

2021 Update of the Non-Food Expenditure Baskets

Basic Assistance Sector- July 2021

Background

The Survival Minimum Expenditure Basket (SMEB) and Minimum Expenditure Basket (MEB), first developed in 2014, serve as a benchmark to estimate the basic needs and associated costs of a refugee family in Lebanon. The SMEB defines a set of *survival needs*, while the MEB defines a wider set of needs for a family to live in dignity. Multi-purpose cash assistance (MPCA) aims to support families meet these defined basic needs. In 2020, a detailed review of the SMEB and MEB was carried out by an expert group under the leadership of the Basic Assistance (BA) Sector and the Food Security Sector.

The SMEB and MEB is divided into three main components:

- **The Food Basket:** Using a hybrid approach relying on consumption patterns among refugees as well as ensuring nutritional adequacy, the food basket aims to define the nutritional and food needs of individuals and families. Prices for food items are tracked on a monthly basis through WFP retail data in contracted shops across Lebanon.
- **Non-Food Items:** Using primarily a right-based approach (based on international standards), non-food items include a basket of nine core hygiene items as well as blankets, mattresses, and cooking gas. Prices for hygiene items are tracked on a monthly basis through WFP retail data in contracted shops across Lebanon. Prices for blankets and mattresses are estimated through an initial market assessment by UNHCR and updated based on currency fluctuations. The price of cooking gas is estimated using consumption data and official prices of gas in Lebanon (discussed below in more detail).
- **Non-Food Services:** The services component of the SMEB and MEB define a set of service (or non-asset) related needs for families in Lebanon. Different associated costs for each need/service are primarily based on an expenditure approach, sourcing data from the annual Vulnerability Assessment of Syrian Refugees (VASyR). These are then updated monthly using the Consumer Price Index (CPI) released by the Central Administration of Statistics' (CAS). Some components are defined using a rights-based approach to ensure needs are adequately reflected.

The SMEB and MEB costs are tracked in Lebanese Pounds (LBP), per month, per average family of five, and converted to U.S Dollars (\$) using the unofficial exchange rate when needed.

Non-Food Items

- **Hygiene items**
 - Based on International SPHERE standards a list of nine core hygiene items and their required quantities are defined in both the SMEB and MEB.
 - The components and quantities of the hygiene items remain unchanged from the 2020 S/MEB review and prices continue to be tracked and updated using WFP retail data.

- **Blankets**
 - The 2021 estimated cost for one high-thermal blanket is \$6.6. The cost in LBP is estimated using the monthly average unofficial exchange rate. One family is estimated to require one blanket per person per year. Thus, the estimated cost of five blankets is divided by 12 months to estimate a monthly cost.
- **Mattresses**
 - Mattresses are only included in the MEB at an estimated cost of \$14.95 per mattress. The cost in LBP is estimated using the monthly average unofficial exchange rate. One family is estimated to require one mattress per person per year. Thus, the estimated cost of five mattresses is divided by 12 months to estimate a monthly cost.
- **Cooking gas**
 - Quantity of needed cooking gas is estimated by comparing expenditure data from the VASyR and official prices for gas. The 2021 VASyR showed that the average monthly expenditure on cooking gas was 37,000 LBP. Average cooking gas cost for 10 KG for the period between June 7 and July 7 (data collection period for the 2021 VASyR) stood at 29,070 LBP. This would equate to 12.73 KG of cooking gas used monthly. The price of 12.73 KG of cooking gas is tracked and updated monthly using officially released prices.

Non-Food Services

- **Clothes**
 - The cost of clothes is estimated by using the average expenditure from VASyR, across all families, and updated monthly using CPI data. The average expenditure on clothes in VASyR 2021 was 3,465 LBP/family/month.
- **Communication**
 - As defined in the 2020 S/MEB review, a rights-based approach to determining the costs of communication is used. The price of communication is estimated using the average costs of the two telecommunication companies in Lebanon. The SMEB includes the cost needed to keep a mobile phone active for one month. The MEB adds on the cost of internet, using the average price of the smallest data bundle available.
- **Rent**
 - The rent cost in the SMEB is reflective of the average rent cost, across shelter type, including residential, non-residential, and non-permanent shelters. The 5% trimmed mean of the reported rent costs in the 2021 VASyR was 301,914 LBP/family/month.
 - The rent cost in the MEB focused on shelters that are deemed to be in “good condition”. This includes shelter that do not have any adverse structural issues and are not overcrowded. The 5% trimmed mean of the reported rent costs across shelter in good condition in the 2021 VASyR was 320,879 LBP/family/month.
 - The rent costs are updated monthly using the CPI data.
- **Water**
 - The cost of water in the SMEB and MEB is estimated by using the 5% trimmed mean expenditure from VASyR per family and updated monthly using CPI data. The 5% trimmed mean expenditure on water, which includes both drinking water and water for domestic use, in VASyR 2021 was 28,780 LBP/family/month
 - Water costs are updated monthly using the CPI data.

- **Transportation**
 - The cost of transportation in the SMEB and MEB is estimated by using the 5% trimmed mean expenditure from VASyR per family and updated monthly using CPI data. The 5% trimmed mean expenditure on transportation, which includes any associated transport costs like fuel or public transportation, in VASyR 2021 was 19,132 LBP/family/month.
 - Due to changing prices in fuel in the coming months, the transportation costs will be initially updated monthly using the CPI data. If the CPI monthly changes are not seen to be indicative of real price changes in fuel, other sources (ex. Data from agencies' post distribution monitoring) will be explored.
- **Electricity**
 - The costs of electricity in the SMEB and MEB are estimated using the VASyR. A subset of families that have at least 20 hours was used. This includes costs associated with electricity, regardless of the source. Average expenditure from the VASyR 2021 was found to be 83,063 LBP. This will be updated using monthly CPI data and other sources of information, as available.
- **Health**
 - Costs in the SMEB related to accessing health services are estimated using average expenditures from the VASyR. A subset of families that accessed primary health care is used to determine accurate costs. The 5% trimmed mean on health care, among families that access primary health care, from the 2021 VASyR was 144,269 LBP/family/month.
 - The MEB costs for health services also includes hospital care costs. The 5% trimmed mean on health care, among families that access primary health care and hospital care, from the 2021 VASyR was 298,731 LBP/family/month
 - Health care costs collected through the VASyR include all associated costs, including doctors' fees, medication, etc.
- **Education**
 - The VASyR 2021 data collection took place in June 2021, at a time when schools were closed. Thus, the expenditure data collected is not reflective of actual education costs. For this reason, the cost of education remains based on figures from 2020 and will be updated at the start of the 2021/2022 school year through assessment undertaken through the Education Sector.
- **Debt repayment**
 - Since the Syrian refugee population in Lebanon is known to rely on debt for several needs, and with debt increasing consistently each year, a component of debt repayment is included in the SMEB and MEB. The monthly needed amount to repay debts in the S/MEB is estimated by using the average unpaid household debt from VASyR divided by 12 months. The average unpaid household debt from the 2021 VASyR was 2,258,928 LBP.

Detailed list of items updated

The table below outlines the updated cost (July 2021¹) of each item in the Non-food SMEB and MEB, compared to the associated cost in September 2020, when the initial review of the basket occurred, and the cost in June 2021.

SMEB

Item	July 2021	June 2021	September 2020
Toilet Paper	6,500	4,673	3,037
Toothbrush	12,641	10,002	4,513
Toothpaste	30,242	24,750	19,748
Laundry soap/detergent	16,650	12,881	8,310
Liquid Dishes detergent	12,325	9,167	6,712
Sanitary napkins	78,918	62,868	28,794
Individual soap	40,000	31,250	18,460
Shampoo	43,036	34,350	13,843
Diapers	170,587	123,912	62,352
Disinfectant fluid/Bleach	8,038	6,000	3,470
Blankets	53,371	27,158	13,294
Cooking gas	68,233	61,485	21,727
Clothes	3,465	10,937	4,599
Communication	34,050	34,050	34,050
Rent	301,914	242,561	233,846
Water	28,780	28,465	22,483
Transportation	19,132	9,415	5,976
Electricity	83,063	52,653	34,254
Health	144,269	106,685	106,685
Education	46,478	46,478	43,567
Debt Repayment	188,244	169,112	169,112
Total	1,389,935	1,108,852	864,863

¹ To be updated using July CPI data when available

MEB

Item	July 2021	June 2021	September 2020
Toilet Paper	6,500	4,673	3,037
Toothbrush	12,641	10,002	4,513
Toothpaste	30,242	24,750	19,748
Laundry soap/detergent	16,650	12,881	8,310
Liquid Dishes detergent	12,325	9,167	6,712
Sanitary napkins	78,918	62,868	28,794
Individual soap	40,000	31,250	18,460
Shampoo	43,036	34,350	13,843
Diapers	170,587	123,912	62,352
Disinfectant fluid/Bleach	8,038	6,000	3,470
Blankets	53,371	27,158	13,294
Mattresses	120,893	79,369	39,943
Cooking gas	68,233	61,485	21,727
Clothes	3,465	10,937	4,599
Communication	34,050	44,050	44,050
Rent	301,914	285,625	275,363
Water	28,780	28,465	22,483
Transportation	19,132	9,415	5,976
Electricity	83,063	52,653	34,254
Health	298,731	258,821	158,498
Education	46,478	46,478	43,567
Debt Repayment	188,244	169,112	169,112
Residency payment	25,000	25,000	25,000
Total	1,671,740	1,393,420	1,108,135

Income and calculating the Transfer Value for Multi-purpose cash assistance

The transfer value for monthly MPCA is calculated using the SMEB and estimated income. In this way, MPCA is intended to cover the gap between estimated income and estimated needs.

Income estimations are derived from the VASyR. To date, no other reliable source of income has been identified. Through the VASyR, average household income is collected. This includes any income generated through work or employment by any household member in the 30 days preceding the assessment. Average monthly household income from the 2021 VASyR was found to be 518,000 LBP, compared to 262,000 LBP in 2020.

Using this value, the MPCA transfer value is estimated to be 871,935 LBP, or 45 USD (converted using the average unofficial exchange rate in July 2021).