



Global Partnership for Education Fund

Financial Report

Prepared by the Trustee

As of September 30, 2016



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Introduction

The Global Partnership for Education Fund (GPEF) was established as a Financial Intermediary Fund in 2011 as part of the rebranding process of the Education for All-Fast Track Initiative (EFA-FTI), which started in 2002. The World Bank acts as the Trustee for the GPEF.

The Trustee provides administrative and financial services to the GPE Board and Contributors by receiving contributions from Contributors, investing liquid assets pending cash transfer, and transferring funds to the Grant Agents. Working closely with the GPE Secretariat, the Trustee also records funding decisions made by the Board.

The Trustee is required to provide periodic reports to the Board on the financial status of the Trust Fund.¹ This report is prepared based on financial information as of September 30, 2016.

¹ The Trustee's financial status reports are publicly available at: www.worldbank.org/fiftrustee.

GPEF Trust Fund Financial Summary as of September 30, 2016

Contributions:

Each Contributor enters into a Contribution Agreement or Arrangement with the Trustee to make a contribution to the GPEF. As of September 30, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 21 Contributors for a total of USD eq. 2,322.1 million in contributions, of which the Trustee has received USD eq. 2,039.8 million in cash from these Contributors.

Investment Income:

As of September 30, 2016, the GPEF Trust Fund earned investment income of approximately USD 14.7 million on the undisbursed balance of the Trust Fund. The GPEF Trust Fund portfolio has returned 0.86% through the calendar year to September 30, 2016.

Funding Approvals:

The cumulative funding decisions made by the GPE Board through September 30, 2016 totaled USD 2,579.1 million. Of the total amount approved, USD 2,306.9 million represents Program Implementation Grant approvals. The Trustee committed a total of USD 1,823.5 million based on the instruction from the GPE Secretariat.

Cash Transfers:

Based on GPE Board funding decisions and in accordance with the terms of the Financial Procedures Agreements between the Trustee and the Grant Agents, the Trustee has transferred a total of USD 1,698.0 million up to September 30, 2016, of which USD 1,537.9 million was for projects that include Education Plan Development Grants, Program Development Grants, Civil Society Education Fund, Global and regional activities and Program Implementation Grants.

Funds Held in Trust and Funds Available for GPE Board Funding Decisions:

Funds Held in Trust reflects contributions paid-in from Contributors, investment income, and net cash transfers. Funds Held in Trust as of September 30, 2016 amounted to USD 356.5 million.

Funds available for the Trustee's commitment amounted to USD 231 million as of September 30, 2016, an increase of USD 58 million compared to June 30, 2016.



1. GPEF Trust Fund Summary – Inception through September 30, 2016²

In USD millions

	Cumulative Total as of September 30, 2016	Cumulative Total as of June 30, 2016	Difference	% of Total
	(a)	(a)	(c) = (a) - (b)	
Donor Contributions				
Contributions	2,322.1	2,188.1	134.0	100%
Total Contributions	2,322.1	2,188.1	134.0	100%
Cumulative Resources				
<u>Resources received</u>				
Cash Receipts	2,039.8	1,888.1	151.8	87%
Investment Income earned	14.7	13.2	1.4	1%
Total Resources Received	2,054.5	1,901.3	153.2	88%
<u>Resources not yet received</u>				
Contributions not yet paid (A)	282.3	300.0	(17.8)	12%
Total resources not yet received	282.3	300.0	(17.8)	12%
Total Potential Resources (B)	2,336.8	2,201.4	135.4	100%
Cumulative Funding Decisions				
Global and Regional Activities	25.2	25.2	-	1%
Education Plan Development Grant	13.4	12.8	0.6	1%
Program Development Grant	5.6	5.6	-	0%
Program Implementation Grant	2,306.9	2,306.9	-	89%
Civil Society Education Fund	48.3	48.3	-	2%
Supervision Allocation	24.8	24.6	0.2	1%
Agency Fees	56.5	56.5	0.0	2%
Administrative Budgets	98.6	98.6	(0.0)	4%
Total Funding Decisions Net of Cancellations (C)	2,579.1	2,578.4	0.8	100%
Amounts pending GPE Board Funding Decisions (D)	-	-	-	
Total Potential Resources (B) - (C) - (D)	(242.4)	(377.0)	134.7	
Funds Available				
Funds Held in Trust with no Restrictions	356.5	261.5	95.1	
Approved Amounts Pending Cash Transfers	125.5	88.5	37.0	
Total Funds Available for Commitment	231.0	172.9	58.0	

² Sub-totals in the table may not add up due to rounding.



2. Contributions³

In millions

Contributor	Curr	As of September 30, 2016				As of June 30, 2016			
		Signed in Currency	Signed in USD eq. b/	Paid-In Contributions in Currency	Paid-In Contributions in USD	Signed in Currency	Signed in USD eq. c/	Paid-In Contributions in Currency	Paid-In Contributions in USD
Australia ^{a/}	AUD	410.0	361.8	359.0	323.0	410.0	361.0	359.0	323.0
	USD	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Belgium	EUR	42.3	51.2	42.3	51.2	36.0	44.2	36.0	44.2
Canada ^{a/}	CAD	165.4	137.2	105.4	91.6	165.4	138.0	105.4	91.6
	USD	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
UK (CIFF)	USD	22.0	22.0	5.0	5.0	22.0	22.0	5.0	5.0
Denmark	DKK	1,275.0	218.1	1,275.0	218.1	1,275.0	218.1	1,275.0	218.1
Finland	EUR	6.0	7.5	6.0	7.5	6.0	7.5	6.0	7.5
France ^{a/}	EUR	1.0	1.1	1.0	1.1	1.0	1.1	1.0	1.1
	USD	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Germany	EUR	36.6	41.8	22.6	26.2	36.6	41.8	19.1	22.3
Ireland ^{a/}	EUR	23.9	30.3	19.9	25.8	19.9	25.8	19.9	25.8
	USD	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Italy	EUR	4.5	5.5	4.5	5.5	4.5	5.5	4.5	5.5
Japan	USD	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3
Korea	USD	5.0	5.0	1.4	1.4	5.0	5.0	1.4	1.4
Luxembourg ^{a/}	EUR	0.6	0.7	0.6	0.7	0.6	0.7	0.6	0.7
	USD	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Netherlands	EUR	120.0	157.5	120.0	157.5	120.0	157.5	120.0	157.5
Norway	NOK	1,790.0	250.9	1,790.0	250.9	1,310.0	192.8	1,310.0	192.8
Romania	EUR	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Spain ^{a/}	EUR	20.0	26.8	20.0	26.8	20.0	26.8	20.0	26.8
	USD	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Sweden	SEK	1,530.0	193.3	1,080.0	141.1	1,530.0	194.5	970.0	128.3
Switzerland	CHF	24.5	26.5	24.5	26.5	24.5	26.5	24.5	26.5
United Kingdom ^{a/}	GBP	379.6	572.6	298.6	467.6	379.6	576.8	298.6	467.6
	USD	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
United States	USD	195.0	195.0	195.0	195.0	125.0	125.0	125.0	125.0
Total			2,322.1		2,039.8		2,188.1		1,888.1

^{a/}Contribution made in two currencies. The USD contribution represents the pro-rata share which was transferred from the Education Program Development Fund (EPDF).

^{b/}Represents (1) the actual US dollar value of paid-in cash contributions and (2) September 30, 2016 value of amount pending receipt.

^{c/}Represents (1) the actual US dollar value of paid-in cash contributions and (2) June 30, 2016 value of amount pending receipt.

- As of September 30, 2016, the Trustee had entered into Contribution Agreements or Arrangements with 21 Contributors for a total amount of USD eq. 2,322.1 million, an increase of USD eq. 134 million since June 30, 2016. The contributors which accounted for the increase were: Norway (NOK 480 million), United States (USD 70 million), Ireland (EUR 4 million) and Belgium (EUR 6.25 million).
- The Trustee received a total of USD 2,039.8 million in cash from these Contributors, an increase of USD eq. 151.7 million since June 30, 2016. The increase was due to the contributions received from Belgium (EUR 6.25 million), Germany (EUR 3.5 million), Norway (NOK 480 million), Sweden (SEK 110 million) and United States (USD 70 million).
- Contributions receivable from the signed Contribution Agreements or Arrangements amounts to USD eq. 282.3 million on the basis of exchange rates as of September 30, 2016.

³ Totals in the table may not add up due to rounding.

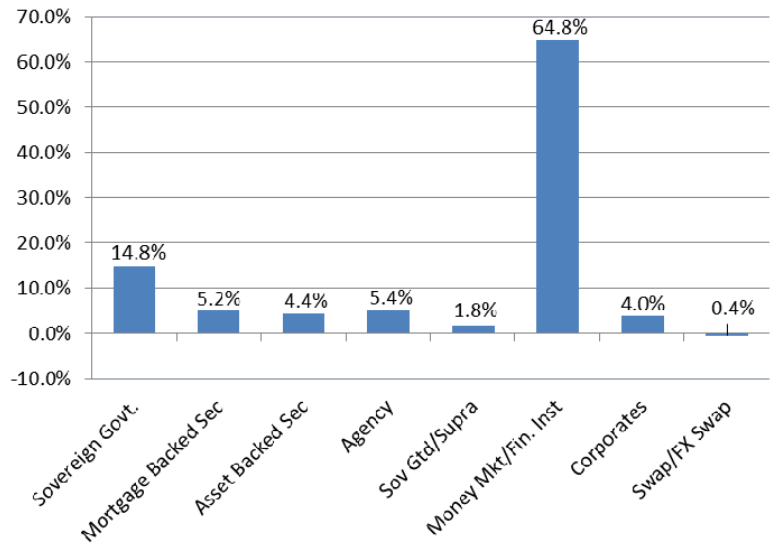
3. Asset Mix and Investment Income

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.

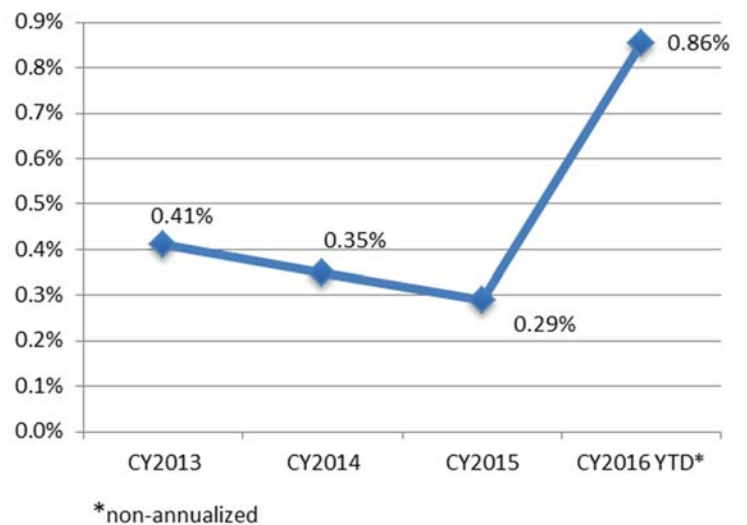
On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management of trust funds. Funds are managed such that the expected maximum loss, as measured by the CVaR, at the portfolio’s investment horizon, is not to exceed 1% with 99% confidence.

The 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.



INVESTMENT INCOME

The GPEF funds are invested in a short and medium horizon portfolio of the World Bank’s trust fund investment pool. This portfolio comprises investments in government bonds and money markets with an investment horizon of up to three years. The GPEF Trust Fund liquid portfolio (which totaled approximately USD 356.5 million at end- September 2016) has returned 0.86% through the calendar year to September 30, 2016 and earned approximately USD 14.7 million in investment income since inception.





4. Cumulative Funding Decisions⁴

In USD millions

Activity	Agent	As of September 30, 2016			As of June 30, 2016		
		Approved	Committed	Balance	Approved	Committed	Balance
Global and Regional Activities	AFD	2.3	2.3	-	2.3	2.3	-
	IBRD	8.4	8.4	-	8.4	8.4	-
	UNESCO	9.9	9.9	-	9.9	9.9	-
	UNICEF	4.6	4.6	-	4.6	4.6	-
	Sub-total	25.2	25.2	-	25.2	25.2	-
Education Plan Development Grant	ADB	0.44	0.44	-	0.44	0.44	-
	IBRD	4.71	4.71	-	4.71	4.71	-
	SCFUK	0.48	0.48	-	0.48	0.48	-
	SDC	0.43	0.43	-	0.43	0.43	-
	SIDA	0.19	0.19	-	0.19	0.19	-
	UNESCO	1.23	1.23	-	1.23	1.23	-
	UNICEF	5.91	5.36	0.6	5.36	4.47	0.9
	Sub-total	13.4	12.8	0.6	12.8	11.9	0.9
Program Development Grant	AFD	0.0	0.0	-	0.0	0.0	-
	IBRD	5.0	5.0	0.0	5.0	5.0	-
	UNICEF	0.5	0.5	-	0.5	0.5	-
Sub-total	5.6	5.5	0.0	5.6	5.6	-	
Program Implementation Grant	AFD	78.2	54.4	23.8	78.2	54.4	23.8
	Belgium	32.8	32.8	-	32.8	32.8	-
	DFID	60.4	38.9	21.5	60.4	31.3	29.1
	IBRD	1,743.3	1,133.1	610.2	1,743.3	1,107.0	636.3
	SIDA	100.0	84.0	16.0	100.0	84.0	16.0
	UNESCO	7.1	7.1	-	7.1	7.1	-
	UNICEF	285.1	223.4	61.7	285.1	193.2	91.9
	Sub-total	2,306.9	1,573.8	733.1	2,306.9	1,509.7	797.1
Civil Society Education Fund	GCE	28.8	6.9	21.9	28.8	6.9	21.9
	UNESCO	19.5	19.5	-	19.5	19.5	-
	Sub-total	48.3	26.4	21.9	48.3	26.4	21.9
Supervision Allocation	AFD	0.3	0.3	-	0.3	0.3	-
	Belgium	0.5	0.5	-	0.5	0.5	-
	DFID	0.9	0.9	-	0.9	0.9	-
	IBRD	19.8	19.8	-	19.6	17.4	2.3
	SIDA	0.8	0.8	-	0.8	0.8	-
	UNESCO	0.6	0.6	-	0.6	0.6	-
	UNICEF	1.8	1.8	-	1.8	1.8	-
	Sub-total	24.8	24.8	-	24.6	22.3	2.3
Agency Fee	ADB	0.0	0.0	-	0.0	0.0	-
	AFD	1.8	1.8	-	1.8	1.8	-
	Belgium	0.9	0.9	-	0.9	0.9	-
	SCFUK	0.0	0.0	-	0.0	0.0	-
	UNESCO	2.6	2.6	-	2.6	2.6	-
	UNICEF	20.3	20.2	0.0	20.2	20.2	0.1
	IBRD	30.8	30.8	-	30.8	28.3	2.6
	Sub-total	56.51	56.48	0.0	56.48	53.83	2.6
Administrative Budgets	Secretariat	95.8	95.8	-	95.8	71.0	24.8
	Trustee	2.8	2.8	-	2.8	2.4	0.4
	Sub-total	98.6	98.6	-	98.6	73.4	25.2
TOTAL		2,579.13	1,823.5	755.6	2,578.37	1,728.4	850.0

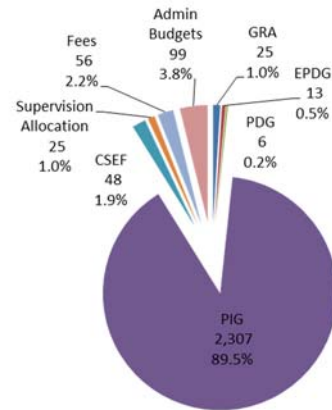
⁴ Sub totals in the table may not add up due to rounding.

SNAPSHOT OF FUNDING DECISION

In USD millions

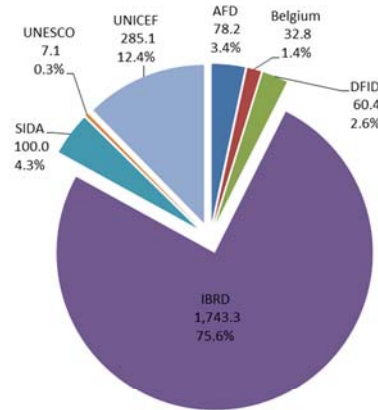
Funding Decisions by Activity

The cumulative funding decisions made by the GPE Board up to September 30, 2016 amount to USD 2,579.13 million. 89.5% of the cumulative funding decisions went to Program Implementation Grants, 1.9% to Civil Society Education Fund, 2.2% to Agency Fees, 3.8% to Administrative Budget, 1% to Supervision Allocations, 1% to Global and Regional Activities, and less than 1% each to Education Plan Development Grants, and Program Development Grants.



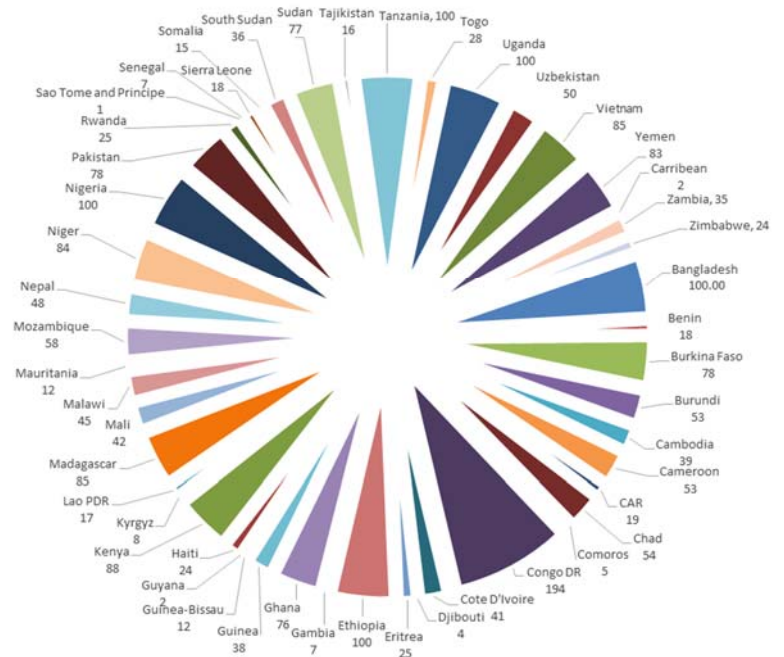
Funding Decisions by Agent (Program Implementation Grant)

The pie chart shows the breakdown of the cumulative program implementation grant approvals by Grant Agent.



Funding Decisions by Country (Program Implementation Grant)

The pie chart shows the breakdown of the cumulative program implementation grant approvals by country.





5. Funds Available⁵

In USD millions

	As of September 30, 2016	As of June 30, 2016	Changes since last report
	(a)	(b)	(a) - (b)
<u>1. Cumulative Receipts</u>	2,054.5	1,901.3	153.2
a. Cash Contributions from Contributors	2,039.8	1,888.1	151.8
b. Investment Income earned on undisbursed balances	14.7	13.2	1.4
<u>2. Cumulative Cash Transfer</u>	1,698.0	1,639.9	58.1
a. Projects	1,537.9	1,497.8	40.1
b. Supervision Allocation	21.8	21.8	-
c. Agency Fees	49.7	47.0	2.6
d. Administrative Budgets	88.6	73.2	15.4
<u>3. Funds held in Trust (3 = 1 - 2)</u>	356.5	261.5	95.1
<u>4. Financial Reserve</u>	-	-	-
<u>5. Funds held in Trust with no Restrictions (5 = 3 - 4)</u>	356.5	261.5	95.1
<u>6. Committed Funding pending Cash Transfer</u>	125.5	88.5	37.0
a. Projects	105.8	81.1	24.8
b. Supervision Allocation	2.9	0.5	2.5
c. Agency Fees	6.8	6.8	0.0
d. Administrative Budgets	10.0	0.2	9.8
<u>7. Funds available for Commitment (7 = 5 - 6)</u>	<u>231.0</u>	<u>172.9</u>	<u>58.0</u>

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 356.5 million as of September 30, 2016, an increase of USD 95.1 million since June 30, 2016.
- **Funds available for Trustee's Commitment** amounted to USD 231 million as of September 30, 2016, an increase of USD 58 million.
- The table does not take into account contributions receivable from the signed Contribution Agreements/Arrangements.

⁵ Totals in table may not add up due to rounding.