

Financial Trends of World Bank Financial Intermediary Funds, FY13–FY17

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5.1 Overview of Financial Intermediary Funds

Overview of FIFs and Their Cumulative Funding^{149,150,151}

Figure 41: Overview of FIFs and their cumulative funding, as of end-FY17

Fund	FIF Status	Established (FY)	Cumulative Funding (US\$ millions)	% of Total ¹⁵²
Agriculture & Food Security			5,365	6%
Consultative Group on International Agricultural Research (CGIAR)	Active	2006	3,986	4%
Global Agriculture and Food Security Program (GAFSP)	Active	2009	1,278	1%
AgResults Initiative (AGR)	Active	2012	101	0%
Education			2,351	3%
Global Partnership for Education Fund (GPEF)	Active	2012	2,351	3%
Debt Relief			7,023	8%
Debt Relief Trust Fund (DRTF)	Active	1997	7,023	8%
Environment and Climate Change			30,331	34%
Global Environment Facility (GEF)	Active	1991	15,024	17%
Least Developed Countries Fund (LDCF)	Active	2003	1,193	1%
Special Climate Change Fund (SCCF)	Active	2005	346	0%
Adaptation Fund (AF)	Active	2009	640	1%
Climate Investment Funds (CIF)		2009	8,646	10%
<i>Clean Technology Fund (CTF)</i>	<i>Active</i>	<i>2009</i>	<i>5,713</i>	<i>6%</i>
<i>Strategic Climate Fund (SCF)</i>	<i>Active</i>	<i>2009</i>	<i>2,933</i>	<i>3%</i>
Guyana REDD+ Investment Fund (GRIF)	Active	2011	70	0%
Nagoya Protocol Implementation Fund (NPIF)	Active	2011	16	0%
Green Climate Fund Trust Fund (GCF)	Active	2012	4,286	5%
Pilot Auction Facility for Methane and Climate Change Mitigation (PAF)	Active	2015	46	0%
Capacity Building Initiative for Transparency (CBIT)	Active	2017	48	0%
Climate Risk and Early Warning Systems (CREWS)	Active	2016	17	0%
Health			43,683	49%
African Program for Onchocerciasis Control (APOC)	Closed	1974	570	1%
Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)	Active	2002	38,960	43%
International Finance Facility for Immunisation (IFFIm)/GAVI Fund Affiliate (GFA)	Active	2007	2,380	3%
Global Alliance for Vaccines Initiative (GAVI) Fund Trust Fund	Closed	2007	390	0%
Advance Market Commitment (AMC)	Active	2009	1,319	1%

(continues)

149 GAVI Fund Trust Fund and EBSM closed in 2013 and APOC in 2017.

150 For detailed information on all FIFs, visit <http://fiftrustee.worldbank.org>

151 Cumulative Funding (as of June 30, 2017) represents contributions (cash and promissory notes) and other sources of funds, such as Certified Emissions Reductions and bond issuances, excluding investment income. All contributions are reported based on historical values using the date of receipt. For cash receipts, the foreign exchange value is posted when the foreign exchange conversion has been effected. It may also include contribution transfers from other trust funds. Minor double counting may occur. Amounts to donor balance and holding accounts have been excluded.

152 Due to rounding, % of Total Cumulative Funding below 0.5% are displayed as 0%. For instance, AGR% of Total Cumulative Funding was 0.3%.

Fund	FIF Status	Established (FY)	Cumulative Funding (US\$ millions)	% of Total ¹⁵²
Pandemic Emergency Financing Facility (PEF)	Active	2016	65	0%
Infrastructure			69	0%
Global Infrastructure Facility (GIF)	Active	2015	69	0%
Natural Disasters			401	0%
Haiti Reconstruction Fund (HRF)	Active	2010	401	0%
Fragility, Conflict, and Violence			505	0%
EBRD Southern and Eastern Mediterranean Trust Fund (EBSM)	Closed	2012	14	0%
Middle East and North Africa Transition Fund (MENATF)	Active	2013	240	0%
Global Concessional Financing Facility (GCFF)	Active	2017	251	0%
Gender				0%
Women Entrepreneur Finance Initiative (We-Fi) ¹⁵³	Active	2017	—	0%
Total			89,729	100%

FIF Key Statistics

Figure 42: FIF key statistics, FY13–FY17

	FY13	FY14	FY15	FY16	FY17
Number of active FIFs ¹⁵⁴	20	21	22	26	26
Funds held in trust ¹⁵⁵ (US\$ billion)	18.5	19.2	20.3	20.4	21.1
Contributions ¹⁵⁶ (US\$ billion)	7.6	8.3	8.6	6.9	7.1
Transfers ¹⁵⁷ (US\$ billion)	6.3	7.9	7.4	6.2	6.2

¹⁵³ We-Fi was established toward the end of FY17. Contributions to We-Fi were received starting FY18.

¹⁵⁴ The active FIFs category excludes FIFs that were recently closed (GAVI Fund Trust Fund, EBSM, and APOC). Furthermore, in FY18 one new FIF was established which is also excluded.

¹⁵⁵ Funds held in trust include cash, investments, and promissory notes, or similar obligations, received but not encashed.

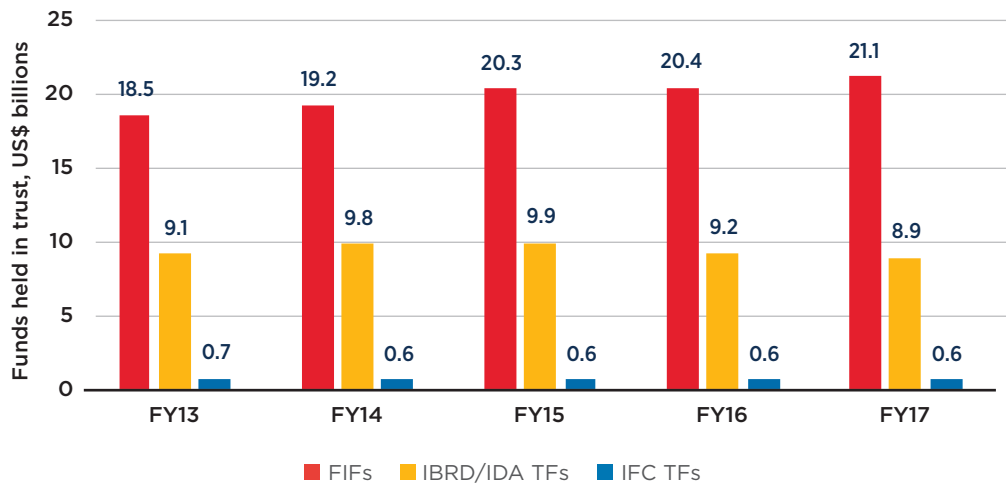
¹⁵⁶ Contributions include contributions or installments provided in the form of cash, promissory notes, or another instrument acceptable to the trustee.

¹⁵⁷ Amount of funds transferred from FIFs for all purposes such as IA, secretariat, etc.

Funds Held in Trust by FIFs, IBRD/IDA Trust Funds, and IFC Trust Funds

The amount held in trust by FIFs continues to increase. In FY17, the FIFs' share of FHIT amounted to 69 percent of the total FHIT by the WBG trust funds and FIFs.

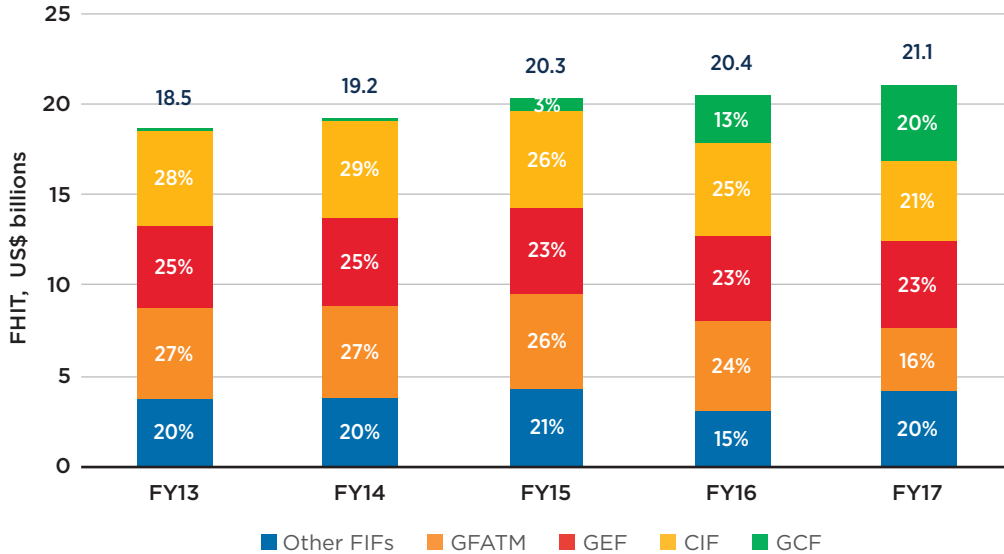
Figure 43: FHIT, FY13–FY17 (US\$ billions)



Funds Held in Trust by the Largest FIFs

FHIT for FIFs increased by 14 percent from \$18.5 billion in FY13 to \$21.1 billion at end of FY17. In FY17, the largest amount of funds were held in FIFs established for the GEF (\$4.9 billion), CIF (\$4.5 billion), GCF (\$4.2 billion), and GFATM (\$3.5 billion). Together the four largest funds held more than 80 percent of the total funds held in trust for FIFs across the five-year period.

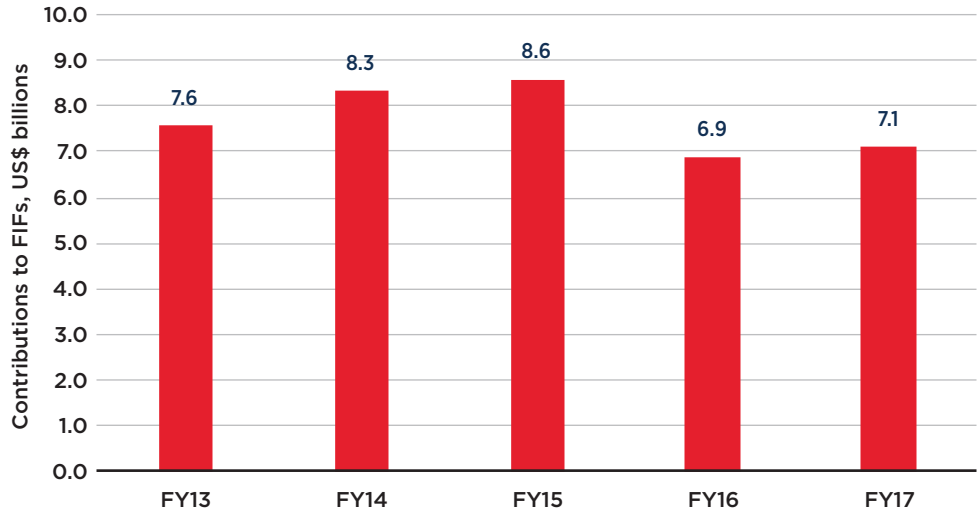
Figure 44: FHIT by largest FIFs (US\$ billions and percentage)



Contributions to FIFs¹⁵⁸

The average annual contributions to FIFs over the FY13–FY17 period were \$7.7 billion with a peak of \$8.6 billion in FY15. The peak is largely due to contributions to GFATM during the first two years of the fourth replenishment cycle (2014–2015) and the onset of the initial resource mobilization of GCF (2015–2018).

Figure 45: Contributions to FIFs, FY13–FY17 (US\$ billions)

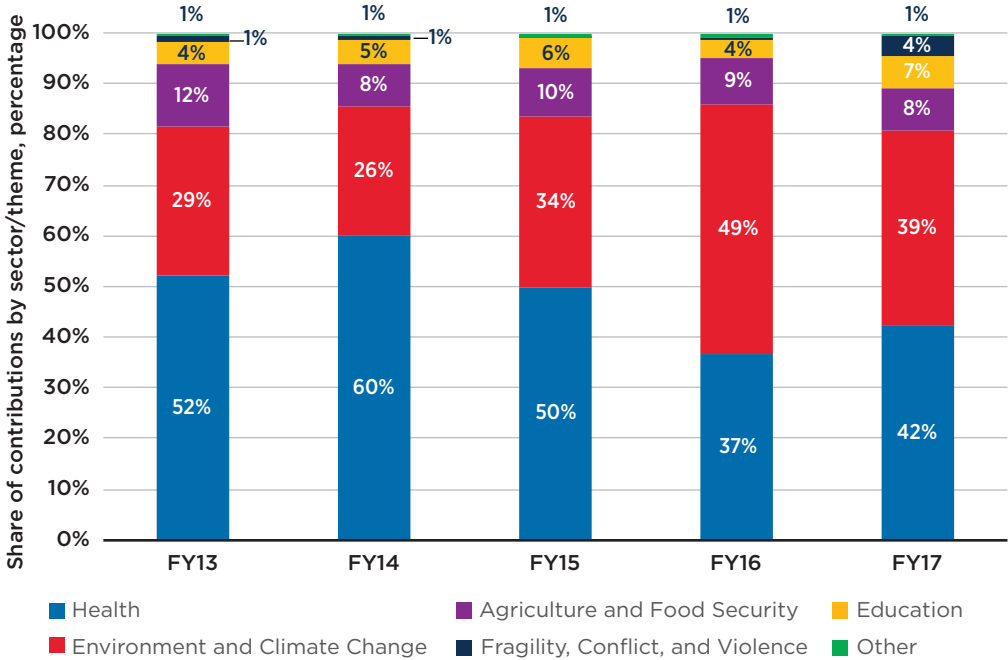


¹⁵⁸ Annual contributions are tied strongly to the replenishment cycles of major FIFs (e.g., GFATM)

Contributions to FIFs by Sector/Theme

In the period from FY13–FY17, FIFs supporting the Health sector received 49 percent of the total contributions to FIFs, and the Environment and Climate Change sector received 35 percent of the total contributions to FIFs. The shares of annual contributions to the two prominent sectors—Health and Environment and Climate Change fluctuated over the five-year period. In FY17, the share of contributions for the two sectors were 42 percent and 39 percent, respectively. The share of contributions to FIFs in the Education sector increased from 4 percent in FY13 to 7 percent in FY17. Similarly, funding for FCV increased from 1 percent to 4 percent.

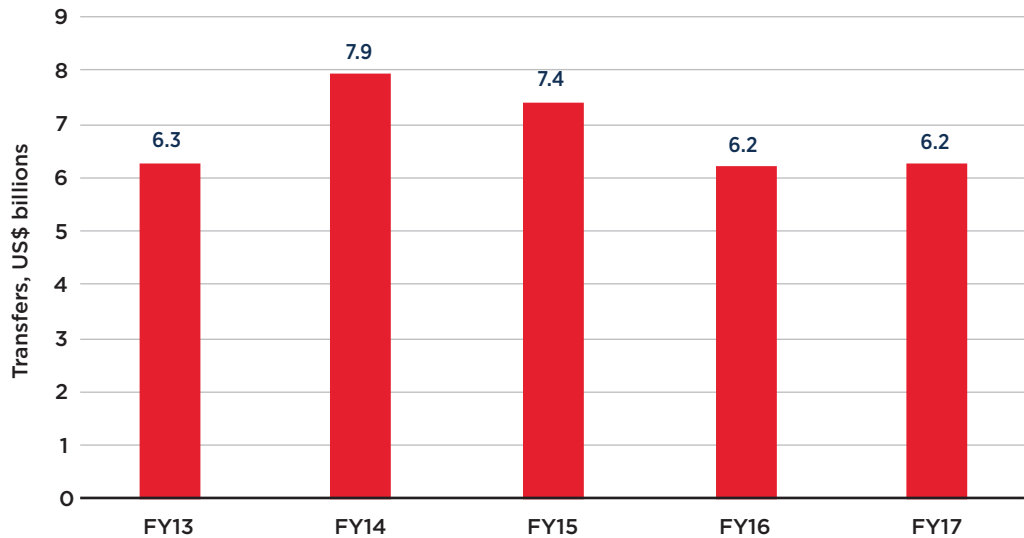
Figure 46: Shares of contributions by sector/theme (percentage)



Transfers from FIFs

FIFs have become significant in the international aid architecture. The average amount of annual transfers from FIFs over the FY13–FY17 period was \$6.8 billion, with a peak at \$7.9 billion in FY14.

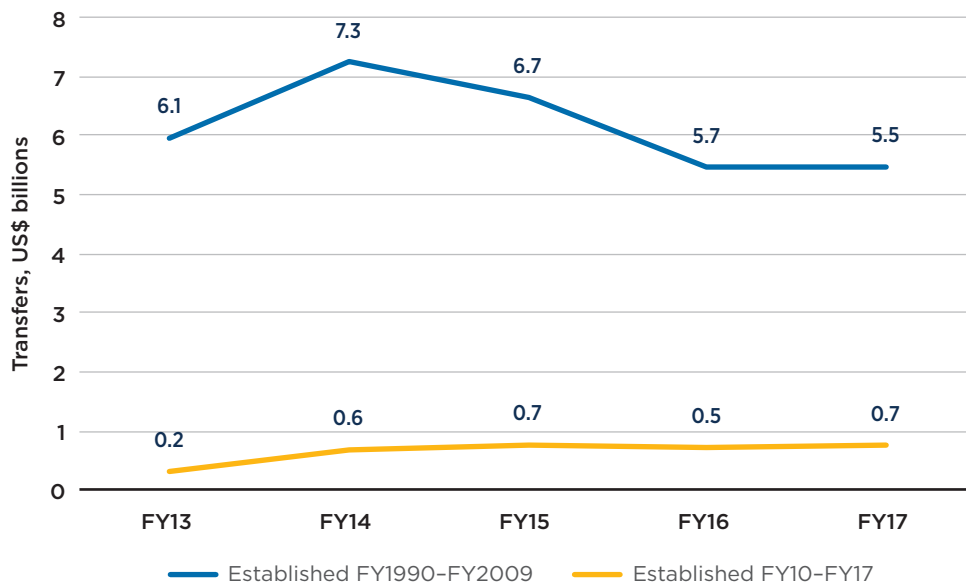
Figure 47: Transfers from FIFs, FY13–FY17 (US\$ billions)



Transfers from Old and New FIFs

Annual transfers from new FIFs are relatively modest compared to transfers from older FIFs. Many new FIFs are relatively small at the time of establishment. There are several steps required by IAs before any transfer can take place, including identification, preparation, and approval of projects and programs according to the policies and procedures of the individual IAs.

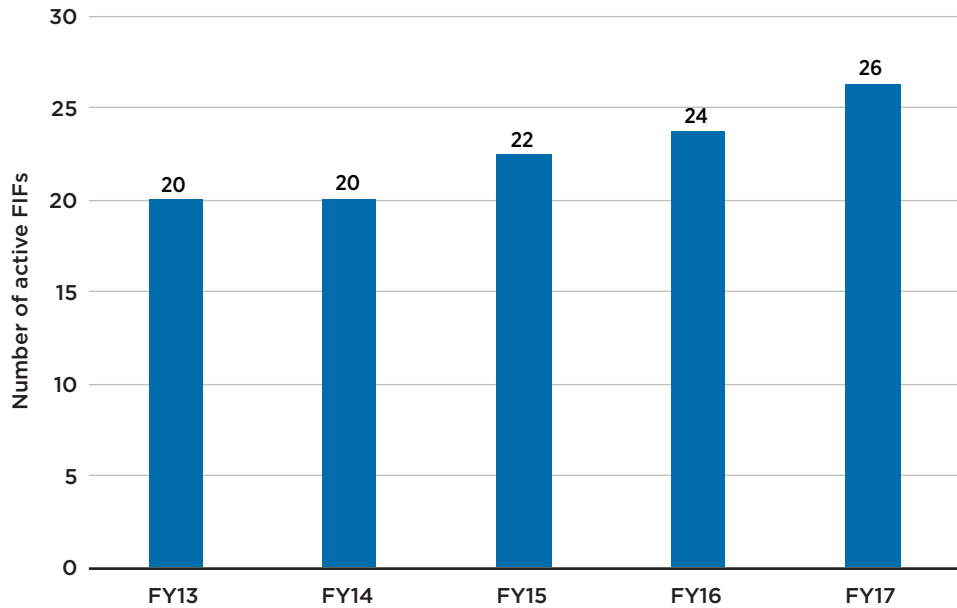
Figure 48: Trends in transfers from old and new FIFs (US\$ billions)



Number of Active FIFs

The number of active FIFs continued to increase during the FY13–FY17 time period and as of end-FY17 there were 26 active FIFs. During the same period of time, three FIFs were closed.¹⁵⁹

Figure 49: Number of active FIFs

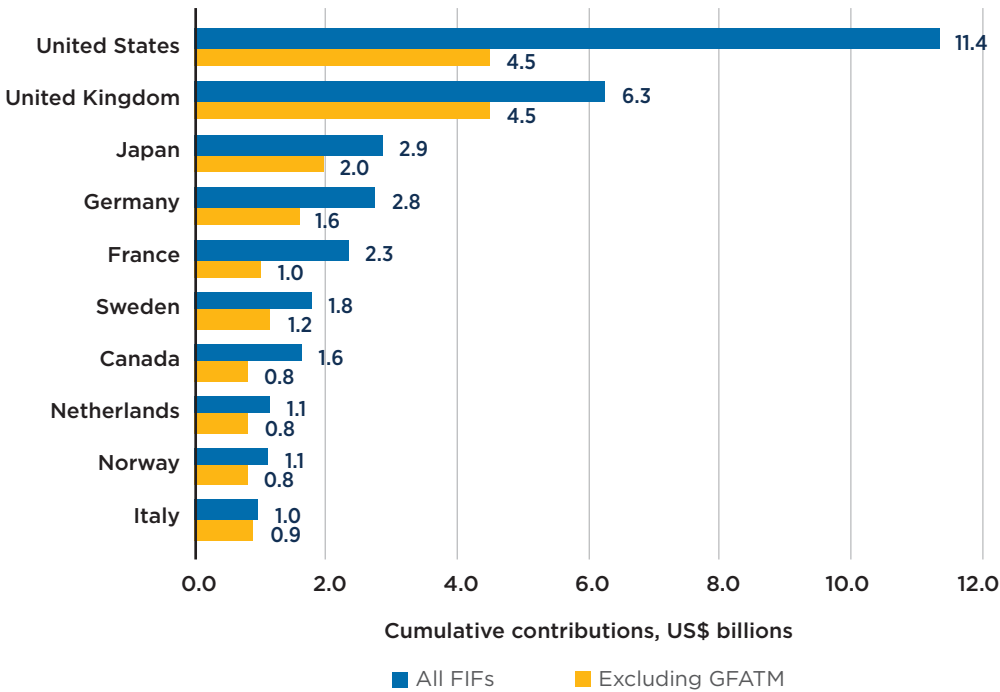


¹⁵⁹ See footnote 154 for three FIFs which were closed between FY13–FY17.

Cumulative Contributions by Top Ten FIF Donors¹⁶⁰

In the five-year period from FY13–FY17, the top 10 donors contributed \$32.3 billion to FIFs, which corresponded to 36 percent of the total of \$89.7 billion in contributions for the same time period. The United States was the largest donor with contributions of \$11.4 billion, followed by the United Kingdom with contributions of \$6.3 billion, and Japan with contributions of \$2.9 billion. Largest contributions from the United States in the period FY13–FY17 were to the GFATM (\$6.9 billion), and the GCF (\$1.0 billion); the largest contributions from the United Kingdom were to the GFATM (\$1.8 billion) and the CTF (\$0.95 billion); and the largest contributions from Japan were to the GFATM (\$0.9 billion) and the GCF (\$0.7 billion).

Figure 50: Cumulative contributions by top ten FIF donors, FY13–FY17 (US\$ billions)

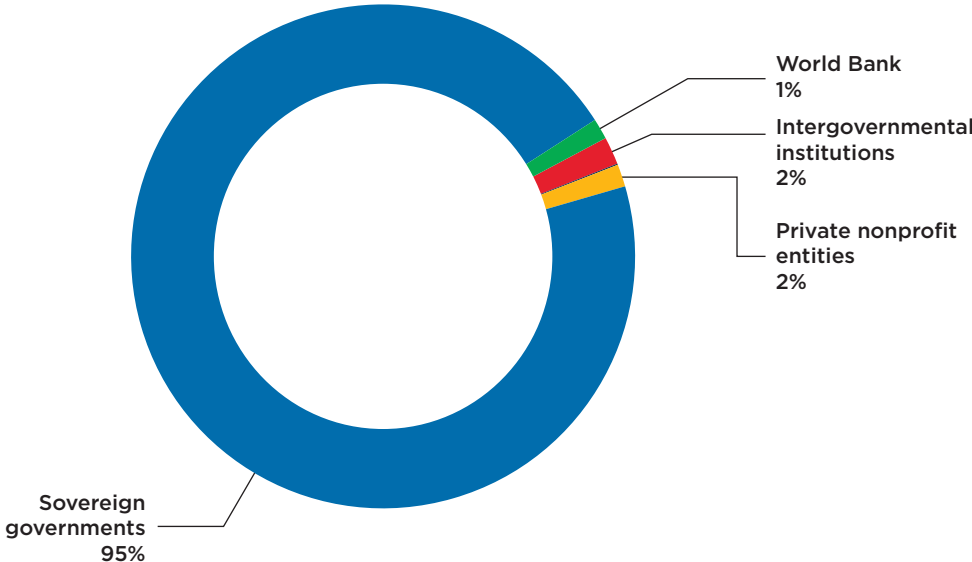


¹⁶⁰ The figure shows cumulative funding with and without funding for GFATM to provide a more detailed view of top ten FIF donors.

Contributions to FIFs by Donor Type¹⁶¹

Sovereign governments remain the largest donors to FIFs, accounting for 95 percent of total contributions received in FY17 (\$5.7 billion). Intergovernmental institutions contributed 2 percent (\$0.1 billion), and private nonprofit entities also contributed 2 percent (\$0.1 billion).^{162, 163}

Figure 51: Contributions to FIFs by donor type, FY17



¹⁶¹ Excluding contributions from the GFATM Secretariat.

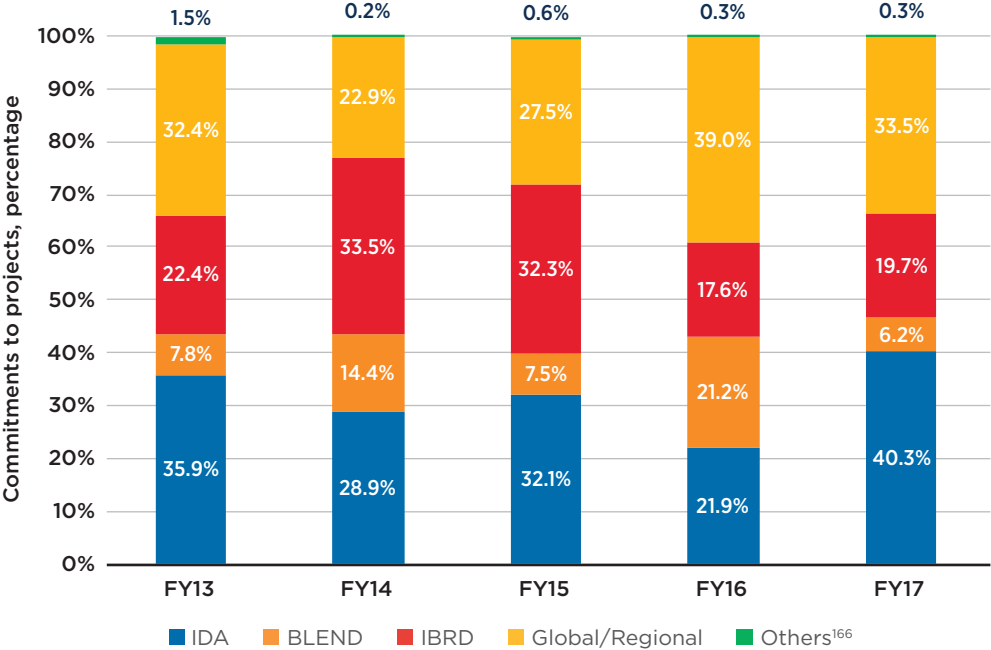
¹⁶² Intergovernmental institutions include organizations such as the European Union and the International Fund for Agricultural Development.

¹⁶³ Private nonprofit entities include private foundations such as the Bill and Melinda Gates Foundation, Dubai Cares, and the United Nations Foundation.

FIF Commitments to Projects by Recipient Group^{164, 165}

Projects based in IDA countries received the largest share of funding from FIFs. Over FY13–FY17, FIFs committed a total of \$5.1 billion to projects in IDA countries, followed by projects that were global/regional in nature (\$4.9 billion). Commitments to projects in IBRD and blend countries over the same period were \$4.2 billion and \$1.9 billion, respectively.

Figure 52: Commitments to projects by recipient country group (percentage)



¹⁶⁴ A commitment is a financial liability created as a result of the approval of funding by a governing body of a FIF or a legally independent secretariat, based on its decision making processes. Commitment data for GFATM, IFFIm, AMC, and DRTF are not part of the World Bank data set and are therefore not included in the chart.

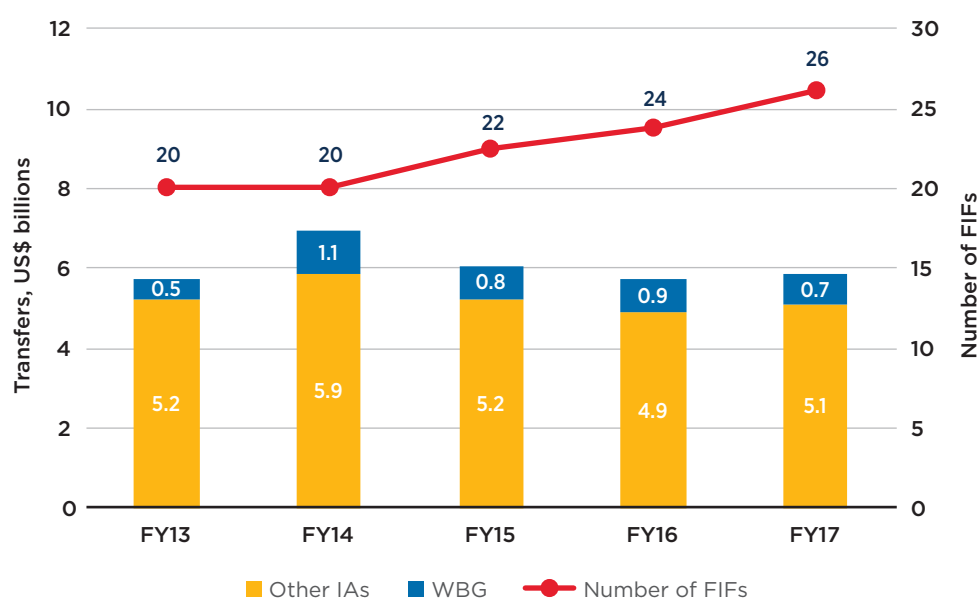
¹⁶⁵ Projects include all implementation activities (projects, programs, etc.). Commitments to secretariats, trustee, and agency fees are excluded.

¹⁶⁶ Others refers to commitments to projects to non-members, such as Cuba and West Bank and Gaza.

WBG as IA for FIFs^{167, 168}

The transfers from FIFs to projects implemented by the WBG was 13 percent of the total transfers from FIFs to all IAs over FY13–FY17 (\$4.0 billion of \$30.3 billion). Transfers to the WBG have declined in absolute terms from a peak of \$1.1 billion in FY14 to \$0.7 billion in FY17. The transfers to the WBG declined by 32 percent from the peak in FY14, while the transfers to other IAs declined by 13 percent during the same period.

Figure 53: Annual transfers, US\$ billions to the WBG as IA and number of active FIFs



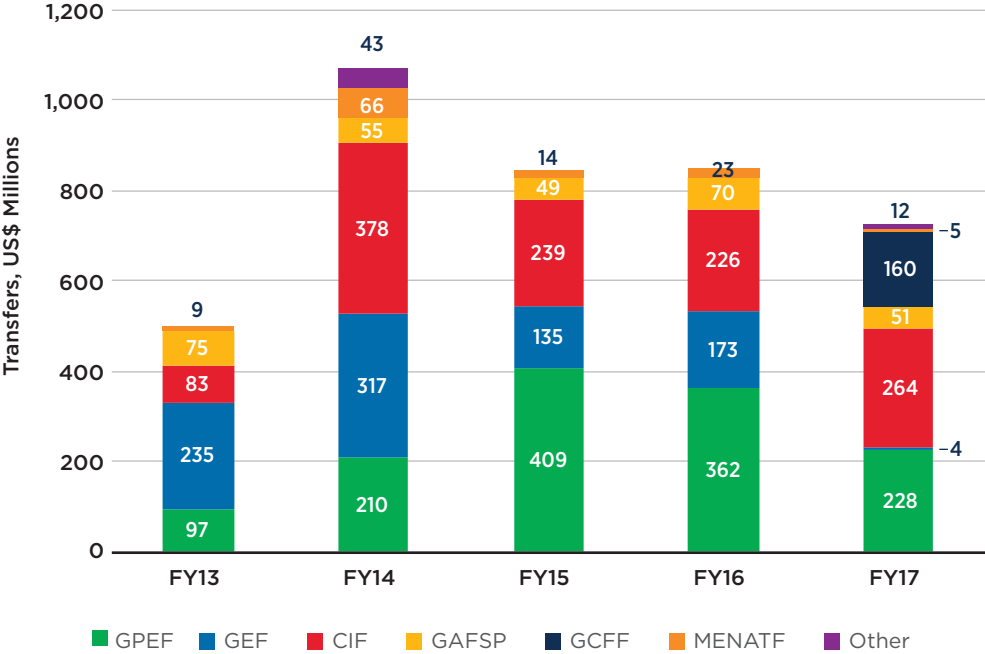
¹⁶⁷ An IA is any implementing partner receiving funds from a FIF, which is responsible for managing those funds for activities as approved by the governing body.

¹⁶⁸ Transfers to IAs include transfers for project preparation, supervision, and project implementation. However, in the case of GFATM, there is a lump sum transfer to the secretariat and the use of the transferred funds is determined by GFATM. The GEF Secretariat acts as an IA for a limited number of projects, i.e., the National Portfolio Formulation Exercises. Transfers to IAs exclude a one-time transfer of \$383 million from GEF to IBRD to cover reevaluation of grants denominated in Special Drawing Rights (from 2004).

Transfers to the WBG as IA, by FIFs

Of the total transfers of \$724 million in FY17 from FIFs to the WBG, the largest amount was from the CIF at \$264 million, followed by GPEF at \$228 million, and the newly established GCFF at \$160 million. On a cumulative basis, over the five-year period FY13–FY17, the World Bank as an IA received the largest amount of transfers from GPEF at \$1.3 billion, followed by CIF at \$1.2 billion, and GEF at \$863 million.

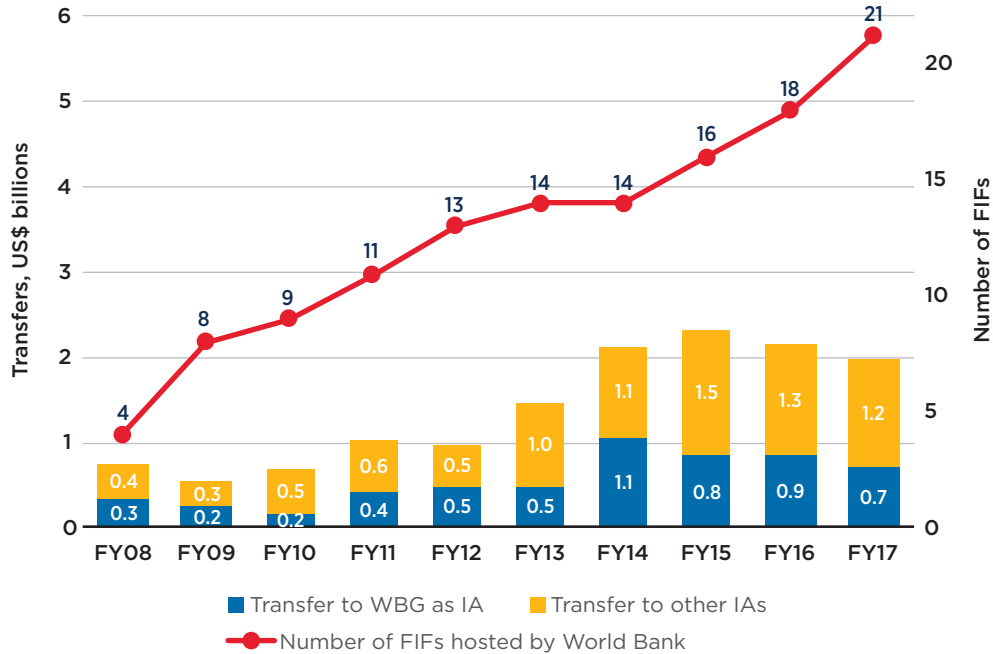
Figure 54: Transfers to the WBG as IA, by FIFs (US\$ millions)



Transfers from FIFs to the WBG as IA and Other IAs where the World Bank is the Secretariat¹⁶⁹

The number of FIFs hosted by the World Bank has tripled from seven to 21 between FY08–FY17, while the amount of funds transferred to the WBG as an IA peaked at \$1.1 billion in FY14 and has since declined, reaching a four-year low at \$0.7 billion in FY17. The increasing number of FIFs raises concerns about the fragmentation of the international aid architecture and the role of multilateral institutions, including the WBG, as each FIF has its own independent governing body.

Figure 55: Annual transfers from FIFs to IAs where the WBG is the secretariat (US\$ billions)

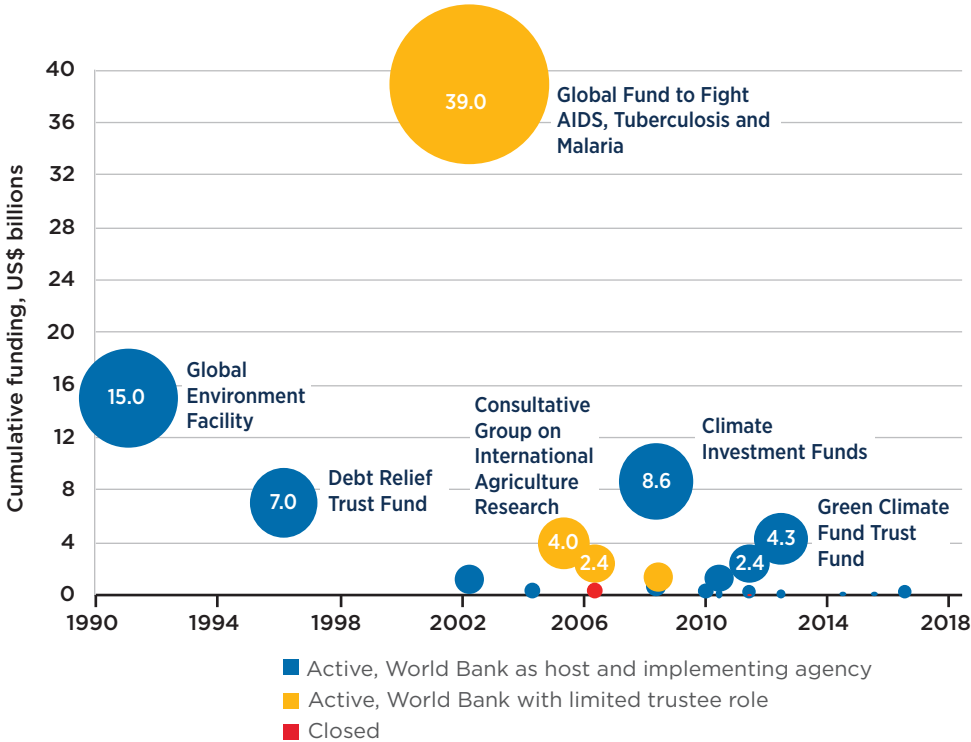


¹⁶⁹ Transfers to IAs include cash transfers for project preparation, supervision, and project implementation to IBRD, IFC, and the GEF Secretariat as a WBG IA. The GEF Secretariat acts as an IA for a limited number of projects, e.g., the National Portfolio Formulation Exercises. A one-time transfer of \$383 million from GEF to IBRD to cover reevaluation of grants denominated in Special Drawing Rights (from 2004) is not included in transfers to IAs.

FIFs by Year of Establishment and Cumulative Funding

This figure shows the accumulated funding for individual FIFs organized under the year of establishment. Recently established FIFs are generally smaller at inception, though few of the 26 FIFs now in existence show cumulative contributions of \$2 billion or more even after five years.¹⁷⁰

Figure 56: FIFs by year of establishment and cumulative funding

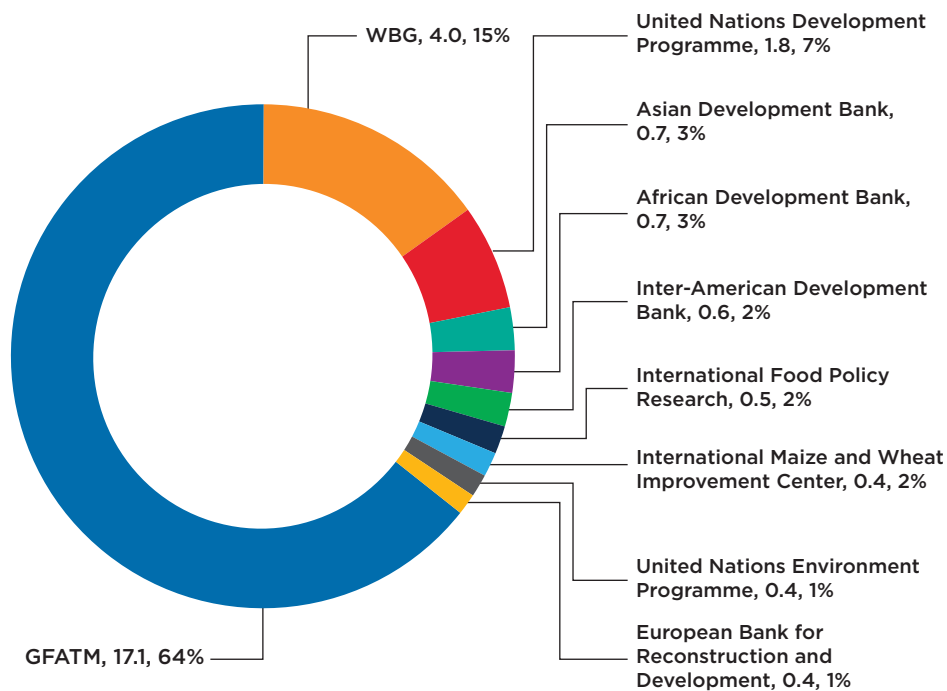


¹⁷⁰ Examples include the GCF and the GPEF.

Transfers to Top Ten IAs

FIFs transferred \$30.3 billion to IAs from FY13–FY17, of which \$26.5 billion was transferred to the ten largest IAs. The GFATM received \$17.1 billion, followed by the WBG (\$4.0 billion), the United Nations Development Programme (\$1.8 billion), and the Asian Development Bank (\$0.7 billion).¹⁷¹

Figure 57: Transfers to top ten IAs, FY13–FY17 (US\$ billions)



¹⁷¹ Refer to footnote 168 for more information on special case of GFATM.