Coutts Million Dollar Donors Report 2014

MIDDLE EAST (GCC) FINDINGS

Giving to charity is deeply rooted in the Arab culture and donors are increasingly interested in the impact of their giving.

Number of million dollar donations*

16% gifted by individuals 53% gifted by foundations 29% gifted by corporations

*Note: the remaining 2% – one donation – was the result of a collaboration between corporations and private foundations, and does not therefore fit into the above categories.

1. Introduction

Corporations and corporate foundations played a dominant role in million dollar giving in the GCC in 2013. The total was heavily influenced by a mega-gift of \$1.25bn by the <u>Abu Dhabi Fund for Development</u>.

Whilst million dollar donations came from virtually all of the Gulf Cooperation Council (GCC) countries in 2013, a remarkable two-thirds were from the UAE. Disaster relief and humanitarian causes were the most common recipients, although higher education also received a significant share of donations.

There were some other striking features of giving in the Middle East in 2013. First, major GCC donors tended to have a regional or even international view, rather than a purely local one. The majority of million dollar donations went overseas, some as far afield as Haiti and the Philippines. Second, donations were likely to go towards tackling causes rather than to individual organisations, probably a reflection of the fact that a high percentage of million dollar donations went to relief of immediate needs.

2. Number and total

The total value of donations represents a significant increase on the previous year's total, thanks primarily to one mega-gift.

\$1.843bn total value of donations worth \$1m+

38 total number of donations of \$1m+

A total of 38 donations worth a million dollars or more were identified in GCC countries in 2013, with a combined value of just over \$1.843bn. The number of donations is up compared to the 2012 figure of 28, but the monetary amount represents a very large increase on the previous year's total of \$727m, which is the result of one mega-gift.

3. Average size

The mean donation was very high at \$48.5m, although the median donation, often a better guide to the general size of gifts, was much lower, at \$2.9m.

A very large grant of over a billion dollars influenced the average size of million dollar donations in 2013, increasing it to a remarkably high \$48.5m (versus \$25.9m in 2012). The median donation was \$2.9m and the mode was \$1m.

MEAN	MEDIAN	MODE
\$48.5m	\$2.9m	\$1m
in 2013	in 2013	in 2013
\$25.9m	\$5m	\$1m
in 2012	in 2012	in 2012

4.Value

Most grants were in the \$1m-\$10m range.

Some 71% of million dollar donations were valued between \$1m and \$10m, with 42% in the \$2m-\$10m range (roughly the same percentage as the previous year). The remaining donations were \$10m or over, with nine out of the eleven between \$10m and \$99m.

By far the largest gift identified was a five-year grant given by the Abu Dhabi Fund for Development, worth \$1.25bn. It was given to the Kingdom of Morocco as part of the UAE's contribution to the GCC's Gulf Development Fund initiative.

The second-largest gift of \$300m was given by the Kuwaiti Emir Sheikh Sabah Al Ahmad Al Jaber Al-Sabah in support of the Syrian people in neighbouring countries. Next in line was \$58m from the UAE Red Crescent Authority in support of needy families in the UAE.

Value of million dollar donations		
Donation ranges	Number of donations	% Donations
Up to \$2m	11	29%
\$2m - \$9.9m	16	42%
\$10m - \$99m	9	24%

Over \$100m	2,	5%

5. Source

Though corporations and corporate foundations gave only around a third of million dollar donations, these were worth almost 70% of the overall value.

Foundations gave the greatest number of million dollar donations in 2013 (20 out of 38 donations), but these amounted to only around 10% of the overall value. Donations by corporations and corporate foundations provided a third of the number, but were worth more than 70% of the total value. This was a notable turnaround from 2012's outcome, where corporations and corporate foundations accounted for 18% of the donations and only 7% of the value. Individuals gave 16% of the identified million dollar donations in 2013, worth 19% of the total value.

Foundations Individuals Corporations

\$0.177bn \$0.354bn \$1.312bn

9.6% of total value in 2013 19.2% of total value in 2013 71.2% of total value in 2013

Source of \$M Donations			
Donor Type	Value of Donations	% Donations	# of Donations
Individual	\$354m	19.2%	6 Donations
Foundation	\$176m	9.6%	20 Donations
Corporation and Corporate Foundations	\$1,312m	71.1%	11 Donations
Various	\$1m	0.1%	1 Donation

6. Location

Most of the GCC countries produced million dollar donors, but the UAE had the biggest concentration of such donors by some margin.

Million dollar donations were identified from five out of the six GCC countries in 2013. Donors from the UAE provided the highest number of gifts (26), which accounted for 80% of the total value. Kuwait and Saudi Arabia each gave the second-highest number (four each), with the former accounting for 18% of the total value of donations and the latter 2%.

LOCATION OF DONORS BY VALUE

UAE - 79.8%

Kuwait – 17.6%

KSA - 1.8%

Qatar - 0.5%

Bahrain – 0.3%

7. Recipients

The majority of million dollar donations went overseas.

In 2013, many donations (71% in number, but 95% in value) were directed to charities outside the donor's country ('overseas'). Donations were generally not made from one GCC country to another, but either to a charity in the donor's country or outside the GCC altogether.

One striking feature of 2013's million dollar donations was that they were often distributed among a variety of groups, rather than awarded to a single organisation, probably because they were given to a cause (disaster relief, for example) rather than to a particular organisation.

8. Distribution

The overwhelming majority of million dollar donations (in both number and value terms) went overseas in 2013, with disaster relief, humanitarian assistance and higher education claiming significant shares.

\$1.843bn total value of donations worth \$1m+

38 total number of donations of \$1m+

Around 39% of the number of million dollar donations was devoted to disaster relief, not just in the region, but more widely, covering Syria, the Philippines, Sierra Leone, Haiti and Madagascar. This partly accounts for the very large share of giving overseas.

It should be noted that the donations to overseas causes show some trends in terms of the subsectors to which they were committed. Education, for instance, was a major beneficiary, with around 15% of the number of overseas donations going to support this area through local and regional educational institutions. A similar proportion of overseas gifts was directed to the supply of basic needs among families and disadvantaged children. The remaining overseas donations were spread over a wide range of projects concerning health, humanitarian assistance and development aid.

Total	\$1.843bn	38 donations of \$1m+
Overseas	\$1.746bn	27 donations of \$1m+
Human services	\$88m	7 donations of \$1m+
Education	\$3.3m	2 donations of \$1m+
Arts, culture & humanities	\$3.0m	1 donation of \$1m+
International	\$2.7m	1 donation of \$1m+

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