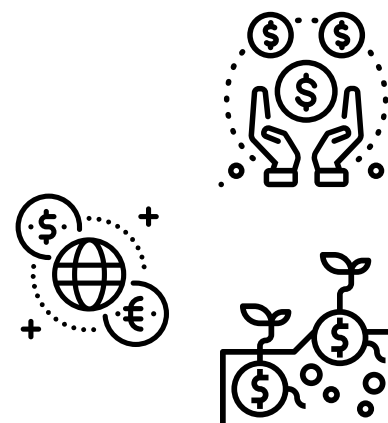


THE WHO FCTC INVESTMENT FUND

Providing predictable and sustainable funding supporting the implementation of the WHO FCTC



WHY AN INVESTMENT FUND?

Stable and predictable funds are needed to bridge the gap between the workplan and budget of the WHO FCTC and funds received through existing core assessed contributions and extra-budgetary funds.

KEY ELEMENTS OF THE FUND:

HOW IS IT STRUCTURED?

- **Financial mechanism** of the WHO FCTC; capital assets placed in an investment portfolio managed by the World Bank.
- **Parties, and other investors volunteer** to contribute to Fund with interest-free loans for a pre-determined fixed term.
- **Capital investment in the Fund is not accessible**; only the earned interest is available to the WHO FCTC.
- **Fund will operate in accordance with the provisions of its Governing Instrument** which defines the governing and operational elements of the Fund.

HOW WILL IT OPERATE?

- **Co-mingling** of the Fund with other investment portfolios to maximize the rate of return.
- **Prescribed interest rate** set by the WHO FCTC in consultation with the World Bank will establish a rate of return available from the Fund.
- **Surplus will remain in Fund** for use in periods in which the prescribed interest rates were not realized.
- **Capital investments in the Fund are returned**, subject to market fluctuation, to the investors on the maturity of their investment term.

HOW ARE FUNDS APPLIED?

- At the end of the 2-year investment cycle, **World Bank will withdraw earned interest from the Investment Fund** at the prescribed rate, and provide funds to WHO for deposit to WHO FCTC account.
- **Funds will be available for consideration in funding allocations** of workplan and budget of the WHO FCTC and key priorities as defined by the WHO FCTC Global Strategy to Accelerate Tobacco Control 2019-2025.