



Global Agriculture and Food Security Program Trust Fund

Public Sector Window

Financial Report

Prepared by the Trustee

As of September 30, 2024



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Introduction

The GAFSP Trust Fund (“Trust Fund”) was established as a Financial Intermediary Fund (FIF) in April 2010 in the World Bank. The GAFSP is a multilateral mechanism to assist in the implementation of pledges made by the G20 in Pittsburgh in September 2009. The objective is to address the underfunding of country and regional agriculture and food security strategic investment plans already being developed by countries in consultation with contributors and other stakeholders at the country-level. The GAFSP operates through two windows: Public Sector Window and Private Sector Window. The Public Sector Window is managed under the Trust Fund while the Private Sector Window is managed by the IFC. This report covers only the Public Sector Window.

The report is produced by the Trustee in accordance with the Trustee’s role in the GAFSP Governance Document as set forth under paragraph 15, which states:

“The roles and responsibilities of the Trustee include...providing to the Steering Committee regular reports on the financial status of the GAFSP FIF, as set forth in the Contribution Agreements/Arrangements.”

Section 9 of the Standard Provisions in the Contribution Agreements for the Public Sector Window states as follows:

“The Trustee shall maintain separate records and ledger accounts in respect of the Trust Fund funds deposited in the Trust Fund and disbursements made therefrom. The Trustee shall report to the Steering Committee annually unless otherwise agreed between the Trustee and the Steering Committee, on the status of Allocations of funding recorded by the Trustee, commitments and transfers from the Trust Fund and receipts of funds in the Trust Fund.”

This report covers the financial status of the GAFSP Trust Fund as of September 30, 2024



GAFSP Trust Fund Financial Summary as of September 30, 2024

Pledges and Contributions:

A pledge represents a contributor's expression of intent to make a contribution. Contributors finalize their pledges by way of a countersigned Contribution Agreement/Arrangement.

As of September 30, 2024, contributions and pledges to the Trust Fund totaled USDeq. 2,164.9 million. Of this amount, USD 2,144.2 million has been received by the Trustee in cash.

Investment Income:

As of September 30, 2024, the Trust Fund earned investment income of approximately USD 149.3 million on the liquid balances of the Trust Fund and investment income received from Supervising Entities (SEs).

Funding Approvals:

The cumulative funding decisions made by the GAFSP Steering Committee ("Steering Committee") through September 30, 2024, totaled USD 2,146.1 million, of which USD 1,969.4 million represents allocations for projects, USD 102.4 million for Supervising Entity fees, USD 54.8 million for Trustee and Coordination Unit administrative budget, and USD 19.6 million for monitoring and evaluation.

Of the total USD 1,969.4 million allocated for projects, USD 76.2 million is subject to Steering Committee approval of final project design document.

Further, the USD 102.4 million allocated for Supervising Entity fees includes USD 5.1 million for approved projects awaiting Steering Committee approval for fees, and USD 1.6 million towards fee for projects subject to Steering Committee approval of final project design document.

Cash Transfers:

The Trustee has transferred a total of USD 1,544.2 million up to September 30, 2024, including USD 1,383 million related to projects.

Funds Held in Trust:

*Funds Held in Trust*¹ reflect contributions paid-in from contributors, and investment income earned less cash transfers. Funds Held in Trust as of September 30, 2024, amounted to USD 749.3 million.

Funds Available for Steering Committee Funding Decisions:

Funds available to support Steering Committee funding decisions amounted to USD 147.3 million as of September 30, 2024.

¹ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.



1. GAFSP Trust Fund Summary – Inception through September 30, 2024

In USD millions

| | Total | % of Total |
|--|----------------|---------------|
| <u>Donor Pledges and Contributions</u> | | |
| Contributions | 2,164.9 | 100.0% |
| Pledges | - | 0.0% |
| Total Pledges and Contributions | 2,164.9 | 100.0% |
| <u>Cumulative Resources</u> | | |
| <u>Resources received</u> | | |
| Cash Receipts | 2,144.2 | 92.7% |
| Unencashed Promissory Notes | - | 0.0% |
| Investment Income earned a/ | 149.3 | 6.5% |
| Total Resources Received | 2,293.5 | 99.1% |
| <u>Resources not yet received</u> | | |
| Contributions not yet paid | 20.7 | 0.9% |
| Pledges | - | 0.0% |
| Total resources not yet received | 20.7 | 0.9% |
| Total Potential Resources (A) (in USD millions) | 2,314.1 | 100.0% |
| <u>Cumulative Funding Decisions</u> | | |
| Projects | 1,969.4 | 91.8% |
| Fees | 102.4 | 4.8% |
| Trustee and Coordination Unit Budget | 54.8 | 2.6% |
| Monitoring and Evaluation Budget | 19.6 | 0.9% |
| Total Funding Decisions Net of Cancellations (B) | 2,146.1 | 100.0% |
| Total Potential Resources Net of Funding Decisions (A) - (B) | 168.0 | |
| <u>Funds Available</u> | | |
| Funds Held in Trust | 749.3 | |
| Approved Amounts Pending Cash Transfers | 602.0 | |
| Total Funds Available to Support GAFSP Steering Committee Decisions | 147.3 | |

a/ Represents investment income earned on the liquid balances of the GAFSP Trust Fund and investment income received from SEs

Note: totals may not add up due to rounding



2. Contributions

Table 1: Contributions
as of September 30, 2024
(in millions)

| Contributor | Currency | Effective (or signed) Contributions in Currency of Contribution | Cash Receipts in Currency of Contribution | Outstanding Contributions in Currency of Contribution | Outstanding Contributions in USDeq. a/ | Receipts in USDeq. b/ |
|-----------------------------------|----------|--|---|--|--|--------------------------|
| Australia | AUD | 116.0 | 116.0 | - | - | 110.0 |
| Canada | CAD | 205.0 | 205.0 | - | - | 201.5 |
| Bill and Melinda Gates Foundation | USD | 87.5 | 87.5 | - | - | 87.5 |
| Germany | EUR | 524.8 | 518.3 | 6.5 | 7.3 | 574.4 |
| Ireland | EUR | 1.5 | 1.5 | - | - | 2.0 |
| Korea | USD | 83.9 | 83.9 | - | - | 83.9 |
| Norway | NOK | 462.3 | 462.3 | - | - | 50.3 |
| Spain | EUR | 102.0 | 90.0 | 12.0 | 13.4 | 116.1 |
| United Kingdom | GBP | 42.5 | 42.5 | - | - | 62.2 |
| United Kingdom | USD | 38.0 | 38.0 | - | - | 38.0 |
| United States | USD | 818.2 | 818.2 | - | - | 818.2 |
| Total | | | | | 20.7 | 2,144.2 |

a/ Valued on the basis of exchange rates as of September 30, 2024

b/ Represents actual USD receipts

Note: totals may not add up due to rounding



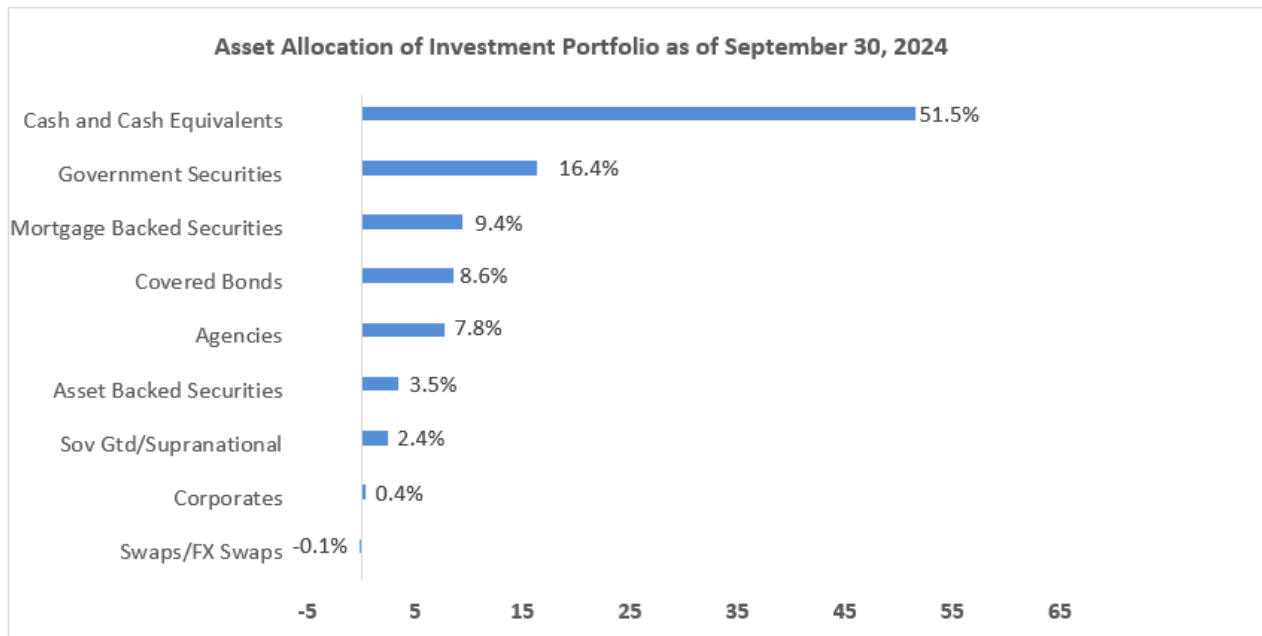
3. Asset Mix and Investment Income

ASSET MIX

Cash assets 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. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the World Bank.

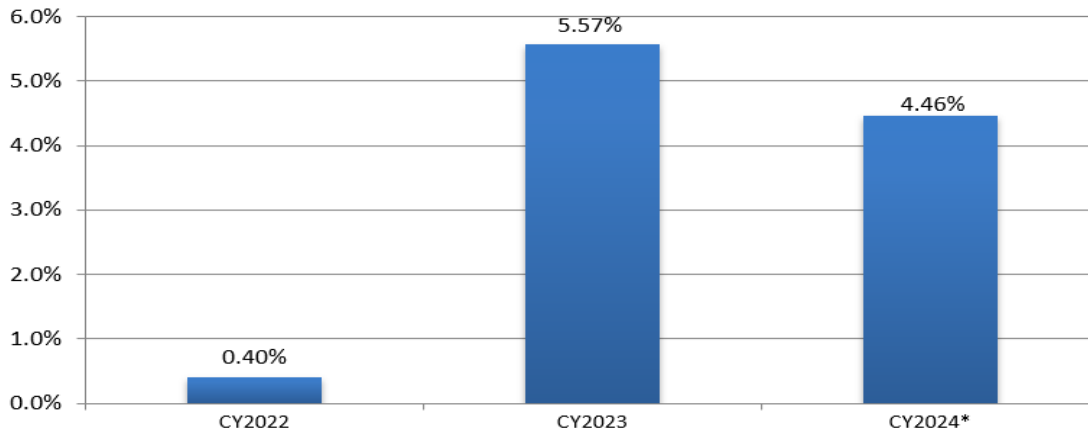
GAFSP Trust Fund assets are invested across three of the World Bank Trust Fund’s investment model portfolios, (“Model Portfolio 0” for short-term working capital needs, “Model Portfolio 1” with an investment horizon of one year, and “Model Portfolio 2” with a broader investment universe and an investment horizon of three years).

Overall, the GAFSP Trust Fund cumulative returns have been driven by its investment in longer-term model portfolios, which may be exposed to higher volatility in returns over shorter periods but are expected to have higher returns over longer periods. By asset class, the largest allocations as of September 30, 2024, are to cash and equivalents.





INVESTMENT RETURNS



*non-annualized

The Trust Fund liquid portfolio earned approximately USD 149.3 million² in investment income since inception. The returns from the liquid assets portfolio managed by the Trustee were 4.46% during the first three quarters of calendar year 2024.

Fixed income portfolio performance was positive during the third quarter of CY2025. Third quarter of calendar year 2025 marked by heightened volatility across the markets, as investors navigated mixed signals from a cooling labor market and a pivotal Federal Reserve policy decision. The FOMC opted for an aggressive start to the easing cycle with a 50bps cut, sending front-end yields and the USD sharply lower. However, as market participants absorbed the hawkish tone in the Summary of Economic Projections (SEP), long-end rates reversed earlier gains. By the end of the quarter, the U.S. 2-year yield had settled at 3.64%, while the 10-year yield closed at 3.78%. Economic indicators reflected a softer labor market, declining inflation, and solid economic growth, with second-quarter real GDP increasing by an annualized 3%. Despite the easing, the Federal Reserve maintained a hawkish stance in SEP, lowering expectations for further aggressive cuts and signaling the possibility of two more 25bps reductions by year-end. The fixed income portfolios continue to be duration neutral to the benchmark.

² Includes investment income received from SEs.

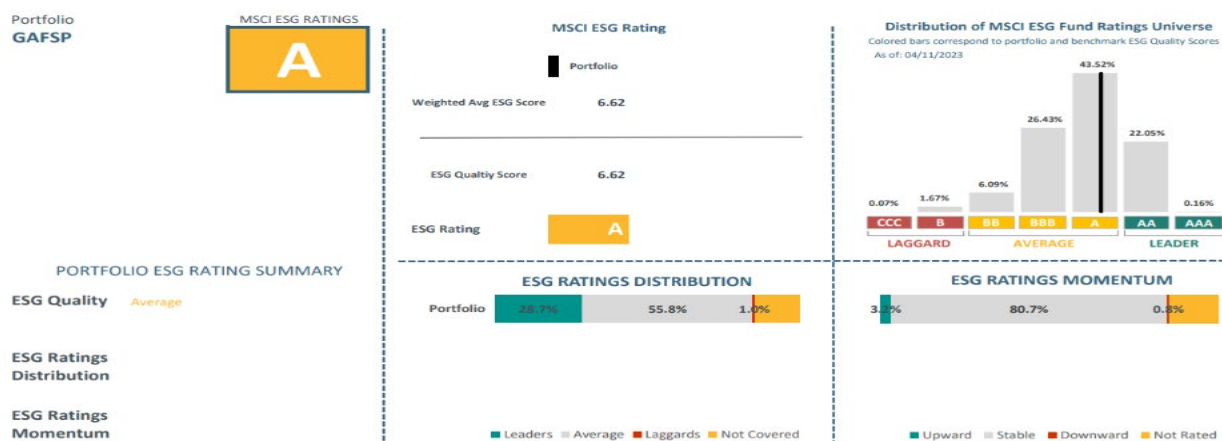
ESG SUMMARY REPORT – GLOBAL AGRICULTURE AND FOOD SECURITY PROGRAM INVESTMENT PORTFOLIO

As per the investment management strategy implemented by the World Bank, the funds held in trust benefit from the approach to Sustainable and Responsible Investment (SRI), which considers and incorporates Environmental, Social, and Governance (ESG) factors into the Trustee’s investment processes. The implementation of ESG Integration falls within the purview of existing authorizations by the World Bank Board. Based on the endorsement by World Bank management, starting from July 2019, the Trustee has applied ESG Integration as the default SRI approach for all portfolios managed by the World Bank, including the GAFSP Trust Fund assets.

Considering and incorporating ESG factors into investment processes should, all things being equal, lead to portfolios that have stronger ESG profiles compared to portfolios that do not explicitly consider these ESG issues. ESG Integration has become part of the existing investment processes and is intended to help fulfil the existing investment objectives. The application of ESG Integration as part of the investment process would not involve any changes to the current investment objectives or risk limits for the GAFSP Trust Fund portfolio.

The GAFSP investment portfolio is primarily comprised of short-term high-grade fixed-income securities (sovereign, supranational and agency securities, and bank deposits), and as of September 30 2024, the portfolio has an ESG Quality Score* of 6.62 and an ESG Rating* of A. Based on its ESG positioning in the MSCI ESG Fund Ratings Universe (upper right of Figure 1), which is deemed to be the more consistent reference indicator, GAFSP’s investment portfolio falls in the average decile of the ratings universe. This reflects the capability of GAFSP portfolio’s holdings in terms of managing key medium to long term risks and opportunities arising from Environmental, Social and Governance factors.

Figure 1: MSCI ESG Portfolio Summary – Global Agriculture and Food Security Program Trust Fund



* *Note:* ESG Quality Score is based on MSCI ESG Ratings and measured on a scale of 0 to 10 (worst to best) following a rule-based methodology. ESG Ratings Momentum represents the percentage of a portfolio’s market value coming from holdings that have had an ESG Ratings upgrade, and those with a downgrade, since their previous ESG Rating assessment. The ESG Quality Score is calculated as a weighted average of ESG scores of individual holdings adjusted by ESG Ratings Momentum and ESG laggards (if any). The weight applied to the individual ESG scores is determined by the portfolio weight of individual holdings as of the reporting date. Based on the above, the ESG Quality Score, which is subject to potential skewing effect from any factor in the calculation, could slightly vary between different reporting dates along with changes in individual holdings and their portfolio weights as well as changes in ESG Ratings Momentum. Please see details on MSCI ESG Ratings Methodology [here](#).

4. Cumulative Funding Decisions as of September 30, 2024

In USD million

| Projects | Supervising Entity | | Amount |
|-----------------------------|---------------------------|-------|---------------|
| Afghanistan | FAO | b/ d/ | 3.1 |
| Bangladesh | FAO | | 16.2 |
| | IBRD | | 42.9 |
| | IFAD | | 16.0 |
| Benin | AFDB | | 24.0 |
| Bhutan | IBRD | | 12.6 |
| | IFAD | | 10.4 |
| | WFP | | 2.6 |
| Burkina Faso | IBRD | | 61.1 |
| | IFAD | | 15.0 |
| Burundi | FAO | b/ | 0.1 |
| | IFAD | | 32.3 |
| Cambodia | ADB | | 42.9 |
| | WFP | | 1.8 |
| Central African Republic | AFDB | | 13.9 |
| | FAO | | 1.5 |
| Chad | FAO | b/ | 0.1 |
| Comoros | FAO | b/ | 0.1 |
| Cote d'Ivoire | AFDB | | 12.0 |
| | FAO | b/ | 0.1 |
| Democratic Rep of Congo | FAO | b/ | 6.1 |
| | IBRD | | 9.0 |
| | IFAD | | 1.7 |
| Djibouti | FAO | b/ | 0.04 |
| Eastern and Southern Africa | IFAD | | 0.4 |
| Ethiopia | FAO | | 5.3 |
| | IBRD | | 82.0 |
| Ghana | AFDB | | 20.0 |
| Guinea-Bissau | AFDB | | 10.0 |
| The Gambia | AFDB | | 54.6 |
| | FAO | | 1.4 |
| | WFP | b/ | 0.1 |
| Haiti | FAO | b/ | 0.1 |
| | IADB | | 60.3 |
| | IBRD | | 9.9 |
| | WFP | | 3.0 |
| Honduras | IDB | | 2.1 |
| | IFAD | | 18.0 |
| | IBRD | | 43.5 |
| Kenya | AFDB | | 22.8 |
| | FAO | | 1.2 |
| Kiribati | FAO | b/ | 0.1 |
| Kosovo | FAO | b/ | 0.1 |
| Kyrgyz Republic | IBRD | | 43.0 |
| | IFAD | | 2.5 |
| | WFP | | 1.6 |
| Laos | ADB | | 10.0 |
| | WFP | | 23.1 |
| | IFAD | | 37.5 |
| Lesotho | IFAD | | 8.5 |
| Liberia | AFDB | | 61.8 |



| Projects | Supervising Entity | | Amount |
|--------------------|--------------------|----|--------|
| <i>(continued)</i> | | | |
| | FAO | b/ | 0.1 |
| Madagascar | IBRD | | 20.0 |
| Mauritania | AFDB | | 17.0 |
| Malawi | AFDB | | 39.6 |
| | IBRD | | 15.0 |
| Mali | AFDB | | 37.2 |
| | FAO | b/ | 0.02 |
| | IFAD | | 3.6 |
| | WFP | | 3.6 |
| Marshall Islands | FAO | b/ | 0.1 |
| Mongolia | FAO | | 1.5 |
| | IBRD | | 11.0 |
| Mozambique | WFP | b/ | 0.1 |
| Myanmar | ADB | | 22.0 |
| | FAO | b/ | 5.1 |
| Nepal | ADB | | 9.0 |
| | IBRD | b/ | 83.3 |
| | WFP | | 3.0 |
| Nicaragua | IBRD | | 48.8 |
| | FAO | | 3.2 |
| | IADB | | 2.0 |
| | WFP | | 2.8 |
| Niger | AFDB | | 32.9 |
| | IFAD | | 2.4 |
| | FAO | | 2.7 |
| Pacific Islands | FAO | | 0.4 |
| | IFAD | b/ | 11.6 |
| Rwanda | IBRD | | 100.8 |
| Senegal | AFDB | | 64.4 |
| | FAO | | 2.7 |
| | IFAD | | 2.3 |
| Sierra Leone | IBRD | | 25.0 |
| | IFAD | | 50.0 |
| Somalia | WFP | | 2.5 |
| Solomon Islands | FAO | b/ | 0.1 |
| | IFAD | | 12.2 |
| South Sudan | IFAD | | 34.5 |
| Tajikistan | IBRD | | 27.9 |
| Tanzania | AFDB | b/ | 25.4 |
| | IBRD | | 22.9 |
| Timor Leste | IBRD | | 21.0 |
| Togo | IBRD | | 38.2 |
| | IFAD | | 18.9 |
| Tuvalu | FAO | b/ | 0.1 |
| Uganda | IBRD | | 37.0 |
| Zambia | AFDB | | 32.5 |
| Yemen | FAO | b/ | 0.1 |
| | IFAD | | 15.0 |
| | IBRD | | 63.0 |
| Multi-Country | FAO | c/ | 0.1 |
| | IFAD | | 2.6 |



| Projects | Supervising Entity | | Amount |
|--|--------------------|----|----------------|
| <i>(continued)</i> | | | |
| Cambodia | IBRD | a/ | 20.0 |
| Chad | IFAD | a/ | 2.3 |
| Guinea | FAO | a/ | 1.9 |
| Nepal | FAO | a/ | 2.5 |
| Rwanda | IBRD | a/ | 20.0 |
| | IFAD | a/ | 2.0 |
| Samoa | FAO | a/ | 2.0 |
| Solomon Islands | FAO | a/ | 2.8 |
| Somalia | IFAD | a/ | 16.0 |
| Funds approved for BIFT pilot | | | 75.0 |
| | | | 1,969.4 |
| <u>Fees</u> | | | |
| ADB | | | 3.7 |
| AfDB | | | 22.7 |
| FAO | | | 2.8 |
| IBRD | | | 42.3 |
| IDB | | | 3.2 |
| IFAD | | | 18.1 |
| WFP | | | 2.9 |
| Fee set aside - Approved Projects | | f/ | 5.1 |
| Fee set aside - Projects pending SC approval | | g/ | 1.6 |
| | | | 102.4 |
| <u>Administrative Budget</u> | | | |
| DIME | | | 6.4 |
| Coordination Unit - Core | | e/ | 47.3 |
| Coordination Unit - M&E | | | 6.7 |
| Trustee | | | 7.5 |
| Project Impact Evaluation | | | 6.5 |
| | | | 74.4 |
| Total Funding Decisions | | | 2,146.1 |
| a/ Subject to Steering Committee approval of final project design document | | | |
| b/ Includes Project Preparation Grant | | | |
| c/ Includes CSO budget for Asian Farmers Association and ROPPA | | | |
| d/ Includes Proposal Preparation Assistance | | | |
| e/ Includes budgets for CSOs and Technical Advisory Committee | | | |
| f/ Related to fee amounts that have not yet been approved by the SC but for which the corresponding project has been approved | | | |
| g/ Related to fee amounts for projects labeled as a/ in which the final project design document has not yet received Steering Committee approval | | | |

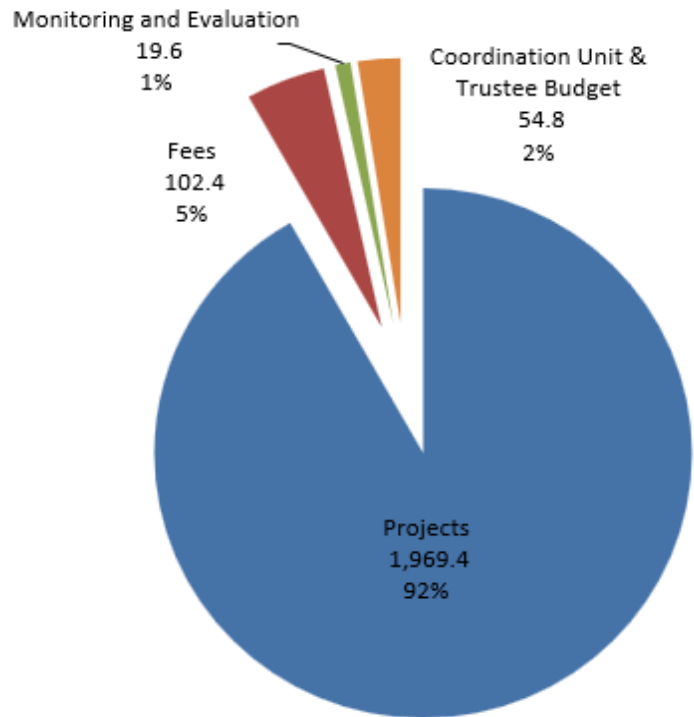
Note: sub-totals may not add up due to rounding



In USD millions

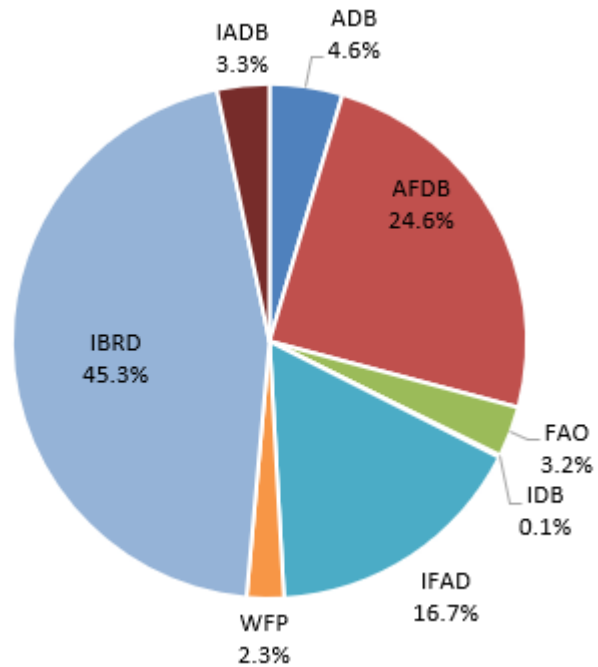
CUMULATIVE FUNDING DECISIONS

Since inception to September 30, 2024, funding approvals made by the Steering Committee totaled USD 2,146.1 million. Projects represent about 92% of total allocations, fees for Supervising Entities represent 5%, and administrative budgets for the GAFSP Coordination Unit, Technical Advisory Committee, Civil Society Organizations, Trustee, and M&E work program make up 3% of the total funding approvals.



PROJECT FUNDING DECISIONS BY SUPERVISING ENTITY

Funding decisions by Supervising Entity show the cumulative funding decisions related to projects that have been approved by the Steering Committee.





5. Funds Available

In USD millions

| | <u>As of September 30, 2024</u> | | <u>As of June 30, 2024</u> | | <u>Changes since last report</u> |
|---|---------------------------------|----------------|----------------------------|----------------|----------------------------------|
| | (a) | | (b) | | (a) - (b) |
| 1. Cumulative Receipts | | 2,293.5 | | 2,245.6 | 47.9 |
| a. Cash receipts from Contributors | 2,144.2 | | 2,110.4 | | 33.8 |
| b. Unencashed Promissory Notes | - | | - | | - |
| c. Investment Income earned a/ | 149.3 | | 135.2 | | 14.1 |
| 2. Cumulative Cash Transfer | | 1,544.2 | | 1,523.7 | 20.5 |
| a. Projects | 1,383.0 | | 1,371.5 | | 11.5 |
| b. Fees | 89.5 | | 86.7 | | 2.8 |
| c. Administrative Budget | 71.6 | | 65.5 | | 6.1 |
| 3. Funds held in Trust | | 749.3 | | 721.9 | 27.4 |
| Consisting of: | | | | | |
| a. Cash and Investments | 749.3 | | 721.9 | | 27.4 |
| b. Promissory Notes | - | | - | | - |
| 4. Funding Decisions pending Cash Transfer | | 602.0 | | 539.6 | 62.3 |
| 5. Funds available to support SC funding decisions | | 147.3 | | 182.3 | (35.0) |

a/ represents investment income earned on the liquid balances of the GAFSP Trust Fund and investment income received from SEs

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

HIGHLIGHTS FOR THE PERIOD JULY 01, 2024, THROUGH SEPTEMBER 30, 2024:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 749.3 million as of September 30, 2024. There was a net increase in Funds Held in Trust of USD 27.4 million due to:
 - Increase in cash transfers by USD 20.5 million
 - Offset by an increase in total cash receipts of USD 47.9 million, with USD 33.8 million from contribution amounts received and USD 14.1 million from investment income earned during the third quarter of calendar year 2024.

Contribution receipts include USD 23.8 million from Germany and USD 10 million from USA. A new contribution Amendment for EUR 12 million was signed with Spain during the end of September 2024 for which the first instalment of EUR 4 million is expected to be received during October 2024.
- **Funding Availability** Net decrease of USD 35 million over the prior reporting period due to:
 - additional cash receipts of USD 47.9 million during the quarter, as mentioned above
 - offset by increase in cash transfer of USD 20.5 million and increase of USD 62.3 million in funding allocations pending cash transfer. The funding allocations include USD 75 million set aside towards funds approved for BIFT pilot.



Glossary

| Term | Definition |
|--|--|
| ADB | Asian Development Bank |
| AfDB | African Development Bank |
| BIFT | Business Investment Financing Track |
| Cash and Investments | The Trust Fund's share in the co-mingled cash and investment pool. |
| Cash Contribution | Contribution or Installment provided in the form of cash, including promissory note encashments |
| Cash Transfer | Cash payment made to an Implementing Partner under a Financial Procedures Agreement |
| Contribution | The funds provided and to be provided by a Contributor to a Trust Fund, as specified in the Contribution Agreement/Arrangement, or in the Instrument of Commitment |
| Contribution Agreement/ Arrangement | An agreement or arrangement between a World Bank entity, as Trustee, and a Contributor, setting forth specific terms for the receipt and use of a specific Contribution for a specific Trust Fund |
| Contribution Paid-In | Contribution or Installment provided in the form of cash, Promissory Note or other instruments acceptable to the Trustee |
| Contribution Receivable | Any portion of a Contribution that is not a Qualified Contribution to be received in the form of Cash or Promissory Note. |
| FAO | Food and Agriculture Organization of the United Nations |
| Financial Intermediary Fund (FIF) | Financial arrangements that leverage a variety of public and private resources in support of global development initiatives and partnership. These Funds involve financial engineering or complex finance schemes, or where the Bank provides a specified set of administrative, financial or operational services |
| Financial Procedures Agreement | An agreement or arrangement between a World Bank entity, as Trustee, and Partner Entity for the commitment and transfer of funds by the Trustee to the Partner Entity under terms that do not involve Bank responsibility post-transfer |
| Funding Availability | Assets available to support funding decisions, as calculated under a specific basis of commitment. |
| Funds Held in Trust | Cash and Investments plus unencashed Promissory Note balance |
| IBRD | International Bank for Reconstruction and Development |
| IDB | Inter-American Development Bank |
| IFAD | International Fund for Agricultural Development |
| Investment Income | Returns (realized and unrealized) on cash and investments, allocated to individual Trust Funds |
| Pledge | A Contributor's expression of its intention to make a Contribution. |
| Promissory Note | A document consisting of a promise to pay that is non-interest bearing and payable on demand |
| Supervising Entity (SE) | Any agency receiving funds from a FIF, which is responsible for managing those funds for project activities as approved by the governing body |
| WFP | World Food Programme |