# How to ensure Energy sector perspective in the Minimum Expenditure Basket Initiative, by Cash Working Group

ENGAGING IN MEANINGFUL MULTISECTOR PROGRAMMING WHILE BUILDING A FOUNDATION FOR BASIC NEEDS APPROACH

> Facilitated by CashCap On behalf of the CWG







# 1. WHAT IS THE MINIMUM EXPENDITURE BASKET

# What a household requires in order to meet basic needs – on a regular or seasonal basis – and its average cost.

How can the Minimum Expenditure Basket Task force (CWG) contribute to multi-sector programming and basic needs approach?

- by having a holistic and people centered reflection of need as perceived by crisis affected populations, understanding better refugee's economic capacity, consumption and expenditures to inform cash-based assistance (and identifying information and capacity gaps!)
- by providing a reference on how to estimate what households require to meet their basic needs on a regular or seasonal basis – and its average cost.
- by proposing which markets for goods and services should be included in Multi-Sector market assessments and monitoring.
- by influencing the design of multipurpose cash assistance, provided the objectives of the programme, the vulnerability of the target group and gap analysis at settlement level.
- by facilitating a consensus around what constitutes the items of the MEB and triggering a foundation for cash & markets sector-specific interventions.

Adapted from Operational Toolkit, Multipurpose Cash Grant, ERC, 2015.



# 2. THE MEB REFERENCE GUIDANCE

## **OBJECTIVE, TARGETED, AUDIENCE, PROCESS, TIMELINES**

- To build a reference guidance and calculator, which operational partners will be able to use and calculate transfer values to cover basic needs in a harmonized way at settlement level, engaging in meaningful multi sector programming.
- Provide an average MEB value to inform multipurpose cash grant and sector specific transfer values





# 3. THE MEB APPROACH

## 3. APPROACH

Gender, protection & environment



Consultation to refugees

Items are based on assessed needs and Humanitarian Standards, (Right Based Approach), being lack of income an important barrier to access them and cover the unmet needs.

Items are based on grounded evidence that needs can be covered <u>through the market</u> (when available) and costed at actual local prices (Market lens)

Solid triangulation with Expenditure Modules (when available) (Expenditure based approach)

**Gap analysis\***: The actual gap between the MEB (monthly, per capita) and the value of goods and services the household members can on average cater for themselves (expressed as the average per month and by household members), and deducting the value of any additional goods and services provided from other actors. (inform transfer value)

Dynamic process.



# 4. LINKAGES WITH MULTI SECTOR PROGRAMMING AND BASIC NEED APROACH

Household expenditures of the money obtained from selling part of the food entitlement



# UNDERSTANDING REFUGEE PERSPECTIVES ON BUILDING THE MINIMUM EXPENDITURE BASKET



# 4. HOW TO USE THE MEB REFERENCE GUIDANCE

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• Calculator

- FGD questionnaire
- References Items & Values
- Monitoring
- Recommendations



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# 4. Cash & Marketprogramming in Sphere2018



Cross cutting issues

- Gender
- Accountability to Affected population (AAP)
- Protection
- Environment

# 4. MULTI SECTOR MEB

# Access to Food



## ACCESS TO FOOD



- Review local food preferences (RIMA food consumption data)
- Establish a nutritious basket of foods <u>http://www.nutval.net/</u>

## EXPENDITURE LENS

## **CBT RECIPIENTS**



## AAP, Gender, Protection, Environment



## Markets

- Cost the nutritious basket of foods
- Market assessed in line with items of food ration
- Price collected of items of food ration
- To be discussed data collection of items defined basked, and market assessments (link with Scale up plans-WFP and partners)

AVERAGE VALUE PER MONTH PER PERSON/ AVERAGE VALUE PER MONTH PER HH: 43, 410 UGX preliminary results. Do not use it as reference yet

SECTOR SPECIFIC PROGRAMMING



REFERENCES: FSNA 2017, RIMA 2018	
RISKS:	

**KEY INDICATOR TO MONITOR** 

# Access to Energy



#### Have access to a sufficient, safe and affordable energy supply to maintain thermal comfort, prepare food and provide lighting ACCESS TO ENERGY Cooking energy /Electricity access/ HH lighting, phone charging **RIGHT BASED APPROACH** AAP, Gender, Protection, Markets **EXPENDITURE LENS** Environment Affordable fuel and household energy supply: Fuel and other Looking the access to energy • Identify costs, payments and and CTP through a GENDER energy sources are necessary local markets for access to lens, through a protection lens, for lighting, cooking, thermal Collecting market based energy and and environmental lens comfort and communication. solutions or paying for fuel or energy is a recurrent cost and must be Consult the crisis-affected energy-efficient • Promote people and host community planned accordingly cooking practices, including the about the location and means

AVERAGE VALUE PER MONTH PER PERSON/PER HH : UGX

AVERAGE VALUE ONE OFF (PER PERSON/PER HH):

preparation, fire

use of fuel-efficient stoves,

management, food preparation techniques and shared cooking...

firewood

SECTOR SPECIFIC PROGRAMMING: WHAT MARKETS BASED SOLUTIONS ARE IDENTIFIED BY THE SECTOR TO ADDRESS ACCESS TO AFFORDABLE AND HH ENERGY SUPPLY IN A SUSTAINABLE WAY?

**REFERENCES:** REFERENCES AND DOCUMENTATION

of collecting fuel to address issues of personal safety and

environmental sustainability

RISKS: WHAT ARE THE RISKS THAT POTENTIAL MARKET BASED SOLUTIONS SHOULD HAVE IN CONSIDERATION ?

#### **KEY INDICATOR TO MONITOR**

- Total expenditure in cooking fuel by different type of fuel sources (firewood, charcoal, briquettes, others)
- % of firewood sourced from the market
- Price of bundle/kg of firewood and charcoal

Have access to a sufficient, safe and affordable energy supply to maintain thermal comfort, prepare food and provide lighting

## ACCESS TO ENERGY

## Cooking energy /Electricity access/ HH lighting, phone charging

### **RIGHT BASED APPROACH**

This average daily fuelwood consumption for cooking under controlled conditions and by use of improved cook technologies (0.7 kg – 1.5 kg per person per day Endev, 2018, p.4)

Average 1,1 kg per person per day should be used in the case improved cooking technologies are in place

1,1 kg per person per day x 30 days x 143 per kg = 4719 UGX

Even though a small % is sourced in the market, it is proposed to use the proxy of the total firewood consumed provided improved techniques (RBA) x market price (opportunity cost of burden).

## **EXPENDITURE LENS**

- 12.5-15 Kg/ day is the aver. firewood used for cooking and heating for HH size (6-7)
- Weekly average consumption for (HH of 6-7)=3 Bundles •
- Weekly Average cost of fuel UGX 12,500 for cooking
- (4HH average) 2.15 kg/person/day average consumption •
- ٠ Household average spending on firewood and charcoal was reported as among households that buy their fuel source, whereas average spending on firewood was estimated at 7,928 Ugx pr. month, while for charcoal this was at 14,190 Ugx per month (Bidibidi, 2015). The median was 2000 UGX (mostly they don't buy)
- The main fuels used for lighting in households in Rhino • and Imvepi are solar and dry cells, with disposable dry cells being the most used.
- Household spend averagely UGX 1.000 and UGX 1.500 on their main fuel for lighting per week. In Bidibidi 5495 UGX lighting month. 1250 UGX per HH per week for lighting

## AAP, Gender, Protection, Environment

- Heavy burden on women and social tensions
- The burden of fuelwood collection in both settlements (95%) is entirely on women. Women make an average of four trips in one week to collect fuelwood and experience a number of constraints. They carry heavy loads of wood.
- They frequently use wood before it is dried up.
- Women and girls are exposed to multiple dangers as they walk long distances for fetching fuel-wood including assault by host communities as well as refugees.
- The shared use of natural resources overall has an impact on social relations, causing tension and conflicts between host and refugee communities.

## Markets

- A bundle/headload of firewood weighs 25-35 kg. cost UGX 3.500-UGX 5.000. Or bartered for 3cups porridge flour & 2cups beans
- Total 143 UGX per Kg
- 12-30% of refugees source it form the market (WB)
- A basin of charcoal is used for 2 day. (HH 6-8) •
- A bag of charcoal costs UGX 20,000-25,000 and Bag=6 Basins (went up to 40,000 for the ban)
- Unit of measurement to monitor: Bundle
- Bundle transform to price per kg.
- Unit of measurement to monitor: Bag of charcoal
- Unit to monitor expenditure for lighting

## AVERAGE VALUE PER MONTH PER PERSON/PER HH : 5,492UGX/38.449 UGX AVERAGE VALUE ONE OFF (PER PERSON/PER HH): 18,000 UGX per HH provided market assessment at settlement level (Solar lamp)

SECTOR SPECIFIC PROGRAMMING: The results show that the market potential exists for both improved charcoal and wood stoves in the districts. With a proper market penetration and promotion strategy, demand for the improved cook stoves can be stimulated in the communities. Given the high usage of electrochemical cells (batteries) and the low usage of grid-connected electricity in the settlements, the potential for solar technologies is high. Benefits of making vouchers more specific to environmentally sustainable goods and services. Look for opportunities to change previous food and cooking customs that may have caused environmental degradation. Consider climate change trends. Prioritize activities that provide relief in the short term and reduce crisis risk in the medium and long term (Sphere, 2018).

## REFERENCES: https://data2.unhcr.org/en/documents/details/64605

- https://data2.unhcr.org/en/documents/details/64188
- . https://data2.unhcr.org/en/documents/details/64186
- https://data2.unhcr.org/en/documents/details/64175 .
- https://data2.unhcr.org/en/documents/details/64177 .
- https://spherestandards.org/handbook-translations-preview p.196

#### RISKS

Charcoal is scarces inside the settlement (OPM ban) Charcoal used in "urban" centers and wet seasons when firewood is scarce. No Restrictions on Hosts (LG By laws not enforced)

#### **KEY INDICATOR TO MONITOR**

- Total expenditure in cooking fuel by different type of fuel sources (firewood, charcoal, briquettes, others)
- % of firewood sourced from the market
- Price of bundle/kg of firewood and charcoal

# LOOKING THROUGH AN ENVIRONMENTAL LENS



# Looking through an environmental Lens CTP



Implications and opportunities for Cash Transfer Programming in humanitarian response

Karina Blanco Ochoa, Lauren Harrison, Nicholas Lyon, & Marissa Nordentoft



WEBINAR DECEMBER 13<sup>th</sup>

TO BE CONFIRMED CWG-Shelter Cluster

Jake Zarins Habitat for Humanity International



# For further discussions during 2019..

Energy activities and cash based interventions

Cooking Energy	Household lighting, phone charging & community lighting	Electricity access
Cash to purchase fuel Cash to purchase cookstove or materials for making cookstove Possible capital provision to start business in fuel/cookstove sales/manufacture Training on efficient cooking practices	<ul> <li>Provision of cash for purchase of household lighting products (SHS, lamps etc. Mobile money/PAYG/"</li> <li>Provision of cash for phone charging / purchase of products which can charge phones</li> <li>Cash provision to start/scale up businesses providing lighting, solar home systems etc.</li> <li>Cash for work in maintenance of street lights / repair business for household solar items</li> </ul>	<ul> <li>Provision of cash to access electricity</li> <li>Provision of cash to start/scale businesses providing electricity (refugee electricity providers, private sector mini-grids etc)</li> <li>Cash for work in maintenance and operation of electricity systems</li> </ul>

Cash based intervention possible, pending limitations More evidence-based research needed to categorize as green or red

Not compatible with cash based interventions

The color coding should serve as initial guidance to be adapted to the context

# Feedback and discussions

- How can we better capture the burden cost (women collecting, time spent, etc..)
- A one page of how this process fits with the Refugee Response Plan and Energy and Environment Sector
- How can energy & environment stakeholders can build their capacity in this line
- Discussions on several layers of working together Energy & Environment and CWG.. Presentations such as i4SD where they are looking on how much a HH and institutions can afford for sustainable business model.. (expenditure lens is a link), how cash transfer programming initiatives can work together with private sector not only from the FSP side but service provider such as solar energy initiatives.. How can access to energy can be linked livelihoods? to How can delivery mechanism such as mobile money can be linked to payment fees systems in pilot to access energy.. Etc.
- How can we capture better environment associated expenditures.. Not only as a mainstreaming?
- How refugees access to energy & environment is a pillar for self reliance discussion
- How can this process work better in the involvement of the government
- How can the working group take forward the discussion on market based solution? Task force? Etc.