



AgResults Trust Fund

Financial Report

Prepared by the Trustee

As of December 31, 2023



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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, 2023.

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, 2023, (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, 2023, five donors pledged and paid USD eq. 105.7 million in cash to the AgResults Trust Fund.

Investment Income:

As of December 31, 2023, the AgResults Trust Fund earned investment income of approximately USD 9.4 million on the balance of the Trust Fund.

Funding Approvals:

As of December 31, 2023, AgResults Steering Committee has approved a total of USD 112.5 million in allocations. Of this amount, USD 77.2 million is for pilot awards, management and verification fees, and USD 35.3 million is for administrative budgets of the Secretariat and the Trustee.

Cash Transfers:

The Trustee has transferred a total amount of USD 75.4 million since inception up to December 31, 2023. Of this amount, USD 44.9 million was for pilot awards, management and verification fees, USD 24.2 million was for Secretariat services, and USD 6.3 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, 2023 amounted to USD 39.8 million.

Funds Available to support AgResults Steering Committee funding decisions amount to USD 2.6 million as of December 31, 2023.



1. AgResults Trust Fund Summary – Inception through December 31, 2023

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	92%
Investment Income earned	9.4	8%
Total Resources Received	115.1	100%
<u>Resources not yet received</u>		
Contributions not yet paid	-	0%
Pledges	-	0%
Total resources not yet received	-	0%
Total Potential Resources (A)	115.1	100%

<u>Cumulative Funding Decisions</u>		
Projects and Fees	77.2	69%
Administrative Budget	35.2 ^{1/}	31%
Total Funding Decisions Net of Cancellations (B)	112.5	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	2.6	

<u>Funds Available</u>		
Funds Held in Trust	39.8	
Amounts Pending Cash Transfers	37.1	
Total Funds Available to Support AgResults Steering Committee decisions	2.6	

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

1/Includes allocation towards total estimated Trustee Cost of US\$1.3 million (US\$0.295 million per year for the remaining 4.5 years from Jul 2024 to Dec 2028)



2. Pledges and Contributions as of December 31, 2023

In USD millions

Contribution Agreements Finalized and Paid (Receipts)				
<u>Donor</u>	<u>Currency</u>	<u>Contributions signed (in currency)</u>	<u>Amount Paid in Currency</u>	<u>Amount Paid USDeq. a/</u>
Australia	AUD	24.2	24.2	21.5
Gates Foundation	USD	15.0	15.0	15.0
Canada	CAD	38.8	38.8	35.5
United Kingdom /b	GBP	17.1	17.1	25.8
United States	USD	8.0	8.0	8.0
				<u>105.7</u>

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

b/ Excludes an amount which FCDO has set aside for AgResults External Independent Evaluation. This amount is not managed by the Trustee

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

- The total contributions to the AgResults Trust Fund received in full by the Trustee amount to USD eq. 105.7 million. No new contributions were received since July 1, 2018.

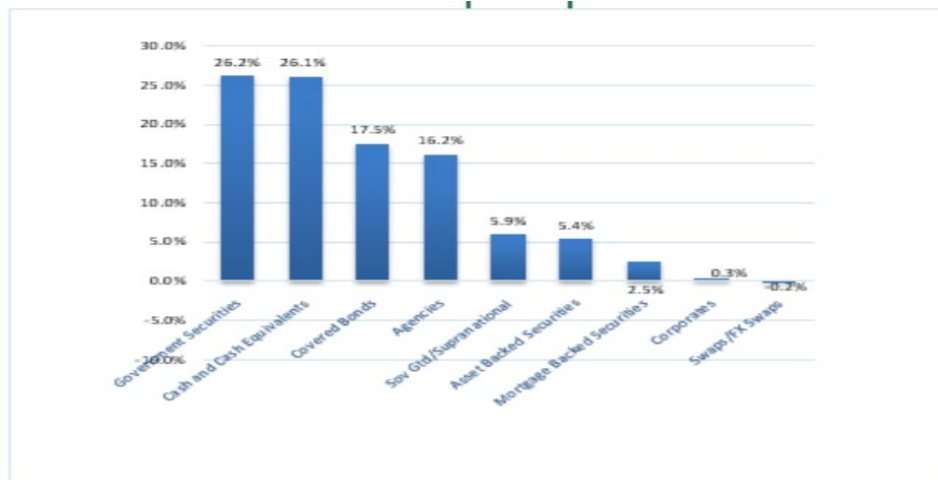


3. Asset Mix and Investment Income

ASSET MIX

The 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.

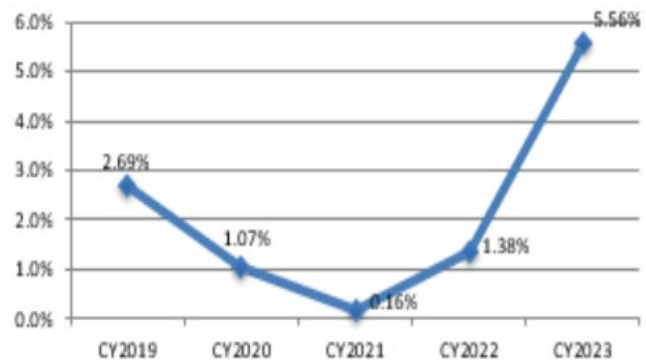
By asset class, the largest allocations as of December 31, 2023 are to Government Securities (26.2%), Cash and Cash Equivalents (26.1%), and Covered Bonds (17.5%).



INVESTMENT INCOME

The AgResults funds are invested in accordance with the investment strategy established for all trust funds administered by the World Bank. Funds are managed such that the expected maximum loss, as measured by the CVaR, in the worst 1% of cases will not exceed 0.25% at the portfolio’s investment horizon.

As of December 31, 2023, the AgResults Trust Fund portfolio has earned approximately USD 9.4 million in investment income. The AgResults Trust Fund liquid portfolio has returned 5.56% and an investment income of USD 2.3 million for the calendar year 2023.



4. Cumulative Funding Decisions and Cash Transfers as of December 31, 2023

In USD millions

Pilots	Themes	Amount Approved	Cash Transfers	Balance
Aflasafe, Nigeria	Pilot Management (including Technical Assistance)	4.3	4.3	0.0
	Pilot Verification (including Assay)	2.5	2.5	0.0
	Awards	3.0	3.0	0.0
	Sub-total	9.8	9.8	0.0
On-Farm Storage, Kenya	Pilot Management	2.2	2.2	0.0
	Pilot Verification	0.6	0.6	0.0
	Awards	6.3	6.3	0.0
Sub-total	9.1	9.1	0.0	
Biofortified Maize, Zambia	Pilot Management	1.6	1.6	0.0
	Pilot Verification	0.2	0.2	0.0
	Awards	0.6	0.6	0.0
Sub-total	2.5	2.5	0.0	
Legume Seeds, Uganda	Pilot Management	1.7	1.7	0.0
	Pilot Verification	0.8	0.8	0.0
	Awards	0.0	0.0	0.0
Sub-total	2.6	2.6	0.0	
GHG Emission Reduction, Vietnam	Pilot Management	2.1	2.1	0.0
	Pilot Verification	2.6	2.6	0.0
	Awards	3.0	3.0	0.0
Sub-total	7.7	7.7	0.0	
Brucellosis	Pilot Management a/	4.4	3.2	1.2
	Pilot Verification	0.0	0.0	0.0
	Awards	6.0	1.0	5.0
Sub-total	10.4	4.2	6.2	
Foot and Mouth Vaccine	Pilot Management	4.8	2.6	2.2
	Pilot Verification	0.9	0.0	0.9
	Awards	12.0	0.0	12.0
Sub-total	17.7	2.6	15.1	
Dairy Productivity Project, Tanzania	Pilot Management	1.6	1.3	0.3
	Pilot Verification	1.3	0.9	0.3
	Awards	2.5	1.5	1.1
Sub-total	5.4	3.7	1.7	
Aquaculture Prize Project, Indonesia	Pilot Management	1.0	0.7	0.3
	Pilot Verification	0.7	0.2	0.5
	Awards	3.6	0.2	3.4
Sub-total	5.2	1.0	4.2	
Storage-Based Finance Project, Senegal	Pilot Management	2.0	1.1	1.0
	Pilot Verification	1.4	0.4	1.0
	Awards	3.4	0.2	3.2
Sub-total	6.8	1.6	5.2	
Administrative Budgets	Secretariat	27.6 b/	24.2	3.4
	Trustee	7.6 c/	6.3	1.3
Sub-total		35.2	30.5	4.7
Total		112.5	75.4	37.1

a/ Includes allocations and cash transfers for Andy Peters.
b/ Secretariat budget includes allocations for base years through June 2028 and tail-end period through December 2028.
c/ Trustee budget through FY29.

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

- As of December 31, 2023, AgResults Steering Committee has approved USD 112.5 million for pilot awards, management and verification fees, and administrative budgets for Secretariat and Trustee.
- A total amount of USD 75.4 million has been disbursed since inception.



5. Funds Available as of December 31, 2023

In USD millions

	As of December 31, 2023 (a)	As of June 30, 2023 (b)	Changes since last (a) - (b)
1. Cumulative Receipts	115.1	113.9	1.2
a. Cash receipts and encashed promissory notes	105.7	105.7	-
c. Investment income earned on undisbursed balance	9.4	8.2	1.2
2. Cumulative Cash Transfers	75.4	72.1	3.3
a. Awards, Management and Verification Fees	44.9	42.5	2.4
c. Administrative Budget	30.5	29.6	0.9
3. Funds held in Trust (1) - (2)	39.8	41.8	(2.1)
4. Approved Amounts pending Cash Transfer	37.1	40.1	(3.0)
a. Trustee/Secretariat set aside	4.7	4.3	0.4
b. Approved Funds set aside for Pilots	32.4	35.8	(3.4)
5. Funds Available to Support Steering Committee Funding Decisions (3) - (4)	2.6	1.7	0.9

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

- **Funds held in Trust** represent cumulative receipts and investment income earned less cumulative cash transfers, amounted to USD 39.8 million as of December 31, 2023, a reduction of USD 2.1 million compared to USD 41.8 million as of June 30, 2023. The reduction was mainly due to:
 - Increase of cash transfers (USD 3.3 million) to various recipients during the period July 1, 2023 to December 31, 2023 offset by an increase in investment income (USD 1.2 million)
- **Approved amounts pending Cash Transfer** amounted to USD 37.1 million, representing a decrease of USD 3 million compared to USD 40.1 million as of June 30, 2023. This decrease was largely due to decrease in the approved funds set aside for Pilots (USD 3.4 million) partially offset with an increase in the funds set aside for Secretariat and Trustee (USD 0.4 million).
- **Funds available to support Steering Committee funding decisions** amounted to USD 2.6 million as of December 31, 2023.