



AgResults Trust Fund

Financial Report

Prepared by the Trustee

As of December 31, 2015



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Introduction

The information contained in this report is prepared based on financial information of the AgResults Trust Fund as of December 31, 2015.

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 December 31, 2015, (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 December 31, 2015, five donors pledged USD eq. 103.7 million to the AgResults Trust Fund. The Trustee has received USD 97.1 million in cash from these donors.

Investment Income:

As of December 31, 2015, the AgResults Trust Fund earned investment income of approximately USD 0.6 million on the balance of the Trust Fund.

Funding Approvals:

As of December 31, 2015, AgResults Steering Committee has approved a total of USD 96.1 million in allocations. Of this amount, USD 82.1 million is for pilot awards, management and verification fees, and USD 14 million is for administrative budgets of the Secretariat through FY18 and the Trustee through FY16.

Cash Transfers:

The Trustee has transferred a total amount of USD 13.3 million since inception up to December 31, 2015. Of this amount, USD 3.6 million was for pilot awards, management and verification fees, USD 7.6 million was for Secretariat services, and USD 2.1 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 December 31, 2015 amounted to USD 84.4 million.

Funds Available to support AgResults Steering Committee funding decisions amount to USD 1.6 million as of December 31, 2015.



1. AgResults Trust Fund Summary – Inception through December 31, 2015²

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	103.7	100%
Pledges	-	
Total Pledges and Contributions	103.7	100%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	97.1	93%
Investment Income earned	0.6	1%
Total Resources Received	97.7	94%
<u>Resources not yet received</u>		
Contributions not yet paid	6.6	6%
Pledges	-	0%
Total resources not yet received	6.6	6%
Total Potential Resources (A)	104.3	100%

<u>Cumulative Funding Decisions</u>		
Projects and Fees	82.1	85%
Administrative Budget	14.0	15%
Total Funding Decisions Net of Cancellations (B)	96.1	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	8.2	

<u>Funds Available</u>		
Funds Held in Trust	84.4	
Amounts Pending Cash Transfers	82.8	
Total Funds Available to Support AgResults Steering Committee decisions	1.6	

² Sub-totals in the table may not add up due to rounding.



2. Pledges and Contributions as of December 31, 2015³

In millions

Donor	Total Pledges Outstanding and Contributions Finalized			Pledges Outstanding		Contribution Agreements Finalized				
	Currency	Total		Amount	USDeq. <i>b/</i>	Paid (Receipts)			Unpaid	
		Pledge	USDeq. <i>a/</i>			Total Pledge	Amount Paid in	USDeq. <i>c/</i>	Amount Due in	USDeq. <i>b/</i>
Australia	AUD	20.2	18.4	-	-	20.2	20.2	18.4	-	-
Gates Foundation	USD	15.0	15.0	-	-	15.0	14.4	14.4	0.6	0.6
Canada	CAD	38.8	35.5	-	-	38.8	38.8	35.5	-	-
United Kingdom <i>d/</i>	GBP	17.3	26.8	-	-	17.3	13.2	20.8	4.1	6.0
United States	USD	8.0	8.0	-	-	8.0	8.0	8.0	-	-
			<u>103.7</u>		<u>-</u>			<u>97.1</u>		<u>6.6</u>

a/ Represents (1) the actual US dollar value of paid-in cash contributions and (2) December 31, 2015 value of amount due in currency.

b/ Valued at exchange rates available on December 31, 2015.

c/ Represents the actual US dollar value of paid-in cash contributions.

d/ Excludes GBP 7.4 million which DFID has set aside for AgResults External Independent Evaluation. This amount is not managed by Trustee.

- The above table shows the total pledges⁴ 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 December 31, 2015.
- The total pledges and contributions to the AgResults Trust Fund now amount to USD eq. 103.7 million.
- As of December 31, 2015, the Trustee received USD 97.1 million in cash.
- Unpaid donor contributions amount to USD eq. 6.6 million based on exchange rates as of December 31, 2015.

³ Sub-totals in the table may not add up due to rounding.

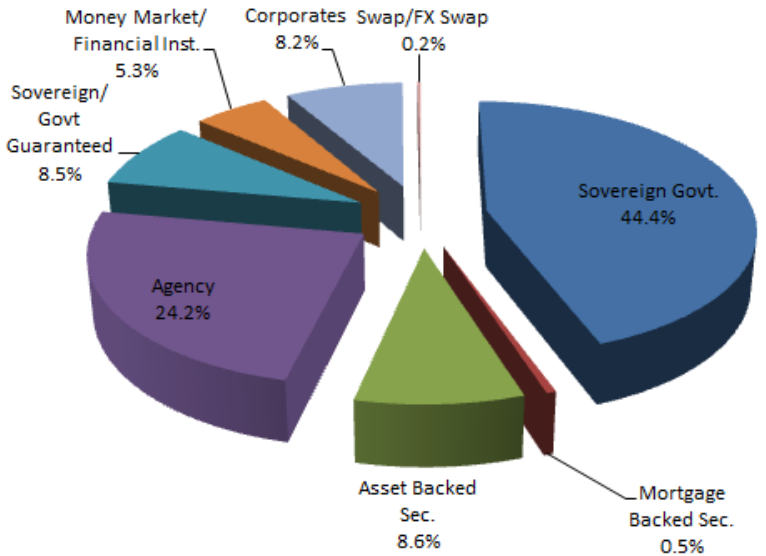
⁴ Pledges represent donors' expression of intent to make a contribution.



3. Asset Mix and Investment Income

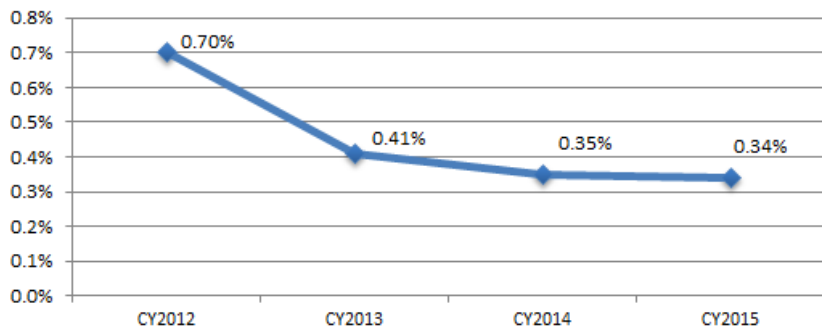
ASSET MIX

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.



INVESTMENT INCOME

The AgResults funds are invested in a short horizon portfolio of the World Bank's trust fund investment pool. This portfolio comprises investments in government bonds and money markets with an investment horizon of up to one year. The AgResults Trust Fund liquid portfolio (which totaled approximately USD 84.4 million at end-December 2015) has returned 0.34% through the calendar year to December 31, 2015 and earned approximately USD 0.6 million in investment income since inception.





4. Cumulative Funding Decisions and Cash Transfers as of December 31, 2015⁵

In USD millions

Pilots	Themes	Amount Approved	Cash Transfers	Balance
Aflasafe, Nigeria	Pilot Management <i>(including Technical Assistance and Assay)</i>	3.67	2.01	1.66
	Pilot Verification	1.91	-	1.91
	Awards	6.85	0.14	6.71
	Sub-total	12.42	2.15	10.27
On-Farm Storage, Kenya	Pilot Management	2.76	0.57	2.19
	Pilot Verification	2.00	-	2.00
	Awards	7.75	0.00	7.75
Sub-total	12.51	0.57	11.93	
Biofortified Maize, Zambia	Pilot Management	2.07	0.47	1.60
	Pilot Verification	0.40	-	0.40
	Awards	3.89	0.12	3.77
Sub-total	6.36	0.59	5.77	
Newcastle Disease, Myanmar	Pilot Management	0.69	-	0.69
	Pilot Verification	1.28	-	1.28
	Awards	0.84	-	0.84
Sub-total	2.81	0.00	2.81	
Legume Seeds, Uganda	Pilot Management	3.11	0.24	2.87
	Pilot Verification	0.57	-	0.57
	Awards	2.36	-	2.36
Sub-total	6.05	0.24	5.80	
GHG Emission Reduction, Vietnam	Pilot Management	1.10	0.03	1.07
	Pilot Verification	2.71	-	2.71
	Awards	3.62	-	3.62
Sub-total	7.42	0.03	7.40	
Brucellosis	Pilot Management c/ Pilot Verification	4.46	0.03	4.44
	Awards	0.09	-	0.09
		30.00	-	30.00
Sub-total	34.55	0.03	34.52	
	Administrative Budgets: Secretariat	11.84 a/	7.58	4.26
	Trustee	2.14 b/	2.14	0.00
Sub-total	13.98	9.72	4.26	
Total		96.10	13.33	82.78

a/ Includes the approved amount of USD 8.92 million until FY16 and the balance of USD 2.92 million for FY17 to FY18.
b/ Trustee fees through FY16.
c/ Includes allocations and cash transfers for Andy Peters.

- As of December 31, 2015, AgResults Steering Committee has approved USD 94.51 million for pilot awards, management and verification fees, and administrative budgets for Secretariat and Trustee.
- A total amount of USD 13.33 million has been disbursed since inception.

⁵ Sub-totals in the table may not add up due to rounding.



5. Funds Available as of December 31, 2015⁶

In USD millions

1. Cumulative Receipts		97.7
a. Cash receipts and encashed promissory notes	97.1	
c. Investment income earned on undisbursed balance	0.6	
2. Cumulative Cash Transfers		13.3
a. Awards, Management and Verification Fees	3.6	
c. Administrative Budget	9.7	
3. Funds held in Trust (1) - (2)		84.4
4. Approved Amounts pending Cash Transfer		82.8
a. Trustee/Secretariat set aside	4.3	
b. Approved Funds set aside for Pilots	78.5	
5. Funds Available to Support Steering Committee Funding Decisions (3) - (4)		1.6

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 84.4 million as of December 31, 2015.
- **Funds available for Trustee's Commitment** amounted to USD 1.6 million as of December 31, 2015.
- The table does not take into account contributions receivable from the signed Contribution Agreements/Arrangements.

⁶ Sub-totals in the table may not add up due to rounding.