



Global Concessional Financing Facility Trust Fund

Financial Report

Prepared by the Trustee

As of March 31, 2017



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Introduction

The Global Concessional Financing Facility Trust Fund (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, 2017

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, 2017, contributions and outstanding pledges to the GCFE Trust Fund totaled USDeq. 362.48 million.¹ Of this amount, USD 190.03 million has been deposited into the GCFE Trust Fund.

Investment Income:

As of March 31, 2017, the GCFE Trust Fund earned investment income of approximately USD 0.46 million on the liquid balances in the Trust Fund. The GCFE Trust Fund portfolio has returned 0.34% during the first quarter of calendar year 2017. The GCFE Trust Fund balance is allocated to a short term fixed income portfolio.

Funding Approvals:

As of March 31, 2017, the GCFE Steering Committee had approved funding from the GCFE Trust Fund totaling USD 124.29 million to cover administrative costs of the GCFE Coordination Unit and Trustee, as well as Concessionality Amounts and Implementation Support Agency (ISA) Costs.

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, 2017 amounted to USDeq. 68.23 million.

Funds Available for GCFE Steering Committee Funding Decisions:

Funds available to support GCFE funding decisions amounted to USD 66.20 million as of March 31, 2017.

¹ In addition, Japan pledged to provide JPY 100 billion in loans that may be used by IBRD to generate additional grant contribution amounts.

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, 2017

In USD millions

	Total	% of Total
<u>Supporting Country Pledges and Contributions</u>		
Contributions	252.48	69.7%
Pledges outstanding	110.00	30.3%
Total Pledges outstanding and Contributions	362.48	100.0%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	190.03	52.4%
Investment Income earned	0.46	0.1%
Total Resources Received	190.49	52.5%
<u>Resources not yet received</u>		
Contributions not yet received	62.45	17.2%
Pledges outstanding	110.00	30.3%
Total Resources not yet received	172.45	47.5%
Total Potential Resources (A) (in USD millions)	362.94	100.0%
<u>Cumulative Funding Decisions</u>		
Concessionality	123.35	99.2%
ISA Costs	0.17	0.1%
Administrative Budget	0.77	0.6%
Total Funding Decisions Net of Cancellations (B)	124.29	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	238.65	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	68.23	
Approved Amounts Pending Cash Transfers	2.03	
Total Funds Available to Support Steering Committee Decisions	66.20	

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

2. Pledges and Contributions as of March 31, 2017

In millions

GCCF Pledges and Contributions													
Updated as of March 31, 2017													
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	20.00	14.94	-	20.00	-	-	20.00	-	6.50	-	-	4.83
Denmark	DKK	100.00	14.52	100.00	-	-	-	100.00	100.00	-	-	-	14.52
European Commission	EUR	5.00	5.34	-	5.00	-	-	5.00	-	-	-	-	-
Germany	EUR	20.00	21.56	-	20.00	-	-	20.00	-	20.00	-	-	21.56
Japan	USD	110.00	110.00	-	50.00	-	-	50.00	-	10.00	-	-	10.00
Japan	c/ JPY	-	-	-	-	-	-	-	-	-	-	-	-
Netherlands	EUR	25.00	27.39	-	10.00	-	15.00	25.00	-	10.00	-	15.00	27.39
Norway	NOK	115.20	13.46	-	115.20	-	-	115.20	-	103.20	-	-	12.06
Sweden	SEK	180.00	19.96	-	180.00	-	-	180.00	-	130.00	-	-	14.36
Sweden	USD	20.00	20.00	-	20.00	-	-	20.00	-	20.00	-	-	20.00
United Kingdom	d/ USD	40.30	40.30	-	-	40.30	-	40.30	-	-	40.30	-	40.30
United States	USD	75.00	75.00	-	-	25.00	-	25.00	-	-	25.00	-	25.00
Total			362.48										190.03

a/ Represents (1) actual US dollar value of paid-in cash contributions and (2) March 31, 2017 value of pledges outstanding, contribution amounts pending FX, and unpaid amounts.
b/ Represents actual USD receipts
c/ Japan pledged to provide JPY 100bn in additional loans that may be used by IBRD to generate additional grant contribution amounts
d/ Represents grant amount only

Note: totals may not add up to due to rounding

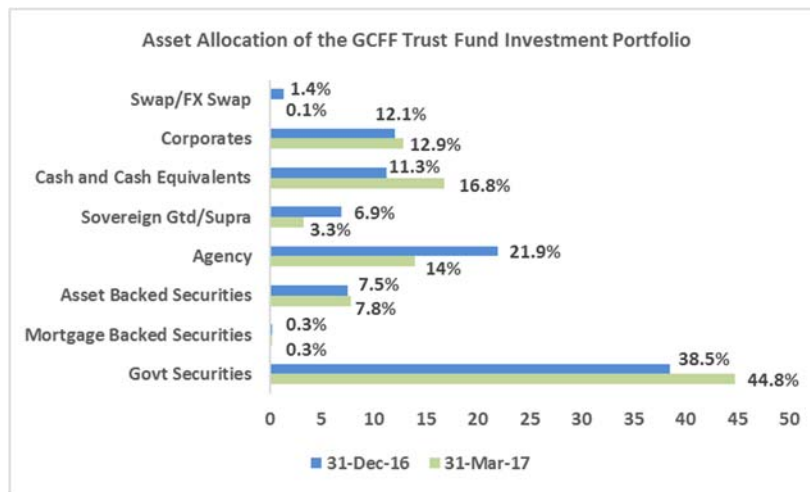


3. Asset Mix and Investment Income

ASSET MIX

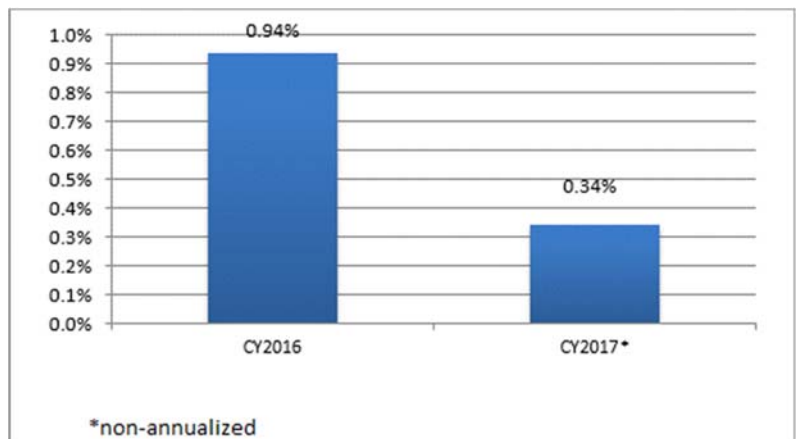
Funds held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the “Pool”) for all trust funds administered by the World Bank. On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management 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, agency, corporates, and asset backed securities.



INVESTMENT RETURNS

The GCFF funds are invested in accordance with the investment strategy established for all of the 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 0.46 million in investment income since inception.





4. Cumulative Funding Decisions

In USD millions

<u>Concessionalty</u>	<u>ISA</u>	<u>Lebanon / Jordan</u>	<u>Jordan</u>	<u>Lebanon</u>	<u>Total</u>
Jordan - Ain Ghazal Wastewater	EBRD	1.95	-	-	1.95
Jordan - Economic Opportunities	WB	11.24	39.76	-	51.00
Jordan - Energy and Water Development Policy Loan	WB	-	25.00	-	25.00
Lebanon - Roads and Employment	WB	28.91	-	16.49	45.40
		42.11	64.76	16.49	123.35
<u>ISA Costs</u>					
EBRD		0.08	-	-	0.08
WB		0.03	0.05	0.01	0.08
		0.11	0.05	0.01	0.17
<u>Administrative Budget</u>					
Coordination Unit		0.12	0.26	-	0.38
Trustee		0.12	0.27	-	0.40
		0.24	0.53	-	0.77
Total Funding Decisions		42.45	65.34	16.50	124.29

Note: totals may not add up due to rounding



5. Funds Available as of March 31, 2017

In USD millions

	Global	Lebanon / Jordan	Jordan	Lebanon
1. Cumulative Receipts	14.53	93.98	65.42	16.55
a. Cash receipts from Supporting Countries	14.52	93.71	65.30	16.50
b. Investment Income earned	0.02	0.27	0.12	0.05
2. Cumulative Cash Transfers	-	40.42	65.34	16.50
a. Concessionality	-	40.16	64.76	16.49
b. ISA Costs	-	0.03	0.05	0.01
c. Administrative Budget	-	0.24	0.53	-
3. Funds Held in Trust (3 = 1 - 2)	14.53	53.56	0.09	0.05
4. Funding Decisions Pending Cash Transfer	-	2.03	-	-
5. Funds available to support Steering Committee decisions (5 = 3 - 4)	14.53	51.53	0.09	0.05

Note: totals may not add up due to rounding