

CLIMATE INVESTMENT FUNDS

CTF/TFC.8/Inf.2
April 20, 2012

Meeting of the CTF Trust Fund Committee
Washington, D.C.
May 3, 2012

TRUSTEE REPORT ON THE FINANCIAL STATUS OF THE CLEAN TECHNOLOGY FUND

I. INTRODUCTION

1. This report provides the Trust Fund Committee of the Clean Technology Fund (CTF) with information on the financial status of the CTF Trust Fund. The paper is divided into six sections. Following the introduction in this Section I, Section II presents the status of contributions to the CTF; Section III discusses the endorsed CTF Investment Plans; Section IV reports on the total funding decisions made by the CTF Trust Fund Committee; Section V shows funding availability of the CTF Trust Fund; and Section VI reports on the update of activities undertaken by the Trustee to manage the CTF Trust Fund. Annex 1, prepared based on information provided by the Multilateral Development Banks (MDBs), presents the status of disbursements made by the MDBs.

II. STATUS OF CONTRIBUTIONS

2. Contributions comprise both pledges and commitments from Contributors. Pledges represent a Contributor's expression of intent to make a contribution and form the basis for the endorsement of CTF Investment Plans by the CTF Trust Fund Committee, as further discussed in the next section. Pledges are converted to "commitments" by way of a countersigned Contribution or Loan Agreement/Arrangement. Table 1 presents the contributions to the CTF, broken down into pledged and committed amounts in the pledge currency. Since last reported, Canada signed a Loan Contribution Arrangement with the Trustee in the amount of CAD 200 million (payable in US dollars). Also, the United Kingdom made an additional contribution of GBP 133 million as part of the U.K.'s Fast Start commitment. The total contributions to the CTF now amount to USD eq. 5.0 billion, valued at the exchange rates available on the date of the Climate Investment Funds (CIF) pledging meeting. The current value of the contributions amounts to USD eq. 4.8 billion as of March 31, 2012 (a difference of USD eq. 179 million due to exchange rate movements). Total receipts to the CTF Trust Fund amount to USD eq. 3.4 billion. Pledges and unpaid donor commitments amount to USD eq. 1.4 billion.

CLEAN TECHNOLOGY FUND									
Table 1: Contributions									
as of March 31, 2012									
(in millions)									
Contributor	Contribution Type	Currency	Contribution Amounts			Historical Value of Total Contribution in USD eq. a/ (1)	Current Value of Total Contribution in USD eq. b/ (2)	FX changes (3) = (2) - (1)	Receipts in USD eq. b/
			Pledged	Committed	Total				
Australia	Grant	AUD	-	100	100	84	86	2	86
Canada	Loan	CAD	-	200	200	193	201	7	-
France	Loan	EUR	-	203	203	300	271	(29)	271
Germany	c/ Loan	EUR	-	500	500	739	615	(124)	615
Japan	d/ Grant	USD	-	1,000	1,000	1,000	1,128	128	761
Spain	Capital	EUR	-	80	80	118	110	(8)	70
Sweden	Grant	SEK	-	600	600	92	80	(13)	80
United Kingdom	e/ Capital	GBP	-	518	518	964	823	(141)	823
United States	f/ Grant	USD	823	669	1,492	1,492	1,492	-	669
						4,984	4,805	(179)	3,375

a/ Represents pledges valued on the basis of exchange rates as of September 25, 2008, the CIF official pledging date.
b/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2012.
c/ The EUR 500 million pledge was committed in USD in the amount of USD eq. 615 million.
d/ The USD 1 billion pledge was committed in JPY in the amount of JPY eq 93 billion.
e/ Amount pledged under the Strategic Climate Fund and allocated to the Clean Technology Fund. Additional contribution of GBP 133 million was made as part of the UK's Fast Start commitment.
f/ The total pledge made by the United States to the CIFs is USD 2 billion; the allocation across the programs is indicative.

3. Contributors may make a contribution to the CTF in the form of a: (a) Grant Contribution, (b) Capital Contribution, or (c) Loan Contribution. Grant or Capital Contributions to the Trust Fund may be paid by cash or, with the Trustee's agreement, promissory notes payable on demand or similar obligations in a form acceptable to the Trustee in accordance with the terms of the Contribution Agreements/Arrangements with the Trustee. Loan Contributions are paid in cash in accordance with the terms of the Loan Agreement/Arrangement with the Trustee.

4. Table 2 shows the receipts on committed amounts from Contributors to the CTF Trust Fund as of September 30, 2011 and March 31, 2012. Between September 30, 2011 and March 31, 2012, the Trustee received approximately USD eq. 396¹ million, bringing total receipts from contributors to USD eq. 3.4 billion as of March 31, 2012.

CLEAN TECHNOLOGY FUND								
Table 2: Status of Contributions and Receipts								
as of March 31, 2012								
(in millions)								
Contributor	Contribution Type	Currency	As of March 31, 2012			As of September 30, 2011		
			Committed	Receipts (Curr)	Receipts (USD)	Committed	Receipts (Curr)	Receipts (USD)
Australia	Grant	AUD	100	100	86	100	100	86
Canada	Loan	CAD	200	-	-	-	-	-
France	Loan	EUR	203	203	271	203	203	274
Germany	Loan	USD	615	615	615	615	615	615
Japan	Grant	JPY	92,655	62,542	761	92,655	62,542	774
Spain	Capital	EUR	80	50	70	80	50	70
Sweden	Grant	SEK	600	600	80	600	500	66
United Kingdom	Capital	GBP	518	518	823	385	385	610
United States	Grant	USD	669	669	669	485	485	485
					3,375			2,979

III. CTF Investment Plans endorsed by the CTF Trust Fund Committee

5. CTF Investment Plans, developed under the leadership of the relevant government, outline the proposed use of CTF resources in recipient countries through a joint MDB program. Investment Plans are submitted to the CTF Trust Fund Committee to endorse the further development of activities for CTF financing and to facilitate prioritization of projects in the pipeline. The value of the amounts pledged to the CTF forms the basis for endorsement of Investment Plans by the CTF Trust Fund Committee. As noted in Table 1, the current value of CTF contributions as of March 31, 2012 is USD eq. 4.8 billion. The Trustee uses the value of the pledges to keep track of the surplus or the shortfall as described below.

6. To date, the CTF Trust Fund Committee has endorsed 15 Investment Plans for a total amount of proposed CTF funding of USD 5.2 billion (see Table 3), of which USD 1 billion which was endorsed for the Investment Plans for Nigeria and India is contingent upon the availability of funds beyond what is planned for in the current pipeline. Between September 30, 2011 and March 31, 2012, USD 229 million was approved for CTF projects bringing total

¹ Amount net of foreign exchange movements

project approvals to USD 1.9 billion as of March 31, 2012.² Chart 1 illustrates the percentage breakdown of approved projects by country/region. Chart 2 shows the comparison of CTF approved projects and pipeline by country/region.

CLEAN TECHNOLOGY FUND						
Table 3: Investment Plan Balance						
as of March 31, 2012						
(in USD millions)						
Total Pledged Amount a/	4,805					
(-) Investment Plans Endorsed	5,245					
(-) Budgets Approved	25					
(+) Investment Income	42					
Balance for new IPs	(422)					
Country/Region	As of March 31, 2012		As of September 30, 2011		Change since last report	
	(a)		(b)		(a) - (b)	
	Amount Endorsed	Projects Approved	Amount Endorsed	Projects Approved	Amount Endorsed	Projects Approved
Colombia	150	38	150	38	-	-
Egypt	300	151	300	151	-	-
India	775	-	b/	-	775	-
Indonesia	400	125	400	125	-	0
Kazakhstan	200	73	200	66	-	7
Mexico	500	414	500	343	-	71
Middle East and North Africa	750	198	750	198	-	-
Morocco	150	125	150	-	-	125
Nigeria	250	-	b/	250	-	-
Philippines	250	32	250	30	-	2
South Africa	500	450	500	450	-	-
Thailand	170	70	300	70	(130)	-
Turkey	250	172	250	172	-	-
Ukraine	350	50	350	28	-	22
Vietnam	250	32	250	31	-	1
Total	5,245	1,929	4,600	1,701	645	229
a/ Represents realized amounts plus unrealized amounts valued on the basis of exchange rates as of March 31, 2012.						
b/ Endorsed subject to the availability of funds beyond what is planned for in the current pipeline.						

² Project approved amounts include project preparation grants and associated fees.

Chart 1: CTF approved projects by country/region

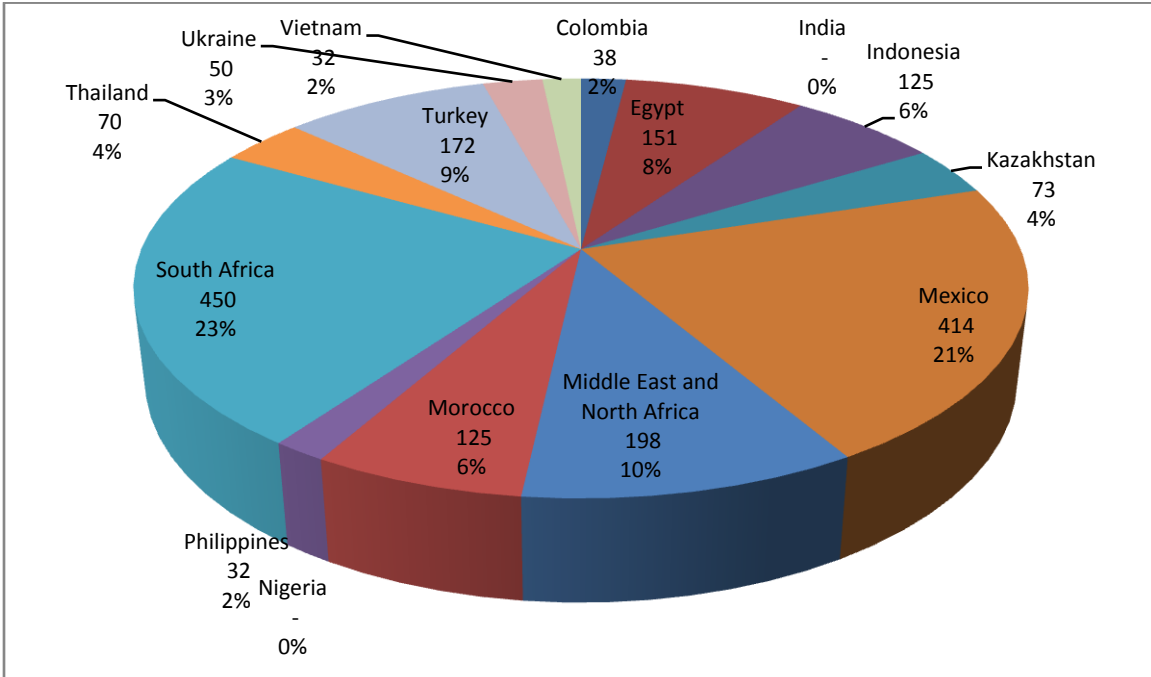
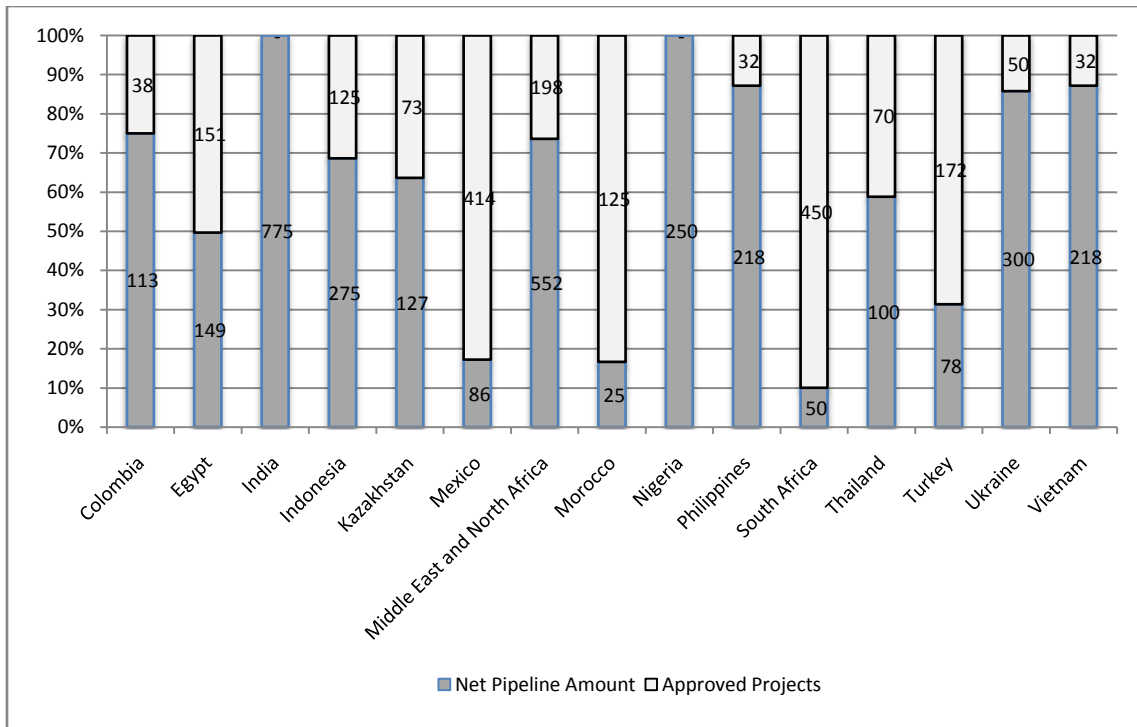


Chart 2: CTF approved projects and net pipeline comparison by country/region



IV. Funding Decisions

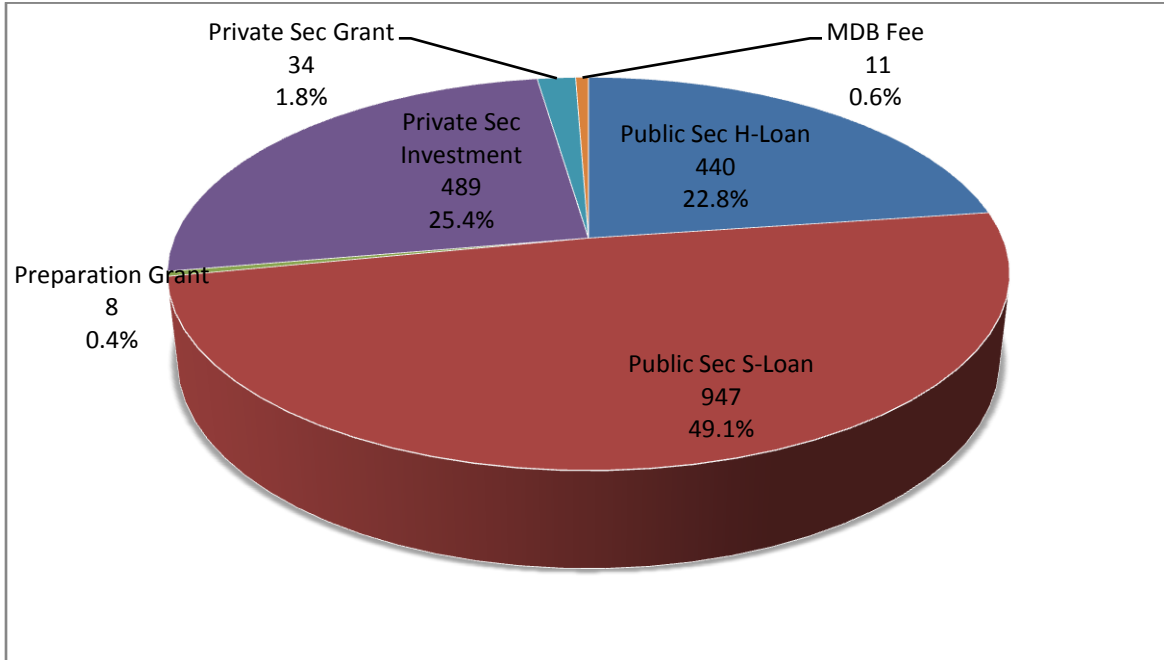
7. The cumulative funding decisions for projects included in the endorsed Investment Plans and administrative budgets made by the CTF Trust Fund Committee as of March 31, 2012 amount to USD 1.9 billion, an increase of USD 229 million since September 30, 2011 (see Tables 3 and 4). Of the amount of endorsed Investment Plans of USD 5.2 billion, the CTF Trust Fund Committee approved funding totaling USD eq. 1.9 billion, representing 37% of the total endorsed amount.³ Table 4 also shows the breakdown of the project approvals by MDB. The project proposals pending approval as of March 31, 2012 or those submitted to the CTF Trust Fund Committee after March 31, 2012 are not included in the table. The breakdown of the cumulative funding decisions by financing type⁴ is shown in Chart 3.

CLEAN TECHNOLOGY FUND		
Table 4: Cumulative Funding Decisions		
Inception to March 31, 2012		
(in USD millions)		
	<u>As of March 31, 2012</u>	<u>As of September 30, 2011</u>
Projects and Fees	<u>1,929</u>	<u>1,701</u>
ADB	3	1
AfDB	377	252
EBRD	171	143
IBRD	975	972
IDB	174	104
IFC	229	229
Administrative Budget	<u>25</u>	<u>25</u>
Total	1,954	1,726

³ Of the total endorsed amount of USD 5.2 billion USD 1 billion was endorsed subject to availability of funds.

⁴ Public sector harder concessional loan (H-Loan) has terms of 0.75% interest, 20 years maturity and 10 years grace on principal repayments; public sector softer concessional loan (S-Loan) has terms of 0.25% interest, 40 years maturity and 10 years grace on principal repayments.

Chart 3: Funding Decisions by Financing Type (USD millions)



V. Funding Availability

8. Table 5 shows the Funds held in Trust for the CTF as of September 30, 2011 (USD eq. 2.6 billion) and March 31, 2012 (USD eq. 2.9 billion), based on the cumulative receipts and cash transfers since inception. This amount is brought forward to Table 6 to calculate the Funding Availability for the CTF Trust Fund. Funding Availability for the CTF Trust Fund refers to Funds held in Trust with no restrictions less (a) funding decisions pending cash transfers; and (b) amounts pending decision by the CTF Trust Fund Committee. Accordingly, the net funding availability in the CTF Trust Fund to support the funding decisions of the CTF Trust Fund Committee as of March 31, 2012 amounts to USD eq. 1.4 billion.

CLEAN TECHNOLOGY FUND			
Table 5: Schedule of Receipts and Cash Transfers			
Updated as of March 31, 2012			
(in USD eq. millions)			
	<u>As of March 31, 2012</u>	<u>As of September 30, 2011</u>	
<u>1. Cumulative Receipts</u>	3,418	3,010	
a. Cash receipts and encashed promissory notes	2,945	2,428	
b. Unencashed promissory notes a/	431	551	
c. Investment income earned on undisbursed balance	42	31	
d. Reflows	0	0	
<u>2. Cumulative Cash Transfers</u>	500	384	
a. Projects	459	349	
b. Project Fees	10	8	
c. Administrative Budget	22	22	
d. Principal Repayments and Interest Payments	9	6	
<u>3. Funds held in Trust (3 = 1 - 2)</u>	<u>2,917</u> a/ b/	<u>2,626</u> a/ c/	

a/ Valued on the basis of exchange rates as of March 31, 2012
b/ Includes a balance of EUR 181 million
c/ Includes a balance of EUR 181 million

CLEAN TECHNOLOGY FUND			
Table 6: Schedule of Funds Available			
Updated as of March 31, 2012			
(in USD eq. millions)			
	<u>As of March 31, 2012</u>	<u>As of September 30, 2011</u>	
<u>1. Funds held in Trust</u>	2,917	2,626	
a. Cash and Investments	2,487	2,075	
b. Unencashed Promissory Notes	431	551	
<u>2. Financial Reserve a/</u>	82	100	
<u>3. Funds held in Trust with no restrictions (3 = 1 - 2)</u>	2,836	2,526	
<u>4. Funding decisions pending cash transfers</u>	1,463	1,347	
a. Projects and Fees	1,459	1,343	
b. Administrative Budget	4	4	
<u>5. Amounts pending CTF Trust Fund Committee funding decisions</u>	-	73	
<u>6. Funds available to support CTF Trust Fund Committee funding decisions (6 = 3 - 4 - 5)</u>	<u>1,373</u> b/ c/	<u>1,107</u> b/ d/	

a/ Represents amount reserved to cover foreign exchange fluctuations and minimum liquidity requirements.
b/ Valued on the basis of exchange rates as of March 31, 2012
c/ Includes funds available of EUR 157 million.
d/ Includes funds available of EUR 172 million.

VI. Update on Trustee Activities

9. **Investment Management:** Table 7 illustrates the composition of instruments in which the CTF Trust Fund portfolio was invested as of March 31, 2012. Cash assets 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. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the World

Bank. The Pool is actively managed so that the probability of incurring negative returns is no more than 1% over the applicable investment horizon.

CLEAN TECHNOLOGY FUND	
Table 7. Asset Mix of the Trust Fund Portfolio	
as of March 31, 2012	
<u>Asset Class</u>	<u>Percentage</u>
Govt	30%
Mortgage-backed Security	15%
Asset-backed Security	4%
Agency	7%
Sovereign/Govt Gtd	11%
Money Markets/Fin. Inst	32%
Corporates	2%
Swap/FX Swap	0%
	<u>100%</u>

10. As of March 31, 2012, the CTF Trust Fund has earned investment income of approximately USD 42 million on the undisbursed balance of the Trust Fund. The investment income return since inception was approximately 3.18%.

11. **Accounting and Reporting:** As communicated to the Trust Fund Committee⁵, as a result of the discussions during the MDB financial consultation meetings and subsequent teleconferences, it was agreed that, while harmonizing accounting treatments as much as possible, all MDBs will apply special purpose accounting basis in preparing the financial statements for the CIFs, in accordance with their own policies, procedures, and practices. A matrix which reflects the accounting treatments discussed and agreed among the MDBs and the Trustee was attached in the email circulated by the CIF Administrative Unit on April 11, 2012. For ease of reference, the matrix is available on the Trustee's website (<http://fifrustee.worldbank.org/>). The CY11 audited financial statements of the CTF and SCF Trust Funds will be available on the Trustee's website as soon as the audit is complete.

⁵ See email from CIF Administrative Unit dated April 11, 2012.

ANNEX 1:

Disbursement Report as of December 31, 2011

1. The attached CTF Disbursement Report was prepared by the Trustee based on the information provided by the MDBs as of December 31, 2011, and was circulated to the Trust Fund Committee by mail on March 7, 2012.
2. The next report will be prepared as of June 30, 2012, and circulated to the Trust Fund Committee by mail.

CLIMATE INVESTMENT FUNDS

March 6, 2011

CLEAN TECHNOLOGY FUND (CTF): DISBURSEMENT REPORT

(as of December 31, 2011)

Introduction

1. This *CTF Disbursement Report* was prepared by the Trustee based on the information provided by the MDBs as of December 31, 2011, and is being disseminated and posted on the CIF website as agreed by the CIF governing bodies in November 2010.
2. As agreed in the June 2011 meetings of the CIF governing bodies, the MDBs will make efforts to provide in future reports more detailed information on disbursements, including disbursements by MDBs at the project and country levels for public sector projects and programs and more qualitative information on the nature and progress of disbursing funds under private sector programs when confidentiality requirements do not permit public release of quantitative information.

Table 1: Disbursements by MDB (USD mil) a/

MDBs	Funding Approved by Committee	Trustee Transfers to MDBs	Disbursements by MDB		Disbursement Rate (%)
			as of Dec 31, 2011	as of June 30, 2011	
AfDB	376.1	2.0	-	-	0%
ADB	2.0	2.0	-	-	0%
EBRD	141.0	89.0	50.7	41.5	57%
IDB	171.7	30.3	30.1	30.1	99%
IFC	223.9	54.6	36.8	32.0	67%
IBRD	975.0	153.5	93.2	68.5	61%
Total	1,889.7	331.4	210.8	172.0	64%

a/ Includes both public and private sector operations.

Table 2: Disbursements by Country (USD mil) a/

Country	Funding Approved by Committee	Disbursements by MDB	
		as of Dec 31, 2011	as of June 30, 2011
Colombia	37.0	1.1	1.1
Egypt	151.0	-	-
Indonesia	125.0	-	-
Kazakhstan	64.8	2.5	-
MENA	198.0	-	-
Mexico	410.9	49.6	45.1
Morocco	125.0	-	-
Philippines	31.1	0.8	-
South Africa	448.2	-	-
Thailand	69.0	-	-
Turkey	170.4	151.9	125.0
Ukraine	28.0	-	-
Vietnam	31.4	0.9	0.9
Total	1,889.7	210.8	172.0

a/ Includes both public and private sector operations.

Table 3: Disbursements by Projects - Public Sector (USD mil) a/

MDBs	Country	Projects	Committee Approval Date	MDB Board Approval Date b/	Funding Approved by Committee	Disbursements by MDB	
						as of Dec 31, 2011	as of June 30, 2011
IBRD	Turkey	Private Sector Renewable Energy and Energy Efficiency Project	3/13/2009	5/28/2009	100.0	88.8	68.5
IBRD	Mexico	Urban Transport Transformation Program	10/14/2009	3/25/2010	200.0	4.5	-
IBRD	Egypt	Wind Power Development Project	5/7/2010	6/15/2010	149.8	-	-
IBRD	Egypt	Wind Power Development Project - Grant	5/7/2010	6/15/2010	0.3	-	-
IBRD	Mexico	Efficient Lighting and Appliances Project	9/2/2010	11/23/2010	50.0	-	-
IBRD	Indonesia	Geothermal Clean Energy Investment Project	12/22/2010	7/26/2011	125.0	-	-
AfDB	South Africa	Eskom Renewables Support Project	5/12/2011	5/30/2011	100.0	-	-
IBRD	South Africa	Eskom Renewables Support Project	5/12/2011	10/27/2011	250.0	-	-
IBRD	MENA	Ouarzazate I Concentrated Solar Power Project (Morocco)	6/22/2011	11/17/2011	97.0	-	-
AfDB	MENA	Ouarzazate I Concentrated Solar Power Project (Morocco)	6/22/2011	-	100.0	-	-
IDB	Colombia	Strategic Public Transportation Systems (SETP) Program	8/19/2011	7/14/2011	20.0	-	-
IDB	Mexico	Renewable Energy Program Proposal III	10/13/2011	11/17/2011	70.0	-	-
IDB	Mexico	Renewable Energy Program Proposal III - Grant	10/13/2011	-	0.3	-	-
IDB	Mexico	Renewable Energy Program Proposal III - Knowledge Management	10/13/2011	-	0.3	-	-
AfDB	Morocco	One Wind Energy Plan	11/2/2011	-	125.0	-	-
Project Preparation Grant							
AfDB	Egypt	200 MW Wind Farm in the Gulf of Suez	11/17/2010	N/A	1.0	-	-
AfDB	MENA	Kom Ombo Concentrated Solar Power Project in Egypt	7/27/2011	N/A	1.0	-	-
ADB	Vietnam	Strengthening Sustainable Urban Transport for Ha Noi Metro Line 3 Project	9/22/2011	N/A	1.0	-	-
ADB	Vietnam	Sustainable Urban Transport for Ho Chi Minh City MRT Line 2 Project	10/3/2011	N/A	1.0	-	-
IBRD	Ukraine	Energy Efficiency Project (UEEP)	10/20/2011	N/A	1.0	-	-
IBRD	Philippines	Philippines Renewable Energy	11/10/2011	N/A	1.0	-	-
IBRD	Philippines	Philippines Cebu Bus Rapid Transit (BRT) Demonstration Project	12/1/2011	N/A	1.0	-	-

a/ Private sector project-specific disbursements are not publicly available.

b/ MDB Board approval is not applicable to project preparation grants.

Chart 1: Disbursement Summary by MDB (USD mil)

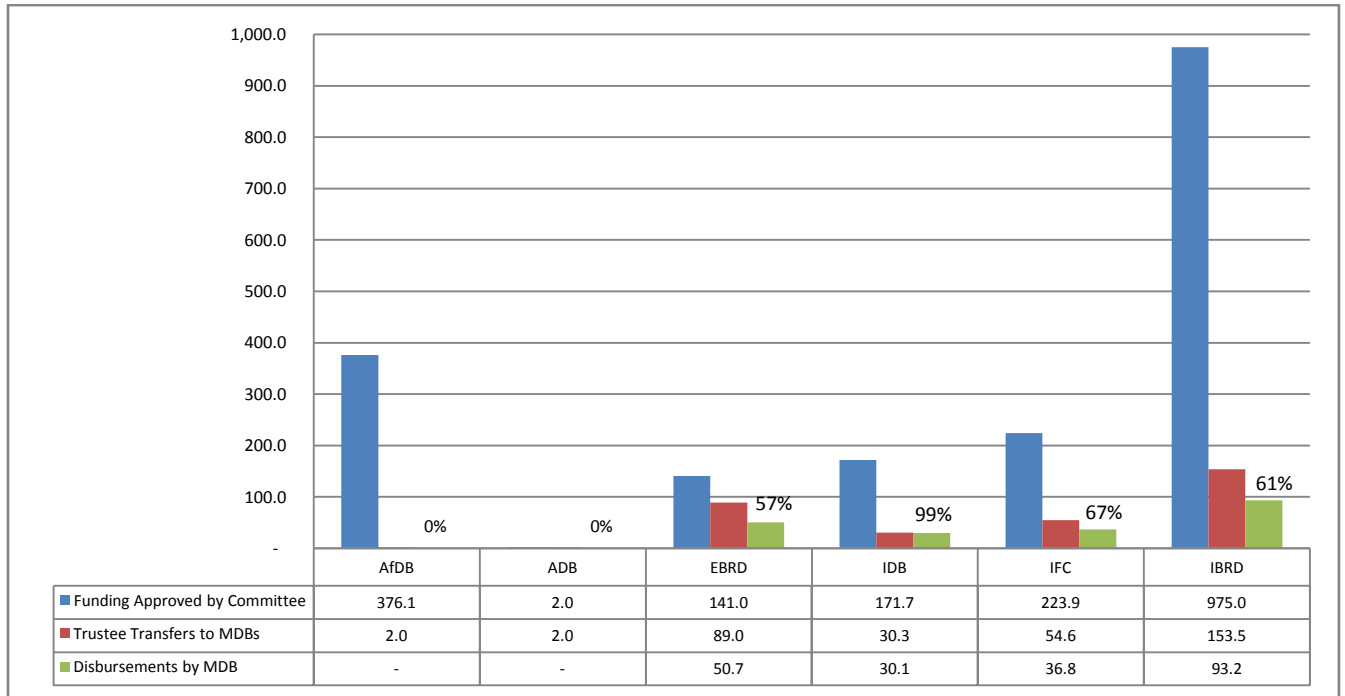


Chart 2: Disbursement Summary by Country (USD mil)

