

Transition Arrangements for Catalytic Fund Committee

by Robert Prouty



Catalytic Fund Committee Meeting

November 10, 2010 | Madrid, Spain

Current FTI Trust Funds

EPDF

**Secretariat
Trust Fund**

Catalytic Funds

Multi-donor CF

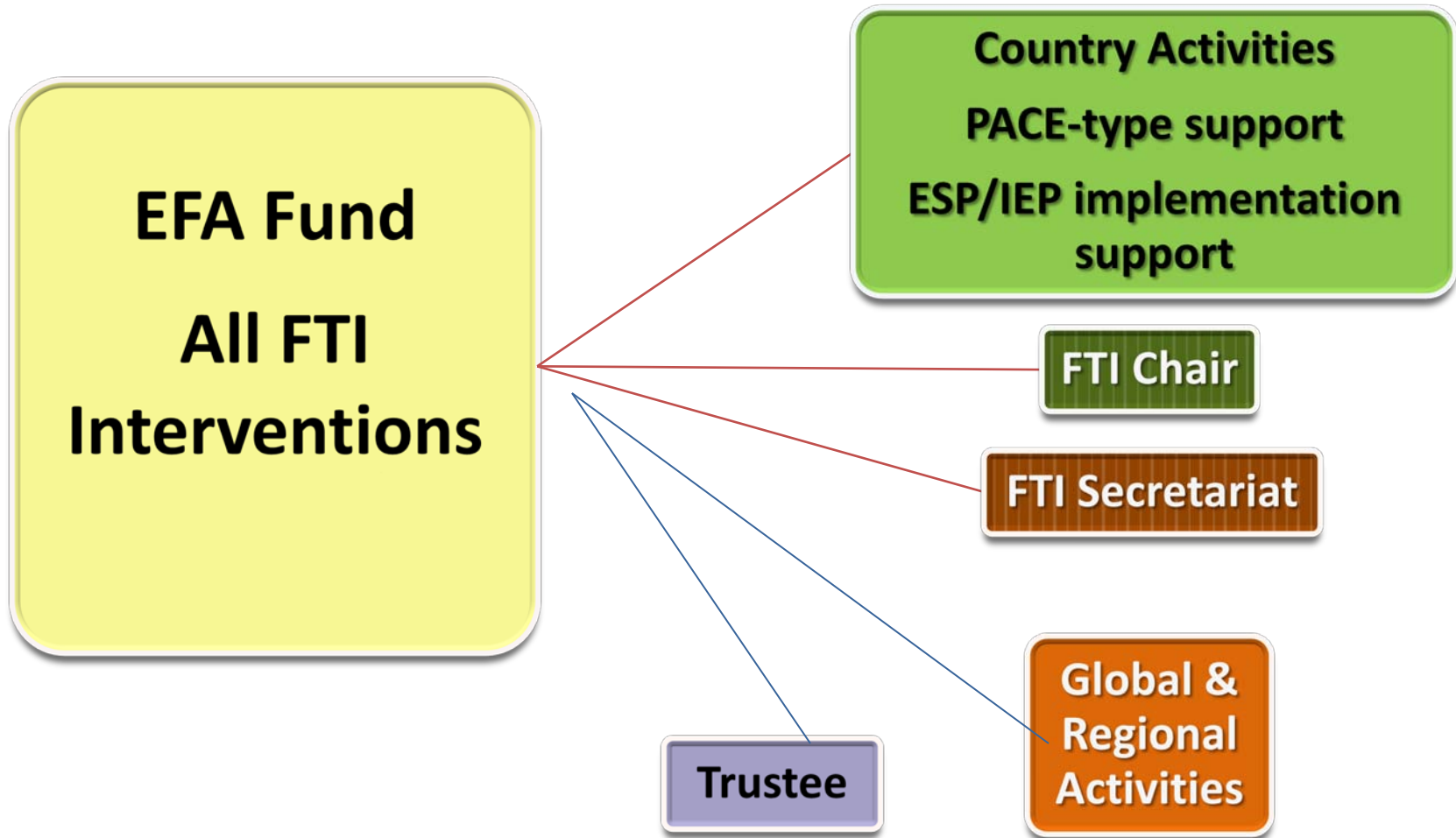
**EC +
Germany**

**EC
ACP**

Proposed new fund structure

EFA Fund
All FTI Interventions

Eligible Activities



CF allocations

- November 2010: final allocation round
- Funds managed under existing administrative agreement arrangements
- New contributions accepted only to cover deficits
- After deficit coverage, all new FTI contributions to EFA Fund

CF Committee requested to consider whether

Option 1

to *continue* current governance arrangements over Catalytic Fund(s)

Option 2

to *transfer* its authority over CF to BoD under new proposed governance arrangements

Option 1: no action required

**CF
Committee**

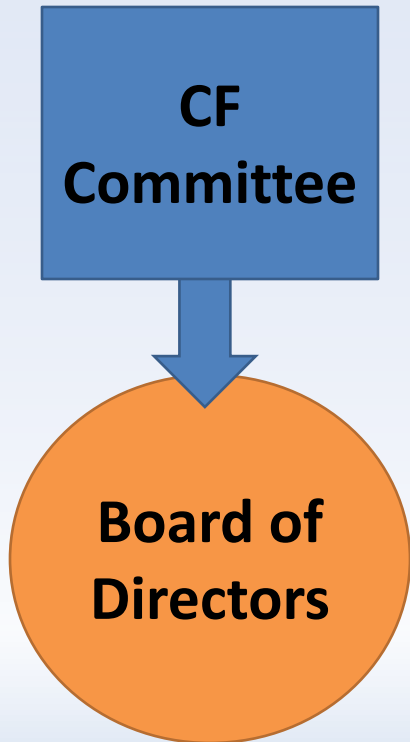
Decisions over CF resources

**Board of
Directors**

Decisions over EFA Fund

- **ESP Implementation**
- **Capacity Development**
- **Global and Regional Activities**
- **Secretariat work**
- **Trustee**
- **Chair**

Option 2: for possible decision



All decisions, decisions over EFA Fund and CF resources

* CF portfolio implementation reports will continue to be sent to Board (and the CF Committee) as part of overall FTI fund monitoring

Option 1 (Continue)	Option 2 (Transfer)
<ul style="list-style-type: none"> • Simple for all donors 	<ul style="list-style-type: none"> • More complex (legal requirements)
<ul style="list-style-type: none"> • No changes to administrative agreements 	<ul style="list-style-type: none"> • Amendments to administrative agreements
<ul style="list-style-type: none"> • Continues multiple governance fora for FTI funds 	<ul style="list-style-type: none"> • Immediate move to new governance arrangements
<ul style="list-style-type: none"> • Donors continue to have authority over CF resources 	<ul style="list-style-type: none"> • Donors authority over CF resources shared among other constituencies

Proposed new FTI governance arrangements

Presentation by David Wiking,
Chair of the Working Group on Composition of
the Board of Directors

Decision requested

Option 1: No action required.

Option 2: The CF Committee agrees to transfer its decision-making authority over the CF(s) to the FTI BoD. The CF Committee calls on each of the donors to the Catalytic Fund(s) to take all necessary action, including agreeing to amendments to their administrative agreements, to ensure that this decision can become effective as soon as possible.