

# CLIMATE INVESTMENT FUNDS

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Joint Meeting of the CTF and SCF Trust Fund Committees

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Wednesday, June 15, 2016

## **REPORT ON THE FINANCIAL STATUS OF THE SCF**

# Strategic Climate Fund (SCF)

Financial Report

Prepared by the Trustee

*As of March 31, 2016*



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## Introduction

The Climate Investment Funds (CIF) were established in 2008 and its financial architecture is rooted in two trust funds. The Clean Technology Fund (CTF) aims to provide scaled-up financing to contribute to the demonstration, deployment, and transfer of low-carbon technologies with a significant potential for long-term greenhouse gas emissions savings. The Strategic Climate Fund (SCF) aims to provide financing to pilot new development approaches or scale-up activities aimed at a specific climate change challenge or sectoral response. The SCF currently finances three such programs: the Forest Investment Program (FIP), Pilot Program for Climate Resilience (PPCR), and Scaling Up Renewable Energy in Low-Income Countries Program (SREP).

The World Bank acts as the Trustee for the CIFs. This report is produced by the Trustee based on financial information as of March 31, 2016, in accordance with the Trustee's role as set forth in the Governance Framework for the SCF 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 status of the SCF Trust Fund as of March 31, 2016; (ii) the status of pledges and contributions, and (iii) the status of the SCF Programs: FIP, PPCR and SREP, and (iv) the SCF contributions not yet designated to an SCF Program (i.e., amounts held in the SCF provisional account).



## SCF Trust Fund Financial Summary as of March 31, 2016

As of March 31, 2016, 13 donors pledged USDeq. 2.71 billion to the SCF Trust Fund, of which USDeq. 1.11 billion was pledged to PPCR, USDeq. 0.58 billion to FIP, and USDeq. 0.52 billion to SREP, and USDeq. 0.50 billion to the SCF with no designation to an SCF program as of yet. The latter amount will be held in a provisional account until such time the Contributor instructs the Trustee to designate the contribution to one of the SCF programs. Of the total amount pledged, USDeq. 2.7 billion was confirmed through signed Contribution Agreements/Arrangements (USDeq. 1,107 million for PPCR, USDeq. 573 million for FIP, USDeq. 523 million for SREP and USDeq. 497 million for the provisional account).

The Trustee has received from contributors USDeq. 2.682 billion in cash and promissory notes (USDeq. 1,107 million to PPCR, USDeq. 573 million to FIP, USDeq. 523 million to SREP and USDeq. 480 million to the provisional account), of which approximately USD 49.9 million was received as cash receipts from the United States between January 1, 2016 and March 31, 2016.

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

Since inception through March 31, 2016, the SCF Trust Fund earned investment income of approximately USD 52.2 million on the undisbursed balance of the Trust Fund. This amount has covered approximately 70% of the administrative costs of the SCF, excluding Country Programming budgets (USD 23.4 million) which are covered by contributions from the relevant SCF program.

### ***Trustee Commitments:***

As of March 31, 2016, based on funding approvals of the SCF Trust Fund Committee or the relevant Sub-Committee, the Trustee recorded net commitments totaling USD 1.62 billion to MDBs<sup>1</sup>.

Cumulative net commitments for the SCF administrative budget, including Country Programming budgets, totaled USD 98 million.

Cumulative net commitments under the FIP totaled USD 347 million. This represents a net increase of USD 1.6 million in net commitments since January 1, 2016.

Cumulative net commitments under the PPCR totaled USD 1.015 billion. This represents a net increase of USD 5.7 million in net commitments since January 1, 2016.

Cumulative net commitments under the SREP totaled USD 260 million. This represents a net increase of USD 30 million in net commitments since January 1, 2016.

### ***Cash Transfers:***

Cash transfers are made to MDBs on an as-needed basis to meet their projected disbursements. The Trustee has transferred USD 693million including the Administrative Budget, of which USD 54.1 million was transferred between January 1, 2016 and March 31, 2016. As a result, USD 1.026 billion remains payable to MDBs as of March 31, 2016.

<sup>1</sup> CIF funds are disbursed through the Multilateral Development Banks (MDBs) to support effective and flexible implementation of country-led programs and investments. The MDBs include the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank (IADB), the International Bank for Reconstruction and Development (IBRD)/International Development Association (IDA) (the World Bank), and the International Finance Corporation (IFC).



***Funds Held in Trust:***

**Funds Held in Trust** reflect financial activities related to contributor 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 March 31, 2016 amounted to approximately USDeq. 2.033 billion, out of which USDeq. 147 million is withheld from commitment to mitigate the effects of foreign exchange rate movements on outstanding commitments.



## 1. SCF Trust Fund Summary – Inception through March 31, 2016

In USD millions

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Contributions	2,700	100%
Pledges	13	0%
<b>Total Pledges and Contributions</b>	<b>2,712</b>	<b>100%</b>
<b><u>Cumulative Resources</u></b>		
<b><u>Resources received</u></b>		
Cash Receipts	1,694	61%
Unencashed promissory notes	988	36%
Investment Income earned	52	2%
<b>Total Resources Received</b>	<b>2,735</b>	<b>99%</b>
<b><u>Resources not yet received</u></b>		
Contributions not yet paid	17	1%
Pledges	13	0%
<b>Total resources not yet received</b>	<b>30</b>	<b>1%</b>
<b>Total Potential Resources</b>	<b>2,764</b>	<b>100%</b>
<b><u>Cumulative Net Funding Commitments</u></b>		
Projects and Investment Plan Preparation	1,558	91%
MPIS Costs	65	4%
Administrative Budgets and Other	98	6%
<b>Total Net Funding Commitments</b>	<b>1,721</b>	<b>100%</b>

*Note: Totals may not add up accurately due to rounding*



## 1.1. Pledges and Contributions -Summary

In USD millions

Contributor	Contribution Type	Currency	in Contribution Currency			in USD eq. a/		
			Pledges Outstanding	Contributions Finalized	Total	Pledges Outstanding	Contributions Finalized	Total
Australia	Grant	AUD	-	87	87	-	80	80
Canada	Grant	CAD	-	100	100	-	84	84
Denmark	Grant	DKK	-	238	238	-	44	44
Germany	b/ Grant	EUR	-	50	50	-	66	66
Japan	c/ Grant	USD	-	200	200	-	187	187 c/
Korea	Grant	KRW	-	6,565	6,565	-	6	6
Netherlands	Grant	USD	-	76	76	-	76	76
Norway	Grant	NOK	-	1,646	1,646	-	270	270
Spain	Grant	EUR	-	3	3	-	4	4
	Capital	EUR	-	20	20	-	26	26
Sweden	Grant	SEK	20	385	405	2	59	61
Switzerland	Grant	USD	-	26	26	-	26	26
United Kingdom	d/ Capital	GBP	-	649	649	-	956	956
	Grant	GBP	-	221	221	-	318	318
United States	e/ Grant	USD	10	448	508	10	498	508
						<b>12.5</b>	<b>2,700</b>	<b>2,712</b>

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2016.

b/ Out of the total EUR 59.45 million contribution, EUR 4.725 million each has been transferred as contribution to AfDB and IBRD for the AFCC program

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

d/ The total contribution finalized by the United Kingdom through the SCF is GBP 2.1 billion, which includes allocation of GBP 1130 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.

e/ 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 SCF Pledges Outstanding and Contributions Finalized. Pledges represent a Contributor's expression of intent to make a contribution.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 13 Contributors. The total of Pledges and Contributions amount to USDeq. 2.712 billion, valued as of March 31, 2016.
- The total Contributions Finalized amount is USDeq. 2.700 billion, of which USDeq. 1.718 billion (64%) represents grant contributions and USDeq. 0.982 billion (36%) capital contributions.
- Pledges Outstanding amount to USD 12.5 million.





## 1.2. Pledges and Contributions – Details

In USD millions

Contributor	Contribution Type	Pledges and Contribution Receivable USDeq.	Contribution Paid-In		Total Pledges and Contributions USD eq.
			PNs Outstanding USDeq. a/	Cash Receipts USDeq. b/	
Australia	Grant	-	-	80	80
Canada	Grant	-	-	84	84
Denmark	Grant	-	-	44	44
Germany	Grant	-	-	66	66
Japan	Grant	-	-	187	187
Korea	Grant	-	-	6	6
Netherlands	Grant	-	9	67	76
Norway	Grant	-	-	270	270
Spain	Grant	-	-	4	4
	Capital	-	-	26	26
Sweden	Grant	2	-	59	61
Switzerland	Grant	-	-	26	26
United Kingdom	Capital	-	678 c/	278	956
	Grant	17 e/	301 d/	-	318
United States	Grant	10	-	498	508
		<b>30</b>	<b>988</b>	<b>1,694</b>	<b>2,712</b>

a/ Represents the value of outstanding promissory notes based on the end of reporting period exchange rates.

b/ Includes cash receipts and encashed promissory notes.

c/ This amount represents USD equivalent of GBP 471 million

d/ This amount represents USD equivalent of GBP 209 million

e/ This contribution receivable amount represents the USD equivalent of GBP 12 million

- The above table shows the total Pledges Outstanding and Contributions Receivable from Contributors and the Contributions Paid. Pledges represent a Contributor's expression of intent to make a contribution.
- Total SCF Pledges Outstanding and Contribution receivables amount to USDeq. 30 million.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 13 Contributors and received USDeq. 2.682 billion in cash and promissory notes. The value of outstanding promissory notes is USDeq. 0.988 billion, which represents promissory notes from the Netherlands and the United Kingdom.



### 1.3. Asset Mix and Investment Returns and Adjustment for Changes in Market Conditions

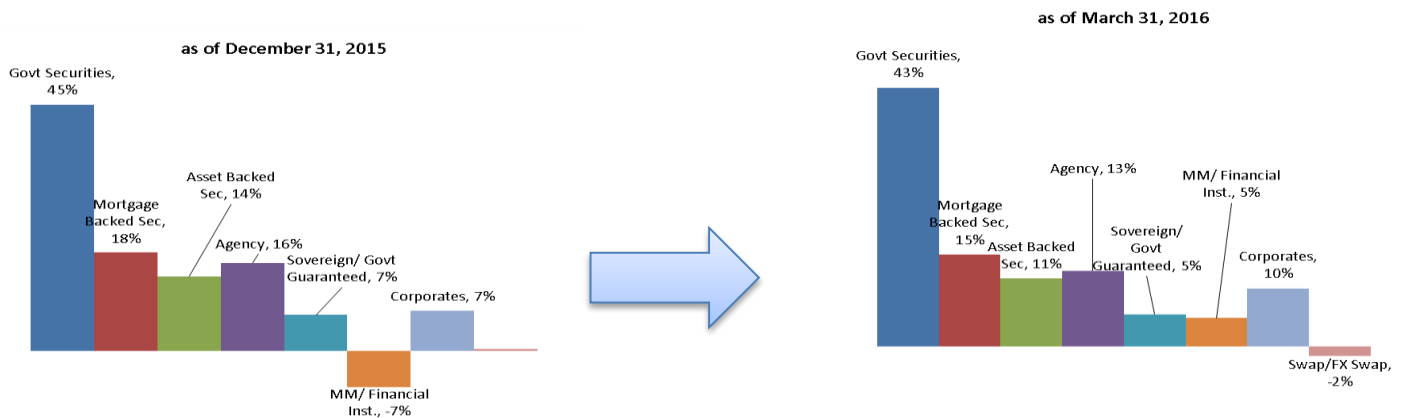
The undisbursed cash balance of the SCF Trust Fund is maintained in a commingled investment portfolio (“Pool”) for all trust funds managed by IBRD. The Pool is managed actively and conservatively with capital preservation as the over-arching objective.

#### ASSET MIX

SCF Trust Fund assets are invested across three of the World Bank Trust Fund’s investment model portfolios, (“Tranche 0” for short term working capital needs, “Tranche 1” with an investment horizon of one year, and “Tranche 2” with an investment horizon of three years). The latter two tranches aim to optimize investment returns subject to capital preservation with a high degree of confidence (based on statistical models) over the respective investment horizon. Although actual future returns will depend on market conditions, the Trust Fund Investment Pool portfolio is actively monitored and adjusted to preserve development partner funds over the investment horizons. Over shorter periods however, market volatility may result in negative actual or ‘mark-to-market’<sup>2</sup> returns.

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, mortgage backed securities (MBS), agency and asset backed securities.



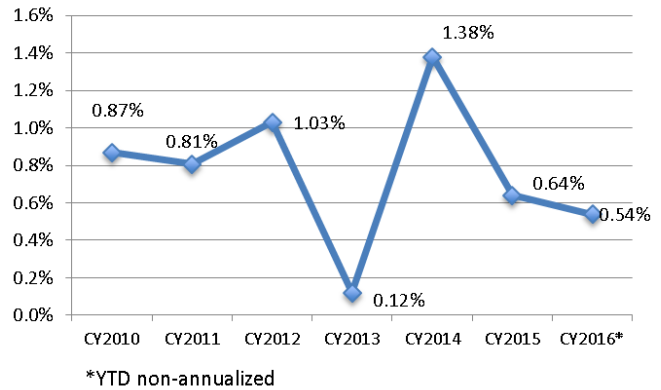
*Note:* The negative position in swaps is primarily due to changes in foreign currency exchange (FX) rates in cross currency basis swaps. Such swap instruments are used to implement currency hedges on bond positions within the portfolio. These hedges remain in place.

<sup>2</sup> Mark-to-market returns or losses represent returns or losses generated through an accounting entry rather than the actual sale of a security.



## INVESTMENT RETURNS

SCF Trust Fund investment returns have been modest for calendar year 2016 with a cumulative return of 0.54% to date. Overall, the SCF Trust Fund cumulative returns have been driven by investment in longer term tranches, which may be exposed to higher volatility in returns over shorter periods. Returns are expected to be low going forward as the risk of rising market yields remains elevated, with an adverse effect on total portfolio returns due to lower bond prices.



## ADJUSTMENTS FOR CHANGES IN MARKET CONDITIONS

As a gradual move to higher rates in the coming years is expected, the outlook for fixed-income investments continues to be for low returns, as increases in market interest rates would result in unrealized (i.e., mark-to-market) losses for fixed income returns in general. Given the challenging environment for fixed income investments, the Trustee has taken steps to reduce the interest rate sensitivity of the Trust Fund Investment Pool portfolio to limit the impact of potential future interest rate increases (known as “duration”). In addition, efforts are underway by the Trustee and CIFAU to enable investments in a broader universe of assets in order to achieve greater diversification of portfolio risks and increase returns. Diversification opportunities include emerging market sovereign bonds, covered bonds and new money market instruments.



## 1.4. Cumulative Net Commitments

### **Total Net Commitments by the Trustee by Activity**

As of March 31, 2016, based on the funding approvals by the SCF Trust Fund Committee, or the SCF Sub-Committee as appropriate, the Trustee made net commitments totaling USD 1.72 billion. Of this amount, USD 97 million represents net commitments for administrative budget, including the Country Programming budgets under the relevant SCF Program, and USD 1.623 billion for projects, including preparation grants and MDB costs for project implementation and supervision services (MPIS costs). This is an increase of USD 38 million since January 1, 2016.

### **Net Project and Program Commitments by Program**

Net commitments made by the Trustee totaled USD 1.623 billion for projects, investment plan preparation and MPIS costs, of which USD 347 million was committed under the FIP, USD 1.015 billion under the PPCR, and USD 260 million under the SREP.



## 2. FIP Summary – Inception through March 31, 2016

*In USD millions*

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Contributions	573	98%
Pledges	10	2%
<b>Total Pledges and Contributions</b>	<b>583</b>	<b>100%</b>
<b><u>Cumulative Resources</u></b>		
<u>Resources received</u>		
Cash Receipts	491	84%
Unencashed promissory notes	82	14%
Total Resources Received	573	98%
<u>Resources not yet received</u>		
Contributions not yet paid	0	0%
Pledges	10	2%
Total resources not yet received	10	2%
<b>Total Potential Resources (A)</b>	<b>583</b>	<b>100%</b>
<b><u>Cumulative Net Funding Commitments</u></b>		
Projects	316	91%
MPIS Costs	18	5%
Investment Plan Preparation	13	4%
<b>Total Net Funding Commitments (B)</b>	<b>347</b>	<b>100%</b>

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



## 2.1. FIP Pledges and Contributions -Summary

In USD millions

Contributor	Contribution Type	Currency	in Contribution Currency			in USD eq. a/		
			Pledges Outstanding	Contributions Finalized	Total	Pledges Outstanding	Contributions Finalized	Total
Australia	Grant	AUD	-	36	36	-	35	35
Denmark	Grant	DKK	-	54	54	-	10	10
Japan	b/ Grant	USD	-	60	60	-	51	51
Norway	Grant	NOK	-	855	855	-	142	142
Spain	Capital	EUR	-	10	10	-	13	13
Sweden	Grant	SEK	-	100	100	-	15	15
United Kingdom	Capital	GBP	-	100	100	-	149	149
United States	c/ Grant	USD	10	158	168	10	158	168
						<b>10</b>	<b>573</b>	<b>583</b>

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2016.

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

c/ 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 FIP Pledges Outstanding and Contributions Finalized. 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.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 8 Contributors. Total Pledges Outstanding and Contributions Finalized amount to USDeq. 583 million, valued as of March 31, 2016.
- Total Contributions Finalized amount to USDeq. 573 million, of which USDeq. 411 million (72%) represents grant contributions and USDeq. 162 million (28%) as capital contributions.
- Pledges Outstanding amount to USD 10 million.



## 2.2. FIP Pledges and Contributions -Details

In USD millions

Contributor	Contribution Type	Pledges and Contribution Receivable USD	Contribution Paid-In		Total Pledges and Contributions USD eq.
			PNs Outstanding USDeq. a/	Cash Receipts USDeq. b/	
Australia	Grant	-	-	35	35
Denmark	Grant	-	-	10	10
Japan	Grant	-	-	51	51
Norway	Grant	-	-	142	142
Spain	Capital	-	-	13	13
Sweden	Grant	-	-	15	15
United Kingdom	Capital	-	82 c/	68	149
United States	Grant	10	-	158	168
		<b>10</b>	<b>82</b>	<b>491</b>	<b>583</b>

a/ Represents the value of outstanding promissory notes based on the end of reporting period exchange rates.

b/ Includes cash receipts and encashed promissory notes.

c/ This amount represents USD equivalent of GBP 57 million

- The above table shows the total FIP Pledges Outstanding and Contributions Receivable from Contributors and cash and promissory notes received. Pledges represent a Contributor's expression of intent to make a contribution.
- Total Pledges Outstanding to the FIP amount to USD 10 million.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 8 Contributors. The total amount received from Contributors in cash and promissory notes is USDeq. 573 million. The value of outstanding promissory notes from the United Kingdom amounts to USDeq. 82 million.

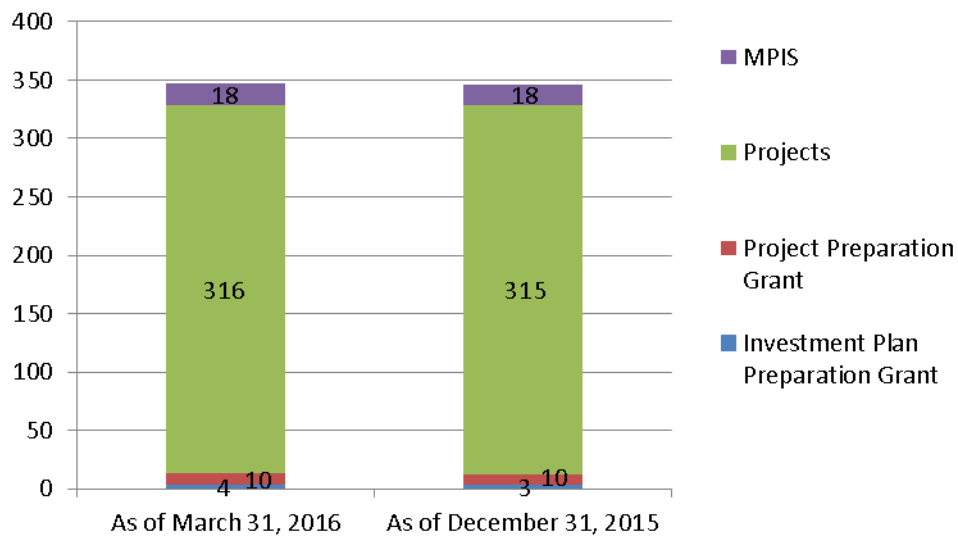


## 2.3. Cumulative Net Commitments

In USD millions

### FIP Net Commitments by the Trustee by Activity

Between January 1, 2016 and March 31, 2016, a total amount of USD 1.6 million was committed by the Trustee, bringing the net cumulative commitments under the FIP as of March 31, 2016 to USD 347million<sup>3</sup>.



<sup>3</sup> This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee.





## 2.4. FIP Funds Held in Trust with No Restrictions & Commitments Pending Transfer

In USD millions

	<u>As of March 31, 2016</u>
<b>1. Funds held in Trust</b>	<b>446</b>
a. Cash and Investments	364
b. Unencashed promissory notes	82
	a/
<b>2. Restricted Funds</b>	<b>12</b>
<b>3. Funds held in Trust with no restrictions ( 3 = 1 - 2 )</b>	<b>433</b>
<b>4. Trustee Commitments pending cash transfer</b>	<b>228</b>
a. Projects and MPIS Costs	227
b. Administrative Budget	0.6

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

*a/ Valued on the basis of exchange rates as of March 31, 2016*

### Highlights for the period January 1, 2016 through March 31, 2016:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 446 million as of March 31, 2016. Funds Held in Trust decreased by approximately USD 32 million since January 1, 2016 primarily due to:
  - Increase in cumulative receipts during the period by USD 49 million and the investment income by USD 1 million.
  - Decrease in the value of unencashed promissory notes by USD 2 million that arose from the current valuation of uncashed promissory notes and
  - Increase in cash transfers to MDBs during the reporting period by USD 16 million.
- **Trustee Commitments Pending Cash Transfer** amounted to USD 228 million, representing a decrease of USD 15 million since January 1, 2016.



### 3. PPCR Summary – Inception through March 31, 2016

*In USD millions*

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Contributions	1,107	100%
Pledges	-	0%
<b>Total Pledges and Contributions</b>	<b>1,107</b>	<b>100%</b>

<b><u>Cumulative Resources</u></b>		
<u>Resources received</u>		
Cash Receipts	795	72%
Unencashed promissory notes	312	28%
Total Resources Received	1,107	100%
<u>Resources not yet received</u>		
Contributions not yet paid	-	0%
Pledges	-	0%
Total resources not yet received	-	0%
<b>Total Potential Resources (A)</b>	<b>1,107</b>	<b>100%</b>

<b><u>Cumulative Net Funding Commitments</u></b>		
Projects	950	94%
MPIS Costs	34	3%
Investment Plan Preparation	31	3%
<b>Total Net Funding Commitments (B)</b>	<b>1,015</b>	<b>100%</b>

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



### 3.1.PPCR Pledges and Contributions - Summary

In USD millions

Contributor	Contribution Type	Currency	in Contribution Currency			in USD eq. a/		
			Pledges Outstanding	Contributions Finalized	Total	Pledges Outstanding	Contributions Finalized	Total
Australia	Grant	AUD	-	40	40	-	33	33
Canada	Grant	CAD	-	100	100	-	84	84
Denmark	Grant	DKK	-	123	123	-	23	23
Germany	Grant	EUR	-	50	50	-	66	66
Japan	b/ Grant	USD	-	100	100	-	103	103
Norway	Grant	NOK	-	91	91	-	16	16
Spain	Capital	EUR	-	10	10	-	13	13
United Kingdom	Capital	GBP	-	255	255	-	380	380
	Grant	GBP	-	70	70	-	101	101
United States	c/ Grant	USD	-	290	290	-	290	290
						-	<b>1,107</b>	<b>1,107</b>

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2016.

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

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

Note: Totals may not add up due to rounding

- The above table shows the total PPCR Pledges Outstanding and Contributions Finalized. Pledges represent a Contributor's expression of intent to make a contribution and form the basis for the endorsement of Investment Plans by the PPCR Sub-Committee.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 9 Contributors in the amount of USDeq. 1.107 billion, valued as of March 31, 2016. There are no Pledges Outstanding for the PPCR.
- Of the total Contributions Finalized, USDeq. 715 million (65%) represents grant contributions and USDeq. 392 million (35%) capital contributions.



### 3.2.PPCR Pledges and Contributions - Details

In USD millions

Contributor	Contribution Type	Pledges and Contribution Receivable USDeq.	Contribution Paid-In		Total Pledges and Contributions USD eq.
			PNs Outstanding USDeq. a/	Cash Receipts USDeq. b/	
Australia	Grant	-	-	33	33
Canada	Grant	-	-	84	84
Denmark	Grant	-	-	23	23
Germany	Grant	-	-	66	66
Japan	Grant	-	-	103	103
Norway	Grant	-	-	16	16
Spain	Capital	-	-	13	13
United Kingdom	Capital	-	212 c/	168	380
	Grant	-	101 d/	-	101
United States	Grant	-	-	290	290
		<b>0</b>	<b>312</b>	<b>795</b>	<b>1,107</b>

a/ Represents the value of outstanding promissory notes based on the end of reporting period exchange rates.

c/ this amount represents USD equivalent of GBP 147 million

d/ This amount represents USD equivalent of GBP 70 million

b/ Includes cash receipts and encashed promissory notes.

Note: Totals may not add up due to rounding

- The above table shows the total PPCR Pledges Outstanding and Contributions Receivable from Contributors and the cash and notes received. Pledges represent a Contributor's expression of intent to make a contribution.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 9 Contributors. The total amount received from Contributors in cash and promissory notes is USDeq. 1.107 billion. The value of outstanding promissory notes from the United Kingdom is USDeq. 312 million.

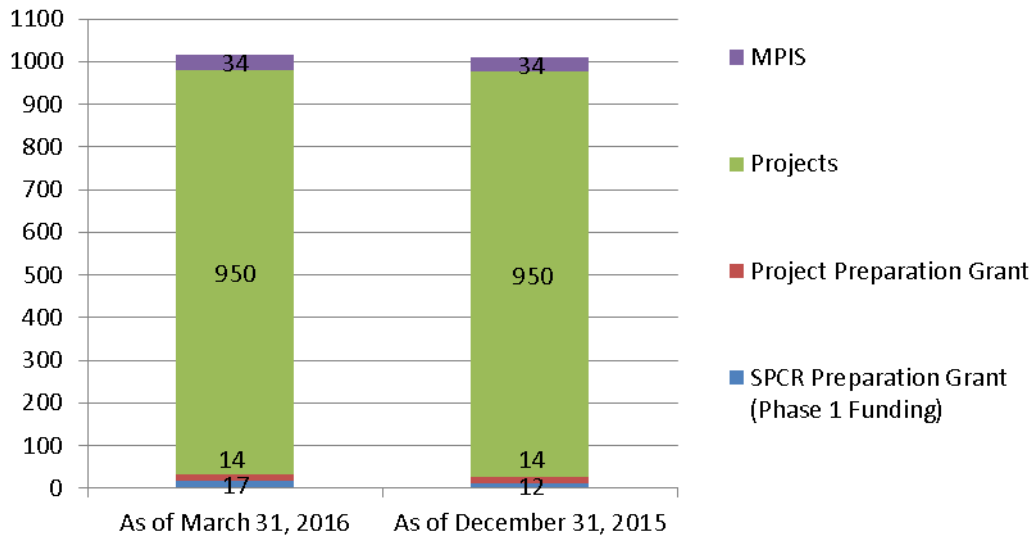


### 3.3.PPCR Cumulative Net Commitments

*In USD millions*

#### PPCR Net Commitments by the Trustee by Activity

Between January 1, 2016 and March 31, 2016, a total amount of USD 6 million was committed by the Trustee, bringing the cumulative net commitments under the PPCR as of March 31, 2016 to USD 1.015 billion<sup>4</sup>.



<sup>4</sup> This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee.



### 3.4.PPCR Funds Held in Trust with No Restrictions & Commitments Pending Transfer

In USD millions

	As of March 31, 2016
<b>1. Funds held in Trust</b>	<b>673</b>
a. Cash and Investments	361
b. Unencashed promissory notes	312
	a/
<b>2. Restricted Funds</b>	<b>47</b>
<b>3. Funds held in Trust with no restrictions ( 3 = 1 - 2 )</b>	<b>626</b>
<b>4. Trustee Commitments pending cash transfer</b>	<b>623</b>
a. Projects and MPIS Costs	623
b. Administrative Budget	0.1

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

*a/ Valued on the basis of exchange rates as of March 31, 2016*

#### Highlights for the period January 1, 2016 through March 31, 2016:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 673 million as of March 31, 2016. Funds Held in Trust decreased by approximately USD 34 million since January 1, 2016 primarily due to:
  - Increase in investment income by USD 1 million
  - Decrease in the value of unencashed promissory notes by USD 9 million that arose from the current valuation of uncashed promissory notes and
  - Increase in cash transfers to the MDBs during the reporting period by USD 26 million.
- **Trustee Commitments Pending Cash Transfer** amounted to USD 623 million, representing a decrease of USD 20 million since January 1, 2016.



#### 4. SREP Summary – Inception through March 31, 2016

*In USD millions*

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Contributions	523	100%
Pledges	2	0%
<b>Total Pledges and Contributions</b>	<b>525</b>	<b>100%</b>

<b><u>Cumulative Resources</u></b>		
<u>Resources received</u>		
Cash Receipts	408	78%
Unencashed promissory notes	115	22%
Total Resources Received	523	100%
<u>Resources not yet received</u>		
Contributions not yet paid	-	0%
Pledges	2	0%
Total resources not yet received	2	0%
<b>Total Potential Resources (A)</b>	<b>525</b>	<b>100%</b>

<b><u>Cumulative Net Funding Commitments</u></b>		
Projects	217	83%
MPIS Costs	13	5%
Investment Plan Preparation	30	
<b>Total Net Funding Commitments (B)</b>	<b>260</b>	<b>88%</b>

*Note: Totals may not add due to rounding*



## 4.1. SREP Pledges and Contributions –Summary

In USD millions

Contributor	Contribution Type	Currency	in Contribution Currency			in USD eq. a/		
			Pledges Outstanding	Contributions Finalized	Total	Pledges Outstanding	Contributions Finalized	Total
Australia	Grant	AUD	-	12	12	-	12	12
Denmark	Grant	DKK	-	61	61	-	12	12
Japan	b/ Grant	USD	-	40	40	-	34	34
Korea	Grant	KRW	-	6,565	6,565	-	6	6
Netherlands	Grant	USD	-	76	76	-	76	76
Norway	Grant	NOK	-	700	700	-	112	112
Spain	Grant	EUR	-	3	3	-	4	4
Sweden	Grant	SEK	20	285	305	2	44	47
Switzerland	Grant	USD	-	26	26	-	26	26
United Kingdom	Capital	GBP	-	100	100	-	147	147
United States	c/ Grant	USD	-	50	50	-	50	50
						<b>2</b>	<b>523</b>	<b>525</b>

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2016.

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

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

Note: Totals may not add up due to rounding

- The above table shows the total SREP Pledges Outstanding and Contributions Finalized. 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.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 11 Contributors in the amount of USDeq. 525 million.
- Total Contributions Finalized amount to USDeq. 523 million. Of the total Contributions Finalized, USDeq. 375 million (72%) represents grant contributions and USDeq. 148 million (28%) capital contributions.
- Pledges Outstanding amount to USDeq. 2 million.





## 4.2. SREP Pledges and Contributions -Details

In USD millions

Contributor	Contribution Type	Pledges and Contribution Receivable USDeq.	Contribution Paid-In		Total Pledges and Contributions USD eq.
			PNs Outstanding USDeq. a/	Cash Receipts USDeq. b/	
Australia	Grant	-	-	12	12
Denmark	Grant	-	-	12	12
Japan	Grant	-	-	34	34
Korea	Grant	-	-	6	6
Netherlands	Grant	-	9	67	76
Norway	Grant	-	-	112	112
Spain	Grant	-	-	4	4
Sweden	Grant	2	-	44	47
Switzerland	Grant	-	-	26	26
United Kingdom	Capital	-	106 c/	42	147
United States	Grant	-	-	50	50
		<b>2</b>	<b>115</b>	<b>408</b>	<b>525</b>

a/ Represents the value of outstanding promissory notes based on the end of reporting period exchange rates.

b/ Includes cash receipts and encashed promissory notes.

c/ This amount represents USD equivalent of GBP 73 million

Note: Totals may not add up due to rounding

- The above table shows the total SREP Pledges Outstanding and Contributions Receivable from Contributors and the cash and notes received. Pledges represent a Contributor's expression of intent to make a contribution.
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with 11 Contributors. The total amount received from Contributors in cash and promissory notes is USDeq. 523 million. The value of outstanding promissory notes from the United Kingdom is USDeq. 106 million and USD 9 million from the Netherlands.

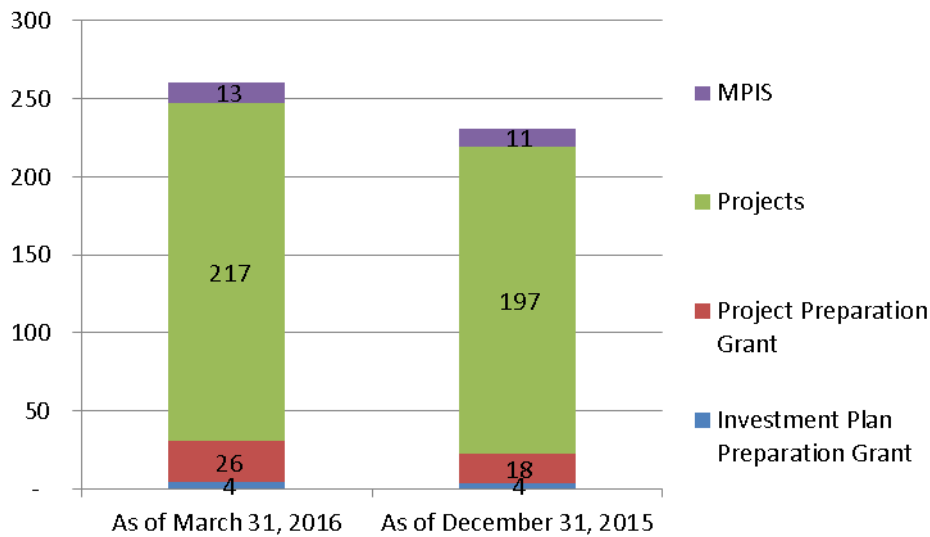


### 4.3. SREP Cumulative Net Commitments

*In USD millions*

#### SREP Net Commitments by the Trustee by Activity

Between January 1, 2016 and March 31, 2016, a total amount of USD 30 million was committed by the trustee, bringing the cumulative commitments under the SREP as of March 31, 2016 to USD 260 million<sup>5</sup>.



<sup>5</sup> This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee.



#### 4.4.SREP Funds Held in Trust with No Restrictions and Commitments Pending Transfer

In USD millions

	<u>As of March 31, 2016</u>
<b>1. Funds held in Trust ( 3 = 1 - 2 )</b>	<b>434</b>
a. Cash and Investments	319
b. Unencashed promissory notes	a/ 115
<b>2. Restricted Funds</b>	<b>16</b>
<b>3. Funds held in Trust with no restrictions ( 5 = 3 - 4 )</b>	<b>418</b>
<b>4. Trustee Commitments pending cash transfer</b>	<b>175</b>
a. Projects and MPIS Costs	175
b. Administrative Budget	-

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

*a/ Valued on the basis of exchange rates as of March 31, 2016*

#### Highlights for the period January 1, 2016 through March 31, 2016:

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USDeq. 434 million as of March 31, 2016. Funds Held in Trust decreased by approximately USD 12 million since January 1, 2016 primarily due to:
  - Increase in Investment Income by USD 1 million,
  - Decrease in the value of unencashed promissory notes by USD 3 million that arose from the current valuation of unencashed promissory notes and
  - Increase in cash transfers to the MDBs during the reporting period by USD 10 million.
- **Trustee Commitments Pending Cash Transfer** amounted to USD 175 million, representing an increase of USD 20 million since January 1, 2016.



## 5. Provisional Account – Pledges and Contributions - Summary

In USD millions

Contributor	Contribution Type	Currency	in Contribution Currency			in USD eq. a/		
			Pledges Outstanding	Contributions Finalized	Total	Pledges Outstanding	Contributions Finalized	Total
United Kingdom	Capital	GBP	-	194	194	-	279	279
	Grant	GBP	-	151	151	-	217	217
						-	497	497

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2016.

- The above table shows the total undesignated SCF Pledges Outstanding and Contributions Finalized and recorded to the SCF provisional account. The contributions are temporarily recorded in this account until the contributor instructs the Trustee to transfer the resources to one of the SCF programs (FIP/SREP/PPCR).
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with the United Kingdom in the amount of USDeq. 497 million.
- Of the total amount recorded in the provisional account, USDeq. 217 million (44%) represents grant contributions and USDeq. 279 million (56%) capital contributions.



## 6. Provisional Account – Pledges and Contributions - Details

In USD millions

Contributor	Contribution Type	Contribution Receivable USDeq.	Contribution Paid-In		Total Pledges and Contributions (USD eq.)
			PNs Outstanding USDeq. a/	Cash Receipts (in USD) b/	
United Kingdom	Capital	-	279 d/	-	279
	Grant	17 c/	200 e/	-	217
		<b>17</b>	<b>480</b>	<b>-</b>	<b>497</b>

a/ Represents the value of outstanding promissory notes based on the end of reporting period exchange rates.

b/ Includes cash receipts and encashed promissory notes.

c/ This contribution receivable amount represents the USD equivalent of GBP 12 million

d/This amount represents USD equivalent of GBP 194 million

e/ This amount represents USD equivalent of GBP 139 million

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

- The above table shows the total undesignated SCF Contributions Receivable from Contributors and the cash and notes recorded into the SCF provisional account. The contributions are temporarily held in this account until the Contributor instructs the Trustee to transfer the resources to one of the SCF programs (FIP/SREP/PPCR).
- As of March 31, 2016, the Trustee had entered into Contribution Agreements/Arrangements with the United Kingdom in the amount of USDeq. 497 million and received USDeq. 480 million as promissory notes. The outstanding promissory notes balance from the United Kingdom is USDeq. 480 million.
- The Contribution Receivable is USDeq. 17 million from the United Kingdom.