**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 2024 prices were used. Finally, the cost of the individual food basket is multiplied by 5 (the average Myanmar household size).[[1]](#footnote-2)

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 remaining consumption sectors are assigned the same proportion as they were in the full MEB (35%). Finally, the SMEB is rounded to the nearest 5,000 MMK for ease of distribution.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **State** | **Cost of Individual full food ration (Nov 2023)** | **Non-Food Items and Services (35%)10% of SMEB** | **Total Cost of SMEB per individual** | **Cost of SMEB for a household of 5** | **Rounded to nearest 5,000 MMK** |
| Nationwide Average | 48,409 MMK | 26,066 MMK | 74,475 MMK | 372,376 MMK | **370,000 MMK** |

**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.
* 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.

**Annex 1: State Level SMEBs**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **State** | **Cost of Individual full food ration (May 2024) 65% of SMEB** | **Non-Food Items and Services (35%)** | **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 | 47,849 K | 25,765 K | 73,614 K | 368,068 K | **370,000 K** |
| Kachin | 52,182 K | 28,098 K | 80,280 K | 401,398 K | **400,000 K** |
| Southeast | 43,192 K | 23,257 K | 66,449 K | 332,247 K | **330,000 K** |
| Magway | 44,801 K | 24,124 K | 68,924 K | 344,622 K | **345,000 K** |
| Mandalay | 47,911 K | 25,798 K | 73,709 K | 368,546 K | **370,000 K** |
| Rakhine | 53,729 K | 28,931 K | 82,660 K | 413,298 K | **415,000 K** |
| Sagaing  | 53,176 K | 28,633 K | 81,809 K | 409,043 K | **410,000 K** |
| Shan  | 53,285 K | 28,692 K | 81,977 K | 409,884 K | **410,000 K** |
| Yangon | 39,556 K | 21,299 K | 60,856 K | 304,278 K | **305,000 K** |

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: 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>
* Link to MEB Calculation Sheet <http://themimu.info/sites/themimu.info/files/documents/Template_Myanmar_Minimum_Expenditure_Basket_MEB_Calculation_CWG_24Sep2021.xlsx>
* Link to WFP Market Price Monitoring Dashboad

<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>

1. 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. [↑](#footnote-ref-2)