



**IRRI**

# 2007 CGIAR FINANCIAL REPORT

**An IRRI/CGIAR Secretariat Collaboration**

CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH

## A. Highlights of the 2007 Results

- Financial outcome
- Contributions
- Expenditure
- Challenge Programs
- Financial Indicators

## B. Fiduciary Accountability Assessments

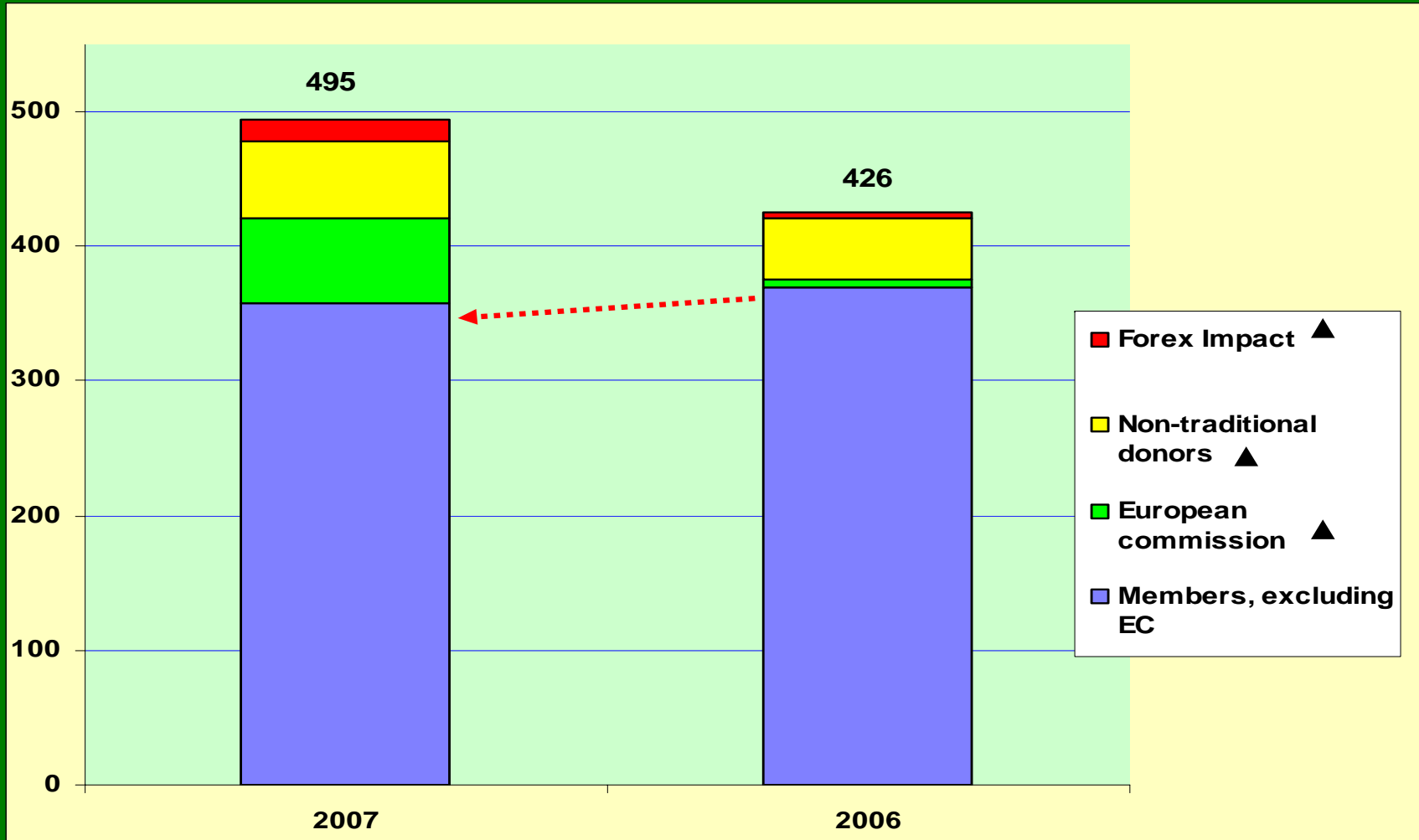
## Actual vs. CGIAR Approved Program (US\$m)

	Actual 2007 Outcome	2007 Plan Approved at AGM 06	Increase (Decrease) over Plan	
			Amount	%
<b>Expenditure</b>				
Centers	458	452	6	1
Challenge Programs	48	61	(13)	(21)
<b>Total Expenditure</b>	<b>506</b>	<b>513</b>	<b>(7)</b>	<b>(1)</b>
<b>Revenue</b>				
Contributions				
Centers	447	414	33	8
Challenge Programs	48	56	(8)	(14)
<b>Total contributions</b>	<b>495</b>	<b>470</b>	<b>25</b>	<b>5</b>
Center Earned Income	25	15	10	67
<b>Total Revenue</b>	<b>520</b>	<b>485</b>	<b>35</b>	<b>7</b>
Carried forward for future use/ (Financed from reserves)	14	(28)	42	(150)

## Statement of Activity (US\$m)

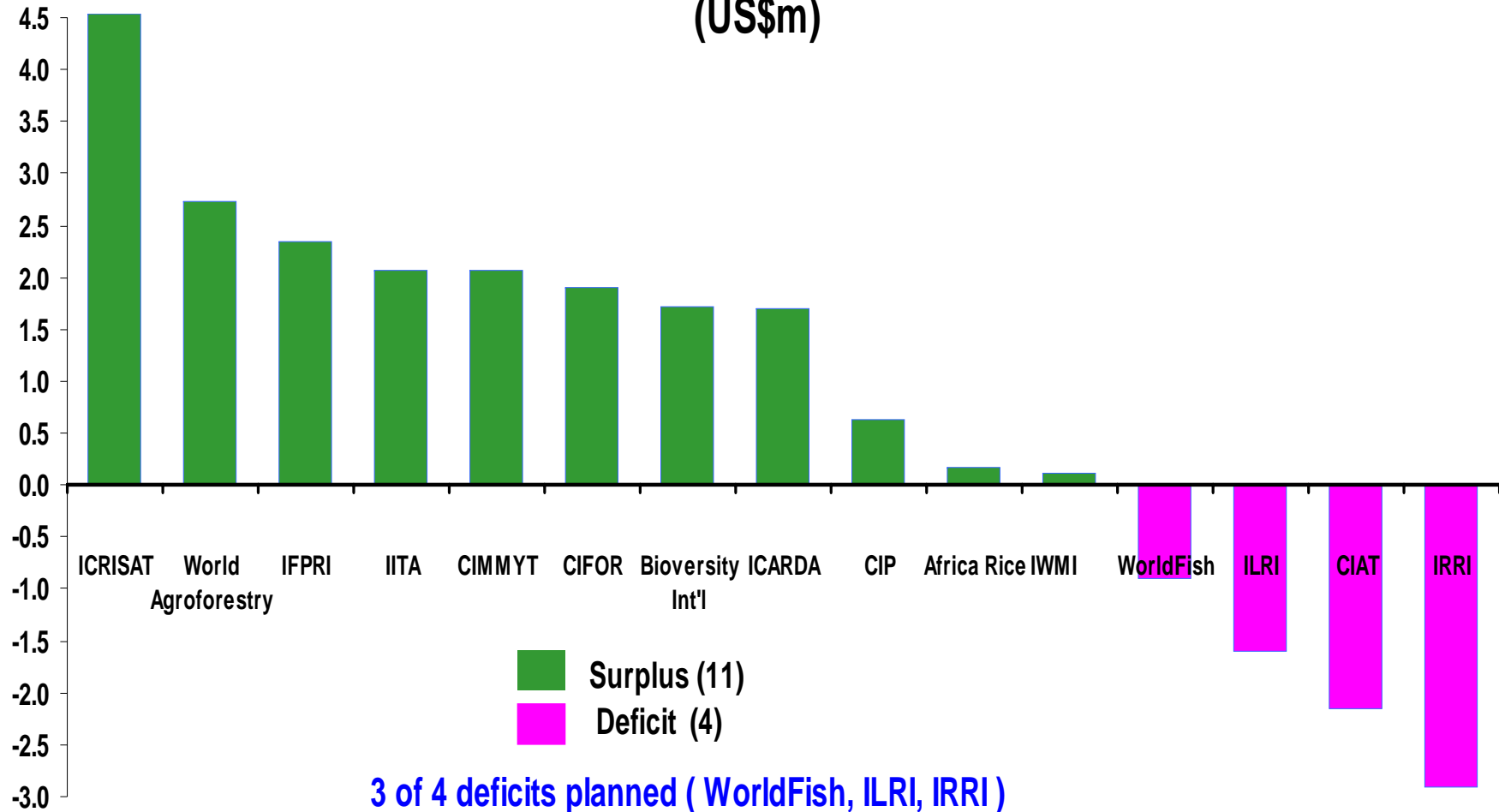
	2007	2006	Increase (Decrease)	
			Amount	%
<b>Revenue</b>				
Contributions	495	426	69	16
Center earned income	25	22	3	14
<b>Total</b>	<b>520</b>	<b>448</b>	<b>72</b>	<b>16</b>
<b>Expenditure</b>				
Personnel	224	216	8	4
Supplies & services	79	126	(47)	(37)
Collaboration & partnerships	148	63	85	135
Travel	37	37	-	-
Depreciation	18	16	2	13
<b>Total</b>	<b>506</b>	<b>458</b>	<b>48</b>	<b>10</b>
<b>Carried forward for future use/ (Financed from reserves)</b>	<b>14</b>	<b>(10)</b>	<b>24</b>	<b>(240)</b>

# Financial Outcome Grants Revenue



<b>Financial Position</b>			
<b>(\$m)</b>			
	<b>2007</b>	<b>2006</b>	<b>Increase (Decrease)</b>
<b>Total Assets</b>	<b>572</b>	<b>474</b>	<b>98</b>
<b>Total Liabilities</b>	<b>335</b>	<b>249</b>	<b>87</b>
<b>Net Assets(Reserves):</b>			
<b>Unrestricted</b>	<b>159</b>	<b>145</b>	<b>14</b>
<b>Fixed Assets</b>	<b>76</b>	<b>78</b>	<b>(2)</b>
<b>Restricted</b>	<b>2</b>	<b>2</b>	<b>0</b>

Result of Operations by Center  
(US\$m)





# Contributions

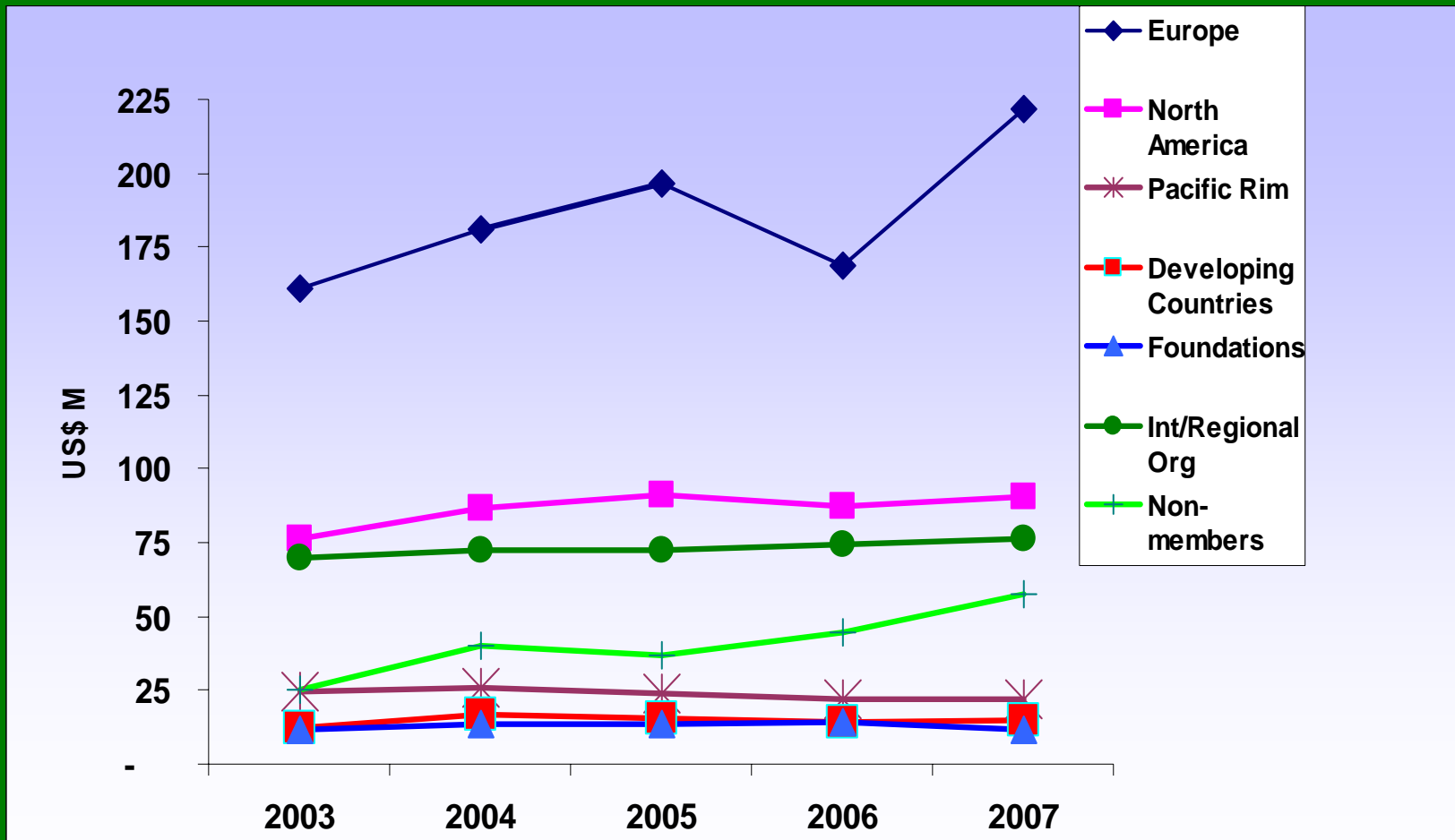


## Cumulative Contributions by Member Groups 1972 to 2007 (\$m)

<b>Total</b>	<b>8,181</b>	
<b>Europe</b>	<b>3,104</b>	<b>38%</b>
<b>North America</b>	<b>1,805</b>	<b>22%</b>
<b>Pacific Rim</b>	<b>799</b>	<b>10%</b>
<b>Developing Countries</b>	<b>205</b>	<b>2%</b>
<b>Foundations</b>	<b>239</b>	<b>3%</b>
<b>Int'l &amp; Regional Org</b>	<b>1,710</b>	<b>21%</b>
<b>Non-members</b>	<b>319</b>	<b>4%</b>

# Contributions

Trends by Member Group 2003 to 2007  
(\$m)



# Contributions

## Total Contributions (\$m)

	<u>2007</u>	<u>2006</u>	<u>Increase (Decrease)</u>		<u>No. of Members</u>
			<u>Amount</u>	<u>%</u>	
Europe	222	169	53	31	18
North America	91	88	3	3	2
Pacific Rim	22	22	(0)	(1)	4
Developing Countries	15	14	1	7	21
Foundations	12	14	(2)	(14)	5
Int'l & Regional Org	76	74	2	3	11
Non-members	57	45	12	27	
<b>Total Contributions</b>	<b>495</b>	<b>426</b>	<b>69</b>	<b>16</b>	<b>61</b>

**61 of 64 CGIAR Members**

**58 of 64 CGIAR Members**

# Contributions

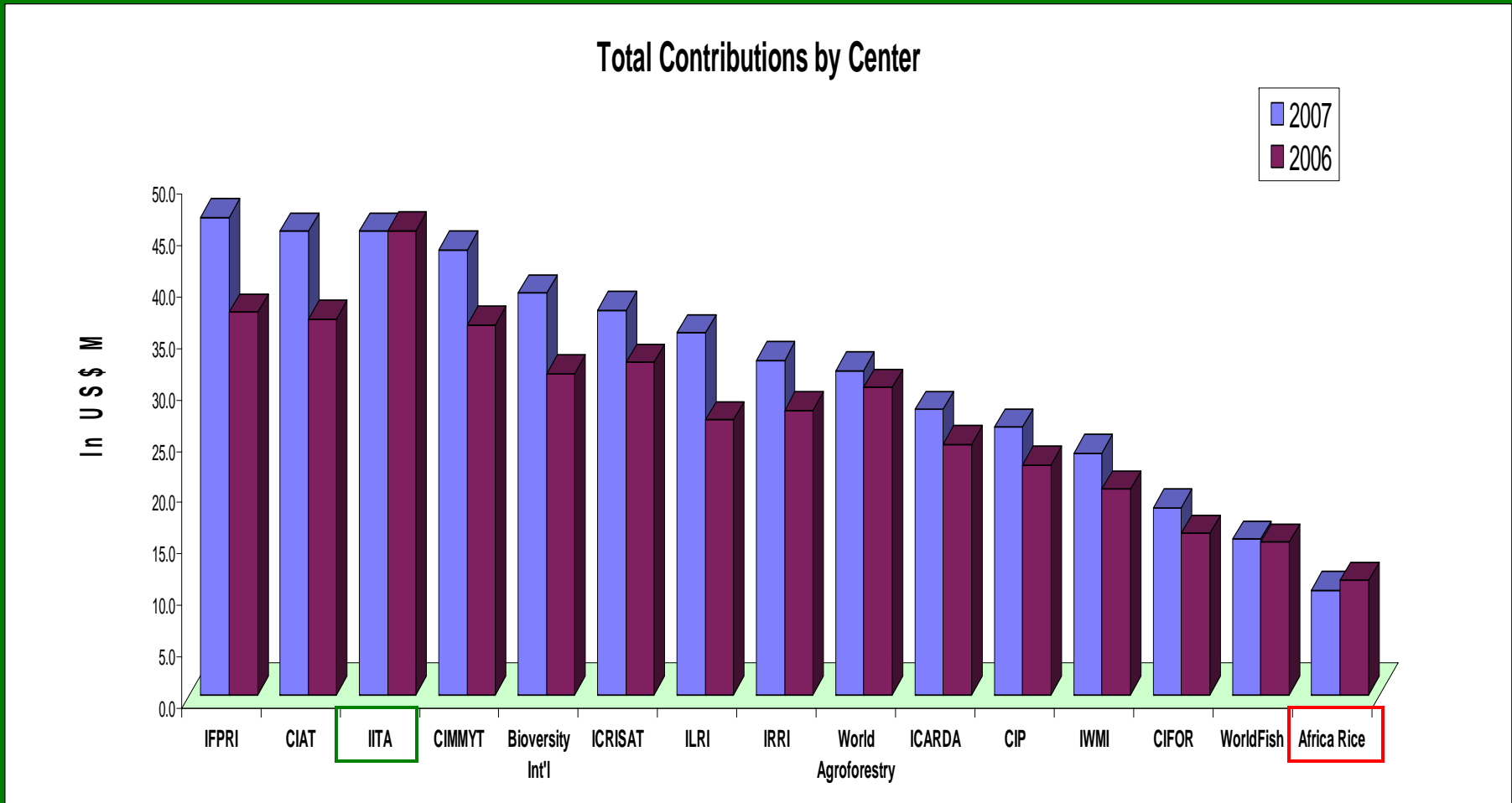
## Top Member Contributions

(\$m)

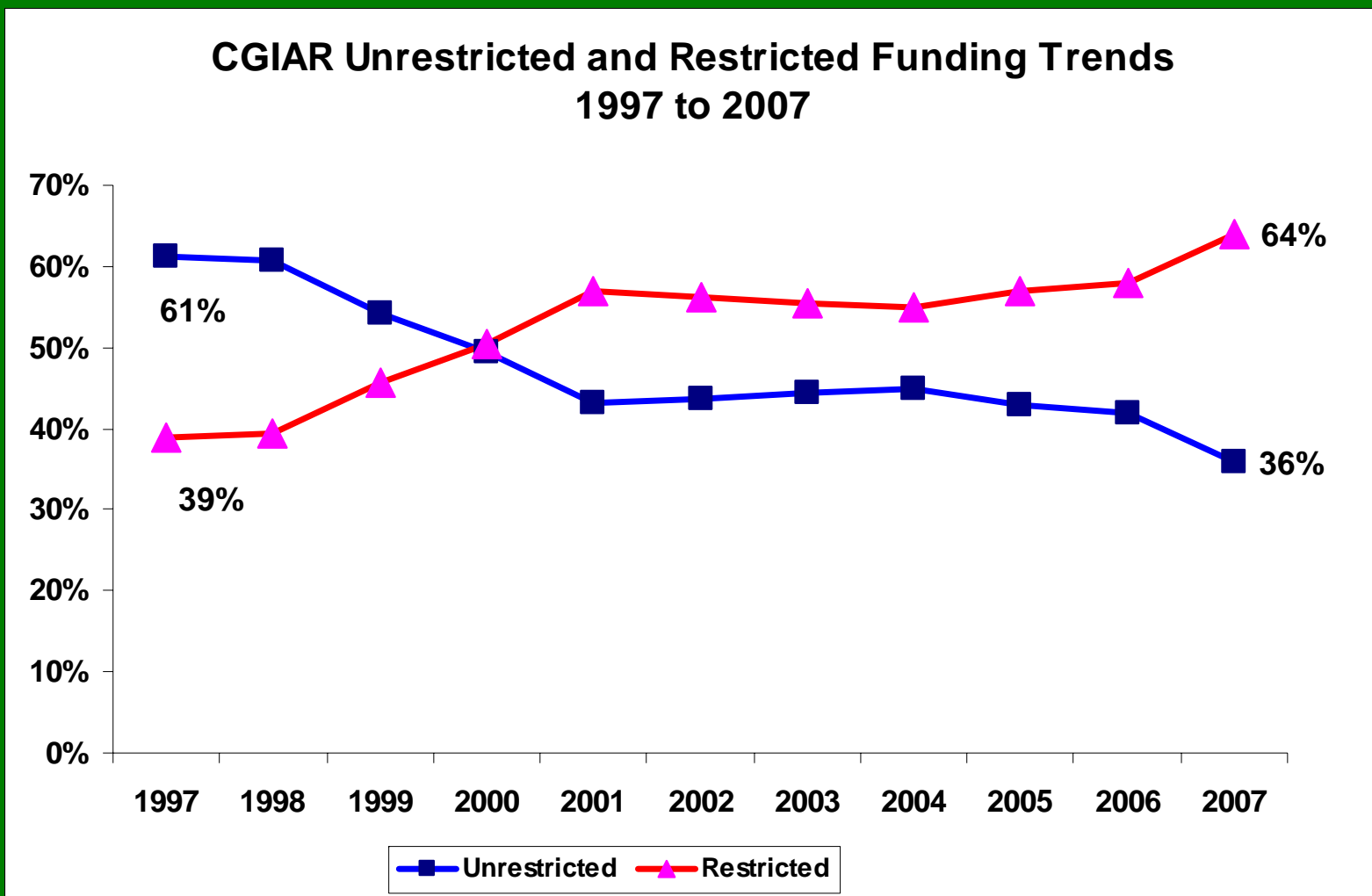
2007		2006	
<b>Industrialized Countries and Multilateral Organizations</b>			
European Commission	62	United States of America	61
United States of America	60	World Bank	50
World Bank	50	United Kingdom	44
United Kingdom	45	Canada	27
Canada	31	Netherlands	20
	<b>50%</b>		<b>43%</b>
<b>Developing Countries</b>			
India	7	India	4
China	1	Nigeria	3
Kenya	1	Mexico	1
Pakistan	1	Turkey	1
Colombia	1	Kenya	1
	<b>2%</b>		<b>2%</b>

Top 15 CGIAR Contributors provide three quarters of 2007 Total

# Contributions

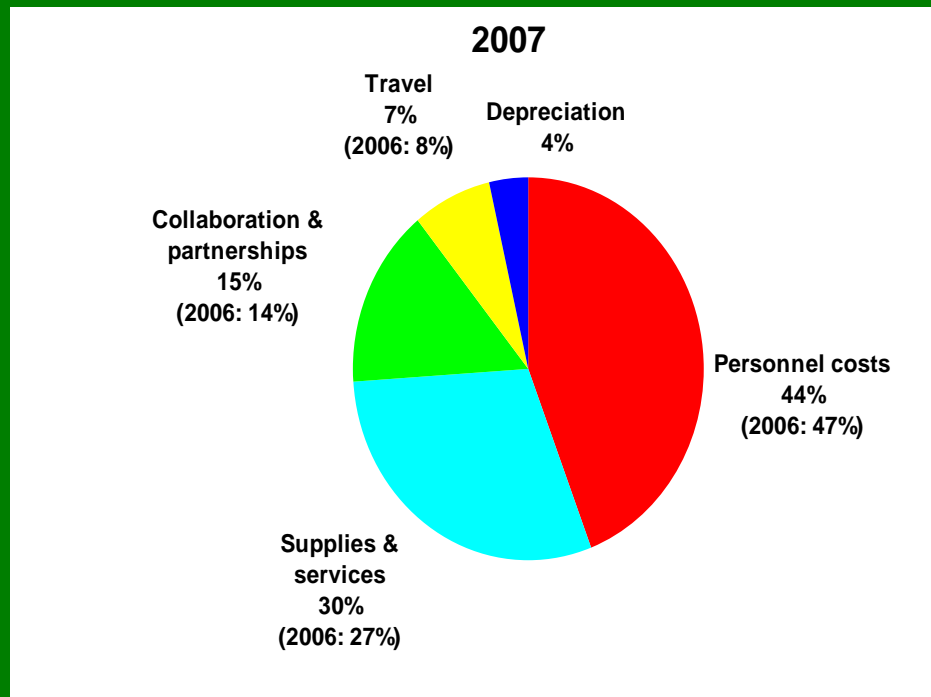


**13 Centers higher, 1 Center no change, 1 Center lower**

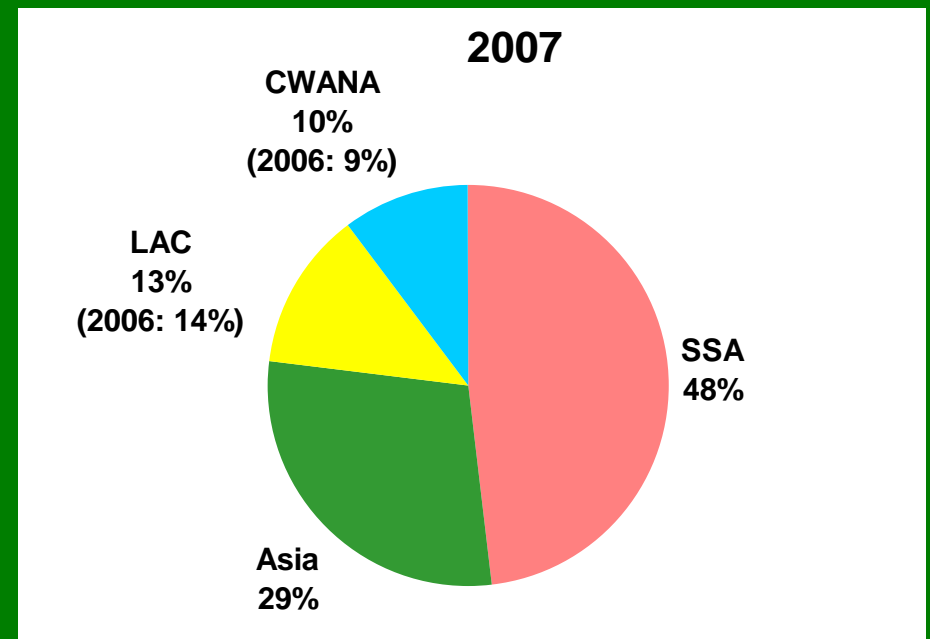


# Expenditure

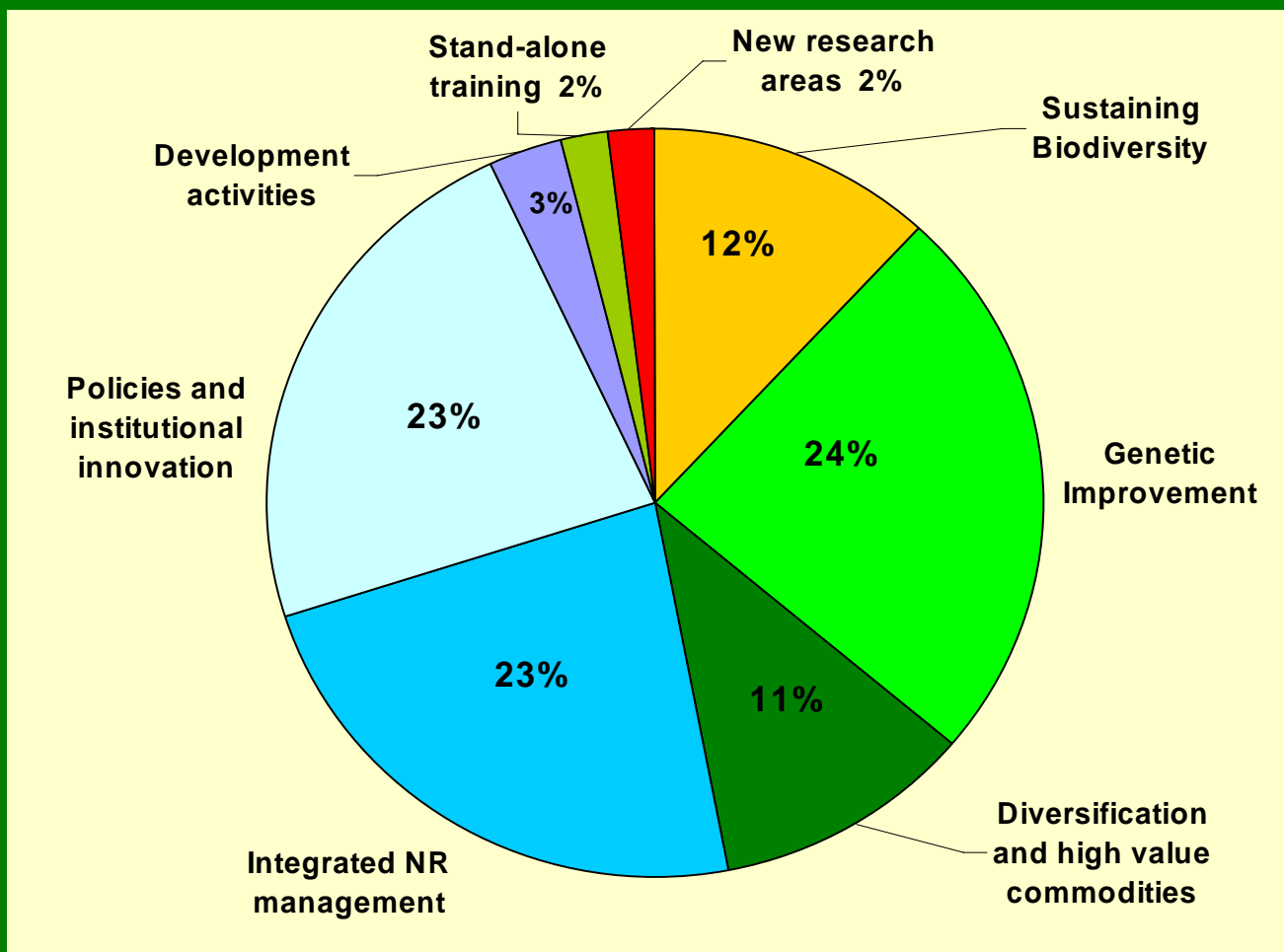
## by Object



## by Region



# Expenditure by Systems Priority Areas



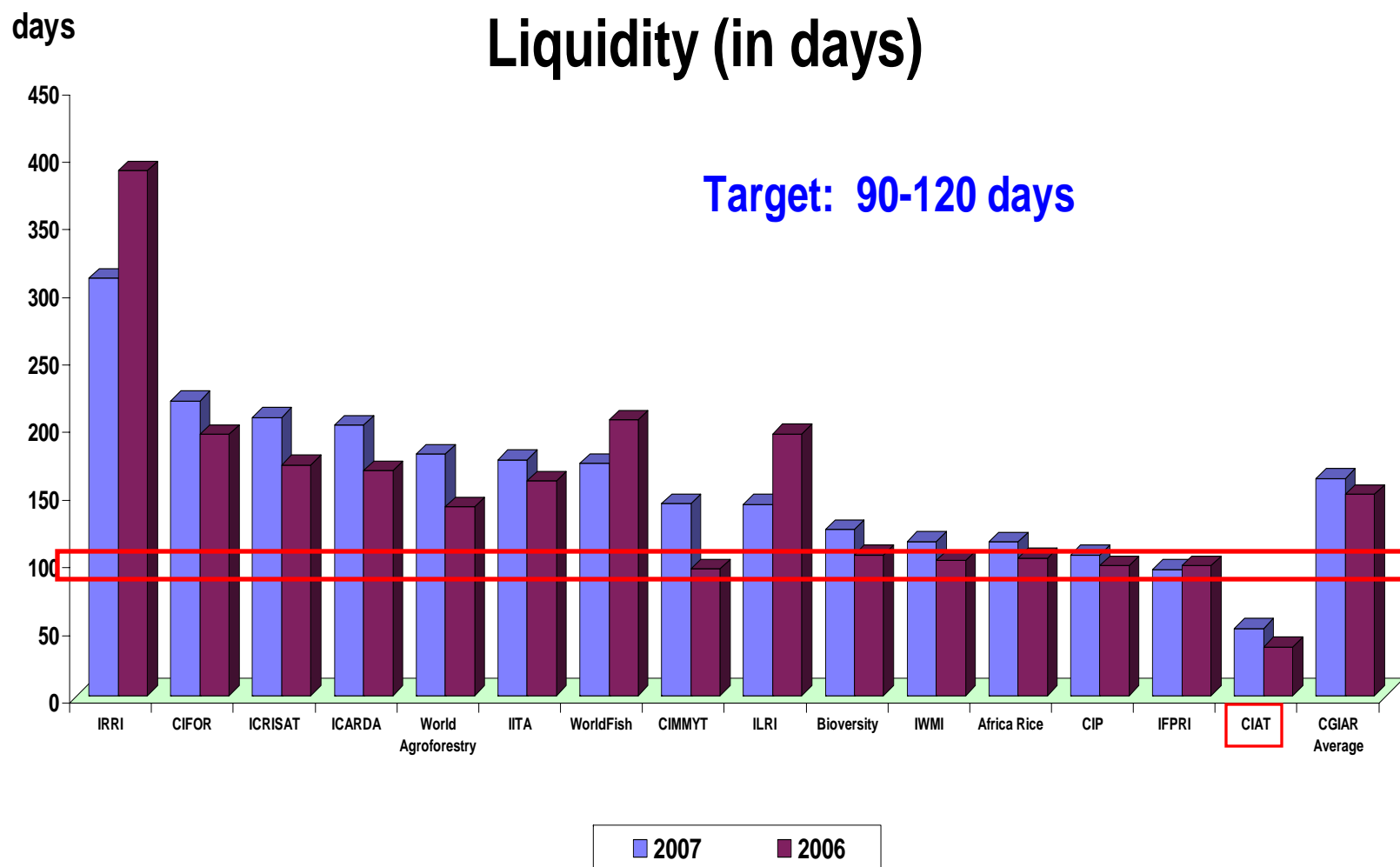


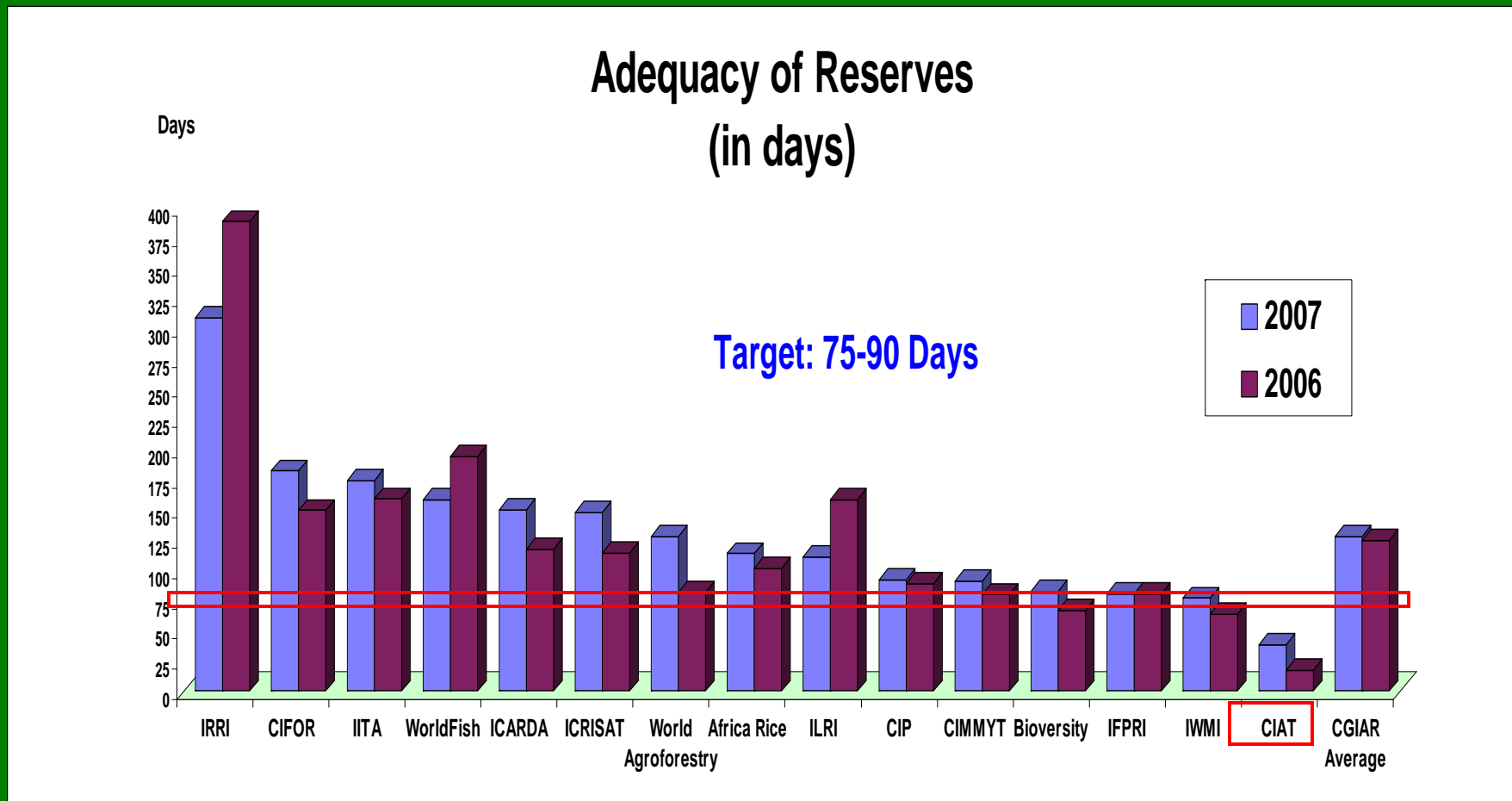
# Challenge Programs

## Summary (\$m)



	2007			2006 Balance BFwd	Cumulative Balance
	Funding	Expenditure	Balance		
Harvest Plus	19.6	14.1	5.5	11.1	16.6
Water & Food	17.1	14.8	2.3	2.1	4.4
Generation	23.5	16.0	7.5	9.2	16.7
SSA	7.8	2.8	5.0	2.9	7.9
Total	68.0	47.7	20.3	25.3	45.6

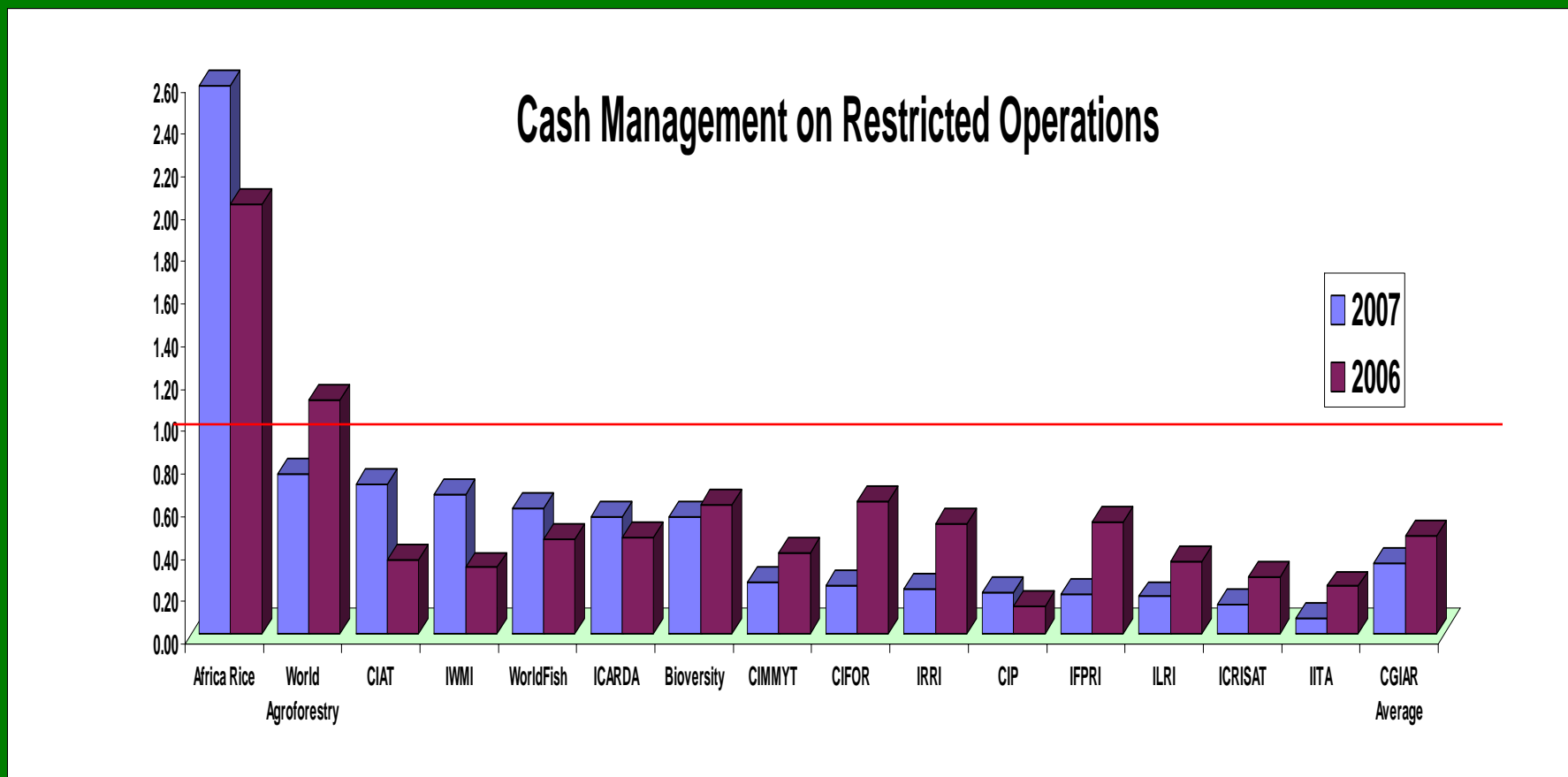




**2006 Red flags: Bioversity, CIAT and IWMI**  
**2007 Red flag: CIAT**

## Indirect Cost Ratio (%)

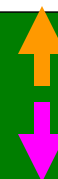
	2007	2006	Increase/ (Decrease)
Africa Rice	33	28	5
IWMI	26	21	5
ICRISAT	23	23	0
ICARDA	22	16	6
World Agroforestry	21	22	(1)
IITA	21	20	1
IRRI	20	21	(1)
CIFOR	20	21	(1)
CIAT	20	20	0
WorldFish	20	21	(1)
CIMMYT	19	25	(6)
Bioversity	19	18	1
ILRI	17	22	(5)
IFPRI	16	15	1
CIP	13	13	0
<b>CGIAR Average</b>	<b>20</b>	<b>20</b>	<b>(0)</b>
Actual recovery on Restricted and CP	12	11	1



• Desirable ratio : less than 1

6 Centers

9 Centers



# Financial Indicators Matrix

	Liquidity 90 - 120 Days	Adequacy of Reserves 75 - 90 Days	Indirect Cost Ratio %	Cash Management on Restricted Operations <1
Africa Rice	114	114	33	2.58
Bioversity	123	82	19	0.55
CIAT	50	39	20	0.70
CIFOR	219	182	20	0.23
CIMMYT	142	91	19	0.24
CIP	104	92	13	0.19
ICARDA	200	150	22	0.55
ICRISAT	206	148	23	0.14
IFPRI	94	81	16	0.19
IITA	175	175	21	0.07
ILRI	142	111	17	0.18
IRRI	309	309	20	0.21
IWMI	114	77	26	0.66
World Agroforestry	179	128	21	0.75
WorldFish	172	158	20	0.59
<b>CGIAR Average</b>	<b>161</b>	<b>127</b>	<b>20</b>	<b>0.32</b>

- Integral part of CGIAR performance indicators
- ExCo to continue monitoring progress

# Fiduciary Accountability Assessments

- **Financial Peer Review**
  - Financial Reporting
  - Financial Management
- **Financial Administration**
- **External Environment**

# Financial Peer Review

- **Financial reporting**

**Standard: CGIAR Accounting Policies and Reporting Practices (FG2)**

- **Reportable non-compliance - IWMI inadequate disclosure of NRS defined benefit plan**

# Financial Peer Review

- **Financial reporting**

- **Non-Reportable**

- ✓ Fixed assets financed by restricted projects
    - ✓ Standard of audit report and use of the external audit opinion
    - ✓ Valuation of assets – inventory, subsidiary, salvage value of fixed assets
    - ✓ Provisioning – allowances for accts receivable
    - ✓ Format of reporting indirect cost recovery

# Financial Peer Review

- **Financial reporting**
  - **Donor Requirements**
    - ✓ **European Commission:**
      - Verification mission 2002-2005 funding
      - 2007 funding (Secretariat/IFAD/EC)

# Financial Management

## Red Flags on Liquidity and/or Reserves

	2003		2004		2005		2006		2007	
	Liquidity	Reserves	Liquidity	Reserves	Liquidity	Reserves	Liquidity	Reserves	Liquidity	Reserves
Africa Rice	Red	Red	Red	Red	Red					
Bioversity		Red						Red		
CIAT	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red
CIMMYT	Red	Red	Red	Red	Red	Red				
IWMI	Red	Red		Red		Red		Red		
World Agroforestry		Red								

# Financial Administration

- **Multi Donor Trust Fund (MDTF) at World Bank**
  - 2007 disbursements - \$90 m
  - Accession of USAID
  - 14 active participants
- **World Bank Account ( Development Grant Facility )**
  - FY07 allocation of \$50 m
  - FY09 application submitted for \$50 m





# Movement of USD vs other **IRRI** major currencies

## Contribution Currencies

Currency	Currency vs USD		Movement*
	2006	2007	
Yen	119.00	112.35	-6%
GBP	0.52	0.50	-3%
CAD	1.09	1.08	-1%
NoK	6.23	5.42	-13%
SEK	6.85	6.40	-7%
CHF	1.22	1.13	-8%

## Expenditure Basket

Currency	Currency vs USD		Movement*
	2006	2007	
EUR	0.76	0.68	-11%
COP	2,225.44	1,987.81	-11%
INR	44.25	39.42	-11%
NGN	128.27	117.97	-8%
KES	69.40	62.68	-10%
PHP	49.13	41.40	-16%

\* negative movement implies depreciation of the USD vs the national currency



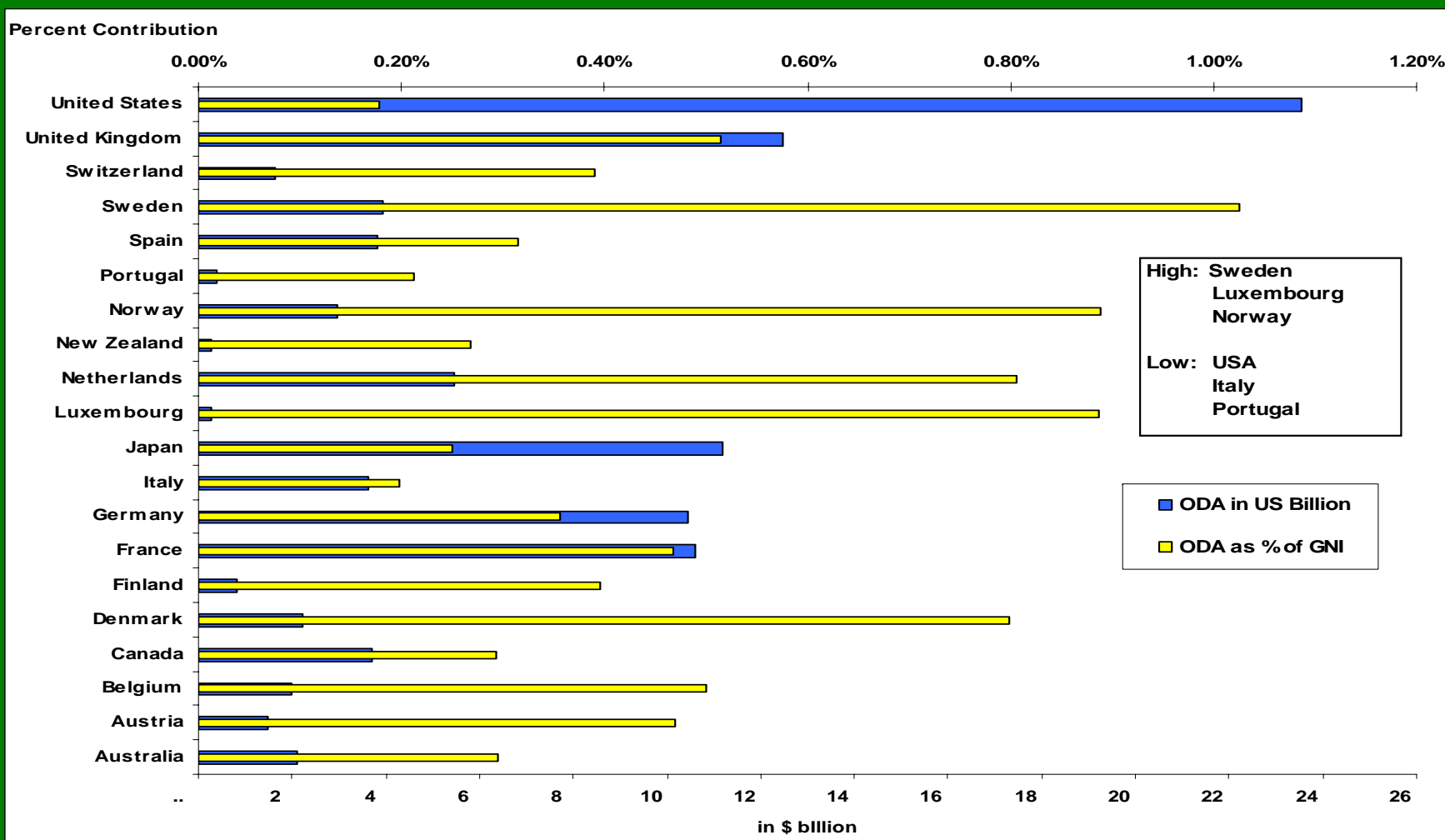
**IRRI**

# External Environments

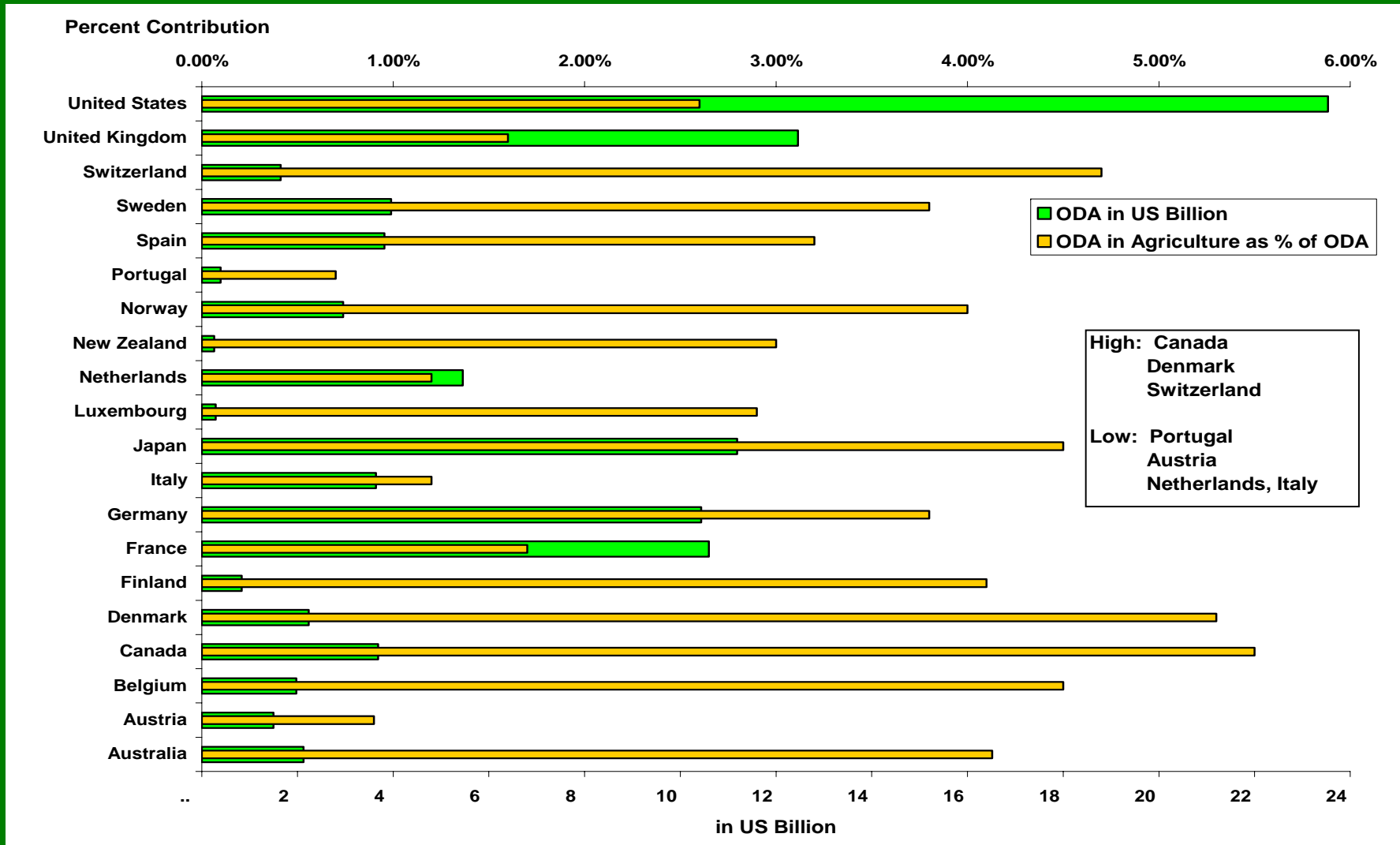
- **Official Development Assistance**



# 2006 ODA by DAC Countries (Generosity Measure) UN recommended target: 0.7%

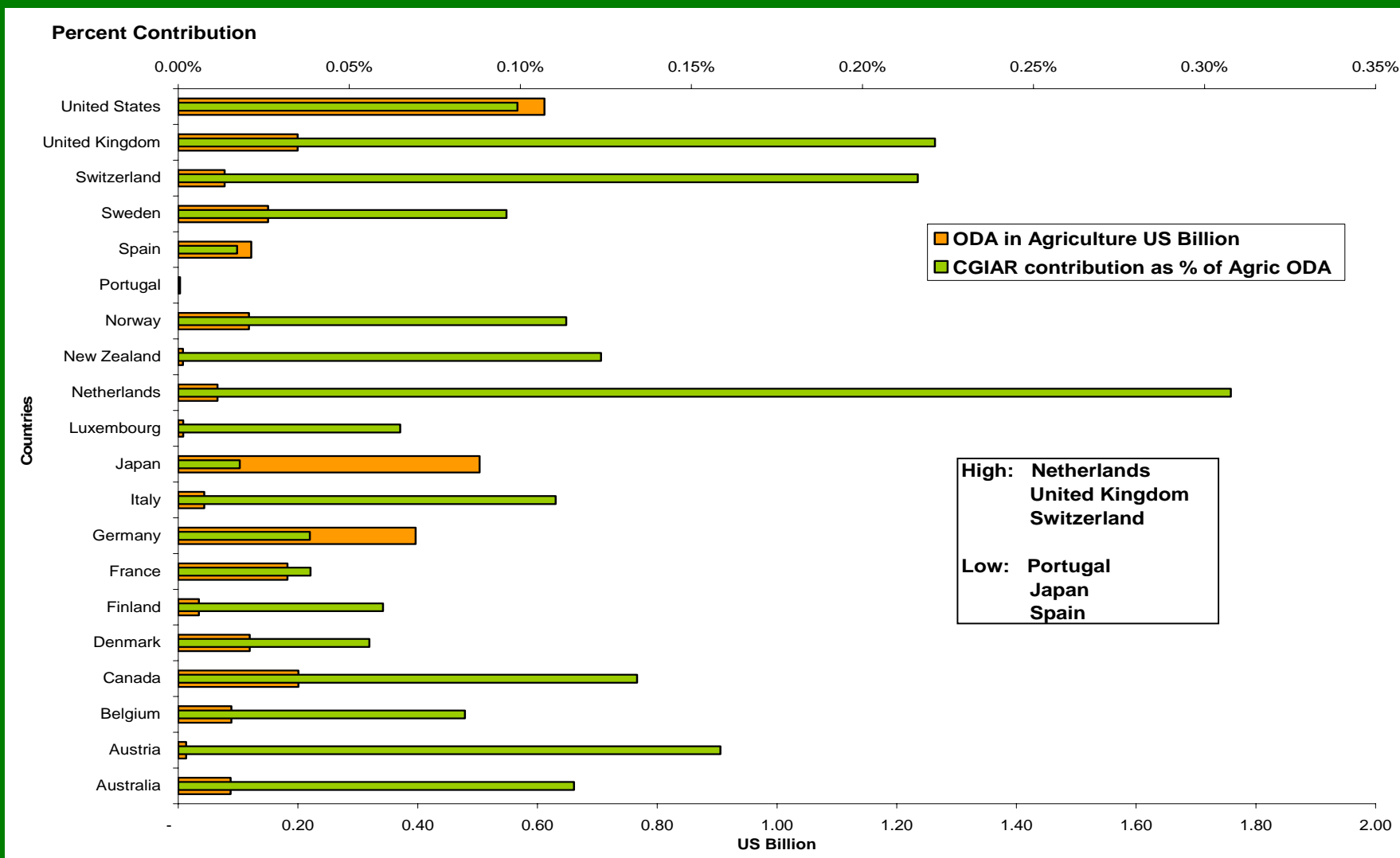


# 2006 ODA and Agric ODA





# 2006 Agric ODA and CGIAR Contributions





**IRRI**

**THANK YOU.**