

ANNEX III-D: EXPENDITURE PER BENEFICIARY ANALYSIS¹

Definitions and methodology

1. The expenditure per beneficiary indicator measures the average cost of delivering assistance to a tier 1 beneficiary. Tier 1 beneficiaries are individuals who benefit from food or cash-based transfers (CBTs) from WFP that are aimed at improving their food security or nutrition status.
2. The two metrics developed for this indicator show the daily expenditure and the annual expenditure per beneficiary. The daily expenditure per beneficiary is calculated by dividing the total expenditure by the total number of daily transfers corresponding to that expenditure. The total number of daily transfers is calculated by multiplying the number of days for which assistance is provided by the number of beneficiaries, as recorded in distribution reports. Annual expenditure per beneficiary is calculated by dividing the total annual expenditure by the total number of beneficiaries receiving assistance through one or more WFP programmes over the course of the year. A longer duration of assistance may increase the annual expenditure per beneficiary without affecting the daily expenditure, while a ration cut affects both the daily and the annual expenditures per beneficiary.

Results for 2022

3. Actual expenditures per beneficiary recorded in 2022 exceeded the planned expenditures per beneficiary, as shown in table 1. Between 2021 – when the planned expenditures per beneficiary under the WFP management plan for 2022–2024 were estimated – and the end of 2022, significant increases in food and fuel prices led to increases in WFP’s procurement costs and higher retail prices led WFP to increase the CBT transfer value to maintain the purchasing power of CBT beneficiaries. This evolution was reflected in the budget revisions that have been made since the adoption of the management plan for 2022–2024. More information on the key drivers of inflation can be found in paragraph 6 of this annex.

TABLE 1: DAILY PLANNED AND ACTUAL EXPENDITURES PER BENEFICIARY		
Modality	Planned*	Actual
Food	0.34	0.36
CBTs and commodity vouchers	0.46	0.52
All modalities	0.38	0.41

* From “WFP management plan (2022–2024)” (WFP/EB.2/2021/5-A/1/Rev.1), table III.7.

¹ WFP’s expenditures per beneficiary refer to the amounts of money spent by WFP on everyone who receives assistance. Expenditures per beneficiary are considered a cost, but from a broader perspective that takes into account the social and economic benefits of WFP programmes, expenditures per beneficiary could be seen as investments. By providing food assistance to those in need, WFP helps to reduce hunger, malnutrition and food insecurity, which has a range of positive impacts on individuals, households and communities.

TABLE 2: DAILY AVERAGE EXPENDITURES PER BENEFICIARY FOR FOOD TRANSFERS, CASH-BASED TRANSFERS AND COMMODITY VOUCHERS								
Programme area*	Food		CBTs		Commodity vouchers		All modalities	
	Number of daily transfers	Daily expenditure per beneficiary (USD)	Number of daily transfers	Daily expenditure per beneficiary (USD)	Number of daily transfers	Daily expenditure per beneficiary (USD)	Number of daily transfers	Daily expenditure per beneficiary (USD)
Community and household asset creation	294 566 880	0.52	410 790 842	0.62	4 584 840	0.65	709 942 562	0.58
Action to protect against climate shocks	2 048 300	0.53	86 577 686	0.31	203 250	0.78	88 829 236	0.31
Emergency preparedness and early action	8 894 075	0.58	66 820 485	0.37			75 714 560	0.39
Malnutrition prevention programmes	1 392 316 073	0.26	97 175 501	0.69	52 590	0.58	1 489 544 164	0.29
School-based programmes	1 841 213 885	0.19	271 513 713	0.30	109 072 734	0.25	2 221 800 332	0.20
Malnutrition treatment programme	1 243 450 202	0.45	4 632 205	0.69			1 248 082 407	0.45
Unconditional resource transfers	11 980 704 315	0.38	6 189 191 444	0.55	662 504 029	0.35	18 832 399 788	0.44
Total	16 763 193 730	0.36	7 126 701 876	0.54	776 417 443	0.34	24 666 313 049	0.41

* Smallholder agriculture market support activities do not appear in this table because they are based mainly on capacity strengthening, for which there are no direct food, cash-based or commodity voucher transfers.

Programme area	Food		CBTs		Commodity vouchers		All modalities	
	Number of beneficiaries	Annual expenditure per beneficiary (USD)	Number of beneficiaries	Annual expenditure per beneficiary (USD)	Number of beneficiaries	Annual expenditure per beneficiary (USD)	Number of beneficiaries	Annual expenditure per beneficiary (USD)
Community and household asset creation	3 769 750	41	5 756 698	46	133 768	22	9 660 216	43
Action to protect against climate shocks	30 749	35	1 379 023	20	6 775	23	1 416 547	21
Emergency preparedness and early action	70 703	73	516 542	47			587 245	50
Malnutrition prevention programmes	12 752 394	28	532 262	123	337	90	13 284 993	32
School-based programmes	19 388 154	18	2 775 737	27	1 243 181	22	23 407 072	19
Malnutrition treatment programmes	14 174 123	39	70 907	45			14 245 030	39
Unconditional resource transfers	73 319 103	62	41 075 971	82	5 675 600	42	120 070 674	68
Total*	123 504 976	48	52 107 140	74	7 059 661	38	182 671 777	55

* The totals displayed in this row include overlaps that occurred when a single beneficiary received assistance through more than one WFP programme or transfer modality. In 2022, WFP provided assistance to 160 million beneficiaries, some of whom were reached through multiple programmes in various programme areas.

Analysis and interpretation

4. In 2022, WFP's total expenditures increased by 34 percent compared with 2021, from USD 8.6 billion to USD 11.6 billion, while the number of beneficiaries increased by 25 percent, from 128 million to 160 million. As such, the annual expenditure per beneficiary increased by 5 percent, from USD 53 in 2021 to USD 55 in 2022, while the expenditure per beneficiary per assistance day (or daily expenditure per beneficiary) increased by 8 percent, from USD 0.38 to USD 0.41. The variation in those key indicators is shown in table 4.

TABLE 4: VARIATIONS IN BENEFICIARY NUMBERS, TOTAL EXPENDITURES AND DAILY EXPENDITURE PER BENEFICIARY, 2021-2022		
Indicator	2021 value	2022 value
Total beneficiaries	128 million	160 million
Total expenditures	USD 8.6 billion	USD 11.6 billion
Daily expenditure per beneficiary	USD 0.38	USD 0.41

5. The record increase in the number of beneficiaries was not matched by a substantial increase in the volume of food distributed. Between 2021 and 2022, the number of beneficiaries receiving food increased by 22 percent, from 88.7 million to 107.8 million, but the volume of food increased by only 8 percent, from 4.4 million mt to 4.8 million mt. The number of CBT beneficiaries increased by 32 percent, from 37.2 million to 49.0 million, and the number of commodity voucher beneficiaries increased by 46 percent, from 4.6 million to 6.7 million. The amount of CBTs and commodity vouchers distributed over the same period increased in a similar proportion, at 40 percent, from USD 2.3 billion in 2021 to USD 3.3 billion in 2022.
6. Global food and fuel prices continued to soar in 2022. The Food Price Index of the Food and Agriculture Organization of the United Nations increased by 14 percent between January 2022 and June 2022, and then declined during the second half of the year to reach approximately the same level in December 2022 as in January.² Over the same period, the World Bank reported a 39 percent increase in the average price of crude oil between January 2022 and June 2022, followed by a decline over the second half of the year.³ As a result, while WFP's 2022 expenditures increased compared with 2021, the increase was due largely to inflation and was not related to an increase in rations or the duration of assistance, and as CBT values increased, CBT recipients' purchasing power was undercut by inflation.
7. The percentage increase in the daily value of WFP's assistance between 2021 and 2022 was lower than the inflation rate witnessed over the same period, which led in some instances to reductions in entitlements aimed at ensuring that as many beneficiaries as possible could be assisted. This illustrates the trade-off between the number of beneficiaries and the transfer size that results from an increase in humanitarian needs. Table 5 presents the daily values of assistance for the five largest WFP programme areas. Activities in the remaining programme areas are implemented primarily through the modalities of capacity strengthening and service

² Food and Agriculture Organization of the United Nations. 2022. [FAO Food Price Index](#).

³ World Bank. 2022. [Commodity Markets Outlook](#).

delivery, with limited direct transfers to tier 1 beneficiaries. As such, it is not possible to calculate the daily value of assistance at the beneficiary level.

TABLE 5: DAILY VALUES OF ASSISTANCE*

Programme area	Food				CBTs and commodity vouchers			
	Average daily transfer value (USD)	Average daily transfer costs (USD)	Total expenditures per beneficiary	Transfer value as a % of expenditures per beneficiary (%)	Average daily transfer value (USD)	Average daily transfer costs (USD)	Total expenditures per beneficiary	Transfer value as a % of expenditures per beneficiary (%)
Community and household asset creation	0.22	0.19	0.52	42	0.43	0.08	0.62	69
Malnutrition prevention programmes	0.15	0.06	0.26	58	0.54	0.04	0.69	79
School-based programmes	0.10	0.05	0.19	52	0.20	0.03	0.28	79
Malnutrition treatment programmes	0.24	0.13	0.45	54	0.47	0.08	0.69	68
Unconditional resource transfers	0.20	0.12	0.38	53	0.43	0.03	0.53	81
Total	0.19	0.11	0.36	53	0.41	0.03	0.52	79

* The value of assistance includes the transfer value and transfer costs. It does not include implementation, direct support and indirect support costs.

- The duration of assistance is an important dimension of the intensity of assistance. The other key dimension of intensity is the daily value of assistance, reported in table 5, while the number of beneficiaries, reported in part II of this annual performance report (on programme performance), influences the intensity of assistance. The duration of assistance is planned for each programme area based on the programme design and country strategic plan objectives. For instance, the duration of school-based programmes will typically correspond to the average duration of the school year in each of the countries where such programmes are being implemented, while activities in seasonal or resilience-focused programme areas will often have a shorter duration of assistance. During implementation, factors such as access constraints, funding gaps or the closure of distribution points may reduce the actual duration of assistance. Table 6 indicates the average number of assistance days per beneficiary by programme area in 2022.

TABLE 6: AVERAGE DURATION OF ASSISTANCE BY PROGRAMME AREA (NUMBER OF DAYS)				
Programme area	Food	CBTs	Commodity vouchers	Average
Community and household asset creation	78	71	34	73
Prevention of malnutrition	109	183	156	112
School-based programmes	95	98	88	95
Treatment of malnutrition	88	65		88
Unconditional resource transfers	163	151	117	157