



Global Infrastructure Facility Trust Fund

Financial Report

Prepared by the Trustee

As of June 30, 2016



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Introduction

The Global Infrastructure Facility (GIF) is a global open platform that facilitates the preparation and structuring of complex infrastructure public-private partnerships to enable mobilization of private sector and institutional investor capital. The GIF platform coordinates and integrates the efforts of Multilateral Development Banks, private sector investors and financiers, and governments interested in infrastructure investment in Emerging Markets and Developing Economies.

The GIF Trust Fund was established in March 2015. This report covers the financial status of the GIF Trust Fund¹, and is produced by the Trustee in accordance with the Trustee's role in the GIF Partnership Framework, as set forth under Section D, which states:

“The Trustee will provide to the Governing Council regular reports on the financial status of the Trust Fund.”

In addition, Section 7 of the Standard Provisions in the Administration Agreement/Arrangement states as follows:

“The Trustee will maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and transfers made therefrom. The Trustee will report to the Governing Council on the financial status of the Trust Fund every six months unless otherwise agreed between the Trustee and the Governing Council, including information on the status of Contributions, investment income, commitments, transfers and funds available for allocation of funding by the Governing Council and/or the Management Unit, as applicable.”

¹ This report does not include financial information related to contributions to the GIF provided through other channels (e.g. via a Single Donor Trust Fund).



GIF Trust Fund Financial Summary as of June 30, 2016

Pledges and Contributions:

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

As of June 30, 2016, pledges and contributions to the GIF Trust Fund totaled USDeq. 84.19 million. Of this amount, contributors have paid USDeq. 54.87 million.

Investment Income:

As of June 30, 2016, the GIF Trust Fund earned investment income of approximately USD 0.29 million on the undisbursed balance of the Trust Fund. The GIF Trust Fund portfolio has returned 0.45% in the calendar year 2016 to date. The GIF Trust Fund balance is allocated to a short term fixed income portfolio.

Funding Approvals:

Cumulative net funding decisions (approvals by the GIF Governing Council) through June 30, 2016 amounted to USD 10.99 million.

Cash Transfers:

Based on GIF Governing Council decisions, the Trustee has transferred a total of USD 6.38 million up to June 30, 2016, including USD 0.53 million related to projects.

Funds Held in Trust:

Funds Held in Trust² reflect contributions paid-in from contributors, investment income less cash transfers. Funds Held in Trust as of June 30, 2016 amounted to USD 48.78 million.

Funds Available for GIF Governing Council Funding Decisions:

Funds available for GIF Governing Council funding decisions amounted to USD 44.17 million as of June 30, 2016. This represents a decrease of USD 4.63 million since March 31, 2016.

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



1. GIF Trust Fund Summary – Inception through June 30, 2016

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	84.19	100.0%
Pledges	-	0.0%
Total Pledges and Contributions	84.19	100.0%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	54.87	64.9%
Investment Income earned	0.29	0.3%
Total Resources Received	55.16	65.3%
<u>Resources not yet received</u>		
Contributions not yet received	29.32	34.7%
Pledges	-	0.0%
Total resources not yet received	29.32	34.7%
Total Potential Resources (A) (in USD millions)	84.48	100.0%
<u>Cumulative Funding Decisions</u>		
Projects	0.53	4.8%
Fees	0.03	0.2%
Administrative Budget	10.44	95.0%
Total Funding Decisions Net of Cancellations (B)	10.99	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	73.49	
Total Potential Resources Net of Funding Decisions and Operational Reserve	73.49	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	48.78	
Approved Amounts Pending Cash Transfers	4.61	
Total Funds Available to Support Governing Council Decisions	44.17	

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



2. Pledges and Contributions as of June 30, 2016

In millions

Contributor	Curr	Pledge in Currency of Contribution	Effective (or signed) Contribution	Receipts in Currency of Contribution	Receipts in USDeq. a/
Australia	AUD	25	25	12.50	9.03
Canada	CAD	20	20	20	15.84
China	USD	20	20	5	5
International Bank for Reconstruction & Development	USD	15	15	15	15
Japan	USD	15	15	10	10
Total Contributions Received					54.87

a/ Represents actual USD receipts

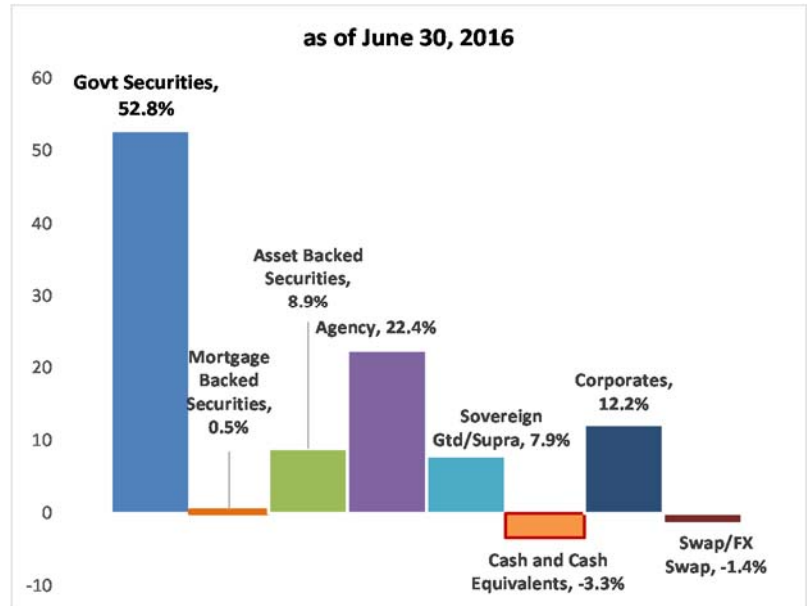


3. Asset Mix and Investment Income

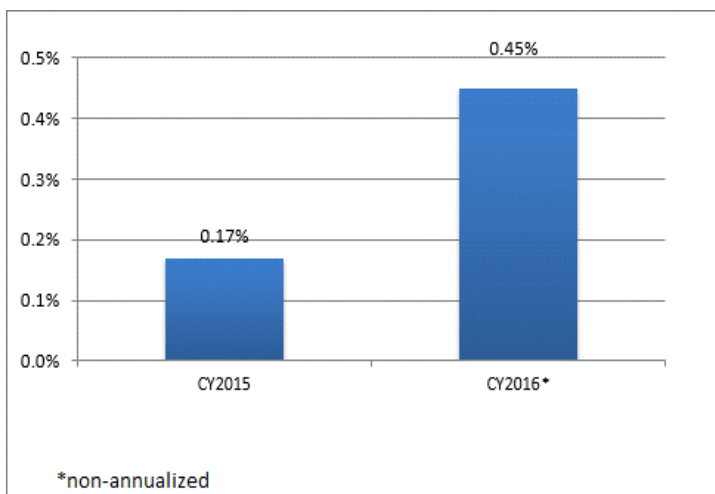
ASSET MIX

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.



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. The negative allocation to cash and cash equivalents is a result of repurchase agreements that are used to purchase yield enhancing securities.



INVESTMENT RETURNS

The GIF funds are invested in accordance with the investment strategy established for all of the trust funds administered by the World Bank. The GIF funds are invested in a short term fixed income portfolio with an investment horizon of one year. The GIF Trust Fund portfolio (which totaled approximately USD 48.78 million at end-June 2016) earned approximately USD 0.29 million in investment income since inception.



4. Cumulative Funding Decisions

In USD millions

<u>Projects</u>	<u>Technical Partner</u>	<u>as of June 30, 2016</u>	<u>as of March 31, 2016</u>	<u>Change since last report</u>
Brazil	WB	0.15	0.15	-
Cote d'Ivoire	WB	0.15	0.15	-
Egypt	EBRD	0.15	-	0.15
Georgia	WB	0.08	0.08	-
		0.53	0.38	0.15
<u>Fees</u>				
EBRD		0.01	-	0.01
WB		0.02	0.02	-
		0.03	0.02	0.01
<u>Administrative Budget</u>				
Management Unit		9.71	5.43	4.28
Trustee		0.72	0.40	0.33
		10.44	5.83	4.61
Total Funding Decisions		10.99	6.22	4.77

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

HIGHLIGHTS FOR THE PERIOD APRIL 1, 2016 THROUGH JUNE 30, 2016:

- The Egypt project, with European Bank for Reconstruction and Development as Technical Partner, was approved for USD 0.15 million.



5. Funds Available

In USD millions

	As of June 30, 2016 (a)	As of March 31, 2016 (b)	Change since last report (a) - (b)
1. Cumulative Receipts	55.16	55.02	0.14
a. Cash receipts from Contributors	54.87	54.87	-
b. Investment Income earned on undisbursed balances	0.29	0.15	0.14
2. Cumulative Cash Transfers	6.38	6.22	0.16
a. Projects	0.53	0.38	0.15
b. Fees	0.03	0.02	0.01
c. Administrative Budget	5.83	5.83	0.00
3. Funds Held in Trust (3 = 1 - 2)	48.78	48.80	(0.02)
4. Financial Reserve	-	-	-
5. Funding Decisions Pending Cash Transfer	4.61	-	4.61
6. Funds available to support Governing Council decisions (6 = 3 - 4 - 5)	44.17	48.80	(4.63)

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

HIGHLIGHTS FOR THE PERIOD APRIL 1, 2016 THROUGH JUNE 30, 2016:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers and amount to USD 48.78 million as of June 30, 2016. Funds Held in Trust decreased by USD 0.02 million due to:
 - investment income of approximately USD 0.14 million earned during the quarter
 - offset by cash transfers during the period totaling USD 0.16 million
- New funding decisions increased by USD 4.77 million.
- **Funding Availability** decreased by USD 4.63 million as a result of the factors outlined above.