



Global Concessional Financing Facility Trust Fund

Financial Report

Prepared by the Trustee

As of March 31, 2020



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Introduction

The Global Concessional Financing Facility (GCFF) was established in July 2016 as part of the *New Financing Initiative to Support the Middle East and North Africa (MENA) Region* which aims to provide additional financing on more favorable terms to countries in the MENA region impacted by forced displacement, conflict and economic instability. In September 2016, the GCFF was expanded to a global facility in order to provide middle income countries the development support needed to address refugee crises across the globe.

This report covers the financial status of the GCFF Trust Fund, and is produced by the Trustee (World Bank) in accordance with the Trustee's role in the GCFF Operations Manual and Standard Provisions for the Contribution Agreements/Arrangements (Section 6):

“The Trustee will maintain separate records and ledger accounts with respect to the funds deposited in the Trust Fund and transfers made therefrom. The Trustee will report to the Steering Committee semi-annually on the financial status of the Trust Fund, including information on the status of Contributions, investment income, Allocations, Commitments, transfers and funds available for approval by the Steering Committee.”



GCFE Trust Fund Financial Summary as of March 31, 2020

Pledges and Contributions:

A pledge represents a Supporting Country's expression of intent to make a contribution. Pledges are converted to Contributions by way of a countersigned Contribution Agreement/Arrangement.

As of March 31, 2020, contributions and outstanding pledges to the GCFE Trust Fund totaled USDeq. 772.84 million.¹ Of this amount, USD 687.58 million has been deposited into the GCFE Trust Fund.

Investment Income:

As of March 31, 2020, the GCFE Trust Fund earned investment income of approximately USD 6.49 million on the liquid balances in the Trust Fund. The GCFE Trust Fund portfolio has returned 0.35% during the first quarter of calendar year 2020. The GCFE Trust Fund balance is allocated to a short-term fixed income portfolio. In addition, the investment income received from Implementation Support Agencies is USD 13.68 million.

Funding Approvals:

As of March 31, 2020, the GCFE Steering Committee had approved funding from the GCFE Trust Fund totaling USD 607.74 million to cover Concessionality Amounts and Implementation Support Agency (ISA) Costs, as well as administrative costs of the GCFE Coordination Unit and Trustee.

Funds Held in Trust:

Funds Held in Trust² reflect contributions paid-in from Supporting Countries, plus investment income, less cash transfers. Funds Held in Trust as of March 31, 2020 amounted to USDeq. 153.01 million.

Funds Available for GCFE Steering Committee Funding Decisions:

Funds available to support GCFE funding decisions amounted to USD 100.01 million as of March 31, 2020.

¹ This does not include potential pledges that may be provided if a Supporting Country enters into a loan agreement with IBRD wherein grant amounts may be generated to benefit GCFE.

² Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.

1. GCFE Trust Fund Summary – Inception through March 31, 2020

In USD millions

	Total	% of Total
<u>Supporting Country Pledges and Contributions</u>		
Contributions	687.58	89.0%
Pledges outstanding a/	85.26	11.0%
Total Pledges outstanding and Contributions	772.84	100.0%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	687.58	86.7%
Investment Income earned	6.49	0.8%
Investment Income received from ISAs	13.68	1.7%
Total Resources Received	707.75	89.2%
<u>Resources not yet received</u>		
Contributions not yet received	-	0.0%
Pledges outstanding	85.26	10.8%
Total Resources not yet received	85.26	10.8%
Total Potential Resources (A) (in USD millions)	793.01	100.0%
<u>Cumulative Funding Decisions</u>		
Concessionality	604.15	99.4%
ISA Costs	0.71	0.1%
Administrative Budget	2.89	0.5%
Total Funding Decisions Net of Cancellations (B)	607.74	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	185.27	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	153.01	
Approved Amounts Pending Cash Transfers	53.01	
Total Funds Available to Support Steering Committee Decisions	100.01	

a/ This does not include potential pledges that may be provided if a Supporting Country enters into a loan agreement with IBRD wherein grant amounts may be generated to benefit GCFE.

Note: Sub-totals may not add up to due to rounding

2. Pledges and Contributions as of March 31, 2020

In millions

GCCF Pledges and Contributions														
Updated as of March 31, 2020														
Supporting Country	Curr	Pledge in Currency of Contribution	USDeq. a/	Effective (or signed) Contribution					Receipts in Currency of Contribution				Receipts in USDeq. b/	
				Global	Lebanon / Jordan	Jordan	Lebanon	Total	Global	Lebanon / Jordan	Jordan	Lebanon		
Canada	CAD	57.00	43.46	17.00	40.00	-	-	57.00	17.00	40.00	-	-	43.46	
Denmark	DKK	507.10	78.60	437.10	-	-	-	437.10	437.10	-	-	-	68.33	
European Commission	EUR	5.00	5.36	-	5.00	-	-	5.00	-	5.00	-	-	5.36	
Germany	EUR	91.48	102.41	-	67.65	23.83	-	91.48	-	67.65	23.83	-	102.41	
Japan	USD	134.56	134.56	14.56	60.00	25.00	-	99.56	14.56	60.00	25.00	-	99.56	
Netherlands	EUR	53.00	61.43	3.00	20.00	-	30.00	53.00	3.00	20.00	-	30.00	61.43	
Norway	NOK	404.20	46.41	30.00	374.20	-	-	404.20	30.00	374.20	-	-	46.41	
Sweden	SEK	180.00	20.24	-	180.00	-	-	180.00	-	180.00	-	-	20.24	
Sweden	USD	30.00	30.00	10.00	20.00	-	-	30.00	10.00	20.00	-	-	30.00	
United Kingdom	c/ USD	40.30	40.30	-	-	40.30	-	40.30	-	-	40.30	-	40.30	
United Kingdom	GBP	102.50	135.08	8.00	-	94.50	-	102.50	8.00	-	94.50	-	135.08	
United States	USD	75.00	75.00	-	-	35.00	-	35.00	-	-	35.00	-	35.00	
Total			772.84										687.58	

a/ Represents (1) actual US dollar value of paid-in cash contributions and (2) March 31, 2020 value of pledges outstanding, contribution amounts pending FX, and unpaid amounts
b/ Represents actual USD receipts
c/ Represents grant amount only

Note: totals may not add up to due to rounding

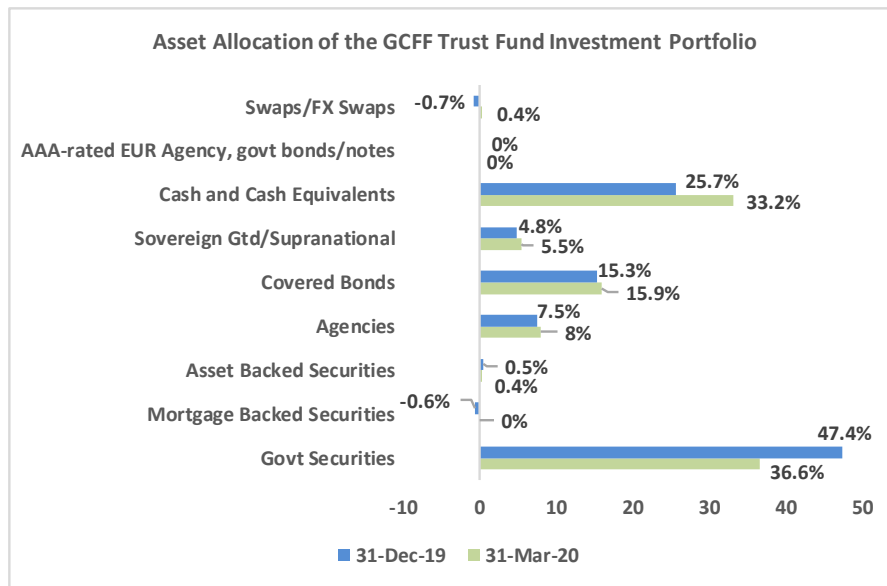


3. Asset Mix and Investment Income

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. 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.

The portfolio allocation by asset class has the largest allocations to government securities and money-market instruments.

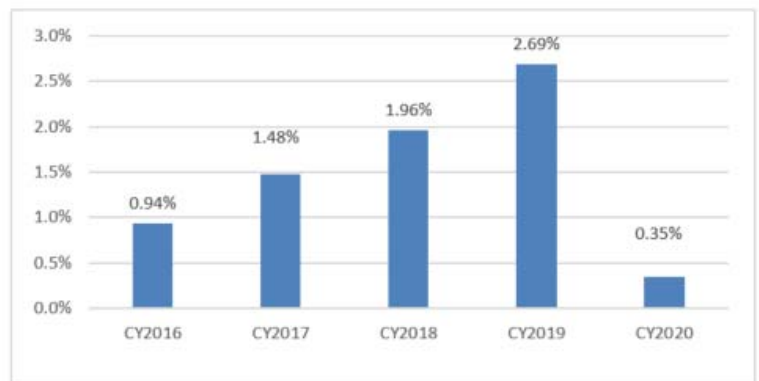


Note: The negative position in swaps is primarily due to changes in foreign currency exchange (FX) rates in cross currency basis swaps. Such swap instruments are used to implement currency hedges on bond positions within the portfolio. These hedges remain in place.

Mortgage Backed Securities allocation includes To-Be-Announced (TBA) contracts for which only Mark-to-market (MTM) is used to calculate the value of the position which, as a result, could be negative.

INVESTMENT RETURNS

The GCFF funds are invested in accordance with the investment strategy established for all trust funds administered by the World Bank. The GCFF funds are invested in a short-term fixed income portfolio with an investment horizon of one year. The GCFF Trust Fund portfolio earned approximately USD 6.49 million in investment income since inception.



*non-annualized

4. Cumulative Funding Decisions as of March 31, 2020

In USD millions

<u>Concessionality</u>	<u>ISA</u>	<u>Global</u>	<u>Lebanon / Jordan</u>	<u>Jordan</u>	<u>Lebanon</u>	<u>Total</u>
Colombia - Fiscal Sustainability, Competitiveness and Migration Development	WB	31.50	-	-	-	31.50
Colombia - Improving Quality of Healthcare Services and Efficiency	WB	37.60	-	-	-	37.60
Ecuador - Second Inclusive and Sustainable Growth Development Policy Financing	WB	6.00	-	-	-	6.00
Jordan - Economic Opportunities	WB	-	11.24	39.76	-	51.00
Jordan - Ain Ghazal Wastewater	EBRD	-	1.95	-	-	1.95
Jordan - Energy and Water Development Policy Loan	WB	-	-	25.00	-	25.00
Jordan - West Irbid Wastewater	EBRD	-	2.50	-	-	2.50
Jordan - Emergency Health	WB	-	7.95	5.95	-	13.90
	IsDB	-	12.01	8.99	-	21.00
Jordan - Emergency Health (Add'l Financing)	WB	-	18.17	40.73	-	58.90
Jordan - Education Reform Support	WB	-	41.88	10.42	-	52.30
Jordan - First Equitable Growth and Job Creation	WB	11.26	18.45	81.29	-	111.00
Jordan - Youth, Technology and Jobs Project	WB	-	-	36.90	-	36.90
Lebanon - Roads and Employment	WB	-	28.91	-	16.49	45.40
Lebanon - Health Resilience	WB	-	24.16	-	0.04	24.20
	IsDB	-	5.89	-	0.01	5.90
Lebanon - Greater Beirut Public Transport	WB	25.39	32.35	-	12.07	69.80
Lebanon - Municipal Investment Program	WB	-	1.77	-	7.53	9.30
		111.75	207.23	249.04	36.13	604.15
<u>ISA Costs</u>						
EBRD		-	0.17	-	-	0.17
IsDB		-	0.05	0.01	0.00	0.07
WB		0.12	0.15	0.15	0.05	0.47
		0.12	0.37	0.17	0.05	0.71
<u>Administrative Budget</u>						
Coordination Unit		0.19	0.87	0.50	0.04	1.61
Trustee		0.13	0.66	0.46	0.03	1.28
		0.33	1.53	0.96	0.07	2.89
Total Funding Decisions		112.19	209.13	250.17	36.25	607.74

Note: totals may not add up due to rounding



5. Funds Available as of March 31, 2020

In USD millions

	Total	Global	Lebanon / Jordan	Jordan	Lebanon
1. Cumulative Receipts	707.75	127.42	288.81	254.84	36.69
a. Cash receipts from Supporting Countries	687.58	123.04	278.00	251.88	34.65
b. Investment Income earned	6.49	1.67	3.43	1.10	0.29
c. Investment Income received from ISAs	13.68	2.71	7.37	1.86	1.74
2. Cumulative Cash Transfers	554.74	68.52	207.36	250.17	28.69
a. Concessionality	551.25	68.15	205.46	249.04	28.60
b. ISA Costs	0.60	0.05	0.36	0.17	0.02
c. Administrative Budget	2.89	0.33	1.53	0.96	0.07
3. Funds Held in Trust (3 = 1 - 2)	153.01	58.89	81.45	4.67	8.00
4. Funding Decisions Pending Cash Transfer	53.01	43.67	1.77	-	7.56
5. Funds available to support Steering Committee decisions (5 = 3 - 4)	100.01	15.22	79.68	4.67	0.44

Note: totals may not add up due to rounding