

**Expected Outcomes of the Survival Minimum Expenditure Basket (SMEB) Exercise**

1. Establish a Myanmar SMEB, which is the absolute minimum amount required to maintain existence and cover lifesaving needs, which could involve the deprivation of certain human rights.
2. Establish a SMEB that can inform a CWG endorsed Multi-Purpose Cash Assistance (MPCA) transfer value (refer to annex 2).

**Myanmar Cash Working Group - SMEB Methodology:**

WFP’s standard full ration in-kind food basket of rice (13.5 kg), chickpeas (1.8 kg), cooking oil (1 L), and salt (0.15 kg) per person is the basis for the SMEB calculation. The standard ration cost is calculated based on the average current market prices of those items and quantities. For this update, May 2023 prices were used. Finally, the cost of the individual food basket is multiplied by 5 (the average Myanmar household size).<sup>1</sup>

Using the SMEB food calculation as the basis, the other MEB consumption sectors are reduced by the same proportion. In complementarity with the Myanmar MEB, the other broad consumption sectors, including shelter, non-food items, and ‘other’ category, are assigned the same proportion as they were in the full MEB. Finally, the SMEB is rounded to the nearest 5,000 MMK for ease of distribution.

State	Cost of Individual full food ration (Nov2023)	Shelter (recurring not shelter building materials) 10% of SMEB	Non-Food Items (health not included) 21% of SEMB	Other 4% of SMEB	Total Cost of SMEB per individual	Cost of SMEB for a household of 5	Cost of SMEB for a household of 5. Rounded to nearest 5,000 MMK
Nationwide	41,299 K	6,354 K	13,343 K	2,542 K	63,538 K	317,688 K	<b>320,000 K</b>

**Advantages of the Proposed SMEB Methodology:**

- It provides complementarity with the MEB. It does not try to recreate the MEB and, at the same time, builds upon the work and data from the MEB.

<sup>1</sup> Note that the food portion of the MEB utilized a typical diet approach instead of the k/cal approach of the SMEB. The reason for applying a more restricted approach is to focus on energy-only needs which are typically those prioritized under the core humanitarian standards. As a result, the proposed SMEB food portion is significantly less than the MEB food amount.

- It is harmonized with WFP's calculation for food transfer values. In addition, since WFP Myanmar is the most prominent cash actor, many other partners use a similar methodology for calculating their CVA transfer values, which will allow for a clearer transition to MPCA for those that choose to do so.
- The market price monitoring system for food is already in place nationwide, and the CWG can develop state and township-level SMEBs in locations where market price monitoring of the four core food commodities is in place (refer to annex 1). This SMEB can also facilitate inflation adjustments every month depending on the needs of partners. An itemized approach for the non-food sectors, would require setting up a nationwide monitoring system for the agreed upon items, which is not in place.
- It reiterates recurring monthly expenditures, aligning with the recurrent expenditure methodology of the MEB and the data from the Myanmar Living Conditions Survey (MLCS). An Itemized approach for the non-food sectors would likely need to include one-off items. As a result, it could overemphasize the household expenditure of those sectors.
- The proposed methodology can help inform MPCA transfer values. By not placing as much emphasis on specific sectors or even items, it aligns better with the unrestricted and multi-sectoral outcomes of MPCA.

#### **Disadvantages of the Proposed SMEB Methodology**

- The SMEB methodology relies solely on food inflation for adjusting the amounts, therefore it does not account for different inflation rates between food and non-food items. This could, over time, make the SMEB less accurate as it no longer aligns with previous data on household expenditure. For example, if food prices go up faster than non-food, this could result in a higher percentage of household expenditure devoted to food than previous data suggests. Therefore, it will be essential to monitor this and adjust the SMEB/MEB calculations accordingly.
- If partners want to switch from cash to in-kind for non-food items, there is not a clear itemized calculation. Therefore, partners will have to decide themselves which items to provide and how much that will cost.
- The proposed SMEB switches the MEB food basket calculation from a typical diverse food basket, to one that meets k/cal needs. If the other consumption sectors are proportionally reduced by the same amount as food, it is unclear whether the non-food sectors can still meet survival needs.

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## Annex 1: State Level SMEBs

State	Cost of Individual full food ration (Nov 2023) 65% of SMEB	Shelter (recurring not shelter building materials) 10% of SMEB	Non-Food Items including WASH (health not included) 21% of SEMB	Other 4% of SMEB	Total Cost of SMEB per individual	Cost of SMEB for a household of 5	Cost of SMEB for a household of 5 Rounded to nearest 5,000 MMK
Chin	45,275 K	6,965 K	14,627 K	2,786 K	69,655 K	348,273 K	<b>350,000 K</b>
Kachin	47,353 K	7,285 K	15,299 K	2,914 K	72,850 K	364,251 K	<b>365,000 K</b>
Kayah*	42,139 K	6,483 K	13,614 K	2,593 K	64,829 K	324,145 K	<b>325,000 K</b>
Kayin	39,336 K	6,052 K	12,708 K	2,421 K	60,516 K	302,582 K	<b>305,000 K</b>
Magway	38,803 K	5,970 K	12,536 K	2,388 K	59,697 K	298,485 K	<b>300,000 K</b>
Mandalay	39,099 K	6,015 K	12,632 K	2,406 K	60,153 K	300,765 K	<b>300,000 K</b>
Mon	34,629 K	5,328 K	11,188 K	2,131 K	53,275 K	266,377 K	<b>265,000 K</b>
Rakhine	36,746 K	5,653 K	11,872 K	2,261 K	56,533 K	282,663 K	<b>285,000 K</b>
Sagaing North	52,014 K	8,002 K	16,804 K	3,201 K	80,021 K	400,105 K	<b>400,000 K</b>
Sagaing South/Central	43,025 K	6,619 K	13,901 K	2,648 K	66,193 K	330,965 K	<b>330,000 K</b>
Shan (North)	49,818 K	7,664 K	16,095 K	3,066 K	76,643 K	383,213 K	<b>385,000 K</b>
Shan (South)	42,139 K	6,483 K	13,614 K	2,593 K	64,829 K	324,145 K	<b>325,000 K</b>
Thanintharyi	34,110 K	5,248 K	11,020 K	2,099 K	52,478 K	262,388 K	<b>260,000 K</b>
Yangon	33,706 K	5,186 K	10,890 K	2,074 K	51,855 K	259,275 K	<b>260,000 K</b>

\*\*Shan South prices used as a proxy as November 2023 data could not be collected due to insecurity

Market prices vary between states and regions. The state level SMEBs allow for implementing organizations to better adapt their transfer values based on current market prices. More detailed calculations for each state's food basket can be found in the excel calculations sheet.

## Annex 2: Multipurpose Cash Transfer Value Recommendations

Both the SMEB and MEB are tools for developing transfer values. There are also different methods for calculating transfer values using the MEB, which are explained comprehensively in the MEB technical note.<sup>2</sup> However humanitarian partners implementing cash activities in Myanmar often have different transfer values, even in similar geographic areas with similar beneficiary types. The recommendation from the CWG to implementing partners is to align transfer values where feasible and appropriate. The SMEB helps move towards a standard Multi-Purpose Cash Assistance (MPCA) transfer value overcoming some of the issues faced by the MEB.

**The State Level SMEB calculations in Annex 1 provides an appropriate transfer value in contexts where the capacity of HHs to meet their needs is severely constrained and is the Myanmar CWG recommended MPCA transfer value. All proposals with MPCA should align with the CWG recommended transfer values in Annex 1.**

In some areas partners may agree to provide only a fraction of the SMEB, or may provide more. These approaches should only be used when data has been collected indicating that program beneficiaries need more or less of the SMEB to meet their basic needs. This should also be agreed upon by all partners providing MPCA in each township to avoid any conflict and confusion amongst communities receiving assistance. Furthermore, the CWG will work to track more closely the MPCA transfer values of different partners across Myanmar as well as household expenditure data, and will adapt this annex, if necessary, based on the data available.

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<sup>2</sup>[http://themimu.info/sites/themimu.info/files/documents/Summary\\_Myanmar\\_Minimum\\_Expenditure\\_Basket\\_MEB\\_Technical\\_Note\\_CWG\\_24Sep2021.docx](http://themimu.info/sites/themimu.info/files/documents/Summary_Myanmar_Minimum_Expenditure_Basket_MEB_Technical_Note_CWG_24Sep2021.docx)

### Annex 3: SMEB FAQ

- **Why are specific non-food items and sectors left out of the SMEB?** Identifying items or even sectors is less important since program participants have the agency to make purchasing decisions themselves. More important is that there is a justifiable overall survival cost based on household expenditure data. We feel confident that the amount endorsed by the CWG aligns well with meeting the survival needs of people in need.
- **Why not include a more nutritious food basket? Don't we want to meet nutrition outcomes?** The MEB calculates the cost of a diverse and more nutritious food basket based on a typical diet. However, there are issues with including more nutritious food into the basket. One is that humanitarian resources are insufficient to cover that type of food basket given the needs. Secondly, it does not align with what WFP is providing either in-kind or via its calculation of their food cash transfer values. Thirdly, a more diverse SMEB basket requires regular market price monitoring of all those items included in the calculation, which is not practical in the current context. Lastly, while MPCA may improve nutrition outcomes, there are other more targeted interventions that would likely have a more direct impact on nutrition outcomes. Including these nutritious food items in the SMEB may present a misconception that the MPCA transfer meets nutrition needs.
- **Why was health not included in the SMEB calculation?** Health was excluded because recurrent health expenditures are difficult to determine and calculate, although it is acknowledged that health often makes up a significant portion of household monthly expenditure in Myanmar.
- **Why do we need to continue monitoring non-food items?** Each sector makes up a certain percentage of the MEB. The CWG should continue to monitor and collect additional data to see how well the MEB sectoral proportions hold up in the face of a changing household economic situation.
- **Why is the CWG using an average household size of 5?** During the MEB consultations with the CWG it was agreed to use an average household size of 5. The MEB is calculated based on a household size of 5 using adult equivalency which accounts for economies of scale in the assistance. Therefore, the SMEB and household MPCA transfer values should keep the average household size at 5 as well. If partners want to create transfer values based on the actual household size of their programs, they can simply take the individual SMEB amount, then multiply that value by the number of individuals in the recipient household.
- **Will the SMEB be contextualized to different geographies?** The SMEB can easily be adjusted based on geographic price differences with the current methodology, and it does not require the CWG to monitor every NFI item across all states. (refer to annex 1).
- **How should beneficiary vulnerability influence the SMEB amount?** Beneficiary vulnerability varies between geographies and populations across Myanmar. However, for the SMEB, it is calculated to meet a basic level of household needs regardless of each households' capacity to meet those needs on their own, with outside support, or

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through coping mechanisms. Vulnerability should be considered when developing transfer values and deciding how much of the MEB or SMEB to provide.

- **How often is the SMEB updated?** The SMEB is planned to be updated every 6 months, unless conditions require a more frequent update due to significant market price increases. The CWG will monitor this in consultation with implementing partners.

**Annex 4: MEB Resources**

- Link to MEB Technical Note:  
[http://themimu.info/sites/themimu.info/files/documents/Summary\\_Myanmar\\_Minimum\\_Expenditure\\_Basket\\_MEB\\_Technical\\_Note\\_CWG\\_24Sep2021.docx](http://themimu.info/sites/themimu.info/files/documents/Summary_Myanmar_Minimum_Expenditure_Basket_MEB_Technical_Note_CWG_24Sep2021.docx)
- Link to MEB Calculation Sheet  
[http://themimu.info/sites/themimu.info/files/documents/Template\\_Myanmar\\_Minimum\\_Expenditure\\_Basket\\_MEB\\_Calculation\\_CWG\\_24Sep2021.xlsx](http://themimu.info/sites/themimu.info/files/documents/Template_Myanmar_Minimum_Expenditure_Basket_MEB_Calculation_CWG_24Sep2021.xlsx)
- Link to WFP Market Price Monitoring Dashboard  
[https://analytics.wfp.org/t/Public/views/MarketMonitoringDashboardv2/Overview\\_?%3AshowAppBanner=false&%3Adisplay\\_count=n&%3AshowVizHome=n&%3Aorigin=viz\\_share\\_link&%3AisGuestRedirectFromVizportal=y&%3Aembed=y](https://analytics.wfp.org/t/Public/views/MarketMonitoringDashboardv2/Overview_?%3AshowAppBanner=false&%3Adisplay_count=n&%3AshowVizHome=n&%3Aorigin=viz_share_link&%3AisGuestRedirectFromVizportal=y&%3Aembed=y)
- Link to Market Analysis Unit Dashboard  
<https://themimu.info/market-analysis-unit>