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Virtual

GEF TRUST FUND FINANCIAL REPORT

*Summary of Financial Information
As of September 30, 2025*

(Prepared by the Trustee)



Global Environment Facility Trust Fund

Financial Report

Prepared by the Trustee

Summary of Financial Information

As of September 30, 2025



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Introduction

The information contained in this report is prepared based on financial information as of September 30, 2025, except indicated otherwise.

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 environmentally 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 focal areas: (i) biological diversity, (ii) climate change (mitigation and adaptation), (iii) international waters, (iv) land degradation, primarily desertification and deforestation, and (v) chemicals and waste.

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 as of September 30, 2025; (ii) the details of financial activities of the GEF Trust Fund since its inception to September 30, 2025.



GEF Trust Fund Financial Summary as of September 30, 2025

Pledges and Contributions

GEF Contributing Participants have pledged SDR 17,410 million (USDeq. 24,869 million)¹ to date. Of which SDR 17,383 million (USDeq. 24,830 million) has been confirmed by deposit of Instruments of Commitments (IoCs) or Qualified Instruments of Commitment (QIoCs) with the Trustee.

GEF-8 donor pledges totaled SDR 3,300 million (USDeq. 4,664 million)², and all the donors have fully deposited their respective Instruments of Commitment (IoCs or QIoC) for the entire pledged amount.

Investment Income

As of September 30, 2025, the GEF trust fund accumulated investment earnings amounting to USD 2,407 million, inclusive of investment income received from implementing agencies. Of this, USD 760 million has been earned in the GEF trust fund since the beginning of the GEF-8 replenishment period that opened on July 24, 2022.

Funding Approvals and Commitments

As of September 30, 2025, cumulative funding decisions (approvals by the GEF Council/CEO) amount to USD 24,644 million net of USD 2,120 million in cancellations and reductions at CEO approval/endorsement, and inclusive of approximately USD 8 million pending decisions of intersessional and Council meetings.

Of the total funding decision, cumulative commitments amount to USD 22,771 million including for administrative expenses and funding allocations to the GEF Secretariat.

Cash Transfers

Cash transfers were made on an as-needed basis to meet projected disbursement requirements. As of September 30, 2025, out of the cumulative commitment of USD 22,771 million, the Trustee has transferred USD 18,406 million. A balance of USD 4,365 million remains payable as of September 30, 2025.

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

Funds Held in Trust 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. As of September 30, 2025, Funds Held in Trust, including the reserve amount of USD 175 million, total USD 6,804 million, 26% of which represents unencashed promissory notes.

Funds available to support Council or CEO decision amounted to USD 498 million as of September 30, 2025.

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

² Includes supplemental contributions made by donors since the beginning of GEF-8 period.



1. GEF Trust Fund Summary – Inception through September 30, 2025

	Total (in SDR millions)
<u>Donor Pledges and Contributions (in SDR millions)</u>	
Received IoCs	17,383.46
GEF-4 IoCs not yet deposited	4.00
GEF-5 IoCs not yet deposited	12.35
GEF-6 IoCs not yet deposited	9.93
Total Donor Pledges and Contributions (in SDR millions)	<u>17,409.74</u>

	Total (in USD millions)
<u>Cumulative Resources (in USD millions)</u>	
<u>Resources received</u>	
Cash Receipts	21,012.16
Unencashed promissory notes	1,792.56
Investment Income earned	2,406.53
Total Resources Received	<u>25,211.25</u>
<u>Resources not yet received</u>	
GEF-4 IoCs not yet deposited	5.48
GEF-5 IoCs not yet deposited	11.05
GEF-6 IoCs not yet deposited	15.00
GEF-8 Installment Receivables	1,090.50
Installment Receivables from previous replenishments	89.65
Total resources not yet received	<u>1,211.69</u>
Total Cumulative Resources (A) (in USD millions)	<u>26,422.93</u>

<u>Cumulative Funding Decisions (in USD millions)</u>	
Approvals by Council and CEO	26,756.28
Cancellations and reductions at endorsement	(2,119.91)
Pending Decisions of Intersessional and Council Meetings	7.54
Total Funding Decisions Net of Cancellations (B) (in USD millions)	<u>24,643.91</u>
Cumulative Resources Net of Funding Decisions (A) - (B) (in USD millions)	<u>1,779.02</u>

<u>Funds Available (in USD millions)</u>	
Funds Held in Trust with no restrictions	6,628.99
Approved Amounts Pending Cash Transfers to Agencies	6,131.49
Total Funds Available to Support Council or CEO Decisions (in USD millions)	<u>497.50</u> ^{a/}

a/ After factoring for the FX reserve of USD 175 million.

Note: Totals may not add up accurately due to rounding



2. Cumulative Resources and Funding Decisions

In USD millions

	<u>September 30, 2025</u>		<u>July 31, 2025</u>	
1. Cumulative Resources	26,422.93		26,296.78	
<u>Resources not yet received</u>	<u>1,211.69</u>		<u>1,203.31</u>	
GEF-4 IoCs not yet deposited with the Trustee	5.48	5.42	5.42	5.42
GEF-5 IoCs not yet deposited with the Trustee	11.05	10.76	10.76	10.76
GEF-6 IoCs not yet deposited with the Trustee	15.00	15.00	15.00	15.00
GEF-8 IoCs not yet deposited with the Trustee	-	5.65	5.65	5.65
GEF-8 Installment Receivables	1,090.50	1,076.85	1,076.85	1,076.85
Installment Receivables from previous replenishments	89.65	89.63	89.63	89.63
<u>Resources received</u>	<u>25,211.25</u>		<u>25,093.47</u>	
Cash receipts from installments and encashments	21,012.16	21,001.02	21,001.02	21,001.02
Unencashed promissory notes	1,792.56	1,752.57	1,752.57	1,752.57
Investment Income earned on undisbursed balances of GEF Trust Fund	2,406.53	2,339.88	2,339.88	2,339.88
2. Cumulative Funding Decisions	24,643.91		24,629.16	
Approvals by Council and CEO	26,756.28	26,695.73	26,695.73	26,695.73
Cancellations	(2,119.91)	(2,074.11)	(2,074.11)	(2,074.11)
Pending decisions of Intersessional and Council Meetings	7.54	7.54	7.54	7.54
3. Cumulative Resources Net of Funding Decisions (3 = 1 - 2)	<u>1,779.02</u>		<u>1,667.62</u>	

Note: Totals may not add up accurately due to rounding.

Snapshot of cumulative resources and funding decisions:

- The table above shows cumulative resources and cumulative funding decisions of the GEF Trust Fund since inception.
- Of the cumulative resources of USDeq. 26,422.93 million, USDeq. 1,211.69 million (5%) represents resources not yet received. Of these, IoCs not yet deposited with the Trustee amount to USDeq. 31.54 million, GEF-8 installment receivables amount to USDeq. 1,090.50 million, and installment receivables from previous replenishments amount to USDeq. 89.65 million.
- Cumulative net funding decisions amounting to USDeq. 24,643.91 million represents about 93% of the total cumulative GEF resources.
- As of September 30, 2025, cumulative resources net of funding decisions amount to USDeq. 1,779.02 million.



2a. Cumulative Resources

In USD millions

Instruments of Commitment to be Deposited For Replenishments				
Status as of September 30, 2025				
(Amounts in millions)				
<u>Contributing Participant</u>	<u>Replenishment</u>	<u>Currency of Obligation</u>	<u>Amount in Currency of Obligation</u>	<u>Amount in USD eq. a/</u>
Nigeria	GEF-4	SDR	4.00	5.48
Total GEF-4 IoCs Not Yet Deposited				5.48
Greece	GEF-5	EUR	4.44	5.22
Nigeria	GEF-5	NGN	921.93	0.62
Portugal	GEF-5	EUR	4.44	5.22
Total GEF-5 IoCs Not Yet Deposited				11.05
Russian Federation	GEF-6	USD	15.00	15.00
Total GEF-6 IoCs Not Yet Deposited				15.00
Total GEF-4, GEF-5 and GEF-6 IoCs Not Yet Deposited				31.54

a/ Based on exchange rates as of September 30, 2025.

Note: Totals may not add up accurately due to rounding.

STATUS OF QUALIFIED INSTRUMENTS OF COMMITMENT (QIOC) UNDER GEF-8

The details of QIOCs as of date by contributing participants are given below:

<u>Contributing Participant</u>	<u>Replenishment</u>	<u>USD eq. (millions) a/</u>
Canada	GEF-8	7.31
Denmark	GEF-8	62.94
United States	GEF-8	150.20
Total		220.46

a/ Based on exchange rates as of September 30, 2025.



INSTALLMENT ARREARS BY REPLENISHMENT

As of September 30, 2025, cumulative arrears amounted to USDeq. 239.85 million under GEF-1, GEF-2, GEF-3 and GEF-8.

Installment arrears by replenishment				
Status as of September 30, 2025 (in millions)				
Contributing Participant	Repl.	Currency	Installment Receivable Amount	USDeq. (millions) a/
Egypt	GEF-1	SDR	0.53	0.73
United States	GEF-2	USD	88.01	88.01
Nigeria	GEF-3	SDR	0.67	0.92
United States	GEF-8	USD	150.20	150.20
Total				239.85

a/ Based on exchange rates as of September 30, 2025.

Note: Totals may not add up accurately due to rounding.

RESTRICTED RESOURCES AND FOREIGN EXCHANGE RISK

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

An adverse movement in exchange rates such as strengthening of the US dollar against major contribution currencies could adversely affect the resources available for payments against approved funding decisions. To absorb the negative impact of exchange rate movements, the Trustee maintains a foreign exchange reserve. The appropriate level of reserve is determined by the Trustee for every replenishment and is continuously monitored after considering projected contribution payments and estimated disbursements.

As of September 30, 2025, the level of reserve currently stood at USD 175 million and was determined based upon simulations of movements in foreign exchange rates over a 24-month horizon of the currencies and amount of promissory note receivables. The Trustee will continue to monitor the level of reserve and adjust the amount as required per market conditions to reflect variations in GEF-8 donor receivables and unencashed promissory notes, both in the amounts and currency composition.



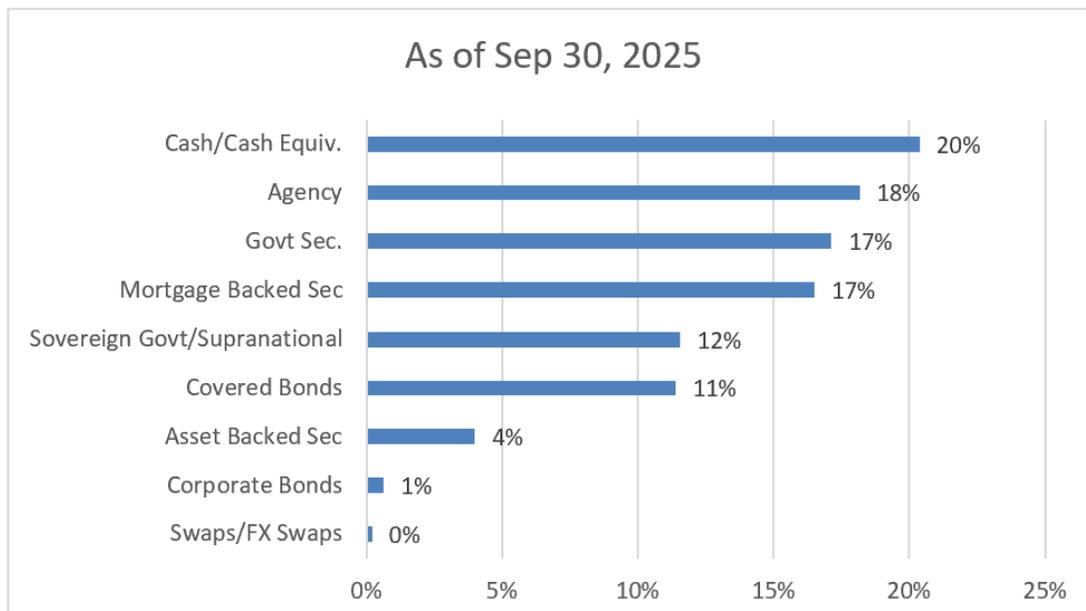
2b. Asset Mix and Investment Income

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 four of the World Bank Trust Fund’s investment model portfolios that are predominantly fixed income: (“Model Portfolio 0” for short-term working capital needs, “Model Portfolio 1” with an investment horizon of one year, “Model Portfolio 2” with a broader investment universe and an investment horizon of three years, and “Model Portfolio 8” to map the Sustainable Bond strategy). The investment objectives for the GEF Trust Fund are to optimize investment returns subject to preserving capital and maintaining adequate liquidity to meet foreseeable cash flow needs, within a conservative risk management framework³. While future returns will depend on market conditions, the Trust Fund Investment Pool is actively monitored and adjusted to preserve donor funds over the investment horizons. Over shorter periods, however, market volatility may result in negative ‘mark-to-market’⁴ returns. Overall, with a large share of the GEF Trust Fund invested in longer-term model portfolios, the cumulative returns are expected to be higher than those from shorter-term model portfolios, despite potential higher volatility in returns over short periods.

By asset class, the largest allocations as of September 30, 2025, are cash/cash equivalent, Agencies, Government Securities and mortgage-backed securities.



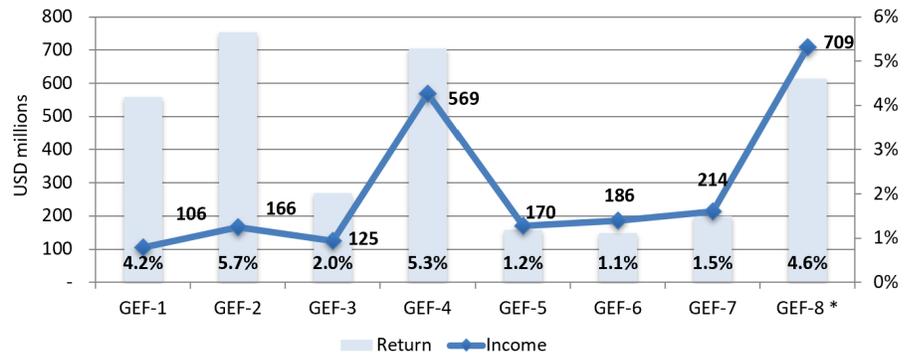
³ World Bank defines the market risk measures and tolerances for Model Portfolios of 1-year or less investment horizon as 99% CVaR be no worse than -0.25%; and for Model Portfolios of longer than 1-year but less or equal to 5-year investment horizon as 99% CVaR be no worse than -1%.

⁴ Mark-to-market returns or losses represent unrealized returns or losses reported via accounting entries rather than the actual sale of a security.



INVESTMENT INCOME

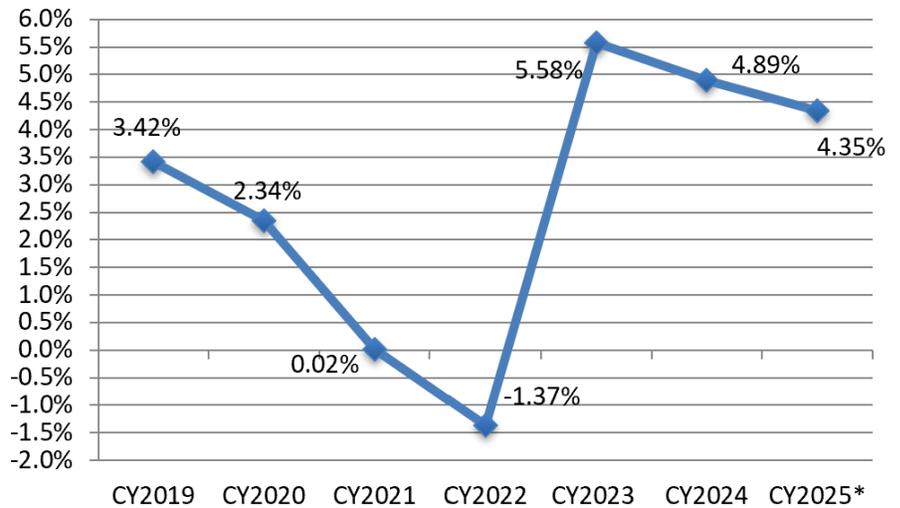
Cumulative investment income earned on GEF TF liquid portfolio (managed by the World Bank) since the beginning of GEF Pilot phase through September 30, 2025, is USD 2,247 million. In the GEF-8 period the investment income received is USD 709 million, representing a 4.6% annualized average return.



*GEF-8 annualized rate of return is calculated based on daily returns from the start of GEF-8 period till Sep 30, 2025

INVESTMENT RETURNS

In 2025 for the period July to September, the markets contended with heightened volatility against a backdrop of a softening macroeconomic environment, shifting monetary policy expectations, and rising political uncertainty. While broader economic activity remained resilient, the labor market showed clearer signs of cooling, underscored by substantial downward revisions to prior payroll data and a rising unemployment rate. These developments prompted the Federal Reserve to deliver its first rate cut of 25 bps since December 2024, lowering the federal funds rate to 4.00%-4.25%. Meanwhile, renewed trade tensions and the prospect of a U.S. government shutdown fueled volatility in Treasury yields, with a broad-based downward shift across the curve. Despite the uncertain environment, equities extended their rally, supported by sustained momentum in AI-related investments.



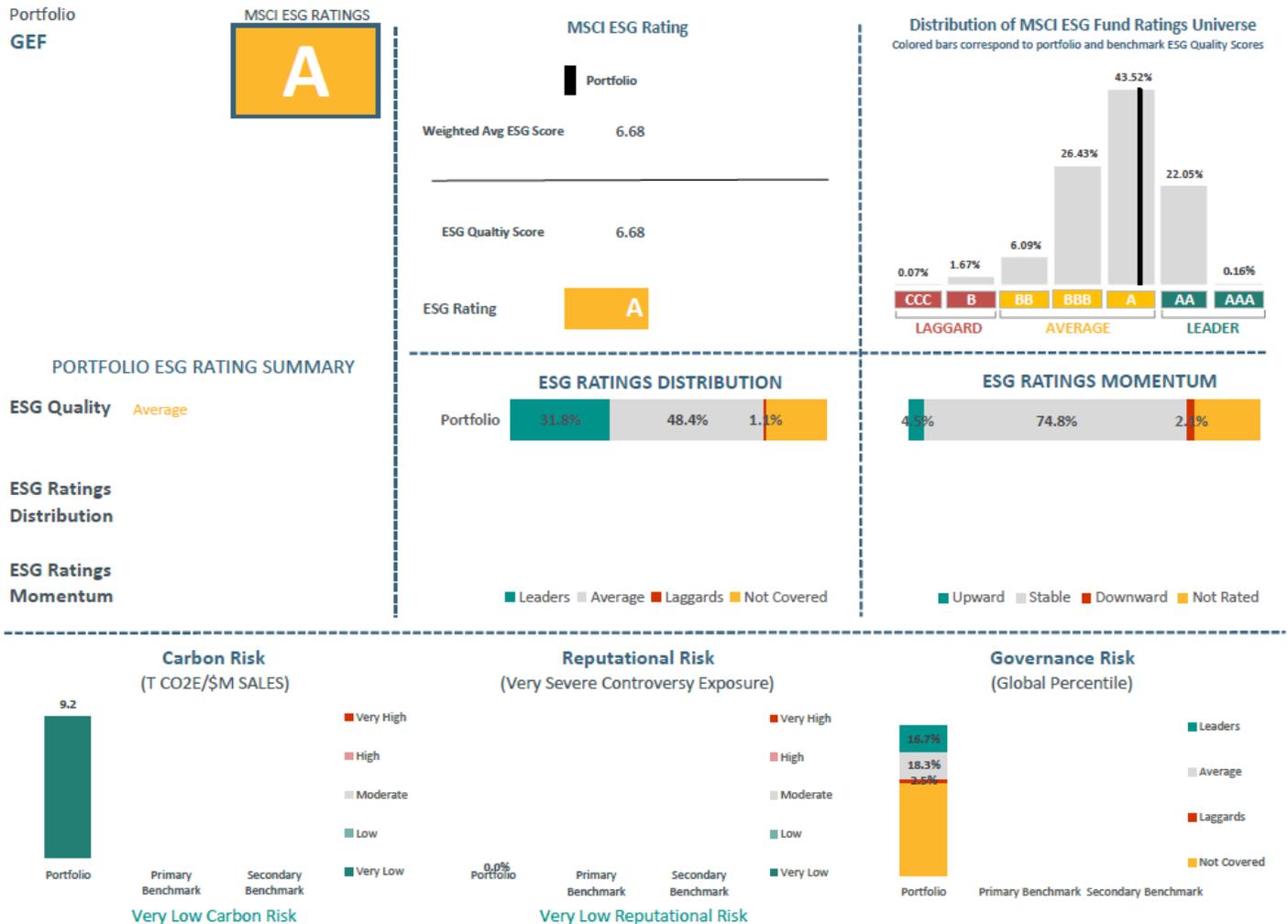
*non-annualized investment returns as of Sep 30, 2025

ESG RATING OF THE GEF TRUST FUND

Starting from July 2019, the Trustee has applied ESG Integration as the default SRI (Sustainable and Responsible Investment) approach for all portfolios managed by the World Bank, including for the GEF Trust Fund assets. The implementation of ESG Integration falls within the purview of existing authorizations by the World Bank Board and thus would not involve any changes in the current investment objectives or risk limits for the GEF Trust Fund portfolio.



The GEF investment portfolio is primarily comprised of high-grade fixed-income securities (sovereign, supranational and agency securities, and bank deposits) and, as of September 2025, the portfolio has an ESG Quality Score⁵ of 6.68 and an ESG Rating⁶ of A. Based on its ESG positioning in the MSCI ESG Fund Ratings Universe (upper right of below chart), which is deemed to be the more consistent reference indicator, GEF’s investment portfolio falls within the Average group of the ratings universe. This reflects average capability of GEF portfolio’s holdings in terms of managing key medium to long term risks and opportunities arising from Environmental, Social and Governance factors.



^{5/6} ESG Quality Score is based on MSCI ESG Ratings and measured on a scale of 0 to 10 (worst to best) following a rule-based methodology. ESG Ratings Momentum represents the percentage of a portfolio’s market value coming from holdings that have had an ESG Ratings upgrade, and those with a downgrade, since their previous ESG Rating assessment. The ESG Quality Score is calculated as a weighted average of ESG scores of individual holdings adjusted by ESG Ratings Momentum and ESG laggards (if any). The weight applied to the individual ESG scores is determined by the portfolio weight of individual holdings as of the reporting date. Based on the above, the ESG Quality Score, which is subject to potential skewing effect from any factor in the calculation, could slightly vary between different reporting dates along with changes in individual holdings and their portfolio weights as well as changes in ESG Ratings Momentum. Please see details on MSCI ESG Ratings Methodology [here](#).



UPDATE ON SUSTAINABLE BOND STRATEGY

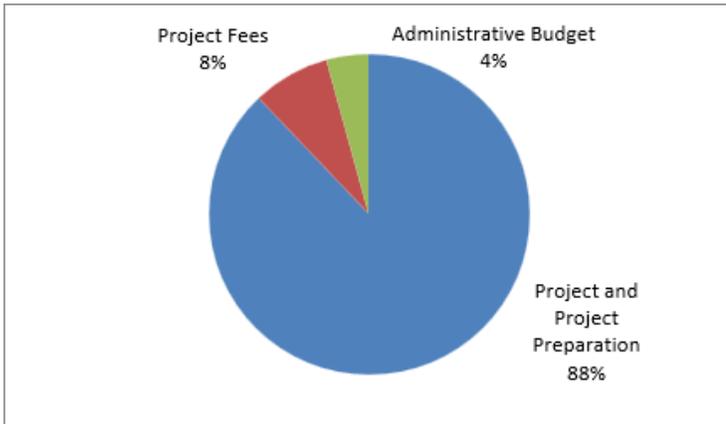
The World Bank Group Sustainable Fixed Income Strategy for Trust Funds and FIFs was launched in 2021 and is being implemented in a phased manner to meet the changing needs of development partners and to achieve sustainable and positive impact on the environment and society. The portfolio⁷ under this strategy grew from the original allocation of \$450 million in 2021 to \$710 million in December 2023, demonstrating the successful execution of the strategy supported by stakeholder confidence. Through this strategy and other sustainable and responsible investing (SRI) approaches, such as ESG integration, the World Bank Group aims to preserve capital, ensure liquidity to finance project activities, and assist development partners in fulfilling their SRI aspirations and development objectives. Please refer to [the Sustainable Fixed Income Strategy Impact Report](#) for details of the sustainability impacts achieved as of December 31, 2023.

7. An initial allocation of \$100 million was allocated from the GEF Trust Fund to the Strategy in June 2021 and was further ramped up to \$450 million by fall 2021.



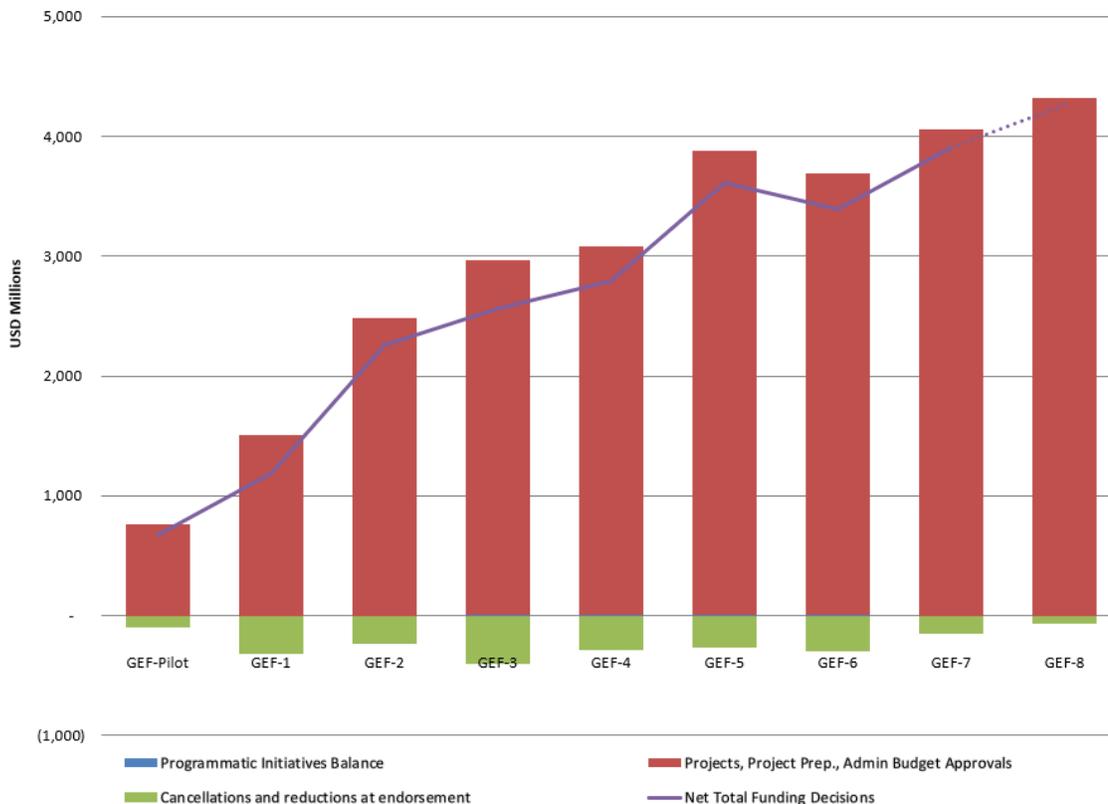
2c. Funding Decisions, Trustee Commitments and Cash Transfers to Agencies

CUMULATIVE FUNDING DECISIONS



From inception to September 30, 2025, total funding decisions net of cancellations made by the Council and CEO total USD 24,643.91 million, of which 88% was approved for Projects and Project Preparation activities, 8% for Agency Fees and 4% for administrative budgets.

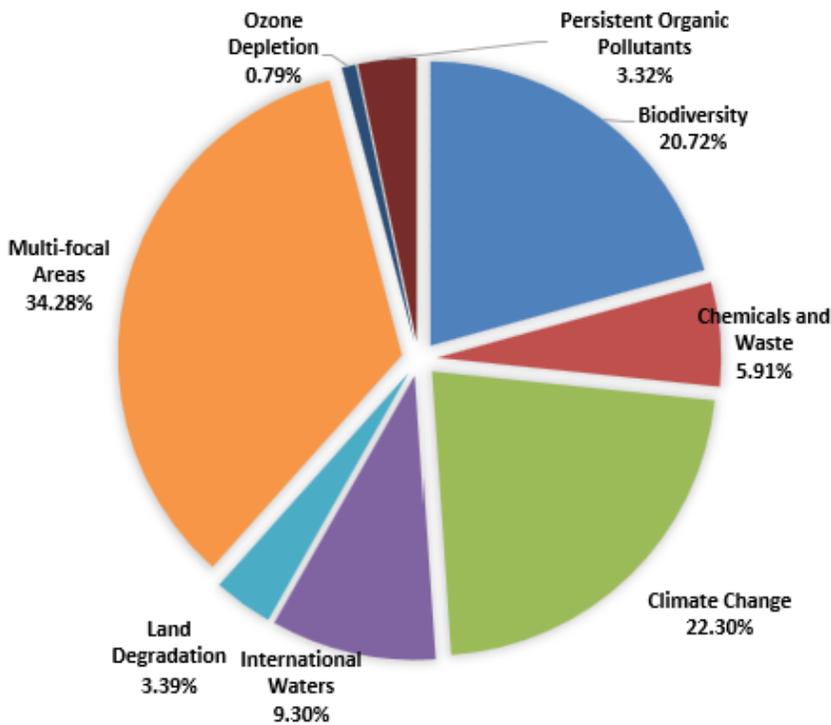
FUNDING DECISIONS BY REPLENISHMENT



Funding decisions by replenishment show the cumulative Project or Program funding decisions of USD 24,643.91 million net of cancellations and reductions at endorsement of USD 2,119.91 million and including pending decisions on intersessional and Council meetings of USD 7.54 million.

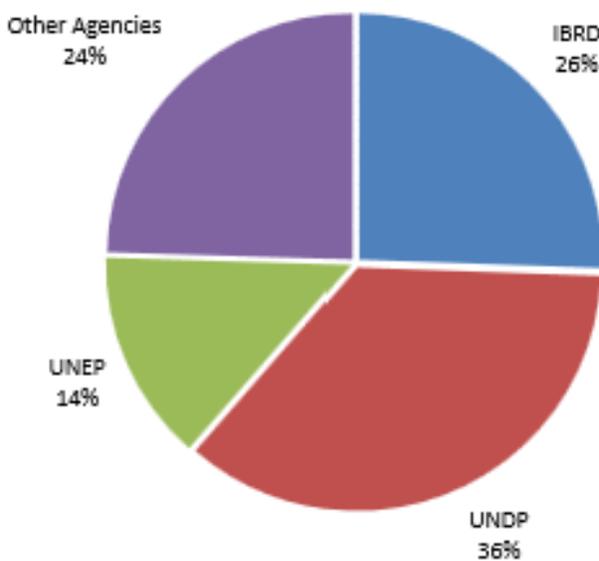


FUNDING DECISIONS BY FOCAL AREA



Funding Decisions by Focal Area show cumulative funding for projects only and exclude fees. Projects in the areas of climate change, multi-focal areas, and biodiversity represent approximately 77% of the cumulative funding approved to date.

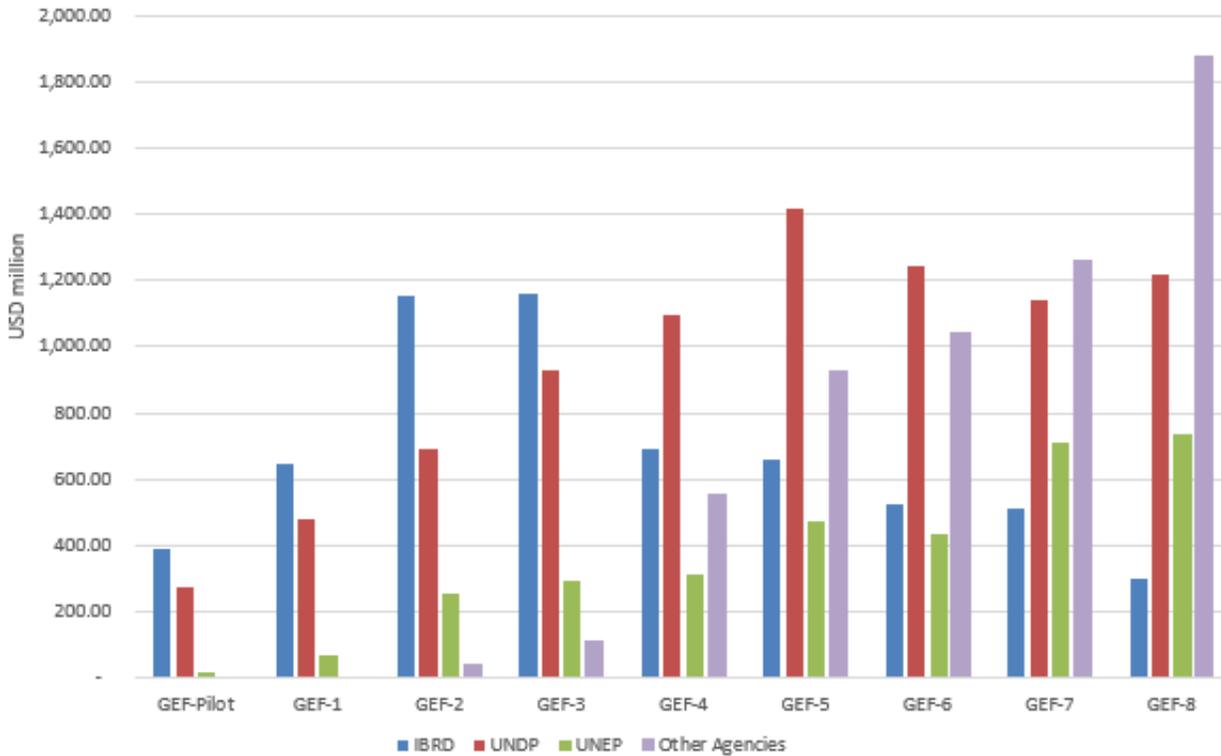
FUNDING DECISIONS BY AGENCY



62% of the cumulative approvals for projects (including related fees) were for implementation by IBRD and UNDP. UNEP's share of the total is 14% while the remaining Agencies implemented 24% of the funding.



The Agencies' share of funding approvals changes over time. IBRD's share fell from 57% in the GEF Pilot to 8% in GEF-8. UNDP's share decreased from 40% in the GEF Pilot to 30% in GEF-8. UNEP's share increased from 3% in the GEF Pilot to 17% in GEF-8. The combined share of other 15 Agencies increased from 2% in GEF-2 to 46% in GEF-8.



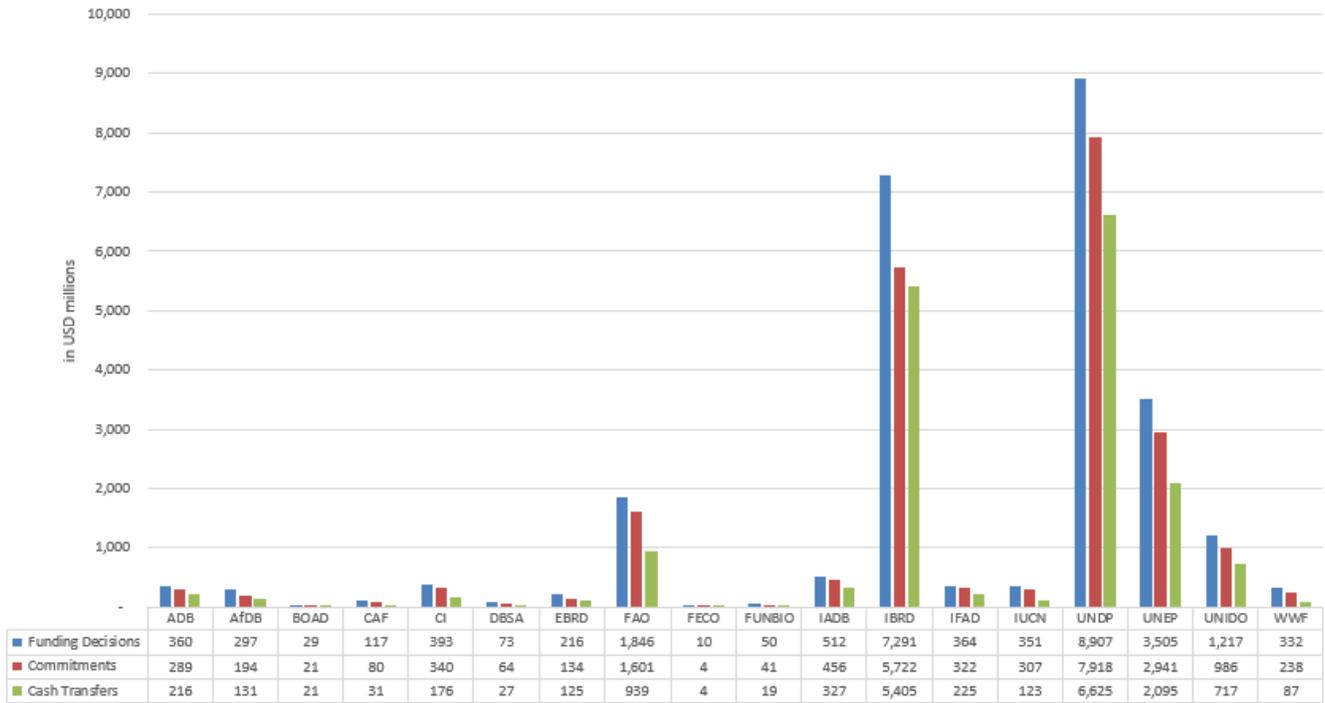
FUNDING DECISIONS, TRUSTEE COMMITMENTS AND CASH TRANSFERS TO AGENCIES

Funding Decisions, Trustee Commitments and Cash Transfers show the cumulative funding decision (by Council and CEO), commitments, and cash transfers to the GEF Agencies since inception.

As of September 30, 2025, cumulative funding decisions (gross)⁸ to Agencies comprising of Projects, Project Preparation Grants, and Agency Fees excluding administrative expenses and funding allocations to the GEF secretariat totaled USD 25,873.19 million⁹. Of this amount, USD 21,657.60 million had been committed following the approval or endorsement by the GEF CEO. At the request of Agencies, USD 17,294.80 million has been transferred from the Trustee to the Agencies.

⁸ Reflects initial Council and CEO approvals prior to drops and subsequent cancellations.

⁹ Excludes the program/umbrella balances.





3. Funding Availability

In USD millions

	As of Sept 30, 2025 (a)	As of Jul 31, 2025 (b)	Change (a) - (b)
1. Funds Held In Trust	6,803.99	6,788.30	15.69
a. Cash and investments	5,011.44	5,035.73	(24.29)
b. Unencashed promissory notes	1,792.56	1,752.57	39.99
2. Restricted Funds	175.00	175.00	-
a. Reserve to cover foreign exchange rate fluctuations	175.00	175.00	-
3. Funds Held in Trust with no Restrictions (3 = 1 - 2)	6,628.99	6,613.30	15.69
4. Approved Amounts Pending Cash Transfers to Agencies	6,131.49	6,223.29	(91.80)
a. Trustee committed	4,362.50	3,831.20	531.30
b. Approved by Council but not yet CEO Endorsed	1,761.43	2,384.01	(622.58)
c. Requested amounts for financing pending decision	7.56	8.08	(0.52)
5. Funds Available to Support Council or CEO Decisions (5 = 3 - 4)	497.50	390.01	107.49

Note: Totals may not add up accurately due to rounding.

Highlights for the period August 1, 2025, through September 30, 2025:

- **Funding Availability** increased by USDeq. 107.49 million over the prior reporting period as a result of:
 - A net increase in **Funds Held in Trust** by USD eq. 15.69 million driven by cash receipts from donors and investment income offset by cash transfers to Agencies; and
 - A net decrease in **Approved Amounts Pending Cash Transfers to Agencies** by USD eq. 91.80 million reflecting the decrease in funding approvals after cancellations net of cash transfers to agencies.



4. GEF-8 Envelope as of September 30, 2025

In USD millions

1 Target Replenishment Funding a/			5,354.00
2. Projected Available Resources during the GEF-8 Period			1,719.74
Estimated Funds Available to Support Council or CEO Financing Decisions			497.50
	Potential Amount Available	of which Projected to be Available	
Receivables			1,180.15
Arrears from previous replenishment b/	89.65	89.65	
GEF-8 Installments past due g/	150.20	150.20	
GEF-8 Installments due in FY26	940.30	940.30	
IoCs not yet Deposited with the Trustee			31.54
Previous Replenishments c/	31.54	31.54	
Projected Investment Income d/	-	-	-
Projected Reflows during GEF-8 e/	10.56	10.56	10.56
3. GEF-8 Specific Funding Decisions			4,138.58
Approvals by Council			3,997.21
Projects and Fees		1,703.09	
Admin. Budget		146.85	
Special Initiatives		2.11	
Programmatic Initiatives		2,145.16	
Approvals by CEO			193.97
Projects and Fees (MSPs, EEAs)		165.74	
Project Preparation Activities and Fees		28.24	
Net Changes to Initial Approvals f/		(52.61)	(52.61)
Reductions (cancellations) on GEF-8			
Pending decisions on Intersessional and Council meetings			-
Projects, Fees, Admin Budget, Special Initiatives, Programmatic Initiatives			-
4. GEF-8 "Envelope" as of September 30, 2025 (4 = 2 + 3)			5,858.32
5. Changes in funding envelope (USDeq.) in GEF-8 period (5 = 4 - 1)			504.32
<p>a/ Represents the target replenishment level as agreed, including new resources from Donors, projected investment income, and carryover of amounts from previous replenishments. This also includes supplemental resources received from donors since the beginning of GEF-8 period July 25, 2022.</p> <p>b/ Includes arrears from the US for GEF-2 in the amount of USD 88 million, Egypt for GEF-1 in the amount of SDR 0.5 million, and Nigeria for GEF-3 in the amount of SDR 0.7 million.</p> <p>c/ GEF-6 IoC not received from Russia, GEF-5 IOCs not received from Greece, Nigeria, and Portugal and GEF-4 IoC not received from Nigeria.</p> <p>d/ The investment income earned in GEF-8 period is currently USD 759.80 million, as against the projected amount of USD 196 million.</p> <p>e/ Reflows in GEF-8 period are currently USD 16.69 million, as against the projected amount of USD 27.25 million.</p> <p>f/ To fit the GEF Secretariat's STAR model, pre-GEF-8 project net changes were excluded from the calculation.</p> <p>g/ Past due installment from US.</p>			

Note: Totals may not add up accurately due to rounding.