

Discussion on the Minimum Expenditure Basket (MEB) revision

AFGHANISTAN

Findings Presentation from the Joint Market Monitoring Initiative (JMMI), Emergency Response Mechanism (ERM), and Whole of Afghanistan (WoA) assessments

Cash and Voucher Working Group (CVWG), November 2020

ASSESSMENTS METHODOLOGY OUTLINE 1/2

Assessment	Whole of Afghanistan	Joint Market Monitoring Initiative (JMMI)
Sampled population	12,989 displaced households (including recent, prolonged, and protracted internally displaced population (IDPs), and cross border returnees).	Traders and wholesalers key informants (average 1,000 KIs) assessed on a monthly basis by the CVWG implementing partners
Sampling strata/methodology	Sampled with 95/5 CI/MoE at national level for each displaced population group. And sampled with 95/9 for displaced population at provincial level.	Based on partners access, the sample aims to maintain a 30 province coverage nationwide, with 4+2 prices per item, per district, per round. Findings are indicative .
Data collection method	In person. Interviews with head of household.	Remotely. Interviews with head of households.
Data and factsheets publicly available	Yes.	Yes.



ASSESSMENTS METHODOLOGY OUTLINE 2/2

Assessment	Household Emergency Assessment Tool (HEAT)	Nationwide Post Distribution Monitoring (PDM)
Sampled population	5,685 immediately shock-affected households assessed by the ERM implementing partners (ACTED, DRC, and IRC)	631 households sampled from those assessed through the HEAT in July 2020.
Sampling strata/methodology	Sampled based on alerts, shocks, and waves of displacement. Findings are representative at the caseload level, and indicative for the immediately shock-affected population nationwide	4 randomized strata with 95/5 CI/MoE: urban/rural households and households with female/male head-of-households
Data collection method	In person. Interviews with head of household.	Remotely. Phone based interviews with head of households.
Data and factsheets publicly available	Yes.	Yes.

For further information, please consult the products available on REACH Resource Center, [here](#)

SECTIONS

I. Food items and non-food items (NFIs)

- Cost and needs

II. Household socio-economic profile

- Income, livelihood, debt patterns and expenditures

III. Satisfaction with cash and voucher assistance (CVA)

- Amount received and distribution process

IV. Health expenditures

- Needs, access, and cost

MEB Contents Overview

AFGHANISTAN MEB CONTENTS*

Basic Food Basket

Wheat flour (imported)	60 kg	Pulses**	14 kg
Local rice	29 kg	Salt	1 kg
Vegetable oil	6 L	Sugar	6 kg

Non-Food Item (NFI) basket

Antiseptic soap (95-110g)	18 pc	Soft cotton cloth (2m ² piece)	2 pc
Toothpaste	2 pc	Sanitary pad	2 box
Toothbrush (adult)	3 pc	Women's underwear ³	2 pc
Toothbrush (child)***	4 pc		

Healthcare component (fixed at 667 AFN)

Shelter component (fixed at 5,850 AFN)

Unmet needs (10% of sum of above)

The Minimum Expenditure Basket (MEB) represents the minimum culturally adjusted group of items required to support a six-person Afghan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's content was defined by the CVWG in consultation with relevant sector leads.

* The MEB cost in this factsheet were calculated using the relevant food and non-food item prices monitored. For items which prices were not collected, calculations included the existing price used by the CVWG as a baseline. For the healthcare and shelter components, the listed fixed amount was used in the calculation. The AFN to USD conversion uses a fixed exchange rate of 78.5 AFN to 1 USD.

** Pulses in this factsheet are calculated as the average price of all three types of pulses monitored: lentils, beans, and split-peas.

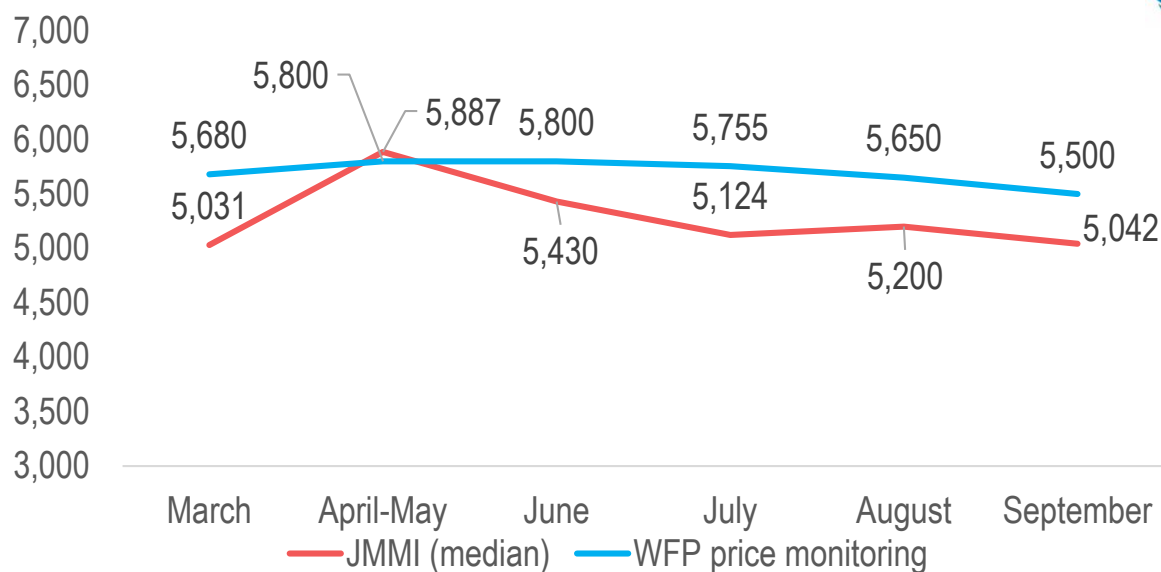
*** The standard fixed CVWG price for toothbrush (child) and women's underwear was used in the calculation of the MEB, as these items are not monitored as part of the JMMI.



Food and NFIs

FOOD EXPENSES

Cost of Food Basket variation since March 2020, JMMI and WFP data



Average HH monthly food expenditure (WOA, displaced population)

4,829 AFN

Average HH monthly food expenditure (nationwide PDM)*

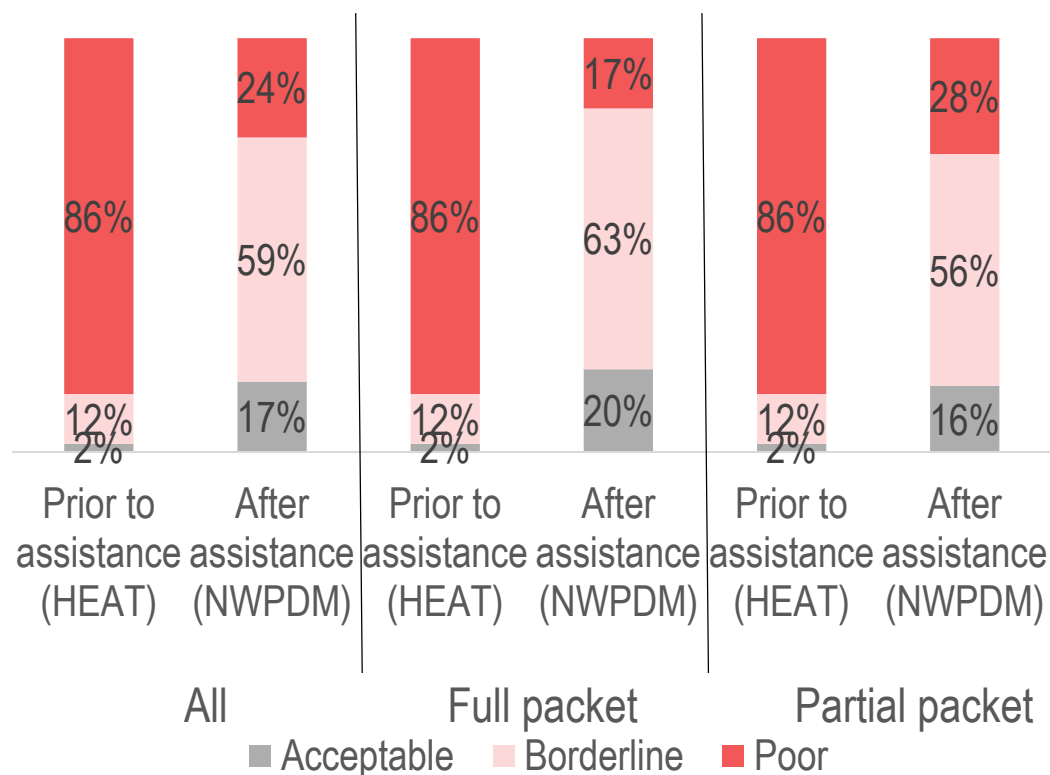
4,515 AFN

The standard cost of the Food Basket is 6,532 AFN.

These findings suggest that **households (HHs)**, through average income or CVA received, were generally not able to spend enough on food to reach sufficient amount/diversity described in the MEB Food Basket component. This discrepancy is then reflected in the food consumption score (FCS).

FOOD CONSUMPTION SCORE (FCS)

Nationwide PDM assessed HHs' FCS score, by type of assistance received

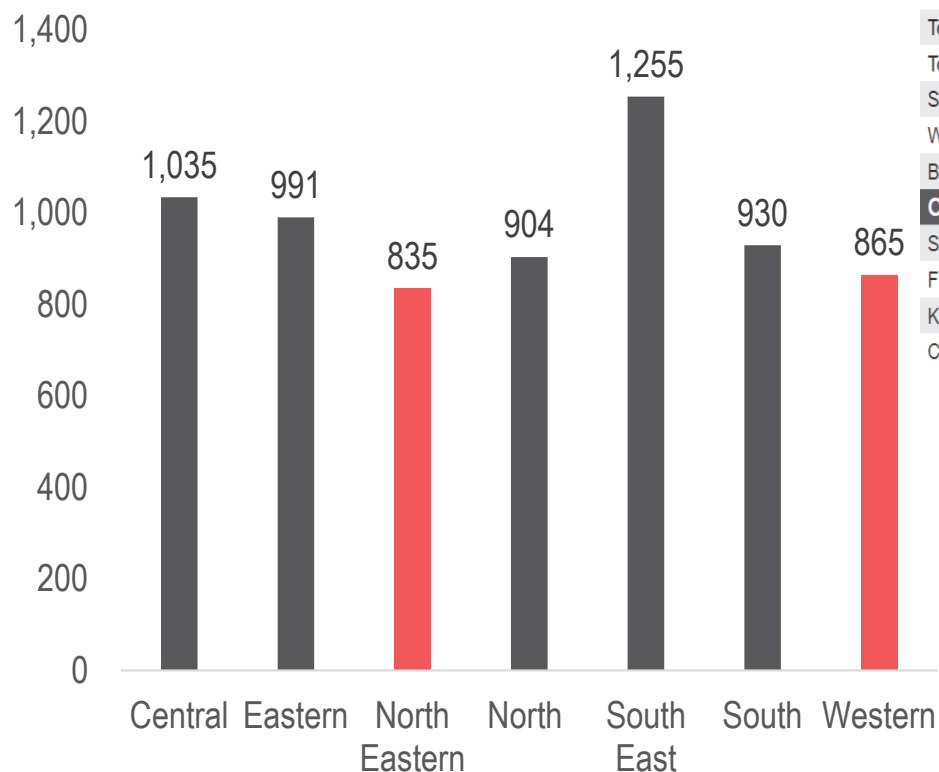


In the WOA, only 1% of the assessed displaced HHs were found to likely experience "severe hunger" as per the Household Hunger Scale (HHS), while 32% was considered to experience "moderate hunger". This might indicate that those who were found to have poor FSC scores are not (yet) starving, but will need livelihoods support and enhanced dietary diversity to improve their food security.

Findings suggest that cash assistance is generally more effective in addressing HH food insecurity than cash + in kind. However, **for approx. a quarter of the assessed HHs, cash remains insufficient.**

NFIs NEEDS AND EXPENDITURES

Calculated NFI basket (in AFN), by region



NFIs			
Soft cotton cloth (2m ² piece) ⁵	1 pc	80	1.04
Antiseptic soap (95-110g)	1 pc	30	0.39
Toothpaste	1 pc	40	0.52
Toothbrush (adult)	1 pc	20	0.26
Sanitary pad	1 box	40	0.52
Washing detergent	1 pc	50	0.65
Bleach	1 L	60	0.78
Other NFIs			
Safe (drinking) water	20 L	200	2.60
Firewood	1 kg	13	0.16
Kindling	1 kg	13	0.16
Cooking fuel	1 kg	57	0.74

▼ 27%	110	1.27
▲ 33%	20	0.32
▼ 20%	50	0.28
▼ 50%	40	0.51
▼ 20%	50	0.64
▲ 100%	25	0.64
▲ 9%	55	0.76
Other NFIs		
no change	200	2.55
▲ 8%	12	0.15
▼ 7%	14	0.16
▲ 4%	55	0.70

Data from the fifth round of JMMI data collection (September 2020) show that the median cost of the calculated MEB NFIs component would be **930 AFN**, compared to the **879 AFN** set in the standard MEB for Afghanistan.

NFIs NEEDS AND EXPENDITURES

HHs' most commonly reported NFIs needs (HEAT)

	84%	Sleeping mats or mattresses
	90%	Plastic tarpaulin
	91%	Cooking pots
	81%	Stainless steel cups
	81%	Water storage containers
	87%	Gas cylinders
	86%	Clothing
	77%	Female sanitary items
	4%	Mobile or assistive device



26% of Nationwide PDM assessed HHs reported having spent on NFIs in the 30 days prior to data collection, with an **average expenditure of 640 AFN.***

Data from the HEAT show that, in terms of NFIs, HHs are spending on items not currently included in the basket. Indeed, these items are not to be calculated as monthly expenditure, however, they still constitute a component of the expenditures HHs have to sustain.

Besides, the basket does not include winterization NFIs, such as blankets, bukhari, heaters, and warm clothes, while these will likely become a significant component of HHs' monthly expenditure on key items in the winter season.

*Average expenditure calculated by just those HHs who reported spending. Based on the overall sample, the average NFI expenses would have been 170 AFN.

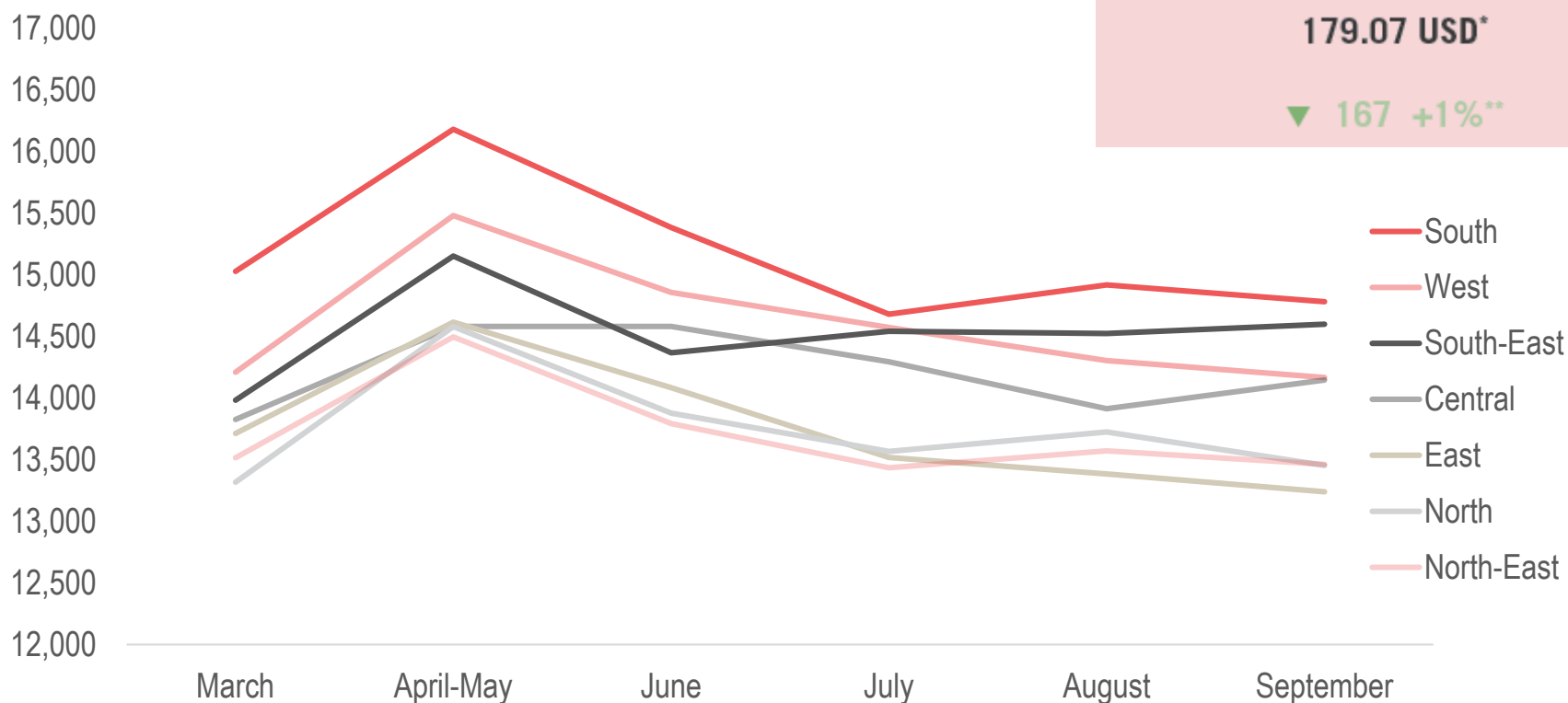
MINIMUM EXPENDITURE BASKET (MEB)

MEB variation, by region

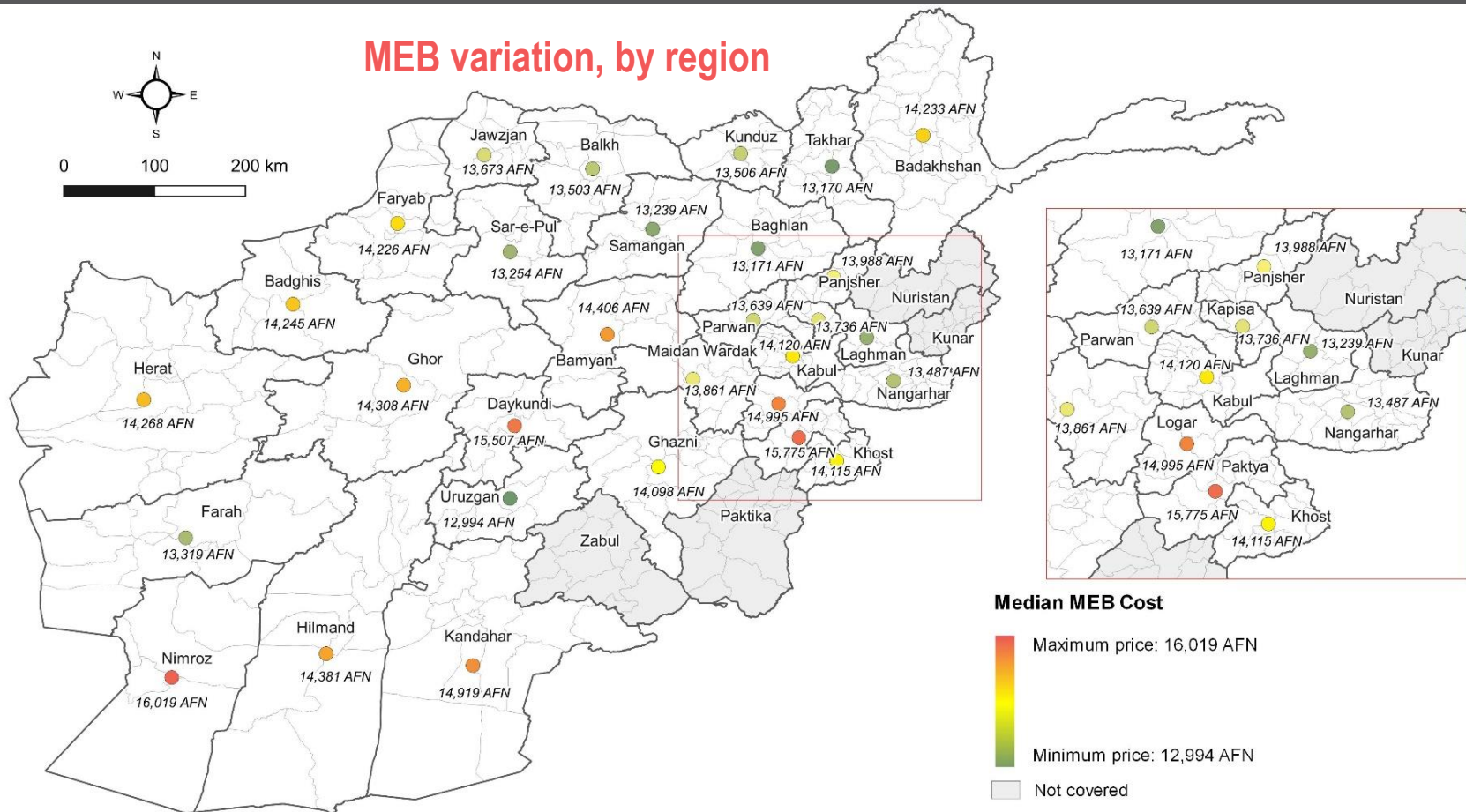
Median cost of MEB
13,770 AFN

179.07 USD*

▼ 167 +1%**



MINIMUM EXPENDITURE BASKET (MEB)

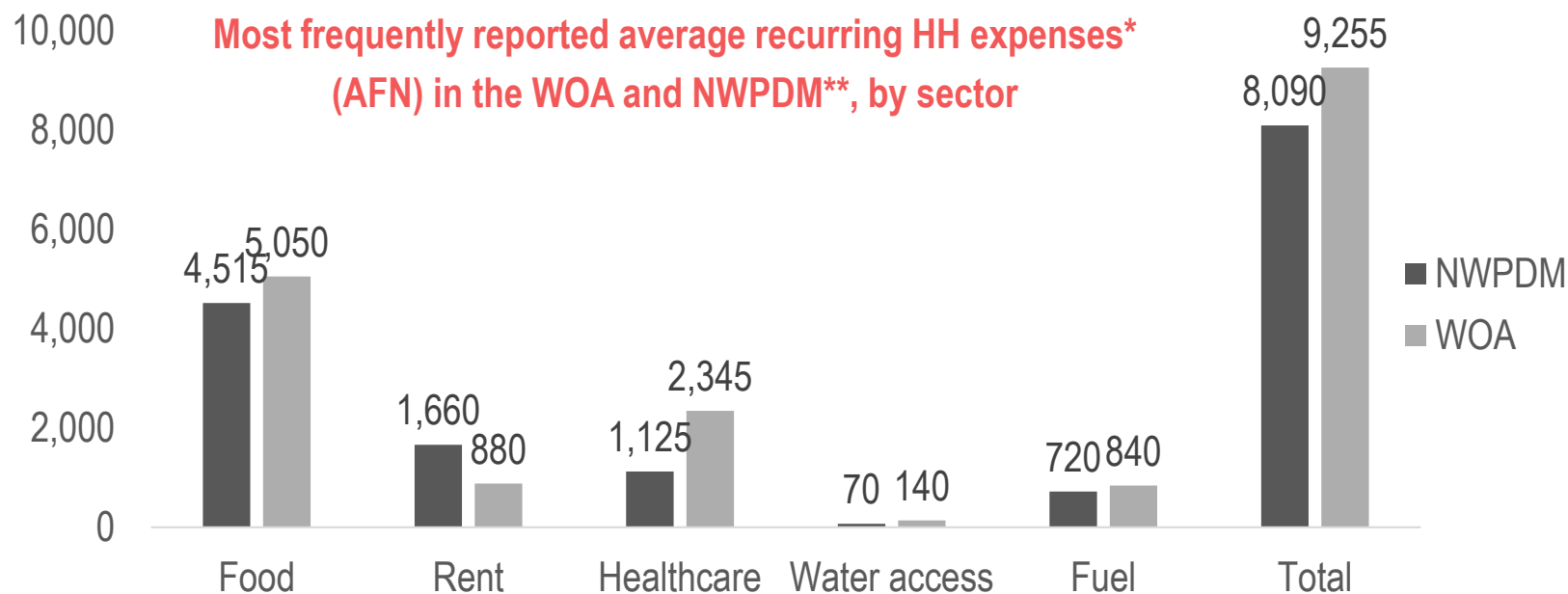


In addition to regional variation, findings suggest considerable provincial variation in MEB costs as well.



Household socio-economic profile

RECURRING EXPENSES*



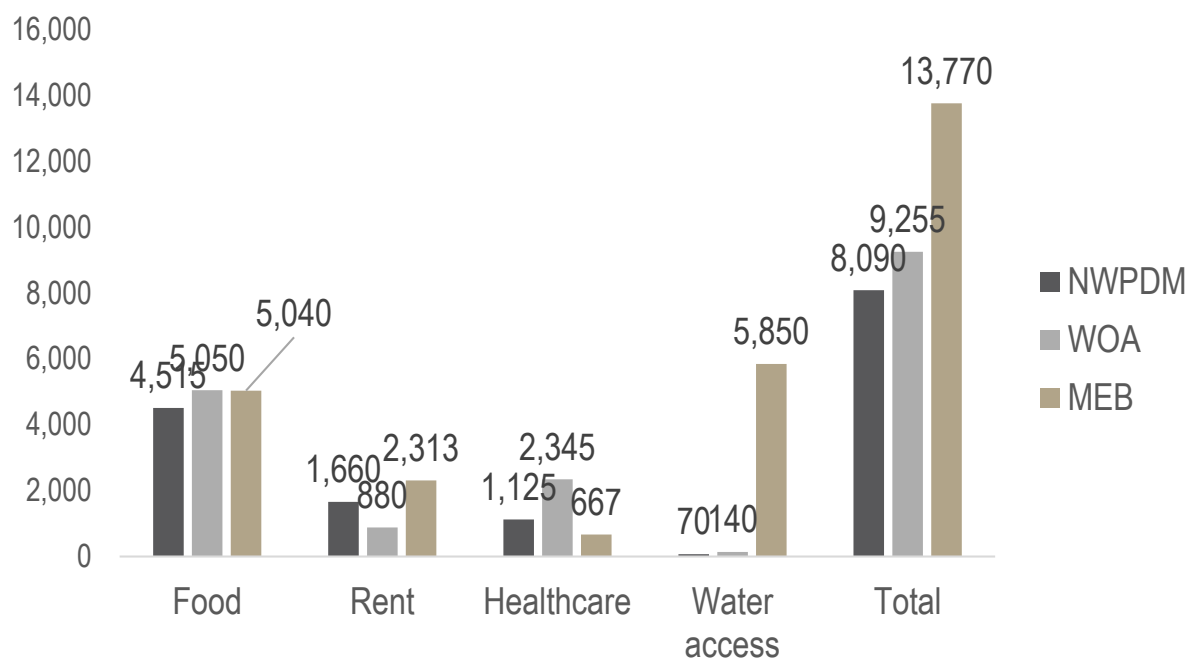
The most frequently reported expenditures reported by the nationwide PDM and WOA assessed displaced HHs accounted for food, rent, healthcare, water, and fuel. **These align with what the households indicated as top priority needs.** Other expenses reported were transportation costs, communication, education, and debt repayment.

*Recurring HHs expenses corresponds to those costs that are likely to remain fairly stable and necessary (e.g. food, rent, healthcare, water access, and fuel and electricity)

**ERM 10 Nationwide Post Distribution Monitoring (PDM) findings are preliminary – exact figures may change.

AVERAGE REPORTED EXPENDITURES vs. MEB

MEB contents vs. average reported expenditures (in AFN) by nationwide PDM and WOA assessed HHs



Data shows that the expected expenditure on some of the MEB contents (e.g. shelter) remains higher than the actual reported expenditure, while for other components (e.g. health), this trend seems reversed.

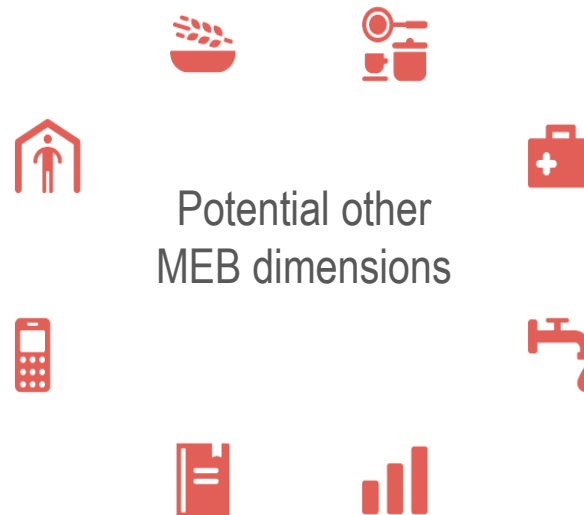
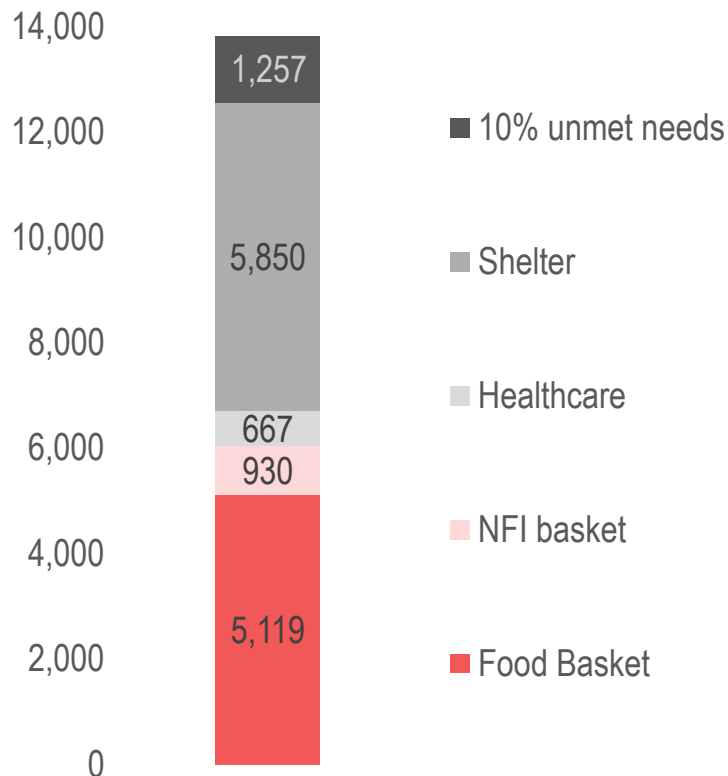
Prioritization of expenditures plays a pivotal role in how CVA is spent. Indeed, considering the average income**, such expenses seem not sustainable in the long run.

*Shelter related expenses include rent, and shelter maintenance.

**The average reported income (from adult employment) was 6,600 AFN in the nationwide PDM, and 6,766 AFN in WOA (displaced population).

CALCULATED MEB AND CALP COMPONENTS

Calculated MEB components

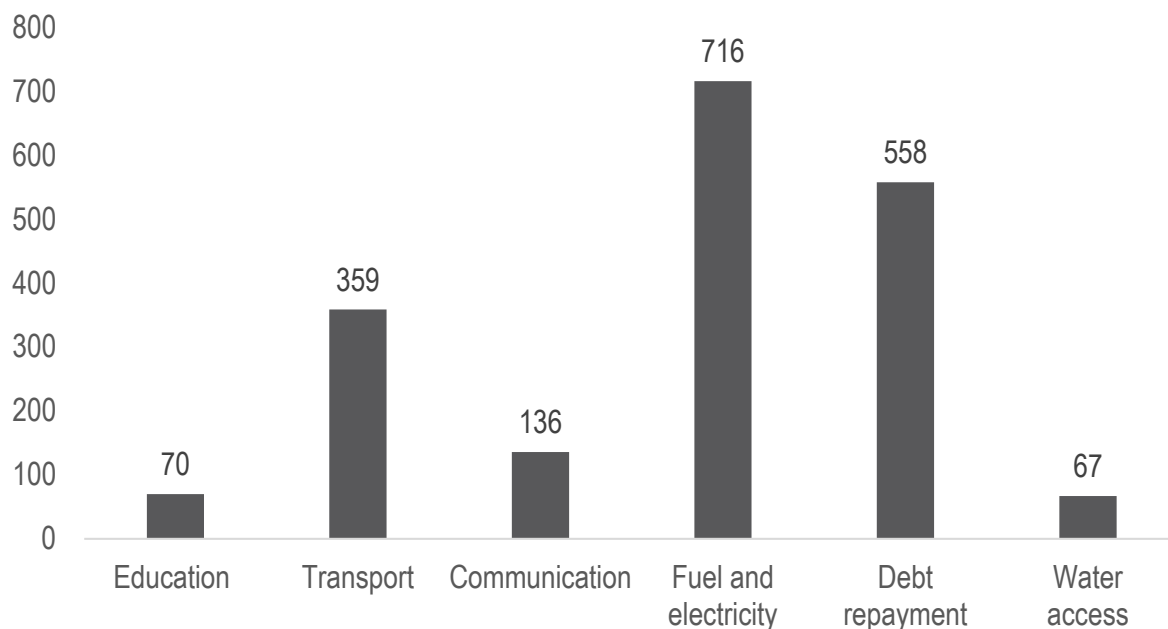


Data show that the MEB, as it is calculated, does not incorporate all HHs' expenses, which should be entailed in the 10% of unmet needs. Indeed, **transportation, WASH, education, communication, and debt repayment** still seem to constitute a solid component in the HHs' average monthly expenses.

*Shelter related expenses include rent, and shelter maintenance.

EXPENDITURES OUTSIDE THE MEB

Nationwide PDM average reported monthly HH expenditure (in AFN) on sectors not currently included in the MEB calculations*



Summed, these monthly expenses account for over **1,900 AFN per HH**. These make up the **21% of the average monthly HHs' expenditures**, and approximately one-third of the average reported income**, and are expected to rise during the winter period (particularly water if sources freeze during winter, as well as fuel and electricity).

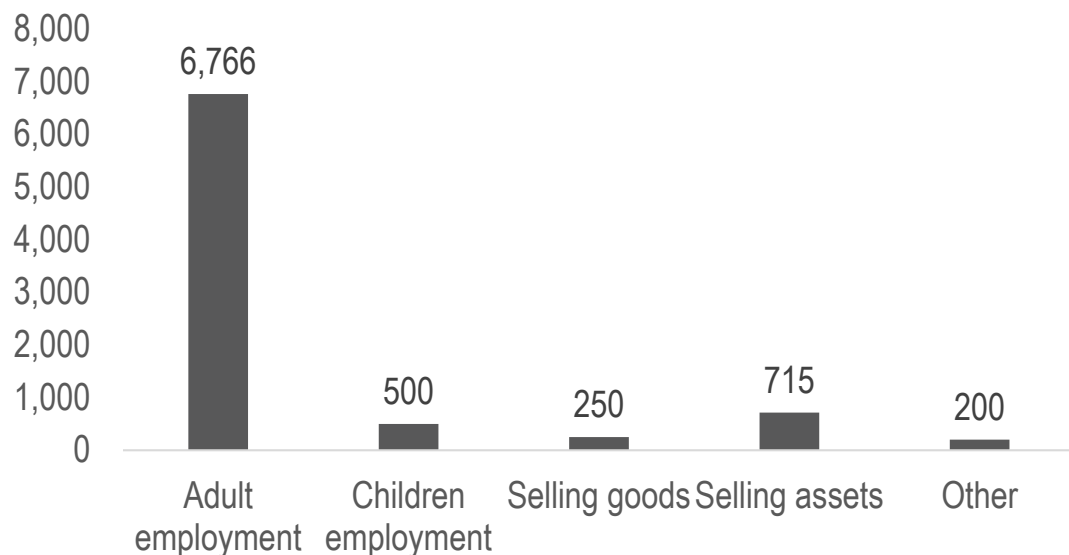
These monthly expenses are currently not included in the MEB. Nevertheless, they still appear to constitute a considerable component of HHs' monthly needs and expenses.

*ERM 10 Nationwide Post Distribution Monitoring (PDM) findings are preliminary – exact figures may change

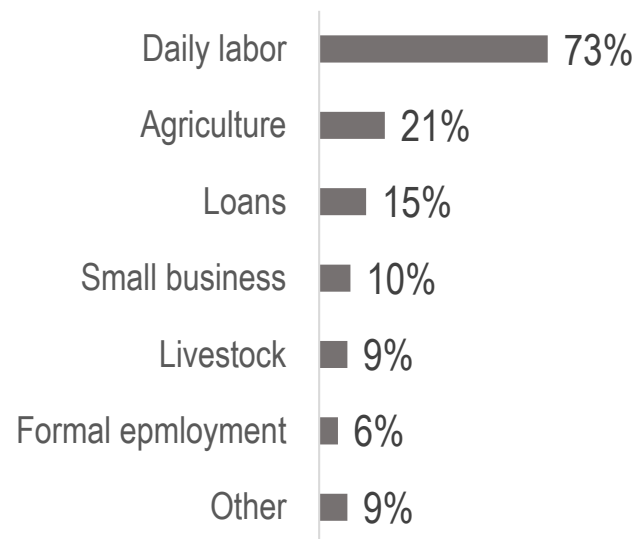
**The average reported income (from adult employment) was 6,600 AFN in the nationwide PDM, and 7,050 AFN in WOA (displaced population).

INCOME AND LIVELIHOOD

Nationwide PDM assessed HHs reported average income (in AFN), by source*



Most commonly reported HH income sources, by HHs assessed in the WOA**



A significant proportion of the HHs income reportedly comes from adult employment. However, PDM findings suggest that negative coping strategies, such as child labor and selling HH assets, also contribute to the monthly income. WOA findings show that, while there is a variation at province and urban/rural level, overall, the vast majority of assessed HHs reported daily unskilled labor as main source of income.

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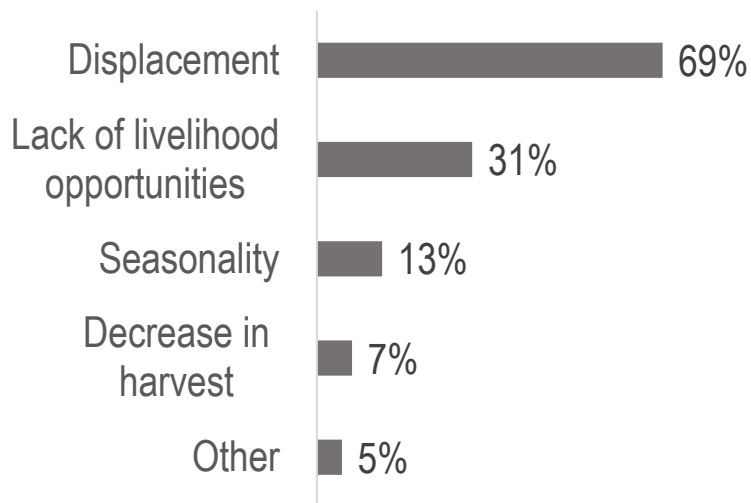
** Multiple options could be selected, therefore the sum might amount to above 100%.

INCOME VOLATILITY

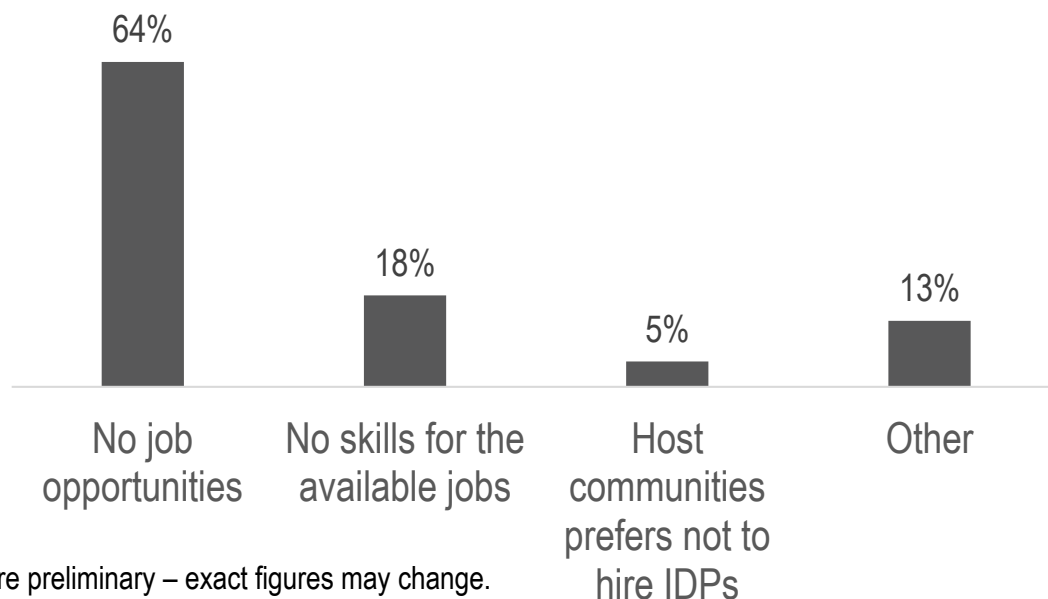


44% of nationwide PDM assessed HHs reported having experienced a decrease in income AND earned less than the HH average income in the 30 days prior to data collection*.

Of those 44% of HHs, the most commonly reported perceived reasons for this decrease:*



Of those 44% of HHs, the most commonly reported barriers to lack of livelihood were:*

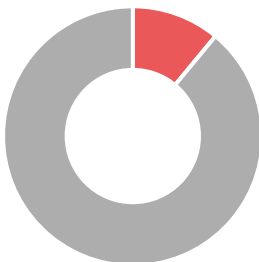


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INCOME, EXPENDITURES, AND MEB



73% of WOA assessed displaced HHs reported sustaining recurring expenses in the 30 days prior to data collection, which summed, are higher than the reported income, which thus leads to the use of negative coping strategies.

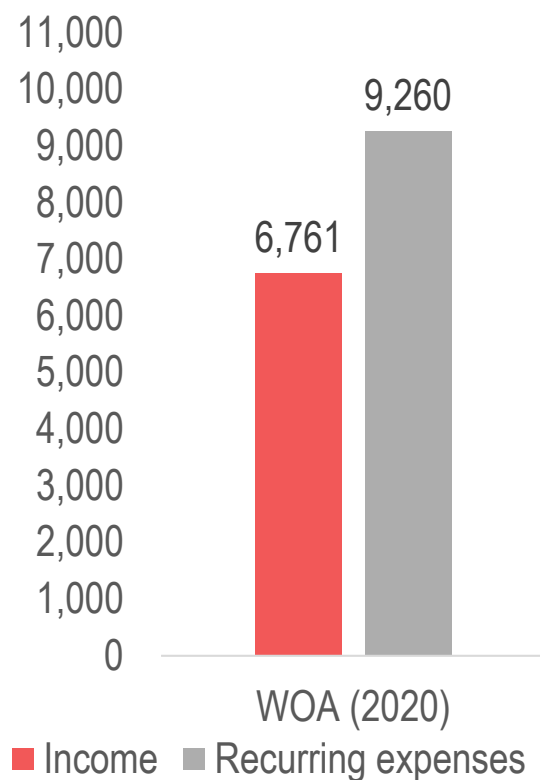


Just **11%** of nationwide PDM assessed HHs reported having average income greater or equal to the current MEB cost (13,770 AFN).

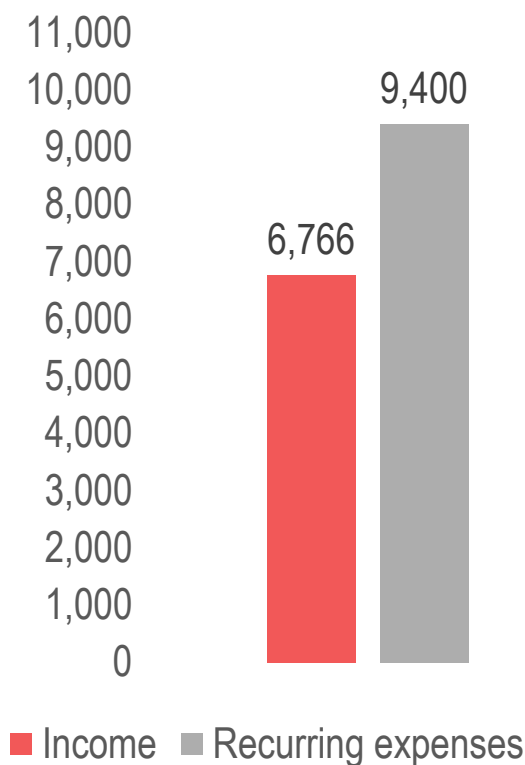
Overall, findings from different assessment show that the reported average income was insufficient to meet all the household needs, and the MEB cost remained inaccessible for the displaced population assessed.

INCOME AND EXPENDITURES

Average monthly income and recurring expenses (in AFN) reported by WOA assessed HHs

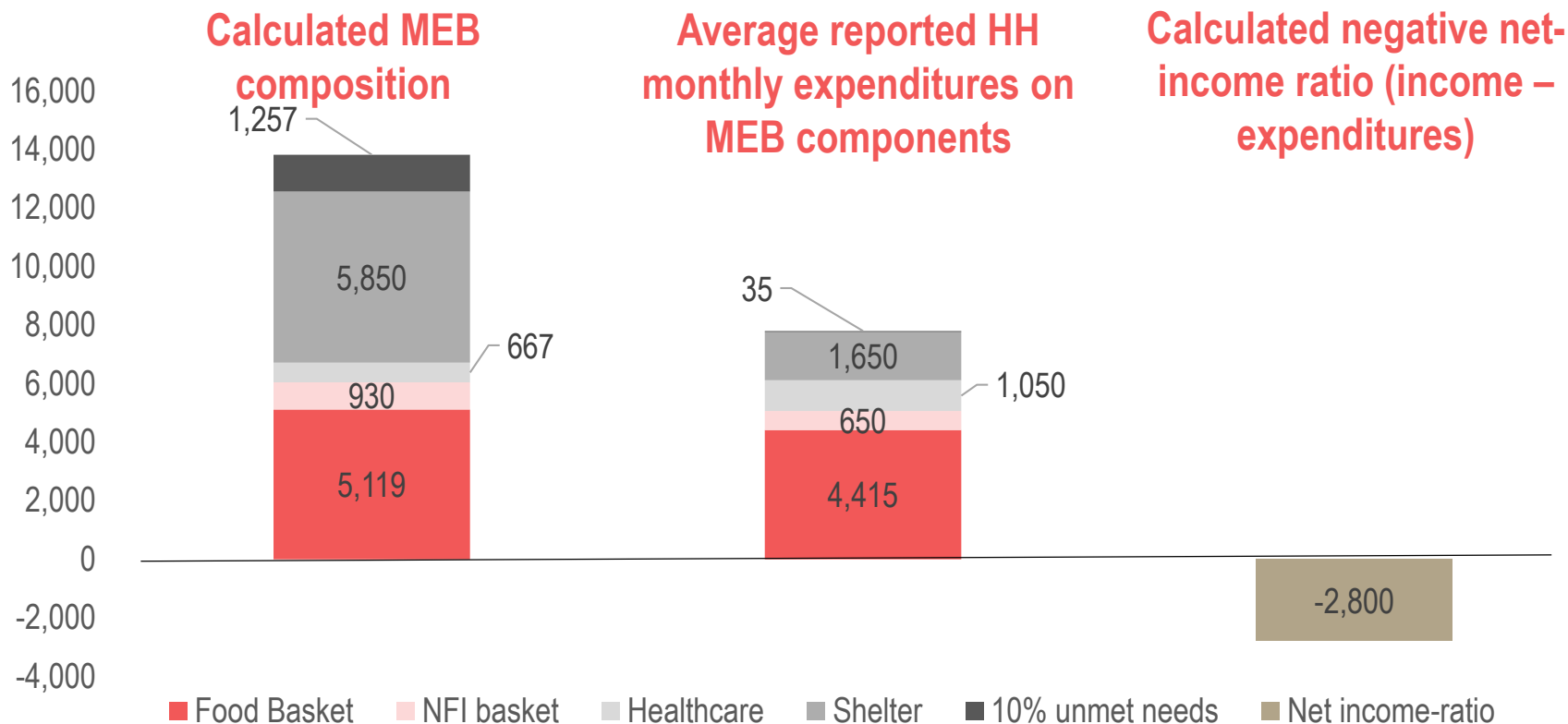


Average monthly income and recurring expenses (in AFN) reported by nationwide PDM assessed HHs



Regardless of the amount or type of assistance received, the income and expenditure trends remained similar, indicating a **negative net income ratio of 2,800 AFN per household, on average.**

MEB GAP PRELIMINARY ANALYSIS



Visualizing the gap between the MEB, the actual expenditures households are able to afford, and the negative net-income ratio, **allows to quantify needs and therefore support an effective gap analysis on both multi-sectoral and sector-specific programming.**

DEBT PATTERNS

Debt figures variation prior to and after MPCA, with WOA triangulation

	% of HHs reporting being in debt	Average amount of debt	Average amount spent on debt repayment in the 30 days prior to the interview
HEAT	96%	20,000 AFN	N/A
Nationwide PDM*	84%	32,500 AFN	750 AFN
WOA (displaced)	85%	46,000 AFN	485 AFN

Primary reported reasons for accruing debt, across different assessments

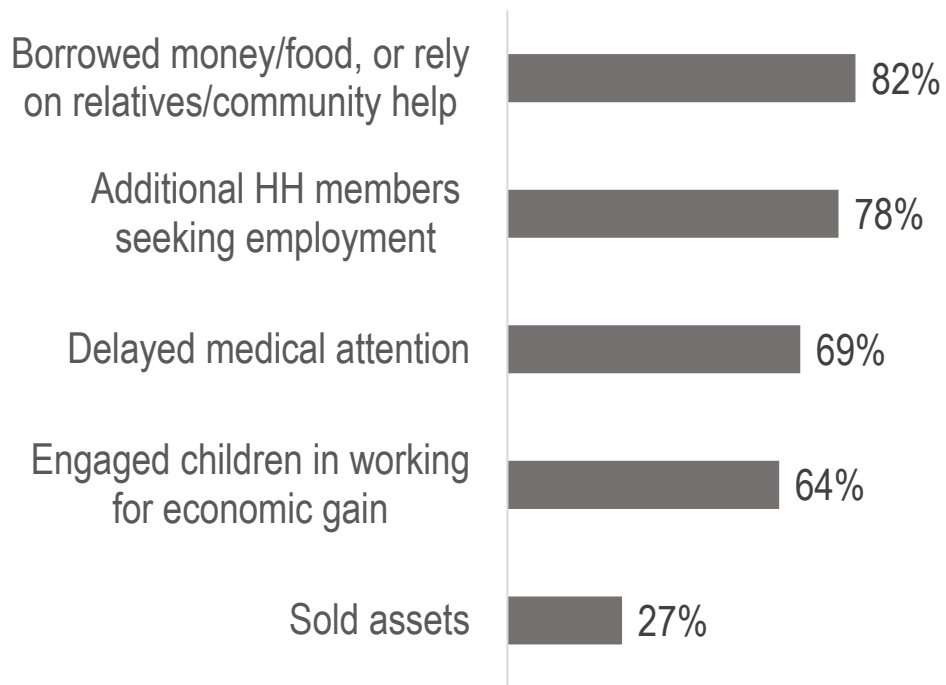
1. Food (MEB Component)
2. Healthcare (MEB Component)
3. Rent (MEB Component)
4. Displacement

Findings suggest that, while some HHs might be able to repay their debt, those who cannot continue to accumulate increasing amounts of debt.

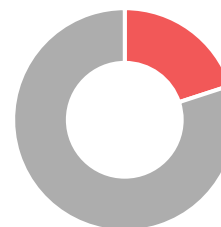
As highlighted above, the primary reason for accruing debt appears to be an inability to afford the most basic needs.

LIVELIHOOD COPING STRATEGIES

Most commonly reported negative coping strategies, by nationwide PDM assessed HHs**



8% of WOA assessed displaced HHs reported having married daughter(s) sooner than expected

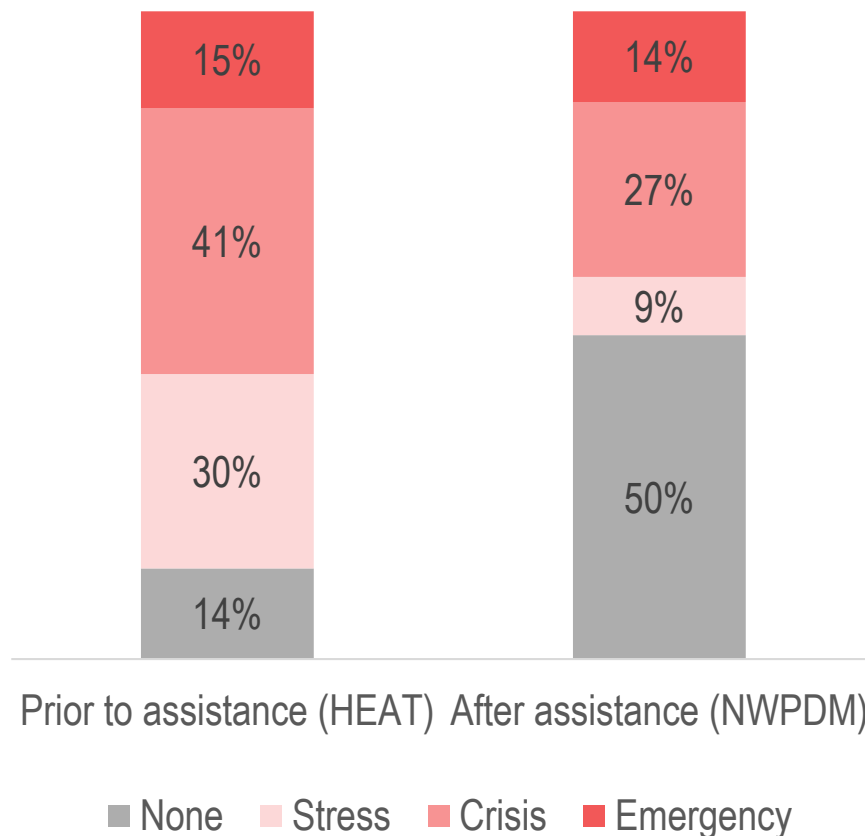


20% of WOA assessed HHs reported having engaged in illegal acts as coping strategy

*These percentages are based just on the proportion of households reporting not having enough food or money to meet primary needs in the 30 days prior data collection (330 HHs out of 660).

LIVELIHOOD COPING STRATEGIES

Percentage of HHs assessed in the HEAT and NWPDM, by Livelihood Coping Strategies (LCS)*

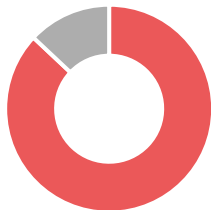


In spite of the amount or type of assistance received, the results remained consistent across the nationwide PDM assessed households. After receiving CVA, assessed HHs scored better than prior. However, there was no difference or improvement recorded for those households who had already been in the "emergency" pillar prior to the assistance.



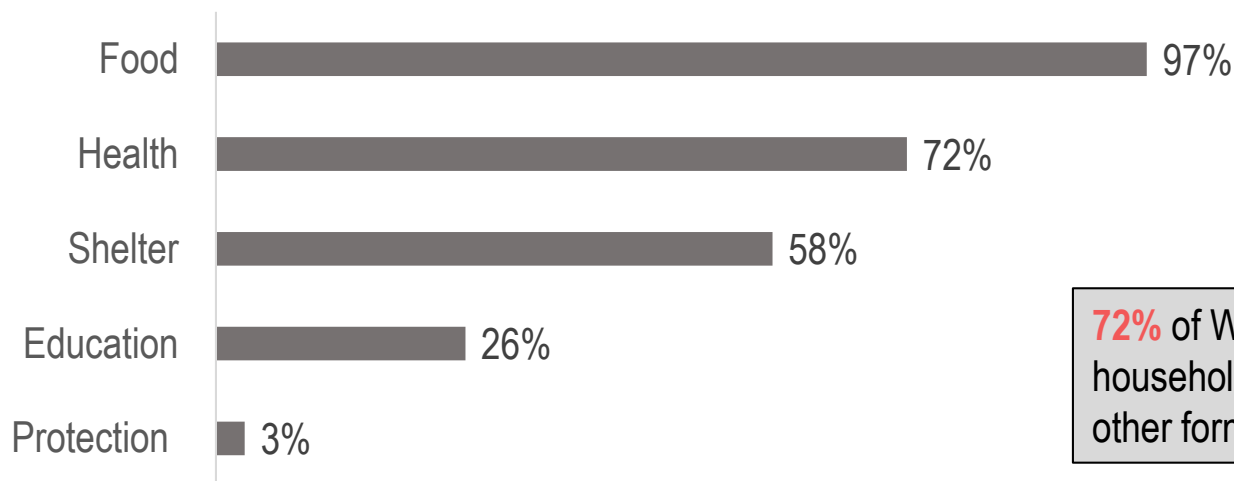
Satisfaction with CVA

PERCEIVED USEFULNESS OF MPCA



87% of nationwide PDM assessed households reported MPCA being some degree of useful* in meeting primary needs**.

% of nationwide assessed PDM HHs reporting the received cash assistance was useful in meeting sectoral needs, by sector:**

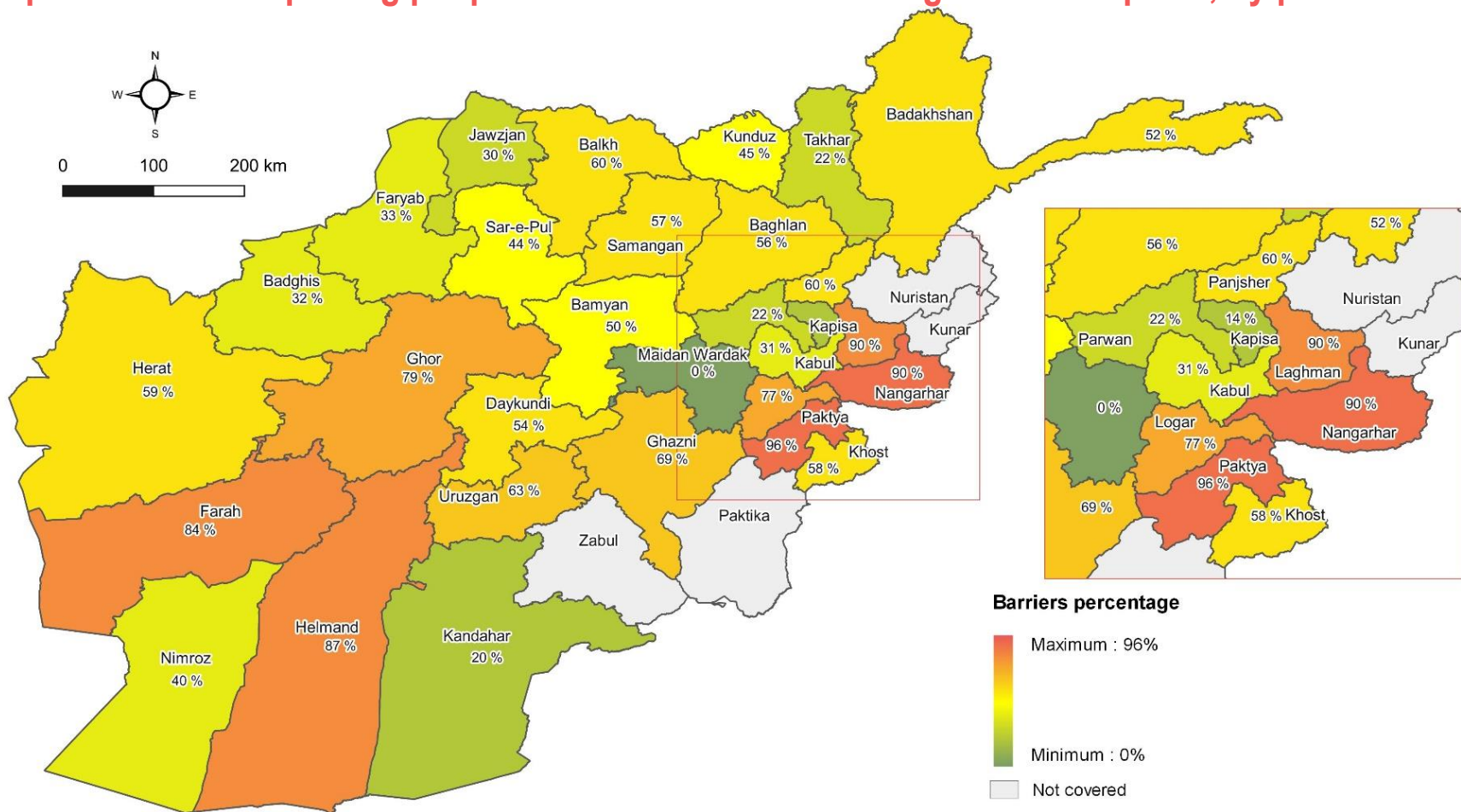


72% of WOA and **59%** of HEAT assessed households reported preferring cash to other forms of assistance.

*10% reported MPCA being moderately useful, 77% reported it being very useful.

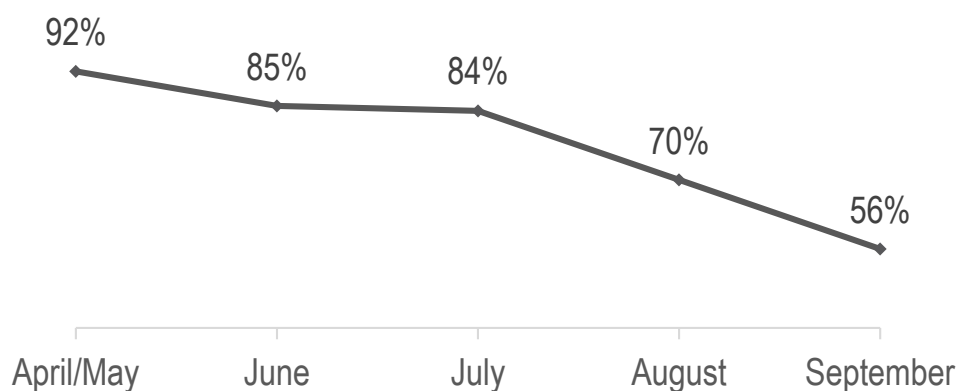
MARKET ACCESS CHALLENGES

Proportion of KIs reporting people face barriers to accessing the marketplace, by province



MARKET ACCESS CHALLENGES

Proportion of vendor KIs reporting people face barriers to accessing the marketplace, since April/May 2020"



- 1 24% Fear of exposure to COVID-19, and public health restrictions
- 2 19% Insecurity travelling to the market
- 3 19% Financial barriers

WOA data show that in Bamyan, Daykundi, Faryab, Kandahar, Paktya, and Sar-e-pul, **between 10 and 20%** of assessed households do not have a market accessible within 10km.

This finding is reflected by data from the JMMI; in the provinces of Balkh, Bamyan, Daykuni, Farah, Ghor, Logar, and Paktya, "distance" was generally reported as a barrier to access more commonly than in other provinces.

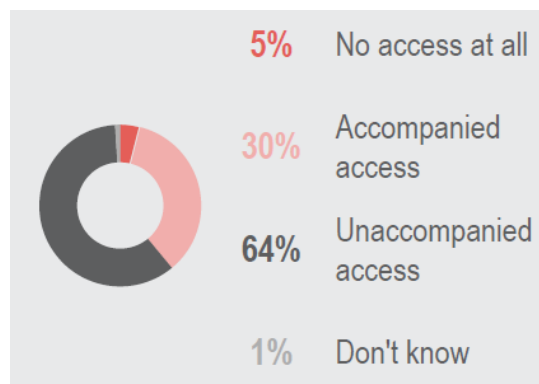
MARKET ACCESS CHALLENGES FOR VULNERABLE GROUPS

Proportion of KIs reporting COVID-19 to have impacted access to markets for certain population groups (JMMI)

Overall, in September **55%** of KIs reported at least one population group whose ability to access markets had been impacted by COVID-19.



Women access to the marketplaces



The proportion of KIs reporting unaccompanied access for women to marketplaces remained consistent across rounds of data collection. Slight variations were recorded across months for the option “no access at all”, varying between 3% and 10%.

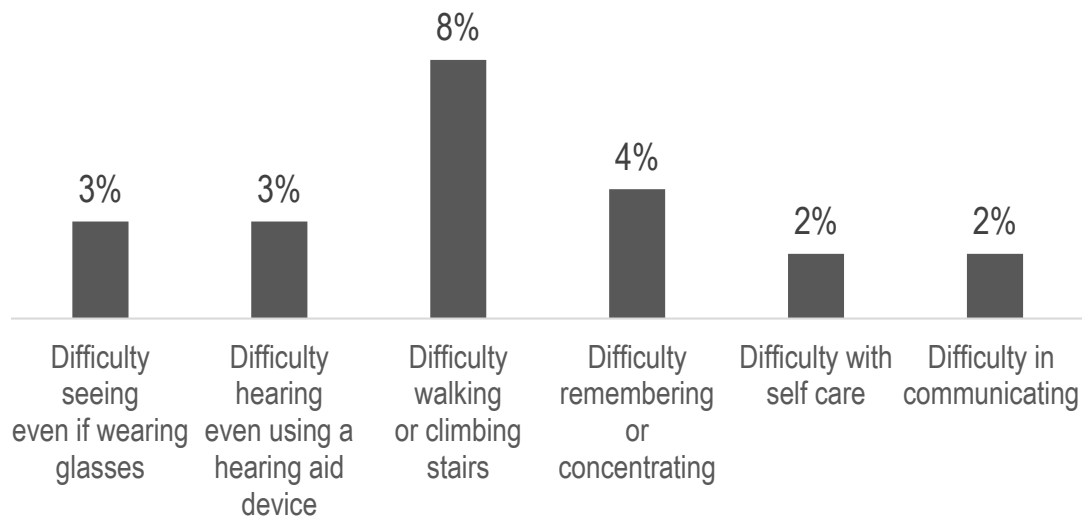
Whilst few KIs reported security constraints to affect market access, women were consistently reported to have limited access, highlighting **gender-based protection concerns in market access, which may consequently affect cash-based programming.**



Health expenditures

PREVALENCE OF DISABILITY AND ILLNESS

Proportion of WOA displaced households, by reported disability of at least one HH member (Washington Group)



Across the different assessments, the reported health-related findings indicate that there likely is a considerable prevalence of HHs with specific health-related needs.

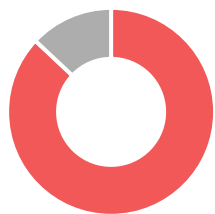
A further component of health-related needs is behavioral changes. WOA data on displaced population show that **64%** of assessed households reported at least one member experiencing either excessive sad mood, bedwetting, unhealthy changes in appetite or sleep patterns, social withdrawal or inability to be alone, aggressive or violent behavior, substance abuse, or other forms of distress.



57% of HEAT assessed households reported at least one HH member with chronic illness.

HEALTH EXPENDITURES

Proportion of WOA displaced HHs, by reported health-related expenditures



82% of WOA assessed HHs reported spending on healthcare in the 30 days prior data collection

The average reported monthly expenditure on healthcare was **2,378 AFN** (WOA, 2020)

Proportion of nationwide PDM HHs, by reported health-related expenditures



58% of nationwide PDM assessed HHs reported spending on healthcare in the 30 days prior to data collection

The average reported monthly expenditure on healthcare was **1,800 AFN** (NWPDM HHs reporting spending on healthcare)

The considerably lower proportion of HHs reporting having spent on healthcare in the 30 days prior to data collection in the PDM assessment compared to the WOA could potentially be a red flag. **In spite of receiving CVA, HHs may be forgoing necessary care due to lack of money, or different prioritization of expenses.** Further investigation is needed in this regard, in order to better understand healthcare-related expenses, different needs, and reasoning behind prioritization.

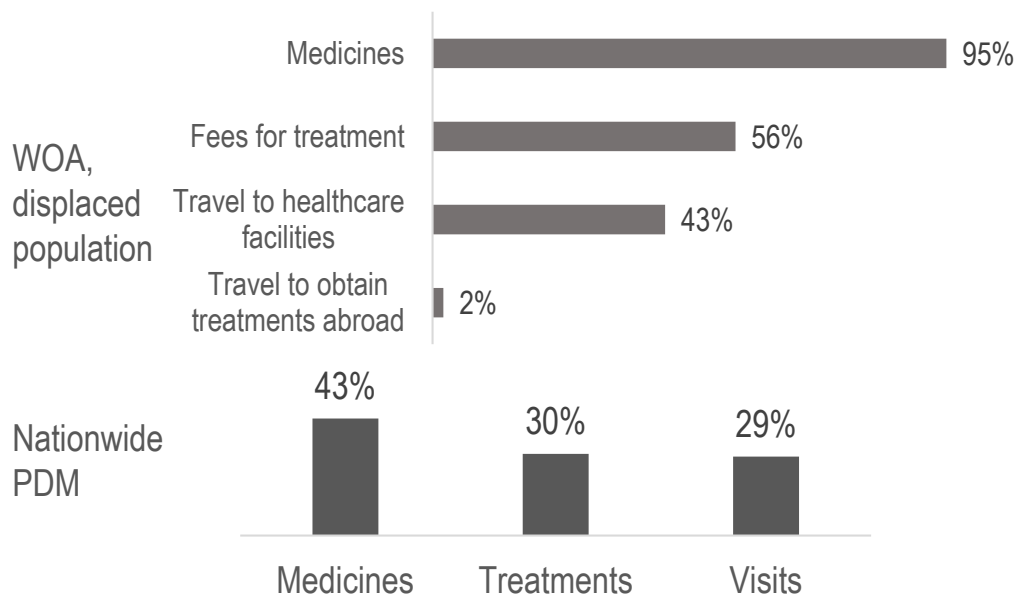
HEALTH EXPENDITURES POST CASH ASSISTANCE

NW PDM disaggregation	% HHs indicating healthcare as one of top 3 primary needs	% HHs reporting spending on healthcare	Median of monthly amount spent (in AFN) by those who reported spending on healthcare	% HHs reporting unmet needs in healthcare
National level	39%	58%	1,800	33%
Urban HHs	38%	57%	2,090	30%
Rural HHs	40%	58%	1,280	40%
Full packet (22,000 AFN)	39%	55%	2,200	33%
Partial packet (9,000 AFN + in kind)	40%	60%	1,575	34%

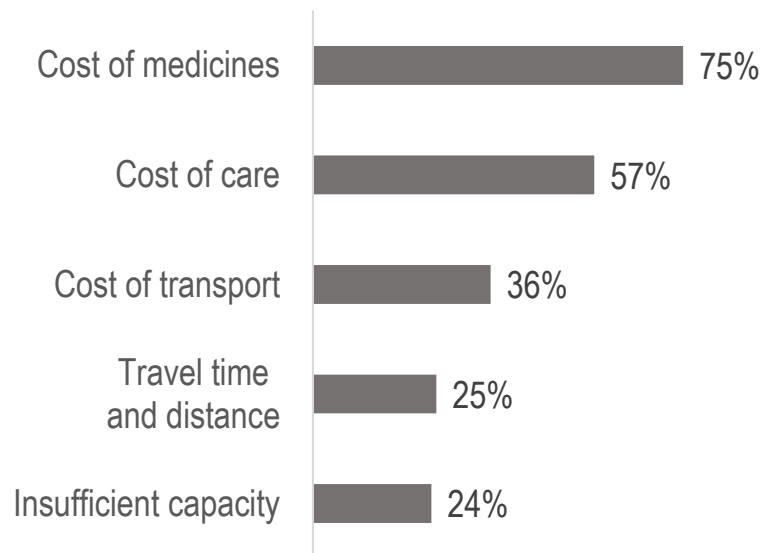
*ERM 10 Nationwide Post Distribution Monitoring (PDM) findings are preliminary – exact figures may change.

HEALTHCARE FACILITIES AND BARRIERS TO ACCESS

Most commonly reported health-related expenditures, by % of WOA and nationwide PDM HHs



Most commonly reported barriers to accessing healthcare, by proportion of nationwide PDM assessed HHs*



8% of NWPDM assessed households reported not having a functional healthcare facility within 2 hours from their home.

Across different assessments, the reported health-related expenditures seem to match the barriers to accessing healthcare.

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CONCLUSION

Overall, findings show that assessed **households' resources were not sufficient to meet basic needs as outlined in the current MEB**; even where households are spending on sectoral need i.e. food, findings suggest persistent humanitarian need, such as high levels of food insecurity.

Although reported household needs and areas of expenditure did align with the MEB components, households also consistently reported needs and costs that are not currently accounted for within the MEB, such as certain NFIs.

Reported need for fuel and fluctuations in reporting across the year indicate a potential need for seasonal-specific cash packages.

While assessed households reported preferring receiving cash as CVA, **data on barriers to access markets should be considered when planning for assistance and revising the MEB**. Indeed, cash is proven helpful, but might not always be the best approach to efficiently meet the needs of households, or all individuals within the household.

Sector-specific data (e.g. healthcare) shows consistent unmet needs and gaps. Where cash is not necessarily a suitable response, CVA implementation should ensure coordination at the local level to ensure inclusiveness and appropriate assistance for those households in need.