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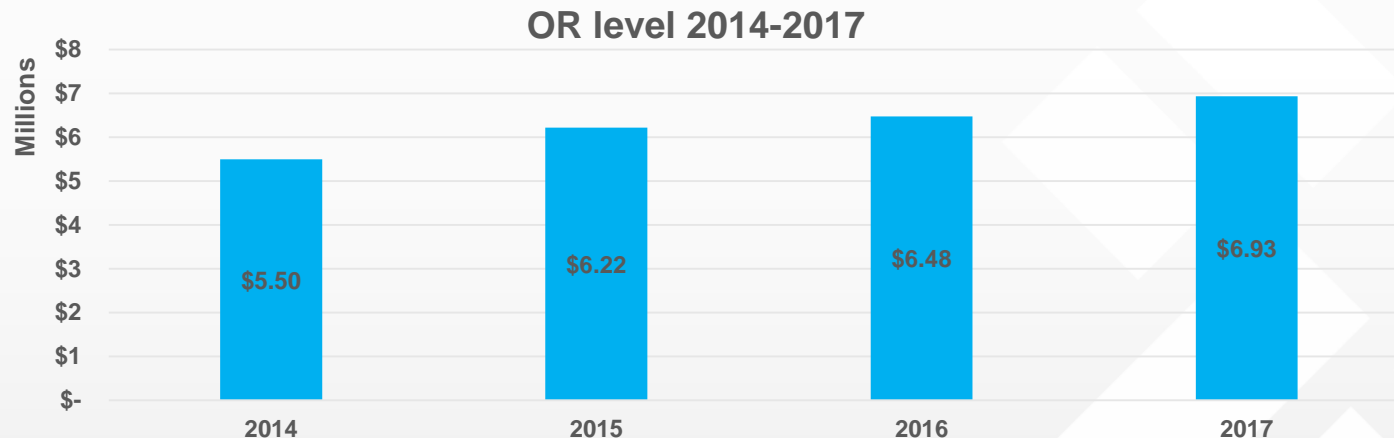
Status of ITC's Operational Reserve

A presentation to: CCITF
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Date: 19 October 2018

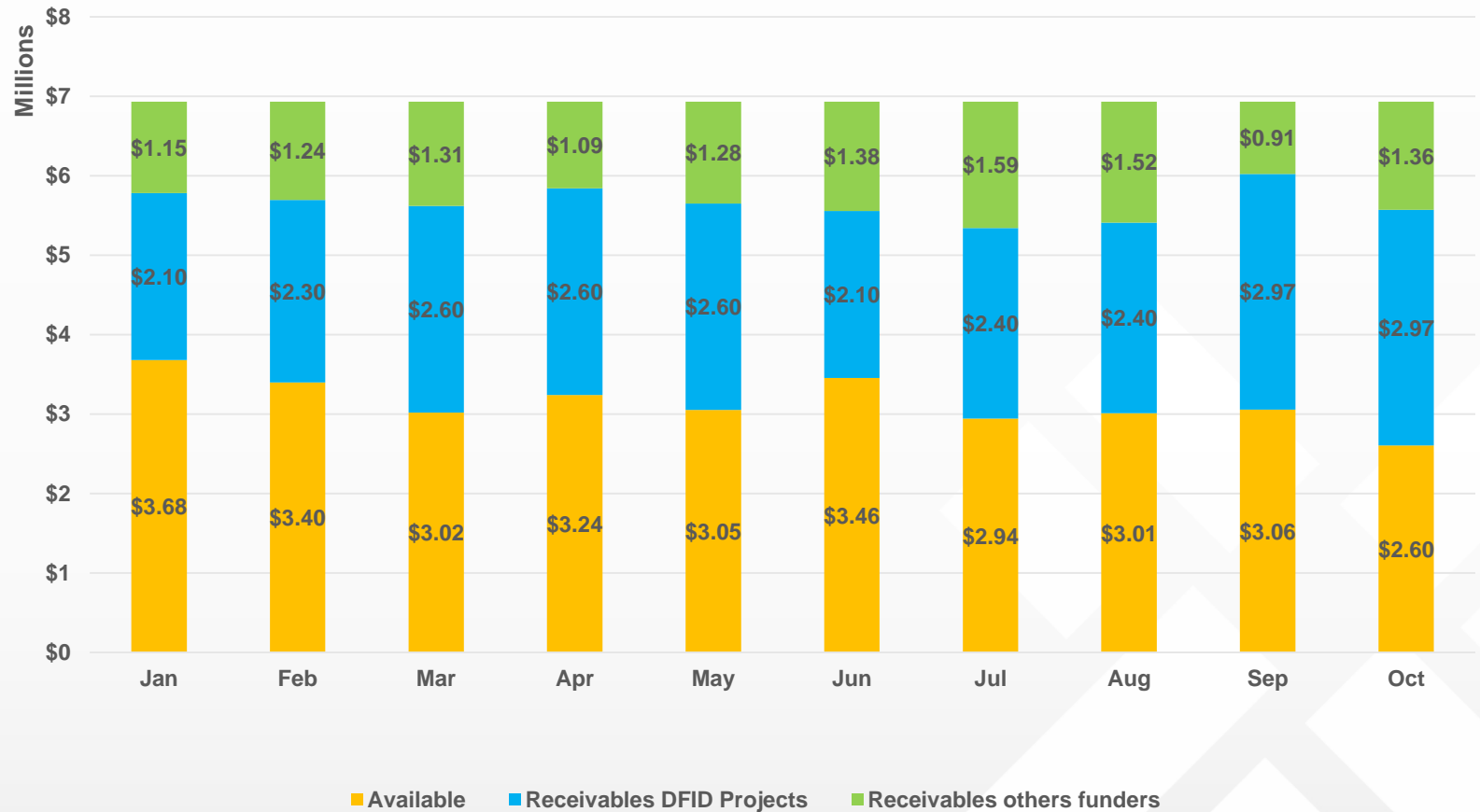


Level of ITC Operating reserve

1. The OR is used to cover delays in payment of voluntary contributions. Once agreements are signed, funds can be advanced from OR which is replenished upon receipt of the donor contribution.
2. OR is mainly made of contribution from funders and interests earned on donor contributions where ITC is allowed to use such interests.



Operating Reserve Movements in 2018



Key notes

- The OR is a critical cashflow mechanism to ensure projects maintain momentum
- Cumulative advances to projects for Jan-Oct 2018 is 9.2m excluding repayments
- Monthly average of OR usage is 55%
- 36% of the OR resources is used for DFID projects
- Future contract with DFID should reconsider advance payments
- ITC requests donor to allow interest earned to be transferred to the OR given the growth in ITC portfolio