



AgResults Trust Fund

Financial Report

Prepared by the Trustee

As of June 30, 2020



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Introduction

The information contained in this report is prepared based on financial information of the AgResults Trust Fund as of June 30, 2020.

AgResults was established in 2012 to enhance smallholder welfare and improve food security for the poor and vulnerable through the use of "pull mechanisms"¹ in agriculture.

This report is produced by the Trustee in accordance with the Trustee's role as set forth in the Contributions Agreement which states that:

"[...] the Trustee shall report to the Steering Committee semi-annually on the financial status of the Trust Fund including information on the status of Contributions, investment income, commitments, transfers and funds available for allocation by the Steering Committee".

This report provides (i) a snapshot of the financial situation of the AgResults Trust Fund since its inception to June 30, 2020, (ii) the status of pledges and contributions, and (iii) the details of financial activities of the AgResults Trust Fund.

¹ 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.



AgResults Trust Fund Financial Summary

Pledges and Contributions:

As of June 30, 2020, five donors pledged USD eq. 105.7 million to the AgResults Trust Fund. The Trustee has received USD 105.7 million in cash from these donors.

Investment Income:

As of June 30, 2020, the AgResults Trust Fund earned investment income of approximately USD 6.2 million on the balance of the Trust Fund.

Funding Approvals:

As of June 30, 2020, AgResults Steering Committee has approved a total of USD 97.2 million in allocations. Of this amount, USD 69.5 million is for pilot awards, management and verification fees, and USD 27.7 million is for administrative budgets of the Secretariat and the Trustee.

Cash Transfers:

The Trustee has transferred a total amount of USD 56.41 million since inception up to June 30, 2020. Of this amount, USD 33.64 million was for pilot awards, management and verification fees, USD 18.22 million was for Secretariat services, and USD 4.55 million was for Trustee services.

Funds Held in Trust and Available for AgResults Steering Committee Funding Decisions:

Funds Held in Trust reflect contributions paid-in from donors, investment income, and net cash transfers. Funds held in trust as of June 30, 2020 amounted to USD 55.6 million.

Funds Available to support AgResults Steering Committee funding decisions amount to USD 14.8 million as of June 30, 2020.



1. AgResults Trust Fund Summary – Inception through June 30, 2020

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	105.7	100%
Pledges	-	0%
Total Pledges and Contributions	105.7	100%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	105.7	94%
Investment Income earned	6.2	6%
Total Resources Received	112.0	100%
<u>Resources not yet received</u>		
Contributions not yet paid	-	0%
Pledges	-	0%
Total resources not yet received	-	0%
Total Potential Resources (A)	112.0	100%

<u>Cumulative Funding Decisions</u>		
Projects and Fees	69.5	72%
Administrative Budget	27.7	28%
Total Funding Decisions Net of Cancellations (B)	97.2	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	14.8	

<u>Funds Available</u>	
Funds Held in Trust	55.6
Amounts Pending Cash Transfers	40.8
Total Funds Available to Support AgResults Steering Committee decisions	14.8

Note: Sub-totals in the table may not add up due to rounding.



2. Pledges and Contributions as of June 30, 2020

In USD millions

Donor	Total Pledges Outstanding and				Pledges Outstanding		Contribution Agreements Finalized				
	Currency	3 = 5 + 7	4 = 6 + 9+ 11	USDeq. a/	5 Amount	6 USDeq.	Paid (Receipts)			Unpaid	
							7 = 8 + 10 Total Pledge	8 Amount Paid in Currency	9 USDeq. b/	10 Amount Due in Currency	11 USDeq.
Australia	AUD	24.2	21.5		-	-	24.2	24.2	21.5	-	-
Gates Foundation	USD	15.0	15.0		-	-	15.0	15.0	15.0	-	-
Canada	CAD	38.8	35.5		-	-	38.8	38.8	35.5	-	-
United Kingdom /c	GBP	17.1	25.8		-	-	17.1	17.1	25.8	-	-
United States	USD	8.0	8.0		-	-	8.0	8.0	8.0	-	-
			<u>105.7</u>			<u>-</u>			<u>105.7</u>		<u>-</u>

a/ Represents (1) the actual US dollar value of paid-in cash contributions and (2) June 30, 2020 value of amount due in currency.
b/ Represents the actual US dollar value of paid-in cash contributions.
c/ Excludes USDeq. 15 million which DFID has set aside for AgResults External Independent Evaluation. This amount is not managed by Trustee.

Sub-totals in the table may not add up due to rounding.

- The above table shows the total pledges² outstanding and contributions finalized, and the amount of the contributions received by the Trustee in the respective currencies and in USD equivalent based on exchange rates as of June 30, 2020.
- The total pledges and contributions to the AgResults Trust Fund amount to USD eq. 105.7 million. Trustee has received the full amount of the contributions as of May 2018.

² Pledges represent donors' expression of intent to make a contribution.

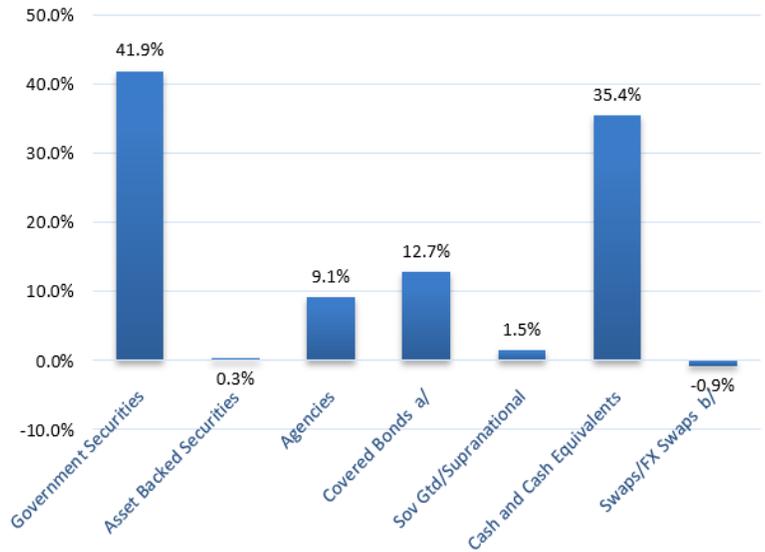


3. Asset Mix and Investment Income

ASSET MIX

Funds held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the “Pool”) for all trust funds administered by the World Bank. Within this pool, the AgResults funds are invested in a short term, high quality fixed income portfolio with an investment horizon of up to one year.

On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management of trust funds. Funds are managed such that the expected maximum loss, as measured by the CVaR, at the portfolio’s investment horizon, is not to exceed 1% with 99% confidence.



a/ Covered Bonds are securities issued by banks and mortgage institutions which provide additional protective layer to the investors wherein the investor has recourse to the issuer and collateral.

b/ The negative position in swaps is primarily due to changes in foreign currency exchange (FX) rates in cross currency basis swaps. Such swap instruments are used to implement currency hedges on bond positions within the portfolio.

INVESTMENT INCOME

The AgResults funds are invested in accordance with the investment strategy established for all trust funds administered by the World Bank. The AgResults Trust Fund portfolio (which totaled approximately USD 55.6 million at end of June 2020) has returned 0.68% through the calendar year to June 30, 2020 and earned approximately USD 6.2 million in investment income since inception.



*non-annualized

4. Cumulative Funding Decisions and Cash Transfers as of June 30, 2020

In USD millions

Pilots	Themes	Amount Approved	Cash Transfers	Balance
Aflasafe, Nigeria	Pilot Management (<i>including Technical Assistance</i>)	4.31	4.31	0.00
	Pilot Verification (<i>including Assay</i>)	2.56	2.56	0.00
	Awards	3.01	3.01	0.00
	Sub-total	9.89	9.89	0.00
On-Farm Storage, Kenya	Pilot Management	2.24	2.24	0.00
	Pilot Verification	0.63	0.63	0.00
	Awards	6.25	6.25	0.00
	Sub-total	9.11	9.11	0.00
Biofortified Maize, Zambia	Pilot Management	1.64	1.64	0.00
	Pilot Verification	0.25	0.25	0.00
	Awards	0.61	0.61	0.00
	Sub-total	2.50	2.50	0.00
Legume Seeds, Uganda	Pilot Management	1.74	1.74	0.00
	Pilot Verification	0.83	0.83	0.00
	Awards	0.00	0.00	0.00
	Sub-total	2.57	2.57	0.00
GHG Emission Reduction, Vietnam	Pilot Management	2.10	1.50	0.60
	Pilot Verification	2.57	2.40	0.17
	Awards	3.36	1.16	2.20
	Sub-total	8.03	5.05	2.98
Brucellosis	Pilot Management a/	4.55	2.46	2.09
	Pilot Verification	0.00	0.00	0.00
	Awards	5.00	1.00	4.00
	Sub-total	9.55	3.46	6.09
Foot and Mouth Vaccine	Pilot Management	4.76	0.72	4.04
	Pilot Verification	0.92	0.00	0.92
	Awards	12.00	0.00	12.00
	Sub-total	17.68	0.72	16.96
Dairy Productivity Project, Tanzania	Pilot Management	1.49	0.27	1.22
	Pilot Verification	1.17	0.07	1.10
	Awards	2.25	0.00	2.25
	Sub-total	4.90	0.34	4.56
Aquaculture Prize Project, Indonesia	Pilot Management	0.99	0.00	0.99
	Pilot Verification	0.67	0.00	0.67
	Awards	3.57	0.00	3.57
	Sub-total	5.23	0.00	5.23
Storage-Based Finance Project, Senegal	Pilot Management	0.04	0.002	0.04
	Pilot Verification	0.00	0.00	0.00
	Awards	0.00	0.00	0.00
	Sub-total	0.04	0.002	0.04
Administrative Budgets	Secretariat	22.55 b/	18.22	4.32
	Trustee	5.14 c/	4.55	0.59
	Sub-total	27.69	22.77	4.91
Total		97.19	56.41	40.78

a/ Includes allocations and cash transfers for Andy Peters.
b/ Secretariat budget includes allocations for base years through June 2022 and tail-end period through June 2027.
c/ Trustee budget through FY21.

Sub-totals in the table may not add up due to rounding.

- As of June 30, 2020, AgResults Steering Committee has approved USD 97.19 million for pilot awards, management and verification fees, and administrative budgets for Secretariat and Trustee.
- A total amount of USD 56.41 million has been disbursed since inception.



5. Funds Available as of June 30, 2020

In USD millions

1. Cumulative Receipts		112.0
a. Cash receipts and encashed promissory notes	105.7	
c. Investment income earned on undisbursed balance	6.2	
2. Cumulative Cash Transfers		56.4
a. Awards, Management and Verification Fees	33.6	
c. Administrative Budget	22.8	
3. Funds held in Trust (1) - (2)		55.6
4. Approved Amounts pending Cash Transfer		40.8
a. Trustee/Secretariat set aside	4.9	
b. Approved Funds set aside for Pilots	35.9	
5. Funds Available to Support Steering Committee Funding Decisions (3) - (4)		14.8

Sub-totals in the table may not add up due to rounding.

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 55.6 million as of June 30, 2020.
- **Funds available for Trustee's Commitment** amounted to USD 14.8 million as of June 30, 2020.