EFA-FTI CATALYTIC FUND[1]

(A TRUST FUND OF THE GLOBAL PARTNERSHIP FOR EDUCATION)

2012 QUARTERLY FINANCIAL UPDATE

FOR THE QUARTER ENDING 31 DECEMBER 2012

Prepared by the Global Partnership for Education Secretariat

Data in this report are as of 31 December 2012

[1] Catalytic Fund refers to three main Trust Funds (see below) plus allocations from the Bank-Netherlands Partnership Program which preceded the establishment of these main Trust Funds.

TF051061: EFA-FTI Multidonor Trust Fund
TF070518: EC's contribution to the Education For All-Fast Track Initiative Catalytic Trust Fund (ACP only)
TF070968: Education For All Fast Track Initiative Catalytic Trust Fund II

EFA-FTI Catalytic Fund
Quarterly Financial Update as of 31 December 2012

SUMMARY OF FUND POSITION AT 31 DECEMBER 2012

1. **Aggregate Signed Donor Pledges to the Catalytic Funds** through end-December 2012 totaled US$2,070.8 million equivalent, up from US$2,066.2 million equivalent at end-September 2012 and US$2,055.4 million equivalent at end-December 2011. The increase in the quarter is due to an increase of US$3.25 million equivalent in the contribution agreement with France, and US$1.3 million equivalent from Germany.

2. **Cumulative Cash Receipts** against signed donor pledges totaled US$2,033.2 million, up from US$2,025.5 million at end-September 2012 and US$1,988.5 million at end December 2011. A contribution of US$7.7 million equivalent from Germany was received in the quarter.

3. **Unpaid Pledges** against cumulative signed pledges totaled US$37.6 million equivalent reflecting agreed schedules for payment in CY2013.

Attachment 1 shows pledges, cash receipts and pledges due by Donor and by calendar year since Catalytic Fund inception.

4. **Cumulative Investment Income** earned on cash balances from inception through end-December 2012 totaled US$88.4 million, up from US$88 million at end-September 2012. Investment income is earned on cash balances and is added back into the Catalytic Funds for allocation by the GPE Board.

5. **Cumulative administrative fees** since inception totaled US$4.0 million through end-December 2012 and are unchanged from the previous quarter. Administrative fees are assessed at cash receipt.

6. **Cumulative Catalytic Fund resources available for approved activities** since fund inception calculated as the current US$ equivalent of total signed pledges plus reflows from previously approved allocations (where funds were unutilized and returned) plus investment income less cumulative administrative fees equaled US$2,181.7 million equivalent up from

US$2,176.7 million equivalent at end-September 2012. The increase is primarily attributed to increases in the value of signed contribution agreements.

EDUCATION PLAN IMPLEMENTATION GRANT ALLOCATIONS

7. **Cumulative Education Plan Implementation Grant Allocations** as of end December 2012 totaled US$2,634.3 million. Of the allocations, US$2097.8 million has been allocated from the Catalytic Fund, the balance of $536.5 million is expected to be funded from the GPE Fund. Attachment 2 shows all Implementation Grant allocations by calendar year of approval since fund inception.

SUMMARY OF FUNDS AVAILABLE AS OF 31 DECEMBER 2012

8. Table 1 below shows the available funds position as of 31 December 2012 for each of the funds that make up the aggregate Catalytic Fund.

9. As of 31 December 2012, the GPE Board approved a total of US$2,662.8 million for Implementation Grant allocations and associated fees and supervision allocations. It is planned that funding for these allocations will be made available from both the Catalytic Funds (US$2,109.6 million) and the Global Partnership for Education Fund (US$553.2 million). Efforts are made to match Board approvals to Catalytic Fund resources in the first instance, but restrictions related to two of the three Catalytic Funds, namely TF070518 and TF070968, limit the applicability of those funds for current approvals. Use of TF070518, which is funded by the EC, is restricted to allocation of Education Implementation Grants only in Africa, Caribbean and Pacific countries and only where the World Bank is Supervising Entity. Use of TF070968, which is funded by the EC and Germany, is open to all GPE eligible countries, but may be used only for Education Implementation Grants where the World Bank is Supervising Entity.

Table 1 Summary of Available Funds by Catalytic Fund Account US$m					
	TF070518	TF070968	TF051061	BNPP a/	Total
Signed Donor Pledges	86.1	90.7	1,855.0	39.0	2,070.8
Investment Income Earned	-	1.5	86.9	-	88.4
Reflows	-	-	26.5	-	26.5
Less Fees on Signed Pledges	0.2	0.1	3.7	-	4.0
Total Available for Allocation	85.9	92.1	1,964.7	39.0	2,181.7
Education Implementation Grant Allocations through 2010	79.5	64.4	1,835.6	39.0	2,018.5
Education Implementation Grant Allocations approved in 2011 /a	-	-	72.9	-	72.9
Education Implementation Grant Allocations approved in 2011 /d	6.4	-	-	-	6.4
Supervision Allocations through 2010	-	-	10.0	-	10.0
Supervision Allocations for grants approved in 2011 (est) /b	-	-	1.2 -	-	1.2
Agency Fees for allocations approved in 2011 (est) /c	-		0.6		0.6
Total Committed	85.9	64.4	1,920.3	39.0	2,109.6
Balance Uncommitted	0.0	27.7	44.4	-	72.1

/a Program Implementation Grants for Afghanistan (US$55.7m), Moldova (US$4.4m), Mongolia (US$10m) and Timor Leste (US$2.8m) have been allocated against TF051061. All other Program Implementation Grants approved in 2011 and in July of 2012 are expected to be funded from the GPE Fund.

/b Supervision Allocation amounts are calculated based on $100k per year for up to 4 years, subject to Board approval. UNICEF has chosen to forgo the supervision allocation for its supervision of the grant to Afghanistan.

/c Agency fees show against TF051061 represent UNICEF's 1% fee for Afghanistan. There are no agency fees assessed for Program Implementation Grants funded by TF051061 for which the World Bank is Supervising Entity For Program Implementation Grants funded by the GPE Fund where the World Bank is Supervising Entity, the agency fee is equal to 1.75% of the grant amount.

/d A Program Implementation Grant for the Democratic Republic of Congo valued at US$100 million was approved in December 2012. US$6.4m of this amount will be funded from TF070518.

DISBURSEMENTS

10. **Cumulative Disbursements** through end-December 2012 totaled US$1,679.0 million of which US$357.4 million was disbursed in CY2012. Cumulative disbursement reflects funds moving out of the main Catalytic Fund trust funds as i) disbursements against individual implementation grant allocations where the World Bank is Supervising Entity; ii) transfers to other Supervising Entities (UNICEF, DFID, the Netherlands); iii) expenses related to approved supervision allocations; and iv) administrative fees.

    Cumulative disbursement against program implementation grant allocations totaled US$1,669.9 million, of which US$352.2 million (US$354.1m when the GPE funds are included) was disbursed in CY2012. Attachment 2 provides actual disbursement for each allocation through end Q4 CY2012.

11. **Cash Balance:** As of end-December 2012, the aggregate cash balance of the Catalytic Funds was US$463.0 million, down US$267.4 million from end CY2011.

GRANT PROCESSING

12. **Grant and Transfer Agreements signed:** In relation to the catalytic funds, no new grant agreements were signed in Q4 CY2012. Grant agreements were signed for Cote d'Ivoire (approved for US$41.4 million with the World Bank as Supervising Entity) and Ghana (approved for US$75.5 million with the World Bank as Supervising Entity) to be funded from the GPE Fund. At the end of Q4 CY 2012, the remaining unsigned grant agreements from 2011 Board approvals were for Guinea-Bissau and Mali. Guinea-Bissau (US$12 million) was resubmitted to the Board due to a change from World Bank as Supervising Entity to UNICEF as Managing Entity. As the financial procedures agreement has not yet been concluded with UNICEF, the grant is not yet signed. Approval for Mali's allocation expired in September 2012. A resubmitted application will be reviewed by the FAC in January 2013. In relation to Board approvals in July 2012 for Nicaragua, Sudan, and Vietnam all with the World Bank as Supervising Entity, these grants are expected to be signed in early 2013

13. **Grant Closings:** No grants were closed in Q4 2012.

Attachment 1

Summary of Donor Contributions by Calendar Year
(US$m)

	Contributions Paid In										Unpaid			Total
CF Donors	2004-2007	2008	2009	2010	2011	2012 Q1	2012 Q2	2012 Q3	*2012 Q4*	*Total Paid in*	2012	2013	*Total Unpaid*	
Australia	-	1.4	-	18.9	12.9	-	9.9	-		*43.0*	-	-	-	**43.0**
Belgium	5.1	2.9	1.3	6.9	8.1	-	-	-		*24.3*	-	-	-	**24.3**
Canada	17.4	-	8.2	19.8	-	-	-	-		*45.4*	-	-	-	**45.4**
Denmark	-	19.4	26.7	25.3	51.7	-	-	-		*123.0*	-	-	-	**123.0**
EC (ACP)	40.3	24.7	-	-	21.1	-	-	-		*86.1*	-	-	-	**86.1**
EC	-	13.7	6.5	16.5	3.9	-	-	-		*40.6*	-	7.8	*7.8*	**48.4**
France	-	7.9	15.4	-	22.5	-	19.9	1.1		*66.8*		22.8	*22.8*	**89.6**
Germany	-	6.2	7.4	6.7	7.2	-	-	-	*7.7*	*35.2*		7.0	*7.0*	**42.2**
Ireland	19.2	9.9	12.1	5.0	-	-	-	-		*46.3*	-	-	-	**46.3**
Italy	10.4	4.4	12.6	4.0	3.7	-	-	-		*35.2*	-	-	-	**35.2**
Japan	-	1.2	1.2	1.2	0.7	3.0	-	-		*7.3*	-	-	-	**7.3**
Netherlands	387.1	42.9	-	42.2	-	-	-	-		*472.2*	-	-	-	**472.2**
Norway	61.6	-	31.1	16.7	5.1	-	-	-		*114.5*	-	-	-	**114.5**
Romania	-	0.5	-	-	0.1	-	-	-		*0.6*	-	-	-	**0.6**
Russia	3.0	1.0	-	4.0	2.0	-	-	-		*10.0*	-	-	-	**10.0**
Spain	14.9	65.3	164.8	79.4	-	-	-	-		*324.4*	-	-	-	**324.4**
Sweden	15.7	-	29.9	45.3	55.7	-	-	-		*146.6*	-	-	-	**146.6**
Switzerland	-	-	2.5	1.3	1.6	-	1.6	-		*7.1*	-	-	-	**7.1**
UK	129.1	132.0	12.6	81.3	49.6	-	-	-		*404.6*	-	-	-	**404.6**
TOTAL	**703.8**	**333.4**	**332.4**	**374.5**	**245.9**	**3.0**	**31.4**	**1.1**	***7.7***	***2,033.2***	**-**	**37.6**	***37.6***	**2,070.8**

Attachment 2

Summary of Allocations and Disbursements by Calendar Year (US$m)

	Country	Funded From	SE/ME	2003-06	2007	2008	2009	2010	2011	2012	2003-12	Total Disbursed	Cumulative Disbursements %
1	Afghanistan	CF	UNICEF	-	-	-	-	-	55.7	-	55.7	9	16%
2	Benin	CF	WB	-	76.1	-	-	-	-	-	76.1	75.1	99%
3	Burkina Faso	CF	WB	-	-	102	-	-	-	-	102	102	100%
4	Burundi	GPEF	Belgium	-						52.9	52.9	0	0%
5	Cambodia	CF	WB	-	57.4	-	-	-	-	-	57.4	57.4	100%
6	Cameroon	CF	WB	47.3	-	-	-	-	-	-	47.3	47.1	100%
7	Central African Republic	CF	WB	-	-	37.8	-	-	-	-	37.8	35.3	93%
8	Chad	GPEF	UNICEF	-						40.1	40.1	0	0%
	Chad	GPEF	UNESCO	-	-	-	-	-	-	7.1	7.1	0	0%
9	Cote D'Ivoire	GPEF	WB	-	-	-	-	-	41.4	-	41.4	1.9	5%
10	DR Congo	GPEF	WB	-	-	-	-	-	-	93.6	93.6	0	0%
	DR Congo	CF	WB	-						6.4	6.4	0	0%
11	Djibouti Allocation 1	CF	WB	8	-	-	-	-	-	-	8	8	100%
	Djibouti Allocation 2	CF	WB	-	-	-	-	4	-	-	4	2.9	73%
12	Ethiopia Allocation 1	CF	WB	-	70	-	-	-	-	-	70	68.5	98%
	Ethiopia Allocation 2	CF	WB	-	-	-	-	98	-	-	98	91.6	93%
13	The Gambia Alloc 1	CF	WB	13.4	-	-	-	-	-	-	13.4	13.4	100%
	The Gambia Alloc 2	CF	WB	-	-	28	-	-	-	-	28	25	89%
14	Ghana Allocation 1	CF	WB	19	-	-	-	-	-	-	19	19	100%
	Ghana Allocation 2	CF	WB	14.2	-	-	-	-	-14.2	-	0	0	0%

	Country	Funded From	SE/ME	2003-06	2007	2008	2009	2010	2011	2012	2003-12	Total Disbursed	Cumulative Disbursements %
	Ghana Allocation 3	GPEF	WB	-	-	-	-	-	-	75.5	75.5	0	0%
15	Guinea	CF	WB	-	117.8	-	-	-77.8	-	-	40	29.2	73%
		CF	UNICEF	-	-	-	-	24	-	-	24	24	100%
16	Guinea-Bissau	GPEF	WB	-	-	-	-	-	12	-	12	0	n/a
17	Guyana Allocation 1	CF	WB	12	-	-	-	-	-	-	12	12	100%
	Guyana Allocation 2	CF	WB	-	-	20.5	-	-	-	-	20.5	20.9	102%
18	Haiti	CF	WB	-	-	-	-	22	-	-	22	19.7	90%
19	Kenya	CF	WB	121	-	-	-	-	-	-	121	121	100%
20	Kyrgyz Republic	CF	WB	15	-	-	-	-	-	-	15	13.9	93%
21	Lao PDR	CF	WB	-	-	-	-	30	-	-	30	15.9	53%
22	Lesotho Allocation 1	CF	WB	11.9	-	-	-	-	-	-	11.9	11.7	98%
	Lesotho Allocation 2	CF	WB	-	-	-	20	-	-	-	20	1.4	7%
23	Liberia	CF	WB	-	-	-	-	40	-	-	40	7.5	19%
24	Madagascar Alloc 1	CF	WB	60	-	-	-	-	-	-	60	60	100%
	Madagascar Alloc 2	CF	UNICEF	-	-	-	15	-	-	-	15	15	100%
		CF	UNICEF	-	-	-	-	22	-	-	22	22	100%
		CF	UNICEF	-	-	-	-	27	-	-	27	27	100%
25	Malawi	CF	WB	-	-	-	-	90	-	-	90	38.2	42%
26	Mali	CF	WB	-	8.7	-	-	-	-	-	8.7	6.6	76%
	Mali	CF	WB	-	-	-	-	-	-	-	0[2]	0	n/a
27	Mauritania Allocation 1	CF	WB	9	-	-	-	-	-	-	9	9	100%
	Mauritania Allocation 2	CF	WB	-	14	-	-	-	-	-	14	14	100%

[2] Mali was approved for a program implementation grant of US$41.7m in December 2011. Due to the situation in country, the grant was not signed by September 2012 and therefore its approval expired. An updated application will be reviewed by the Financial Advisory Committee in January 2013.

	Country	Funded From	SE/ME	2003-06	2007	2008	2009	2010	2011	2012	2003-12	Total Disbursed	Cumulative Disbursements %
28	Moldova	CF	WB	8.8	-	-	-	-	-	-	8.8	8.8	100%
	Moldova	CF	WB	-	-	-	-	-	4.4	-	4.4	0.4	9%
29	Mongolia Allocation 1	CF	WB	17.1	-	-	-	-	-	-	17.1	17.1	100%
	Mongolia Allocation 2	CF	WB	12.3	-	-	-	-	-	-	12.3	12.3	100%
	Mongolia Allocation 3	CF	WB	-	-	-	-	-	10	-	10	2	20%
30	Mozambique	CF	WB	-	79	-	-	-	-	-	79	79	100%
	Mozambique allocation 2	CF	WB	-	-	-	-	90	-	-	90	20	22%
31	Nepal	CF	WB	-	-	-	120	-	-	-	120	68	57%
32	Nicaragua	CF	WB	24	-	-	-	-	-	-	24	24	100%
	Nicaragua Allocation 2	GPEF	WB	-	-	-	-	-	-	16.7	16.7	0	0%
33	Niger	CF	WB	21	-	-	-	-	-	-	21	20.6	98%
34	Papua New Guinea	CF	WB	-	-	-	-	19.2	-	-	19.2	1.5	8%
35	Rwanda Allocation 1	CF	WB	70	-	-	-	-	-	-	70	70	100%
	Rwanda Allocation 2	CF	WB	-	-	-	35	-	-	-	35	35	100%
	Rwanda Allocation 3	CF	DFID	-	-	-	-	70	-	-	70	44	63%
36	Sao Tome & Principe	CF	WB	-	3.6	-	-	-	-	-	3.6	3.6	100%
37	Senegal	CF	WB	-	81.5	-	-	-	-	-	81.5	63.4	78%
38	Sierra Leone	CF	WB	-	13.9	-	-	-	-	-	13.9	11.4	82%
39	South Sudan	GPEF	UNICEF	-	-	-	-	-	-	36.1	36.1	0	0%
40	Sudan	GPEF	WB	-	-	-	-	-	-	76.5	76.5	0	0%
41	Tajikistan Allocation 1	CF	WB	18.4	-	-	-	-	-	-	18.4	18.3	99%
	Tajikistan Allocation 2	CF	WB	-	-	-	13.5	-	-	-	13.5	10	74%
42	Timor Leste Alloc 1	CF	WB	8.2	-	-	-	-	-	-	8.2	8.2	100%
	Timor Leste Alloc 2	CF	WB	-	-	4.9	-	-	-	-	4.9	4.9	100%

	Country	Funded From	SE/ME	2003-06	2007	2008	2009	2010	2011	2012	2003-12	Total Disbursed	Cumulative Disbursements %
	Timor Leste	CF	WB	-	-	-	-	-	2.8	-	2.8	0	0%
43	Togo	CF	WB	-	-	-	-	45	-	-	45	23.9	53%
44	Vietnam	GPEF	WB	-	-	-	-	-	-	84.6	84.6	0	0%
45	Yemen	CF	WB	40	-	-	-	-	-	-	40	40	100%
46	Zambia	CF	Netherlands	-	-	60	-	-	-	-	60	60.2	100%
		TOTAL		**550.6**	**522**	**253.2**	**203.5**	**503.4**	**112.1**	**489.5**	**2,634.3**	**1,671.8**	**66%**
		Catalytic Fund		***550.6***	***522***	***253.2***	***203.5***	***503.4***	***58.7***	***6.4***	***2,097.8***	***1,669.9***	***80%***
		GPE Fund							***53.4***	***483.1***	***536.5***	***1.9***	***0%***