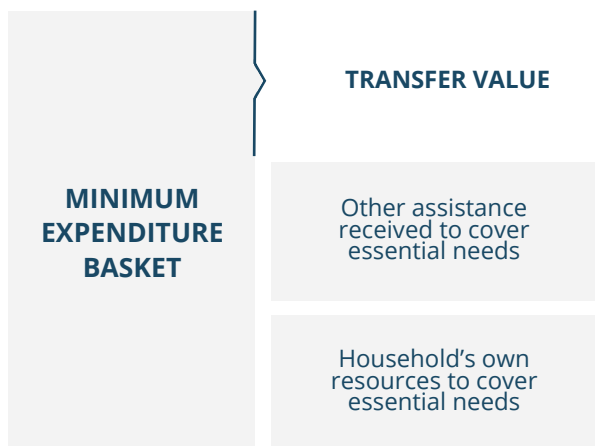


# THE DEVELOPMENT OF A MINIMUM EXPENDITURE BASKET (MEB) IN MALI

## WHAT IS A MEB?

Vulnerable populations experiencing hardship or are affected by shocks often find themselves in situations where they must meet several pressing needs at once. Food security is crucial but a household's ability to acquire sufficient food is dependent on its ability to meet other essential needs. **Goods, utilities and services required by households to ensure survival and minimum living standards are defined as essential needs.**

The MEB defines the average monetary value of goods and services that a household requires in order to meet its essential needs, on a regular or seasonal basis. The MEB does not necessarily capture all the essential needs of a household, only those that the household can cover entirely or partly through the market. The MEB is not equivalent to the transfer value (the monetary value of assistance provided), nevertheless the MEB is a critical factor in determining the transfer value as the MEB captures the average, recurrent and regular needs of beneficiaries. The transfer value will usually be less than the MEB value, since most households are able to meet some of their essential needs with their own resources. The **transfer value covers the gap between the households' own resources, other assistance received and the MEB.**



## WHY DO WE NEED A MEB?

The MEB can help to achieve the following:



Shape our understanding of food security and our collective programmatic responses.  
▶ Support multi-sector coordination.



Support decisions on food and non-food assistance required and inform decisions on services and goods for a supply assessment.



Support population profiling and in some cases targeting. ▶ Identification of households that can't meet their essential needs.



Contribute to monitoring and evaluation.  
▶ Market prices, cost of living and households' capacity to cover their needs.

## HOW IS THE MEB CONSTRUCTED IN MALI?

The Cash Working Group (CWG) first constructed a MEB exercise in 2018 with the support of WFP and other partners. A year later, WFP provided an expertise to finalize the MEB piece of work. WFP initiated consultations at the national level and involved key stakeholders such as the National Early Warning System, the CWG, social protection actors and different clusters. WFP reviewed the national food security and nutrition surveys, identified the target population, and decided to use the expenditure-based approach for the construction of the MEB.

The expenditure-based approach builds on the methodology typically used to construct national poverty lines. The approach relies on detailed household-level expenditure data to examine the actual consumption patterns of households that are just able to meet their essential needs.

## 5 STEPS FOR CONSTRUCTING A MEB

1. Consult with key stakeholders (e.g. the Government and partners in Inter-Agency Working Groups) and agree on process and objective ;
2. Define the key starting point (e.g. national poverty lines, existing MEBs, target population) and the analytical approach (expenditure-based, rights-based, or hybrid) ;
3. Identify the food basket ;
4. Identify the non-food basket ;
5. Check the results and validate them with a wide range of stakeholders



The target population in Mali consists of average households with an acceptable food consumption, who do not resort to negative coping strategies to be able to meet their essential needs. WFP analyzed the food basket considering an adequate intake of calories (2,100 Kcal/day/person) and nutrients (NutVal 4.0 informs on nutritional contents); and the monetary value (taking into account market prices).

Then the expenditures of the target population were examined to define the composition of the MEB. This includes the monetary values of the food basket and also the non-food components. The MEB in Mali takes into account the regional or urban/rural price differences, seasonal variations and the composition of households and economies of scale in their

consumption. A household's need is related to the size of the household. However, household needs do not always grow in a proportional way due to common goods that can be shared (e.g. apartments). Therefore, larger households often have lower needs per person.

WFP has been sharing preliminary results with different stakeholders for discussion. These have also informed the revision of WFP's emergency response strategy in terms of targeting and transfer values. A second analysis was carried out in April and May 2020 based on ENSAN datasets of February 2020 with governmental partners, and development and humanitarian actors.

MEB—FOOD COMPONENTS	MEB—NON FOOD COMPONENTS	
Cereals	Electricity	Payment of Debts Construction
Tubers	Water	Family Support
Pulses	Rent (Accommodation)	Events
Vegetables	Communication	Taxes
Fruits	Fuel	Purchases / Modification of Jewelry / Ornaments
Animal Proteins	Transport	Purchases of furniture
Dairy Products	Soap & Cleaning Products	Purchase Means transport
Sugar	Hygiene Products	Agricultural labor
Oil	Payment for Services	Livestock labor
Spices / Condiments	Health	Agricultural inputs
	Clothing	Livestock inputs
	Education	

### DEVELOPMENT OF A JOINT APPROACH TO DEFINING TRANSFERS VALUES

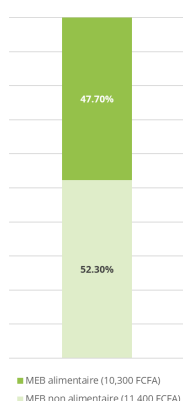
In 2018, Groupe URD (Urgence - Réhabilitation - Développement) set up a new observatory in Mali to provide strategic and organizational support to the KEY Programme funded by the European Union. Its general objective is to reinforce vulnerable people's resilience to food and nutritional insecurity. Groupe URD supports the members of the KEY consortium, as well as all other actors involved in Cash-based Transfers (CBTs) such as WFP and Jigisemejiri to review existing MEBs and to define transfer values for Multi-Purpose Cash (MPC). Having a joint approach or co-construct MPC transfer values will allow for more coherence among development and humanitarian actors. URD organized two workshops in June and October 2019 to map CBT operations and the use of MPC, and to define jointly the parameters for constructing MPC transfer values. Following the missions of URD, it was jointly decided to capitalize on the methodology that WFP and the partners have used to construct the MEB. A series of consultations and workshops is planned to build on WFP's approach and find a common understanding to co-construct transfer values based on a more in-depth analysis of household vulnerabilities and taking into account the different specificities (target group, objectives, seasonality, forms of assistance including livelihood support, etc.).



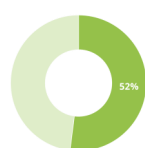
## WHAT ARE THE MAIN RESULTS?

The MEB was tested with the data from the National Food and Nutrition Security Survey (Enquête Nationale de Sécurité Alimentaire et Nutritionnelle) from September 2019.

Using the expenditure-based approach, WFP determined the value of the MEB at 21,700 FCFA per person for the month of September 2019. This includes a food component in the value of 10,300 FCFA per person and month.

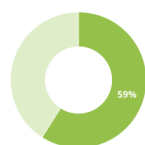


The average household in Mali consists of 2 adults and 4 children (1 child under 2 years of age, 1 child under 5 years of age, 1 child of school age and 1 adolescent girl). To calculate the MEB for the household, the methodology considers the head of household as one person, all other persons in the household over 14 years of age equivalent to 0.5 of a person, and children under 14 years of age equivalent to 0.3 of a person, resulting in a value of 65,000 FCFA per household and month or 780,000 FCFA per household and year.



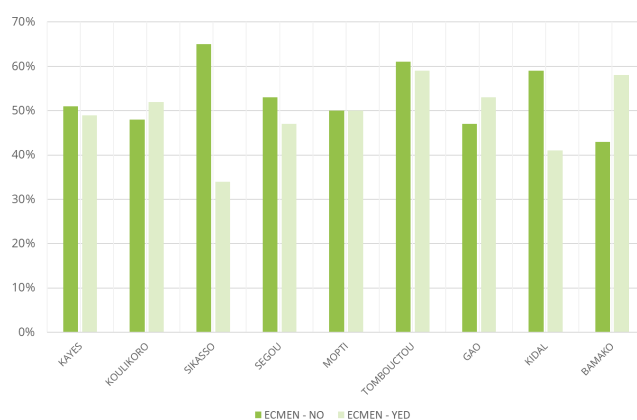
52 percent of households in Mali do not have the economic capacity to cover their essential needs. They are unable to cover 36 percent of their food needs.

The situation varies in the different regions and is even more serious in rural areas, where on average 55 percent of households are unable to meet their essential needs compared to 43 percent in urban areas.



Households in rural areas are only able to cover 36 percent of their essential needs, while households in urban areas meet at least 76 percent of their essential needs.

### HOUSEHOLDS WITH OR WITHOUT THE ECONOMIC CAPACITY TO MEET THEIR ESSENTIAL NEEDS (PER REGION)\*



The status of households also influences their ability to meet their essential needs.

52 percent of residential households are unable to meet their essential needs: these households cannot meet 13% of their food needs.

72 percent of returnee households do not have the economic capacity to meet their essential needs.

overall 62 percent of households that have been internally displaced do not have the economic capacity to meet their essential needs and the data suggests that also the time period for which households have been internally displaced due to conflict and/or other shocks plays a significant role in determining their economic capacity to meet their essential needs, especially their ability to meet their food needs. Among IDPs who do not have the economic capacity to meet their essential needs:

- ▶ IDPs displaced less than 3 months: they cannot cover 36% of their food needs;
- ▶ IDPs between 3 and 6 months: they cannot cover 30% of their food needs;
- ▶ IDPs more than 6 months: they cannot cover 11% of their food needs (like vulnerable resident population)

MEB analyses also highlighted that:

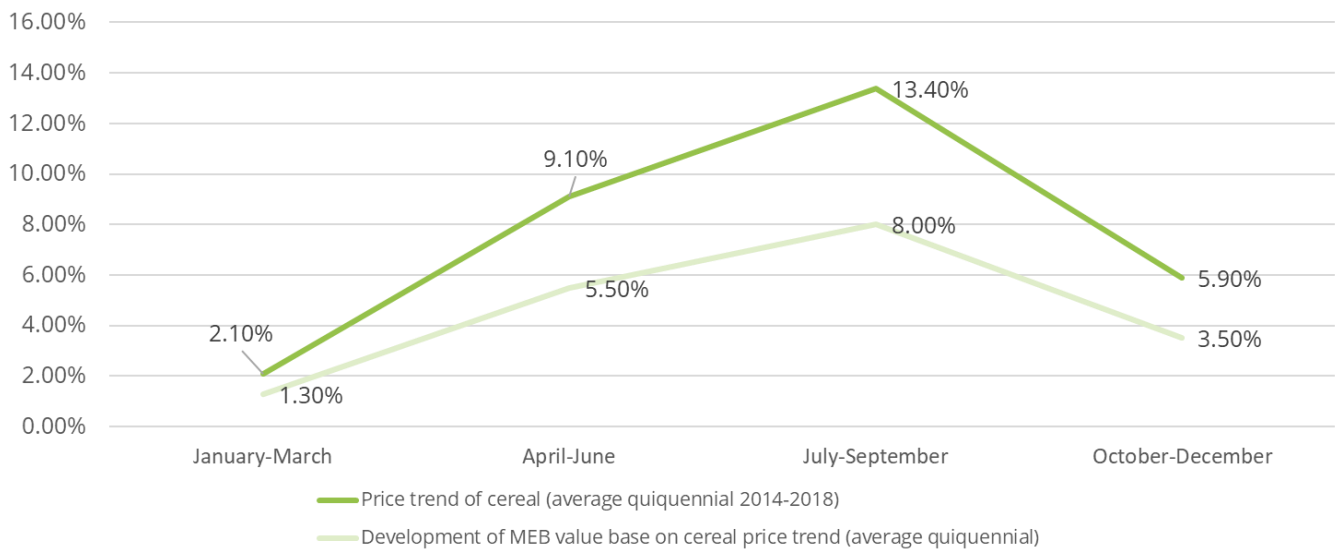
- ▶ Vulnerable households who do not have the economic capacity to meet their essential needs are experiencing large gap to cover **their non food needs**;
- ▶ **Nutrition:** in September 2019, households who do not have the economic capacity to meet their essential needs manage to cover their food needs in energy, consuming mainly cereals and oil, while experiencing micronutrients deficit.

\*ECMEN: Percentage of households with or without the economic capacity to meet their essential needs

ECMEN - NO = Proportion of households that do not have the economic capacity to meet their essential needs

ECMEN - YES = Proportion of households that have the economic capacity to meet their essential needs





During the lean season, a 10% increase in the prices of cereals and pulses results in an increase of 6% in the value of the MEB.

## WHAT'S NEXT?

The results indicate that a high number of households (on average 52 percent) experience large gaps in covering their food needs and other essential needs. Government systems, development and humanitarian actors need to keep in mind that households that receive food assistance may use significant parts to address other essential needs. These coping strategies negatively impact the achievement of longer-term objectives such as the eradication of hunger and strengthening of resilience.

Preliminary results in the construction of the MEB lay the foundation for further discussions with key stakeholders to agree on the final structure of the MEB, its link with other analyses such as the Fill the Nutrient Gap and its contribution to design technical standards and norms for cash based transfers. Strategic coordination between different actors and sectors is also crucial to provide integrated assistance with a holistic and beneficiary-centered approach.

The results of constructing the MEB can inform prioritization, targeting and programming and help bridge different assistance mechanisms from short-term support to longer-term interventions (livelihood support, social safety nets, social protection, resilience-building).

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