

Yemen Minimum Expenditure Basket

September 2022 Revision

- I. MEB Revision Process & Overview
- II. MEB Components
- III. Full MEBs
- IV. Gap Analysis
- V. Transfer Value
- VI. Next Steps / Communications / Policy

- SMEB TWG established core group to oversee SMEB revision
 - CMWG (OCHA & CCY), UNHCR, IRC, REACH Initiatives
- Core group activities:
 - Reviewed each SMEB component
 - a) Is the component contextually relevant and necessary (i.e., a basic need)?
 - b) If itemized, should the itemization be reviewed?
 - c) Price-based or expenditure-based?
 - d) Can we source new price or expenditure data?
 - e) Should we add any components?
 - a) Reviewed the 'survival' approach – agreed a shift to minimum expenditure basket (MEB) to align with other regional contexts
 - b) Conduct gap analysis using available household income data
 - c) Reach out to Clusters for recommendations & data

OVERVIEW

- MEB remains a hybrid model (price- and expenditure-based)
- No change to the core components: Food, WASH, Shelter/NFI, Services
- Some changes to items within each component, and the sources of data used
- The MEB has increased in value

FOOD

The food component adopted the most recent Minimum Food Basket (MFB) UCT guidelines for a household of 7 people

| Sector | Item | Quantity for family of 7 per month | Unit | North Unit Price (YER) | Buffer | Total |
|--------|---------------|------------------------------------|-------|------------------------|------------------------------|----------------|
| Food | Wheat Flour | 75 | kg | (Price is full basket) | Buffer already added by FSAC | 70,500 |
| | Kidney Beans | 10 | kg | | | |
| | Vegetable Oil | 8 | litre | | | |
| | Sugar | 2.5 | kg | | | |
| | Iodized Salt | 1 | kg | | | |
| Sector | Item | Quantity for family of 7 per month | Unit | South Unit Price (YER) | Buffer | Total |
| Food | Wheat Flour | 75 | kg | (Price is full basket) | Buffer already added by FSAC | 126,500 |
| | Kidney Beans | 10 | kg | | | |
| | Vegetable Oil | 8 | litre | | | |
| | Sugar | 2.5 | kg | | | |
| | Iodized Salt | 1 | kg | | | |

WASH

The WASH basket has been updated using data collected as part of the August 2022 JMMI, using median-of-medians method

Added water treatment products at recommendation of WASH Cluster, using Cluster price data

Retained standard % buffers for North and South

| Sector | Item | Quantity for family of 7 per month | Unit | North Unit Price (YER) | Buffer | Total |
|--------|-------------------------|------------------------------------|-------|----------------------------------|--------|---------------|
| WASH | Soap | 1,050 | gram | 14,561 (Price is full basket) | 10% | 16,017 |
| | Washing Powder | 2 | kg | | | |
| | Sanitary Napkins | 5 | pk 10 | | | |
| | Water | 3,150 | litre | | | |
| | Water Treatment Tablets | 4 | pk 50 | 287,50 | 10% | 1,265 |
| Sector | Item | Quantity for family of 7 per month | Unit | South Unit Price (YER) | Buffer | Total |
| WASH | Soap | 1,050 | gram | 28,763 (Price is full basket) | 15% | 30,077 |
| | Washing Powder | 2 | kg | | | |
| | Sanitary Napkins | 5 | pk 10 | | | |
| | Water | 3,150 | litre | | | |
| | Water Treatment Tablets | 4 | pk 50 | 539 | 15% | 2,479 |

SHELTER / NFI

For Shelter/NFI component,
removed clothing and
lighting (non-recurring)

Added updated rent values
and amortized shelter
maintenance values from
SNFI Cluster

Fuel price data was
collected in the August 2022
JMMI

Retained standard buffers
for North and South

| Sector | Item | Quantity for family of 7 per month | Unit | North Unit Price (YER) | Buffer | Total |
|--------|---------------------|---------------------------------------|----------|---------------------------|--------|---------------|
| SNFI | Cooking Fuel | 1 | cylinder | 6,988 | 10% | 7,960 |
| | Rental Subsidy | 1 | lumpsum | 20,625 | 10% | 22,960 |
| | Shelter Maintenance | 1 | lumpsum | 7,200 | 10% | 7,920 |
| Sector | Item | Quantity for family of 7 per month | Unit | South Unit Price (YER) | Buffer | Total |
| SNFI | Cooking Fuel | 1 | cylinder | 9,275 | 15% | 10,700 |
| | Rental Subsidy | 1 | lumpsum | 40,000 | 15% | 46,000 |
| | Shelter Maintenance | 1 | lumpsum | 13,500 | 15% | 15,525 |

HEALTH

For Health component, KAP survey-based lumpsum was replaced with price data provided by Health Cluster

MEB amount covers a full list of common OTC medicines; the amount would also cover approximately 65% of the cost of one day inpatient stay in hospital

Standard North and South buffers retained

| Sector | Item | Quantity for family of 7 per month | Unit | North Unit Price (YER) | Buffer | Total |
|----------|------------|------------------------------------|---------|------------------------|--------|--------|
| Services | Healthcare | 1 | lumpsum | 10,870 | 10% | 11,960 |
| Sector | Item | Quantity for family of 7 per month | Unit | South Unit Price (YER) | Buffer | Total |
| Services | Healthcare | 1 | lumpsum | 20,410 | 15% | 22,450 |

SERVICES

The Services component remained the same – transportation and communications

For transportation, KAP-based lumpsum replaced with PDM data from IOM (median-of-medians method)

Communications KAP-based lumpsum retained for now

Retained standard buffers for North and South

| Sector | Item | Quantity for family of 7 per month | Unit | North Unit Price (YER) | Buffer | Total |
|----------|----------------|------------------------------------|---------|------------------------|--------|--------------|
| Services | Transportation | 1 | lumpsum | 1,500 | 10% | 1,650 |
| | Communications | 1 | lumpsum | 6,325 | 10% | 6,960 |
| Sector | Item | Quantity for family of 7 per month | Unit | South Unit Price (YER) | Buffer | Total |
| Services | Transportation | 1 | lumpsum | 2,000 | 15% | 2,300 |
| | Communications | 1 | lumpsum | 6,900 | 15% | 7,935 |

MEB - North

| Sector | Item | North Unit Price (YER) | Buffer | Total (YER) |
|----------------|-------------------------|------------------------|-------------|-------------|
| Food | FSAC MFB | (price is full basket) | FSAC buffer | 70,500 |
| WASH | WASH Basket | 14,561 | 10% | 16,017 |
| | Water Treatment Tablets | 287,50 | 10% | 1,265 |
| | Total: | | | 17,282 |
| NFI/Shelter | Cooking Fuel | 6,988 | 10% | 7,960 |
| | Rental Subsidy | 20,625 | 10% | 22,960 |
| | Shelter Maintenance | 7,200 | 10% | 7,920 |
| | Total: | | | 38,296 |
| Services | Transportation | 1,500 | 10% | 1,650 |
| | Communication | 6,325 | 10% | 6,960 |
| | Health | 10,870 | 10% | 11,960 |
| | Total: | | | 20,565 |
| Grand Total: | | | | 146,640 |
| Rounded Total: | | | | 147,000 |

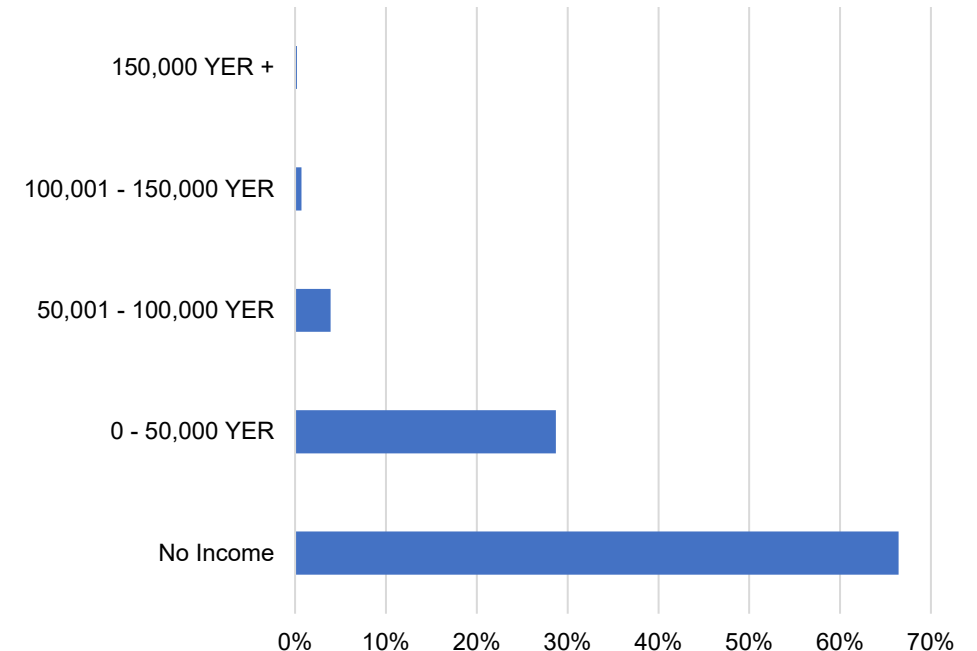
MEB - South

| Sector | Item | North Unit Price (YER) | Buffer | Total (YER) |
|----------------|-------------------------|------------------------|-------------|-------------|
| Food | FSAC MFB | (Price is full basket) | FSAC Buffer | 126,500 |
| WASH | WASH Basket | 28,763 | 15% | 30,077 |
| | Water Treatment Tablets | 539 | 15% | 2,479 |
| | Total: | | | 32,556 |
| NFI/Shelter | Cooking Fuel | 9,275 | 15% | 10,700 |
| | Rental Subsidy | 40,000 | 15% | 46,000 |
| | Shelter Maintenance | 13,500 | 15% | 15,525 |
| | Total: | | | 72,225 |
| Services | Transportation | 2,000 | 15% | 2,300 |
| | Communication | 6,900 | 15% | 7,935 |
| | Health | 20,410 | 15% | 22,450 |
| | Total: | | | 32,685 |
| Grand Total: | | | | 263,966 |
| Rounded Total: | | | | 265,000 |

GAP ANALYSIS

- Analysed monthly income data from over 17,000 households
- Income data was in bands – could not calculate medians
- Large majority of households reported no income in past 30 days (66%)
- This will be exaggerated
- Almost all remaining households (28%) reported monthly income between YER 0-50,000
- Income data from UNHCR suggests the typical income to be closer to YER 25,000 per month
- Without continuous data, assumption is majority of households *with income*, that is below YER 50k, will earn around YER 25k

Household Monthly Income



TRANSFER VALUE

- Lacking continuous income data, and under assumption that most households with income have approximately YER 25k at their disposal per month, MEB TWG proposes a deduction of YER 25,000 from both MEBs.
- Why? Will have better income data by December - increasing MEB then decreasing with robust gap analysis will be difficult. I.e, YER 25k is a starting point, to be revised with better income data.
- **North MEB: YER 122,000 / USD 220** (exchange rate: YER 556 / \$1)
- **South MEB: YER 240,000 / USD 230** (exchange rate: YER 1,044 / \$1)

NEXT STEPS, COMMUNICATIONS, POLICY

- Monitoring & revision triggers:
 - MEB TWG review on a quarterly basis, which is now aligned with FSAC and MFB; review of MFB, JMMI, household expenditure data
 - If a change in either exchange rate greater than 25%, the CMWG will convene MEB TWG for review of available price data, and decide on whether full revision necessary
 - MEB TWG also convened if FSAC makes any ad hoc changes to the MFB value
- Household income and expenditure survey, led by CMWG and REACH Initiatives will offer monthly expenditure data and robust household income data to inform future revisions
- Following endorsement, MEB Guidance Note will be shared by Sunday 11th September (or earlier) – full disaggregation, monitoring policy, etc.
- JMMI changes: aim to add OTC medicines, sim cards