



Global Partnership for Education Fund

Financial Report

Prepared by the Trustee

As of December 31, 2014



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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 Supervising/Managing Entities (SEs/MEs). 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 December 31, 2014.

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

GPEF Trust Fund Financial Summary as of December 31, 2014

Contributions:

Each Contributor enters into a Contribution Agreement or Arrangement with the Trustee to make a contribution to the GPEF. As of December 31, 2014, the Trustee had entered into Contribution Agreements/Arrangements with 19 Contributors for a total of USD eq. 1,663.9 million in contributions, of which the Trustee has received USD eq. 1,498.1 million in cash from these Contributors.

Investment Income:

As of December 31, 2014, the GPEF Trust Fund earned investment income of approximately USD 7.1 million on the undisbursed balance of the Trust Fund. The GPEF Trust Fund portfolio has returned 0.35% through the calendar year to December 31, 2014.

Funding Approvals:

The cumulative funding decisions made by the GPE Board through December 31, 2014 totaled USD 2,097.8 million. Of the total amount approved, USD 1,922.1 million represents Program Implementation Grant approvals. The Trustee committed a total of USD 1,079.4 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 Supervising/Managing Entities, the Trustee has transferred a total of USD 858.3 million up to December 31, 2014, including USD 765.9 million for Education Plan Development Grants, Program Development Grants, 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 December 31, 2014 amounted to USD 646.9 million.

Funds available for the Trustee's commitment amounted to USD 425.8 million as of December 31, 2014, an increase of USD 254.5 million compared to September 30, 2014.



1. GPEF Trust Fund Summary – Inception through December 31, 2014²

In USD millions

| | Cumulative Total as of December 31, 2014 | Cumulative Total as of September 30, 2014 | Difference | % of Total |
|---|---|--|-----------------|-------------|
| | (a) | (b) | (c) = (a) - (b) | |
| Donor Contributions | | | | |
| Contributions | 1,663.9 | 1,436.6 | 227.3 | 100% |
| Total Contributions | 1,663.9 | 1,436.6 | 227.3 | 100% |
| Cumulative Resources | | | | |
| <u>Resources received</u> | | | | |
| Cash Receipts | 1,498.1 | 1,222.4 | 275.7 | 90% |
| Investment Income earned | 7.1 | 6.9 | 0.2 | 0% |
| Total Resources Received | 1,505.2 | 1,229.3 | 275.9 | 90% |
| <u>Resources not yet received</u> | | | | |
| Contributions not yet paid (A) | 165.8 | 214.2 | (48.4) | 10% |
| Total resources not yet received | 165.8 | 214.2 | (48.4) | 10% |
| Total Potential Resources (B) | 1,671.0 | 1,443.5 | 227.5 | 100% |
| Cumulative Funding Decisions | | | | |
| Global and Regional Activities | 25.2 | 25.2 | - | 1% |
| Education Plan Development Grant | 6.7 | 6.1 | 0.6 | 0% |
| Program Development Grant | 5.3 | 4.6 | 0.7 | 0% |
| Program Implementation Grant | 1,922.1 | 1,661.9 | 260.2 | 92% |
| Civil Society Education Fund | 14.5 | 14.5 | - | 1% |
| Supervision Allocation | 19.7 | 17.3 | 2.5 | 1% |
| Agency Fees | 49.0 | 43.5 | 5.6 | 2% |
| Administrative Budgets | 55.3 | 44.7 | 10.6 | 3% |
| Total Funding Decisions Net of Cancellations (C) | 2,097.8 | 1,817.6 | 280.2 | 100% |
| Amounts pending GPE Board Funding Decisions (D) | - | - | - | |
| Total Potential Resources (B) - (C) - (D) | (426.8) | (374.1) | (52.7) | |
| Funds Available | | | | |
| Funds Held in Trust with no Restrictions | 646.9 | 373.8 | 273.1 | |
| Approved Amounts Pending Cash Transfers | 221.1 | 202.5 | 18.6 | |
| Total Funds Available for Trustee's Commitment | 425.8 | 171.3 | 254.5 | |

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

2. Contributions³

In millions

| Contributor | Curr | As of December 31, 2014 | | | | As of September 30, 2014 | | | |
|------------------------------|------|-------------------------|-------------------|-----------------------------------|------------------------------|--------------------------|-------------------|-----------------------------------|------------------------------|
| | | Signed in Currency | Signed in USD eq. | Paid-In Contributions in Currency | Paid-In Contributions in USD | Signed in Currency | Signed in USD eq. | Paid-In Contributions in Currency | Paid-In Contributions in USD |
| Australia ^{a/} | AUD | 410.0 | 368.7 | 270.0 | 253.8 | 270.0 | 253.8 | 270.0 | 253.8 |
| | USD | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Belgium | EUR | 36.0 | 45.5 | 25.0 | 32.1 | 36.0 | 46.2 | 18.0 | 23.5 |
| Canada ^{a/} | CAD | 45.4 | 45.6 | 45.4 | 45.6 | 45.4 | 45.6 | 45.4 | 45.6 |
| | 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 | - | - |
| Denmark | DKK | 970.0 | 173.2 | 970.0 | 173.2 | 920.0 | 164.9 | 920.0 | 164.9 |
| Finland | EUR | 4.0 | 5.4 | 3.2 | 4.4 | 4.0 | 5.5 | 3.2 | 4.4 |
| Germany | EUR | 8.6 | 10.8 | 8.6 | 10.8 | 1.6 | 2.1 | 1.6 | 2.1 |
| Ireland ^{a/} | EUR | 15.9 | 21.4 | 15.9 | 21.4 | 15.9 | 21.4 | 15.9 | 21.4 |
| | USD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Italy | EUR | 3.0 | 3.8 | 3.0 | 3.8 | 1.5 | 2.0 | 1.5 | 2.0 |
| Japan | USD | 10.4 | 10.4 | 10.4 | 10.4 | 10.4 | 10.4 | 10.4 | 10.4 |
| Luxemburg ^{a/} | EUR | 0.3 | 0.4 | 0.3 | 0.4 | 0.3 | 0.4 | 0.3 | 0.4 |
| | 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 | 157.8 | 90.0 | 120.0 |
| Norway | NOK | 920.0 | 147.8 | 920.0 | 147.8 | 730.0 | 122.6 | 630.0 | 107.1 |
| 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 | 970.0 | 129.4 | 870.0 | 116.5 | 400.0 | 57.0 | 200.0 | 29.4 |
| Switzerland | CHF | 24.5 | 26.2 | 18.0 | 19.6 | 24.5 | 26.4 | 18.0 | 19.6 |
| United Kingdom ^{a/} | GBP | 269.6 | 426.4 | 269.6 | 426.4 | 269.6 | 429.0 | 219.6 | 348.1 |
| | USD | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| United States | USD | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| Total | | | 1,663.9 | | 1,498.1 | | 1,436.6 | | 1,222.4 |

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

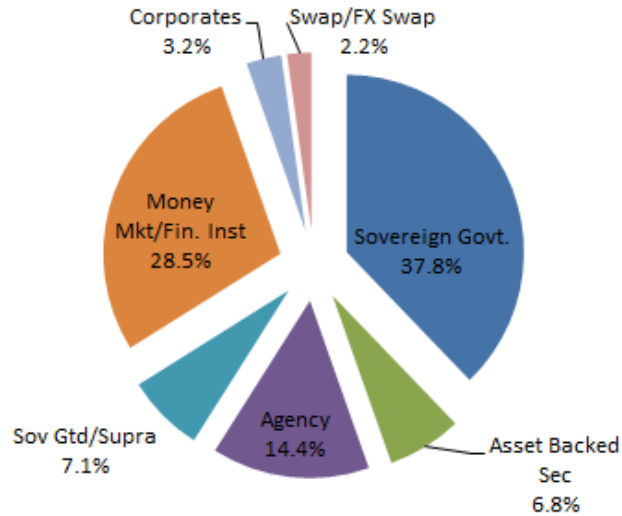
- The table shows the total contributions to the GPEF, defined as those for which Contribution Agreements/ Arrangements have been signed by Contributors and the Trustee. The table shows the amount of the contribution in the respective currency and in USD equivalent (“Signed in USD eq.”), and the amount of the contribution received by the Trustee (“Paid-In Contributions in USD”).
- As of December 31, 2014, the Trustee had entered into Contribution Agreements or Arrangements with 19 Contributors for a total amount of USD eq. 1,663.9 million, an increase of USD eq. 227.3 million since September 30, 2014. Donors which accounted for the increase were: Australia (AUD 140 million), Denmark (DKK 50 million), Germany (EUR 7 million), Italy (EUR 1.5 million), Norway (NOK 190 million), and Sweden (SEK 570 million).
- The Trustee received a total of USD 1,498.1 million in cash from these Contributors, an increase of USD 275.7 million since September 30, 2014. The increase is due to the contributions received from Belgium (EUR 7 million), CIFF (USD 5 million), Denmark (DKK 50 million), Germany (EUR 7 million), Italy (EUR 1.5 million), the Netherlands (EUR 30 million), Norway (NOK 190 million), Sweden (SEK 670 million), and United Kingdom (GBP 50 million).
- Contributions receivable from the signed Contribution Agreements or Arrangements amounts to USD eq. 165.8 million on the basis of exchange rates as of December 31, 2014.

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

3. Asset Mix and Investment Income

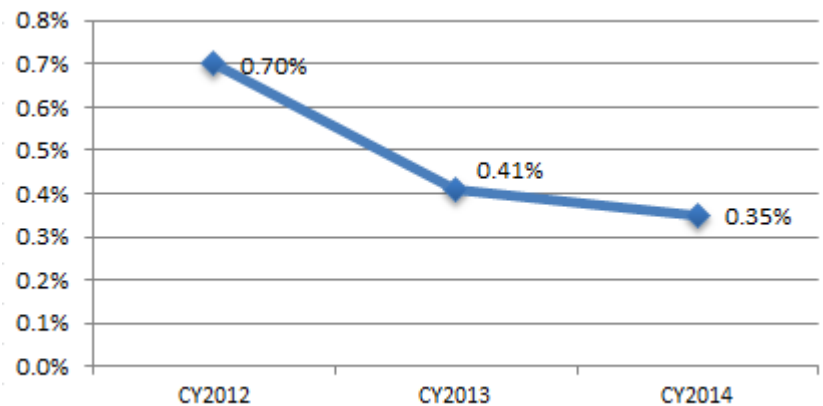
ASSET MIX

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. The Pool is actively managed so that the probability of incurring negative returns is no more than 1% over the applicable investment horizon.



INVESTMENT RETURNS

The GPEF funds are invested in a short 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 one year. The GPEF Trust Fund liquid portfolio (which totaled approximately USD 646.9 million at end-December 2014) has returned 0.35% through the calendar year to December 31, 2014 and earned approximately USD 7.1 million in investment income since inception.





4. Cumulative Funding Decisions⁴

In USD millions

| Activity | Entity | As of December 31, 2014 | | | As of September 30, 2014 | | |
|----------------------------------|------------------|-------------------------|----------------|----------------|--------------------------|----------------|--------------|
| | | 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 | IBRD | 3.3 | 3.3 | - | 3.1 | 3.1 | - |
| | UNESCO | 0.3 | 0.2 | 0.1 | 0.2 | 0.2 | - |
| | UNICEF | 3.0 | 3.0 | - | 2.8 | 2.8 | - |
| | Sub-total | 6.7 | 6.6 | 0.1 | 6.1 | 6.1 | - |
| Program Development Grant | AFD | 0.0 | 0.0 | - | 0.0 | 0.0 | - |
| | IBRD | 4.7 | 4.7 | - | 4.0 | 4.0 | - |
| | UNICEF | 0.5 | 0.5 | - | 0.5 | 0.5 | - |
| | Sub-total | 5.3 | 5.3 | - | 4.6 | 4.6 | - |
| Program Implementation Grant | AFD | 78.2 | 28.0 | 50.2 | 78.2 | 28.0 | 50.2 |
| | Belgium | 52.9 | 52.9 | - | 52.9 | 52.9 | - |
| | DFID | 35.2 | 9.8 | 25.4 | 35.2 | 9.8 | 25.4 |
| | IBRD | 1,390.7 | 608.8 | 781.9 | 1,146.0 | 607.8 | 538.2 |
| | SIDA | 100.0 | 43.1 | 56.9 | 100.0 | 43.1 | 56.9 |
| | UNESCO | 7.1 | 7.1 | - | 7.1 | 7.1 | - |
| | UNICEF | 258.0 | 154.2 | 103.9 | 242.5 | 153.6 | 89.0 |
| | Sub-total | 1,922.1 | 903.8 | 1,018.3 | 1,661.9 | 902.2 | 759.7 |
| Civil Society Education Fund | UNESCO | 14.5 | 14.5 | - | 14.5 | 14.5 | - |
| | Sub-total | 14.5 | 14.5 | - | 14.5 | 14.5 | - |
| Supervision Allocation | AFD | 0.3 | 0.3 | - | 0.3 | 0.3 | - |
| | Belgium | 0.7 | 0.7 | - | 0.7 | 0.7 | - |
| | DFID | 0.4 | 0.4 | - | 0.4 | 0.4 | - |
| | IBRD | 15.1 | 15.1 | - | 12.6 | 12.6 | - |
| | 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 | 19.7 | 19.7 | - | 17.3 | 17.3 | - |
| Agency Fee | AFD | 1.8 | 1.8 | - | 1.8 | 1.8 | - |
| | Belgium | 0.9 | 0.9 | - | 0.9 | 0.9 | - |
| | UNESCO | 2.2 | 2.2 | - | 2.2 | 2.2 | - |
| | UNICEF | 19.5 | 19.5 | - | 18.2 | 18.2 | - |
| | IBRD | 24.6 | 24.6 | - | 20.3 | 20.3 | - |
| | Sub-total | 49.0 | 49.0 | - | 43.5 | 43.5 | - |
| Administrative Budgets | Secretariat | 53.4 | 53.4 | - | 43.0 | 43.0 | - |
| | Trustee | 2.0 | 2.0 | - | 1.7 | 1.7 | - |
| | Sub-total | 55.3 | 55.3 | - | 44.7 | 44.7 | - |
| TOTAL | | 2,097.8 | 1,079.4 | 1,018.4 | 1,817.6 | 1,058.0 | 759.7 |

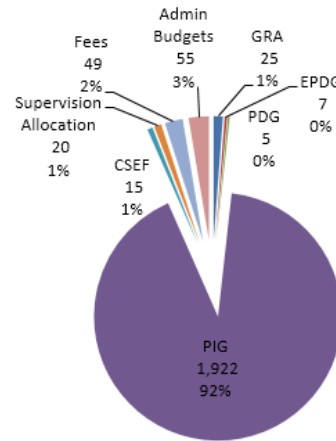
⁴ Sub totals in the table may not add up due to rounding.

SNAPSHOT OF FUNDING DECISION

In USD millions

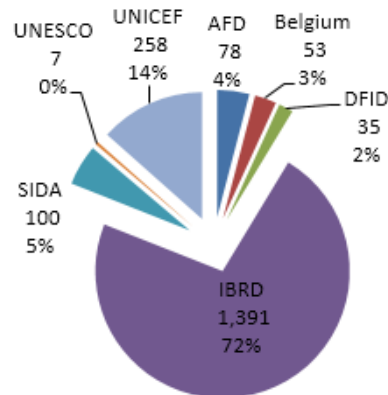
Funding Decisions by Activity

The cumulative funding decisions made by the GPE Board up to December 31, 2014 amount to USD 2097.8 million, an increase of USD 280.2 million since September 30, 2014. 92% of the cumulative funding decisions went to Program Implementation Grants, 1% to Civil Society Education Fund, 2% to Agency Fees, 3% to Administrative Budget, 1% to Supervision Allocations, 1% to Global and Regional Activities, and less than 1% each to Program Development Grants and Education Plan Development Grants.



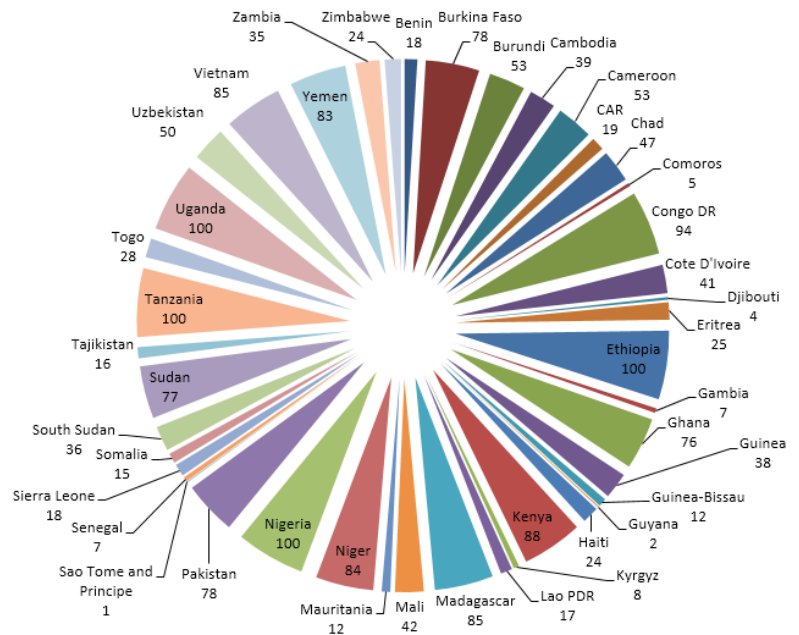
Funding Decisions by Entity (Program Implementation Grant)

The pie chart shows the breakdown of the cumulative program implementation grant approvals by Supervising/Managing Entity.



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 December 31, 2014 | As of September 30, 2014 | Changes since last report |
|--|-------------------------|--------------------------|---------------------------|
| | (a) | (b) | (a) - (b) |
| <u>1. Cumulative Receipts</u> | 1,505.2 | 1,229.3 | 275.9 |
| a. Cash Contributions from Contributors | 1,498.1 | 1,222.4 | 275.7 |
| b. Investment Income earned on undisbursed balances of GPEF Funds | 7.1 | 6.9 | 0.2 |
| <u>2. Cumulative Cash Transfer</u> | 858.3 | 855.5 | 2.9 |
| a. Projects | 765.9 | 763.3 | 2.7 |
| b. Supervision Allocation | 16.3 | 16.3 | - |
| c. Agency Fees | 31.7 | 31.5 | 0.2 |
| d. Administrative Budgets | 44.4 | 44.4 | - |
| <u>3. Funds held in Trust (3 = 1 - 2)</u> | 646.9 | 373.8 | 273.1 |
| <u>4. Financial Reserve</u> | - | - | - |
| <u>5. Funds held in Trust with no Restrictions (5 = 3 - 4)</u> | 646.9 | 373.8 | 273.1 |
| <u>6. Committed Funding pending Cash Transfer</u> | 221.1 | 202.5 | 18.6 |
| a. Projects | 189.4 | 189.2 | 0.2 |
| b. Supervision Allocation | 3.5 | 1.0 | 2.5 |
| c. Agency Fees | 17.3 | 12.0 | 5.4 |
| d. Administrative Budgets | 10.9 | 0.3 | 10.6 |
| <u>7. Funds available to support Trustee's Commitment (7 = 5 - 6)</u> | <u>425.8</u> | <u>171.3</u> | <u>254.5</u> |

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 646.9 million as of December 31, 2014, an increase of USD 273.1 million since September 30, 2014.
- **Funds available for Trustee's Commitment** amounted to USD 425.8 million as of December 31, 2014, an increase of USD 254.5 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.