



Women Entrepreneurs Finance Initiative

Financial Report

Prepared by the Trustee

As of June 30, 2024



Table of Contents

Table of Contents

Introduction	3
We-Fi Trust Fund Financial Summary as of June 30, 2024	4
1. We-Fi Trust Fund Summary – Inception through June 30, 2024	5
2. Pledges and Contributions as of June 30, 2024	6
3. Asset Mix and Investment Income.....	7
4. Cumulative Funding Decisions	10
5. Funds Available	11
Glossary.....	12



Introduction

The We-Fi Trust Fund was established by the World Bank in September 2017 as a Financial Intermediary Fund (FIF). This report covers the financial status of the We-Fi Trust Fund, and is produced by the World Bank as Trustee in accordance with its role in the We-Fi Governance Framework, as set forth under Section 21, which states:

“The Trustee will provide to the Governing Committee regular reports on the financial status of the We-Fi Trust Fund.”

In addition, Section 5 of the Standard Provisions in the Contribution Agreement/Arrangement states, as follows:

“The Trustee shall maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and transfers made therefrom. Unless otherwise agreed between the Governing Committee and the Trustee, The Trustee shall annually furnish to the Governing Committee a report on the receipts on, transfers from and fund balance of the Trust Fund in the Holding Currency.”

This report covers the financial status of the We-Fi Trust Fund as of June 30, 2024.



We-Fi Trust Fund Financial Summary as of June 30, 2024

Pledges and Contributions:

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

As of June 30, 2024, contributions and pledges to the We-Fi Trust Fund totaled USDeq. 390.09 million. Of this amount, USD 380.09 million has been deposited into the We-Fi Trust Fund as of June 30, 2024.

Resources not yet received amounted to USD 10 million in pledges.

Investment Income:

As of June 30, 2024, the We-Fi Trust Fund earned investment income of approximately USD 32.98 million on the liquid balances of the Trust Fund and investment income received from Implementing Partners.

Funding Approvals:

As of June 30, 2024, the We-Fi Governing Committee had approved funding totaling USD 386.04 million, with USD 340.45 million to finance project activities, USD 23.00 million for IP fees, and USD 22.59 million, net of returned unused funds, for administrative budgets to support the activities of the We-Fi Secretariat and Trustee.

Cash Transfers:

The Trustee has transferred a total of USD 268.84 million as of June 30, 2024, including USD 232.41 million related to project activities.

Funds Held in Trust:

Funds Held in Trust¹ reflect contributions paid-in from contributors and investment income earned, less cash transfers. Funds Held in Trust with no restrictions amounted to USD 144.23 million as of June 30, 2024.

Funds Available for We-Fi Governing Committee Funding Decisions:

As of June 30, 2024, funds available to support We-Fi Governing Committee funding decisions amounted to USD 25.03 million net of USD 2 million Operational Reserve.

¹ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.

1. We-Fi Trust Fund Summary – Inception through June 30, 2024

In USD millions

	Total	% of Total
<u>Donor Pledges and Contributions</u>		
Contributions	380.09	97.4%
Pledges	10.00	2.6%
Total Pledges and Contributions	390.09	100.0%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Cash Receipts	380.09	89.8%
Investment Income earned a/	32.98	7.8%
Total Resources Received	413.06	97.6%
<u>Resources not yet received</u>		
Contributions not yet received	-	0.0%
Pledges	10.00	2.4%
Total resources not yet received	10.00	2.4%
Total Potential Resources (A) (in USD millions)	423.06	100.0%

<u>Cumulative Funding Decisions</u>		
Projects	340.45	88.2%
Fees	23.00	6.0%
Administrative Budget b/	22.59	5.9%
Total Funding Decisions Net of Cancellations (B)	386.04	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	37.03	
Total Potential Resources Net of Funding Decisions and Operational Reserve	35.03	

<u>Funds Available</u>	
Funds Held in Trust with no restrictions c/	142.23
Approved Amounts Pending Cash Transfers	117.20
Total Funds Available to Support Governing Committee Decisions	25.03

a/ Represents investment income earned on the liquid balances of the We-Fi Trust Fund and investment income received from IPs

b/ Net of unused funds which are returned to the Trust Fund

c/ Net of reserve to cover operational costs of the We-Fi Secretariat and Trustee

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



2. Pledges and Contributions as of June 30, 2024

In millions

Contributor	Curr	Pledge in Currency of Contribution	Effective (or signed) Contribution	Receipts in Currency of Contribution	Total Outstanding Contributions in USDeq. a/	Total Receipts in USD b/
Australia	USD	10.00	10.00	10.00	-	10.00
Canada	CAD	20.00	20.00	20.00	-	15.55
China	USD	10.00	10.00	10.00	-	10.00
Denmark	DKK	69.00	69.00	69.00	-	10.43
Germany	EUR	75.00	75.00	75.00	-	83.63
Japan	USD	55.00	55.00	55.00	-	55.00
Korea	USD	10.00	10.00	10.00	-	10.00
Netherlands	USD	10.00	10.00	10.00	-	10.00
Norway	NOK	90.00	90.00	90.00	-	10.69
Russia	USD	10.00	10.00	10.00	-	10.00
Saudi Arabia	USD	50.00	50.00	50.00	-	50.00
United Arab Emirates	USD	50.00	50.00	50.00	-	50.00
United Kingdom	GBP	3.70	3.70	3.70	-	4.79
United States	USD	60.00	50.00	50.00	-	50.00
Total					-	380.09

a/ Valued on the basis of exchange rates as of June 30, 2024

b/ Represents actual USD receipts

Note: totals may not add up due to rounding

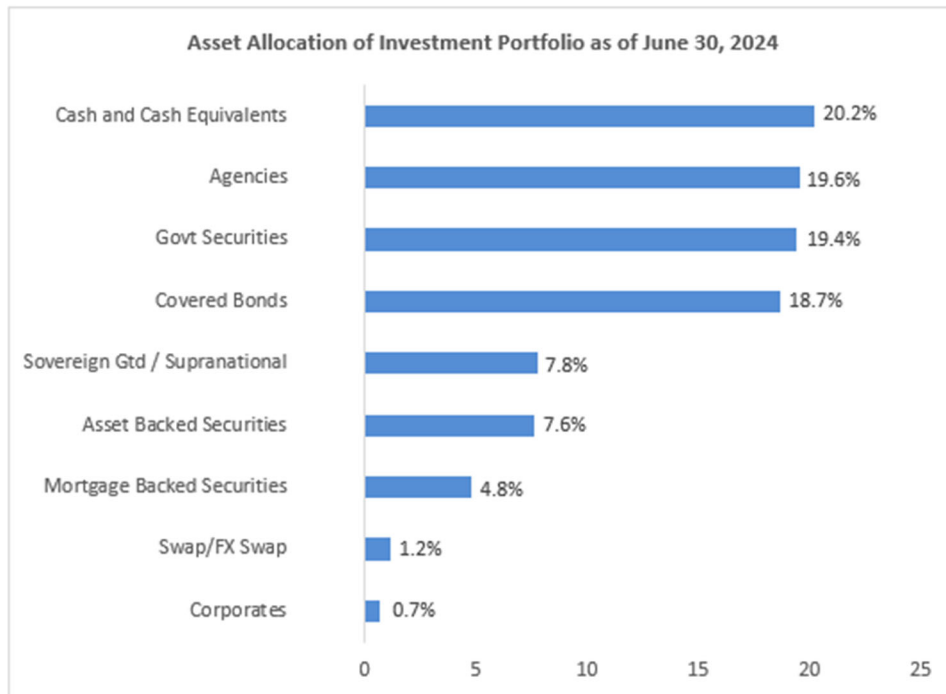


3. Asset Mix and Investment Income

ASSET MIX

The undisbursed cash balance of the We-Fi Trust Fund is maintained in a commingled investment portfolio (“Pool”) for all trust funds managed by IBRD. Funds are managed such that the expected maximum loss, as measured by the CVaR, in the worst 1% of cases will not exceed 0.25% at the portfolio’s investment horizon.

The portfolio allocation by asset class has the largest allocations to money market instruments and agencies.

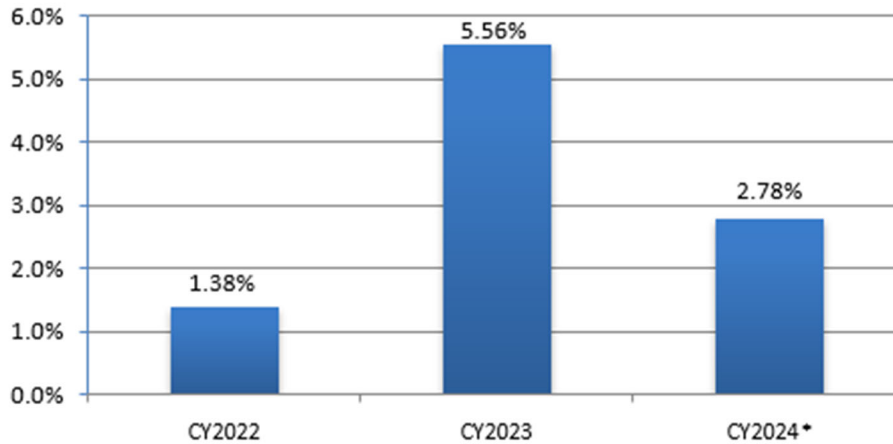


INVESTMENT RETURNS

Fixed income portfolio performance was positive during the fourth quarter of FY2024. Fourth quarter of fiscal year 2024 started with sharp spikes in treasury yields owing to upward surprises in inflation and economic activity resulting in markets pricing just one interest rate cut in 2024. The US 10-year treasury yields spiked 48 bps to 4.68% in April. US Treasury yields declined during May as inflation came in lower than expected. Fed officials maintained the need to see sustained improvement in inflation towards the 2% target before any changes to the monetary policy. Further softening of inflation and economic data in June lead to rates rally and heightened market expectations that the Fed is closer to achieving its 2% inflation target, which could open the door to interest rate cuts. Treasury yields were 10-15 bps lower across the curve with Ten-year yields getting as low as 4.22% during the month. The fixed income portfolios continue to be duration neutral to the benchmark.



The We-Fi Trust Fund liquid portfolio earned USD 32.98 million² in investment income since inception. The portfolio returns during the first two quarters of calendar year 2024 was 2.78%, non-annualized.



*non-annualized

ESG SUMMARY REPORT – We-Fi INVESTMENT PORTFOLIO

As per the investment management strategy implemented by the World Bank, the funds held in trust benefit from the approach to Sustainable and Responsible Investment (SRI), which considers and incorporates Environmental, Social, and Governance (ESG) factors into Trustee’s investment processes. The implementation of ESG Integration falls within the purview of existing authorizations by the World Bank Board. Based on the endorsement by the World Bank management, starting from July 2019, the Trustee has applied ESG Integration as the default SRI approach for all portfolios managed by the World Bank, including for the We-Fi Trust Fund assets.

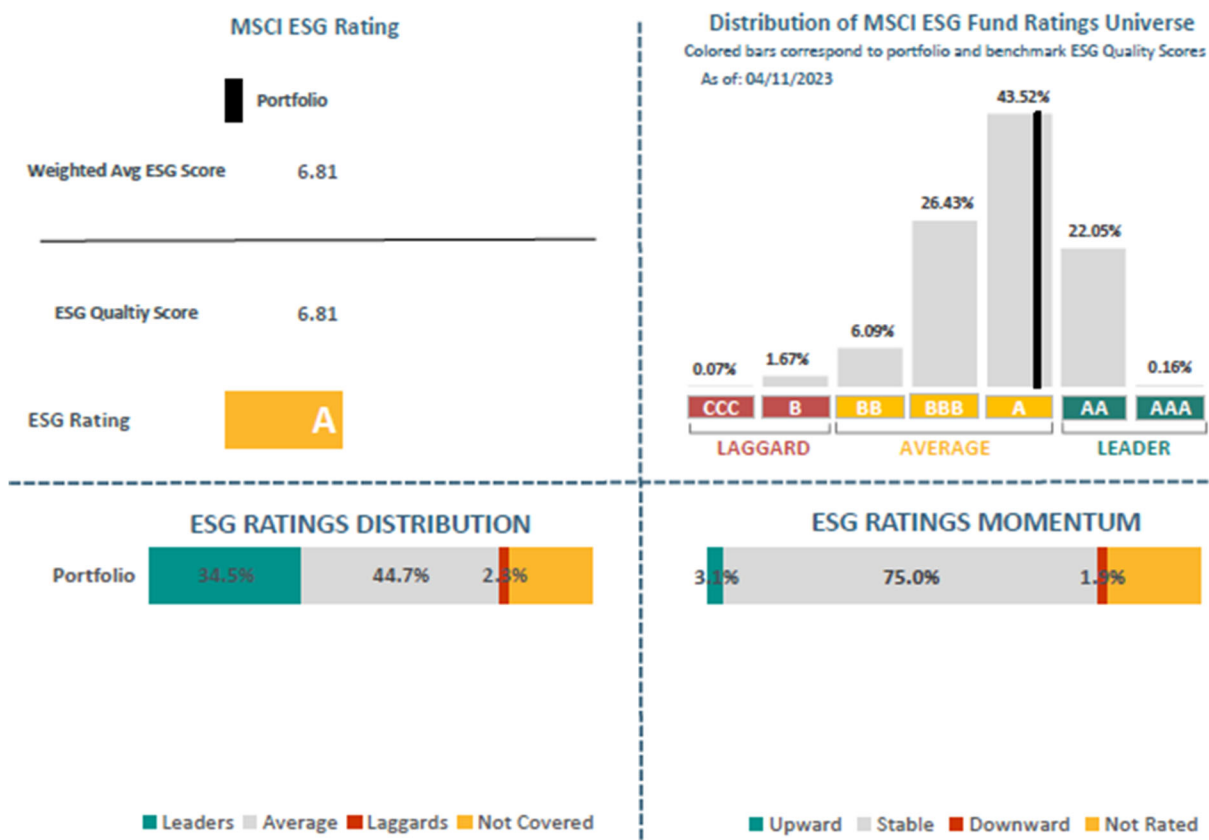
Considering and incorporating ESG factors into investment processes should, all things being equal, lead to portfolios that have stronger ESG profiles compared to portfolios that do not explicitly consider these ESG issues. ESG Integration has become part of the existing investment processes and is intended to help fulfil the existing investment objectives. The application of ESG Integration as part of the investment process would not involve any changes in the current investment objectives or risk limits for the We-Fi Trust Fund portfolio.

² Includes investment income received from IPs



The We-Fi investment portfolio is primarily comprised of short-term high-grade fixed-income securities (sovereign, supranational and agency securities and bank deposits), and as of June 30, 2024, the portfolio has an ESG Quality Score* of 6.81 and an ESG Rating* of A. Based on its ESG positioning in the MSCI ESG Fund Ratings Universe (upper right of Figure 1), which is deemed to be the more consistent reference indicator, We-Fi’s investment portfolio falls in the average decile of the ratings universe. This reflects high capability of We-Fi portfolio’s holdings in terms of managing key medium to long term risks and opportunities arising from Environmental, Social and Governance factors.

Figure 1: MSCI ESG Portfolio Summary – Women Entrepreneurs Finance Initiative



* *Note:* ESG Quality Score is based on MSCI ESG Ratings and measured on a scale of 0 to 10 (worst to best) following a rule-based methodology. ESG Ratings Momentum represents the percentage of a portfolio’s market value coming from holdings that have had an ESG Ratings upgrade, and those with a downgrade, since their previous ESG Rating assessment. The ESG Quality Score is calculated as a weighted average of ESG scores of individual holdings adjusted by ESG Ratings Momentum and ESG laggards (if any). The weight applied to the individual ESG scores is determined by the portfolio weight of individual holdings as of the reporting date. Based on the above, the ESG Quality Score, which is subject to potential skewing effect from any factor in the calculation, could slightly vary between different reporting dates along with changes in individual holdings and their portfolio weights as well as changes in ESG Ratings Momentum. Please see details on MSCI ESG Ratings Methodology [here](#).



4. Cumulative Funding Decisions

In USD millions

		<u>as of June 30, 2024</u>	
Projects			340.45
<u>First Round</u>		<u>112.08</u>	
Sri Lanka	ADB	11.74	
Multi Regional	ISDB	30.23	
Multi Regional	IBRD	24.20	
	IFC	45.90	
<u>Second Round</u>		<u>121.12</u>	
Central Asia	EBRD	21.80	
Africa	AfDB	57.76	
East Asia and Pacific	ADB	18.87	
Latin America	IDB	22.69	
<u>Third Round</u>		<u>46.23</u>	
Multi Regional	EBRD	7.01	
Latin America	IDB	13.79	
Western Africa	ISDB	10.46	
Multi Regional	IBRD	6.77	
	IFC	8.20	
<u>Fourth Round</u>		<u>51.18</u>	
Africa	AfDB	13.95	
Yemen	ISDB	5.18	
South Asia	ISDB	5.83	
Latin America	IDB	4.53	
Multi Regional	IBRD	11.51	
Multi Regional	IFC	10.18	
<u>Fifth Round</u>		<u>9.84</u>	
East Asia and Pacific	ADB	2.86	
Central Asia	EBRD	1.96	
Middle East & North Africa	EBRD	0.98	
Western Balkans	EBRD	1.96	
Indonesia	ISDB	0.47	
Dominican Republic	IDB	1.62	
<u>Fees</u>			23.0
ADB		2.27	
AfDB		5.09	
EBRD		1.55	
IBRD		2.78	
IDB		2.97	
IFC		4.84	
ISDB		3.49	
<u>Administrative Budget</u> a/			22.59
Secretariat		18.99	
Trustee		3.60	
Total Funding Decisions			386.04
a/ Net of unused funds which are returned to the Trust Fund			

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

5. Funds Available

In USD millions

	As of June 30, 2024 (a)	As of March 31, 2024 (b)	Change since last report (a) - (b)
1. Cumulative Receipts	413.06	410.81	2.25
a. Cash receipts from Contributors	380.09	380.09	-
b. Investment Income earned a/	32.98	30.73	2.25
2. Cumulative Cash Transfers	268.84	267.49	1.34
a. Projects	232.41	231.14	1.28
b. Fees	17.72	17.66	0.06
c. Administrative Budget b/	18.70	18.70	-
3. Funds Held in Trust (3 = 1 - 2)	144.23	143.32	0.91
4. Operational Reserve c/	2.00	2.00	-
5. Funding Decisions Pending Cash Transfer	117.20	114.66	2.54
6. Funds available to support Governing Committee decisions (6 = 3 - 4 - 5)	<u>25.03</u>	<u>26.66</u>	<u>(1.63)</u>

a/ represents investment income earned on the liquid balances of the We-Fi Trust Fund and investment income received from IPs
b/ net of unused funds which are returned to the Trust Fund
c/ reserve to cover operational costs of the We-Fi Secretariat and Trustee

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

HIGHLIGHTS FOR THE PERIOD APRIL 1, 2024 THROUGH JUNE 30, 2024:

- **Funding Availability** Net decrease of USD 1.63 million over the prior reporting period due to:
 - Additional investment income of approximately USD 2.25 million during the second quarter of calendar year 2024;
 - Offset by new funding decisions of USD 3.88 million
- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 144.23 million as of June 30, 2024. Funds Held in Trust increased by USD 0.91 million due to:
 - Additional investment income of USD 2.25 million during the quarter;
 - Offset by cash transfers of USD 1.34 million;



Glossary

Term	Definition
ADB	Asian Development Bank
AfDB	African Development Bank
Cash and Investments	The Trust Fund's share in the co-mingled cash and investment pool.
Cash Contribution	Contribution or Installment provided in the form of cash, including promissory note encashments
Cash Transfer	Cash payment made to an Implementing Partner under a Financial Procedures Agreement
Contribution	The funds provided and to be provided by a Contributor to a Trust Fund, as specified in the Contribution Agreement/Arrangement, or in the Instrument of Commitment
Contribution Agreement/Arrangement	An agreement or arrangement between a World Bank entity, as Trustee, and a Contributor, setting forth specific terms for the receipt and use of a specific Contribution for a specific Trust Fund
Contribution Paid-In	Contribution or Installment provided in the form of cash, Promissory Note or other instruments acceptable to the Trustee
Contribution Receivable	Any portion of a Contribution that is not a Qualified Contribution to be received in the form of Cash or Promissory Note
EBRD	European Bank for Reconstruction and Development
Financial Intermediary Fund (FIF)	Financial arrangements that leverage a variety of public and private resources in support of global development initiatives and partnership. These Funds involve financial engineering or complex finance schemes, or where the Bank provides a specified set of administrative, financial or operational services
Financial Procedures Agreement	An agreement or arrangement between a World Bank entity, as Trustee, and Partner Entity for the commitment and transfer of funds by the Trustee to the Partner Entity under terms that do not involve Bank responsibility post-transfer
Funding Availability	Assets available to support funding decisions, as calculated under a specific basis of commitment.
Funds Held in Trust	Cash and Investments plus unencashed Promissory Note balance
IBRD	International Bank for Reconstruction and Development
IDB	Inter-American Development Bank
IFC	International Finance Corporation
Implementing Partner (IP)	Any agency receiving funds from a FIF, which is responsible for managing those funds for project activities as approved by the governing body
Investment Income	Returns (realized and unrealized) on cash and investments, allocated to individual Trust Funds
IsDB	Islamic Development Bank
Pledge	A Contributor's expression of its intention to make a Contribution
Promissory Note (if applicable)	A document consisting of a promise to pay that is non-interest bearing and payable on demand