

Education for All – Fast Track Initiative

Accelerating progress towards quality universal primary education

CATALYTIC FUND

STATUS REPORT

DECEMBER 2005

**Prepared by the FTI Secretariat for the EFA-FTI Annual Partnership Meeting
November 30 – December 02, 2005**

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EFA-FTI Catalytic Fund Status Report

A. Introduction

Overview

CF operations increased significantly over the course of the past year, with a 240% increase in annual disbursements, a 60% increase in donor pledges, and a 50% increase in total number of donors. This progress notwithstanding, the most important remaining challenges are to increase overall allocations even more rapidly, in line with the potential expansion in the number of FTI countries, and to reduce and possibly eliminate the lag time between allocation and disbursement, currently running at about one year particularly for the first set of countries.

Some of the year's highlights include:

- ❖ Grant allocation to three additional countries (Ghana, Madagascar and Kenya);
- ❖ Cumulative disbursements amount to \$US51m, an increase of \$US36m since November 2004;
- ❖ An expansion of the number of donors from six to nine (EC, Ireland, and Spain).
- ❖ Growth in donor pledges by \$US 160m from approximately \$265m to \$US425m for the period 2003 – 2007.

Table 1. Pledges made by donors

Country	2003	2004	2005	2006	2007	Total	Currency
Belgium		1.00	2.00	1.00	1.00	5.00	EUR
EC				31.5	31.5	63.00	EUR
Ireland				1.25		1.25	EUR
Italy		2.00	2.00			4.00	EUR
Netherlands	14.00	24.75	46.25	50.00	60.00	195.00	EUR
Norway		40.00	50.00	32.50	19.00	141.50	NOK
Spain			5.00			5.00	EUR
Sweden			35.00	80.00		115.00	SEK
UK				18.00	18.00	36.00	GBP

For 2005, total contributions paid into the multi-donor Catalytic Fund Trust Fund account amounted to approximately US\$ 71.5 million against the total pledges of US\$ 80.3 million (89%) for the year. The details of pledges made (US\$ equivalent) and contributions received till date are summarized in Table 2 below. A detailed financial statement of the Catalytic Fund Trust account is presented in Annex 1A and 1B.

Table 2. Catalytic Fund Receipts, Commitments, and Pledges 2003-2007, US \$ equivalent millions

	2003 -2004	2005			Future Pledges	
	Receipts (a)	Receipts (b)	Outstanding Commitments (c)	Total (b)+ (c)	2006	2007
Belgium	1.2	1.3	1.1	2.4	1.2	1.2
EC			-	-	38.1	38.1
Ireland			-	-	1.5	-
Italy	2.4	2.4	-	2.4	-	-
Netherlands	39.5	54.3	1.6	56.0	60.5	72.6
Norway	5.9	8.1	-	8.1	5.2	3.0
Spain			6.1	6.1	-	-
Sweden	0.0	5.3	-	5.3	9.8	-
UK			-	-	32.4	32.4
Total	49.0	71.5	8.8	80.3	148.7	147.3

Grant Allocations

For 2005 a total of \$77.2m was allocated to nine countries. Of this amount, \$35m was reserved for the first six beneficiary countries that had grants approved for 2004. The remaining \$42.2m was allocated to three new countries (Ghana: \$8m, Madagascar: \$10m, and Kenya: \$24.2m). Ghana and Madagascar were also allocated US\$11m and US\$25m respectively, for 2006. Table 3 presents country allocations by year.

Table 3. Country Allocations (US \$ millions)

Country	2003 & 2004	2005-	2006	Total
Yemen	10	10	-	20
Niger	13	8	-	21
Nicaragua	7	7	-	14
The Gambia	4	4	-	8
Guyana	4	4	-	8
Mauritania	7	2	-	9
Ghana	-	8	11	19
Madagascar	-	10	25	35
Kenya	-	24.2		24.2
Total	45	77.2	36	158.2

Disbursements

Of \$120.5m received to date, approximately \$51m has been disbursed to the countries. A large proportion of this amount is accounted for by 2004 allocations. Out of the \$45m in funds allocated for 2003-2004 \$41m (91%) has been disbursed. For the new countries endorsed in 2005 a total of \$10m has been disbursed for Ghana (US\$4 million) and for Madagascar (US\$ 6 million). The grant agreement for Kenya's 2005 allocation of US\$ 24.2 million has been signed and disbursements will take place shortly. Disbursements to countries are running behind by about a year because countries must use existing allocations before being given access to

additional allocations. Therefore 2005 allocations for the first six countries are yet to be disbursed. However Yemen, Nicaragua, Guyana and The Gambia have completed the use of the 2004 allocations and are in the process of preparing grant agreements for 2005 allocation. Table 4 presents a summary of allocations and disbursements till date and the disbursement schedule for 2005 allocations is presented in Table 5.

Table 4. Summary of allocations and disbursements till date **US\$ millions**

	2003/4			2005			2006
	Allocated	Disbursed	Pending	Allocated	Disbursed	Pending	Allocated
Ghana	-	-	-	8.0	4	4.0	11.0
Guyana	4.0	4.0	-	4.0	-	4.0	-
Kenya	-	-	-	24.2	-	24.2	-
Madagascar	-	-	-	10.0	6.0	4.0	25.0
Mauritania	7.0	7.0	-	2.0	-	2.0	-
Nicaragua	7.0	7.0	-	7.0	-	7.0	-
Niger*	13.0	9.0	4.0	8.0	-	8.0	-
The Gambia	4.0	4.0	-	4.0	-	4.0	-
Yemen	10.0	10.0	-	10.0	-	10.0	-
Total	45.0	41.0	4.0	77.2	10.0	67.2	36.0

*Niger is yet to disburse the second tranche of its 2004 allocation (cf. Section C on Niger)

Table 5. Planned Disbursement Schedule, 2005-2006 (US\$ millions)

	Planned Disbursements				
	November -December. 2005	January -March 2006	April - June 2006	July- September 2006	October – December. 2006
Ghana	4.0		6.0		5.0
Guyana		4			
Kenya	24.2				
Madagascar		4		12.5	
Mauritania			1.0		1.0
Nicaragua		3.5		3.5	
Niger*			4.0		
The Gambia	4.0				
Yemen	6.0			4.0	
Total	38.2	11.5	11.0	20.0	6.0

*Niger will disburse the second tranche of its 2004 allocation between April–June, 2006 as the closing date has been extended to December 2006.

Taking into account prior allocations and pledges US\$ 119.8m is available for allocation in 2006, provided donors meet their pledges. The breakdown of this amount is in Table 6 below.

Table 6: Allocable resources for 2006

Year	Pledges	Allocations	Balance brought Forward	Available Balance
2003/04	49	45	4	4
2005	80.3	77.2	3.1	3.1
2006	148.7	36		112.7
Total available balance				119.8

Supervision Funding

A total of \$670,000 has been provided to World Bank task teams for supervision of the use of Catalytic Fund resources. The breakdown of supervision for the main regions is as follows: Middle East and North Africa countries Yemen-US\$ 60,000, Latin America- Guyana and Nicaragua-US\$160,000 i.e. US\$80,000 for each country, and Africa US\$ 450,000 i.e. US\$ 90,000 each for Mauritania, Ghana, The Gambia, Madagascar and Niger.

B. Administrative Processes: Summary of key actions taken the past year

Over the course of the year, five key actions were taken to address specific procedural bottlenecks. These had to do with: (i) poor communications around the allocations of grants, (ii) uncertainty around the Grant Completion Reports, (iii) absence of model for pooled funding, (iv) frequent requests for extension of the approved implementation period, and (v) lack of clarity around CF exit strategies for individual countries. These are addressed in turn below.

(i) Communication regarding grant allocations: A lack of consistency in grant notification procedures led initially to poor communications with countries about allocations. After allocations were finalized by the Catalytic Fund Strategy Committee, the Secretariat informed the World Bank's Education Task Team Leader for the country, who in turn informed the Government. This process was inconsistent across countries and led to delays both in getting the information to the countries and in verifying whether a country had been notified. The operating guidelines for the Catalytic Fund have been revised to include a clear grant notification procedure and a sample grant notification letter. According to the guidelines, after deliberations of the Catalytic Fund Strategy Committee, a letter signed by the Senior Vice President, HDN, World Bank and Chair of the Committee will be sent to the World Bank Country Director of the beneficiary country notifying him/her of the allocation decision. The Government is then notified by a letter signed by the Country Director with a copy to the Lead donor agency. Thereafter, preparation of the grant agreement will commence. The revised operating guidelines and the sample grant notification letter are attached in Annex 2 (Operating guidelines). Communications with countries about grant allocations are now timely, clear, and consistent.

(ii) Grant Completion Report: Absence of a template to guide countries on how to prepare Grant Completion Reports was found to contribute to processing delays. Task Team Leaders and Lead donor agencies were also uncertain as to requirements for these reports. Drawing from reporting requirements of other funds, a sample template for the Catalytic Fund grant implementation completion reports was prepared. This template calls for the Grant Completion Report (GCR) to be a concise document describing the extent to which objectives of the country's Education Sector Program have been met and the activities completed. The GCR is to include an assessment of the program's development impact, identifying problems in program implementation, and providing lessons learned. Where audited financial statements and independent evaluation reports are available, they should be included in the GCR. A GCR template that captures the above information is attached in Annex 2. It is anticipated that processing time for GCRs will be reduced, and that the lag between allocation and disbursement to countries will be reduced.

(iii) Pooled funding: Pooled or basket funding is increasingly used by many donors supporting Education Sector Programs in developing countries but no model grant agreement has been available. Following a meeting between the Secretariat and members of the central administrative units of the Bank on a model grant agreement for pooled funding was drafted and it is currently going through the clearance process. It should be available for use before the end of the first quarter of 2006.

(iv) Implementation period: Most countries have been unable to disburse the two tranches of their grants during the 12-month implementation period established, and had to request extensions. Release of the second tranche of each grant is contingent upon receipt of a satisfactory report on the progress achieved in carrying out the program. Such a report is usually the result of a joint government/donor review of the program which for most countries takes place once a year and in some countries takes place in the last quarter before the closing date of the grant. The central units of the Bank recommended increasing the grant period to 18 months so as to give the recipient countries more time for disbursement without request for an extension. In its meeting of July 18, 2005, the Catalytic Fund Strategy Committee agreed to this extension and subsequent modification of the grant agreements. In collaboration with the Legal Department, the Secretariat is working on the revised model agreement.

(v) Exit strategy options: The Catalytic Fund provides transitional grant financing for two to three years to enable low-income countries to scale up implementation of their education sector programs and establish a track record that may leverage longer-term support. It was agreed in March 2005 that countries should exit at the end of the second year if sufficient donor funding has been mobilized through other channels. If not, a reduced amount would be considered in the third year. The Netherlands suggested exploring the possibility of setting up a fund that could provide longer term financing for such countries. The Secretariat and the Netherlands had meetings in August 2005, to develop exit strategy options. A discussion paper was prepared in which proposals for leveraging longer term support for countries that exit the Catalytic Fund were made. The note suggested three ways by which longer term support could be leveraged as follows:

- Within the framework of the country's national poverty reduction strategy, adequate and sustainable domestic financing could be mobilized for the education sector.
- Donors already operating in the country increase the amount of aid that they currently give to support the activities of the education sector plan.
- New donors come in to support the sector either through (a) new arrangements between a bilateral donor that is not currently operating in the country and the Government; (b) delegated arrangement, silent partnership between two bilateral donors or (c) other arrangements such as a new fund that provides longer term financing to sustain the activities of the education sector.

C. Summary of CF Country Status

Guyana: The full amount for CY04 has been transferred to Guyana and the closing date is scheduled for December 31, 2007. Canada is currently discussing their investment in Guyana

with the Government. They have decided to support the Distance Learning program (GBET) another year, and are looking at other possible areas of investment in education. Donors active in education: IDB, Canada, WB, DfID, UNICEF, UNESCO, EU, and OAS. Donors financially supporting education: IDB, Canada, UNICEF. WB provides technical and administrative support to the EFA-FTI program.

Mauritania: Mauritania has received Catalytic Fund allocations from 2003 – 2005. It has disbursed the full amount of its 2003 and 2004 allocations and has disbursed the full amount of its CY2004 allocation. However it has extended its grant closing date from October 31, 2005 to March 31, 2006. Consequently it will access its 2005 allocation in the second quarter of 2006 if all goes well. Mauritania has not been able to mobilize any new donor funding. Existing donors operating in Mauritania education sector are the following: French (French cooperation and AFD). Other donors are: IDA, BID, AfDB. The Government has increased allocation to education by approximately 55%. AFD intend to increase their funding throughout C2D ('Contrat désendettement développement' or French Debt Relief) for next year and beyond. However, the project is not appraised therefore the level of contribution is not known.

Nicaragua: The full CY04 allocation for Nicaragua has been disbursed but the grant period has been extended from June 30 – October 31, 2005. Donors supporting the education sector include EU, DANIDA, Canada, UNICEF, Japan, Luxembourg, IDB, USAID, Spanish Cooperation, Finland, DfID and the WB. They have plans to support the sector for the next three years, at least. As far as resource mobilization at country level is concerned, three donors, EU, DANIDA and Canada, who had not been active, began programs in 2005. Four of the donors - EU, DANIDA, Canada and WB – jointly support the Common Work Program.

Niger: Niger has fully disbursed its 2003 allocation of US\$5 million. It has also disbursed the first tranche of its 2004 allocation (\$US4million). However, the Ministry of Education is experiencing some serious delays in implementing the CF-supported program for many reasons; including a change in the ministerial team and delays caused by their efforts to align the CF funds with the Ministry of Education's budget. The Government is preparing a progress report which is expected to include a request for an extension of the current agreement to end-2006.

The Gambia: The grant agreement was signed in November 2004 and the closing date is April 30, 2006. The Gambia has fully disbursed its CY04 allocation. At the country level there are presently the following donors-EU/EC, DFID, ADB, IDB, BADEA. DFID launched a new program for Basic Education Support in The Gambia in 2005. Further there has been an increase in government allocation to education budget, but only by 2 percentage points over last year. The budget has increased slowly due to macroeconomic constraints. All current sources of funding are continuing. However it is unlikely that a new donor will come on board.

Yemen: Yemen has fully disbursed its CY04 allocation and is currently processing the grant agreement for the CY05 allocation. At the country level there are presently the following donors-WB, Netherlands, Germany, Dfid, Japan, USA, UNICEF, WFP and France. New donors that have come on board are Dfid in 2004; CIDA intends to come on board shortly.

From the above, it can be noted that the Catalytic Fund has not been able to leverage additional resources in all the other countries, except for Yemen. These countries therefore remain donor orphans.

D. Issues for Discussion

The Catalytic Fund has been in operation for two full years. Beneficiaries of the CF are countries with four or fewer bilateral donors contributing at least US\$ 1 million to the education sector. The situation of some of these countries may change over time as new donors come in. Some of the current beneficiaries from the fund have received grants during this period which corresponds to the transition period defining the fund. Questions for discussion and decision points relate to the future of countries that have come to the end of the transitional financing period and the allocation of resources to future beneficiaries of the fund. Another major issue for discussion is the concept note for the proposed expansion or sustenance fund that would provide longer term financing options for countries which continue to have a financing gap and need assistance, regardless of whether they qualify under current CF guidelines.

Decision point 1: Future CF status of Mauritania and Niger

Mauritania and Niger have each received three Catalytic Fund allocations 2003 – 2005. (See section C for details on each country's status).

What should the future be for Mauritania and Niger within the Catalytic Fund in 2006?

Options:

- (a) Exit Catalytic Fund since they have had three years of grant financing. This option will give the two countries (i) time to absorb the resources that they have been allocated (ii) an opportunity for in-country donors to increase their financial contributions to cover the amount previously received through the Catalytic Fund; (iii) an opportunity for new donors to provide additional resources to cover the amount previously received through the Catalytic Fund either directly or through silent partnerships. The advantage of this option is that it maintains the basic principle of the Catalytic Fund to provide financing to countries for a limited transitional period of two to three years. The down side is that there are uncertainties with the other possibilities of mobilizing resources.
- (b) If the SC agrees to the establishment of an Expanded Catalytic Fund suggested above, consider these countries as potential recipients. If the SC does not agree to an expanded CF, obtain firm commitments from current donors to provide the support to these countries. The advantage of this option is that the countries will have longer term and predictable financing that they can include in their medium term plans.

Recommendation: Option (b) is recommended because the countries will have longer term support.

Decision point 2: Future CF status of Nicaragua, Guyana, the Gambia and Yemen:

These countries each received two allocations of Catalytic Fund grant financing but they are still donor orphans and have a financing gap.

What should be done to ensure continued financial support to these countries?

Options:

- (a) Make a 2006 allocation from the Catalytic Fund. This allocation could be made (i) at the current level of support if no donor comes forward with new funding equivalent to the current CF allocation; (ii) allocate an amount based on the allocation formula. The advantage is that these countries can make longer term plans based on the predictability of the resources. The down side is that resources available for newly endorsed countries will be reduced.
- (b) If the SC agrees to the establishment of an Expansion or Sustainance Fund suggested above, consider these countries as potential recipients. If the SC does not agree to an expanded CF, obtain firm commitments from current donors to provide the support to these countries. The advantage of this option is that the countries will have longer term and predictable financing that they can include in their medium term plans. Moreover this will free up funds in the CF for newly endorsed countries.

Recommendation: Option (a) is recommended because the Catalytic Fund has so far not achieved the objective of leveraging additional resources from other sources.

Decision point 3: Proposal for an FTI Expansion Fund

In September 2005, the Netherlands presented a proposal for establishing a second window of the Catalytic Fund. The purpose of this window would be to provide longer term support to countries that are scheduled to exit the Catalytic Fund but which have not yet leveraged sufficient incremental support to fill the financing gap. The Strategy Committee requested that additional work be completed regarding the modalities for this fund. The attached concept note has been prepared.

Does the Strategy Committee agree with the establishment of the proposed fund? If so, does the SC have comments on the attachment?

Decision point 4: Change of eligibility status of current Catalytic Fund countries.

The conditions of eligibility for the Catalytic Fund are that the recipient has no more than four significant donors, has a financing gap, and is making satisfactory implementation progress. A country eligible for funding can become the beneficiary of the Catalytic Fund grant for a period of two years. However, a recipient country may attract additional donor support before the two-year period ends. *In this case, does it still benefit from the second year of funding?*

Options:

- (a) The recipient country is disqualified from its second year of funding. This option is consistent with the policy to allocate CF resources only to countries with insufficient donor support. The downside is that this would be a disincentive for additional donors to provide support.
- (b) The recipient country is guaranteed to receive support for two years.

Recommendation: Option (b) is recommended because it will enable countries plan for the use of resources and be able to align the resources with their budget cycle. Terminating the second year's allocation would be disruptive and would be a disincentive to donors to provide support to CF countries.

Decision point 5: Determination of amount for second year allocation

At the March 2005 meeting, the Strategy committee agreed to the policy of awarding grants for at least two years to new beneficiaries. During the past year, the amount allocated to the newly endorsed countries has been closely related to the country's financing gap. However it was decided that as from November 2005, the allocation formula will be used to determine country allocations. Many more countries are in the endorsement pipeline and would possibly be in need of Catalytic Fund grant support. Given that resources in the Trust Fund will be limited, what would be the mechanism for determining the second year allocation amount?

Options:

- (a) Use the allocation formula to determine the first year allocation amount and fix the second year amount at the same level. The advantage of this option is that countries know the amount to be received in advance and can plan accordingly. The disadvantage is that a fixed amount in the second year might not be available if paid pledges are insufficient. However this would not be a problem if donors make multi-year commitment.
- (b) The amount to be allocated in the second year is determined using the allocation formula. The advantage of this option is that allocation would be based on funds available. The downside is that countries would be unsure of what they will have and therefore can not make concrete plans due to uncertainty. This option also hinders financing predictability

Recommendation: Option (a) is recommended because it will help countries to plan better and to make this work; donors will have to commit to multi-year pledges.

Decision point 6: 2006 Catalytic Fund Grant Allocations

As recommended by CF Strategy Committee Meeting of September 2005, the Secretariat has adopted a simple formula for allocating available funds to eligible countries. The formula is based on two weighted variables, namely country's population and its financing gap. A minimum amount is set, so as not to put small countries at a disadvantage. Population accounts for 60 percent while the financing gap accounts for 40 percent. Specifically, the formula distributes the mobilized CF resources by country.

Since the country endorsement processes are still ongoing, allocation proposals will be presented later.

Decision Issue 7: Method for 2006 Allocations

On the assumption that a large number of countries will become eligible for CF financing in 2006, a decision was taken at the Technical Meeting in March 2005 to make allocation decisions once a year during the annual meetings using an agreed allocation formula. However, only four additional countries have become eligible with many additional countries expected in the coming months.

Under the circumstances, would the SC consider continuing with rolling allocations a method for 2006 allocation?

E. Catalytic Fund – Estimates of future needs

Projections for future CF needs are based on the following assumptions: (i) all eligible countries get the same level of allocation for three consecutive years before exiting the CF; and (ii) estimated financing gaps are based on data from the “Bruns et al Report of 2003,” the OECD DAC/CRS Database on ODA and a projected schedule for country endorsements over the period. The results of this exercise are presented in Table 7 below.

Table 7. Financial Resource Needs for the Catalytic Fund 2005-07(In US\$ millions equivalent)

	2005	2006	2007	TOTAL
Commitments for 2005 (A):	77.2	85.2	60.2	222.6
Commitments for 2006 (B):	---	20.6	20.6	41.2
Commitments for 2007 (C):	---	---	180.0	180.0
Total resources needed (A+B+C)	<u>77.2</u>	<u>105.8</u>	<u>260.8</u>	<u>443.8</u>

Source: FTI Secretariat; estimates and projections.

It is estimated that resource requirements for 2006 would amount to US\$105.8 million. The needs would increase rapidly to reach US\$260.8 million in 2007; and even higher in 2008. Given that the Administrative Agreement governing the CF ends in 2007, we have limited the analysis to that date. Therefore overall need for the 2005-07 period amounts to US\$443.8 million. Assumptions on the pattern of country endorsements are presented below. Donor orphans are indicated in italics and bold:

For 2006, a total of twelve (12) countries are expected to be endorsed by the EFA-FTI, of which eight (8) would need CF resources. These are: *Albania*, Benin, *Bhutan*, *Burundi*, *Cambodia*, *Cameroon*, *Djibouti*, Mali, *Rwanda*, Senegal, *Timor Leste*, and Zambia; and

For 2007, another seven (7) countries are also expected to be endorsed by the EFA-FTI, of which six (6) would need also CF resources. These are: Angola, *Chad*, *Congo (DRC)*, *Georgia*, *Guinea-Bissau*, *Kyrgyz Republic*, and *Sierra Leone*.

F. Conclusion and the way forward

The main conclusions from this year’s activities are:

- (a) Donors have increased their contributions to the Catalytic Fund, but will have to do much more as the number of FTI countries eligible for funding increases.
- (b) The nature of the CF as a transitional fund over two years may needs to be revisited—the FTI expansion fund would be a de facto way of doing this.
- (c) Disbursement delays incurred during the startup period of the fund at the beginning of 2004 need to be overcome as soon as possible.

Going forward, the work plan for next year will include the following:

- Process grant agreements for new countries
- Finalize the model agreement for pooled funding

- Amend existing Policy Based Model Grant agreement taking into account extension of grant duration for use in the 2006 grant agreements
- Set up the FTI Expansion fund, if agreed.

Annex 1A - Financial statements**CATALYTIC FUND MULTI-DONOR TRUST FUND ACCOUNT
SUMMARY OF CONTRIBUTIONS, ALLOCATIONS, DISBURSEMENTS
AND FUND BALANCE**

For the period November 21, 2003 (inception) to November 4, 2005

Expressed in U.S. dollars

		November 12, 2003(inception) to November 4, 2005
Receipts		
Contributions	\$	
Belgium		2,549,391
Italy		4,810,200
Netherlands		54,337,532
Norway		14,047,419
Sweden		5,313,092
Total contributions		81,057,634
Investment income		750,555
Total receipts		81,808,189
Disbursements		
Project disbursements		
Madagascar		6,000,000
Mauritania		2,000,000
Ghana		4,000,000
Supervision costs for grants to MENA countries		57,180
Supervision costs for grants to AFR countries		229,940
Supervision costs for grants to LAC countries		129,086
Total project disbursements		12,416,206
Transfer to other trust funds (Guyana)		4,000,000
Administration fee		99,369
Total disbursements		16,515,575
Excess of receipts over disbursements		65,292,614
Fund balance, beginning of period		-
Fund balance, end of period	\$	65,292,614
(A) Summary of allocations from Catalytic fund		
Ghana		19,000,000
Guyana		8,000,000
Kenya		24,200,000
Madagascar		35,000,000
Mauritania		4,000,000
Nicaragua		7,000,000
Niger		8,000,000
The Gambia		4,000,000
Yemen		10,000,000
Child fund for supervision for MENA countries		60,000
Child fund for supervision for AFR countries		450,000
Child fund for supervision for LAC countries		160,000
Total allocation	\$	119,870,000
(B) Summary of donor pledged amount		
Belgium	EUR	5,000,000
EC	EUR	63,000,000
Ireland	EUR	1,250,000
Italy	EUR	4,000,000
Netherlands	EUR	195,000,000
Norway	NOK	141,500,000
Spain	EUR	5,000,000
Sweden	SEK	115,000,000
UK	GBP	36,000,000

The above unaudited financial statement was prepared by the FTI Secretariat

Annex 1B - Financial statements
BNPP EDUCATION FOR ALL (CATALYTIC FUND)
SUMMARY OF CONTRIBUTIONS, ALLOCATIONS, DISBURSEMENTS
AND FUND BALANCE

For the period November 21, 2003 (inception) to November 4, 2005
 Expressed in U.S. dollars

		UNAUDITED
		November 12, 2003 (inception) to November 4, 2005
Receipts		
Contributions	\$	39,470,951
Total receipts		39,470,951
Disbursements		
Project disbursements		
Mauritania		5,000,000
Nicaragua		7,000,000
Niger		9,000,000
The Gambia		4,000,000
Yemen		10,000,000
Total project disbursements		35,000,000
Transfer to Secretariat trust fund		470,951
Total disbursements		35,470,951
Excess of receipts over disbursements		4,000,000
Fund balance, beginning of period		-
Fund balance, end of period	\$	4,000,000
Note		
(A) Summary of allocations for various countries		
Mauritania		5,000,000
Nicaragua		7,000,000
Niger		5,000,000
Niger phase 2		8,000,000
The Gambia		4,000,000
Yemen		10,000,000
Total allocation	\$	39,000,000

The above unaudited financial statement was prepared by the FTI Secretariat