Spring 2014

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The World Bank partners with governments, foundations, and others to create large, global and regional initiatives aimed at specific development challenges that are not being sufficiently addressed by existing funds and mechanisms. These challenges are diverse, ranging from climate change to health epidemics, from standard setting to knowledge sharing and may involve cross-border spillovers.

THE FINANCING MECHANISMS BACKING

these global and regional initiatives have evolved over time with Financial Intermediary Funds accounting for the largest volume of financing among different types of trust funds.
The bank’s principles for these global and regional initiatives focus on alignment with the World Bank Group strategy, demand for the Bank involvement, and opportunities for the Bank to add value through its involvement.

SELECTIVITY

participation in these initiatives benefits the Bank’s clients and ultimately meets their needs.
WHAT ARE FINANCIAL INTERMEDIARY FUNDS (FIFs)?

A: Large multilateral financial mechanisms that support global development initiatives or partnerships

Often focused on the provision of global public goods, including:

- PREVENTING COMMUNICABLE DISEASES
- RESPONDING TO CLIMATE CHANGE
- ENSURING FOOD SECURITY

FIFs involve innovative financing and governance arrangements, as well as flexible designs that enable funds to be raised from multiple sources, both sovereign and private.
When the scale of financing is expected to be large, outreach requires implementation channels beyond those of the Bank (or instead of the Bank) based on comparative advantages of other agencies, and the Bank’s role as trustee can be clearly defined and separated from other roles.

While governance structure of FIFs varies, all FIFs have external governing bodies that are responsible for funding decisions. The World Bank is represented in those governing bodies as an observer in most FIFs, but in some FIFs participates as a voting member.
WHAT IS THE WORLD BANK’S ROLE?

As FIF trustee, the World Bank provides a set of agreed financial services, on a reimbursable basis, that involve:

1. **RECEIVING, HOLDING, AND INVESTING CONTRIBUTED FUNDS**
2. **TRANSFERRING FUNDS WHEN INSTRUCTED BY THE FIF GOVERNING BODY**
3. **PROVIDING CUSTOMIZED TREASURY MANAGEMENT OR OTHER AGREED FINANCIAL SERVICES (UNDER SOME FIFS, INCLUDING BOND ISSUANCE HEDGING INTERMEDIATION AND MONETIZATION OF CARBON CREDITS)**

**FIF TRUSTEESHIP DOES NOT INVOLVE OVERSEEING OR SUPERVISING THE USE OF FUNDS BY RECIPIENTS.**

This is the role of implementing agencies that receive funding and are responsible for project or program implementation/supervision. The trustee generally transfers funds to external agencies (e.g., UN agencies or Multilateral Development Banks) for the implementation of activities. In the case of FIFs, whose governing bodies have the legal and other required capacities to take on responsibility for the use of funds (e.g., Global Fund to Fight AIDS, Tuberculosis and Malaria), the Bank transfers funds received from donors directly to multiple third-party entities, usually in recipient countries, based on instructions from and on behalf of the governing body.

**IN ADDITION TO ITS TRUSTEE ROLE, THE WORLD BANK MAY:**

1. **APPRaise AND/OR SUPERVISE PROJECTS OR PROGRAMS BY A FIF**
These roles are managed by different World Bank Units. In general, because different entities play different roles within the FIF structure, a key aspect of governance is the clear separation of roles and responsibilities within the World Bank.

In cases where the World Bank has been selected as an implementing agency by the FIF governing body, resources may be received by World Bank operational units for the implementation of activities through IBRD/IDA trust funds.
THE CURRENT FIF PORTFOLIO

Most FIFs support global programs that typically focus on the provision of global public goods, in particular, preventing communicable diseases, responding to climate change, and addressing education and food-security challenges.

THE BANK IS CURRENTLY TRUSTEE FOR 21 FIFs

2x Growth in number of FIFs since 2006

TOTAL
Cumulative Funding in US $ Millions
$60,769.1

DEBT RELIEF
Debt Relief Trust Fund $7,683

AGRICULTURE AND FOOD SECURITY
Global Agriculture and Food Security Program $973
CGIAR Fund $1,659
AgResults Initiative $36.5

$2,669 $7,682 $19,600

ENVIRONMENT/CLIMATE CHANGE
Global Environment Facility
Nagoya Protocol Implementation Fund $16
Least Developed Countries Fund $606
Special Climate Change Fund $244
Clean Technology Fund $3,533.7
Strategic Climate Fund $2,688
Adaption Fund $332
Green Climate Fund $8

$12,125

HEALTH
IFFI $2,749

$29,583
FIF ROLES AND KEY DATES

Key

- Basic Financial Management Service
- Additional Financial Management Service
- Customized Financial Management Service

- Trustee
- Trustee + Implementing Agency
- Trustee + Secretariat
- Trustee + IA+ Secretariat

1990
1991
2001
2004
2008
2011
2012
2012
2008
2008
2011
2002
2002
2006
2009
1996
2000
2005
2010
2012
2013

Global Environment Facility* 1991
Debt Relief Trust Fund
African Program for Onchoceriasis Control II 2001
Special Climate Change Fund* 2004
Global Fund to Fight AIDS, Tuberculosis and Malaria 2002
Least Developed Countries Fund* 2002
International Finance Facility for Immunisation 2006
CGIAR Fund
Advance Market Commitment 2009
Clean Technology Fund 2008
Strategic Climate Fund 2008
Adaptation Fund* 2008
Nagoya Protocol Implementation Fund* 2011
Global Partnership for Education 2011
Green Climate Fund 2012
MENA 2012
AgResults Initiative 2013
Global Agriculture and Food Security Program
Guyana REDD-Plus Investment Fund
Haiti Reconstruction Fund

*As a special case, the World Bank provides administrative support to the GEF secretariat. Although the secretariat is physically located in the Bank’s building, it has its own independent governance structure, with the CEO reporting to the GEF Council and Assembly.

FIFs for which the World Bank acts as one of the implementing agencies alongside other external agencies.

Such agencies are responsible for preparing/appraising and implementing/supervising FIF-financed projects. In doing so, each agency uses its own policies and procedures for procurement, financial management, environmental and social safeguards, etc.
FIFs for which the World Bank plays an additional role by providing administrative, secretariat support functions to FIF governing bodies.

In the case of one FIF (CGIAR Fund), the Bank provides trustee and secretariat services but does not serve as an implementing agency.
The World Bank’s role in FIFs has significantly expanded in recent years.

$24.3B → $27.4B

Increase in FIFs assets from 2010 to 2013

62% → 65%

Increase in share of FIFs in the total trust fund portfolio managed by the World Bank from 2010 to 2013

Assets are funds held in trust plus receivables.

Sums Shown in US $ Thousands

<table>
<thead>
<tr>
<th></th>
<th>IBRD/IDA TFs</th>
<th>FIFs</th>
<th>IFC TFs</th>
<th>Others</th>
</tr>
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<tbody>
<tr>
<td>FY 2010</td>
<td>24,257</td>
<td>12,751</td>
<td>1,193</td>
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<tr>
<td>FY 2011</td>
<td>28,573</td>
<td>12,930</td>
<td>1,146</td>
<td>876</td>
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<tr>
<td>FY 2012</td>
<td>28,407</td>
<td>13,007</td>
<td>1,473</td>
<td>742</td>
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<tr>
<td>FY 2013</td>
<td>27,359</td>
<td>12,766</td>
<td>1,238</td>
<td>675</td>
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</tbody>
</table>

FIFs in the Context of the World Bank’s Total Trust Fund and FIFs Portfolio (Total Assets)
FIFs Portfolio: Funds Held In Trust – Top 5 FIFs

- Global Fund to Fight AIDS, Tuberculosis, and Malaria
- Global Environment Facility
- Climate Investment Fund
- International Finance Facility for Immunisation
- Other FIFs

$US Mil

FY 2009 2010 2011 2012 2013

TOTAL FUNDS HELD IN TRUST BY THE 5 LARGEST FIFS
Types of Transfers

Transfer Agreement With Agencies

In some FIFs (e.g., the GEF), the World Bank as trustee enters into transfer agreements with implementing or supervising agencies and transfers funds to these agencies upon instructions from the governing body. In turn, the implementing or supervising agencies enter into grant agreements to disburse funds to beneficiary recipients. The implementing or supervising agencies appraise and supervise the implementation of projects by such recipients and are responsible for monitoring the use of funds.

Direct Transfers

In other FIFs (e.g., the Global Fund), the Bank as trustee makes direct transfers to recipient entities upon instructions from a governing body that has legal, oversight, and other essential capacities and assumes overall responsibility for the use of funds.
Annual cash contributions to FIFs in 2013, an unprecedented level despite global economic and financial constraints.

Although driven largely by the Global Fund, a similar trend is also observed when excluding it.
At the same time, the universe of contributing countries has become more diverse, with emerging market countries and the private sector playing an increasing role.

FIF Portfolio: Sum of Cash Contributions (US $ Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sovereign Governments</th>
<th>NGOs</th>
<th>World Bank</th>
<th>Private Non-Profit</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>$4,391</td>
<td>$134</td>
<td>$51</td>
<td>$189</td>
<td>$18</td>
</tr>
<tr>
<td>FY 2010</td>
<td>$5,233</td>
<td>$544</td>
<td>$51</td>
<td>$151</td>
<td>$87</td>
</tr>
<tr>
<td>FY 2011</td>
<td>$5,994</td>
<td>$71</td>
<td>$51</td>
<td>$73</td>
<td>$57</td>
</tr>
<tr>
<td>FY 2012</td>
<td>$7,024</td>
<td>$169</td>
<td>$2</td>
<td>$72</td>
<td>$16</td>
</tr>
<tr>
<td>FY 2013</td>
<td>$6,773</td>
<td>$202</td>
<td>$2</td>
<td>$116</td>
<td>$8</td>
</tr>
</tbody>
</table>

OECD COUNTRIES REMAIN THE MAJOR CONTRIBUTORS TO FIFs. Most FIFs have been established in the context of international initiatives at the specific request of major donors/shareholders for the purpose of supporting global programs.
Cash Contributions FY 2009 through FY 2013

Sums shown in US $ Millions

<table>
<thead>
<tr>
<th>FY</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<tr>
<td>US</td>
<td>$8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td>$6.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
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<td>France</td>
<td></td>
<td>$2.0</td>
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<td>Canada</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Japan</td>
<td></td>
<td></td>
<td>$0</td>
<td></td>
<td></td>
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<tr>
<td>Norway</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>EU</td>
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</tr>
<tr>
<td>Sweden</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td></td>
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</tr>
</tbody>
</table>
FIFs have been able to serve the development needs of different country groups.

The environment-/climate-focused FIFs have served mainly the middle-income countries (MICs, including countries eligible for financing on concessional and hardened terms) in terms of the total volume of resources allocated (approximately 80% of total program and project funding). In contrast, the three main health-related FIFs—the Global Fund, IFFIm, and the pilot AMC—have focused on the poorest countries that are most in need of public health assistance (approximately 64% is allocated to programs in IDA countries).
HEALTH

Contributions continue to be strong in the health sector FIFs.

2.9 M 3.9 M 4.0 M
2011 2012 2013
GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA

(GLOBAL FUND)

The Global Fund was established in 2002. It is an innovative financing institution that provides funding to countries to support programs that prevent, treat, and care for people with HIV and AIDS, tuberculosis, and malaria. It spurs partnerships between government, civil society, the private sector, and communities living with the diseases—the most effective way to fight these deadly infectious diseases. The Global Fund does not manage or implement programs on the ground, relying instead on local experts.

THE WORLD BANK’S ROLE

- Receive payments from donors, hold, and invest contributed funds.
- Transfer funds as instructed by the Global Fund.
- Non-voting ex-officio member of the Global Fund board.
- Development partner in the client countries.

SOURCES OF FUNDING

Funded by 55 donor countries, as well as the Bill & Melinda Gates Foundation, European Commission, private sector funding, UN Foundation, and WHO.
**INTERNATIONAL FINANCE FACILITY FOR IMMUNISATION (IFFIm)**

**GOAL**
Meet immediate country demand for vaccines and ensure a near-term positive impact on public health that strengthens and protects future generations.

**SOURCES OF FUNDING**
IFFIm has received more than US $6.3 billion in pledges to be paid over the course of 20 years from the nine donor governments of Australia, France, Italy, the Netherlands, Norway, South Africa, Spain, Sweden, and the United Kingdom. With these government-backed commitments, IFFIm borrows money issuing vaccine bonds in the capital markets. IFFIm has raised US $4.5 billion from investors, helping GAVI shift predictable donor funding through time. This affords GAVI great flexibility, allowing it to access funds when needed most, not only when disburseable by its donors. EuroWeek magazine cited IFFIm’s 2008 inaugural “uridashi” bond issue in Japan as among the 25 most influential deals between 2007–2012, helping set a trend of ethically themed bonds sold in Japan.

Due to the legal status of the GAVI Alliance at the inception of IFFIm, IFFIm funds flowed through the GAVI Fund Affiliate (GFA) to GAVI. Donors made payments to IFFIm based on long-term legally binding grants to GFA, which assigned the right to receive these grant payments to IFFIm. Funds were transferred from IFFIm to GFA and then disbursed, as required, to finance GAVI-approved programs. In 2013, building on the change in the GAVI Alliance legal structure, IFFIm stakeholders simplified the funding architecture. In September 2013, the Bank transferred all remaining assets of GFA to the GAVI Alliance. IFFIm proceeds are now channeled directly to the GAVI Alliance.

**ESTD 2006**
A supranational institution that uses bond issuance to accelerate the availability of financing for immunisation programs through the GAVI Alliance of the world’s poorest countries eligible for support.

**THE WORLD BANK’S ROLE**
- Manage donor grant commitments and payments, hold, and invest contributed funds
- Transfer funds on instruction from GAVI Alliance
- Arrange issuance of IFFIm bonds and provide risk management services

**IFFIM.ORG**
**AFRICAN PROGRAM FOR ONCHOCERCIASIS CONTROL (APOC)**

**GOAL**
Establish effective, self-sustainable, community-directed treatment of onchocerciasis with the drug ivermectin (community-directed treatment with ivermectin, or CDTI) throughout endemic areas in the geographic scope of the program, within 12 to 15 years

---

**ESTD 1976**

Succeeding the Onchocerciasis Control Program (OCP), APOC was launched in 1995 and includes 19 endemic African countries outside the OCP area. Due to challenges, the duration of APOC has been extended to 2015, both to ensure sustained onchocerciasis control, especially in post-conflict countries, and to fully integrate onchocerciasis control activities into national health systems.

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**THE WORLD BANK’S ROLE**

- Receive payments from donors, hold, and invest contributed funds
- Transfer funds to external agencies
- Sit on both of APOC’s governing bodies: the Joint Action Forum and the Committee of Sponsoring Agents
PILOT ADVANCE MARKET COMMITMENT FOR PNEUMOCOCCAL VACCINES (AMC)

RESPOND TO THE NEED FOR VACCINES AGAINST PNEUMOCOCCAL DISEASE—WHICH KILLS MORE CHILDREN THAN ANY OTHER WORLDWIDE—AND TO DEMONSTRATE THE FEASIBILITY OF THE AMC CONCEPT

ESTD 2009

An innovative way to incentivize companies to create, develop, and manufacture vaccines needed in low-income countries.

Tackles a longstanding development problem: persistent market failures to develop and produce vaccines needed in poor countries due to perceptions of insufficient demand and market uncertainty. Under the pilot Pneumococcal AMC, donor countries commit money to guarantee the price of vaccines once they have been developed.

These financial commitments provide vaccine manufacturers with the incentive they need to invest in vaccine research and development, and to expand manufacturing capacity. In exchange, companies sign a legally-binding commitment to provide the vaccines at a price affordable to developing countries in the long term.

THE WORLD BANK’S ROLE

- Manage donor grant commitments and payments, hold, and invest contributed funds
- Transfer funds on instruction from GAVI Alliance
- Provide IBRD balance sheet support

As of March 31, 2014, 55 eligible countries have been approved to introduce the pneumococcal vaccine and more than 40 countries have already rolled out these lifesaving vaccines.

GAVIALLIANCE.ORG/FUNDING/PNEUMOCOCCAL-AMC
THE PILOT CAN PREVENT MORE THAN AN ESTIMATED 1.5 MILLION CHILDHOOD DEATHS BY 2020.

The current price for the vaccine in industrialized countries is above US $70 per dose; under the AMC the long-term price for developing countries is less than US $3.50.

SOURCES OF FUNDING

The governments of Italy, the United Kingdom, Canada, Russia, and Norway, as well as the Bill & Melinda Gates Foundation are providing US $1.5 billion in incentive funding for the pilot program to subsidize vaccine purchase in the poorest countries.
ENVIRONMENT & CLIMATE CHANGE

CONTRIBUTIONS TO ENVIRONMENT AND CLIMATE CHANGE FIGURES ARE DECREASING:

- 2011: 2.5 M
- 2012: 2.4 M
- 2013: 1.8 M
GLOBAL ENVIRONMENT FACILITY (GEF)

**GOAL**
Assist in the protection of the global environment and promote environmentally sound and sustainable development

**THE GEF ALSO SERVES AS A FINANCIAL MECHANISM FOR THE FOLLOWING CONVENTIONS:**

- Convention on Biological Diversity (CBD)
- United Nations Framework Convention on Climate Change (UNFCCC)
- Stockholm Convention on Persistent Organic Pollutants
- UN Convention to Combat Desertification
- Minamata Convention on Mercury
- The GEF, although not linked formally to the Montreal Protocol on Substances That Deplete the Ozone Layer (MP), supports implementation of the Protocol in countries with economies in transition

**ESTD 1991**
An independent financial mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to cover the incremental costs of measures to achieve agreed global environmental benefits. The GEF is currently the largest funder of projects focused on global environmental challenges and a global partnership among 183 countries, international institutions, civil society organizations, and the private sector.

**It provides grants for projects related to:**

- **Biodiversity**
- **Land degradation**
- **Climate change**
- **Chemicals and waste**
- **International waters**

**THE WORLD BANK'S ROLE**

- Receive payments from donors, hold, and invest contributed funds
- Transfer funds to external agencies
- 1 of 10 Implementing Agencies
- 1 of 3 founding partners of the GEF
- Provider of administrative support to the GEF secretariat, as a special case and while the secretariat is physically located in the Bank’s building. It has its own independent governance structure, with the CEO reporting to the GEF Council and Assembly.

**SOURCES OF FUNDING**

39 donor countries have contributed to the GEF Trust Fund since its inception.
THE GEF ADMINISTERS 3 OTHER FUNDS:

THE LEAST DEVELOPED COUNTRIES FUND | THE NAGOYA PROTOCOL IMPLEMENTATION FUND | THE SPECIAL CLIMATE CHANGE FUND

—which were established by the Conference of the Parties (COP) to the UNFCCC

LEAST DEVELOPED COUNTRIES FUND FOR CLIMATE CHANGE (LDCF)

ESTD 2001

A trust fund established under the UNFCCC to address the special needs of the 48 Least Developed Countries (LDCs) that are especially vulnerable to the adverse impacts of climate change.

Tasked with financing the preparation and implementation of National Adaptation Programs of Action (NAPAs). NAPAs use existing information to identify a country’s priorities for adaptation actions. The LDCF is the only existing fund mandated to finance the preparation and implementation of the NAPAs.

THE WORLD BANK’S ROLE

1. Receive payments from donors, hold and invest contributed funds
2. Transfer funds to external agencies
3. 1 of 10 Implementing Agencies
4. Provider of administrative support to the GEF secretariat, as a special case and while the secretariat is physically located in the World Bank’s building. It has its own independent governance structure, with the CEO reporting to the GEF Council and Assembly.

SOURCES OF FUNDING

25 donor countries have contributed to the fund.

GOAL

Reduce the vulnerability of sectors and resources that are central to development and livelihoods, such as water, agriculture and food security, health, disaster risk management and prevention, infrastructure, and fragile ecosystems.

THEGEF.ORG/GEF/LDCF
SPECIAL CLIMATE CHANGE FUND (SCCF)

**GOAL**
Support adaptation and technology transfer in all developing country parties to the UNFCCC, supporting both long-term and short-term adaptation activities in water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management.

**SOURCES OF FUNDING**
15 donor countries have contributed to the fund.

EST** 2001
A voluntary trust fund that finances activities, programs, and measures relating to climate change complementary to those funded by the resources allocated to the climate change focal area of the GEF, as well as to those provided by bilateral and multilateral funding.

THE WORLD BANK’S ROLE
- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- 1 of 10 Implementing Agencies
- Provider of administrative support to the GEF secretariat, as a special case and while the secretariat is physically located in the World Bank’s building. It has its own independent governance structure, with the CEO reporting to the GEF Council and Assembly.

NAGOYA PROTOCOL IMPLEMENTATION FUND (NPIF)

**GOAL**
Support signatory countries, as well as those in the process of signing the Nagoya Protocol and those that intend to ratify the Protocol in order to accelerate the ratification and implementation of the Protocol. The Fund supports existing opportunities leading to the development and implementation of concrete ABS agreements with involvement of the private sectors, among others.

**SOURCES OF FUNDING**
The governments of Japan, Switzerland, Norway, France, and the United States have committed approximately US $14 million in contributions to the NPIF.

EST** 2011
A multi-donor trust fund that can receive voluntary contributions of multiple governments and the private sector.

Created to fund activities under the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (the Nagoya Protocol), adopted at the tenth meeting of the Conference of the Parties (CoP) to the Convention on Biological Diversity (CBD).

THE WORLD BANK’S ROLE
- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- 1 of 10 Implementing Agencies
- Provider of administrative support to the GEF secretariat, as a special case and while the secretariat is physically located in the World Bank’s building. It has its own independent governance structure, with the CEO reporting to the GEF Council and Assembly.
CIF pilot countries and regions, covering 48 countries worldwide, are using CIF resources as springboards to launch national planning efforts across institutions and stakeholder groups, leverage substantial additional resources, and implement innovative, country-led investments for clean technology, sustainable management of forests, increased energy access through renewable energy, and climate-resilient development.

Delivered through four windows, CIF financing includes grants, highly concessional funds, and risk mitigation instruments that leverage significant financing from governments, the private sector, multilateral development banks (MDBs), and other sources.

CIF funding flows through the five MDBs—the African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB), and World Bank Group (WBG), including International Finance Corporation (IFC)— which collaborate closely under the leadership of the government and support design and implementation of CIF-funded projects and programs.
At the country level, governments work with the MDBs and other development partners, including civil society and the private sector, to extract, aggregate, and share knowledge and expertise; spur innovation, learning, and sharing of ideas; and encourage high-impact use of CIF resources.

**CLIMATE INVESTMENT FUNDS TOTAL US $7.6 BILLION:**

- $5.2B Clean Technology Fund
- $1.3B Pilot Program for Climate Resilience
- $0.6B Forest Investment Program
- $0.5B Scaling Up Renewable Energy in Low-Income Countries Program

**THE WORLD BANK’S ROLE**

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- 1 of 6 Implementing Agencies to implement programs and projects financed by the CIF
- Provide secretariat services
- Non-voting member on each governing body, the CTF an SCF Trust Fund Committees

**SOURCES OF FUNDING**

The governments of Australia, Canada, Denmark, France, Germany, Japan, Korea, the Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom, and the United States are contributors to the CIF. Contributors can provide funding to the trust funds in the form of grant or capital contributions, and additionally (in the case of CTF), concessional loan contributions. Both funds are able to provide concessional loans, grants and guarantees to recipients, through one of five partner MDBs, which are required to return reflows (principal repayment, interest, fees, or any other reflow of funds) received from recipients to the CIF trust funds.
Supervised and managed by the Adaptation Fund Board (AFB). The Board, composed of 16 members and 16 alternates, holds periodic meetings throughout the year and enters into agreements directly with the AF’s implementing agencies. The AFB was granted legal capacity in the Federal Republic of Germany on 1 February 2011. The World Bank serves as trustee of the Adaptation Fund and GEF Secretariat provides secretariat services to the Adaptation Fund on an interim basis.

The Adaptation Fund receives 2% of CERs issued under the Clean Development Mechanism (CDM), with the exception of those issued for projects in Least Developed Countries. Under the CDM, emission-reduction projects in developing countries can earn certified emission reduction (CER) credits. These credits can be traded and sold by industrialized countries to meet a part of their emission reduction targets under the Kyoto Protocol.

Sources of Funding

Financing for the Adaptation Fund comes mainly from sales of certified emission reductions. The share of proceeds amounts to 2% of the value of CERs issued each year for CDM projects.
**GUYANA REDD PLUS INVESTMENT FUND (GRIF)**

**GOAL**
Combat climate change while simultaneously promoting economic growth and development. The GRIF sets out Guyana’s transition to a green economy by investing payments received for avoided deforestation into strategic low-carbon sectors.

**ESTD 2009**
A fund for the financing of activities identified under the Government of Guyana’s Low Carbon Development Strategy (LCDS). Project funding decisions are made by a Steering Committee comprised of representatives of the Governments of Norway and Guyana.

**THE WORLD BANK’S ROLE**
- Receive payments from donor, hold and invest contributed funds
- Transfer funds to external agencies
- 1 of 4 Implementing Agencies

**SOURCES OF FUNDING**
The fund is expected to receive up to US $250 million in grants from Norway until 2015, based on independent verifications of Guyana’s deforestation and forest degradation rates and progress on REDD+ enablement activities.
The GCF was created by the Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC) to support projects, programs, policies, and other activities in developing country parties. The GCF has an independent secretariat based in Songdo, Republic of Korea, and is governed by a 24-member board, comprised of members selected by UNFCCC constituency countries.

**GOAL**
Contribute to the goals of promoting low-emission and climate-resilient development pathways

**THE WORLD BANK’S ROLE**
Presently services in a trustee capacity only, on an interim basis. Established GCF Trust Fund to:

- Receive contributions, hold, and invest contributed funds
- Transfer funds for GCF administrative expenses, and to implementing entities accredited by the GCF

**SOURCES OF FUNDING**
As of June 2013, eleven countries had contributed a total of US $7.6 million to the GCF Trust Fund. As of December 2013, a total of twelve countries had contributed, for a total of US $33.8 million.
Agriculture & Food Security

An Evolving Sector of FIFs:

- 4 M (2011)
- 5 M (2012)
- 9 M (2013)
A global partnership that unites organizations engaged in research for a food secure future. 15 Centers that are members of the CGIAR Consortium in close collaboration with hundreds of partner organizations, including national and regional research institutes, civil society organizations, academia, and the private sector. The 15 Research Centers generate and disseminate knowledge, technologies, and policies for agricultural development through the CGIAR Research Programs.

The CGIAR Fund provides reliable and predictable multi-year funding to enable research planning over the long term, resource allocation based on agreed priorities, and the timely and predictable disbursement of funds. The multi-donor trust fund finances research carried out by the Centers through the CGIAR Research Programs.

Governed by the Fund Council, a representative body of fund donors and other stakeholders. The Fund Council is the decision-making body of the CGIAR Fund. It also appoints the Independent Science and Partnership Council, a panel of leading scientific experts who provide independent advice and expertise to Fund Council members. This advice is used by the Council to approve CRPs and allocate resources to them. To receive funding, CRPs must set out their expected achievements and provide verifiable targets against which progress can be monitored. The Funders Forum, a biennial gathering of all donors, sets the CGIAR’s strategic direction.

The World Bank’s Role

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- Provide secretariat services through the CGIAR Fund Office
- Chair governing body—the CGIAR Fund Council

Sources of Funding

Contributors to the CGIAR Fund include 31 donor countries, the European Commission, the IDRC, IFAD, and the Bill & Melinda Gates Foundation.
GLOBAL AGRICULTURE & FOOD SECURITY PROGRAM (GAFSP)

GOAL
Supports medium- and long-term interventions needed to ensure strong and stable policies and increased investment in agriculture in the poorest countries in the world

THE WORLD BANK’S ROLE
In the Public Center Window

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- Supervising Entity for GAFSP-financed projects
- Provides secretariat services
- Non-voting member of and observer on the GAFSP Steering Committee

ESTD 2009
A multilateral mechanism to assist in the implementation of pledges made by the G20 in Pittsburgh in September 2009 to address the underfunding of country and regional agriculture and food security strategic investment plans already being developed by countries in consultation with donors and other stakeholders at the country-level.

OPERATES THROUGH TWO WINDOWS:

Public Sector

Under the external governance of a Steering Committee composed of an equal number of voting donors and recipient representatives, and non-voting representatives from: the trustee, Civil Society Organizations (CSOs), Regional Development Banks (AfDB, ADB, and IDB), World Bank, International Fund for Agricultural Development (IFAD), the Food and Agriculture Organization (FAO), the World Food Programme (WFP), the International Finance Corporation (IFC), and the UN Secretary General’s Special Representative on Food Security and Nutrition.

Private Sector

Implemented and managed by International Finance Corporation (IFC) to provide innovative financing aimed at increasing the commercial potential of small and medium-sized agri-businesses and farmers by connecting them with local, national, and global value chains.

SOURCES OF FUNDING

The governments of Australia, Canada, Ireland, Japan, South Korea, the Netherlands, Spain, the United Kingdom, and the United States are contributors to the Bill & Melinda Gates Foundation as well as the GAFSP Trust Fund.
Pull mechanisms are results-based financial incentives rewarding successful innovations and their adoption. They are designed to overcome market failures and encourage private- and public-sector innovators to develop products and services that they would not otherwise bring to the market. Well-crafted pull mechanisms can be used to close the gap between the demand for socially desirable goods and services and their supply by the private sector in developing countries.

The overall objective is to improve the lives of the smallholder farmers it touches. The initiative will incentivize and demonstrate breakthroughs in agricultural technologies and practices especially adapted to smallholders, to help provide a pathway out of poverty for farmers, improve food security and nutrition outcomes, and promote climate-smart agriculture.

**THE WORLD BANK’S ROLE**

- Receive contributions from donors, hold, and convert funds to US dollars as appropriate, hold funds securely, and invest contributed funds
- Transfer funds to external service providers and implementers
- Report on the financial capacity of the trust fund, including forecasting availability for program funding
- Contribute to Steering Committee discussions as a non-voting Committee member and trustee

**SOURCES OF FUNDING**

The governments of Australia, Canada, the United Kingdom, and the United States are contributors to the AgResults Initiative, as well as the Bill & Melinda Gates Foundation.
DEBT RELIEF

DISASTER RELIEF

EDUCATION

DEVELOPMENT

.4 M  .5 M  .4 M
2011  2012  2013
Debt Relief Trust Fund
Formerly known as the Heavily Indebted Poor Countries (HIPC) Initiative (DRTF)

**GOAL**
Provide financial support to eligible multilateral creditors to assist them in achieving their agreed share of debt relief to eligible HIPCs

**EST**° 1996

Designed by the World Bank and the International Monetary Fund (IMF) to provide substantial debt relief to countries that implement critical social and economic reforms as part of an integrated approach to sustainable development. It is used specifically in cases where traditional debt relief mechanisms are not enough to help countries exit from the rescheduling process.

In 2008, to help accelerate progress toward the United Nations Millennium Development Goals (MDGs), the DRTF Initiative was supplemented by the Multilateral Debt Relief Initiative (MDRI). 39 countries are registered as eligible, 35 of which are receiving irrevocable debt relief from the IMF and other creditors after reaching their completion points. The resources of DRTF are managed on the basis of decisions made by donors and by multilateral creditors.

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**THE WORLD BANK’S ROLE**

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies

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**SOURCES OF FUNDING**

The governments of *25 donor countries* as well as the European Commission, IBRD, and NDF have contributed to the DRTF.
GLOBAL PARTNERSHIP FOR EDUCATION FUND (GPEF)

GOAL
Galvanize and coordinate a global effort to deliver a good-quality education to all girls and boys, prioritizing the poorest and most vulnerable.

SOURCE OF FUNDING

There are 16 donor countries that contribute to the GPE Fund. An additional 2 donors contributed to EFA-FTI multi donor trust funds that pre-existed the GPE Fund, and the European Commission continues to contribute to a single donor trust fund separate from the FIF.

ESTD 2011 STARTED AS EDUCATION FOR ALL IN 2002

A multilateral financing mechanism to support the work of the Global Partnership for Education, a global partnership of developing and donor countries and agencies, civil society organizations, private foundations, and the private sector.

The partnership comprises nearly 60 developing countries, donor governments, international organizations, the private sector, teachers, and civil society/NGO groups. GPE Fund was established as a Financial Intermediary Fund in 2011 as part of the reform and rebranding process of the Education for All Fast Track Initiative (EFA FTI).

THE WORLD BANK’S ROLE

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- One of the Agencies designated to receive GPE Funds and supervise programs approved by the GPE Board of Directors
A partnership between the Haitian government and the international community to help finance post-earthquake reconstruction. Chaired by the Government of Haiti, which also sets the HRF’s priorities.

While the HRF only manages a minority of the resources that were pledged for rebuilding, it is the largest source of un-earmarked financing for filling strategic gaps in the reconstruction: funds are disbursed through implementing agencies acceptable to any one of its four Partners Entities (the Inter-American Development Bank, the International Finance Corporation, the United Nations and the World Bank/IDA).

**THE WORLD BANK’S ROLE**

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- Implementing agency for HRF-financed projects
- Provide secretariat services
- Occupy two seats on the HRF Steering Committee- one as the Trustee and one as a partner entity

**SOURCES OF FUNDING**

18 donor countries have signed contribution agreements and paid to the HRF.
The Deauville Partnership was launched as a response to the historic changes underway in several countries in MENA and as a long-term, global initiative that provides countries in transition with a framework based on technical support to strengthen governance for transparent, accountable governments; and provide an economic framework for sustainable and inclusive growth. To support the countries in transition to formulate policies and programs and implement reforms, the Deauville Partnership set up the MENA Transition Fund, which became operational in December 2012.

The World Bank’s Role

- Receive payments from donors, hold and invest contributed funds
- Transfer funds to external agencies
- Implementing Support Agency alongside other institutions for the implementation of activities funded by the TF and observer in the Transition Funds Steering Committee
- Manager of the Coordination Unit

Sources of Funding

There are 12 donor countries that serve as contributors to the MENA Transition Fund.
### ANNEX:

#### TWO FIFS HAVE BEEN CLOSED:

<table>
<thead>
<tr>
<th>GAVI FUND TRUST FUND</th>
<th>EST&lt;sup&gt;DP&lt;/sup&gt; 2007</th>
<th>CLOSE&lt;sup&gt;DP&lt;/sup&gt; 2013</th>
</tr>
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<tbody>
<tr>
<td><strong>GOAL</strong></td>
<td>Support the GAVI Alliance immunization goals by managing and disbursing funds for immunization programs</td>
<td>Created as the financing arm to help manage the resources, which several sovereign governments agreed to make available to finance the projects and programs supported by the GAVI Alliance.</td>
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<tr>
<th>THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT SOUTHERN AND EASTERN MEDITERRANEAN</th>
<th>EST&lt;sup&gt;DP&lt;/sup&gt; 2011</th>
<th>CLOSE&lt;sup&gt;DP&lt;/sup&gt; 2012</th>
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<tbody>
<tr>
<td><strong>GOAL</strong></td>
<td>Bring private sector development expertise to the Southern and Eastern Mediterranean region</td>
<td>The World Bank served as trustee for this financial intermediary fund (FIF) as an interim solution to help the European Bank for Reconstruction and Development (EBRD) use its net income to support technical assistance and other similar activities in EBRD member countries in the Southern and Eastern Mediterranean, in anticipation of such countries becoming EBRD recipient countries.</td>
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<tr>
<td></td>
<td></td>
<td>EBRD was the sole donor, decision-maker, and implementer for the EBSM. While this arrangement differed from most FIFs, which typically have multilateral governance structures and multiple implementing agency arrangements, in this case, EBRD, as a single donor to the FIF, is an MDB with 63 shareholders. Under EBRD’s charter, EBRD shareholders (Board of Governors) collectively determine its net income.</td>
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