



Fast Track Initiative

A global partnership to achieve Education For All

EFA-FTI CATALYTIC FUND

FINANCIAL UPDATE¹

DECEMBER 31, 2009

Prepared by the FTI Secretariat

¹ Please note that all the figures in this update are as of December 31, 2009. A comprehensive CF Status Report will be prepared for the CF Committee meeting in May 2010.

EFA-FTI Catalytic Fund 2009 End-of-Year Financial Update

1. **Overall disbursement performance.** Disbursements for 2009 totaled US\$222 million; this is only a slight increase compared to 2008 where the disbursements were US\$ 213.9 million. Overall disbursements since the fund's inception amount to US\$689.4 million. (See Table B for more details).
2. **Recently announced pledges not yet signed.** The FTI Secretariat has received written indication from 9 donors for new financial pledges totaling US\$339 million over the 2010-2012/13 period. Converted into US\$ equivalents at exchange rates as of December 31, 2009, these unsigned pledges include Belgium (\$23.4 million); Denmark (\$108 million); France (\$70 million); Germany (\$7.4 million); Japan (\$1.2 million); Italy (\$4.5 million); Norway (\$24 million); Switzerland (\$4.5 million); and UK (\$96 million).
3. **Cash receipts from donors.** Since the inception of the CF trust fund, cumulative cash receipts from donors have reached US\$1,372 million to date. For 2009 Spain accounted for more than half of the cash receipts with receipts amounting to over US\$ 160 million. Taking into account cumulative disbursements till date and investment income earned, the end-of-year cash balance stands at approximately US\$ 750 million.
4. **Status of suspended grants:** There are two grants currently under suspension: US\$ 49.1 million to Madagascar and \$117.8 million to Guinea for a total of \$166.9 million. For Madagascar, a transfer agreement was signed with UNICEF for US\$ 15 million; another \$21 million was cancelled.) A proposal for restructuring the Guinea grant in the amount of US\$117.8 million—with an option for partial cancellation—will be presented for decision at the CF Committee meeting in May 2010.
5. **Expected applications in May 2010.** For the upcoming CF Committee meeting in May 2010, it is projected that six countries will request funding from the CF for a total amount of US\$294 million. These are Djibouti (\$4 million); Ethiopia (\$98 million); Lao PDR (\$29 million); Liberia (\$40 million); Malawi (\$78 million); and Togo (\$45 million).
6. **Expected applications for Fall 2010.** It is projected that five countries will request US\$197 million from the CF. These are Côte d'Ivoire (\$49 million); Guinea-Bissau (\$40 million); Mauritania (\$17 million); Nicaragua (\$23 million) and Rwanda ((\$68 million). A number of additional countries have indicated that they are developing requests, but these countries do not appear on schedule to present those requests at the Fall meeting.
7. **Projected surplus/deficit for 2010 :** Based on information available on the donor pledges and the funding requests received; the projected shortfall for 2010 is expected to be US\$43 million see Table C for details
8. **Projected disbursement:** The Secretariat has recently received from the supervising entities projections for disbursements against current allocations. These are summarized in Table D. In addition the Secretariat has projected the disbursements against the expected applications for May 2010. If the allocations are approved it is projected that about one third of the amount allocated will be disbursed by end 2010. See Table E

Catalytic Fund—Overview and Status
(US\$ million)
(As of December 31, 2009)

TABLE A
Summary of signed donor pledges

	CF Donor Countries	Total 2004- 2007	Calendar Years						Total 2003-2013	CF Donors Receipts
			2008	2009	2010	2011	2012	2013		
1	Australia	-	1.4	10.0	10.0	10.0	-	-	31.4	1.4
2	Belgium	6.5	1.4	1.3	1.4	1.4	-	-	11.9	9.2
3	Canada	17.4	-	8.2	9.5	9.5	9.5	9.5	63.6	25.6
4	Denmark	5.0	14.4	26.7	-	-	-	-	46.1	46.1
5	EU (ACP) Part 1	40.3	24.7	21.3	-	-	-	-	86.3	65.0
6	EU part 2	13.7	6.5	10.5	10.5	-	-	-	41.2	20.2
7	France	-	14.6	8.7	-	-	-	-	23.3	23.3
8	Germany	-	6.2	7.4	6.8	6.8	-	-	27.1	13.6
9	Ireland	19.2	22.1	-	-	-	-	-	41.3	41.3
10	Italy	10.4	4.4	12.6	-	-	-	-	27.4	27.4
11	Japan	-	1.2	1.2	-	-	-	-	2.4	2.4
12	Netherlands	430.5	-	-	40.7	-	-	-	471.2	430.5
13	Norway	61.5	8.6	22.6	-	-	-	-	92.7	92.7
14	Romania	0.5	-	-	-	-	-	-	0.5	0.5
15	Russia	3.0	1.0	2.0	2.0	2.0	-	-	10.0	6.0
16	Spain	80.3	76.9	87.9	81.0	-	-	-	326.1	245.1
17	Sweden	15.7	14.6	15.3	5.5	13.7	-	-	64.8	45.6
18	Switzerland	-	2.5	-	-	-	-	-	2.5	2.5
19	UK	129.1	132.0	12.6	-	-	-	-	273.7	273.7
	TOTAL	833.1	332.5	248.2	167.3	43.3	9.5	9.5	1,643.4	1,372.1

Source: FTI Secretariat.

The FTI Secretariat has received written indication from 9 donors for new financial pledges totaling US\$339 million over the 2010-2012/13 period. These are not included above.

TABLE B
Summary of disbursements as of December 31, 2009

	Beneficiary Countries	Total 2004-2006	Annual Disbursements			Total 2004-2009
			2007	2008	2009	
1	Benin	-	-	-	21.3	21.3
2	Burkina Faso				22.0	22.0
3	Cambodia	-	-	1.0	3.6	4.6
4	Cameroon	-	11.3	11.2	-	22.5
5	CAR				2.9	2.9
6	Djibouti	3.0	3.0	-	2.0	8.0
7	Ethiopia				36.5	36.5
8	Ghana	14.0	5.0	-	8.6	27.6
9	Guinea	-	-	-	-	-
10	Guyana	8.0	4.0	-	6.3	18.3
11	Kenya	24.2	48.4	48.4	-	121.0
12	Kyrgyz Republic	-	0.5	6.3	1.8	8.6
13	Lesotho	1.8	2.4	3.3	1.7	9.2
14	Madagascar	17.0	10.0	33.0	-	60.0
15	Mali	-	-	2.2	2.5	4.7
16	Mauritania	8.0	1.0	-	4.2	13.2
17	Moldova	0.3	1.3	3.4	2.7	7.7
18	Mongolia	-	8.2	8.9	8.0	25.1
19	Mozambique			28.0	30.0	58.0
20	Nicaragua	10.5	3.5	-	10.0	24.0
21	Niger	9.0	-	4.0	-	13.0
22	Rwanda	-	13.0	57.0	-	70.0
23	Sao Tome and Principle	-	-	-	1.2	1.2
24	Senegal	-	-	-	9.3	9.3
25	Sierra Leone	-	-	-	3.0	3.0
26	Tajikistan	3.1	6.0	3.1	5.1	17.3
27	The Gambia	8.0	5.4		6.3	19.7
28	Timor Leste	1.5	2.6	4.1	2.4	10.6
29	Yemen	20.0	-	-	-	20.0
30	Zambia	-	-	-	30.0	30.0
	Total	128.4	125.6	213.9	221.6	689.4

TABLE C
CF projected Surplus (Deficit) for 2010
(In US\$ million)

	<i>From Inception until 2013</i>
1. Total signed pledges	1643
2. Cumulative investment income	66
3. Unsigned donor pledges	339
4. Total resources (1 through 3)	2048
5. Less cumulative allocations	1600
6. Current balance available/uncommitted	448
7. Projected requests in May 2010	294
8. Projected balance/uncommitted 1/	154
9. Projected requests in November 2010	197
10. Projected surplus (deficit) by end-2010 1/	(43)

1/ Assuming that all countries meet the deadlines for submission; and that the amounts requested are approved by the CF Committee.

TABLE D
Projected disbursements against current allocations

	Allocations 2003-2010	Grant agreement s signed to date	Grant agreements expected to be signed by December 2010	Total disburse ments till date (A)	Projected disbursements		
					January- June 2010 (B)	July-December 2010 (C)	Total Disbursements projected till December 2010 (A+B+C)
Benin	76.1	76.1		21.3	9.9	18.7	49.9
Burkina Faso	102.0	22.0	80.0	22.0	45.0		67.0
Cambodia	57.4	57.4		4.6	16.1	9.1	29.8
Cameroon	47.3	22.5	24.8	22.5	12.4		34.9
CAR	37.8	37.8		2.9	8.4	8.0	19.3
Djibouti	8.0	8.0		8.0			8.0
Ethiopia	70.0	70.0		36.5	15.0	18.5	70.0
Ghana	33.2	33.2		27.6	5.6		33.2
Guyana	32.5	32.5		18.3	4.5	3.4	26.2
Guinea	117.8	117.8			3.6	7.8	11.4
Haiti	22.0		22.0		11.0		11.0
Kenya	121.0	121.0		121.0			121.0
Kyrgyzstan	15.0	9.0	6.0	8.6	0.4	2.0	11.0
Lesotho	11.9	11.9		9.2	2.3		11.5
Lesotho 2 nd phase	20.0		20.0		3.0		3.0
Madagascar	124.1	75.0	49.1	60.0	15.0		75.0
Mali	8.7	8.7		4.7	1.5		6.2
Mauritania	9.0	9.0		9.0			9.0
Mauritania*	14.0	14.0		4.2	3.1	3.5	10.8
Moldova	8.8	8.8		7.7	1.1		8.8
Mongolia	29.4	29.4		25.1	0.9	0.9	26.8
Mozambique	79.0	79.0		58.0	21.0		79.0
Nepal	120.0		120.0				-
Nicaragua	24.0	24.0		24.0			24.0
Niger	21.0	21.0		13.0			13.0
Rwanda	105.0	105.0		70.0	35		105.0
Sao Tome and Principe	3.6	3.6		1.3	1.5	0.0	2.8
Senegal	81.5	81.5		9.3		18.0	27.3
Sierra Leone	13.9	13.9		3.0	9.1	1.8	13.9
Tajikistan	18.4	18.4		17.3	0.5		17.8
Tajikistan (Bridge funding)	13.5	13.5			1.0	2.0	3.0
The Gambia	41.4	41.4		19.7	3.2	4.9	27.8
Timor Leste	13.1	13.1		10.6	1.3		11.9
Yemen	40.0	40.0		20.0	11.0	9	40.0
Zambia	60.0	60.0		30.1		30.0	60.1
Sub-Total	1600.4	1278.5	321.9	689.5	242.4	137.6	1,069.5

Table E
Projected disbursements against May 2010 allocations

Country	Expected allocation US\$ million	Projected disbursement in 2010 US\$ millions
Djibouti	4	1.3
Ethiopia	98	32.7
Lao PDR	29	9.7
Liberia	40	13.3
Malawi	78	26
Togo	45	15
Total	294	98