



# Women Entrepreneurs Finance Initiative

## Financial Report

Prepared by the Trustee

*As of September 30, 2020*



## Table of Contents

### Table of Contents

Introduction .....	3
We-Fi Trust Fund Financial Summary as of September 30, 2020 .....	4
1. We-Fi Trust Fund Summary – Inception through September 30, 2020.....	5
2. Pledges and Contributions as of September 30, 2020.....	6
3. Asset Mix and Investment Income.....	7
4. Cumulative Funding Decisions .....	8
5. Funds Available .....	9
Glossary.....	10



## 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 September 30, 2020.



## We-Fi Trust Fund Financial Summary as of September 30, 2020

### ***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 September 30, 2020, 14 contributors have pledged USDeq. 352.73 million to the We-Fi Trust Fund and formalized their Contributions by executing contribution agreements/arrangements with the Trustee. Of this total amount, USD 299.66 million has been received by the Trustee and applied to the We-Fi Trust Fund.

### ***Investment Income:***

As of September 30, 2020, the We-Fi Trust Fund earned investment income of approximately USD 10.46 million on the liquidity balances of the Trust Fund. The We-Fi Trust Fund portfolio has returned 0.87% non-annualized through September during calendar year 2020. In addition, the cumulative investment income received from the implementing partners is USD 2.15 million.

### ***Funding Approvals:***

As of September 30, 2020, the We-Fi Governing Committee had approved funding from the We-Fi Trust Fund totaling USD 307.54 million, with USD 279.43 million to finance project activities, USD 18.98 million for IP fees, and USD 9.13 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 158.37 million as at September 30, 2020, including USD 137.49 million related to project activities.

### ***Funds Held in Trust:***

Funds Held in Trust<sup>1</sup> reflect contributions paid-in from contributors and investment income earned, less cash transfers. Funds Held in Trust with no restrictions amounted to USD 151.89 million as of September 30, 2020.

### ***Funds Available for We-Fi Governing Committee Funding Decisions:***

As of September 30, 2020, funds available to support We-Fi Governing Committee funding decisions amounted to USD 2.73 million net of USD 2 million Operational Reserve.

<sup>1</sup> 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 September 30, 2020

In USD millions

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Contributions	352.73	100.0%
Pledges	-	0.0%
<b>Total Pledges and Contributions</b>	<b>352.73</b>	<b>100.0%</b>
<b><u>Cumulative Resources</u></b>		
<b><u>Resources received</u></b>		
Cash Receipts	299.66	82.0%
Investment Income earned	10.46	2.9%
Investment Income received from IPs	2.15	0.6%
<b>Total Resources Received</b>	<b>312.27</b>	<b>85.5%</b>
<b><u>Resources not yet received</u></b>		
Contributions not yet received	53.07	14.5%
Pledges	-	0.0%
<b>Total resources not yet received</b>	<b>53.07</b>	<b>14.5%</b>
<b>Total Potential Resources (A) (in USD millions)</b>	<b>365.34</b>	<b>100.0%</b>
<b><u>Cumulative Funding Decisions</u></b>		
Projects	279.43	90.9%
Fees	18.98	6.2%
Administrative Budget a/	9.13	3.0%
<b>Total Funding Decisions Net of Cancellations (B)</b>	<b>307.54</b>	<b>100.0%</b>
<b>Total Potential Resources Net of Funding Decisions (A) - (B)</b>	<b>57.79</b>	
<b>Total Potential Resources Net of Funding Decisions and Operational Reserve</b>	<b>55.79</b>	
<b><u>Funds Available</u></b>		
Funds Held in Trust with no restrictions	151.89	
Approved Amounts Pending Cash Transfers	149.17	
<b>Total Funds Available to Support Governing Committee Decisions</b>	<b>2.73</b>	

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

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

## 2. Pledges and Contributions as of September 30, 2020

*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	6.00	4.00	6.00
Denmark	DKK	69.00	69.00	69.00	-	10.43
Germany	EUR	50.00	50.00	50.00	-	56.52
Japan	USD	50.00	50.00	50.00	-	50.00
Korea	USD	10.00	10.00	5.68	4.32	5.68
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	30.00	20.00	30.00
United Arab Emirates	USD	50.00	50.00	30.00	20.00	30.00
United Kingdom	GBP	7.40	7.40	3.70	4.75	4.79
United States	USD	50.00	50.00	50.00	-	50.00
<b>Total</b>					<b>53.07</b>	<b>299.66</b>

a/ Valued on the basis of exchange rates as of September 30, 2020

b/ Represents actual USD receipts

*Note: totals may not add up due to rounding*

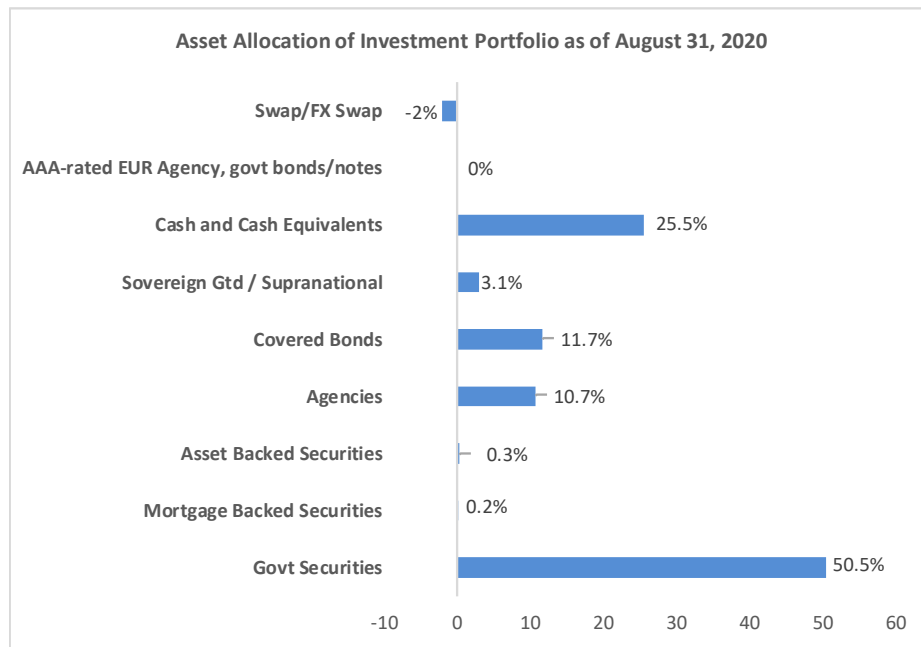


### 3. Asset Mix and Investment Income

#### 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. Within this pool, the We-Fi funds are invested in a short-term, high quality fixed income portfolio with an investment horizon of up to one year. 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.

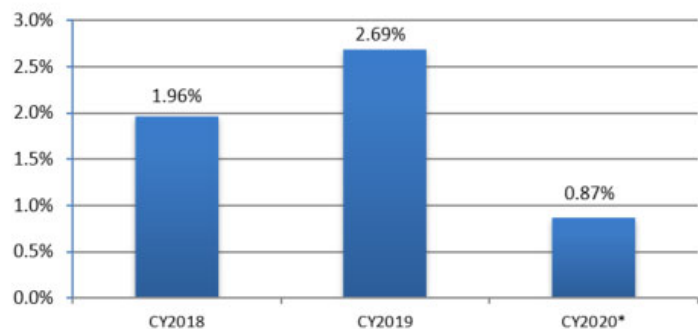
The portfolio allocation by asset class has the largest allocations to government securities and money market instruments.



*Note: 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. These hedges remain in place.*

#### INVESTMENT RETURNS

The We-Fi funds are invested in accordance with the investment strategy established for all trust funds administered by the World Bank and has earned approximately USD 10.46 million in investment income since inception. The portfolio returns during calendar year 2020 was 0.87% non-annualized.



\*non-annualized



## 4. Cumulative Funding Decisions

In USD millions

<u>Projects</u>		<u>as of September 30, 2020</u>
Africa	AfDB	57.76
Central Asia	EBRD	21.80
East Asia and Pacific	ADB	18.87
Latin America	IDB	36.48
Multi Regional	ISDB	30.23
Multi Regional	IBRD	30.97
	IFC	54.10
Multi Regional	EBRD	7.01
Sri Lanka	ADB	11.74
Western Africa	ISDB	10.46
		<b>279.43</b>
 <b><u>Fees</u></b>		
ADB		2.13
AfDB		4.04
EBRD		1.45
IBRD		1.97
IDB		2.52
IFC		4.07
ISDB		2.79
		<b>18.98</b>
 <b><u>Administrative Budget</u> a/</b>		
Secretariat		7.42
Trustee		1.71
		<b>9.13</b>
 <b>Total Funding Decisions</b>		<b>307.54</b>
 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 September 30, 2020 (a)	As of June 30, 2020 (b)	Change since last report (a) - (b)
<b>1. Cumulative Receipts</b>	<b>312.27</b>	<b>311.57</b>	<b>0.70</b>
a. Cash receipts from Contributors	299.66	299.66	-
b. Investment Income earned	10.46	10.24	0.22
c. Investment Income received from IPs	2.15	1.66	0.48
<b>2. Cumulative Cash Transfers</b>	<b>158.37</b>	<b>147.26</b>	<b>11.12</b>
a. Projects	137.49	129.84	7.64
b. Fees	11.76	11.41	0.35
c. Administrative Budget a/	9.13	6.00	3.13
<b>3. Funds Held in Trust ( 3 = 1 - 2 )</b>	<b>153.89</b>	<b>164.31</b>	<b>(10.42)</b>
<b>4. Operational Reserve b/</b>	<b>2.00</b>	<b>2.00</b>	<b>-</b>
<b>5. Funding Decisions Pending Cash Transfer</b>	<b>149.17</b>	<b>110.94</b>	<b>38.23</b>
<b>6. Funds available to support Governing Committee decisions ( 6 = 3 - 4 - 5 )</b>	<b><u>2.73</u></b>	<b><u>51.37</u></b>	<b><u>(48.65)</u></b>

a/ net of unused funds which are returned to the Trust Fund  
b/ 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 JULY 1, 2020 THROUGH SEPTEMBER 30, 2020:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 153.89 million as of September 30, 2020. Funds Held in Trust decreased by USD 10.42 million due to:
  - Cash transfers of USD 11.12 million
  - Offset by additional investment income of approximately USD 0.70 million during the third quarter of calendar year 2020
- **Funding Availability** decreased by USD 48.65 million over the prior reporting period due to:
  - Additional investment income of USD 0.70 million during the quarter
  - Offset by new funding decisions during the period totaling USD 49.35 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