.95. In coming up with the WASH essential needs, the cluster included items that are required by women and girls for Menstrual hygiene management (MHM – these align with what is recommended by the GBV-SC) – refer to Table 4. During preliminary discussions Jerry cans and water storage containers were suggested to be included into the basket by the WASH cluster. However, these were removed because they were regarded as once-off and not monthly recurring items.

On a different but related note, since the MEB informs long-term running of emergency response programs this MEB revision process referred to the Emergency Response Mechanism (ERM) documents just as was done in the March 2021 version. This is because the current ERM rationale, based on evidence states that ‘For WASH, the relevant partners are committed to providing support in-kind assistance’. The logic is to avoid possible overlaps in the distribution of complementary WASH-NFIs which are also often provided in-kind. As reported in the latest ERM evaluations the WASH-in-kind interventions have in general proven to be much timelier than the WASH- cash based-MEB inspired interventions. That said, in line with the HRP 2022 and the non-regret approach of the humanitarian system-wide scale-up activation in Afghanistan, in this guidance we recommend CVA actors to make their own judgement based on context and prevailing circumstances, (beneficiary preferences, markets dynamics) to decide whether to implement in-kind or CVA related WASH responses.

Table 4: WASH Essential Needs- Water Supply and Hygiene items for a household size of seven people

Item/Description	Unit/Pax	Qty	Unit Price (USD)	Total Price (USD)	Comments
Soap for handwashing and bathing	Bars	21	0.39	\$8.17	
Soft cotton cloth (2M ² piece)	Pcs	2	1.11	\$2.22	
Water	Litres	105	0.04	\$3.90	For drinking and domestic use
Sanitary pad (box of 10/12) *	Boxes	2	\$0.67	\$1.33	Sanitary pad (box of 10/12)
Underwear for women*	Pcs	2	\$1.11	\$2.22	Underwear for women
Toothpaste	Pcs	2	0.56	\$1.11	
Total USD				\$18.95	<i>Equivalent AFN amount should be based on the prevailing exchange rate</i>
* culturally appropriate MHM should be considered when designing the responses. The amount allocated in this MEB can therefore be used to purchase acceptable products.					

v. Education Cluster

There are multiple barriers to access education in Afghanistan, these include economic, social and cultural, and protection related. Sometime the barriers overlap to a certain extent. However, in the MEB revision calculations the education cluster considered only those that are economic in nature and are recurring monthly costs. The cluster managed to lower the value by USD 5 from USD 16 in March 2022 version due to; 1) removal of education transport cost because it was a duplicate with the dedicated transportation cost in the consolidated MEB for a HH, 2) although quantity of snacks was increased in the current revision, expenditure data showed that this was over-priced in the March 2021 MEB. In calculating the value of education support (USD11) the cluster multiplied the total cost of the monthly recurring educational costs by the number of school-aged children in a family of seven which was averaged as three (forty percent of the population). Stationery cost is calculated once per month while the snacks or light food is considered for 24 days per month for three school-aged children. The list reflected in Table 6 below is a guideline of what to consider when implementing education related activities.

Table 5: Education related expenses as per the Education Cluster

Items/ Description	Unit/ Pax	Qty	Unit Price (USD)	Total Price (USD)	Comments
Monthly stationery	Set	3	1	3	This contains pens, pencil, rubber, and notebooks at AFN.90/- per child per month for 3 school-aged children.
Snack	Pc	72	0.111	8	Snack is like biscuits or some light food. This is calculated at AFN.10/- per child for 24 days per month for 3 school-aged children.
Total (USD)				\$11	Equivalent AFN amount should be based on the prevailing exchange rate

In doing the calculations, the Education Cluster worked with three school going children per family which is 40% of the total population/family size.

Extra costs to be considered in the Minimum Expenditure Basket

Other critical expenses that vulnerable Afghan households incur were included in the overall MEB analysis as below.

i. Energy: Fuel & Electricity

In terms of energy, the MEB factors cooking gas/or other energy sources, such as electricity into the analysis. Based on the WoAA expenditure data a lumpsum of USD 9 has been included for energy – fuel & electricity. The cost might go up during the winter season because the WoAA data was collected during the summer season. Therefore, when designing winterization responses partners are encouraged to refer to [the Joint winterization plan](#) by the ES/NFI cluster that has seasonal related essential needs and the calculations.

ii. Communication

Mobile phones are not prolific amongst the vulnerable Afghan households; however, most households have access to a sim card. Expenditure data reflected in the WoAA showed that households do spend a regular monthly amount on communication, for this reason a lumpsum of USD3.51 a month has been included for communication in the MEB.

iii. Transportation

There is a need to pay for transportation to and from markets or workplace. While it is noted the cost of travel in urban areas versus rural areas for households does vary, a standard amount has been calculated based on WoAA. A total of USD7.11 a month is estimated for travel.

The Combined Afghanistan Minimum Expenditure Basket

Using the data on essential needs collated from all the clusters, the CVWG has come up with the following MEB. This was endorsed by the CVWG members in Afghanistan in February 2022. During the calculations all clusters used an average family size of seven and what they require for survival for one month.

The final consolidated MEB 2022 is given below while the process adopted and the guidance on setting up of the transfer values based on the MEB are given in the next section. It is important to note that the items and services included in the list below are selected through an evidence-based calculated estimation relying on

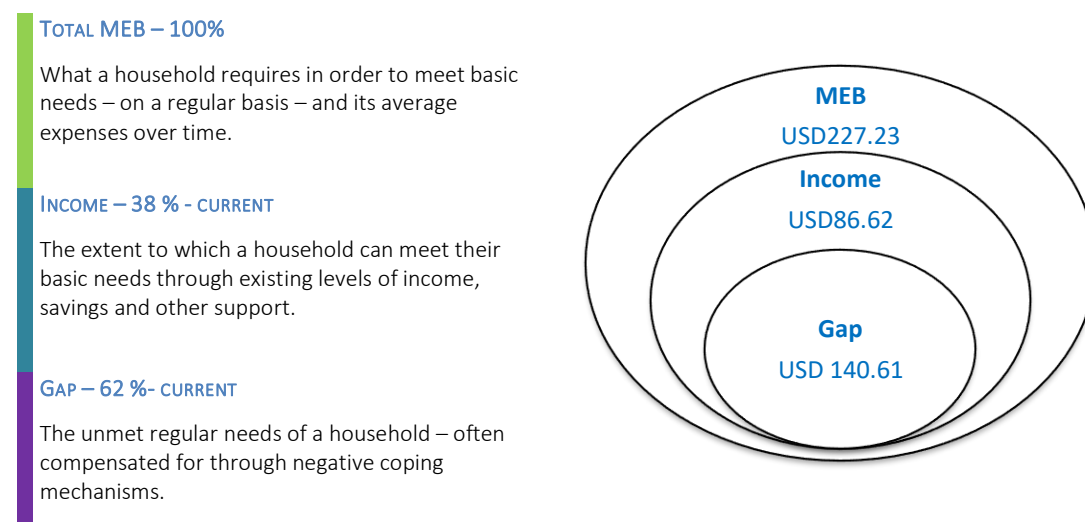
available data. It is worthwhile to note that any sector specific responses will set its values of transfer using the sector specific guidance as a basis.

Table 6: The Afghanistan Minimum Expenditure Basket

MEB Component	March 21 MEB (USD)	January 2022 MEB (USD)	Difference/ Variance (USD)	Percentage of current MEB total
Food Security	89	80	-9	35%
Healthcare	39	47	8	21%
Women dignity/hygiene	\$5	Included in WASH	-5	-
Emergency Shelter and NFIs	75	30	-45	13%
Energy: - Fuel & Electricity	9	9	0	4%
Education	16	11	-5	5%
Water	1	Included in WASH	-1	-
Water Sanitation and Hygiene	Was not included	18.95	18.95	8%
Communication	2	3.51	1.51	1.5%
Transportation	5	7.11	2.11	3%
Total above	241	206.57	-	-
Unmet needs (10% of MEB value)	24	20.66	-	-
Total MEB value	264.10	227.23	- 57.53	100%
Income	85	86.62	1.62	38%
Gap (consider for humanitarian transfer value calculations)	\$179.10	\$140.61	- \$38.49	62%

Gap Analysis

The following is the calculation used to estimate the value of support required for humanitarian activities.



Monthly income and expenditure patterns at household level

An average monthly household income has been estimated across all regions based on data from WoAA. The income levels were calculated based on the most vulnerable members in the community including those that face challenges in accessing basic commodities. These are the people who will be targeted by humanitarian responses first if there is a crisis. The WoAA identified that there are some differences in income levels

between areas and based on source of income. As the main source of income is daily labor, it can be inferred that there are also variations across low and high employment season (summer for most Afghans) especially for those households engaged in seasonal jobs. It is worth noting that vulnerable Afghan households in different parts of Afghanistan have been affected by the Covid-19 pandemic and their livelihood opportunities are impacted. It is also worth noting, there was no correlation between family size and income levels, as it seems the critical factor is the number of breadwinners.

An average total monthly income for vulnerable Afghan households has been considered at USD 86.62. This comes from the WoAA that was conducted in a unique timeframe, over the months of August and September 2021. There is a general thinking that since then, the economic situation of the population might have further worsened. At the time of revising this MEB there was no additional nationwide dataset that would be triangulated with the WoAA to provide a more recent estimate of average income. That said, as we concluded revision of this current MEB in January 2022, REACH was planning a mid-year WoAA in March. As soon as the new data is made available and it shows a deviation of value from the income, then we will consider whether a revision of the same in the MEB is necessary. On another note, in terms of the comparison of the current revision to the March 2021 MEB, the income data included in the March version was a triangulation exercise between WoAA 2020 (collected in August 2020) and the ERM data. Considering that 2020 was harshly affected by Covid-19 and related lockdowns which had a significant impact on the livelihood of the population, it is not surprising in seeing that income levels have not worsened as from August 2021– despite the political changes.

Using the Minimum Expenditure Basket to Calculate the Transfer Value

The MEB value is a critical factor when determining or calculating the transfer values. However, there are several factors that need to be considered when calculating the transfer value of any response. These include;

- understating the capacity of the target population to cater for their own essential needs with their own resources and abilities,
- other assistance received,
- market capacity and what the program aims to achieve (the project objectives) and,
- other extra costs incurred in receiving the Cash or voucher support including transport to and from the distribution points and commission/transaction rates incurred in receiving the money.

Evidence indicates that all or some of the above must be considered when determining the transfer value.

Calculation of Multi-purpose cash assistance using the MEB

Multipurpose Cash Assistance (MPCA) are unrestricted cash transfers that people affected by crises can use to cover their basic needs. By its nature, MPCA is the assistance modality which offers people a maximum degree of choice, flexibility and dignity when accessing a range of goods or services. The MEB based transfer value can be used by the CVA actors for designing the MPCA package. The following approach can be adopted for the MPCA package calculation.

- *Performing Gap Analysis for calculation of transfer value for MPCA* – using the essential needs packages that came from the various clusters, CVA actors can determine the range of products/items that are required by the target population, i.e. the MEB value. This obviously is not the MPCA value. To determine the MPCA value there is need to conduct household level income and gap analysis 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 steps can be applied.
 - **Step 1:** calculate the total needs of the household,
 - **Step 2:** calculate the total needs a household can address through income and other sources including the assistance provided by government (e.g. social protection) and/ or other humanitarian actors,

- **Step 3:** subtract the needs a household can meet from the total needs required by the household (as reflected in the MEB). The difference is the gap that needs to be covered by MPCA support,

Protection mainstreamed

The CVWG has recognized that guaranteeing the overarching protection needs for vulnerable Afghans is the main consideration when developing the MEB. For this reason, the MEB comprises the basic needs for food, shelter, Hygiene/women dignity kit, health, energy, communication and transportation. The integration of protection is critical in all programs designed to support vulnerable Afghan households. Cash assistance should always minimize the risk to the recipients and CVWG members will work to maximize the benefits. It is important that vulnerable Afghan households have a meaningful access to goods and services, their rights are respected, and they can live with safety and dignity. The use of cash transfers for protection assistance can be for various reasons. Examples of eligibility can include risks such as loss of income from the main earner, high medical expenses or risk of eviction and negative coping mechanisms including child marriage, exploitative/hazardous labor and child labor.

Considerations

It is acknowledged that there is some minimal variance in prices across different regions of Afghanistan. To ensure one common MEB for Afghanistan, the differences have been harmonized – equating to a national MEB. The analysis is presented in a way that allows the user to determine the MEB for vulnerable Afghan households across all provinces. At this stage of the MEB, the analysis does not categorize the vulnerable Afghan households by socio-economic groups or by their status. As is common practice in calculating MEBs an additional percentage has been included to consider unmet needs which are not mentioned above. The CVWG has agreed this value to be 10% of the total basket. A total of USD20.66 has been considered to encompass other urgent/survival needs of shock-affected households not fitting into particular sectors or already existing components.

Conclusion

Since CVWG Members continue to learn specifics of vulnerable Afghan household income and expenditure patterns, the current MEB is considered 'good enough' to begin programming. Using price and market related data from REACH/JMMI and WFP the costs of the MEB commodities will be monitored continuously. A threshold of 10% variation has been recommended to initiate the process of revision of transfer values based on proper price monitoring of the MEB commodities. A meeting to discuss the revision process will be convened by the CVWG if any inflationary tendencies and price increases that cause the cost of commodities to breach the threshold of 10% of the current MEB is detected. In addition, if extra needs are identified by clusters as a result of future pandemics or crises, this will call for the MEB revision. All decisions will be taken based on evidence and consultations with CVA actors.