Fast Track Initiative
A global partnership to achieve Education For All

EDUCATION PROGRAM DEVELOPMENT FUND (EPDF)
FINANCIAL UPDATE

ROME, ITALY

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Prepared by the EFA-FTI Secretariat

Education for All (EFA) – Fast Track Initiative (FTI)
Education Program Development Fund (EPDF)
Financial Status Update Report

Objective and Content

This report provides a financial update of the EPDF. The detailed revised proposals for funding additional priorities will be presented by the World Bank and is not part of this update. The regional progress reports are available on a yearly basis. These will be sent by the World Bank separately.

Financial Execution

Since the inception of EPDF, US$69.25 million have been allocated to the six World Bank regions and US$6.5 million to the GCE, in total US$75.75 million. Contracts have been signed for 72 percent (US$54.7 million) of the funds. As of September 30, 2009, about 66% percent has been disbursed (US$50.3million). Total disbursement has increased by US$15 million since the last update in April 2009, when the figure was US$ 35.4 million. See Table 1 below for details.

TABLE1. Allocations and Disbursement as of September 30, 2009

(US$ thousands)

Region	Allocations	Disbursements	Expenses Incurred
Sub-Saharan Africa	41,220	28,039	29,632
East Asia & Pacific	8,510	3,673	4,052
Europe & Central Asia	3,210	1,355	1,646
Latin America & Caribbean	3,850	2,407	2,693
Middle East & North Africa	2,690	1,704	1,893
South Asia	9,770	6,680	8,339
GCE	6,500	6,500	6,500
TOTAL	**75,750**	**50,358**	**54,755**

Source: FTI Secretariat.

Donors and Pledges
The EPDF has twelve donors. Table 2 summarizes donor pledges and payments received as of September 30, 2009.

TABLE 2. DONOR PLEDGES September 30, 2009

In US$ millions

Country	2005	2006	2007	2008	2009	2010-2013	Total 2005-2013	Received
Australia				1.06	0.66		1.72	1.72
Canada	-	3.5	-	-	1.65	7.4	12.55	5.12
France		1.74	2.00	2.11	1.93	-	7.78	5.85
Ireland		0.94	1.07	1.32	-		3.33	3.3
Japan	-	-	1.2	-	-	-	1.20	1.20
Luxembourg		1.30	0.92	1.2	1.1	-	4.53	4.53
Netherlands		1.5	6.8	5.2	-	-	13.50	8.3
Norway	4.87	30.0	6.5	1.4	-	-	42.77	42.84
Russia	-		1.2	2.0			3.20	3.20
Spain					1.4		1.41	1.41
Sweden		2.6	-	3.8	1.4	2.8	10.6	6.37
UK	0.94	4.98	4.96	0.7	-	-	11.57	11.57
TOTAL	**5.81**	**46.56**	**24.65**	**18.79**	**8.14**	**10.2**	**114.15**	**95.41**

Redirection of Funds to the Secretariat Trust Fund and Extension of the Closing Date

At the end of June 2009, the Secretariat sent out a message to donors of the EPDF Committee requesting them to consider redirecting uncommitted EPDF donor contributions to the Secretariat Trust Fund to meet the Secretariat's immediate cash needs. In addition, the request was made to extend the closing date of the EPDF trust fund by 18 months to December 31, 2011. These extensions are under process and most of the donors have signed the agreement. So far Australia and France have confirmed their intention to redirect some of their uncommitted contribution from the EPDF to the Secretariat trust fund, while Norway and the Netherlands have indicated that they would be making a direct contribution to the Secretariat trust fund. The agreement with Australia to move the funds has been signed. As a result of which the pledged amount from Australia for the EPDF has gone down by about US$ 2.6 million, reducing the overall pledged amount from US$ 116.7 million as of June 2009 to about US$ 114.1 million as of September 2009. The amount for France is under discussion and may reduce the pledged amount further by US$ 1-2 million depending on the confirmation from France.

Funding Requests from the World Bank
US$10.75 million was approved for the World Bank regions at the EPDF meeting in December 2008. The proposed activities were revisited to ensure full alignment with in-country processes. The World Bank will report on this shortly. The World Bank will also be presenting a detailed final request for funds for activities starting on or before the end of June 2010. The amount for the funding request is expected to be approximately US$ 25.7 million. As mentioned earlier, the closing date of the current EPDF is being extended to ensure a smooth transition to EPDF version 2 (proposed name PACE (Policy and Capacity for Education)). Any uncommitted funds from the existing EPDF will be transferred to the new fund.

GCE Proposal

A grant agreement between GCE and the Bank was signed in July 2009. This amount was fully transferred in September 2009. The GCE is expected to report on the progress of the activities and also present a proposal for new funding of its activities in 2010. The amount for the funding proposal is expected to be US$ 11.1 million.

Summary of Funds Available for Allocation

Table 3 below summarizes the funds available for allocation.

US$ millions

(A)Total pledges to date	114.15
(B)Less amount expected to be redirected from France	2.00
(C)Less allocations to date	75.75
(D)Funds available for allocation(A-B-C)	**36.4**
Less proposed funding requests	
Funding request from the World Bank	25.7
Funding request from GCE	11.1
(E) Total funding request	36.8
Funds available/(Deficit) if requests are approved (D-E)	**(0.4)**

Task Team on a New EPDF

The task team on a new EPDF met in Fiji in July 2009 to flesh out the new EPDF. The task team will present its final recommendations in Rome in November 2009.