

**Quarterly financial and investment performance  
report for the private sector partnerships  
and fundraising strategy**

**Third quarter 2021: July–September 2021**



**World Food Programme**

**Rome, Italy**

## Summary report

1. **Update on reporting to the Executive Board:** Throughout 2021, the Executive Board has received quarterly reports on the financial and investment performance of WFP's private sector partnerships and fundraising (PSPF) strategy for 2020–2025, in addition to the 2020 annual report and a mid-year narrative report for 2021 on progress under the three pillars of the strategy: impact, income and innovation. These quarterly financial reports are intended to constitute regular detailed updates on the status of income-generating activities linked to the Executive Board-approved investment that has been to increase fundraising from individuals, as outlined in the PSPF strategy. The mid-year and year-end narrative reports will continue to contain the detailed financial report in an annex.
2. To provide additional detail on progress made in certain areas of the PSPF strategy, informal sessions for the Executive Board have been held throughout the year. On 8 July, PPF hosted an informal session on "high-impact partnerships that are fit for the field and fit for WFP programmes", which was a deep dive into activities under pillar 1: impact. On 2 November 2021, PPF will host an informal session on WFP's programme of fundraising from individuals, which will be held virtually in order to facilitate attendance given the ongoing COVID-19 pandemic. This financial report for the third quarter (Q3) of 2021 serves as background reading for the 2 November informal session.
3. **Summary of third quarter 2021 financial performance:** As the second year of implementation of the PSPF strategy draws to a close, WFP remains on track to achieve its fundraising goals for 2021, through income from individuals and from partnerships with businesses and philanthropic foundations.
4. **By the end of Q3 2021 USD 425.1 million had been raised, and the 2021 full-year forecast was revised upwards to USD 475 million,** a significant increase from the original 2021 income target of USD 147.5million. The USD 425.1 million includes an unforeseen contribution of USD 288.4million from the Famine Relief Fund for programmes in Yemen, details of which were provided in the 2021 mid-year progress report. With this contribution for Yemen, private sector donors are currently the third largest contributor to WFP in 2021. Excluding this contribution, WFP expects to raise USD 187 million from the private sector in 2021, which is 26 percent above the original 2021 income target.
5. The growth in WFP fundraising from the private sector is consistent with the experience of peer organizations. According to a sector-wide comparison of income raised in the first half of 2021 compared to the first half of 2020 published by the International Fundraising Leadership Forum (ILF Forum) in October 2021, contributions from the private sector to United Nations agencies and international non-governmental organizations have increased by 8.5 percent year on year. Income from corporations has risen by 25.8 percent, from individuals by 9.5 percent and from foundations by 4.5 percent. The report is based on a subset of seven ILF member organizations covering 25 countries in five regions, including the Office of the United Nations High Commissioner for Refugees and the United Nations Children's Fund.
6. Approaching the final quarter of 2021, **WFP continues to exceed the key performance indicators (KPIs) for the Executive Board approved investments aimed at recruiting individual supporters to provide long-term sustainable income.** As noted in the 2021 mid-year report, WFP has reached a milestone because it is now possible to assess the performance of the majority of new supporters recruited in 2020 and the value of their donations to WFP. **At the end of Q3 2021, the 2020 cohort of supporters recruited by the Share the Meal (STM) team and the headquarters-based individual giving team in 2020**

had donated USD 26.8 million.<sup>1</sup> The total investment funds used to acquire these supporters was USD 8.89 million in 2020; these donations therefore provided a return on advertising spend (ROAS) of 3.02. As many supporters recruited in 2020 will continue to donate throughout 2021, the ROAS will have grown further by the end of the year, and it is projected that for the 24 months of 2020 and 2021 it will be 3.68. This means that these supporters are on track to deliver higher income than projected and to exceed the PSPF strategy ROAS targets of 1.7 after 12 months and 2.9 after 24 months.

7. **The individual giving and STM teams in the Private Partnerships and Fundraising Division (PPF) have recruited 293,626 new supporters in 2021 with the investments expended by the end of Q3. The projected 12 month ROAS from these supporters is 1.84, which continues to exceed the target of 1.7.**
8. WFP responded to a number of sudden-onset emergencies in Q3 2021. Working closely with the Communications, Advocacy and Marketing Division (CAM) and colleagues in regional bureaux and country offices to ensure a rapid response, the programme for raising funds from individuals communicated WFP's needs to the public, raising awareness of and funding for emergency operations in **Afghanistan, Haiti and Madagascar**, among others.
9. STM continued to explore innovative approaches to increasing its user base such as through the ongoing partnership with the company DeliveryHero. In Q3, **more than 18,000 DeliveryHero users from eight countries added donations to STM** when placing DeliveryHero food delivery orders, generating USD 30,000 for WFP. Users were from countries including Austria, Hungary, Myanmar, Romania and Sweden, and some donated more than once. STM is exploring ways to expand this partnership, such as by working with the DeliveryHero brand "foodpanda" in Germany.
10. In July 2021, 18 months into the implementation of the PSPF strategy, WFP embarked on a short-term project with the Boston Consulting Group (BCG) entitled **"Reimagine Fundraising from Individuals"**. The project involves a specialized team from BCG Digital Ventures and the members of the BCG leadership who supported the development of the PSPF strategy itself in 2018 and 2019, showing the continuity of BCG's support for this area of work. This collaboration is a timely opportunity to build on the success of the individual giving and STM teams and the critical corporate initiative (CCI) investments made in 2020 and 2021 to continue progress towards securing USD 170 million or more in sustainable annual revenue from individuals by 2025, as set out in the PSPF strategy. Working with teams in WFP, BCG has evaluated progress made in relation to the strategy and has examined how to optimize and identify efficiencies for the programme of fundraising from individuals, given the recent integration of the STM team into PPF. The BCG team has also been encouraged to be ambitious in its efforts to help WFP meet the funding gap with income from individuals. This is an opportunity to identify any areas that require course correction. One early insight is that there is a need **for all teams working on raising funds from individuals to focus more on recruiting and retaining regular givers**, because these are the supporters who will make the fundraising programme sustainable. The final outcomes of the project will be shared in the 2021 year-end narrative report for the Executive Board.
11. Established in the first half of 2021, **the Individual Fundraising Advisory Group held its first meeting in July**. The group is chaired by the PPF Director and includes the Assistant Executive Director, Partnerships and Advocacy Department; the Assistant Executive Director, Programme and Policy Development Department; and senior leaders from CAM, the Innovation and Knowledge Management Division, programmes, regional bureaux and

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<sup>1</sup> "The 2020 cohort" refers to all supporters acquired in 2020 who continue to make regular donations to WFP. Year-to-date income for 2021 includes cumulative income as of Q3 2021 from the 2020 cohort and other supporters who may have started giving in 2021.

country offices. The group was established to provide governance related to WFP’s goals, which includes developing a financially sustainable programme of fundraising from individuals; introducing innovation in supporter engagement; and delivering a quantum leap in funding to WFP, with a focus on unrestricted income. During the first meeting, discussion centred on the BCG project entitled “Reimagine Fundraising from Individuals” and the parameters for a proposal for allocating unrestricted income to WFP country offices and operations in the light of the growing funds generated through the fundraising programme.

## Financial report on income and investment returns for 2021

12. This section covers results achieved in Q3 2021 and provides a summary of the 2021 year-to-date results compared to the income and KPI projections for the whole of 2021.

### a) Q3 2021 income report

13. Figure 1 summarizes the income received from January to September 2021 compared with the planned income forecast for 2021. **Registered contributions at the end of Q3 2021 totalled USD 425.1 million, compared with the latest full-year income forecast of USD 475 million.** This summary reflects income generated from all global, regional and country office teams as well as friends organizations. It includes financial contributions from corporations, foundations and individuals.

**Figure 1: Year-to-date income report for 2021 (USD million)**

Income stream*	Income year-to-date (01.01.2021–30.09.2021)	2021 forecast for full-year income**
Corporations	54	72
Foundations	303.6	317
Individuals	67.5	86
<b>Total</b>	<b>425.1</b>	<b>475</b>

\* Income from friends’ organizations is included in totals for individual supporters, corporations and foundations.

\*\* The target forecast is calculated as follows: high probability + medium probability + 30 percent of low probability.

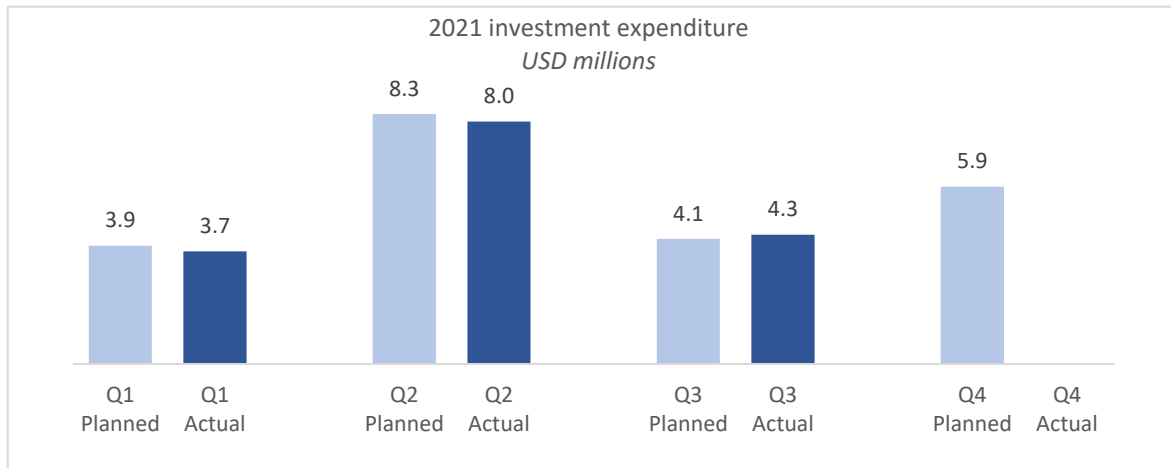
### b) Investment allocation report

14. The initial allocation of the CCI investment of USD 22.15 million in 2021 is summarized in figure 2. The phases are based on investment performance, and actual expenditure in Q3 2021 is shown compared to planned expenditure. The investment has been allocated to the STM and individual giving teams in PPF as well as to the Japan Association for WFP (JAWFP) and WFP USA in order to maximize the investment opportunity and returns and mitigate risk.<sup>2</sup>

15. In Q3, actual expenditure was USD 4.3 million compared to the planned expenditure of USD 4.1 million due to the success of the Madagascar appeal following the Executive Director’s mission, which took place mid-year.

<sup>2</sup> The 2021 quarterly reports will provide updates on the return on the investments for the STM and individual giving teams; the results of friends’ organization efforts will be reported at the end of the year.

**Figure 2: Planned and actual allocation of CCI investment in individual giving in 2021 (total USD 22.1 million)**



**c) Return on investment report for Share the Meal and individual giving**

16. **By the end of Q3 2021, together the individual giving and STM teams had invested USD 11.6 million and generated income of USD 14.2 million from these investments.**<sup>3</sup> The Executive Board-approved investment is contingent upon various KPIs, and the key measure of success is performance over a 12-month period. By this measure, the teams continue to achieve the projected 12-month ROAS of 1.84, exceeding the target of 1.7 for all teams, channels and countries.
17. Figure 3 shows the actual results of the funds raised by Q3 2021 that derive from the investment in new supporter acquisition by the individual giving and STM teams compared to the planned results (which are based on the KPIs outlined in the PSPF strategy). If the investments are to perform at the required level, they need to achieve at least 80 percent of each target summarized in the KPIs. The results show that **WFP continues to exceed the leading KPI – the 12-month projected ROAS.**
18. Following the early insights afforded by the BCG review described above, there is renewed emphasis on recruiting and retaining a higher proportion and absolute number of regular givers who donate every month. Regular givers are important because they are the supporters who will have the highest value for WFP over the long term. At the time of writing, the individual giving and STM teams are both focusing on increasing the proportion and the total number of new regular givers at the point of acquisition of new supporters. They will monitor the impact that this may have on underlying metrics including the average donation, the blended average cost of acquiring a new supporter (see paragraph 19) and the percentage of new regular givers retained. This will inform the plans and activity of both teams in 2021 as they seek to increase the total number of regular givers to WFP and meet the requirement of achieving at least 80 percent of each KPI.

<sup>3</sup> Refers only to supporters acquired in 2021.

19. Figure 3 shows the blended average cost of acquiring (cost per acquisition, CPA) a new supporter. It is not possible to accurately attribute costs directly to recruiting either one time or regular supporters because teams are recruiting both supporter types through the same appeals and paid advertising through digital channels. Therefore, a blended average is being used to track the CPA. **The teams are recruiting new supporters in 2021 at a cost of USD 39.4, which continues to be significantly less than the planned USD 46.**

**Figure 3: Q3 2021 year-to-date results from investment in new supporter acquisition (STM and individual giving only)**

	Planned KPI targets vs actual results		% of 2021 target
	2021 planned	Year-to-date 2021 actual (as at end of Q3)	
ROAS (projected 12 month)	1.7	1.84	108
Average donation at POA – regular (USD)	16	22.36	140
Average donation at POA – one-off (USD)	50	31.58	63
Blended CPA (USD)	46	39.4	86

*POA = point of acquisition, time at which new supporters are acquired.*

**d) Summary of the countries of origin of current and new individuals supporting WFP through STM and individual giving**

20. By the end of Q3, almost 547,361 people had made donations to WFP in 2021; 330,220 of this number were new supporters.<sup>4</sup> The individual giving and STM teams both raise funds across multiple markets. **In 2021 they have so far recorded donations from 241 countries, territories or areas of geographic interest** (those assigned International Organization for Standardization codes). This broad geographic spread demonstrates the wide appeal of WFP’s mandate and work. **It provides further validation of the adoption of a global digital-led supporter engagement strategy that enables WFP to operate in a far more agile manner than do traditional fundraising models.**
21. Figure 4a shows the number of supporters who in 2021 made donations to WFP through the individual giving and STM programmes from the 39 countries of origin that account for 85 percent of all such supporters. This includes all countries with more than 3,000 supporters donating in 2021. Figure 4b shows the number of individual supporters of WFP who made their first-time donations in 2021 from the 26 countries of origin that account for 76 percent of all such supporters. All countries where WFP recruited more than 3,000 new supporters are included. This is a combination of the supporters recruited thanks to paid advertising and people who came to WFP on their own, for example after searching on the internet.

<sup>4</sup> Note that STM is promoted in Japan and the United States of America; however, the individual giving team does not do paid advertising in either country because this is managed by the friends organizations JAWFP and WFP USA. All potential new supporters who visit wfp.org from Japan or through WFP USA are redirected to the JAWFP and WFP USA websites. From 1 September 2021 the individual giving and STM teams have recommenced paid advertising to recruit new supporters in the United Kingdom of Great Britain and Northern Ireland.

**Figure 4a: Number of individual supporters contributing to WFP through the individual giving and STM programmes in 2021, by country of origin, 2021 (year to date)**

<b>Country</b>	<b>Individual giving</b>	<b>STM</b>	<b>Total</b>
Germany	14 269	51 880	66 149
United Kingdom of Great Britain and Northern Ireland	9 217	36 130	45 347
France	10 505	33 677	44 182
Canada	18 432	10 246	28 678
United States of America	273	24 414	24 687
United Arab Emirates	4 586	17 616	22 202
Singapore	5 084	16 424	21 508
Australia	14 379	7 071	21 450
Saudi Arabia	708	15 485	16 193
Romania	2 206	8 716	10 922
India	7 245	3 409	10 654
Italy	429	10 201	10 630
Portugal	3 573	6 202	9 775
Switzerland	3 570	5 897	9 467
Netherlands	4 948	4 357	9 305
Sweden	3 957	5 097	9 054
Austria	2 643	6 332	8 975
Ireland	6 419	2 301	8 720
Oman	340	6 059	6 399
Norway	2 711	3 643	6 354
Belgium	2 827	3 448	6 275
Malaysia	1 668	4 111	5 779
Russian Federation	1 034	4 537	5 571
Ukraine	741	4 234	4 975
Mexico	2 451	1 989	4 440
Spain	3 138	1 294	4 432
New Zealand	2 483	1 912	4 395
Denmark	1 538	2 783	4 321
Philippines	1 939	2 126	4 065
Greece	2 097	1 785	3 882
Czechia	989	2 835	3 824
Turkey	1 439	2 249	3 688
Finland	1 529	2 155	3 684
Egypt	667	2 928	3 595

Country	Individual giving	STM	Total
Japan	4	3 222	3 226
Hungary	1 030	2 191	3 221
Poland	947	2 242	3 189
Israel	1 196	1 981	3 177
<b>Total</b>	<b>143 211</b>	<b>323 179</b>	<b>466 390</b>

**Figure 4b: Number of individual WFP supporters making their first donations in 2021, by country of origin (year to date)**

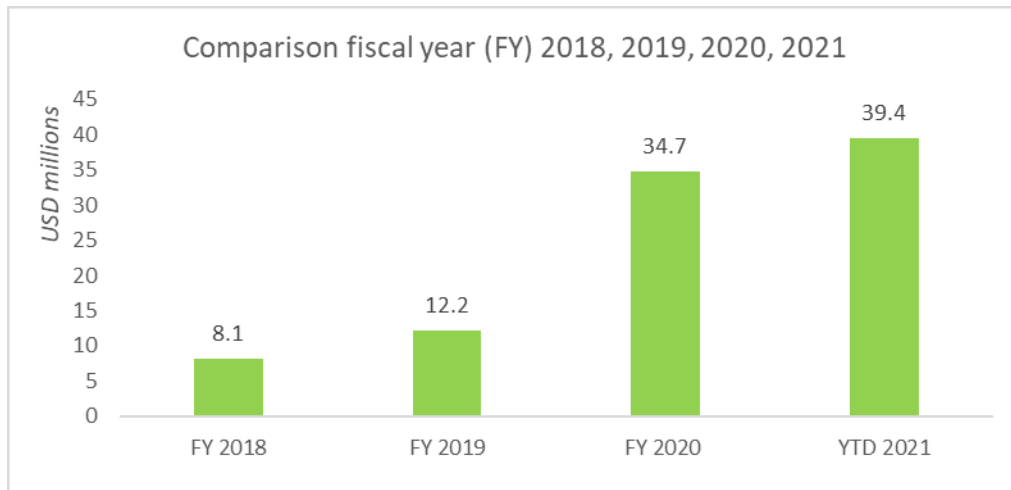
Country	Individual giving	STM	Total
Germany	12 428	23 317	35 745
France	9 079	16 156	25 235
United Kingdom of Great Britain and Northern Ireland	6 656	16 433	23 089
Canada	13 666	5 222	18 888
Australia	11 771	4 528	16 299
United States of America	108	14 893	15 001
United Arab Emirates	3 518	9 647	13 165
Singapore	3 762	8 625	12 387
Saudi Arabia	541	10 840	11 381
India	6 402	966	7 368
Italy	315	6 159	6 474
Romania	1 544	4 813	6 357
Netherlands	3 734	2 522	6 256
Ireland	5 109	1 054	6 163
Switzerland	2 788	3 310	6 098
Austria	2 194	3 848	6 042
Portugal	2 447	3 592	6 039
Sweden	3 246	2 705	5 951
Belgium	2 159	1 846	4 005
Norway	2 098	1 897	3 995
New Zealand	2 056	1 537	3 593
Ukraine	576	2 761	3 337
Malaysia	1 049	2 287	3 336
Oman	275	2 820	3 095
Mexico	1 783	1 223	3 006
<b>Total</b>	<b>99 304</b>	<b>153 001</b>	<b>252 305</b>



e) **Income report and comparison of year-on-year income growth for STM and individual giving**

22. Figure 5 shows income for 2021 compared with performance in 2020, 2019 and 2018.

**Figure 5: Total income from individuals (STM and individual giving) in 2018, 2019, 2020 and year-to-date 2021**



23. By the end of Q3 2021, the individual giving and STM teams in PPF had together raised USD 39.4 million, **113.5 percent of the total raised by both teams in 2020**. With increased investments in 2020, STM more than doubled income in 2020 compared to the total raised in 2019 (USD 23.5 million in 2020, compared to USD 8.5 million in 2019). The year-to-date income from STM supporters in 2021 is USD 22.8 million. The individual giving team more than tripled its income, raising USD 11.2 million in 2020 compared to USD 3.7 million in 2019. The year-to-date income from individual giving supporters in 2021 is USD 16.6 million.

## Acronyms

BCG	Boston Consulting Group
CAM	Communications, Advocacy and Marketing Division
CCI	critical corporate initiative
CPA	cost per acquisition
JAWFP	Japan Association for WFP
KPI	key performance indicators
PPF	Private Sector Partnerships and Fundraising Division
PSPF	private sector partnerships and fundraising
Q3	third quarter
ROAS	return on advertising spend
STM	Share the Meal