

CLIMATE INVESTMENT FUNDS

SREP/SC.22/Inf.3
January 16, 2020

Meeting of the SREP Sub-Committee
Nairobi, Kenya
March 2020

REPORT OF THE TRUSTEE ON THE FINANCIAL STATUS OF THE SCF

Strategic Climate Fund (SCF)

Financial Report

Prepared by the Trustee

As of September 30, 2019



Table of Contents

Introduction	3
1. SCF Trust Fund Summary – Inception through September 30, 2019.....	4
1.1. Pledges and Contributions – SCF Summary	6
1.2. Asset Mix and Investment Returns and Adjustment for Changes in Market Conditions	7
1.3. Cumulative Net Commitments	9
2. FIP Summary – Inception through September 30, 2019.....	10
2.1. FIP Pledges and Contributions -Summary.....	12
2.2. Cumulative Net Commitments	13
2.3. FIP Funds Held in Trust with No Restrictions and Funds Available to support Trustee Commitments.....	14
3. PPCR Summary – Inception through September 30, 2019	15
3.1. PPCR Pledges and Contributions - Summary	17
3.2. PPCR Cumulative Net Commitments	18
3.3. PPCR Funds Held in Trust with No Restrictions and Funds Available to support Trustee Commitments	19
4. SREP Summary – Inception through September 30, 2019.....	20
4.1. SREP Pledges and Contributions –Summary.....	22
4.2. SREP Cumulative Net Commitments.....	23
4.3. SREP Funds Held in Trust with No Restrictions and Funds Available for Trustee Commitments	24
5. Overall realized and unrealized gains or losses for the Promissory Notes held in Non-USD currencies.....	25
6. Admin Account Summary – Feb 1, 2016 through September 30, 2019	26



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 September 30, 2019, 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.”

Regular financial reporting is provided through the Trustee's website: www.fiftrustee.worldbank.org. This report has been prepared specifically for the SCF Trust Fund Committee (TFC) to provide: (i) a snapshot of the financial status of the SCF Trust Fund as of September 30, 2019; (ii) the status of pledges and contributions, and (iii) the status of the SCF Programs: FIP, PPCR, SREP and Evaluation and Learning.



1. SCF Trust Fund Summary – Inception through September 30, 2019

In USD millions

SCF TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS

Inception through September 30, 2019

(USD millions)

As of September 30, 2019 % of Total

	Total	% of Total
Donor Pledges and Contributions		
Contributions	2,622.1	100%
Pledges	0.3	0%
Total Pledges and Contributions	2,622.5	100%
Cumulative Funding Received		
Contributions Received		
Cash Contributions	2,276.6	83%
Unencashed promissory notes	a/ 336.0	12%
Total Contributions Received	2,612.6	95%
Other Resources		
Investment Income earned	127.4	5%
Investment Income from MDBs	7.1	0%
Total Other Resources	134.5	
Total Cumulative Funding Received (A)	2,747.1	100%
Cumulative Funding Commitments		
Projects/Programs	2,323.1	96%
MDB Project Implementation and Supervision services (MPIS) Costs	89.4	4%
Cumulative Administrative Expenses net of cancellations	b/ 167.4	7%
Total Cumulative Funding Commitments	2,579.9	106%
Project/Program and MPIS Cancellations	c/ (148.5)	-6%
Net Cumulative Funding Commitments (B)	2,431.4	100%
Fund Balance (A - B)	315.7	
Currency Risk Reserves	d/ (50.4)	
Funding Available for Trustee Commitments (C)	265.3	
Future Programming Reserves:		
Admin Expenses-Reserve (includes Country Programing budget/Learning and Knowledge exchange reserve) and for FY 19-28 (net of estimated investment income and reflows)	e/ (52.5)	
Technical Assistance Facility	j/ (4.6)	
Unrestricted Fund Balance (C) after reserves	208.2	



In USD millions

SCF TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS

Inception through September 30, 2019

(USD millions)

		As of September 30, 2019	% of Total
Anticipated Commitments (FY20-FY21)			
Program/Project Funding and MPIS Costs	f/	257.2	
Technical Assistance Facility	j/ k/	9.5	
Total Anticipated Commitments (D)		266.8	
Available Resources (C-D)			
		(58.5)	
Potential Future Funding (FY20-FY21)			
Pledges	g/	0.3	1%
Contributions Receivable	i/	9.5	16%
Release of Currency Risk Reserves	d/	50.4	84%
Total Potential Future Resources (E)		60.3	100%
Potential Available Resources (C - D + E)			
		1.7	
Reflow from MDBs	h/	3.0	

a/ This amount represents USD equivalent of GBP 273.1 million from the UK.

b/ Approvals by the SCF TFC upto to end FY20 (net of cancellations), including USD 31.88 million for Country Programing budget and USD 7.7 million budget for Evaluation and Learning.

c/ This refers to cancellation of programs,project and MPIS cost commitments approved by the SCF TFC.

d/ Amounts withheld to mitigate over-commitment risk resulting from the effects of currency exchange rate fluctuations on the value of outstanding non-USD denominated promissory notes.

e/ The amount of this reserve is estimated by the CIFAU and Trustee using the 10-year forecast of the Admin Budget less the 10-year estimate of Investment Income and reflows. Pro-rata estimates across three SCF programs are based on the 41%, 37% & 22% fixed pro rata share of the PPCR, SREP & FIP cash balance as at December 31, 2017 approved by the SCF TFC on March 8, 2018.

f/ Anticipated commitments for SREP program includes both Sealed and Reserve pipeline.

g/ The balance of the pledge amount from the U.S.

h/ The usage of reflow from MDBs are approved by the SCF TFC on March 8, 2018 to cover the shortfall in administrative expenses net of the SCF investment income.

i/Contribution Receivable from Denmark for DKK 65 million.

j/ The CTF and SCF Trust Fund Committees agreed on July 20, 2018 to establish the Technical Assistance Facility for Clean Energy Investment Mobilization under the terms of the SCF.

k/ Commitments for the Technical Assistance Facility, as estimated by the CIFAU, will also be funded by contribution receivables.



1.1. Pledges and Contributions – SCF Summary

In USD millions

STRATEGIC CLIMATE FUND
Table 1: Pledges and Contributions
as of September 30, 2019
(in millions)

Contributor	Contribution Type	Currency	in Contribution Currency				in USD eq. a/			
			Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts f/	Total Pledges and Contributions	Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts f/	Total Pledges and Contributions
Australia	Grant	AUD	-	-	87	87	-	-	80	80
Canada	Grant	CAD	-	-	100	100	-	-	84	84
Denmark	Grant	DKK	65	-	268	333	10	-	49	59
Germany	b/ Grant	EUR	-	-	50	50	-	-	66	66
Japan	c/ Grant	USD	-	-	200 c/	200	-	-	187	187
Korea	Grant	KRW	-	-	6,565	6,565	-	-	6	6
Netherlands	Grant	USD	-	-	76	76	-	-	76	76
Norway	Grant	NOK	-	-	1,748	1,748	-	-	282	282
Spain	Grant	EUR	-	-	3	3	-	-	4	4
Spain	Capital	EUR	-	-	20	20	-	-	26	26
Sweden	Grant	SEK	-	-	405	405	-	-	61	61
Switzerland	Grant	USD	-	-	26	26	-	-	26	26
United Kingdom	d/ Capital	GBP	-	224	425	649	-	276	613	888
United Kingdom	Grant	GBP	-	49	160	209	-	60	210	270
United States	e/ Grant	USD	0.3	-	508	508	0.3	-	508	508
							10	336	2,277	2,622

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of September 30, 2019

b/ Of the EUR 59.45 contribution to SCF, EUR 9.45 million was subsequently transferred from the SCF Trust Fund to other trust funds, at the instruction of the contributor.

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 CTF and SCF is USD 2 billion

f/ Includes cash receipts and encashed promissory notes.

Note: Totals may not add due to rounding



1.2. 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.

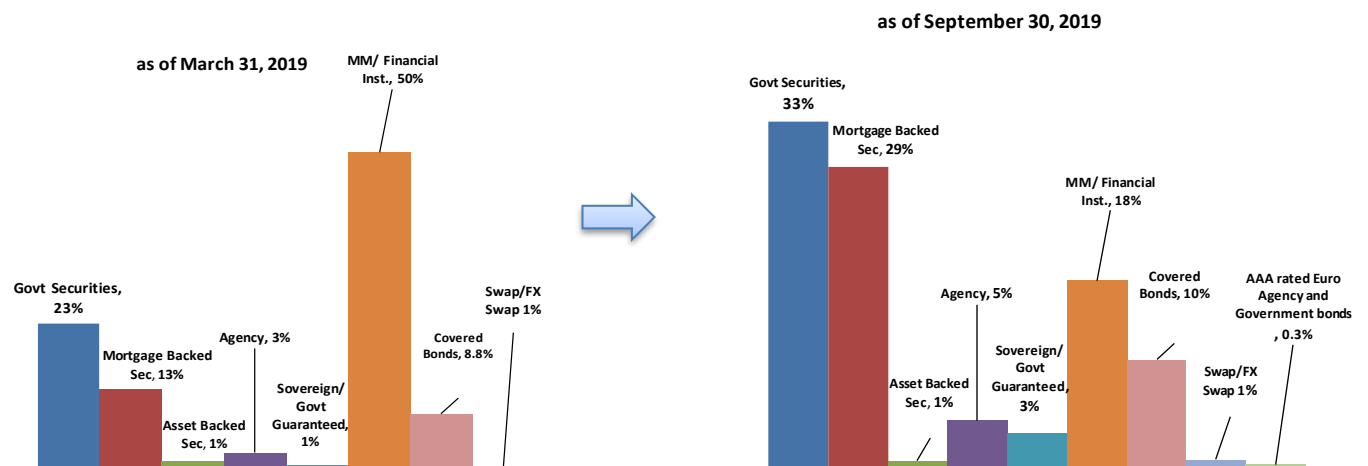
ASSET MIX

SCF Trust Fund assets are invested across three of the World Bank Trust Fund’s investment model portfolios, (“Model Portfolio 0” for short term working capital needs, “Model Portfolio 1” with an investment horizon of one year, and “Model Portfolio 2” with an investment horizon of three years). The latter two model portfolios 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’¹ 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 which is defined as limiting the estimated average loss to the portfolio in the worst 1% of loss events. The World Bank Model Portfolios have their overall market risk constrained by a CVaR measure as follows:

The risk constraint of Model Portfolio 1 is expressed as the 1-year 99% Conditional VaR being no worse than -25bps

The risk constraint of Model Portfolio 2 is expressed as the 3-year 99% Conditional VaR being no worse than -100bps.

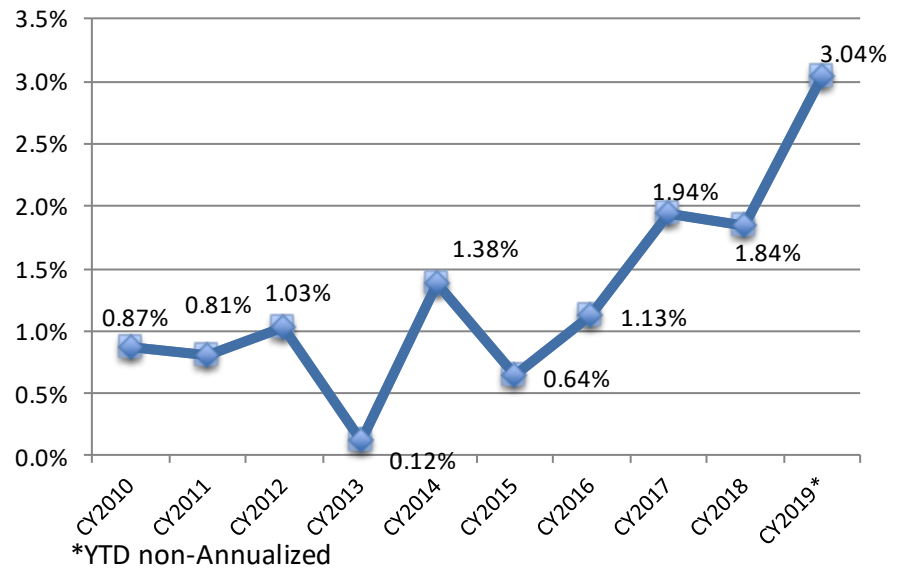


¹ Mark-to-market gains or losses represent unrealized gains or losses resulting from changes in the value of securities in the portfolio which have not yet been sold.



INVESTMENT RETURNS

The SCF Trust Fund investment return for calendar year-to-date 2019 is estimated at 3.04%. Returns during the half year were buoyed by the decrease in yields and relatively high Libor rates.



ADJUSTMENTS FOR CHANGES IN MARKET CONDITIONS

The outlook for fixed-income investments continues to be for low returns. Any sudden increases in market interest rates could 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 (known as “duration”) of the Trust Fund Investment Pool portfolio to limit the impact of potential future interest rate increases. The short maturity/duration nature of the portfolio gives space and flexibility to tactically move into higher yields going forward. Additionally, efforts are underway by the Trustee to enable investments in a broader universe of assets to achieve greater diversification of portfolio risks and increase returns. Diversification opportunities include emerging market sovereign bonds, covered bonds and new money market instruments.



1.3. Cumulative Net Commitments

Total Net Commitments by the Trustee by Activity

As of September 30, 2019, based on the funding approvals by the SCF Trust Fund Committee, or the relevant SCF Sub-Committee as appropriate, the Trustee has made net commitments totaling USD 2.43 billion. Of this amount, USD 167.4 million represents net commitments for administrative expenses, which includes the Country Programming budget of USD 31.88 million under the relevant SCF Programs, and USD 7.7 million for the Evaluation and Learning program, USD 2.26 billion for projects, project preparation grants and MDB costs for project implementation and supervision services (MPIS).

Net Project and Program Commitments by Program

Net commitments made by the Trustee totaled USD 2.26 billion for projects, project preparation grants and MPIS costs, of which USD 0.58 billion was committed under the FIP, USD 1.05 billion under the PPCR, and USD 0.63 billion under the SREP.



2. FIP Summary – Inception through September 30, 2019

In USD millions

FIP TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS <i>Inception through September 30, 2019</i> <i>(USD millions)</i>		Total	Capital	Grant
Donor Pledges and Contributions				
Contributions		725.210	241.4	483.8
Pledges	a/	0.349	-	0.3
Total Pledges and Contributions		725.6	241.4	484.2
Cumulative Funding Received				
Contributions Received				
Cash Contributions		502.1	80.7	421.5
Unencashed promissory notes	b/	221.0	160.7	60.3
Total Contributions Received		723.1	241.4	481.7
Other Resources				
Investment Income earned -up to Feb 1, 2016	c/	14.5	-	14.5
Total Other Resources		14.5	-	14.5
Total Cumulative Funding Received (A)		737.7	241.4	496.3
Cumulative Funding Commitments				
Projects/Programs		578.4	161.3	417.1
MDB Project Implementation and Supervision services (MPIS) Costs		30.5	-	30.5
Administrative Expenses-Cumulative to 1st Feb 2016	c/	25.6	-	25.6
Country Programming Budget from 1st Jan 2018	c/	0.4	-	0.4
Total Cumulative Funding Commitments		634.9	161.3	473.6
Project/Program,MPIS and Admin Budget Cancellations	d/	(26.2)	(15.0)	(11.2)
Net Cumulative Funding Commitments (B)		608.7	146.3	462.4
Fund Balance (A - B)		128.9	95.1	33.8
Currency Risk Reserves	e/	(33.1)	(24.1)	(9.0)
Unrestricted Fund Balance (C)		95.8	71.0	24.8
Future Programming Reserves:				
Admin Expenses-Reserve (includes Country Programming budget/Learning and Knowledge exchange reserve) and for FY 20-28 (net of estimated investment income and reflows). Breakup of various components are provided below. (Model Updated as of December 31,2017)	f/	(11.2)		(11.2)
subtract				
Administration Expense reserve for CIFAU, MDB & Trustee		USD 20.9 Million		
Country Programming Budget Reserve		USD 1.2 Million		
Learning and Knowledge Exchange Reserve		USD 1.1 Million		
add				
Estimated Investment Income Share for FIP		USD 5.4 Million		
Projected Reflows		USD 6.6 Million		
Technical Assistance Facility	j/	(1.0)		(1.0)
Unrestricted Fund Balance (C) after reserves		83.6	71.0	12.6



In USD millions

FIP TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS				
<i>Inception through September 30, 2019</i>				
<i>(USD millions)</i>				
		Total	Capital	Grant
Anticipated Commitments (FY20-FY21)				
Program/Project Funding and MPIS Costs		107.6	67.2	40.4
Technical Assistance Facility	i/ j/	2.1		2.1
Total Anticipated Commitments (D)		109.7	67.2	42.5
Available Resources (C - D)		(26.1)	3.9	(29.9)
Potential Future Resources (FY20-FY21)				
Pledges	a/	0.3		0.3
Contributions Receivable	h/	2.1		2.1
Release of Currency Risk Reserves	e/	33.1	24.1	9.0
Total Potential Future Resources (E)		35.6	24.1	11.5
Potential Available Resources (C - D + E)		9.5	28.0	(18.5)
Reflows from MDBs	g/	1.0		1.0

a/ The balance of the pledge amount from the U.S

b/ This amount represents USD equivalent of GBP 179.6 million.

c/ From Feb 1, 2016, Investment income across all SCF programs has been posted to a notional Admin "account", from which approved Administrative Budget expenses for the Trustee, Secretariat and MDBs are committed. The Country Programming budgets are recorded under individual programs.

d/ This refers to cancellation of program and project commitments approved by the SCF TFC

e/ Amounts withheld to mitigate over-commitment risk resulting from the effects of currency exchange rate fluctuations on the value of outstanding non-USD denominated promissory notes.

f/ The amount of this reserve is estimated by the CFAU and Trustee using the 10-year forecast of the Admin Budget less the 10-year estimate of Investment Income and reflows. Pro-rata estimates across three SCF programs are based on the 22% fixed pro rata share of the FIP's cash balance as at December 31, 2017 approved by the SCF TFC on March 8, 2018. The decision reads as "allocate USD 11.6 million from the available grant resources in the FIP Program Sub-Account to finance estimated Administrative Costs from FY19 to FY28, such that the projected, indicative amount of approximately USD 81.8 million in FIP grant resources remains available for allocation to FIP project's. This reserve amount has been reduced by USD 0.4 million approved for country engagement from January 2018.

g/ The usage of reflow from MDBs are approved by the SCF TFC on March 8, 2018 to cover the shortfall in administrative expenses net of the SCF investment income.

h/ Contribution Receivable from Denmark for DKK 14.3 million

i/ The CTF and SCF Trust Fund Committees agreed on July 20, 2018 to establish the Technical Assistance Facility for Clean Energy Investment Mobilization under the terms of the SCF.

j/ Commitments for the Technical Assistance Facility, as estimated by the CFAU, will also be funded by contribution receivables.



2.1. FIP Pledges and Contributions -Summary

In USD millions

STRATEGIC CLIMATE FUND
Table 11: FIP - Pledges and Contributions
as of September 30, 2019
(in millions)

Contributor	Contribution Type	Currency	in Contribution Currency				in USD eq. a/			
			Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts d/	Total Pledges and Contributions	Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts d/	Total Pledges and Contributions
Australia	Grant	AUD	-	-	36	36	-	-	35	35
Denmark	Grant	DKK	14	-	61	75	2.1	-	11	13
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	-	131	43	174	-	161	68	228
United Kingdom	Grant	GBP	-	49	-	49	-	60	-	60
United States	c/ Grant	USD	0.3	-	168	168	0.3	-	168	168
							2	221	502	726

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of September 30, 2019

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 CTF and SCF is USD 2 billion.

d/ Includes cash receipts and encashed promissory notes.

Note: Totals may not add due to rounding

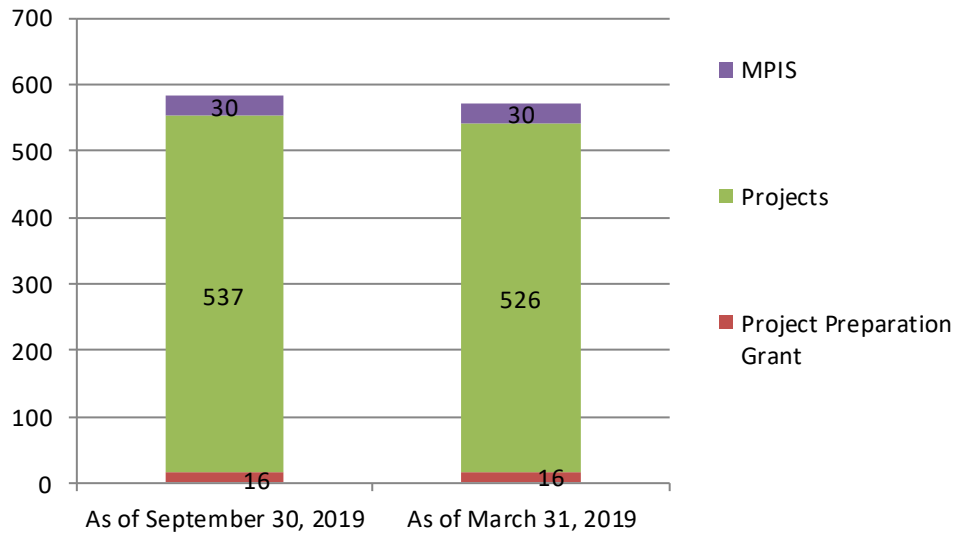


2.2. Cumulative Net Commitments

In USD millions

FIP Net Commitments by the Trustee by Activity

The cumulative net commitments under the FIP as of September 30, 2019 was USD 0.58 billion².



Note: Totals may not add due to rounding

² This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee. Project preparation grants includes Investment plan preparation grants.



2.3. FIP Funds Held in Trust with No Restrictions and Funds Available to support Trustee Commitments

In USD millions

STRATEGIC CLIMATE FUND	
Table 2: Schedule of Funds Available for FIP	
as of September 30, 2019	
	<u>FIP</u>
<u>1. Funds held in Trust</u>	324
a. Cash	103
b. Unencashed Promissory Notes a/	221
<u>2. Restricted Funds</u> b/	33
<u>3. Funds held in Trust with no restrictions (3 = 1 - 2)</u>	291
<u>4. Trustee Commitments pending cash transfer</u>	196
a. Projects	193
b. MDB Fees	2
c. Administrative Budget	0.2
<u>5 Funds available to support Trustee Commitments (6 = 3 - 4)</u>	c/ <u><u>96</u></u>
<u>6 Reflows</u>	1

a/ Valued on the basis of exchange rates of September 30, 2019

b/ Represents amounts withheld to cover the impact of foreign exchange fluctuations on commitments made by the Trustee

c/ Doesn't include the reserve amount of USD 11.6 million estimated by the CIFAU and Trustee using the 10-year forecast of the admin and country programming budget less the 10-year estimate of Investment Income and reflows.

3. PPCR Summary – Inception through September 30, 2019

In USD millions

PPCR TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS				
Inception through September 30, 2019				
(USD millions)				
		Total	Capital	Grant
Donor Pledges and Contributions				
Contributions		1,144.8	406.9	737.9
Allocation from Capital to Grants	a/	-	(24.5)	24.5
Total Pledges and Contributions		1,144.8	382.4	762.4
Cumulative Funding Received				
Contributions Received				
Cash Contributions		1,140.9	406.9	734.0
Unencashed promissory notes		-	-	-
UK Contributions-Allocation from Capital to Grants	a/	-	(24.5)	24.5
Total Contributions Received		1,140.9	382.36	758.5
Other Resources				
Investment Income earned -up to Feb 1, 2016	b/	18.8	-	18.8
Total Other Resources		18.8	-	18.8
Total Cumulative Funding Received (A)		1,159.7	382.4	777.4
Cumulative Funding Commitments				
Projects/Programs		1,070.5	395.7	674.8
MDB Project Implementation and Supervision services (MPIS) Costs		36.8	-	36.8
Administrative Expenses-Cumulative to 1st Feb 2016	b/	68.5	-	68.5
Country Programming Budget commitment from 1st Jan 2018	b/	0.7	-	0.7
Total Cumulative Funding Commitments		1,176.4	395.7	780.7
Project/Program and Administrative Budget Cancellations	c/	(56.5)	(21.6)	(34.9)
Net Cumulative Funding Commitments (B)		1,119.9	374.1	745.8
Fund Balance (A - B)		39.8	8.2	31.6
Currency Risk Reserves		-	-	-
Grant resources funding the Capital project		-	-	-
Unrestricted Fund Balance (C)		39.8	8.2	31.6
Future Programming Reserves:				
Admin Expenses including Country programing budget/Learning and Knowledge exchange-Reserve for FY 19-28 (net of estimated investment income and reflows)				
Breakup of various components are provided below. (Model Updated as of December 31,2017)				
Subtract	d/	(9.9)		(9.9)
Administration Expense reserve for CIFAU, MDB & Trustee		USD 29.0 Million		
Country Engagement Budget Reserve		USD 0.7 Million		
Learning and Knowledge Exchange Reserve		USD 1.1 Million		
Add				
Estimated investment Income Share for PPCR		USD 10.1 Million		
Projected Reflows		USD 10.8 Million		
Technical Assistance Facility	e/	(1.9)		(1.9)
Unrestricted Fund Balance (C) after reserves		28.0	8.2	19.8



In USD millions

PPCR TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS				
<i>Inception through September 30, 2019</i>				
<i>(USD millions)</i>				
		Total	Capital	Grant
Anticipated Commitments (FY19-FY21)				
Program/Project Funding and MPIS Costs		-	-	-
Technical Assistance Facility	f/ e/	3.9		3.9
Total Anticipated Commitments (D)		3.9	-	3.9
Available Resources (C-D)		24.1	8.2	15.9
Potential Future Funding (FY19-FY21)				
Contributions Receivable	g/	3.9	-	3.9
Total Potential Future Resources (E)		3.9	-	3.9
Potential Available Resources (C - D + E)		28.0	8.2	19.8
Reflows from MDBs	h/	2.0		2.0

a/ Cash contributions amounting to GBP 15 million (USDeq. 24.5 million based on exchange rate on May 10, 2011) received as capital contributions are available to finance grants (including administrative costs) according to the terms of the contribution agreements/arrangements.

b/ From Feb 1, 2016, Investment income across all SCF programs has been posted to a notional Admin "account", from which approved Administrative Budget expenses for the Trustee, Secretariat and MDBs are committed. The Country Programming budgets are recorded under individual programs.

c/ This refers to cancellation of program and project commitments approved by the committee. Also includes any commitment cancellations to adjust changes to the previous approvals.

d/ The amount of this reserve is estimated by the CIFAU and Trustee using the 10-year forecast of the Admin Budget less the 10-year estimate of Investment Income and reflows. Pro-rata estimates across three SCF programs are based on the 41% fixed pro rata share of the PPCR's cash balance as at December 31, 2017 approved by the committee on March 8, 2018. The decision reads as "allocate USD 10.6 million from the available grant resources in the PPCR Program Sub-Account to finance estimated Administrative Costs from FY19 to FY28, such that the projected, indicative amount of approximately USD 16.3 million in PPCR grant resources remains available for allocation to PPCR project's". This reserve amount has been reduced by the approved amount of USD 0.7 million for the country engagement from January 2018.

e/ Commitments for the Technical Assistance Facility, as estimated by the CIFAU, will also be funded by contribution receivables.

f/ The CTF and SCF Trust Fund Committees agreed on July 20, 2018 to establish the Technical Assistance Facility for Clean Energy Investment Mobilization under the terms of the SCF.

g/ Contribution Receivable from Denmark for DKK 26.65 million.

h/ The usage of reflow from MDBs are approved by the SCF TFC on March 8, 2018 to cover the shortfall in administrative expenses net of the SCF investment income. The reflows includes the commitment fee, front end fee and late payment fee.



3.1.PPCR Pledges and Contributions - Summary

In USD millions

STRATEGIC CLIMATE FUND
Table 5: PPCR - Pledges and Contributions
as of September 30, 2019
(in millions)

Contributor	Contribution Type	Currency	in Contribution Currency				in USD eq. a/			
			Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts d/	Total Pledges and Contributions	Pledges outstanding and Contribution Receivable	PNs Outstanding	Cash Receipts d/	Total Pledges and Contributions
Australia	Grant	AUD	-	-	40	40	-	-	33	33
Canada	Grant	CAD	-	-	100	100	-	-	84	84
Denmark	Grant	DKK	27	-	135	162	4	-	24	28
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	-	-	271	271	-	-	394	394
United Kingdom	Grant	GBP	-	-	90	90	-	-	118	118
United States	c/ Grant	USD	-	-	290	290	-	-	290	290
							4	-	1,141	1,145

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of September 30, 2019

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 CTF and SCF is USD 2 billion

d/ Includes cash receipts and encashed promissory notes.

Note: Totals may not add up due to rounding

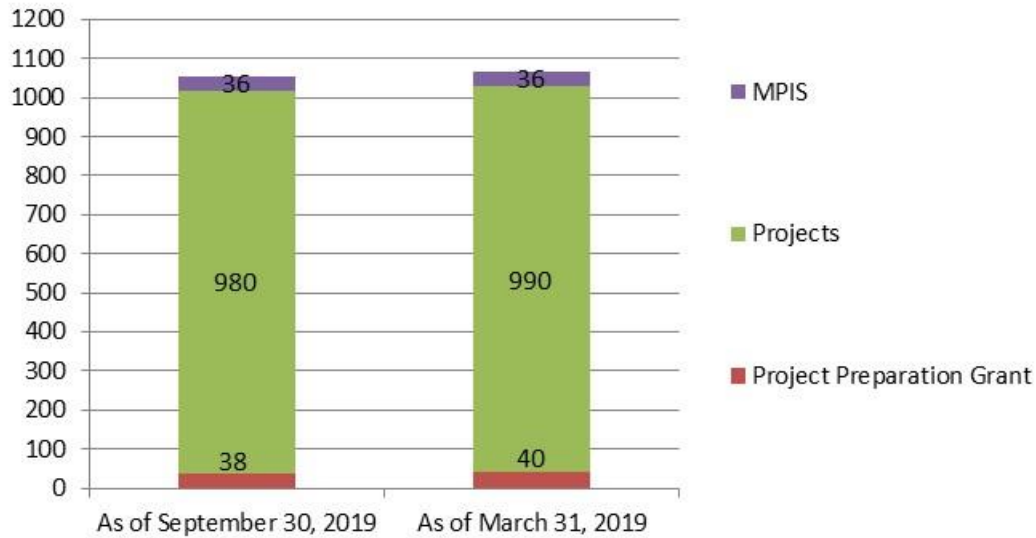


3.2.PPCR Cumulative Net Commitments

In USD millions

PPCR Net Commitments by the Trustee by Activity

The cumulative net commitments under the PPCR as of September 30, 2019 was USD 1.05 billion³.



Note: Totals may not add due to rounding

³ This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee. Project preparation grants includes Investment plan preparation grants.



3.3. PPCR Funds Held in Trust with No Restrictions and Funds Available to support Trustee Commitments

In USD millions

STRATEGIC CLIMATE FUND	
Table 2: Schedule of Funds Available for PPCR	
as of September 30, 2019	
	PPCR
<u>1. Funds held in Trust</u>	215
a. Cash	215
b. Unencashed Promissory Notes a/	-
<u>2. Restricted Funds</u> b/	-
<u>3. Funds held in Trust with no restrictions (3 = 1 - 2)</u>	215
<u>4. Trustee Commitments pending cash transfer</u>	175
a. Projects	174
b. MDB Fees	1
c. Administrative Budget	0.1
<u>5 Funds available to support Trustee Commitments (6 = 3 - 4)</u>	c/ <u><u>40</u></u>
<u>6 Reflows</u>	2
a/ Valued on the basis of exchange rates of September 30, 2019	
b/ Represents amounts withheld to cover the impact of foreign exchange fluctuations on commitments made by the Trustee	
c/ Doesn't include the reserve amount of USD 10.6 million estimated by the CIFAU and Trustee using the 10-year forecast of the admin and country programming budget less the 10-year estimate of Investment Income and reflows.	

4. SREP Summary – Inception through September 30, 2019

In USD millions

SREP TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS		Total	Capital	Grant
<i>Inception through September 30, 2019</i>				
<i>(USD millions)</i>				
Donor Pledges and Contributions				
Contributions		744.4	266.1	478.3
Allocation of Capital to Grants	a/		(24.4)	24.4
Total Pledges and Contributions		744.4	241.7	502.7
Cumulative Funding Received				
Contributions Received				
Cash Contributions		625.9	151.1	474.8
Unencashed Promissory Notes	b/	115.0	115.0	-
Allocation of Capital to Grants from Unencashed Promissory Notes	a/		(24.4)	24.4
Total Contributions Received		740.9	241.7	499.2
Other Resources				
Investment Income earned -up to Feb 1, 2016	c/	9.9		9.9
Other Income		-		
Total Other Resources		9.9		9.9
Total Cumulative Funding Received (A)		750.8	241.7	509.1
Cumulative Funding Commitments				
Projects/Programs		674.2	232.3	441.9
MDB Project Implementation and Supervision services (MPIS) Costs		22.1	-	22.1
Administrative Expenses-Cumulative to 1st Feb 2016	c/	14.2	-	14.2
Country Programming Budget expense from 1st Jan 2018	c/	0.3		0.3
Total Cumulative Funding Commitments		710.9	232.3	478.6
Project/Program, MPIS and Admin Budget Cancellations	d/	(69.8)	(35.5)	(34.3)
Net Cumulative Funding Commitments (B)		641.1	196.8	444.3
Fund Balance (A - B)		109.7	44.9	64.8
Currency Risk Reserves	e/	(17.2)	(13.6)	(3.7)
Unrestricted Fund Balance		92.5	31.3	61.1
Future Programming Reserves:				
Admin Expenses-Reserve (includes Country Programming budget/Learning and Knowledge exchange reserve) and for FY 20-28 (net of estimated investment income and reflows).Breakup of various components are provided below. (Model Updated as of December 31,2017)	f/	(31.3)		(31.3)
Subtract				
Administration Expense reserve for CIFAU, MDB & Trustee		USD 37.9 Million		
Country Programming Budget Reserve		USD 1.9 Million		
Learning and Knowledge Exchange Reserve		USD 1.1 Million		
Add				
Estimated Investment Income Share for SREP		USD 9.0 Million		
Projected Reflows		USD 0.6 Million		
Technical Assistance Facility		(1.7)		(1.7)
Unrestricted Fund Balance (C) after reserves		59.4	31.3	28.1

In USD millions

SREP TRUST FUND - RESOURCES AVAILABLE for COMMITMENTS				
<i>Inception through September 30, 2019</i>				
<i>(USD millions)</i>				
		Total	Capital	Grant
Anticipated Commitments (FY20-FY21)				
Program/Project Funding and MPIS Costs	g/	149.7	53.5	96.2
Technical Assistance Facility	i/ k/	3.5		3.5
Total Anticipated Commitments (D)		153.2	53.5	99.7
Available Resources (C - D)				
		(93.8)	(22.2)	(71.6)
Potential Future Resources (FY20-FY21)				
Pledges		-		-
Contributions Receivable	h/	3.5		3.5
Release of Currency Risk Reserves	e/	17.2	13.6	3.7
Total Potential Future Resources (D)		20.8	13.6	7.2
Potential Available Resources (C - D + E)				
		(73.0)	(8.6)	(64.4)
Reflows from MDBs	i/	0.01		0.01

a/ Promissory Notes amounting to GBP 19.84 million received as capital contributions are available to finance grants (including administrative costs) according to the terms of the contribution agreements/arrangements. The Promissory Notes are valued as of September 30, 2019 exchange rate.

b/ This amount includes USD equivalent of GBP 93.47 million from the UK.

c/ From Feb 1, 2016, Investment income across all SCF programs has been posted to a notional Admin "account", from which approved Administrative Budget expenses for the Trustee, Secretariat and MDBs are committed. The Country Programming budgets are recorded under individual programs.

d/ This refers to cancellation of program and project commitments approved by the SCF TFC.

e/ Amounts withheld to mitigate over-commitment risk resulting from the effects of currency exchange rate fluctuations on the value of outstanding non-USD denominated promissory notes.

f/ The amount of this reserve is estimated by the CIFAU and Trustee using the 10-year forecast of the Admin Budget less the 10-year estimate of Investment Income and reflows. Pro-rata estimates across three SCF programs are based on the 37% fixed pro rata share of the SREP's cash balance as at December 31, 2017 approved by the SCF TFC on March 8, 2018. The decision reads as "allocate USD 31.6 million from the available grant resources in the SREP Program Sub-Account to finance estimated Administrative Costs from FY19 to FY28, such that the projected, indicative amount of approximately USD 59.6 million in SREP grant resources remains available for allocation to SREP projects". This reserve amount has been reduced by the approved commitment amount of USD 0.3 million for country engagement from January 2018.

g/ Includes both sealed and Reserve pipeline

h/ Contribution Receivable from Denmark is DKK 24.05 million (USDeq. 3.6 million).

i/ The usage of reflow from MDBs are approved by the SCF TFC on March 8, 2018 to cover the shortfall in administrative expenses net of the SCF investment income.

j/ The CTF and SCF Trust Fund Committees agreed on July 20, 2018 to establish the Technical Assistance Facility for Clean Energy Investment Mobilization under the terms of the SCF.

k/ Commitments for the Technical Assistance Facility, as estimated by the CIFAU, will also be funded by contribution receivables.



4.1. SREP Pledges and Contributions –Summary

In USD millions

STRATEGIC CLIMATE FUND
Table 17: SREP - Pledges and Contributions
as of September 30, 2019
(in millions)

Contributor	Contribution Type	Currency	in Contribution Currency				in USD eq. a/			
			Pledges outstanding and		Cash Receipts c/	Total Pledges and Contributions	Pledges outstanding and		Cash Receipts d/	Total Pledges and Contributions
			Contribution Receivable	PNs Outstanding			Contributions Receivable	PNs Outstanding		
Australia	Grant	AUD	-	-	12	12	-	-	12	12
Denmark	Grant	DKK	24	-	72	96	4	-	13	17
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	-	-	802	802	-	-	124	124
Spain	Grant	EUR	-	-	3	3	-	-	4	4
Sweden	Grant	SEK	-	-	305	305	-	-	47	47
Switzerland	Grant	USD	-	-	26	26	-	-	26	26
United Kingdom	Capital	GBP	-	93	111	204	-	115	151	266
United Kingdom	Grant	GBP	-	-	64	64	-	-	84	84
United States	d/ Grant	USD	-	-	50	50	-	-	50	50
							4	115	626	744

a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of September 30, 2019

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

c/ Includes cash receipts and encashed promissory notes.

d/ The total pledge made by the United States to the CTF and SCF is USD 2 billion.

Note: Totals may not add up due to rounding

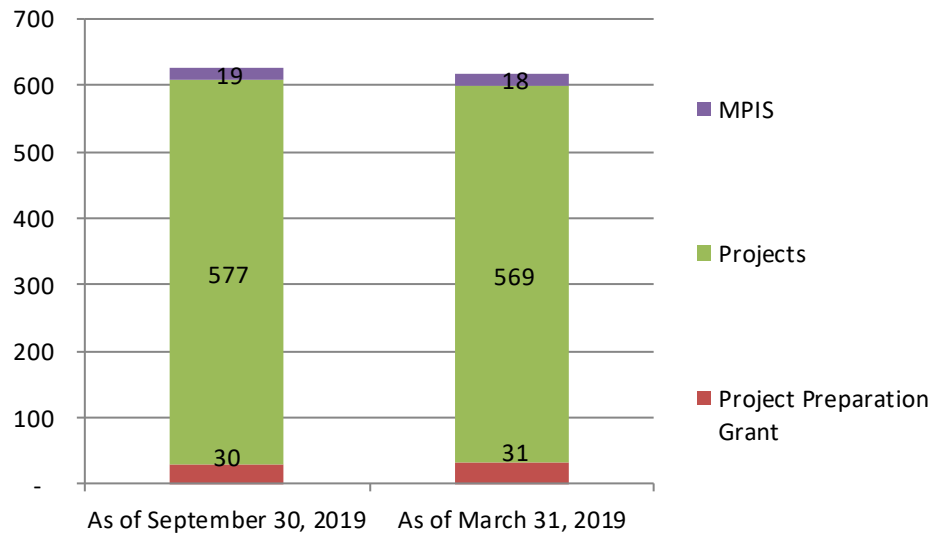


4.2. SREP Cumulative Net Commitments

In USD millions

SREP Net Commitments by the Trustee by Activity

The cumulative commitments under the SREP as of September 30, 2019 are USD 0.63 billion⁴.



Note: Totals may not add due to rounding

⁴ This amount excludes net commitments for SCF administrative budget, including Country Programming budget, approved by the SCF Trust Fund Committee. Project preparation grants includes Investment plan preparation grants.



4.3.SREP Funds Held in Trust with No Restrictions and Funds Available for Trustee Commitments

In USD millions

STRATEGIC CLIMATE FUND		
Table 2: Schedule of Funds Available for SREP		
as of September 30, 2019		SREP
<u>1. Funds held in Trust</u>		547
a. Cash	432	
b. Unencashed Promissory Notes a/	115	
<u>2. Restricted Funds</u> b/		17
<u>3. Funds held in Trust with no restrictions (3 = 1 - 2)</u>		530
<u>4. Trustee Commitments pending cash transfer</u>		438
a. Projects	435	
b. MDB Fees	3	
c. Administrative Budget c/	0.2	
<u>5 Funds available to support Trustee Commitments (6 = 3 - 4)</u>	c/	92
<u>6 Reflows</u>		0.01
<hr/> <p>a/ Valued on the basis of exchange rates of September 30, 2019</p> <p>b/ Represents amounts withheld to cover the impact of foreign exchange fluctuations on commitments made by the Trustee</p> <p>c/ Doesn't include the reserve amount of USD 31.6 million estimated by the CIFAU and Trustee using the 10-year forecast of the admin and country programming budget less the 10-year estimate of Investment Income and reflows.</p>		



5. Overall realized and unrealized gains or losses for the Promissory Notes held in Non-USD currencies.

In USD millions

Donor/Program	Amount in Currency			Amount in USD eq.			Currency Exchange Rate Changes in USD eq.			
	Promissory Note Currency (PN) received	PN Encashment	PN Unencashed	Promissory Note (PN) @Receipt date	PN Encashment (FXR)	PN Unencashed @ September 30, 2019	Realized - PN Encashments	Unrealized- PN Unencashed	Promissory Note vs (Encashments+ unencashed)	
Japan		18,531	18,531	0	229	187	0	-42	0	-42
SCF-PPCR	JPY	9,266	9,266	0	110	103	0	-7	0	-7
SCF-FIP	JPY	5,559	5,559	0	71	51	0	-21	0	-21
SCF-SREP	JPY	3,706	3,706	0	48	34	0	-14	0	-14
United Kingdom		858	585	273	1,336	822	336	-90	-88	-178
SCF-PPCR	GBP	361	361	0	565	512	0	-52	0	-52
SCF-FIP	GBP	223	43	180	344	68	221	1	-57	-55
SCF-SREP	GBP	268	175	93	419	235	115	-37	-32	-69
SCF-EVLR	GBP	6	6	0	9	8	0	-2	0	-2
Grand Total					1,566	1,009	336	-132	-88	-220



6. Admin Account Summary – Feb 1, 2016 through September 30, 2019

in USD millions

ADMIN Account - RESOURCES AVAILABLE for COMMITMENTS

Inception through September 30, 2019

(USD millions)

As of September 30, 2019

		Total
Donor Pledges and Contributions		
Contributions	a/	7.7
Total Pledges and Contributions		7.7
Cumulative Funding Received		
Contributions Received		
Cash Contributions	a/	7.7
Unencashed promissory notes		-
Total Contributions Received		7.7
Other Resources		
Investment Income earned	b/	84.1
Other income		7.1
Total Other Resources		91.2
Total Cumulative Funding Received (A)		98.9
Cumulative Funding Commitments		
Cumulative Administrative Expenses from Feb 1, 2016 till end FY20	a/	61.7
		61.7
Fund Balance (A - B)	c/	37.2
Unrestricted Fund Balance (C)		37.2

a/ USD 7.7 million has been received as contributions and the total amount is committed between FY17 to FY19 by the trustee for Evaluation and Learning related Admin Expenses

b/ From Feb 1, 2016, Investment income across all SCF programs has been posted to a notional Admin "account", from which approved Administrative Budget expenses for the Trustee, Secretariat and MDBs are committed.