



Global Infrastructure Facility Trust Fund

Financial Report

Prepared by the Trustee

As of September 30, 2015



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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 September 30, 2015

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 September 30, 2015, pledges and contributions to the GIF Trust Fund totaled US\$63.42 million. Of this amount, US\$40.84 million has been deposited by three contributors into the GIF Trust fund.

Investment Income:

As of September 30, 2015, the GIF Trust Fund earned investment income of approximately USD 0.03 million on the undisbursed balance of the Trust Fund. The GIF Trust Fund portfolio has returned 0.10% from inception (March 2015) through September 30, 2015. The GIF Trust Fund balance is allocated to a short term fixed income portfolio.

Funding Approvals:

As of September 30, 2015, the GIF Governing Council had approved funding from the GIF Trust Fund totaling USD 6.32 million, in respect of administrative budgets of the GIF to support the activities of the GIF Managing Unit and Trustee.

Cash Transfers:

Based on GIF Governing Council decisions, the Trustee has transferred a total of USD 6.32 million up to September 30, 2015 to cover administrative costs of the GIF Managing Unit and Trustee.

Funds Held in Trust:

Funds Held in Trust² reflect contributions paid-in from contributors, investment income and cash transfers. Funds Held in Trust as of September 30, 2015 amounted to US\$34.55 million.

Funds Available for GIF Governing Council Funding Decisions:

Funds available to support GIF Governing Council funding decisions amounted to USD 34.55 million as of September 30, 2015.

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 September 30, 2015

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	63.42	100.0%
Pledges	-	0.0%
Total Pledges and Contributions	63.42	100.0%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	40.84	64.4%
Investment Income earned	0.03	0.0%
Total Resources Received	40.87	64.4%
<u>Resources not yet received</u>		
Contributions not yet received	22.58	35.6%
Pledges	-	0.0%
Total resources not yet received	22.58	35.6%
Total Potential Resources (A) (in USD millions)	63.45	100.0%
<u>Cumulative Funding Decisions</u>		
Projects	-	0.0%
Fees	-	0.0%
Administrative Budget	6.32	100.0%
Total Funding Decisions Net of Cancellations (B)	6.32	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	57.13	
Total Potential Resources Net of Funding Decisions and Operational Reserve	57.13	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	34.55	
Approved Amounts Pending Cash Transfers	-	
Total Funds Available to Support Governing Council Decisions	34.55	

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



2. Pledges and Contributions as of September 30, 2015

In millions

Contributor	Curr	Pledge in Currency of Contribution	Effective (or signed) Contribution	Effective (or signed) Contribution USDeq.	Receipts in Currency of Contribution	Receipts in USDeq. a/
Australia	AUD	25.00	25.00	17.58 b/	-	-
Canada	CAD	20.00	20.00	15.84	20.00	15.84
International Bank for Reconstruction & Development	USD	15.00	15.00	15.00	15.00	15.00
Japan	USD	15.00	15.00	15.00	10.00	10.00
Total Contributions Received						40.84

a/ Represents actual USD receipts

b/ Valued on the basis of exchange rates as of September 30, 2015

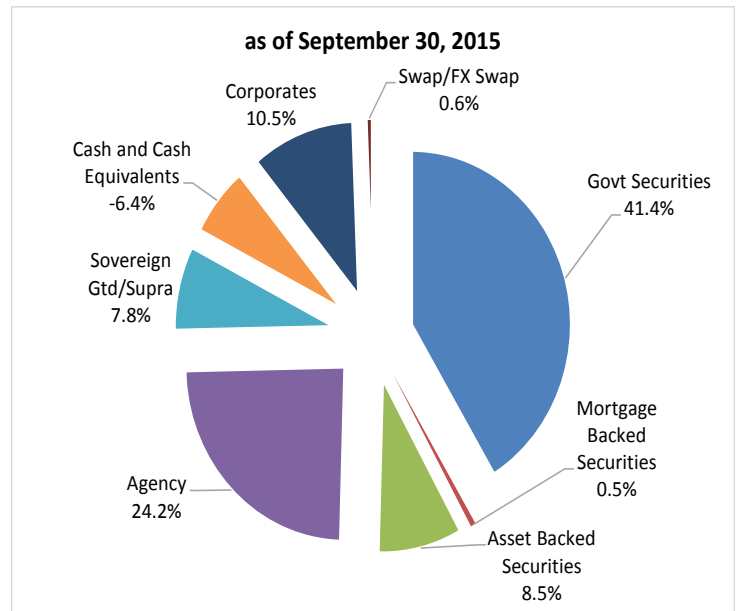


3. Asset Mix and Investment Income

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 allocation to cash and cash equivalents (MM/Financial instruments) 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 34.55 million at end-September 2015) earned approximately USD 0.03 million in investment income since inception.



4. Cumulative Funding Decisions

In USD millions

<u>Activity</u>	<u>As of</u> <u>September 30, 2015</u>
Administrative Budget	
FY16 Management Unit	4.94
FY16 Trustee	0.32
FY15 Management Unit	0.98
FY15 Trustee	0.08
	<hr/>
Sub-total	6.32
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Total	<u>6.32</u>

SNAPSHOT OF FUNDING DECISIONS:

- The cumulative funding decisions made by the GIF Governing Council up to September 30, 2015 amount to USD 6.32 million for administrative budgets of the GIF Managing Unit and Trustee for fiscal years 2015 and 2016.



5. Funds Available

In USD millions

	<u>As of September 30, 2015</u>
	(a)
1. Cumulative Receipts	40.87
a. Cash receipts from Contributors	40.84
b. Investment Income earned on undisbursed balances	0.03
2. Cumulative Cash Transfers	6.32
a. Projects	-
b. Fees	-
c. Administrative Budget	6.32
3. Funds Held in Trust (3 = 1 - 2)	34.55
4. Financial Reserve	-
5. Funding Decisions Pending Cash Transfer	-
6. Funds available to support Governing Council decisions (6 = 3 - 4 - 5)	34.55

HIGHLIGHTS FOR THE PERIOD INCEPTION (MARCH 2015) THROUGH SEPTEMBER 30, 2015:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers. As of September 30, 2015, Funds Held in Trust totaled USD 34.55 million due to:
 - Contributions received from Canada for CAD 20 million, Japan for USD 10 million and IBRD for USD 15 million
 - Investment income of approximately USD 0.03 million earned from inception through September 30, 2015
 - Cash transfers during the period amounting to USD 6.32 million.
- There are no **Funding Decisions Pending Cash Transfer**.
- **Funding Availability** amounted to USD 34.55 million as a result of the factors outlined above.