

GEF Council Meeting
November 5 – 7, 2013
Washington, D.C.

GEF TRUST FUND FINANCIAL REPORT

*Summary of Financial Information
As of September 30, 2013*

(Prepared by the Trustee)

Global Environment Facility Trust Fund

Financial Report

Prepared by the Trustee

Summary of Financial Information

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Introduction

The information contained in this report is prepared based on financial information as of September 30, 2013.

The Global Environment Facility (GEF) was established in 1994 as an independent financial mechanism for providing grants and concessional funding to cover the incremental or additional costs of measures to assist in the protection of the global environment and to promote environmental sustainable development. Today, the GEF is the largest funder of projects focused on global environmental challenges and a global partnership among 182 countries, international institutions, non-governmental organizations, and the private sector. It provides grants for projects related to the following main areas: (i) biodiversity, (ii) climate change (mitigation and adaptation), (iii) international waters, (iv) land degradation, (v) ozone layer depletion, and (vi) persistent organic pollutants.

The report is produced by the Trustee in accordance with the Trustee's role in the GEF Trust Fund as set forth in Annex B of the GEF Instrument paragraph 4 (b) which states:

“The responsibilities of the Trustee shall include in particular [...] the financial management of the Fund, including investment of its liquid assets, the disbursement of funds to the implementing and other executing agencies as well as the preparation of the financial report regarding the investment and use of the Fund's resources [...]”

This report provides (i) a snapshot of the financial situation of the GEF Trust Fund since its inception to September 30, 2013 and some of the recent developments since the previous report; (ii) the details of financial activities of the GEF Trust Fund; and (iii) the status of implementation of the GEF-5 Replenishment. The report also provides two scenarios of financial projections of GEF resources through the GEF-5 replenishment period ending June 30, 2014. This report also provides the status and project development details of the World Bank's IT platform for Financial Intermediary Funds (FIFs) in which GEF participates.

GEF Trust Fund Financial Summary as of September 30, 2013

Pledges and Contributions

GEF Contributing Participants have pledged SDR 9,122 million (USDeq. 12,891 million)¹ to date, of which SDR 9,101 million (USDeq. 12,860 million) has been confirmed by Donors depositing Instruments of Commitments (IoCs) or Qualified Instruments of Commitment (QIoCs) with the Trustee.

GEF-5 pledges totaled SDR 2,311 million (USDeq. 3,542 million), of which SDR 2,295 million (USDeq. 3,517 million)² has been confirmed by Donors depositing IoCs or QIoCs with the Trustee.

As of September 30, 2013 GEF Contributing Participants paid USDeq. 2,597 million³ towards their GEF-5 contributions.

Investment Income

As of September 30, 2013, cumulative investment income earned on the GEF Trust Fund balances amounted to USD 1,140 million. The investment income earned over the GEF-5 period amounted to USD 142 million (1.3% investment return). During the first nine months of calendar year 2013, the investment return on the GEF balances was 0.10%. Movements in yields continued to exhibit volatility over the quarter due to shifting market expectations over US Federal Reserve tapering, resulting in minimal returns in July and August, and relatively stronger returns in September.

Funding Approvals and Commitments

Cumulative net funding decisions (approvals by the GEF Council/CEO) to date amounted to USD 12,894 million, of which the GEF-5 funding decisions amounted to USD 2,961 million. Net funding decisions between April 1, 2013 and September 30, 2013 amounted to USD 479 million (including administrative budget).

As of September 30, 2013, committed amounts pending transfers to Agencies totaled USD 2,236 million, representing no change compared to the status as of March 31, 2013.

Cash Transfers

Total cash transfers amounted to USD 421 million between August 1, 2013 and September 30, 2013. Of this amount, USD 358 million was transferred to Agencies for projects and project preparation grants.

Funds Held in Trust and Funds Available for Council and CEO Funding Decisions

Funds Held in Trust⁴ reflect financial activities related to new donor payments (cash and promissory notes), encashment of promissory notes, investment income, cash transfers, and the revaluation of the balance of promissory notes at month-end. Funds Held in Trust as of September 30, 2013 amounted to USDeq. 4,659 million, of which 20% represented unencashed promissory notes.

Funds available to support Council or CEO decision amounted to USD 331 million as of September 30, 2013. This represents a decrease of USD 227 million compared to March 31, 2013.

¹ Does not include co-financing under the GEF Pilot Program.

² Ibid.

³ Valued using GEF-5 agreed exchange rates.

⁴ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes as of the reporting date.

Contributions Update

IoC Deposits

On May 9, 2013, Italy submitted Instruments of Commitment formalizing their pledges under GEF-4 (EUR 87.91 million) and GEF-5 (EUR 92 million).

In August 2013, Brazil made its first GEF-5 installment payment in the amount of USD 8.11 million and subsequently submitted its GEF-5 IoC in September.

1. GEF Trust Fund Summary – Inception through September 30, 2013

	Total (in SDR millions)
<u>Donor Pledges and Contributions (in SDR millions)</u>	
Received IoCs	9,101.3
GEF-4 IoCs not yet deposited	4.0
GEF-5 IoCs not yet deposited	16.4
Total Donor Pledges and Contributions (in SDR millions)	9,121.7

	Total (in USD millions)
<u>Cumulative Resources (in USD millions)</u>	
<u>Resources received</u>	
Cash Receipts	11,254.6
Unencashed promissory notes	948.9
Investment Income earned	1,139.9
Total Resources Received	13,343.5
<u>Resources not yet received</u>	
GEF-5 IoCs not yet deposited	22.4
GEF-4 IoCs not yet deposited	6.1
Installment Receivables	1,161.3
Total resources not yet received	1,189.9
Total Cumulative Resources (A) (in USD millions)	14,533.4

<u>Cumulative Funding Decisions (in USD millions)</u>	
Approvals by Council and CEO	13,794.8
Cancellations	(901.1)
Pending Decisions of Intersessional and Council Meetings	-
Total Funding Decisions Net of Cancellations (B) (in USD millions)	12,893.8
Cumulative Resources Net of Funding Decisions (A) - (B) (in USD millions)	1,639.7

<u>Funds Available (in USD millions)</u>	
Funds Held in Trust with no restrictions	4,597.1
Approved Amounts Pending Cash Transfers to Agencies	4,266.3
Total Funds Available to Support Council or CEO Decisions (in USD millions)	330.8

2. Cumulative Resources and Funding Decisions

In USD millions

	September 30, 2013	March 31, 2013
1. Cumulative Resources	14,533	14,292
<u>Resources not yet received</u>	<u>1,190</u>	<u>1,216</u>
GEF-5 IoCs not yet deposited with the Trustee	22	123
GEF-4 IoCs not yet deposited with the Trustee	6	123
Installment Receivables	1,161	969
<u>Resources received</u>	<u>13,344</u>	<u>13,076</u>
Cash receipts from installments and encashments	11,255	10,833
Unencashed promissory notes	949	1,102
Investment Income earned on undisbursed balances of GEF Trust Fund	1,140	1,141
2. Cumulative Funding Decisions	12,894	12,415
Approvals by Council and CEO	13,795	12,974
Cancellations	(901)	(894)
Pending decisions of Intersessional and Council Meetings	-	334
3. Cumulative Resources Net of Funding Decisions (3 = 1 - 2)	1,640	1,877

Snapshot of cumulative resources and funding decisions:

- The table above shows total Cumulative Resources of the GEF Trust Fund and the cumulative funding decisions made since inception of the GEF.
- Of the total Cumulative Resources of USDeq. 14.5 billion, 8% (USDeq. 1.2 billion) represents resources not yet received. Of these, IoCs not yet deposited with the Trustee totaled to USDeq. 29 million and Installment Receivables under IoCs and QIoCs already deposited with the Trustee amounted to USDeq. 1.2 billion.
- Total funding decisions amounting to USDeq. 12.9 billion represent about 89% of the total cumulative GEF resources.
- As of September 30, 2013, Cumulative Resources net of Funding Decisions amounted to USDeq. 1.6 billion.

2a. Cumulative Resources

In USD millions

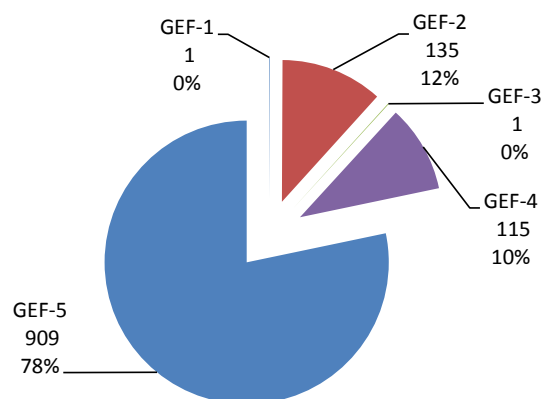
INSTRUMENTS OF COMMITMENT (IoCs) TO BE DEPOSITED

Contributing Participant	Replenishment	Currency of Obligation	Amount in COO	USDeq.	Percentage
Nigeria	GEF-4	SDR	4.0	6.1	100.0%
Total GEF-4 IoCs Not Yet Deposited				6.1	100.0%
Greece	GEF-5	EUR	4.4	6.0	26.7%
Nigeria	GEF-5	NGN	921.9	5.7	25.5%
Pakistan	GEF-5	PKR	499.6	4.7	21.0%
Portugal	GEF-5	EUR	4.4	6.0	26.7%
Total GEF-5 IoCs Not Yet Deposited				22.4	100.0%

- Since the adoption of the GEF-5 Replenishment Resolution No. 2010-0004 on July 19, 2010, and as of September 30, 2013, 29 Contributing Participants have deposited their IoCs or QIoCs in the form and substance agreed under the GEF-5 Replenishment Resolution.
- On September 9, 2013, Brazil submitted an Instrument of Commitments formalizing its pledge under GEF-5 (USD 12.26 million).

INSTALLMENT RECEIVABLES BY REPLENISHMENT

As of September 30, 2013, Installment Receivables under IoCs and QIoCs deposited with the Trustee amounted to USDeq. 1,161 million. Of this, 78% represents GEF-5 installments, based on the IoCs and QIoCs received by the Trustee as of September 30, 2013. The remaining 22% represents GEF-1, GEF-2, GEF-3 and GEF-4 installment receivables.



ARREARS

As of September 30, 2013, cumulative arrears amounted to USDeq. 263 million. Of this amount, USDeq. 137 million represents arrears under GEF-1, GEF-2 and GEF-3. GEF-5 arrears totaled USDeq. 127 million.

Contributing Participant	Repl.	Currency	Arrears Amount	USD eq.
Egypt	GEF-1	SDR	0.5	0.8
United States	GEF-2	USD	135.0	135.0
Nigeria	GEF-3	SDR	0.7	1.0
Spain	GEF-5	EUR	10.1	13.6
United States	GEF-5	USD	112.9	112.9
Total				263.4

RESTRICTED RESOURCES

Restricted resources represent funds received from Contributing Participants but not available for funding decisions by the GEF Council and the GEF CEO.

As of September 30, 2013, restricted resources totaled USDeq. 62 million comprising:

- (i) GEF-5 contributions pre-paid and not yet released (USD 1 million); and
- (ii) a foreign exchange reserve⁵ of USD 60 million.

	USDeq.	Percentage
Deferred Contributions	-	0%
Pre-paid Contributions	2	2%
Total Restricted Contributions	2	2%
Reserve to cover FX fluctuations	60	98%
Total Restricted Resources	62	100%

⁵ A foreign exchange reserve of USD 60 million provides a buffer in the event that the GEF Trust Fund may not have sufficient funds to disburse against commitments already made by the Trustee as a result of currency exchange rate movements.

2b. Asset Mix and Investment Income

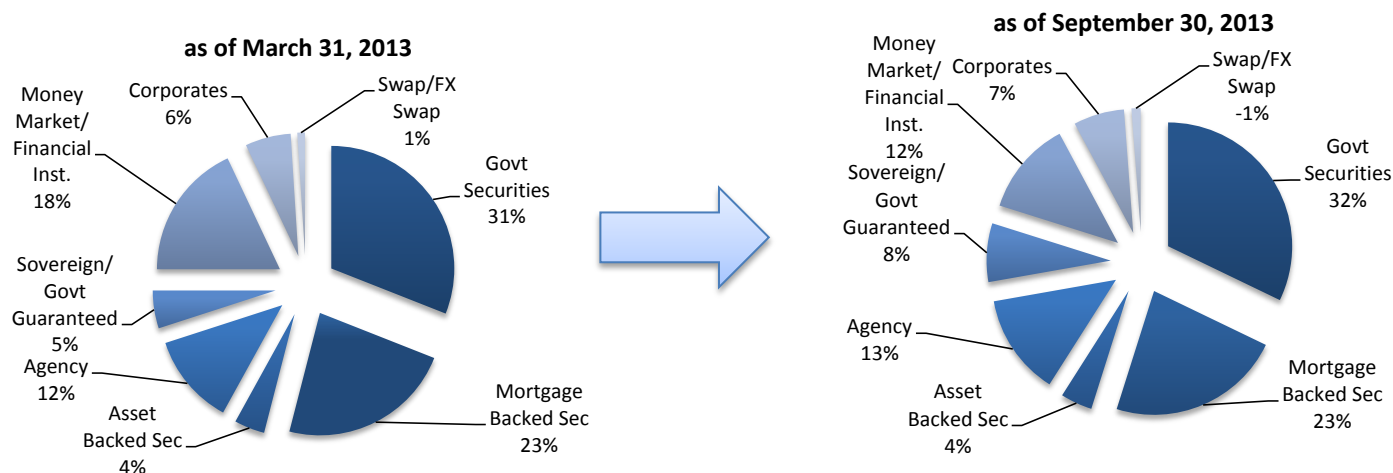
The undisbursed cash balance of the GEF Trust Fund is maintained in a commingled investment portfolio ("Pool") for all trust funds managed by IBRD. The Pool is managed actively and conservatively with capital preservation as the over-arching objective.

ASSET MIX

GEF Trust Fund assets are invested across three of the World Bank Trust Fund's investment model portfolios, ("Tranche 0" for short term working capital needs, "Tranche 1" with an investment horizon of one year, and "Tranche 2" with an investment horizon of three years). The latter two tranches aim to optimize investment returns subject to capital preservation with a high degree of confidence (based on statistical models) over the respective investment horizon. Although actual future returns will depend on market conditions, the Trust Fund Investment Pool portfolio is actively monitored and adjusted to preserve donor funds over the investment horizons. Over shorter periods however, market volatility may result in negative actual or 'mark-to-market'⁶ returns.

Overall, the GEF Trust Fund cumulative returns have been driven by its investment in longer-term tranches, which may be exposed to higher volatility in returns over shorter periods, but are expected to gain higher returns over longer periods.

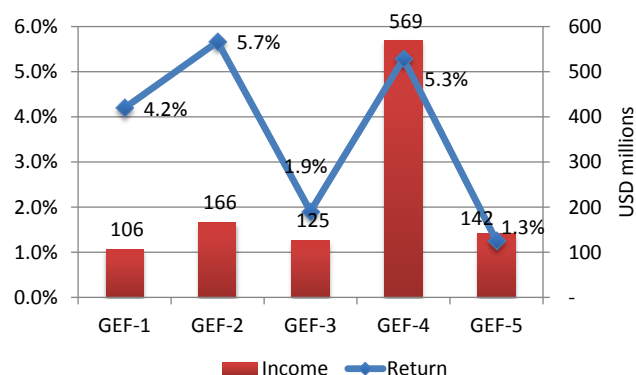
The portfolio allocation by asset class has the largest allocations to government securities, mortgage backed securities (MBS), and money-market instruments. Allocations have been relatively stable over time.



⁶ Mark-to-market returns or losses represent returns or losses generated through an accounting entry rather than the actual sale of a security.

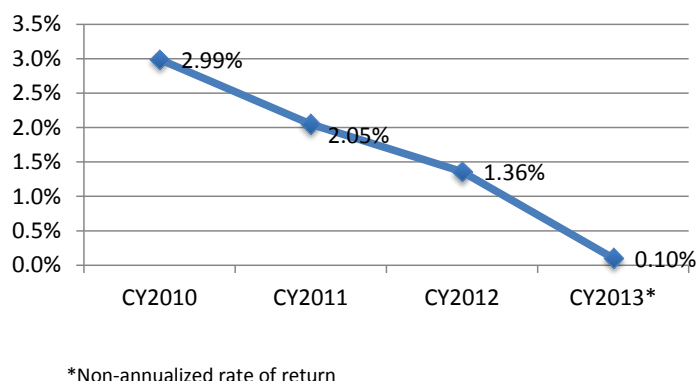
INVESTMENT INCOME

The total amount of investment income earned since the beginning of GEF Pilot phase is USD 1,140 million. Since the beginning of the GEF-5 replenishment period, USD 142 million has been earned in the GEF Trust Fund (representing 1.3% average return).



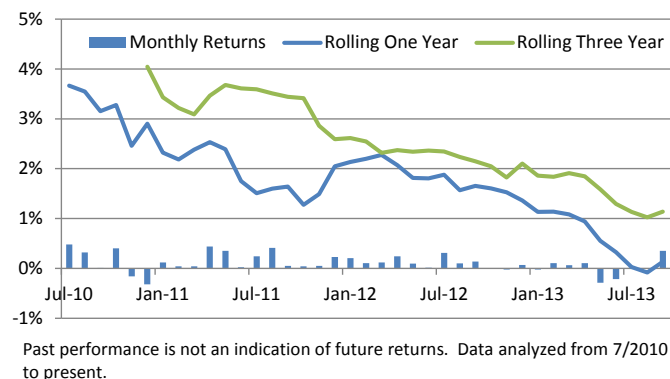
INVESTMENT RETURNS

During the nine months of calendar year 2013, the investment return on the GEF balances was 0.10%. Movements in yields continued to exhibit volatility over the quarter due to shifting market expectations over US Federal Reserve tapering, resulting in minimal returns in July and August, and relatively stronger returns in September. Returns are expected to be modest going forward as the risk of rising market yields remains elevated, with an adverse effect on total portfolio returns due to lower bond prices.



GEF TRUST FUND INVESTMENT PORTFOLIO: ONE AND THREE YEAR ROLLING RETURNS

GEF Trust Fund investment portfolio average one year and three year rolling returns were 1.78% and 2.50%, respectively. Rolling returns demonstrate the ability to achieve investment goals consistently and over time.



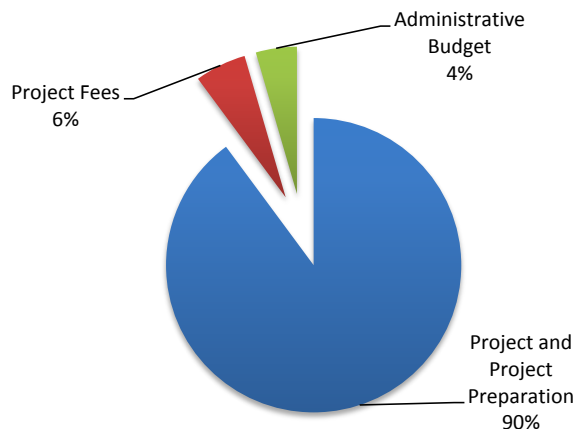
ADJUSTMENTS FOR CHANGES IN MARKET CONDITIONS

Current low interest rates are reflected in lower coupon returns on fixed income instruments. As the market price of these instruments falls when interest rates increase, there is also a smaller cushion against price losses when interest rates increase. Given the challenging environment for fixed income investments, the World Bank treasury has taken steps since 2011 to reduce the interest rate sensitivity of the Trust Fund Investment Pool portfolio to limit the impact of potential future interest rate increases (known as “duration”). Additionally, efforts have been underway to enable investments in a broader universe of assets in order to achieve greater diversification of portfolio risks and increase returns. Diversification opportunities include new emerging market sovereigns, covered bonds, and commercial paper.

2c. Funding Decisions, Trustee Commitments and Cash Transfers to Agencies

CUMULATIVE FUNDING DECISIONS

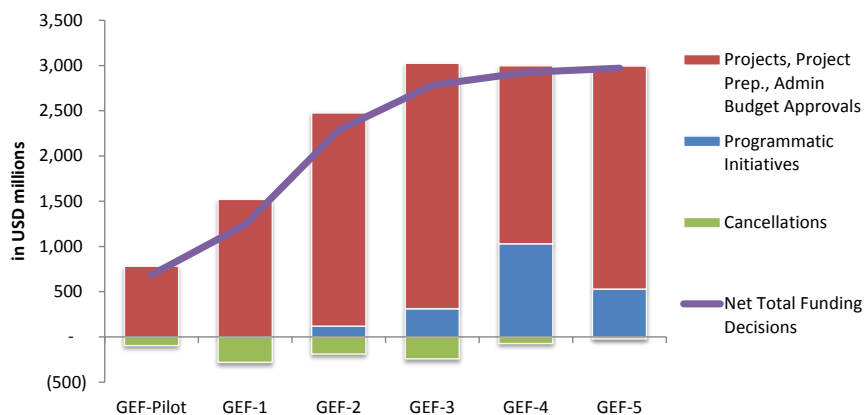
Since inception to September 30, 2013 funding approvals made by the Council and CEO totaled USD 13,795 million, of which 90% was approved for Projects and Project Preparation activities.



FUNDING DECISIONS BY REPLENISHMENT

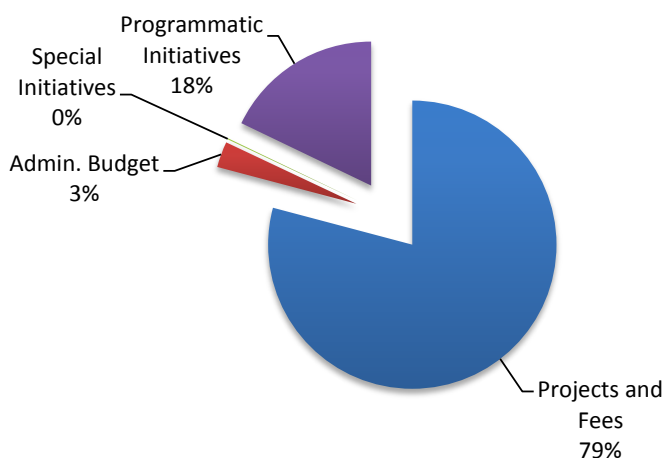
Funding decisions by Replenishment show the cumulative funding decisions including cancellations. Cumulative funding cancellations totaled USD 901 million.

GEF-5 funding decisions to date amount to approximately USD 3 billion.



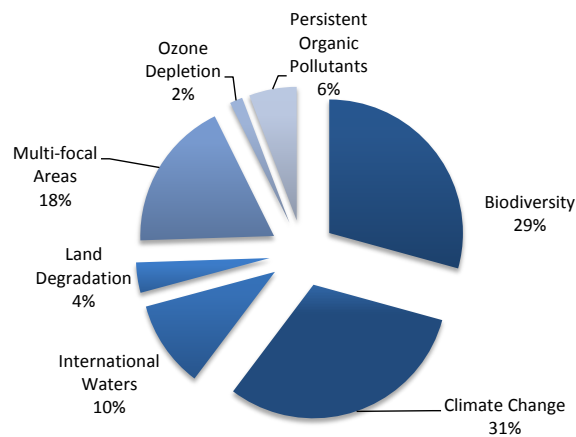
GEF-5 FUNDING DECISIONS

Of the total amount of USD 3 billion approved to date by the GEF Council and GEF CEO under the GEF-5, Programmatic Initiatives comprise 18% of GEF-5 funding decisions, while Projects not attached to Programmatic Initiatives and Fees comprise 79% of GEF-5 funding decisions.



FUNDING DECISIONS BY FOCAL AREA

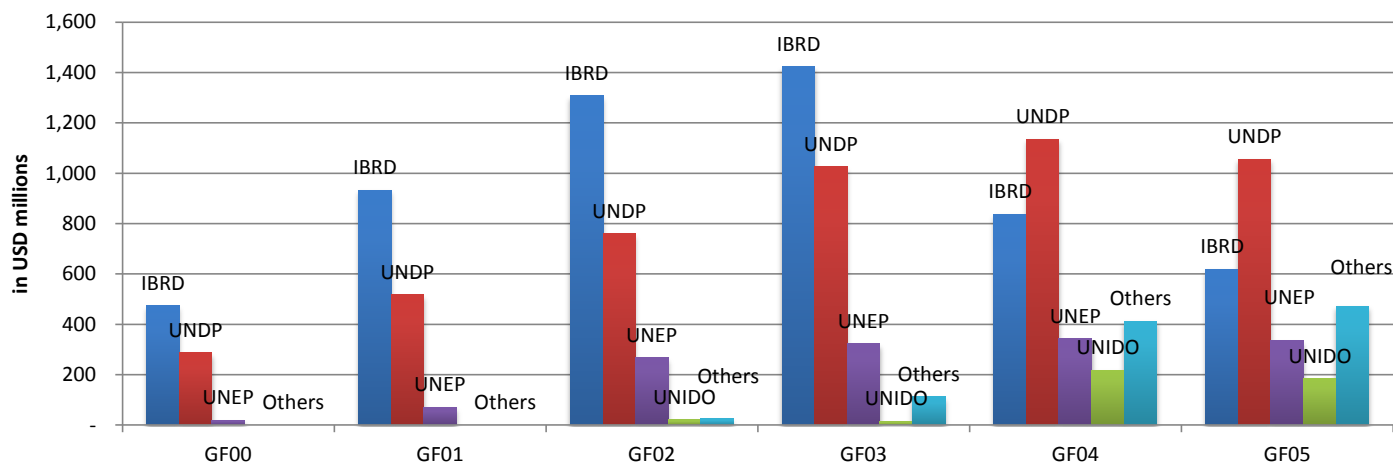
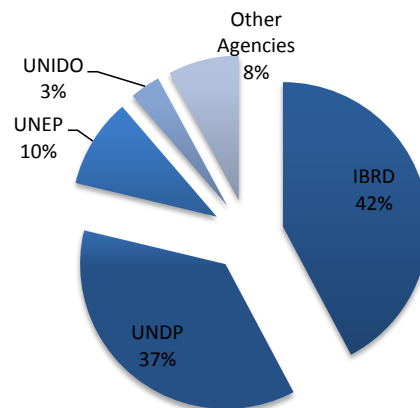
Funding Decisions by Focal Area show cumulative funding for projects only, and excludes fees. Projects in the areas of biodiversity and climate change represent approximately 60% of the cumulative funding approved to date.



FUNDING DECISIONS BY AGENCY

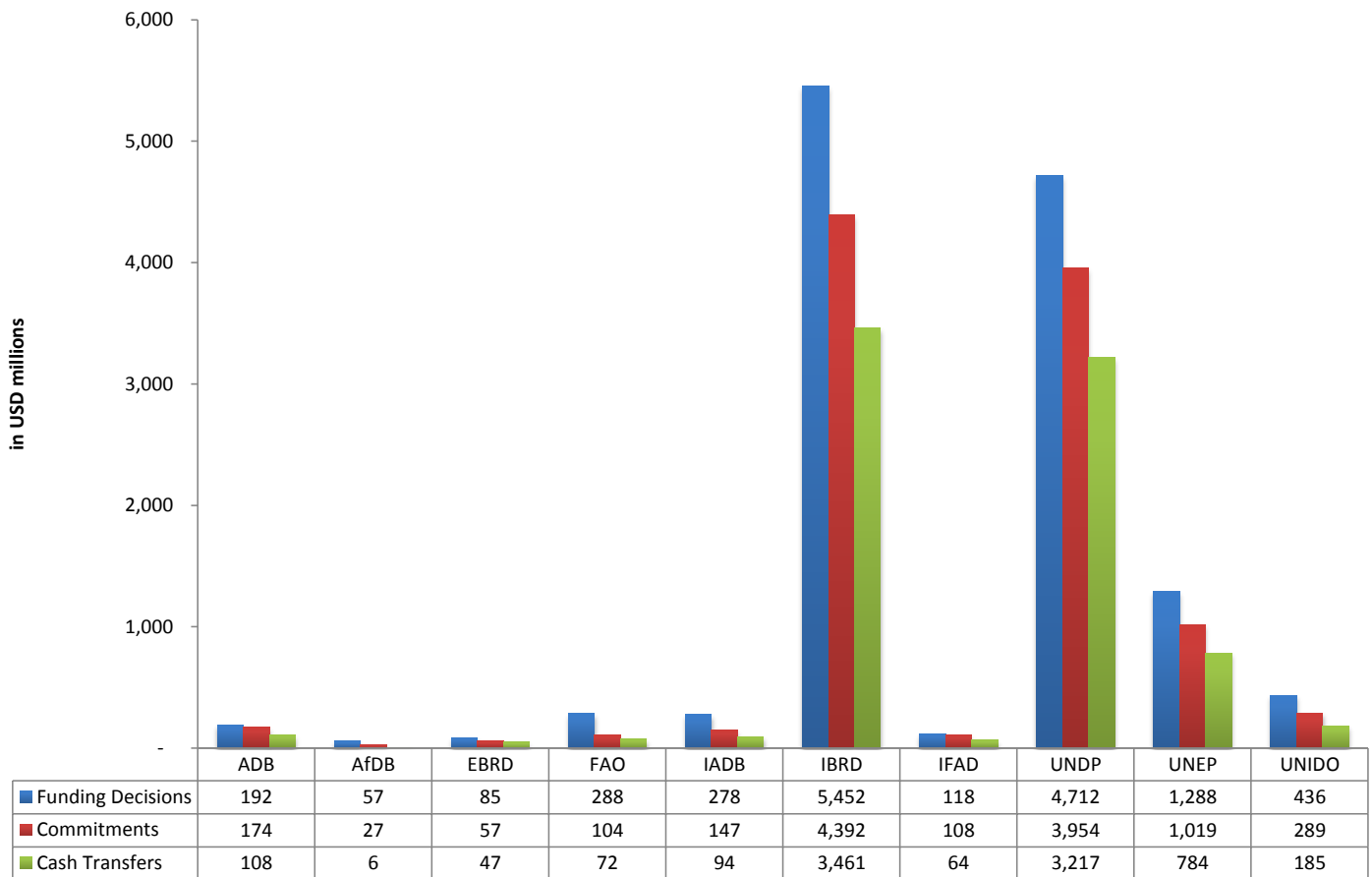
The chart shows that 79% of the cumulative approvals for projects (including related fees) were for implementation by IBRD and UNDP. UNEP’s share of the total is 10% while the seven other Agencies received 11% of the funding.

The Agencies’ share of funding approvals changes over time. IBRD’s share fell from 61% in the GEF Pilot to 23% in GEF-5. UNDP’s share increased from 37% in the GEF Pilot to 40% in GEF-5. UNEP’s share increased from 2% in the GEF Pilot to 13% in GEF-5. The combined share of other Agencies increased from 1% in GEF-2 to 18% in GEF-5.



FUNDING DECISIONS, TRUSTEE COMMITMENTS AND CASH TRANSFERS TO AGENCIES

Funding Decisions by Trustee Commitments and Cash Transfers show the cumulative commitments and cash transfers to the GEF Agencies since inception.



3. Funding Availability

In USD millions

	As of Sept. 30, 2013 (a)	As of March 31, 2013 (b)	Change (a) - (b)
1. Funds Held In Trust	4,659	4,820	(161)
a. Cash and investments	3,710	3,718	(8)
b. Unencashed promissory notes	949	1,102	(153)
2. Restricted Funds	62	61	0
a. Deferred Contribution in respect to the pro rata right	2	-	2
b. Pre-paid Contributions	60	1	59
c. Reserve to cover foreign exchange rate fluctuations		60	(60)
3. Funds Held in Trust with no Restrictions (3 = 1 - 2)	4,597	4,758	(161)
4. Approved Amounts Pending Cash Transfers to Agencies	4,266	4,200	66
a. Trustee committed	2,236	2,236	(0)
b. Approved by Council but not yet CEO Endorsed	2,031	1,630	401
c. Requested amounts for financing pending decision	-	334	(334)
5. Funds Available to Support Council or CEO Decisions (5 = 3 - 4)	331	558	(227)

Highlights for the period April 1, 2013 through September 30, 2013:

- **Funding Availability** decreased by USDeq. 227 million over the prior reporting period as a result of:
 - A decrease in **Funds Held in Trust** of USDeq. 161 million resulting from:
 - Cash transfers for projects, project preparation grants, Agency fees and administrative budgets during the period of USD 421 million, offset by:
 - Cash receipts of USD 230 million,
 - Encashment of promissory notes, changes in values of promissory note balances and deposits of new promissory notes, and
 - New funding decisions made by the GEF Council and the CEO during the period.

4. GEF-5 Specific Funding Decisions

In USD millions

1. Target Replenishment Funding			4,340
2. Projected Available Resources during the GEF-5 Period			1,397
Estimated Funds Available to Support Council or CEO Financing Decisions			331
	Potential Amount Available	of which Projected to be Available	
Receivables			1,025
Arrears	263	127	
Past-due	7	7	
Due in FY14	891	891	
Release of Restricted Contributions			2
Deferred Contributions	-	-	
Pre-paid Contributions	2	2	
IoCs not yet Deposited with the Trustee	29	22	22
Projected Investment Income	17	17	17
Total	1,209	1,066	
3. GEF-5 Specific Funding Decisions			2,961
Approvals by Council			2,810
Projects and Fees		2,192	
Admin. Budget		86	
Special Initiatives		3	
Programmatic Initiatives		529	
Approvals by CEO			150
Projects and Fees (MSPs. EEAs)		108	
Project Preparation Activities and Fees		42	
Net Changes to Initial Approvals			0
Pending decisions on Intersessional and Council meetings			
Projects, Fees, Admin Budget, Special Initiatives, Programmatic Initiatives			-
4. GEF-5 "Envelope" as of September 30, 2013 (4 = 2 + 3)			4,357
5. Excess or (Shortfall) as Measured Against the Target in Line 1			17

Highlights as of September 30, 2013:

- **Projected Available Resources** through the end of the GEF-5 period amounted to USD 1,397 million (32% of the total GEF-5 envelope).
- The value of projected resources to be available is based on the following assumptions:
 - All outstanding IoCs under GEF-4 are not received from Donors;
 - Arrears from GEF-5 replenishment period are paid, while arrears from previous replenishments remain unpaid during the GEF-5 period;
 - All pre-paid GEF-5 contributions are made available for commitment;
 - All GEF-5 pledges are formalized and paid in full during the GEF-5 period.
- **GEF-5 Funding Decisions** amounted to USD 2,961 million (68% of the total GEF-5 envelope, including amounts pending decision).
- The **Target Replenishment Funding** amount represents the targeted new resources as agreed by Donors during replenishment discussions; it includes the agreed carryover of arrears, deferred contributions, and paid-in funds not yet set aside.
- **The estimated excess of the GEF-5 Envelope Value** as measured against the Target Replenishment totals USD 17 million due to the revaluation of contribution receivables and the exclusion of some arrears and IoCs not yet deposited with the Trustee from the amounts projected to become available by the end of the GEF-5 replenishment period.

Annex 1 presents possible Low and High scenarios of the GEF-5 Resource Envelope.



Annex 1. GEF-5 Resource Envelope Projections

				<i>Scenario A</i>					<i>Scenario B</i>
1. Target Replenishment Funding				4,340					4,340
2. Projected Available Resources during the GEF-5 Period				1,205					1,540
Estimated Funds Available to Support Council or CEO Financing Decisions			331					331	
	Potential Amount Available	of which Projected to be Available			Potential Amount Available	of which Projected to be Available			
Receivables			855				1,161		
Arrears	263	-			263	263			
Past-due	7	7			7	7			
Due in FY14	891	848			891	891			
Release of Restricted Contributions			2				2		
Deferred Contributions	-	-			-	-			
Pre-paid Contributions	2	2			2	2			
IoCs no yet Deposited with the Trustee	29	-	-		29	29	29		
Projected Investment Income	17	17	17		17	17	17		
Total	1,209	874			1,209	1,209			
3. GEF-5 Specific Funding Decisions				2,961					2,961
4. GEF-5 "Envelope" as of September 30, 2013 (4 = 2 + 3)				4,166					4,500
5. Excess or (Shortfall) as Measured Against the Target in Line 1				(175)					160



Scenario A

The value of projected resources to be available is based on the following assumptions:

- All outstanding GEF-4 and GEF-5 IoCs are not received from Donors;
- Arrears from the GEF-5 replenishment period and from previous replenishments remain unpaid;
- Payments of the GEF-5 fourth installment due in FY14 are adjusted based on GEF-5 payment performance.

Scenario B

The value of projected resources to be available is based on the following assumptions:

- All outstanding IoCs under GEF-4 and GEF-5 are received from Donors and paid in full;
- Arrears from the GEF-5 replenishment period and from previous replenishments are paid during the GEF-5 period.



Annex 2. Special Initiative: Information Technology (IT) Systems Update

At the June 2012 GEF Council meetings, it was agreed that the Trustee begin implementation of the recommendations arising from the independent assessment of GEF systems completed in FY11. A total amount of \$1 million was approved for this initiative, of which \$850k is funded from the GEF Trust Fund, \$100k from the Least Developed Countries Fund (LDCF) and \$50k from the Special Climate Change Fund (SCCF). It was further agreed that the full PMIS functionality would be moved into an SAP platform and other World Bank systems, and supported by World Bank IT staff. The funding received from the GEF funds will be leveraged with funds received from other Financial Intermediary Funds (FIFs) to develop a common platform to support FIF program secretariat and Trustee functionality at the World Bank.

The objective of this initiative is to create an integrated technology platform, effective tools for communicating and collaborating with external partners and clients, streamlined reporting and analytics, and a common database for the FIF program secretariats and the Trustee. This IT initiative is led by the Trustee in consultation and cooperation with the FIF program secretariats, including the GEF Secretariat and GEF Evaluation Office. The GEF and EO staff contributed knowledge and expertise on current business operations and future state requirements to help ensure the system platform can support the unique characteristics of the GEF.

Development of a database in the World Bank's Enterprise Resource Planning system (i.e., SAP) is underway. This database will be used to store and manage project/program information and will be fully integrated with the Trustee database and is the major focus of the technology platform development. The development of a shared database contributes to a standardized platform for FIFs in order to ensure data integrity, eliminate costly reconciliations including those required due to audit findings, and provide a single source of data for management and decision making. In addition, all SAP hardware and software licenses and upgrades are supported by the World Bank's technology teams. SAP is secure, supports full audit trails, and benefits from the protection of the World Bank's firewalls. The data is backed up and is protected in the case of server faults or the need for contingency operations.

Key milestones reached:

- Current state business operations and technology functions of all of the in-house FIF secretariats analyzed and documented, gaps and opportunities identified.
- Data requirements identified and documented across all FIFs.
- "As-is" and "To-be" workflow with external partners (e.g., GEF Agencies) documented.
- Business requirements and functional capabilities for SAP input identified and documented, including screen designs for SAP data entry.
- Structures for SAP data tables and basic reports drafted.
- Business requirements for an online secure space to facilitate GEF replenishment meetings drafted.
- Secure electronic data sharing with UNIDO piloted and operationalized which enables the exchange of project information across entities, such as milestone dates, disbursements, cancellations, and financial closures.

The early phases of this IT initiative are addressing some of the key issues identified during the consultations with the GEF Secretariat and Evaluation Office, such as lack of integration between PMIS and the Trustee's STAR system, and transparency of project status data. Key next steps are as follows: (i) the GEF Secretariat and Trustee will develop a plan for the GEF to migrate its data to the new SAP database; (ii) begin user acceptance testing; (iii) begin functional requirements for automated workflow between FIF program secretariats, the Trustee and implementing agencies (i.e., GEF Agencies). Details of the IT initiative and the status of development are elaborated in the following section.



FIF IT Project – Strategy and Project Lifecycle

Overview: The FIF Trustee has developed a cohesive IT solution that integrates in-house secretariats and FIF Trustee’s program/pipeline management, workflow, and financial transactions. The Business and IT have worked together to develop a strategic work program that ensures the projects complement each other and are well balanced across the Finance Strategic Business Priorities.

Highlights

Strategic Business Priorities	<ul style="list-style-type: none"> ▪ Improve Risk Management and Controls: Centralized Shared Database <ul style="list-style-type: none"> ▪ Enables FIF partners to collaborate, communicate, and access/disseminate information using standardized functionality. ▪ Reduces the over reliance on spreadsheets, duplicate data entry, manual reconciliations, and errors caused by excessive manual interventions. ▪ Deliver Uniform and Consistent Information Access: Self-Service Reporting <ul style="list-style-type: none"> ▪ Facilitates 24/7 access to reports online whether scheduled or interactive. ▪ Reduces dependency on Trustee for reporting and replaces manual and paper reporting. ▪ Create Operational Efficiencies and Cost Savings: Automated Workflow <ul style="list-style-type: none"> ▪ Permits knowledge to be shared more effectively between the Trustee teams, Secretariats and Agencies. ▪ Establishes common baseline processes across FIF partners. ▪ Modernize Business Processes: eBusiness <ul style="list-style-type: none"> ▪ Employs cutting edge technology and design to public website while improving accessibility and user experience. ▪ Advances how the Trustee interacts with its partners and clients by enhancing transparency and collaboration.
Project Lifecycle	<ul style="list-style-type: none"> ▪ Developed a Cohesive IT Solution with Manageable Scope <ul style="list-style-type: none"> ▪ Business and IT worked together to develop a strategic work program that demonstrated explicit linkages of each project to the strategic priorities. ▪ Partnered with Deloitte, in-house secretariats, and internal business staff to identify high-level requirements. ▪ Obtained approval from FCIMT Governance Board for FIF IT Project in FY12. <ul style="list-style-type: none"> ▪ Sought clearance from Business Subject Matter Experts, Office of Information Security, Enterprise Architect’s Office, and Project Management Office prior to going to Governance Board. ▪ Established Detailed Business Requirements <ul style="list-style-type: none"> ▪ Held intensive sessions with in-house secretariats staff to identify data requirements and to harmonize data. ▪ Created a Resource MAP <ul style="list-style-type: none"> ▪ Developed a coordinated staffing plan for the business and IT to ensure that the optimal resources are available to deliver the projects and established a dedicated development team. ▪ Sub-divided Projects into Realistic Phases ▪ Execute Systems Development lifecycle for each phase <ul style="list-style-type: none"> ▪ Systems development lifecycle consists of: Project Initiation, Scoping and planning, business and functional requirements, technical design and development, testing, rollout.



FIF IT Project Status

Overall Status Summary: Work to integrate in-house secretariat and trustee data is on-track and on-budget with an estimated completion date of December 2013. The first phase of the project to develop initial data tables and data entry screens in SAP to capture funding information is wrapping up systems testing and entering user acceptance testing.

Highlights for FIF Standardized Technology Platform

Key Accomplishments	<ul style="list-style-type: none"> Completed work with external consultant to develop business requirements and automated workflow designs for the FIF Platform Completed functional requirements, technical design, and systems development for the initial Secretariat applications in SAP Piloted collaboration space for IDA replenishment
Other Accomplishments	<ul style="list-style-type: none"> Improve Risk Management and Controls: Centralized Shared Database <ul style="list-style-type: none"> Gathered and harmonized data requirements across all FIFs Created business, functional, and screen design for Secretariat data entry in SAP Developed data tables, screens, and basic reports for Investment Plan and Project/program management in SAP Modernize Business Processes: eBusiness <ul style="list-style-type: none"> Piloted Collaboration space with event management, document library and some collaboration features for IDA replenishment Buy-in from eBusiness team to move forward on additional Collaboration space requirements prior to finalize bank-wide eBusiness strategy Create Operational Efficiencies and Cost Savings: Automated Workflow <ul style="list-style-type: none"> Piloted data sharing with UNIDO and received OIS approval for data sharing method
Next Steps	<ul style="list-style-type: none"> Improve Risk Management and Controls: Centralized Shared Database <ul style="list-style-type: none"> Begin user acceptance test and complete systems test Start data migration to SAP Functional requirements for phase II (Administrative budget, additional business rules, and workflow) Modernize Business Processes: eBusiness <ul style="list-style-type: none"> Expand IDA pilot for GEF replenishment Begin functional requirements for automated workflow
Issues/Risks	<ul style="list-style-type: none"> None



Implementation Strategy

Improve Risk Management and

Controls: Centralized Shared Database

Features

- Storage and management of grant information
- Full integration between Trustee and Secretariat
- Single source of information for management and decision making

Benefits

- Ensures data integrity
- Data transparency
- Eliminates costly reconciliations
- Meets audit requirements
- SAP is secure, behind World Bank's firewalls, backed up and protected in case of contingency operations

Timing

- Development and testing in progress
- User acceptance testing and rollout completion for all FIFs targeted for completion end of CY13

Deliver Uniform and Consistent

Information Access: Self-Service Reporting

Features

- Supports report and dashboard development
- Supports data visualizations
- Reports can be uploaded to public website

Benefits

- Supports standard and canned reports
- Can run ad-hoc reports
- Contains integrated secretariat and trustee data
- Information is updated daily

Timing

- Move of Trustee specific data targeted for end of CY13
- Move of Secretariat specific data targeted for Q1 CY14

Modernize Business Processes and

Create Operational Efficiencies and
Cost Savings: eBusiness and Automated Workflow

Features

- Collaboration Space
- Automated Workflow
- Document Library
- Contact Management
- Event Management

Benefits

- Transparency
- Eliminates doing business via email
- Process efficiency and data integrity
- Secure and easy to use

Timing

- Pilot for IDA already in production supporting document library, event management and some collaboration
- Development of collaboration space for GEF replenishment in progress
- Development on-board to move forward with other features prior to finalizing broader bank e-Business strategy
- Implementation TBD