

CLIMATE INVESTMENT FUNDS

SCF/TFC.10/Inf.2

April 16, 2013

Meeting of the SCF Trust Fund Committee

Washington D.C.

April 30, 2013

REPORT ON THE FINANCIAL STATUS OF THE SCF

(PREPARED BY THE TRUSTEE)



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Introduction

The information contained in this report is prepared based on financial information as of December 31, 2012.

The Strategic Climate Fund (SCF) is one of the Climate Investment Funds (CIF) that was established in 2008 to scale-up assistance to developing countries until the framework on climate change is agreed. The CIF's financial architecture is rooted in two trust funds. The Clean Technology Fund (CTF) finances scaled-up demonstration, deployment, and transfer of clean technologies, by piloting investments in countries or regions with potential for significant greenhouse gas (GHG) abatement. The Strategic Climate Fund (SCF) finances three programs that pilot new approaches with the potential for scaling up: the Forest Investment Program (FIP), Pilot Program for Climate Resilience (PPCR), and Program for Scaling Up Renewable Energy in Low-Income Countries (SREP).

The report is produced by the Trustee in accordance with the Trustee's role as set forth in the document entitled Governance Framework for the SCF Trust Fund which states:

"The Trustee will provide to the SCF Trust Fund Committee, and, to the extent applicable, any SCF Sub-Committee, regular reports on the financial status of the Trust Fund, as agreed between the Trustee and the SCF Trust Fund Committee, or as the case may be the relevant SCF Sub-Committee."

This report provides (i) a snapshot of the financial situation of the SCF Trust Fund since its inception to December 31, 2012 and some of the recent developments from October 1, 2012 to December 31, 2012; (ii) the status of pledges and contributions, and (iii) the details of financial activities of the SCF Trust Fund and sub-programs (FIP, PPCR and SREP).



SCF Trust Fund Financial Summary as of December 31, 2012

Pledges and Contributions:

As of December 31, 2012, 13 donors pledged USDeq. 2.3 billion to the SCF Trust Fund, of which USDeq. 1.2 billion was pledged to PPCR, USDeq. 0.6 billion to FIP and USDeq. 0.5 billion to SREP. Of the total amount pledged, USDeq. 1.9 billion was confirmed through signed Contribution Agreements or Contribution Arrangements (USDeq. 948 million for PPCR, USDeq. 530 million for FIP and USDeq. 459 million for SREP).

The Trustee has received USDeq. 1.9 billion in cash and promissory notes from donors (USDeq. 918 million to PPCR, USDeq. 491 million to FIP and USDeq. 450 million to SREP), of which approximately USDeq. 133 million was received between October 1, 2012 and December 31, 2012.

Investment Income:

As of December 31, 2012, the SCF Trust Fund earned investment income of approximately USD 21 million on the undisbursed balance of the Trust Fund. The SCF Trust Fund liquid portfolio has returned 1.03% in calendar year 2012.

Funding Approvals and Trustee Commitments:

As of December 31, 2012, SCF Trust Fund Committee has approved administrative budgets totaling USD 51 million.

FIP Sub-Committee has endorsed seven Investment Plans for a total amount of proposed FIP funding of USD 370 million. Cumulative funding decisions by the FIP Sub-Committee totaled USD 73 million. This represents the increase of USD 6 million since September 30, 2012.

PPCR Sub-Committee has endorsed 19 Strategic Programs for Climate Resilience (SPCR) for a total amount of proposed PPCR funding of USD 1 billion. Cumulative funding decisions by the PPCR Sub-Committee totaled USD 356 million. This represents the increase of USD 75 million since September 30, 2012.

SREP Sub-Committee has endorsed six Investment Plans for a total amount of proposed SREP funding of USD 240 million. Cumulative funding decisions by the SREP Sub-Committee totaled USD 39 million. This represents the increase of USD 1 million since September 30, 2012.

Based on the funding decisions by the SCF Trust Fund Committee and Sub-Committees, the Trustee has committed a total of USDeq. 518 million to MDBs.

Cash Transfers:

Cash transfers were made to MDBs on an as-needed basis to meet their projected disbursements. The Trustee has transferred USDeq. 145 million, of which USDeq. 30 million has been transferred between October 1 and December 31, 2012. As a result, USDeq. 374 million remains payable to MDBs as of December 31, 2012.



Funds Held in Trust and Funds Available for funding decisions:

Funds Held in Trust¹ reflect financial activities related to donor payments (cash and promissory notes), encashment of promissory notes, investment income, cash transfers, and the revaluation of the balance of promissory notes at month-end. Funds Held in Trust as of December 31, 2012 amounted to USDeq. 1.6 billion.

Funds available to support SCF Trust Fund Committee and Sub-Committees decisions amounted to USD 1.2 billion as of December 31, 2012. This represents an increase of USD 54 million as compared to September 30, 2012.

Of the total SCF Funds available, USD 490 million is available for PPCR, USD 385 million is available for FIP, and USD 373 million is available for SREP.



Update on Trustee Activity

In FY13, work continued on the development of an automated and secure systems platform to support the Clean Technology Fund and Strategic Climate Fund Trust Funds. The system supports Trustee financial operations as well as CIF program operations, specifically pipeline management and related workflow between the MDBs, CIF Administrative Unit, and the Trustee. The system platform will leverage other existing platforms owned by the World Bank and will be available for other Financial Intermediary Funds managed by the World Bank. The objective of this initiative is to create an integrated technology platform, effective tools for communicating and collaborating with partners and clients, and streamlined reporting and analytics.

Development of a database in the World Bank's financial accounting system (SAP) is underway. This database will be used to store and manage project/program information and will be fully integrated with the Trustee database and is the major focus of the technology platform development. The CIF has been a champion and early adopter for this platform and will be the first to move their pipeline management processes to SAP. The development of a shared database contributes to a standardized platform for FIFs in order to ensure data integrity, eliminate costly reconciliations including those required due to audit findings, and provide a single source of data for management and decision making. In addition, since SAP is the World Bank's Enterprise Resource Planning system, all hardware and software licenses and upgrades are supported by the World Bank's technology teams. SAP is secure, supports full audit trails, and benefits from the protection of the World Bank's firewalls. The data is backed up and is protected in the case of server faults or the need for contingency operations.

To date, key project outputs are:

- a) Current state business operations and technology functions of all of the in-house FIF secretariats analyzed and documented, gaps and opportunities identified, and tools created to assist in the development of the business requirements and automated workflow designs for the FIF platform. The CIF Administrative Unit staff participated in these consultations and provided information on their current business operations and future state requirements.
- b) Business and functional requirements developed for the two phases of the IT system (data requirements, customization requirements, screens, workflow design, etc.). The early phases of this project are addressing some of the key issues identified during the consultations with the CIF Administrative Unit such as storage of data on multiple spreadsheets and lack of a single source of data for reporting.
- c) A pilot secure external interface was developed, in collaboration with UNIDO, to exchange project information such as milestone dates, disbursements, cancellations, and financial closures. The data exchange pilot was successful and will be rolled out to other implementing agencies.

Development and testing of the FIF SAP database is targeted for completion at the beginning of Q1 of FY14 (July 2013). The CIF Administrative Unit will be participating in early testing and rollout and will also engage with the Trustee in refining reporting requirements.

1. SCF Trust Fund Summary – Inception through December 31, 2012

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	1,949	86%
Pledges	308	14%
Total Pledges and Contributions	2,257	100%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	1,121	49%
Unencashed promissory notes	750	33%
Investment Income earned	21	1%
Total Resources Received	1,892	83%
<u>Resources not yet received</u>		
Contributions not yet paid	78	3%
Pledges	308	14%
Total resources not yet received	386	17%
Total Potential Resources (A)	2,278	100%

<u>Cumulative Funding Decisions</u>		
Projects	422	81%
MPIS Costs	29	6%
Investment Plan Preparation	16	3%
Administrative Budgets	51	10%
Other a/	1	0%
Total Funding Decisions Net of Cancellations (B)	519	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	1,759	

<u>Funds Available</u>		
Funds Held in Trust with no restrictions	1,622	
Amounts Pending Cash Transfers	374	
Total Funds Available to Support SCF Trust Fund Committee decisions	1,248	

a/ Represents costs for the preparation related to an independent evaluation of the CIF.

1.1. Pledges and Contributions

In USD millions

Contributor	Contribution Type	Currency	Pledges Outstanding and Contributions			Historical Value of Total in USD eq. a/ (1)	Current Value of Total in USD eq. b/ (2)	FX changes (3) = (2) - (1)	Receipts in USD eq. b/
			Pledges Outstanding	Finalized					
				Contributions Finalized	Total				
Australia	Grant	AUD	-	86	86	72	79	7	79
Canada	Grant	CAD	-	100	100	97	84	(13)	84
Denmark	Grant	DKK	-	238	238	47	45	(3)	36
Germany	c/ Grant	EUR	-	59	59	88	78	(10)	78
Japan	d/ Grant	USD	-	200	200	200	218	18	218
Korea	Grant	KRW	-	6,565	6,565	6	6	0	6
Netherlands	Grant	USD	-	76	76	76	76	-	76
Norway	Grant	NOK	-	1,336	1,336	241	229	(12)	180
Spain	Grant	EUR	-	3	3	4	4	(1)	4
	Capital	EUR	-	20	20	30	26	(4)	26
Sweden	Grant	SEK	-	270	270	42	41	(1)	41
Switzerland	Grant	USD	-	26	26	26	26	-	26
United Kingdom	e/ Capital	GBP	-	455	455	846	725	(121)	725
	Grant	GBP	-	70	70	130	113	(17)	92
United States	f/ Grant	USD	308	200	508	508	508	-	200
						2,413	2,257	(156)	1,871

a/ Represents pledges valued on the basis of exchange rates as of September 25, 2008, the CIF official pledging date.

b/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of December 31, 2012.

c/ Out of the total EUR 59 million pledged, EUR 9.45 million is not yet allocated to any programs.

d/ The USD 200 million pledge was committed in JPY in the amount of JPY 19 billion.

e/ The total contribution made by the United Kingdom through the SCF is GBP 1.2 billion, which includes allocation of GBP 610 million to CTF, GBP 3.5 million to Readiness Fund of the Forest Carbon Partnership Facility (FCPF), GBP 11.5 million to Carbon Fund of the FCPF and GBP 50 million to the Congo Basin Fund.

f/ The total pledge made by the United States to the CIF is USD 2 billion; the allocation across the programs is indicative.

- The above table shows the total pledges outstanding and contributions finalized to the SCF. Pledges represent a Contributor's expression of intent to make a contribution.
- The total pledges to the SCF amount to USDeq. 2.4 billion, valued at the exchange rates available on the date of the Climate Investment Funds (CIF) initial pledging meeting. The current value of the pledges amounts to USDeq. 2.3 billion as of December 31, 2012 (a difference of USDeq. 156 million due to exchange rate movements).
- As of December 31, 2012, the Trustee had entered into Contribution Agreements/ Contribution Arrangements with 13 donors and received USDeq. 1.9 billion in cash and promissory notes from these donors.
- Of the total amount received from donors, USDeq. 1.1 billion (60%) was received as grant contributions and USDeq. 751 million (40%) as capital contributions
- Pledges and unpaid donor contributions amount to USDeq. 386 million.

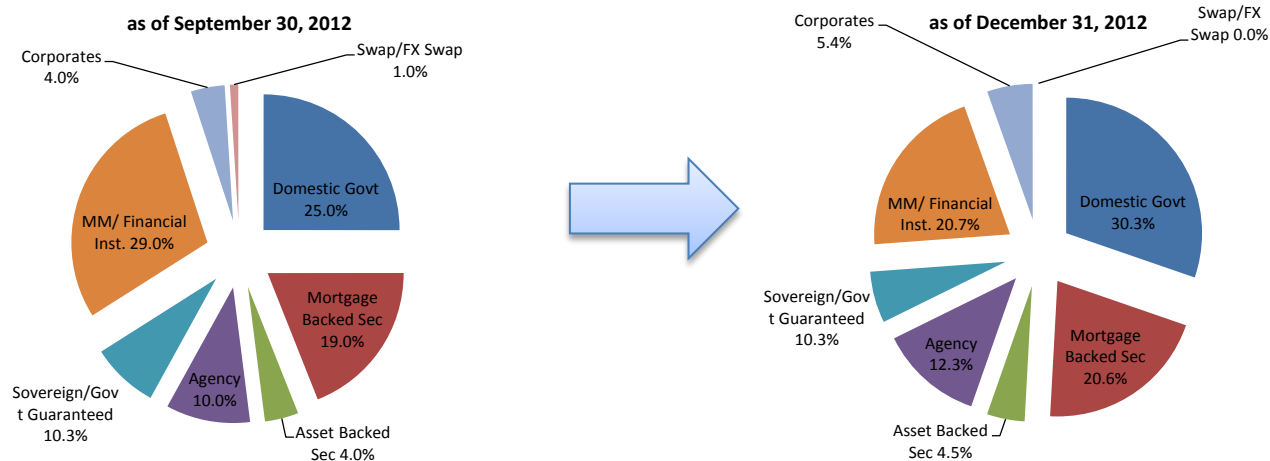


1.2. Asset Mix and Investment Income

The undisbursed cash balance of the SCF Trust Fund is maintained in a commingled investment portfolio (“Pool”) for all trust funds managed by IBRD and is allocated. The assets in the Pool are invested in accordance with the investment strategy established for all of the trust funds administered by the World Bank. Funds are invested so that the probability of incurring negative returns is no more than approximately 1% over the applicable investment horizon.

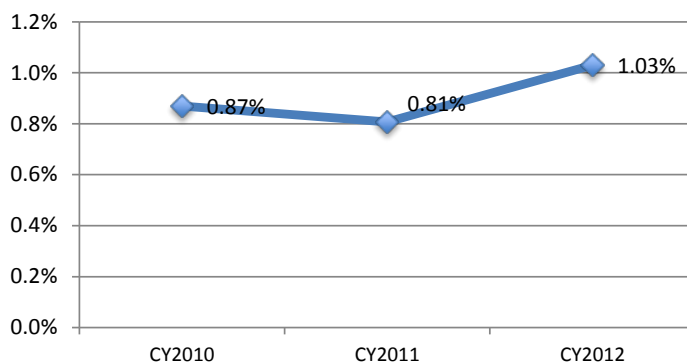
ASSET MIX

The portfolio allocation by asset class is dominated by government securities, mortgage backed securities (MBS) and money-market instruments. Allocations have been relatively stable over time; the largest shift was from money market instruments into government bonds, enabling the Trust Fund to capture gains from enhanced returns on these securities and to maintain the risk profile noted above.



INVESTMENT RETURNS

The SCF Trust Fund liquid portfolio (which totaled approximately USDeq. 976 million at end-December 2012) earned approximately USD 21 million in investment income since inception. The portfolio’s performance continues to be modest as the level of fixed income yields continued to fall to historically low levels. The prevailing low interest rate environment and risk of upward moves in yields means returns on fixed income assets are likely to remain very low in the near term.





1.3. Cumulative Funding Decisions

In USD millions

FUNDING DECISIONS

The SCF Trust Fund Committee approves allocation of SCF resources for administrative budgets, while the SCF Sub-Committees, or the MDB Committee if delegated, approve SCF financing for programs and projects including preparation grants and MDB costs for project implementation services (MPIS costs) under the respective targeted programs.

As of December 31, 2012, the SCF Trust Fund Committee has approved administrative budgets totaling USD 51 million while the SCF Sub-Committees have approved a total of USD 468 million for projects and MPIS costs.

FUNDING DECISIONS BY PROGRAM

The SCF Sub-Committees, or MDB Committee if delegated, have approved funding totaling USD 468 million for projects and MPIS costs of which USD 73 million was approved under the FIP, USD 39 million under the SREP and USD 356 million under the PPCR.



2. FIP Summary – Inception through December 31, 2012

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	530	87%
Pledges	81	13%
Total Pledges and Contributions	611	100%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	335	55%
Unencashed promissory notes	156	26%
Total Resources Received	491	80%
<u>Resources not yet received</u>		
Contributions not yet paid	39	6%
Pledges	81	13%
Total resources not yet received	120	20%
Total Potential Resources (A)	611	100%
<u>Cumulative Funding Decisions</u>		
Projects	65	89%
MPIS Costs	6	9%
Investment Plan Preparation	2	2%
Total Funding Decisions Net of Cancellations (B)	73	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	538	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	444	
Amounts Pending Cash Transfers	59	
Total Funds Available to Support FIP Sub-Committee decisions	385	

2.1. FIP Pledges and Contributions

In USD millions

Contributor	Contribution Type	Currency	Pledges Outstanding and Contributions			Historical Value of Total in USD eq. a/ (1)	Current Value of Total in USD eq. b/ (2)	FX changes (3) = (2) - (1)	Receipts in USD eq. b/
			Pledges Outstanding	Contributions Finalized	Total				
Australia	Grant	AUD	-	36	36	30	35	5	35
Denmark	Grant	DKK	-	54	54	11	10	(0)	10
Japan	c/ Grant	USD	-	60	60	60	65 c/	5	65
Norway	Grant	NOK	-	855	855	154	146	(8)	106
Spain	Capital	EUR	-	10	10	15	13	(2)	13
Sweden	Grant	SEK	-	100	100	15	15	(1)	15
United Kingdom	Capital	GBP	-	100	100	186	159	(27)	159
United States	d/ Grant	USD	81	87	168	168	168	-	87
						639	611	(28)	491

a/ Represents pledges valued on the basis of exchange rates as of September 25, 2008, the CIF official pledging date.

b/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of December 31, 2012.

c/ The USD 60 million pledge was committed in JPY in the amount of JPY 5.6 billion.

d/ The total pledge made by the United States to the CIF is USD 2 billion; the allocation across the programs is indicative.

- The above table shows the total pledges outstanding and contributions finalized to the FIP. Pledges represent a Contributor's expression of intent to make a contribution and form the basis for the endorsement of Investment Plans by the FIP Sub-Committee.
- The total pledges to the FIP now amount to USDeq. 639 million, valued at the exchange rates available on the date of the CIF pledging meeting. The current value of the pledges amounts to USDeq. 611 million as of December 31, 2012 (a difference of USDeq. 28 million due to exchange rate movements).
- As of December 31, 2012, the Trustee had entered into Contribution Agreements/ Contribution Arrangements with eight donors and received USDeq. 491 million in cash and promissory notes to date from these donors, of which USDeq. 5 million was received between October 1, 2012 and December 31, 2012.
- Of the total amount received from donors, USDeq. 318 million (65%) was received as grant contributions and USDeq. 172 million (35%) as capital contributions.
- Pledges and unpaid donor contributions amount to USDeq. 120 million.

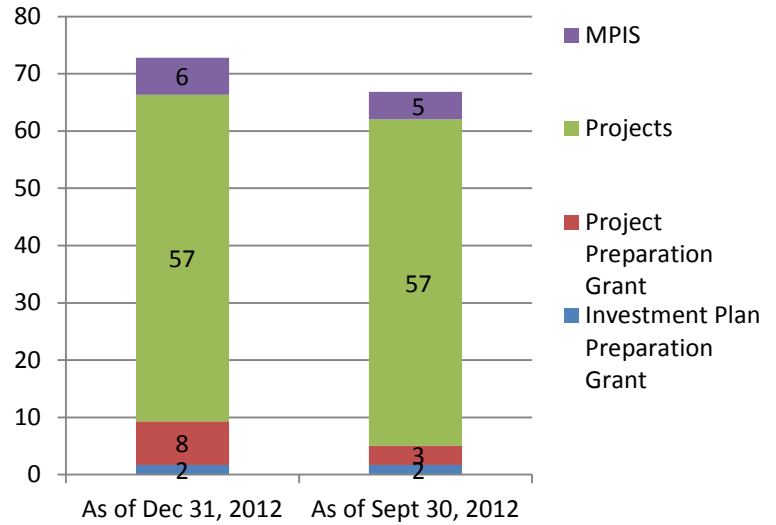


2.2. FIP Funding Decisions

In USD millions

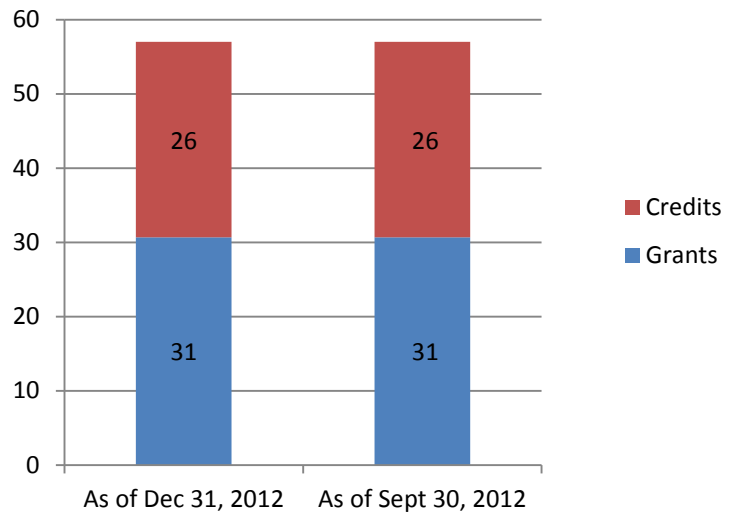
FIP FUNDING APPROVALS BY ACTIVITY

Between October 1, 2012 and December 31, 2012, a total amount of USD 6 million was approved by the FIP Sub-Committee bringing the cumulative funding decisions under the FIP as of December 31, 2012 to USD 73 million.



FIP PROJECT FUNDING APPROVALS BY TYPE OF FINANCING

Of the total amount approved for projects (USD 57 million), USD 31 million has been approved as grants and USD 26 million as credits.



2.3. FIP Funding Availability

In USD millions

	As of Dec. 31, 2012 (a)	As of Sep. 30, 2012 (b)	Change (c) = (a) - (b)
1. Cumulative Receipts	497	492	5
a. Cash receipts and encashed promissory notes	335	322	13
b. Unencashed promissory notes	156	163	(7)
c. Investment income earned on undisbursed balance	7	6	0
2. Cumulative Cash Transfers	30	25	5
a. Projects	8	5	3
b. MPIS Costs	6	4	1
c. Administrative Budget	16	16	0
3. Funds held in Trust (3 = 1 - 2)	467	467	1
a. Cash and Investments	311	303	8
b. Unencashed promissory notes	156	163	(7)
4. Financial Reserve	23	24	(1)
5. Funds held in Trust with no restrictions (5 = 3 - 4)	444	442	2
6. Funding Decisions pending cash transfer	59	58	1
a. Projects and MPIS Costs	59	58	2
b. Administrative Budget	0	1	(0)
7. Amounts pending Sub-Committee funding decisions	-	-	-
8. Funds available to support Sub-Committee funding decisions (8 = 5 - 6 - 7)	385	384	1

Highlights for the period October 1, 2012 through December 31, 2012:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 467 million as of December 31, 2012. Funds Held in Trust increased by approximately USD 1 million primarily due to:
 - Contributions received during the period of October 1, 2012 through December 31, 2012 amounting to USDeq. 5 million, and
 - Cash transfers to MDBs amounting to USD 5 million
- **Funding Decisions Pending Cash Transfer** arising from the approvals amounted to USD 59 million.
- **Funding Availability** currently amounts to USD 385 million representing an increase of approximately USD 1 million over the prior reporting period as a result of new funding decisions made by the FIP Sub-Committee during the period offset by contribution receipts from donors.

3. PPCR Summary – Inception through December 31, 2012

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	948	82%
Pledges	206	18%
Total Pledges and Contributions	1,154	100%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	535	46%
Unencashed promissory notes	383	33%
Total Resources Received	918	80%
<u>Resources not yet received</u>		
Contributions not yet paid	29	3%
Pledges	206	18%
Total resources not yet received	236	20%
Total Potential Resources (A)	1,154	100%
<u>Cumulative Funding Decisions</u>		
Projects	324	91%
MPIS Costs	19	5%
Investment Plan Preparation	13	4%
Total Funding Decisions Net of Cancellations (B)	356	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	798	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	773	
Amounts Pending Cash Transfers	282	
Total Funds Available to Support PPCR Sub-Committee decisions	490	

3.1.PPCR Pledges and Contributions

In USD millions

Contributor	Contribution		Pledges Outstanding and Contributions			Historical Value of Total in USD eq. a/ (1)	Current Value of Total in USD eq. b/ (2)	FX changes (3) = (2) - (1)	Receipts in USD eq. b/		
			Type	Currency	Pledges Outstanding					Finalized	
										Contributions Finalized	Total
Australia	Grant	AUD	-	40	40	34	33	(0)	33		
Canada	Grant	CAD	-	100	100	97	84	(13)	84		
Denmark	Grant	DKK	-	123	123	24	23	(2)	14		
Germany	Grant	EUR	-	50	50	74	66	(8)	66		
Japan	c/ Grant	USD	-	100	100	100	111	c/ 11	111		
Norway	Grant	NOK	-	91	91	16	16	(1)	16		
Spain	Capital	EUR	-	10	10	15	13	(2)	13		
United Kingdom	Capital	GBP	-	255	255	474	406	(69)	406		
	Grant	GBP	-	70	70	130	113	(17)	92		
United States	d/ Grant	USD	206	84	290	290	290	-	84		
						1,254	1,154	(100)	918		

a/ Represents pledges valued on the basis of exchange rates as of September 25, 2008, the CIF official pledging date.

b/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of December 31, 2012.

c/ The USD 100 million pledge was committed in JPY in the amount of JPY 9.3 billion.

d/ The total pledge made by the United States to the CIF is USD 2 billion; the allocation across the programs is indicative.

- The above table shows the total pledges outstanding and contributions finalized to the PPCR. Pledges represent a Contributor's expression of intent to make a contribution and form the basis for the endorsement of Strategic Programs for Climate Resilience by the PPCR Sub-Committee.
- The total pledges to the PPCR now amount to USDeq. 1.3 billion, valued at the exchange rates available on the date of the CIF pledging meeting. The current value of the pledges amounts to USDeq. 1.2 billion as of December 31, 2012 (a difference of USDeq. 100 million due to exchange rate movements).
- As of December 31, 2012, the Trustee had entered into Contribution Agreements/ Contribution Arrangements with nine donors and received USDeq. 918 million in cash and promissory notes to date from these donors, of which USDeq. 52 million was received between October 1, 2012 and December 31, 2012.
- Of the total amount received from donors, USDeq. 500 million (54%) was received as grant contributions and USDeq. 419 million (46%) as capital contributions.
- Pledges and unpaid donor contributions amount to USDeq. 236 million.

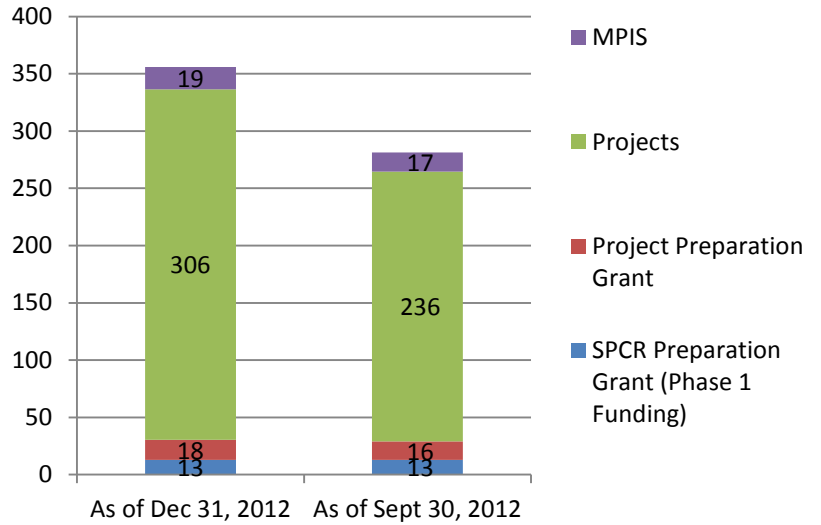


3.2.PPCR Funding Decisions

In USD millions

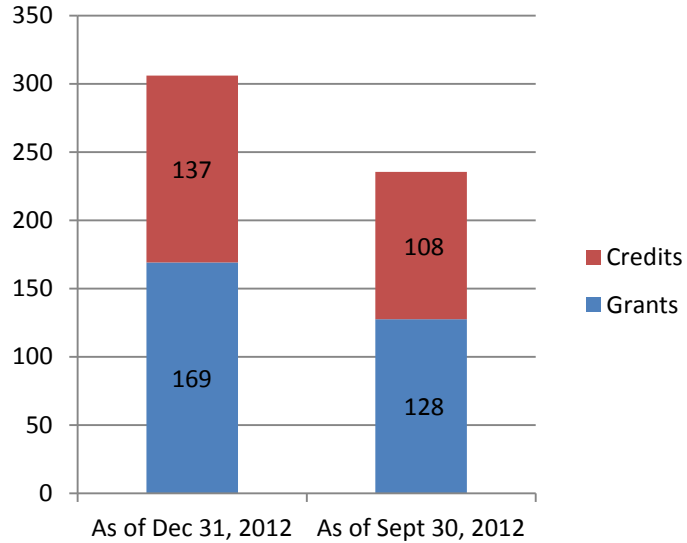
PPCR FUNDING APPROVALS BY ACTIVITY

Between October 1, 2012 and December 31, 2012, a total amount of USD 74 million was approved by the PPCR Sub-Committee bringing the cumulative funding decisions under the PPCR as of December 31, 2012 to USD 356 million.



PPCR PROJECT FUNDING APPROVALS BY TYPE OF FINANCING

Of the total amount approved for projects (USD 306 million), USD 169 million has been approved as grants and USD 137 million as credits.



3.3.PPCR Funding Availability

In USD millions

	As of Dec. 31, 2012 (a)	As of Sep. 30, 2012 (b)	Change (c) = (a) - (b)
1. Cumulative Receipts	928	876	52
a. Cash receipts and encashed promissory notes	535	525	10
b. Unencashed promissory notes	383	341	42
c. Investment income earned on undisbursed balance	9	10	(0)
2. Cumulative Cash Transfers	97	74	22
a. Projects	55	35	20
b. MPIS Costs	18	15	3
c. Administrative Budget	23	24	(1)
3. Funds held in Trust (3 = 1 - 2)	831	802	29
a. Cash and Investments	447	460	(14)
b. Unencashed promissory notes	383	341	42
4. Financial Reserve	58	51	6
5. Funds held in Trust with no restrictions (5 = 3 - 4)	773	751	22
6. Funding Decisions pending cash transfer	282	231	51
a. Projects and MPIS Costs	282	231	52
b. Administrative Budget	0	1	(1)
7. Amounts pending Sub-Committee funding decisions	0	0	-
8. Funds available to support Sub-Committee funding decisions (8 = 5 - 6 - 7)	<u>490</u>	<u>519</u>	<u>(29)</u>

Highlights for the period October 1, 2012 through December 31, 2012:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 831 million as of December 31, 2012. Funds Held in Trust increased by USD 29 million primarily due to:
 - Contributions received during the period of October 1, 2012 through December 31, 2012 amounting to USDeq. 52 million.
 - Cash transfers to MDBs amounting to USD 22 million
- **Funding Decisions Pending Cash Transfer** arising from the approvals amounted to USD 282 million.
- **Funding Availability** currently amounts to USD 490 million representing a decrease of USD 29 million over the prior reporting period as a result of new funding decisions made by the PPCR Sub-Committee during the period offset by contribution receipts from donors.

4. SREP Summary – Inception through December 31, 2012

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	459	96%
Pledges	21	4%
Total Pledges and Contributions	480	100%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	240	50%
Unencashed promissory notes	211	44%
Total Resources Received	450	94%
<u>Resources not yet received</u>		
Contributions not yet paid	9	2%
Pledges	21	4%
Total resources not yet received	30	6%
Total Potential Resources (A)	481	100%
<u>Cumulative Funding Decisions</u>		
Projects	34	86%
MPIS Costs	3	9%
Investment Plan Preparation	2	5%
Total Funding Decisions Net of Cancellations (B)	39	100%
Total Potential Resources Net of Funding Decisions (A) - (B)	442	
<u>Funds Available</u>		
Funds Held in Trust with no restrictions	405	
Amounts Pending Cash Transfers	32	
Total Funds Available to Support SREP Sub-Committee decisions	373	

4.1. SREP Pledges and Contributions

In USD millions

Contributor	Contribution Type	Currency	Pledges Outstanding and Contributions			Historical Value of Total in USD eq. a/ (1)	Current Value of Total in USD eq. b/ (2)	FX changes (3) = (2) - (1)	Receipts in USD eq. b/ 4
			Pledges Outstanding	Contributions Finalized	Total				
Australia	Grant	AUD	-	10	10	8	10	2	10
Denmark	Grant	DKK	-	61	61	12	12	(1)	12
Japan	c/ Grant	USD	-	40	40	40	43	c/ 3	43
Korea	Grant	KRW	-	6,565	6,565	6	6	0	6
Netherlands	Grant	USD	-	76	76	76	76	-	76
Norway	Grant	NOK	-	390	390	70	67	(3)	58
Spain	Grant	EUR	-	3	3	4	4	(1)	4
Sweden	Grant	SEK	-	170	170	26	26	(0)	26
Switzerland	Grant	USD	-	26	26	26	26	-	26
United Kingdom	Capital	GBP	-	100	100	186	160	(26)	160
United States	d/ Grant	USD	21	29	50	50	50	-	29
						505	480	(25)	450

a/ Represents pledges valued on the basis of exchange rates of September 25, 2008, the CIF official pledging date.

b/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of December 31, 2012.

c/ The USD 40 million pledge was committed in JPY in the amount of JPY 3.7 billion.

d/ The total pledge made by the United States to the CIF is USD 2 billion; the allocation across the programs is indicative.

- The above table shows the total pledges outstanding and contributions finalized to the SREP. Pledges represent a Contributor's expression of intent to make a contribution and form the basis for the endorsement of Investment Plans by the SREP Sub-Committee.
- The total pledges to the SREP now amount to USDeq. 505 million, valued at the exchange rates available on the date of the CIF pledging meeting. The current value of the pledges amounts to USDeq. 480 million as of December 31, 2012 (a difference of USDeq. 25 million due to exchange rate movements).
- As of December 31, 2012, the Trustee had entered into Contribution Agreements/ Contribution Arrangements with 11 donors and received USDeq. 450 million in cash and promissory notes to date from these donors, of which USDeq. 91 million was received between October 1, 2012 and December 31, 2012.
- Of the total amount received from donors, USDeq. 289 million (64%) was received as grant contributions and USDeq. 160 million (36%) as capital contributions.
- Pledges and unpaid donor contributions amount to USDeq. 30 million.

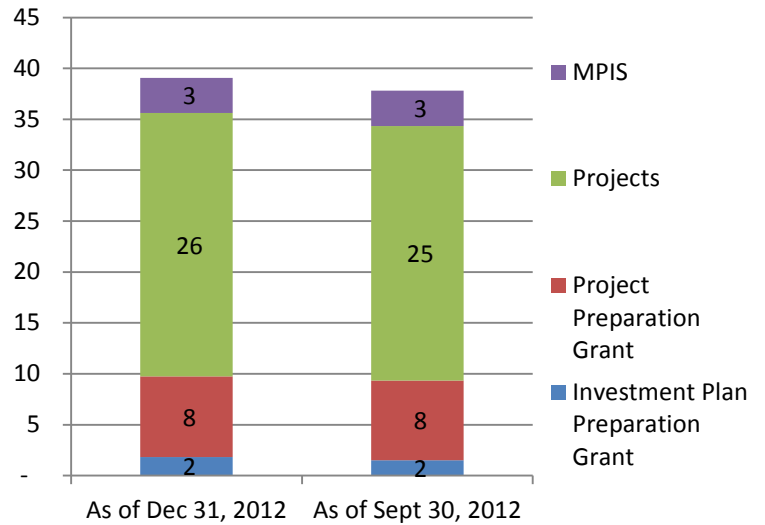


4.2. SREP Funding Decisions

In USD millions

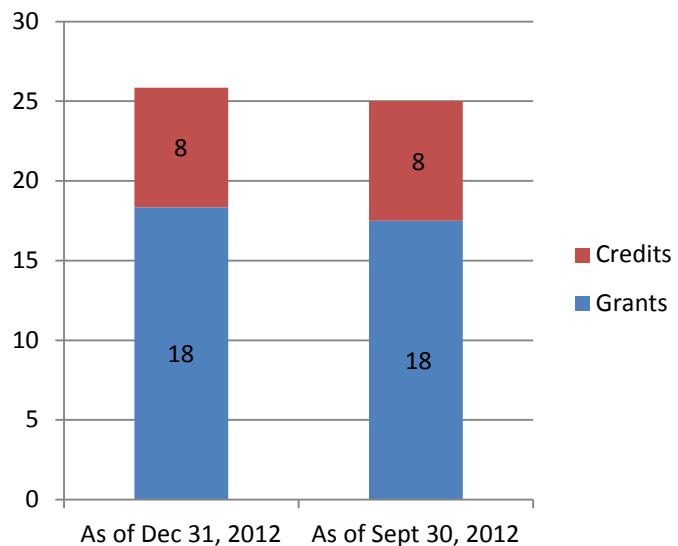
SREP FUNDING APPROVALS BY ACTIVITY

Between October 1, 2012 and December 31, 2012, a total amount of USD 1 million was approved by the SREP Sub-Committee bringing the cumulative funding decisions under the SREP as of December 31, 2012 to USD 39 million.



SREP PROJECT FUNDING APPROVALS BY ACTIVITY

Of the total amount approved for projects (USD 26 million), USD 18 million has been approved as grants and USD 8 million as credits. There was an increase of approximately USD 1 million in project approvals.





4.3.SREP Funding Availability

In USD millions

	As of Dec. 31, 2012 (a)	As of Sep. 30, 2012 (b)	Change (c) = (a) - (b)
1. Cumulative Receipts	455	363	92
a. Cash receipts and encashed promissory notes	240	185	55
b. Unencashed promissory notes	211	175	36
c. Investment income earned on undisbursed balance	5	4	1
2. Cumulative Cash Transfers	19	15	3
a. Projects	3	3	1
b. MPIS Costs	3	3	-
c. Administrative Budget	12	9	3
3. Funds held in Trust (3 = 1 - 2)	437	348	88
a. Cash and Investments	228	173	55
b. Unencashed promissory notes	211	175	36
4. Financial Reserve	32	26	5
5. Funds held in Trust with no restrictions (5 = 3 - 4)	405	322	83
6. Funding Decisions pending cash transfer	32	32	0
a. Projects and MPIS Costs	32	32	1
b. Administrative Budget	0	0	(0)
7. Amounts pending Sub-Committee funding decisions	-	-	-
8. Funds available to support Sub-Committee funding decisions (8 = 5 - 6 - 7)	<u>373</u>	<u>290</u>	<u>83</u>

Highlights for the period October 1, 2012 through December 31, 2012:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 437 million as of December 31, 2012. Funds Held in Trust increased by USD 88 million primarily due to:
 - Contributions received during the period of October 1, 2012 and December 31, 2012 amounting to USD eq. 91 million.
 - Cash transfers to MDBs amounting to USD 3 million
- **Funding Decisions Pending Cash Transfer** arising from the approvals amounted to USD 32 million.
- **Funding Availability** currently amounts to USD 373 million representing an increase of USD 83 million over the prior reporting period as a result of contribution receipts from donors offset by new funding decisions made by the SREP Sub-Committee during the period.