



World Food Programme

SAVING LIVES  
CHANGING LIVES



## WFP EVALUATION

# SUMMARY OF EVIDENCE

## Earmarked, Flexible and Multi-Year Contributions

In 2023, WFP received contributions totalling USD 8.3 billion, of which USD 1.18 billion came in flexible funding. While this amount was a decrease on the previous year (USD 1.3 billion in 2022), the percentage share of flexible funding to total contributions increased from 9 percent to 14 percent<sup>1</sup>.

Overall, 64 percent of contributions to WFP remained earmarked at the activity level in 2023 compared with 70 percent in 2022. The proportion of funds earmarked at the country strategic plan (CSP) level remained stable, at 11 percent, as did the proportion earmarked at the strategic outcome level, at 7 percent, compared with 2022<sup>2</sup>.

WFP received USD 904 million, or 10.7 percent of its contributions, as multi-year funding in 2023, compared with USD 1.4 billion in 2022.

The WFP Annual Performance Report 2023 notes that predictable funds from multi-year and timely contributions help to ensure the continuity of WFP operations by allowing the organization to avoid critical funding gaps and pipeline breaks and to establish more strategic relationships with its partners.

The below table presents the funding categories addressed in this summary, as defined by WFP.

*Commissioned by the WFP Office of Evaluation*

## WFP FUNDING CATEGORIES IN FOCUS

### FLEXIBLE FUNDING<sup>3</sup>

**UNEARMARKED FUNDING:** Cash contributions that WFP can use for any country operation or activity based on its own internal prioritization. This money is managed and directed in two ways: 1) Multilateral Funding for any context; 2) WFP's Immediate Response Account (IRA) specifically for life-saving activities in an emergency context.

### EARMARKED FUNDING

**EARMARKED FUNDING:** Cash contributions for a specific country that can be allocated to any activity within the Country Strategic Plan.

**TIGHTLY EARMARKED FUNDING<sup>4</sup>:** Cash contributions directed to a specific project in a specific country and may include further restrictions for the use of funds such as procurement limitations. Includes in-kind contributions.

*Source: WFP Annual Report on Impact of Flexible Resources, 2022*

Further, this summary discusses multi-year contributions<sup>5</sup>, defined as: donors' commitments to support WFP operations with sustainable and predictable funding for more than 12 months. Programming, implementation, and expenditures of these funds should happen in the specific future year and the request to implement the funds in the future is a condition in the donor agreement<sup>6</sup>.

# KEY FINDINGS

**1** Predictability of funding for WFP has not significantly improved since the adoption of the CSP Policy in 2016 and funding continues to be relatively short term. In 2021, about 80 percent of total contributions consisted of grants of less than 2 years. WFP contributions earmarked at the activity level, increased from 56 to 64 percent of total contributions between 2018 and 2023.

**2** Evaluation evidence generally points to benefits to WFP when it is able to secure multi-year funding, and disadvantages when relying mainly on short-term grants. Effects on programme performance include:

- Multi-year and predictable funding offers a longer-term horizon to plan WFP programmes, particularly those focused on resilience and addressing root causes. There is evidence that it facilitates a timely response to needs. However, the limited scale of multi-year funding hindered the ability of WFP to engage in multi-year activities.
- Conversely, inability to secure multiyear funding impeded WFP's ambitions and, in some cases distorted its strategic positioning, away from longer-term engagements that require longer-term resourcing visibility. Evaluations in Ghana and Kenya provide illustrative examples on this point.
- A lack of predictable funding can undermine WFP's efficiency, when it is unable to guarantee continued engagement with partners, including with those whose capacities it invested in strengthening. This was found in Nepal.

**3** Resource earmarking negatively affects WFP programme performance in various ways:

- Donor earmarking at the activity level has limited flexibility to move resources across the programme, and affected WFP's capacity to adapt in course, according to most evaluations. In Zambia flexible funding positively supported program adaptability.
- In Haiti, the dominant model of earmarked has impacted the sustainability of WFP interventions. In Egypt, it constrained WFP's capacity to deliver in a timely manner.
- Earmarking fragmented WFP programmes, as it promoted implementation through numerous disconnected projects, usually with short implementation periods, spread across various geographic areas, managed by different personnel, and targeted different stakeholders.

**4** WFP's dependence on donor preferences affects its capacity to pursue its own optimal course of action.

Inadequate funding of resilience building and country capacity strengthening (CCS) efforts affect WFP's desired shift to a more enabling role, leading to underachievement of strategic objectives.

To mitigate the challenges posed by high levels of earmarking at the activity level, WFP Country Offices have diversified their donor base. This entailed intensifying communication and fundraising efforts, exploring new partnerships, including with the private sector, or securing support from the Government through debt-swap programmes.

**5** Internal and external factors that hindered WFP's ability to secure flexible funding included:

- Insufficient or ineffective advocacy efforts from WFP towards donors for flexible unearmarked funding or insufficient efforts to diversify donor base.
- Connected to the above, inadequate WFP staff profiles that do not support WFP effectiveness in building strategic financial partnership or in advocating to donors.
- The CSP framework itself, which has unintentionally increased activity-level earmarking by making activities more visible to donors.
- Increased pressure on limited resources due to rising humanitarian needs, and the dependency of humanitarian funding on donor priorities.

**6** Evaluation recommendations call for strengthening partnership and resource mobilization strategies:

- Implement strategies to strengthen fundraising efforts, focusing on securing long-term flexible donations, diversifying the donor base to include the private sector and international financial institutions, and giving priority to multi-year funding for sustainable resource mobilization.
- Advocate for donors to provide reliable, multi-year and unearmarked funding, while diversifying fundraising efforts. Emphasize the need for flexibility in funding to support efficient emergency responses and strategic planning, including by providing flexibility regarding the transfer modalities used and the geographic areas covered.
- Resource mobilization strategies require staff time to lead engagement with donors, government partners and the private sector.

## BREADTH OF EVIDENCE

This summary of evaluation evidence brings together findings from 16 evaluations commissioned by WFP that were completed in 2023. It offers insights on the effects of earmarked, flexible and multi-year contributions on WFP's programme implementation and adaptation.

The summary has global coverage, covering WFP CSPs in 15 different countries. Of the 16 evaluations, 14 are of CSPs, one policy and one corporate emergency response.

The SEE applied the approach and methods set out in the Office of Evaluation's Summary of Evaluation Evidence Guidance. The following steps were applied:

- A universe of 16 WFP-commissioned independent evaluations were reviewed for inclusion of evidence on the following funding modalities: earmarked, flexible, and multi-year funding. All were rated 'satisfactory' or above on WFP's external Post-Hoc Quality Assessment system.
- An analytical framework was developed, which captured the main elements to be used for a systematic extraction of evidence from the evaluation reports.
- Systematic data extraction was applied to the 16 component evaluations, using the analytical framework.
- Analysis against the analytical framework was conducted, calibrating findings to the strength of the evidence.
- Following a comments process, the draft text of this summary was finalised in May 2024.
- changes prepared by OEV in November 2023 and February 2024.
- Evidence was analysed and clustered around three focus areas and related sub-themes with key patterns and findings identified.








*The designations employed and the presentation of material in the map does not imply the expression of any opinion whatsoever of WFP concerning the legal or constitutional status of any country, territory or sea area, or concerning the delimitation of frontiers.*

- [Evaluation of WFP's Policy on CSPs](#)
- [Corporate Emergency Evaluation of WFP's Response in Myanmar 2017-2022](#)
- [Evaluation of Cambodia WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of Nepal WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of Ghana WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of the Interim Country Strategic Plan in Algeria 2019-2022](#)
- [Évaluation du plan stratégique de pays du PAM pour Haïti, 2018-2022](#)
- [Evaluation of Dominican Republic WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of Malawi WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of Philippines WFP Country Strategic Plan, 2018-2023](#)
- [Evaluation of Namibia WFP Country Strategic Plan, 2017-2023](#)
- [Evaluation of Madagascar WFP Country Strategic Plan, 2019-2023](#)
- [Evaluation of Kenya WFP Country Strategic Plan, 2018-2023](#)
- [Evaluation of Egypt WFP Country Strategic Plan, 2018-2023](#)
- [Evaluation of Burkina Faso WFP Country Strategic Plan 2019-2023](#)
- [Evaluation of Zambia Country Strategic Plan 2019-2023](#)

## ENDNOTES

1. [Annual Performance Report for 2023, WFP](#)
2. [Annual Performance Report for 2023, WFP](#)
3. Softly earmarked contributions also fall within the category of flexible funding. However, as this was introduced in 2022, evaluations analysed as part of this summary do not include this category.
4. The term "tightly earmarked" is referenced for completeness and to align with WFP's funding categories. However, instead of using this term, the evaluations refer to earmarking at the activity or Strategic Outcome level.
5. WFP makes a distinction between multi-year contributions and long-term grants. Long-term grants are contributions valid for more than 12 months. Unlike the multi-year commitments, the donor does not request to block the funds' utilization by year. Instead, the funds can be used at any point in time within the grant validity, in one go or across the years, according to programming needs.
6. WFP Decision Memo on Adoption of a new corporate definition of "flexible funding" to categorize the funding types recorded as "unearmarked", "softly earmarked" and multi-year funding, 2022.

### WFP EVALUATION

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