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## **Investment and Financing Requirements Of the 2005 CGIAR Research Agenda**

**September 2004**



## **Introduction:**

This document summarizes the financial requirements of the 2005 research programs and their financing as projected by the CGIAR Centers. It is organized into four sections as follows:

1. **Section I** summarizes the aggregate proposal in terms of the investment level and how it is projected to be financed.
2. **Section II** outlines the financial decision-making cycle followed in the 2005 program review and approval.
3. **Section III** discusses the highlights of the investment and financing proposals.
4. **Section IV** discusses the investment proposals from various dimensions.

In addition, there is an attachment to this document which summarizes the financial and program highlights, as well as project cost tables, of each of the 15 Centers and three Challenge Programs covering the 2005-2007 Medium-Term Plan period.

## **Section I: Summary of the 2005 Proposals**

**Investment:** The System has proposed an aggregate investment (including for Challenge Programs) of \$464 million<sup>1</sup> for 2005, \$26 million (6 percent) higher than the current estimate for 2004 and approximately \$64 million (16 percent) over the actual 2003 level.

**Financing:** The \$464 million in planned aggregate investment is to be financed by investor grants of \$459 million and a net amount of \$5-7 million in Center income and Center reserves.

## **Section II: 2005 Financial Decision-making Cycle**

As in the past two years, the calendar used for the 2005 financial cycle was first approved at AGM01 in context of the CGIAR reform agenda. It combines the review and approval of both the medium term (2005-7) and financing (2005) plans of the Centers. Key points in the cycle were as follows:

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<sup>1</sup> Including \$7 million for System Office and CGIAR Committees.

## **May 2004**

- Guidelines issued to Centers;

## **July**

- Centers interacted with investors and prepared detailed Financing Plans (FP) for 2005, and revised their MTPs for 2005-2007. (The submission of the MTPs and FPs this year was brought forward by one month to allow time for more in-depth analysis by the Science Council);

## **October**

- ExCo recommends and the Group approves the 2005 CGIAR Financing Plan and 2005-7 updated MTPs at AGM04;

## **January 2005**

- Investors begin disbursement of funds;
- Centers begin implementation of the Approved Research Agenda.

## **Section III: Highlights of the Investment and Financing Proposals**

### Significant Changes Proposed in 2005:

While the majority of Centers (eight) indicate that their proposals are essentially extensions of their 2004-2006 MTPs, the remaining seven have indicated significant changes in their 2005 portfolio. The proposals of CIFOR, CIMMYT, CIP and WARDA reflect implementation of new strategies while those of ICARDA and IWMI are based on new strategies still in process of being developed. Finally, IFPRI's portfolio has changed significantly as a result of the addition of the ISNAR program. These changes can be summarized as follows (details can be found in the Center Highlights in the attachment):

- CIFOR: the proposal is based on a new strategy that has reformulated the Center's work into three research programs: Forests and Livelihoods, Environmental Services and Sustainable Use of Forests, and Forests and Governance;
- CIMMYT: has restructured its global research and mode of operations, resulting in a matrix of six programs and five disciplinary groups. CIMMYT is also leading the Generation Challenge Program;
- CIP: is implementing a new program construct that is aligned to its new vision and its Millennium Development Targets-based strategy. The new program, launched in 2004, comprises six research divisions and six partnership programs, the latter including the three systemwide and ecoregional programs convened by CIP;
- WARDA: although its strategy covers the 2003-12 period, WARDA restructured its program to focus on two major challenges: Integrated Rice Production Systems (Program 1) and Rice Policy and Development (Program 2), each of which nests four MTP projects. WARDA expects to

- relocate back to its M'be headquarters by the beginning of the MTP period after two years of working from four disparate locations;
- ICARDA: launched a visioning exercise in 2004 that will lead to a new strategy which in turn will result in a new MTP for the 2006-8 cycle. In the interim MTP being proposed, ICARDA has consolidated 19 projects into six mega projects to address specific or crosscutting themes;
  - IWMI: both the 2003 Center-Commissioned External Review (CCER) and the current strategic planning exercise for the 2004-8 period have informed IWMI's 2005-7 MTP. The resulting strategic plan will serve to consolidate the Center's recent advances and transform it into a world class knowledge Center on water, food and the environment;
  - IFPRI: following the dissolution of ISNAR as an independent Center, its incorporation into IFPRI as a program started in the second quarter of 2004. IFPRI's 2005 proposal reflects the first full year of the ISNAR program there. The ISNAR program comprises of four projects and a joint one between ISNAR and IFPRI. These total approximately \$8 million in IFPRI's 2005 proposal.

Of the eight Centers extending their 2004-6 MTPs into 2005-7,

- ICRISAT has reduced its portfolio from six to five global themes in response to the 2003 EPR and EMR recommendations to bolster its presence and impact in Sub-Saharan Africa;
- IPGRI and IRRI, in response to recommendations of the latest EPMRs, are currently revising or planning to revise their strategies but the status of the reviews at this time has not substantially impacted their 2005-7 proposals;
- CIAT, WorldFish, World Agroforestry, IITA and ILRI are implementing existing strategies without significant modifications to their portfolios.

### **Aggregate Investment Proposal:**

This section analyzes the distribution of the aggregate investment proposal (inclusive of Challenge Programs)<sup>2</sup> of \$464 million by Center and by CGIAR output .

By Center: As Table 1 shows, three Centers (CIMMYT, IFPRI and IITA) propose investment levels above \$40 million for 2005, three others (CIAT, IPGRI and IRRI) propose investments between \$35 million and \$40 million, two (World Agroforestry and ILRI) propose between \$30 million and \$35 million, three (ICARDA, ICRISAT and IWMI) propose between \$25 million and \$30 million, one (CP) proposes between \$20 million and \$25 million, and three (CIFOR, WorldFish and WARDA) propose below \$20 million. Table 5 gives the relative investment shares of each Center in the CGIAR annual totals.

<sup>2</sup> Challenge Programs, which are CGIAR programs, are implemented by both CGIAR Centers and CGIAR partners (non-CGIAR Centers). For completeness and consistency, CP expenditures by the non-CGIAR organizations are presented and analyzed under the rubric of the coordinating CGIAR Centers (CIMMYT for the Generation CP, IFPRI for the Harvest Plus CP, and IWMI for the Water and Food CP). Table 1 illustrates.

**By Output:** In terms of CGIAR output, Sustainable Production is proposed to receive the highest investment (\$146 million, or 32 percent), followed by Enhancing NARS (\$94 million, or 21 percent), Policy (\$86 million, or 18 percent), Germplasm Improvement (\$78 million, or 17 percent) and Germplasm Collection (\$53 million, or 12 percent). Table 1 illustrates the 2005 allocations while Table 6 gives the relative shares of each output in the CGIAR annual totals during the 2003-7 period.

**Table 1. Requirements of the 2005 Research Agenda by CGIAR Outputs**

(\$ million)

	Germplasm Improvement	Germplasm Collection	Sustainable Production	Policy	Enhancing NARS	Total Agenda	Memo items:	
							Challenge Program <sup>1/</sup>	Center MTP (net of Challenge Program)
CIAT	12.1	6.2	11.1	2.1	5.5	37.0		
CIFOR	-	3.9	7.2	2.6	1.6	15.3		
CIMMYT	11.9	11.5	10.5	3.4	6.9	44.3	8.5	35.8
CIP	6.8	2.1	9.3	1.8	3.6	23.7		
ICARDA	5.6	2.3	12.9	1.6	4.6	27.0		
WorldFish	0.7	0.1	8.0	4.3	1.5	14.6		
World Agroforestry	0.7	4.3	10.0	7.2	8.1	30.3		
ICRISAT	7.1	2.4	3.2	10.1	4.4	27.2		
IFPRI <sup>2/</sup>	4.2	0.4	3.1	23.3	14.9	45.9	8.4	37.5
IITA	7.8	1.3	17.4	7.7	11.1	45.3		
ILRI	3.3	2.8	21.3	3.4	2.9	33.7		
IPGRI	5.8	11.0	5.9	4.2	10.0	36.9		
IRRI	9.8	4.0	9.8	3.6	7.8	35.0		
IWMI			12.6	9.9	6.8	29.3	8.5	20.8
WARDA	2.4	0.8	3.2	1.0	4.2	11.6		
<b>Center total</b>	<b>78</b>	<b>53</b>	<b>146</b>	<b>86</b>	<b>94</b>	<b>457</b>	<b>25.4</b>	<b>94.1</b>
<b>Percentage</b>	<b>17%</b>	<b>12%</b>	<b>32%</b>	<b>18%</b>	<b>21%</b>	<b>100%</b>		
<b>System Office and Committees</b>						<b>7</b>		
<b>System total</b>						<b>464</b>	<b>25</b>	

<sup>1/</sup> Total CP investment (per CP's MTP) less amounts projected in Center proposals. For the purpose of the analysis, these residual amounts have been incorporated into the proposals of the CP coordinating Centers.

<sup>2/</sup> Includes \$8 million of the ISNAR program.

### **Challenge Programs and System Wide and Ecoregional Programs:**

Included in the financial proposals of the participating Centers are the three approved Challenge Programs<sup>3</sup>: Generation, Harvest Plus, and Water and Food, as well as the 12 systemwide and 7 ecoregional programs. The financial

<sup>3</sup> The investment amounts included in Table 1 against the three coordinating Centers are the difference between the total Challenge Program proposal (per the Medium-Term Plan of the CP in Table 1a) and the amounts projected for CPs by Centers in their MTPs. Example: For 2005, total projected CP investments amount to \$41.7 million (Table 1a). Of this amount, \$16.3 million were included in the Center MTPs. The residual balance of \$25.4 million has been incorporated into the proposals of the coordinating Centers in this analysis (Table 1).

proposals are in addition to programmatic proposals for these programs, as required by the guidelines. Highlights of each of the three CPs are included in the attachment while those of the systemwide and ecoregional programs are included in the Center highlights. The investment summary of the Challenge Programs is shown below, and confirm a steady increase in the level of activity.

**Table 1a. Summary of Challenge Program Proposed Investments in 2005-7 MTPs <sup>1/</sup>**

(\$ million)

<b>Program:</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Generation Challenge Program	0.8	8.6	13.3	15.0	16.5
Water and Food Challenge Program	5.0	7.3	12.0	13.0	14.0
Harvest Plus Challenge Program	2.0	9.9	16.4	17.6	17.2
<b>Total</b>	<b>7.8</b>	<b>25.8</b>	<b>41.7</b>	<b>45.6</b>	<b>47.7</b>

<sup>1/</sup> includes components implemented by CGIAR partners

### **Highlights of the 2005 Financing Projections:**

The \$464 million required for the 2004 proposed investment is projected to be financed by \$459 million in investor grants and \$5-7 million in Center income and or Center reserves (net). Table 2 summarizes the proposed financing plans by Center. The table confirms that, at the aggregate level, there will be sufficient resources (donor grants, Center-generated income and Center reserves) to fully finance the 2005 CGIAR agenda.

**Table 2: Financing the 2005 Research Agenda**

(\$ million)

	Total Requirements	Financed by:			Memo: funding changes		
		Investor Grants <sup>1/</sup>	Center Income	Other sources	2003 Actual Grants <sup>1/</sup>	2005 vs. 2003	
						Amount	%
CIAT	37.0	33.9	0.8	2.3	27.1	6.8	25%
CIFOR	15.3	13.5	0.2	1.6	12.4	1.1	9%
CIMMYT	44.3	42.7	0.0	1.6	31.9	10.8	34%
CIP	23.7	22.1	0.2	1.4	15.3	6.8	44%
ICARDA	27.0	24.7	0.4	1.9	22.2	2.5	11%
WorldFish	14.6	13.6	0.1	0.9	12.7	0.9	7%
World Agroforestry	30.3	27.4	0.5	2.4	24.9	2.5	10%
ICRISAT	27.2	23.6	1.0	2.6	20.9	2.7	13%
IFPRI	45.9 <sup>2/</sup>	36.7	0.3	8.9	21.0	15.7	75%
IITA	45.3	38.5	1.0	5.8	33.7	4.8	14%
ILRI	33.7	30.5	1.1	2.1	26.2	4.3	16%
IPGRI	36.9	34.8	0.2	1.9	25.3	9.5	38%
IRRI	35.0	31.1	1.0	2.9	24.7	6.4	26%
IWMI	29.3	25.1	0.2	4.0	17.2	7.9	46%
WARDA	11.6	10.7	0.1	0.8	8.1	2.6	32%
<b>Sub-Total</b>	<b>457</b>	<b>409</b>	<b>7</b>	<b>41</b>	<b>324</b>	<b>85</b>	<b>26%</b>
<b>System Office and Committees</b>	<b>7.0</b>	<b>7.0</b>					
ISNAR					7.3	(7.3)	-100%
<b>Total</b>	<b>464</b>	<b>416</b>	<b>7</b>	<b>41</b>	<b>331</b>	<b>78</b>	<b>24%</b>

<sup>1/</sup> Pending allocation by the WB, Center projections of WB funding are shown under "other sources".

<sup>2/</sup> Includes ISNAR program amount of \$8 million.

**Analysis of Grants By Center:**

Investor grants represent the Centers' best estimate at this point in time of the likely support they can reasonably expect in 2005. For a number of Centers, this includes estimates of grants that are under negotiation with investors with a high degree of probability of success. In these cases, Centers believe that while the negotiations had not yet concluded at the time of preparing their financing plans, the probability of success is high enough to warrant inclusion of these grants in their projections without attribution to specific investors. This is referred to in the Center submissions as "unidentified funding", and amounts to about \$16 million (approximately 4 percent of the projected funding). This is concentrated at the following Centers: IFPRI (\$6 million), IPGRI (\$2 million), CIMMYT (\$1.8 million), World Agroforestry (\$1.5 million), WorldFish (\$1.3 million), and IRRI (\$1million). Based on past experience, it is reasonable to include this funding in the projections.

The \$459 million in projected system funding represents an increase of approximately \$78 million (21 percent) over the comparable 2003 actual amount (\$381 million).

### **Sources of Forecasted Growth in 2005 Funding:**

Of the six major groups of investors, four (Europe, North America, Pacific Rim and the International and Regional Organizations) will be responsible for about \$48 million of the forecasted growth in funding between 2003 and 2005. Multi-donor projects and non-CGIAR members are responsible for the remaining increase of \$30 million. Funding from the Developing Countries and the Foundations is projected to remain more or less constant over the same period.

In monetary terms, North America leads all CGIAR investor groups in funding growth in 2005 compared with the 2003 actual. The 2005 contribution from North America is projected at about \$101 million, an increase of \$24 million (32 percent) over the 2003 actual amount of \$76 million. Virtually all of the projected increase is attributed to Canada whose contribution is projected to more than double in 2005, from \$21 million to \$43 million while that of the United States will increase by approximately \$3 million (5 percent). Approximately \$9 million of the increase in Canada's contribution is earmarked for ILRI for the Africa Bioscience Center and Ethiopia. The remainder are forecasts by Centers for various projects. The US increase is mainly for Challenge Programs.

The second highest increase is from Europe where investors are forecasted to increase their contributions by a net amount of \$19 million (12 percent). Within this group, however, are significant variations in the projections. Increases are forecasted from United Kingdom (\$10 million, or 38 percent, mainly for Challenge Programs), Germany (\$5.3 million or 46 percent), Italy (\$2.1 million, or 48 percent), Austria (\$1.4 million, or 175 percent), and from the European Commission (\$1.4 million, or 5 percent). The EC is also redirecting a substantial part of its support to Challenge Programs.

International and Regional Organizations are forecasted to increase their support from approximately \$72 million to \$75 million from 2003 to 2005, a growth rate of 4 percent. This projected increase is attributed mainly to IFAD (\$4.7 million) and, to a lesser extent (\$0.8 million), the African Development Bank (AfDB). The total increase from these two Members is partially offset by reductions from the others in this group, resulting in a net increase of \$3 million.

Finally, the Pacific Rim group is projected to increase its funding by just under \$2 million (7 percent) attributed to Australia, Korea and New Zealand, which together more than offset the projected reduction in the contribution from Japan.

Annex I provides details, by Member, of changes in funding in 2005 compared with the 2003 actual amounts and 2004 amounts as estimated by Centers.

### **Destination of the Forecasted Growth in 2005 Funding:**

A center-by-center analysis of the projected funding increase of \$78 million confirms that all Centers are forecasting an increase in support in 2005 compared with 2003. Table 2 illustrates the changes in amount and percentage terms. The largest increase in absolute terms are by: IFPRI, CIMMYT, IPGRI, IWMI, CIAT, CIP and IRRI. In percentage terms they are by: IFPRI, IWMI, CIP, IPGRI, CIMMYT, WARDA, IRRI and CIAT.

Table 3 illustrates a time series of CGIAR funding between 2003 and 2005.

**Table 3. CGIAR Funding by Center**

(in \$ million)

	2002 <sup>1/</sup>	2003	2004 estimate	2005 proposal
	actual <sup>2/</sup>			
CIAT	27.4	27.1	33.0	33.9
CIFOR	11.0	12.4	12.9	13.5
CIMMYT	31.6	31.9	31.7	42.7
CIP	16.0	15.3	20.3	22.1
ICARDA	20.6	22.2	24.7	24.7
WorldFish	11.4	12.7	15.7	13.6
World Agroforestry	19.2	24.9	26.7	27.4
ICRISAT	17.4	20.9	22.7	23.6
IFPRI	20.4	21.0	31.6	36.7
IITA	27.8	33.7	37.5	38.5
ILRI	23.7	26.2	28.2	30.5
IPGRI	22.4	25.3	31.6	34.8
IRRI	24.7	24.7	29.8	31.1
ISNAR <sup>3/</sup>	8.9	7.3	-	-
IWMI	18.0	17.2	21.5	25.1
WARDA	8.3	8.1	10.6	10.7
<b>Sub-total</b>	<b>309</b>	<b>331</b>	<b>378</b>	<b>409</b>
<i>Memo item</i>				
World Bank <sup>4/</sup>	50	50	50	50
<b>Total</b>	<b>359</b>	<b>381</b>	<b>428</b>	<b>459</b>

<sup>1/</sup> For consistency, restated to include inter - Center activities.

<sup>2/</sup> Excluding World Bank contribution.

<sup>3/</sup> Became a program of IFPRI in 2004.

<sup>4/</sup> As WB funding is constant during the years shown, and allocations for 2005 are still pending, only non-WB funding has been used in the analysis of Center funding.

## Section IV: Analysis of the Investment Proposals from Various Dimensions.

### Changes in Investment Growth Rates by Center:

2003 – 2005: From a time series perspective the \$464 million aggregate investment proposed for 2005 compares with \$400 million actual level for 2003 and \$438 million estimated for 2004 (Table 4). From the Centers' perspective, the majority (14 Centers) propose increases in their 2005 investments compared with 2003. Of these, only ICARDA and ILRI propose increases of below 10 percent, seven Centers (CIAT, CIFOR, CIMMYT, World Agroforestry, ICRISAT, IITA and WARDA) propose increases of 11 to 20 percent, and five Centers (CIP, IFPRI, IPGRI, IRRI and IWMI) propose increases above 20 percent compared with their 2003 actual levels. Only one Center (WorldFish) proposes a reduced level of investment (by 6 percent) in 2005 compared with 2003. Of the 14 Centers proposing increases over 2003, all except ICARDA also show increases in 2005 when compared with their 2004 estimates, hence confirming a growth trend from 2003 to 2005 for the remaining thirteen. WorldFish is the only Center whose 2005 investment is lower than both its 2003 and 2004 levels.

**Table 4. CGIAR Investments by Center**

(\$ million)

	2002 <sup>1/</sup>	2003	2004	2005	2006	2007	2005 vs		2005 vs 2007	
	actual		estimate	proposal	plan		2003	2004	Amt	%
CIAT	32.6	32.9	36.0	37.0	37.0	37.0	12%	3%	-	0%
CIFOR	11.7	13.6	14.8	15.3	15.6	16.0	13%	3%	0.7	5%
CIMMYT	41.5	37.5	40.4	44.3	44.1	45.4	18%	10%	1.1	2%
CIP	19.3	17.6	21.2	23.7	24.4	24.7	34%	12%	1.1	4%
ICARDA	24.3	26.2	29.1	27.0	28.1	29.2	3%	-7%	2.2	8%
WorldFish	12.3	15.5	16.5	14.6	15.3	16.6	-6%	-12%	2.0	14%
World Agroforestry	21.9	27.4	29.1	30.3	30.6	31.1	11%	4%	0.8	3%
ICRISAT	24.8	24.0	26.6	27.2	27.1	27.3	13%	2%	0.1	0%
IFPRI	23.5	26.5	38.7	45.9	50.1	50.7	73%	19%	4.8	10%
IITA	32.7	37.7	44.1	45.3	46.5	46.9	20%	3%	1.6	4%
ILRI	28.8	31.0	31.4	33.7	35.0	36.3	9%	7%	2.6	8%
IPGRI	25.7	28.3	32.3	36.9	38.0	39.1	30%	14%	2.2	6%
IRRI	33.6	28.8	33.8	35.0	36.0	36.0	22%	4%	1.0	3%
ISNAR	8.9	12.8	-	-	-	-	-	-	-	-
IWMI	20.8	23.0	25.3	29.3	30.3	31.3	27%	16%	2.0	7%
WARDA	9.8	10.1	11.4	11.6	11.6	11.8	15%	2%	0.2	2%
<b>Center Total</b>	<b>372</b>	<b>393</b>	<b>431</b>	<b>457</b>	<b>470</b>	<b>479</b>	<b>16%</b>	<b>6%</b>	<b>22</b>	<b>5%</b>
System Office <sup>2/</sup>	11	7	7	7	7	7				
<b>System Total</b>	<b>383</b>	<b>400</b>	<b>438</b>	<b>464</b>	<b>477</b>	<b>486</b>	<b>16%</b>	<b>6%</b>	<b>22</b>	<b>5%</b>

<sup>1/</sup> For consistency, restated to include inter- Center activities of \$2.3m.

<sup>2/</sup> Includes CGIAR Committees.

2005 – 2007: Over the MTP period, total investments are projected to increase by \$21 million (5 percent), distributed among 13 Centers.<sup>4</sup> The relatively small increase in absolute terms distributed over the majority of Centers implies that investment levels will remain relatively stable over the MTP period. As table 4 shows, the largest increase in absolute terms is just over \$3 million while the average increase is about \$1.6 million during the period. In absolute terms, IFPRI and ILRI lead the increases with about \$3.3 million and \$2.6 million, respectively, followed by ICARDA, WorldFish, IPGRI, IWMI and IITA with approximately \$2 million each, and the rest with less than \$1 million each. In percentage terms, the highest rate of increase is by WorldFish (14 percent) while all other increases are under 10 percent.

### **Changes in Investment Shares by Center:**

Table 5 shows the result of these time series of investments in terms of Center shares in the CGIAR investment total.

2003 – 2005: Results from the 2005 proposals show increases in shares by six Centers (CIMMYT, CIP, IFPRI, IITA, IPGRI and IRRI) compared with 2003. IFPRI's share increases by 3 to 10 percent while those of the other 5 Centers increase by 1 percent each. On the other hand, four Centers (ICARDA, WorldFish, ILRI and WARDA) show reductions in their shares, each by 1 percent. The remaining five Centers (CIAT, CIFOR, World Agroforestry, ICRISAT and IWMI) maintain their shares. When 2005 shares are compared with 2004, three Centers (CIMMYT, IFPRI and IPGRI) show increases while three others (ICARDA, WorldFish and WARDA) show reductions in their shares. The remaining nine Centers (CIAT, CIFOR, CIP, World Agroforestry, ICRISAT, IITA, ILRI, IRRI and IWMI) maintain their shares.

2005 – 2007: Over the MTP period Center shares remain stable for the majority of Centers (eleven). Only four Centers (CIMMYT, IFPRI, World Agroforestry and IRRI) each experience a decrease in their shares (by 1 percent each).

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<sup>4</sup> CIAT and ICRISAT are the only Centers projecting marginal or no growth in their investments during the 2005-7 period.

**Table 5. 2002-2007 CGIAR Investment Shares**

(percentage shares of the annual CGIAR total)

	2002	2003	2004	2005	2006	2007
	actual		estimate	proposal	plan	
CIAT	9%	8%	8%	8%	8%	8%
CIFOR	3%	3%	3%	3%	3%	3%
CIMMYT	11%	9%	9%	10%	9%	9%
CIP	5%	4%	5%	5%	5%	5%
ICARDA	6%	7%	7%	6%	6%	6%
WorldFish	3%	4%	4%	3%	3%	3%
World Agroforestry	6%	7%	7%	7%	6%	6%
ICRISAT	6%	6%	6%	6%	6%	6%
IFPRI	6%	7%	9%	10%	11%	10%
IITA	9%	9%	10%	10%	10%	10%
ILRI	8%	8%	7%	7%	7%	7%
IPGRI	7%	7%	7%	8%	8%	8%
IRRI	9%	7%	8%	8%	8%	7%
ISNAR	2%	3%	-	-	-	-
IWMI	5%	6%	6%	6%	6%	6%
WARDA	3%	3%	3%	2%	2%	2%
System Office <sup>1/</sup>	3%	2%	2%	2%	1%	1%
<b>System Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>1/</sup> Includes CGIAR Committees.

## System Level Analysis

### Allocation of Investment by CGIAR Output:

2003 – 2005: At the system level, the proposed investments imply shifts in the shares or the CGIAR outputs (Table 6). Compared with the 2003 actual levels, the shares of Policy and Germplasm Collection increase (by 2 and 1 percentage points, respectively) in 2005. On the other hand, the shares of Sustainable Production and Enhancing NARS decrease by 2 and 1 percentage points, respectively. Only the share of Germplasm Improvement remains constant during the period.

2005 – 2007: Over the MTP period the share of each output remains stable at the level of the 2005 proposals.

**Table 6. Allocation of Investments by CGIAR Output**

(percentage)

	2002	2003	2004	2005	2006	2007
	actual		estimate	proposal	plan	
<b>Germplasm Improvement</b>	18%	17%	16%	17%	17%	17%
<b>Germplasm Collection</b>	10%	11%	11%	12%	12%	12%
<b>Sustainable Production</b>	34%	34%	34%	32%	32%	32%
<b>Policy</b>	15%	16%	18%	18%	18%	18%
<b>Enhancing NARS</b>	23%	22%	21%	21%	21%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Allocation of Investments by Object of Expenditure:<sup>5</sup>**

The only shift in the shares of the four objects of expenditure between 2003 and 2005 is the increase of 1 percent in the share of supplies and services (from 43 to 44 percent) due to a reduction in the allocation for depreciation. The shares of personnel and travel remain constant at 46 and 7 percent, respectively. There are no changes in the relative shares between 2004 and 2005, as well as during the 2005 – 2007 plan period. Table 7 below shows investments by object of expenditure.

**Table 7. CGIAR Investments by Object of Expenditure**

(percentage)

	2002	2003	2004	2005	2006	2007
	actual		estimate	proposal	plan	
<b>Personnel</b>	49%	46%	46%	46%	46%	46%
<b>Supplies and Services</b>	40%	43%	44%	44%	44%	44%
<b>Travel</b>	7%	7%	7%	7%	7%	7%
<b>Depreciation</b>	4%	4%	3%	3%	3%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>5</sup> The new CGIAR Accounting Guidelines (FG2) effective from 2004 requires classification of expenditures into five objects (with the addition of "Collaboration Costs"). This new classification will be adopted in the reporting of actual 2004 results and the 2006-8 MTP.

### Allocation of Investments by Region:

Compared with 2003, Sub-Saharan Africa's share of investment will increase to 47 percent (up from 45 percent in 2005), due to shifts from the other three regions.

Over the plan period (2005 – 2007), the regional shares remain stable at the level of the 2005 proposal, as illustrated in Table 8.

**Table 8. CGIAR Investments by Developing Region**

(percentage)

	2002	2003	2004	2005	2006	2007
	actual		estimate	proposal	plan	
Sub-Saharan Africa (SSA)	43%	45%	47%	47%	47%	47%
Asia	33%	32%	31%	31%	31%	31%
Latin America and the Caribbean (LAC)	15%	14%	12%	12%	12%	12%
Central, West Asia and North Africa (CWANA)	9%	9%	10%	10%	10%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Annex 1: Support to CGIAR Research Agenda by Investor 2003-2005**  
(\$ million)

Note: 2003 figures are actual; 2004 and 2005 are from Center financing plans. The 2005 have not yet been validated.

Members	2003	2004	2005	Change, 2005 vs.		% Change, 2005 vs.	
	actual	estimate	proposal	2003	2004	2003	2004
<b>Europe</b>							
Austria	0.8	1.9	2.3	1.5	0.4	186%	21%
Belgium	6.4	6.2	6.8	0.4	0.6	7%	10%
Denmark	9.1	10.3	8.8	-0.3	-1.5	-3%	-14%
European Commission	27.2	27.5	28.6	1.4	1.1	5%	4%
Finland	1.7	1.7	1.8	0.1	0.1	3%	3%
France	7.6	5.7	5.2	-2.4	-0.5	-32%	-9%
Germany	11.6	15.8	16.9	5.3	1.1	46%	7%
Ireland	2.6	3.0	3.0	0.4	0.0	15%	0%
Israel	0.0	0.0	0.0	0.0	0.0	0%	0%
Italy	4.4	6.7	6.5	2.1	-0.2	48%	-3%
Luxembourg	0.7	0.7	0.5	-0.2	-0.2	-24%	-24%
Netherlands	19.2	21.0	19.5	0.3	-1.5	2%	-7%
Norway	11.2	11.0	10.7	-0.5	-0.3	-4%	-2%
Portugal	0.0	0.0	0.0	0.0	0.0	0%	-100%
Spain	2.3	1.7	1.8	-0.6	0.0	-24%	3%
Sweden	13.6	14.5	14.0	0.4	-0.5	3%	-3%
Switzerland	15.6	18.0	16.9	1.3	-1.1	8%	-6%
United Kingdom	26.4	36.5	36.5	10.1	0.0	38%	0%
<b>Sub-total</b>	<b>160.5</b>	<b>182.2</b>	<b>179.9</b>	<b>19.4</b>	<b>-2.3</b>	<b>12%</b>	<b>-1%</b>
<b>North America</b>							
Canada	20.9	30.6	42.7	21.8	12.1	104%	39%
United States	55.5	55.7	58.1	2.6	2.4	5%	4%
<b>Sub-total</b>	<b>76.4</b>	<b>86.3</b>	<b>100.7</b>	<b>24.3</b>	<b>14.4</b>	<b>32%</b>	<b>17%</b>
<b>Pacific Rim</b>							
Australia	7.3	8.3	8.8	1.5	0.5	20%	6%
Japan	15.0	14.5	14.5	-0.5	0.0	-4%	0%
Korea	1.2	1.6	1.5	0.3	-0.1	22%	-9%
New Zealand	0.8	1.2	1.4	0.6	0.2	75%	16%
<b>Sub-total</b>	<b>24.4</b>	<b>25.6</b>	<b>26.1</b>	<b>1.7</b>	<b>0.5</b>	<b>7%</b>	<b>2%</b>
<b>Developing Countries</b>							
Bangladesh	0.0	0.0	0.0	0.0	0.0	0%	0%
Brazil	0.3	0.2	0.2	-0.1	0.0	-27%	10%
China	1.0	0.7	0.7	-0.3	0.0	-35%	-7%
Colombia	2.3	1.8	1.8	-0.5	0.0	-21%	1%
Cote d'Ivoire	0.0	0.1	0.1	0.1	0.0	0%	-45%
Egypt	0.5	0.7	0.6	0.1	-0.1	28%	-9%
India	1.3	1.1	0.9	-0.4	-0.2	-31%	-19%
Indonesia	0.2	0.1	0.1	-0.1	0.0	-71%	-42%
Iran	1.2	1.3	1.1	-0.1	-0.2	-5%	-12%
Kenya	0.3	0.1	0.0	-0.3	-0.1	-87%	-60%
Malaysia	0.0	0.0	0.0	0.0	0.0	0%	0%
Mexico	0.7	0.2	0.2	-0.5	0.0	-74%	-10%
Morocco	0.5	0.5	0.5	0.0	0.0	0%	0%
Nigeria	0.0	2.5	2.3	2.3	-0.2	0%	0%
Pakistan	0.1	0.2	0.1	0.0	-0.1	0%	-55%
Peru	0.4	0.5	0.2	-0.2	-0.3	-51%	-61%
Philippines	0.2	0.3	0.3	0.1	0.0	71%	14%
South Africa	0.8	0.4	0.7	-0.1	0.3	-11%	78%
Syria	0.5	0.5	0.5	0.0	0.0	0%	0%
Thailand	0.1	0.2	0.1	0.0	-0.1	25%	-38%
Uganda	0.6	0.1	0.3	-0.4	0.2	-58%	150%
<b>Sub-total</b>	<b>10.9</b>	<b>11.5</b>	<b>10.7</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-2%</b>	<b>-7%</b>
<b>International &amp; Regional Organizations</b>							
ADB	6.0	4.7	5.1	-0.9	0.4	-14%	9%
AFDB	0.2	1.0	1.0	0.8	0.0	390%	-2%
AFESD	0.8	1.4	0.8	0.0	-0.6	-5%	-46%
FAO	2.0	1.3	1.3	-0.8	-0.1	-38%	-4%
IDB	0.3	0.1	0.4	0.1	0.3	20%	260%
IDRC	1.9	2.7	1.9	0.0	-0.8	-2%	-31%
IFAD	5.7	7.5	10.4	4.7	2.9	82%	38%
OPEC	0.3	0.5	0.3	0.0	-0.2	-14%	-48%
UNDP	1.1	1.2	1.1	0.0	-0.1	0%	-8%
UNEP	3.6	2.4	2.6	-1.0	0.2	-27%	9%
World Bank	50.0	50.0	50.0	0.0	0.0	0%	0%
<b>Sub-total</b>	<b>71.8</b>	<b>72.8</b>	<b>74.7</b>	<b>2.9</b>	<b>1.9</b>	<b>4%</b>	<b>3%</b>
<b>Foundations</b>							
Ford Foundation	0.8	1.1	1.1	0.3	0.0	38%	0%
Kellogg Foundation	0.3	0.3	0.3	0.0	0.0	-10%	-10%
Rockefeller Foundation	7.8	8.7	8.1	0.3	-0.6	4%	-6%
Syngenta Foundation	1.1	0.9	0.8	-0.3	-0.1	-25%	-8%
<b>Sub-total</b>	<b>10.0</b>	<b>11.0</b>	<b>10.3</b>	<b>0.3</b>	<b>-0.7</b>	<b>3%</b>	<b>-6%</b>
<b>Non-CGIAR Member</b>	<b>26.8</b>	<b>38.6</b>	<b>56.5</b>	<b>29.7</b>	<b>17.9</b>	<b>111%</b>	<b>46%</b>
<b>Total</b>	<b>381</b>	<b>428</b>	<b>459</b>	<b>78</b>	<b>31</b>	<b>21%</b>	<b>7%</b>

<sup>11</sup> 2005 total includes unidentified amount of about \$16m.



**Summary of the 2005 Financing Plans and the 2005-2007 Medium-Term  
Plans of the Fifteen CGIAR Centers**

Attached as part of the paper "**Investment and Financing Requirements of the 2005 CGIAR Research Agenda**", are the summary analyses of the Financing and Medium-Term Plans of the fifteen CGIAR Centers, as well as their Project Cost Allocation tables. A summary analyses of the three approved Challenge Programs is also included.

## **Index of the 2005 Center Proposals and Project Costs:**

Attachment 1a: Centro Internacional de Agricultura Tropical (CIAT)

Attachment 1b: Center for International Forestry Research (CIFOR)

Attachment 1c: Centro Internacional de Mejoramiento de Maiz y Trigo (CIMMYT)

Attachment 1d: Centro Internacional de la Papa (CIP)

Attachment 1e: International Center for Agricultural Research in the Dry Areas (ICARDA)

Attachment 1f: WorldFish Center (ICLARM)

Attachment 1g: World Agroforestry Center (ICRAF)

Attachment 1h: International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)

Attachment 1i: International Food Policy Research Institute (IFPRI)

Attachment 1j: International Institute of Tropical Agriculture (IITA)

Attachment 1k: International Livestock Research Institute (ILRI)

Attachment 1l: International Plant Genetic Resources Institute (IPGRI)

Attachment 1m: International Rice Research Institute (IRRI)

Attachment 1n: International Water Management Institute (IWMI)

Attachment 1o: West Africa Rice Development Association (WARDA)

Attachment 1p: Generation Challenge Program

Attachment 1q: Water and Food Challenge Program

Attachment 1r: Harvest Plus Challenge Program

## Attachment 1a: Centro Internacional de Agricultura Tropical (CIAT)

### Proposa L

The proposal is an extension of the 2004-6 MTP. CIAT proposes an investment of \$37 million in 2005. This is 12% higher than the actual level for 2003 and 3% higher than the 2004 estimates of \$36 million. The proposed investment is to be financed by \$36.7million in grant income and \$0.8 million in center income.

### *Financial Highlights*

#### 2003 Outcome

Total investment amounted to \$32.9 million, financed by \$32 million in grant income and \$1 million in center income, resulting in a surplus of \$0.1 million. Although working capital days increased from 66 days to 75 days in 2003, this was still below the CGIAR standard of 90 days. Reserves in expenditure days at 58 were also below the CGIAR standard of 90-120 days.

#### 2004 Outlook

CIAT estimates total investment of \$36 million in 2004, financed by \$35.7 million in grant income and \$0.8 million in center income. A surplus of \$0.5 million is expected for 2004, which will be added to reserves. The United Kingdom and New Zealand increased their contributions and moved from restricted funding to unrestricted funding.

#### 2005 Proposal

The proposed investment of \$37 million will result in a surplus of \$0.5 million for the Center. CIAT will continue its policy of building reserves at an annual rate of \$0.5 million during the MTP period. The proposal includes approximately \$2.3 million for the Harvest Plus Challenge Program.

- A comprehensive plan of action to address the 2003 financial deficiencies (liquidity of 75 days of expenditures and reserves of 58 days) cited by the 6<sup>th</sup> ExCo will be approved by CIAT's Board in December.

#### **CGIAR shares:**

	Share of CGIAR investment
2003 actual	8%
2004 estimate	8%
2005 proposal	8%

#### **2005-2007 PROGRAM HIGHLIGHTS:**

CIAT's 2005-07 MTP, like the previous one, is focused around three development challenges:

- Sharing the benefits of agrobiodiversity
- Overcoming land degradation
- Enhancing rural innovation

CIAT is actively participating in the Challenge Programs: CIAT is co-leading the Harvest Plus Challenge Program with IFPRI, to increase the micro-nutrient content of crops through plant breeding. In the Generation Plus Challenge Program, CIAT has initiated new research on beans, cassava and rice genetics. In the Water and Food Challenge Program, CIAT is leading the research theme on upper watershed management.

**CIAT- Cost Allocation by Project & Output**  
(in \$ million)

	estimate	proposed	plan	plan
	2004	2005	2006	2007
SB-2: Conservation and Use of Tropical Genetic Resources	5.3	5.2	5.1	5.1
IP-1: Bean Improvement for the Tropics	4.2	4.0	4.0	4.0
IP-2 : Beans in Africa (merged)				
IP-3: Improve Cassava for the Developing World	2.2	2.2	2.1	2.1
IP-4: Improved Rice for Latin America and the Caribbean	2.2	2.1	2.1	2.1
IP-5: Tropical Grasses and Legumes	2.3	2.2	2.1	2.1
IP-6 : Tropical Fruits	0.4	0.4	0.4	0.4
PE-1: Integrated Pest and Disease Management	1.7	1.6	1.6	1.6
PE-2: TSBF / Overcoming Soil Degradation	6.2	6.1	5.9	5.9
PE-3: Communities and Watersheds	2.5	2.4	2.4	2.4
PE-4: Land Use in Latin America	1.7	1.6	1.6	1.6
PE-5: Sustainable Systems for Smallholders (merged)				
PE-6: Confronting Global Climate Change				
SN-1: Rural Agroenterprises Development	1.4	1.4	1.4	1.4
SN-2: Linkages with NARS (merged)				
SN-3: Participatory Research	1.3	1.2	1.1	1.2
SN-4: Information and Communication in Rural Communities	1.0	0.9	0.9	0.9
BP-1: Impact Assessment	0.6	0.7	0.7	0.7
SW-1: Ecoregional Program for Tropical Latin America (Eliminated)				
SW-2: Soil, Water, and Nutrient Management (SWNM)	0.4	0.3	0.3	0.3
SW-3: Participatory Research and Gender Analysis (PRGA)	1.2	1.1	1.0	1.0
CP-1: Harvest Plus Global Challenge Program (BCP)	1.4	3.6	4.4	4.3
<b>Total</b>	<b>36.0</b>	<b>37.0</b>	<b>37.0</b>	<b>37.0</b>

<b>Summary by Output:</b>	estimate	proposed	plan	plan
	2004	2005	2006	2007
Germplasm Improvement	11.6	12.0	12.1	12.1
Germplasm Collection	5.6	6.2	6.5	6.4
Sustainable Production	11.6	11.1	10.8	10.9
Policy	1.8	2.2	2.3	2.3
Enhancing NARS	5.5	5.4	5.3	5.3
<b>Total</b>	<b>36.0</b>	<b>37.0</b>	<b>37.0</b>	<b>37.0</b>

## Attachment 1b: Center for International Forestry Research (CIFOR)

### Proposal

CIFOR's 2005-07 MTP presents an overview of the research portfolio based on a newly completed process of adjustment of CIFOR's programmatic strategies. The Center proposes an investment of \$15.3 million in 2005, 13% higher than the 2003 actual, and 3% higher than the 2004 estimate. The proposed investment is to be funded by \$14.9 million in grant income, \$0.2 million in Center income and \$0.2 million from reserves.

### *Financial Highlights*

#### 2003 Outcome

Actual investment was \$13.6 million, 10% higher than in 2002. This was funded by \$13.6 million in grant income, and \$0.2 million in Center income and resulting in a surplus of \$0.2 million. CIFOR's liquidity and reserves indicators were comfortably above the CGIAR recommended standards in 2003.

#### 2004 Outlook

CIFOR's estimated investment of \$14.8 million is 9% higher than the 2003 actual level. It will be financed by \$14.5 million in grant income, \$0.2 million in Center income and \$0.1 million from reserves. The Center's healthy financial condition will continue in 2004.

#### 2005 Proposal

The proposed investment of \$15.3 million in 2005 includes a planned deficit of \$0.2 million the cost of the EPMR that will be funded from reserves. This will not significantly affect CIFOR's healthy financial indicators. The Center projects a substantial increase in unrestricted funding from DfID.

#### *CGIAR share:*

	Share of CGIAR investment
2003 actual	3%
2004 estimate	3%
2005 proposal	3%

#### 2005-2007 Program Highlights

The programmatic changes resulting from the new strategy have effectively increase the emphasis on improving communication, outreach and impact. A new set of nine projects managed within three research programs is being presented in this MTP. The three programs are:

- Forests and Livelihoods,
- Environmental Services and Sustainable use of Forests, and
- Forests and Governance.

These programs position forest related research in support of livelihoods/poverty with a strong focus on ecosystems that support a large number of people. Increased attention to dry forests and woodlands is expected to continue. CIFOR works with partners to influence national and international processes and helps build national capacity in developing countries. CIFOR has designated Africa as a priority region and a strategy for engagement with sub-Saharan Africa is being developed, with expenditures in Africa expected to increase.

**CIFOR – Cost Allocation by Project & Output**  
(in \$ million)

	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Project</b>				
Project 1: Sustainable Use of Forests	1.3	1.2	1.2	1.2
Project 2: Biodiversity in Fragmented Landscapes	3.4	3.8	3.9	4.1
Project 3: Ecosystem Functions and Services in Forested Catchments	0.8	0.7	0.8	0.8
Project 4: Governance of Multi-stakeholder Forested Landscapes	1.6	1.7	1.7	1.8
Project 5: Forest Finance, Trade, Corporate Accountability and Illegal Forest Activities	1.9	1.4	1.5	1.5
Project 6: Local-Central Relations in Forest Governance: Implementing Decentralization for Forest	1.7	2.0	2.0	2.1
Project 7: Managing Landscape Mosaics for Sustainable Livelihoods	1.3	1.5	1.5	1.5
Project 8: Improving Human Well-being through Forests	2.3	2.2	2.3	2.3
Project 9: Global Public Goods	0.6	0.7	0.7	0.7
<b>Total</b>	<b>14.8</b>	<b>15.3</b>	<b>15.6</b>	<b>16.0</b>

<b>Summary by CGIAR Output:</b>				
	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Germplasm Improvement	-	-	-	-
Germplasm Collection	3.6	3.9	4.0	4.1
Policy	2.6	2.6	2.7	2.7
Sustainable Production	6.7	7.2	7.3	7.5
Enhancing NARS	1.8	1.6	1.6	1.6
	<b>14.8</b>	<b>15.3</b>	<b>15.6</b>	<b>16.0</b>

## **Attachment 1c: Centro Internacional de Mejoramiento de Maiz y Trigo (CIMMYT)**

### **Proposal**

In line with the aim of reducing poverty, in 2004 CIMMYT implemented a new strategy and restructured its global research agenda and mode of operation. CIMMYT leads the Generation Challenge Program and has included its share of this CP in its financial proposals. CIMMYT proposes an investment of \$35.7 million in 2005, 5% lower than the 2003 actual and 3% lower than the estimated level for 2004. CIMMYT has adopted a policy of programming investment at a lower level than projected income of the MTP period in order to build reserves.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$37.5 million. This was funded by \$36.2 million in grant income, and \$2.0 million in Center income leaving a surplus of \$0.7 million. As a result, CIMMYT's working capital days increased from 3 days of expenditures in 2002 to 39 days in 2003 while equity days in 2003 were 33 days, although both still were substantially below the CGIAR recommended standards.

#### **2004 Outlook**

CIMMYT's estimated investment of \$36.8 million is 2% lower than the 2003 level, and will be financed by \$37.4 million in grant income and \$0.3 million in Center income with an anticipated surplus of \$0.9 million. This will be only half of the amount the Center plans to save during the MTP period to build reserves to the recommended CGIAR target of 90-120 days of expenditures.

#### **2005 Proposal**

The proposed investment of \$35.7 million is to be funded by \$37.5 million in grant income, resulting in a projected surplus of \$1.8 million. CIMMYT plans put aside, on average, about \$2 million per year over the 2005-2007 period to reach the target of 90 days for reserves.

- A comprehensive plan of action to address the 2003 financial deficiencies (liquidity of 39 days of expenditures and reserves of 33 days) cited by the 6<sup>th</sup> ExCo is due from the CIMMYT Board by December 2004.

#### ***CGIAR share (includes Challenge Programs):***

	Share of CGIAR investment
2003 actual	9%
2004 estimate	9%
2005 proposal	10%

#### **2005-2007 Program Highlights**

Impacts on poverty and the livelihoods are CIMMYT's starting points for targeting agricultural research and development. Research management has been strengthened by organizing the Center's work into a matrix of six programs and five disciplinary groups, as well as through the appointment of a Deputy Director General for Research. Program 1 on Genetic Resources and Program 2 on Impacts Targeting and Assessment are global in scope. The remaining programs have eco-regional and systems focus, are composed of multi-disciplinary teams and will seek to develop and deliver relevant science products and services that improve the food security and reduce the vulnerability of small-scale farm households and consumers in developing countries.

**CIMMYT – Cost Allocation by Project & Output**  
(in \$ million)

	Estimate	Proposed	Plan	Plan
<b>Project</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
1. Genetic Resources	6.0	6.1	5.8	5.8
2. Rainfed Wheat Systems	6.1	6.1	5.6	5.6
3. Sustaining African Livelihoods	8.2	8.0	7.9	7.8
4. Intensive Agro-ecsystems	7.7	7.8	7.4	7.4
5. Tropical Ecosystems	5.1	5.1	4.8	4.6
6. Targeting Knowledge for Impact	2.7	1.9	1.6	1.6
8. Rice-Wheat Consortium	0.9	0.8	0.8	0.8
<b>Total</b>	<b>36.8</b>	<b>35.7</b>	<b>33.9</b>	<b>33.7</b>
<b>Summary by CGIAR Output:</b>				
	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Germplasm Improvement	9.9	9.8	9.4	9.3
Germplasm Collection	7.3	7.4	7.0	7.0
Policy	3.7	3.3	3.0	3.0
Sustainable Production	10.1	9.8	9.3	9.2
Enhancing NARS	5.7	5.4	5.1	5.1
	<b>36.8</b>	<b>35.7</b>	<b>33.9</b>	<b>33.7</b>

## Attachment 1d: Centro Internacional de la Papa (CIP)

### **Proposal**

The proposal is based on the new CIP vision completed in 2003 and implemented in 2004. It is aligned to the Center's Millennium Development Targets-based strategy. The proposed investment of \$23.7 million in 2005 is 35% higher than the 2003 actual of \$17.6 million and 12% higher than the 2004 estimates of \$21.2 million. This is to be funded by \$24 million in grant income and \$0.2 million in Center income, resulting in a projected a surplus of \$0.5 million in 2005.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$17.6 million, 9% lower than the 2002 level. The investment was financed by \$18 million in grant income, \$0.4 million Center income resulting in a surplus of \$0.9 million. Liquidity and reserves indicators were adequate in 2003.

#### **2004 Outlook**

CIP estimates total investment of \$21.2 million in 2004, which is 20% above the actual for 2003. This investment will be funded by \$22 million in grant income and \$0.2 million in Center income, resulting in a surplus of \$1 million and will increase CIP's reserves to \$5.5 million. Unrestricted revenues are expected to grow by \$0.8 m (10%) due to an increase from DfID and a new contribution from New Zealand. Restricted revenues are also expected to increase in 2004, including increased involvement by CIP in the Challenge Programs.

#### **2005 Proposal**

Financially, CIP achieved significant progress in 2003 and 2004, which it expects will continue in 2005. It's financial target over the MTP period is to increase working capital to 104 days and reserves by \$0.5 million annually. The projected \$0.5 million surplus will increase reserves to \$6 million in 2005. CIP's projected increase in investments during the MTP period relies heavily on projects such as from CIDA and increased participation in Challenge Programs. CP activities are projected to add \$1.9m to CIP's budget in 2005.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	4%
2004 estimate	5%
2005 proposal	5%

#### **2005 - 2007 Program Highlights**

The new program construct implemented in 2004 comprises of six research divisions and six partnership programs. The latter includes, in a discrete way, the Systemwide and Eco-regional programs convened by CIP. The Center's MTP emphasizes achievement of the MDG in targeted areas, reflects increased Science Council concern for verifiable milestones derived from project outputs to serve as future performance indicators for CIP projects. Milestones have been reviewed in the 2005 MTP and will be further refined in the 2006-08 MTP. CIP will continue to convene three systemwide and eco-regional programs: CONDESAN, Global Mountain Program and Urban Harvest. In addition, it will also continue to participate in the three Challenge Programs: Water and Food, Harvest Plus and Generation. Financial information (costs and financing) in these system level activities are included in CIP's MTP proposal.

**CIP – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
01 Impact Enhancement	1.2	1.5	1.5	1.4
02 Genetic Resources Conservation and Characterization	2.5	3.3	3.6	3.3
03 Germplasm Enhancement and Crop Improvement	5.5	5.6	5.7	5.6
04 Integrated Crop Management	3.0	3.3	3.8	3.9
05 Natural Resource Management	1.7	2.6	2.4	2.3
06 Agriculture and Human Health	0.6	1.0	1.0	0.9
07 Papa Andina Initiative	1.4	1.3	1.1	1.3
08 Vitamin A for Africa (VITAA) Partnership Program	0.4	0.7	0.8	0.8
09 Consortium for the Sustainable Development of the Andean Ecoregion - CONDESAN	1.4	1.0	1.4	1.6
10 Global Mountain Program	1.3	1.1	1.0	1.3
11 Urban Harvest	0.7	1.0	0.9	1.0
12 Country Projects and Regional Networks	1.6	1.3	1.2	1.3
<b>Total</b>	<b>21.1</b>	<b>23.7</b>	<b>24.4</b>	<b>24.7</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	6.3	6.8	7.1	7.1
Germplasm Collection	1.6	2.1	2.3	2.1
Policy	1.5	1.8	1.8	1.9
Sustainable Production	8.5	9.3	9.6	9.8
Enhancing NARS	3.2	3.6	3.7	3.8
	<b>21.2</b>	<b>23.7</b>	<b>24.4</b>	<b>24.7</b>

## **Attachment 1e: International Center for Agricultural Research in the Dry Areas (ICARDA)**

### **Proposal**

In 2004 ICARDA launched a new strategic visioning exercise which will lead to its next Strategic Plan and a new MTP for 2006-8, hence the proposed 2005-7 MTP is presented as an interim plan. The proposed investment in 2005 of \$27 million is 3% higher than the 2003 actual of \$ 26.2 million but 7% lower than the level estimated for 2004.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$26.2 million representing a 8% increase over 2002. The investment was financed by \$25.4 million in grants and \$0.8 million in Center income. ICARDA ended 2003 with a balanced budget. Its liquidity and reserves indicators were healthy and well above the CGIAR recommended standards.

#### **2004 Outlook**

ICARDA's estimated investment for 2004 is \$29.1 million, an 11% increase over 2003. The investment is expected to be financed by \$28.7 million in grants and \$.4 million in Center income. With this result, ICARDA's financial health will remain strong in 2004.

#### **2005 Proposal**

The \$27 million investment, represents a 7% decrease over 2004 estimates. This is mainly because ICARDA expects to have completed the World Bank-funded rehabilitation of Global Public Goods in 2004. The 2005 investment is proposed to be financed by \$26.6 million in grant income and \$0.4 million in Center income, resulting in a balanced budget.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	7%
2004 estimate	7%
2005 proposal	6%

#### **2005-2007 Program Highlights**

In making its 2005-2007 plans, ICARDA assumed the mode of project financing not to be a constraint. ICARDA has presented its 2005-07 MTP by consolidating its current 19 projects into six integrated mega projects, as a result of its strategic visioning exercise. The mega projects have been designed with greater synergy that will facilitate the research process and will tackle the problems in the Dry Areas in the most effective and efficient manner possible. Four of the Mega Projects address specific thematic problems:

- Management of scarce water resources and mitigation of drought
- Integrated gene management: Conservation, improvement and sustainable use of agrobiodiversity
- Improved land management to combat desertification
- Diversification and sustainable improvement of rural livelihoods

The other two are cross cutting in nature:

- Poverty and livelihood analysis
- Knowledge management and dissemination for sustainable development.

**ICARDA – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Collaborative Research Program for Sustainable Agricultural Development in Central Asia & Caucasus		0.2	0.2	0.2
MP1. Management of Scarce Water Resources and Mitigation of Drought		3.6	3.7	3.9
MP2. Integrated Gene Management - Conservation, improvement and sustainable use of agrobiodiversity		8.2	8.5	8.9
MP3. Improved Land Management to Combat Desertification		2.0	2.1	2.2
MP4. Diversification and Sustainable Improvement of Rural Livelihoods		7.6	7.9	8.3
MP5. Poverty and Livelihoods Analysis		1.7	1.7	1.8
MP6. Knowledge Management and Dissemination for Sustainable Development		3.7	3.9	4.0
<b>Total</b>	<b>29.1</b>	<b>27.0</b>	<b>28.1</b>	<b>29.2</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	5.1	5.6	5.8	6.1
Germplasm Collection	4.8	2.3	2.4	2.5
Policy	1.4	1.6	1.7	1.7
Sustainable Production	13.4	12.9	13.4	13.9
Enhancing NARS	4.4	4.5	4.7	4.9
	<b>29.1</b>	<b>27.0</b>	<b>28.1</b>	<b>29.2</b>

## Attachment 1f: WorldFish Center (ICLARM)

### **Proposal**

WorldFish's proposed plan is largely an update of the 2004-06 MTP and was developed in midst of significant change in the top management of the Center. The proposed investment of \$14.6 million for 2005 is 6% lower than the actual level of \$15.5 million in 2003 and 11% lower than the \$16.5 million estimated for 2004. The proposed investment will be financed by \$14.7 million in grants and \$0.1 million in Center income.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$15.5 million representing a 26% increase over 2002. The investment was financed by \$14.5 million in grant income and \$1.4 million in Center income, resulting in a surplus of \$0.3 million. Key financial indicators such as liquidity and long-term solvency (reserves) remained stable and above the CGIAR standards during at the end of the year.

#### **2004 Outlook**

WorldFish estimates total investment of \$16.5 million for 2004, 6% higher than the 2003 actual level. The investment will be financed by \$16.7 million in grants and \$0.1 million in Center income resulting in a surplus of \$0.3 million. The estimate includes small increases from New Zealand and Netherlands, as well as reclassification of \$0.3 million of DfID's restricted funding to unrestricted.

#### **2005 Proposal**

The proposed investment is lower than the 2003 and 2004 levels mainly as a result of reduction in DfID funded restricted projects of approximately \$2 million. The proposed financing plan will result in a surplus of \$0.2 million in 2005. Highlights of the proposal include stability in unrestricted funding, a projected elimination of unrestricted support from Denmark, offset by an increase from DfID.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	4%
2004 estimate	4%
2005 proposal	3%

#### **2005–2007 Program Highlights:**

As the proposed plan is simply an update of the 2004-6 MTP, WorldFish has not undertaken any major revisions to the overall goals, activities and outcomes of projects. However, some projects were redefined to better present the issues and needs and focus on realistic milestones. WorldFish, however, proposes to consolidate its work into a smaller number of projects in the 2005-07 MTP. They have grouped their projects into 6 MTP projects equivalent to their 6 existing programs for 2005-07. This MTP highlights the Center's on-going work in Africa.

**ICLARM – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Project 01: Sustainable Use of Biodiversity and Genetic	1.7	1.8	1.9	2.1
Project 02: Improved livelihoods through appropriate inland aquaculture technologies and fisheries m	4.3	5.0	5.3	5.7
Project 03: Making the most of the Coast	1.9	2.3	2.4	2.6
Project 04: Assessing technological, institutional and policy options that benefit poor people	7.5	4.2	4.4	4.8
Project 05: Improved partnerships and capacity-building among developing country institutions and ag	0.6	0.5	0.5	0.6
Project 06: Access to information for sustainable development of fisheries and aquatic resources	0.6	0.8	0.8	0.9
<b>Total</b>	<b>16.5</b>	<b>14.6</b>	<b>15.3</b>	<b>16.6</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	0.6	0.7	0.7	0.8
Germplasm Collection	0.1	0.1	0.2	0.2
Policy	7.6	4.4	4.6	4.9
Sustainable Production	6.8	8.0	8.4	9.0
Enhancing NARS	1.3	1.5	1.6	1.7
	<b>16.5</b>	<b>14.6</b>	<b>15.3</b>	<b>16.6</b>

## Attachment 1g: World Agroforestry Centre (ICRAF)

### **Proposal**

ICRAF's MTP for 2005-07 reflects an ongoing transition from a programmatic structure to a thematic structure launched in 2003. ICRAF proposes an investment of \$30.3 million in 2005, which is 10% higher than the 2003 actual level and 4% higher than 2004 estimates.

### ***Financial Highlights***

#### **2003 Outcome**

The actual investment was \$27.4 million, which is 26% higher than the 2002 level. The investment was financed by \$ 27.3 million in grants and \$0.7 million in center income, leading to a surplus of \$0.5 million. In 2003, liquidity (at 128 days of expenditures) was within the CGIAR-recommended range but reserves (at 71 days) were below.

#### **2004 Outlook**

ICRAF estimates a total investment of \$29.1 million in 2004, which is 6% above the actual for 2003. This investment will be funded by \$29 million in grant income and \$0.5 million in Center income, resulting in a surplus of \$0.4 million. ICRAF expects to increase its unrestricted net assets and move this closer to the CGIAR recommended levels.

#### **2005 Proposal**

The proposed investment will be financed by \$30.1 million in grants and \$0.5 million in Center income, resulting in a surplus of \$0.4 million. ICRAF proposes to increase reserves by \$0.4 million annually over the MTP period. The projected accumulated reserves will increase to \$6 million in 2005. ICRAF is fully committed to building its unrestricted net assets to the recommended CGIAR level and in doing so over the next few years recognizes the need for an appropriate balance between the need for research and development priorities and the amount that is transferred to net assets.

- A comprehensive plan of action to address the financial deficiency (reserves of 71 days of expenditures) cited by the 6<sup>th</sup> ExCo is due from the ICRAF Board by December 2004.

#### ***CGIAR shares:***

	Share of CGIAR investment
2003 actual	7%
2004 estimate	7%
2005 proposal	7%

#### **2005-2007 Program Highlights:**

ICRAF has added indicators to its MTP for 2005-07 for South Asia, which is a new region within its structure. The elements of the MTP pertaining to Sahel have been expanded in scope, to keep pace with the growth of ICRAF's portfolio in that region.

The proposed MTP continues to reflect an ongoing transition from the previous years of a programs structure. The five projects under Trees and Markets theme combine eight previous projects under the programmatic structure. The theme has also been enlarged to include a new project Tree Diversity at Landscape level.

The indicators for Land and People theme is more aggregated than in previous MTP submissions and is an attempt to represent the portfolio in Southeast Asia.

The log frames for four themes is still evolving from the programmatic structures and it is expected that the MTP submissions for the next two years will see further consolidation and rationalization. The current MTP proposal also attempts to be as specific as possible in disaggregating milestones by years and by regions and countries.

**ICRAF – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
ES1 Strategies to enhance watershed functions	2.7	2.8	2.8	2.8
ES2 Wise use and conservation of biological diversity	0.6	0.6	0.7	0.7
ES3 Climate change mitigation and adaptation for rural development	0.9	0.9	0.9	0.9
ES4 Policies to harmonize rural development and environmental stewardship	1.3	1.4	1.4	1.4
LP1 Integrated soil fertility management for improving rural livelihoods	1.7	1.7	1.7	1.8
Lp2 Soil and water conservation for maintaining productive agricultural landscapes	1.2	1.2	1.2	1.3
LP3 Vegetation management for increased system productivity and reduced human vulnerability	1.5	1.5	1.5	1.6
LP4 Land management interventions for reaching the poorest land users	4.1	4.3	4.3	4.4
SI1 Research systems and institutions	1.7	1.8	1.8	1.9
SI2 Development systems and institutions	0.6	0.7	0.7	0.7
SI3 Educational systems and institutions	1.0	1.0	1.1	1.1
SI4 Inter-institutional collaboration and knowledge management	0.3	0.3	0.3	0.3
SW-1 Alternatives to Slash and Burn - Global Coordination Office	0.8	0.8	0.8	0.8
SW-11: Systemwide collaboration for alternatives to slash-and-burn	-	-	-	-
SW-2 African Highlands Ecoregional Programme	1.3	1.4	1.4	1.4
SW-21: Ecoregional collaboration for the African highlands initiative	-	-	-	-
SW-3 CGIAR Gender and Diversity Programme	0.7	0.7	0.7	0.7
TM1 Market analysis and support to tree product enterprises	2.8	2.9	2.9	3.0
TM2 Sustainable seed systems and management of genetic resources of agroforestry trees	4.0	4.1	4.2	4.3
TM3 Tree domestication with intensification of tree cultivation systems	1.2	1.2	1.2	1.3
TM4 Farmer-led development, testing and expansion of tree-based options	0.9	0.9	1.0	1.0
<b>Total</b>	<b>29.1</b>	<b>30.3</b>	<b>30.6</b>	<b>31.1</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	0.7	0.7	0.7	0.7
Germplasm Collection	4.1	4.3	4.3	4.4
Policy	6.9	7.2	7.3	7.4
Sustainable Production	9.6	10.0	10.1	10.3
Enhancing NARS	7.8	8.1	8.2	8.4
	<b>29.1</b>	<b>30.3</b>	<b>30.6</b>	<b>31.1</b>

## Attachment 1h: International Crops Research Institute for Semi Arid Tropics (ICRISAT)

### **Proposal**

ICRISAT's MTP builds upon the strategic planning processes launched in 2003, and the recommendations of the recent External Program Review (EPR) and External Management Review (EMR). The Center proposes an investment of \$27.2 million for 2005, which is 2% higher than 13% higher than the 2003 actual investment and 2% higher than the 2004 estimate.

### ***Financial Highlights***

#### **2003 Outcome**

The actual investment of \$24 million was financed by \$23.2 million in grant income, \$1.4 million in Center income resulting in a surplus of \$0.6 million. ICRISAT's liquidity and reserves ratios were comfortably above the CGIAR-recommended targets in 2003.

#### **2004 Outlook**

ICRISAT estimates total investment of \$26.6 million in 2004, 11% higher than the 2003 actual level. The investment is to be financed by \$25.3 million in grant income, \$1 million in Center income and a draw down from reserves of \$0.3 million.

#### **2005 Proposal**

The proposed investment level of \$27.2 million will be financed by \$25.9 million, \$1 million in Center income and \$0.3 million from reserves. In spite of successive draw downs from reserves, ICRISAT's liquidity and reserves are expected to remain healthy and within the CGIAR norms.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	6%
2004 estimate	6%
2005 proposal	6%

#### **2005-2007 Program Highlights:**

ICRISAT's 2005-07 MTP has been developed in response to the 2003 EPMP and further commentaries from the Science Council and ExCo to further bolster its presence and impact in Sub-Saharan Africa. The MTP describes the research portfolio comprised of five global themes, down from six following the EPR recommendations. ICRISAT has incorporated the Challenge Programs into its research planning at the Global Theme level.

**ICRISAT – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
GT - Agro-Ecosystems - Land, Water & Agro-Diversity Mgmt - Agro-ecosystem Dev.	7.8	9.6	9.6	9.7
GT - Biotechnology - Harnessing Biotechnology for the Poor	4.7	4.5	4.4	4.5
GT - Crop Improvement - Crop Improvement, Mgmt & Utilization for Food Security & Health	7.0	6.7	6.7	6.7
GT - SAT Futures - SAT Futures and Development Pathways	4.0	3.8	3.7	3.8
GT - Seed Systems - Sustainable Seed System for Productivity	3.2	2.6	2.6	2.6
<b>Total</b>	<b>26.6</b>	<b>27.2</b>	<b>27.1</b>	<b>27.3</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	7.2	7.1	7.1	7.2
Germplasm Collection	2.3	2.4	2.4	2.4
Policy	3.5	3.2	3.2	3.2
Sustainable Production	9.4	10.1	10.0	10.1
Enhancing NARS	4.3	4.4	4.4	4.4
	<b>26.6</b>	<b>27.2</b>	<b>27.1</b>	<b>27.3</b>

## Attachment 1i: International Food Policy Research Institute (IFPRI)

### **Proposal**

While not based on a new strategy, IFPRI's MTP highlights new projects and modifications that conform to the organization's mandate and the approved strategy. The most significant modification in the proposed plan is the inclusion of the ISNAR programme as a research and outreach division (this modification started on April 1, 2004, hence 2005 will be the first full year of the ISNAR program at IFPRI). As a result, IFPRI's proposed investment in 2005 of \$37.5 million is 41% higher than the actual 2003 actual level of \$26.5 million and 9% higher than the 2004 estimate of \$34.5 million. Since 2003 IFPRI has been co-leading (along with CIAT) the Harvest Plus Challenge Program (summarized separately in this attachment), and it is also convening the system wide program on Collective Action and Property Rights (CAPRI).

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$26.5 million representing a 17% increase over 2002, due mainly to the Center's share of the Harvest Plus Challenge Program. Of the total investment, \$26.5 million was from grant income and \$0.7 million from center income, leading to a surplus of US\$ 0.7 million for the year. IFPRI's other financial indicators – liquidity and reserves - were above the CGIAR standards.

#### **2004 Outlook**

IFPRI estimates an investment of \$ 34.5 million in 2004. The increase is mainly due to new funding for the Harvest Plus Challenge Program, the ISNAR program, the Biosafety Support project, the expansion of the Development Strategies and Governance Division and the 2020 Africa Conference. The ISNAR program has added approximately \$ 4.4 million to IFPRI's 2004 budget.

#### **2005 Proposal**

In the proposed investment of \$37.5 million, IFPRI has yet to identify approximately \$6million for 2005, but is confident that various proposals under discussion with donors will result in the gap being filled. This assumption is consistent with past experience. The ISNAR program's share of IFPRI's 2005 budget is \$8 million.

#### ***CGIAR share (includes Challenge Programs):***

	Share of investment of annual total
2003 actual	7%
2004 estimate	9%
2004 proposal	10%

#### **2005-2007 Program Highlights:**

The inclusion of ISNAR program as a research and outreach division will be undertaken within three new projects in IFPRI's portfolio:

- Institutional Change in Agricultural Innovation Systems
- Organization and Management for Strengthening of Agricultural Research Institutions
- Agricultural Science Policy

IFPRI will contribute to better understanding of development strategy options for different types of developing countries through a fourth new research project, "Country Development Strategies".

**IFPRI – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Project CAPRI: System Wide Initiative CAPRI	1.0	1.1	1.2	1.2
Project GRP01: Policies for Biotechnology and Genetic Resource Management	1.2	1.1	1.2	1.2
Project GRP02: Global and Regional Trade	1.0	1.0	1.0	1.0
Project GRP03: Priorities for Public Investment in Agricultural and Rural Areas	0.4	0.8	0.8	0.8
Project GRP04: The 2020 Vision for Food, Agriculture, and the Initiative	3.0	1.5	1.6	1.6
Project GRP05: Sustainable Development for Less-Favored Lands	0.5	0.9	1.0	1.0
Project GRP06: Biofortified Crops for Human Nutrition	2.1	2.2	2.3	2.4
Project GRP21: Spatial Patterns and Processes in the Agriculture, Environment, and Poverty Nexus	1.1	0.7	0.7	0.7
Project GRP22: Water Resource Allocation: Productivity and Environmental Impacts	1.3	1.6	1.7	1.8
Project GRP23: Institutions for Market Development	0.2	1.1	1.2	1.2
Project GRP24: Diet Quality and Diet Change	0.8	0.9	0.9	1.0
Project GRP25: Nutrition Policy Process	0.3	0.8	0.9	0.9
Project GRP26: Pathways from Poverty	1.7	1.6	1.7	1.8
Project GRP27: Participation in High-Value Markets	1.7	1.5	1.5	1.6
Project GRP28: Large-Scale Interventions to Enhance Human Capital	2.1	2.6	2.7	2.1
Project GRP29: Institutional Change	0.9	1.6	1.7	1.7
Project GRP30: Organization and Management	1.4	1.3	1.3	1.4
Project GRP31: Science Policy	0.2	1.4	1.5	1.5
Project GRP32: Development Strategy	4.2	3.1	3.2	3.4
Project GRP33: HIV/AIDS	0.8	0.8	0.8	0.9
Project GRP34: Program for Biosafety Systems	1.8	3.2	3.3	3.5
Project GRPGSP1: Networks	2.4	2.8	2.8	2.9
Project MP11: Property Rights and Collective Action	0.3	0.1	-	-
Project MP14: Urban Challenges to Food and Nutrition Security	0.3	-	-	-
Project PP20: Communications and Impact Assessment	3.1	2.6	2.6	2.6
Project SYN04: Synthesis of Agricultural Development Issues and Investigations in Sub-Saharan Africa	0.7	1.2	1.5	1.7
<b>Total</b>	<b>34.5</b>	<b>37.5</b>	<b>39.0</b>	<b>40.0</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	-	-	-	-
Germplasm Collection	-	-	-	-
Policy	19.1	21.6	22.5	23.0
Sustainable Production	1.8	2.3	2.4	2.5
Enhancing NARS	13.6	13.6	14.1	14.4
	<b>34.5</b>	<b>37.5</b>	<b>39.0</b>	<b>40.0</b>

## Attachment 1j: International Institute of Tropical Agriculture (IITA)

### **Proposal**

IITA's proposal is an update of the 2004-6 MTP. The proposed investment of \$45.3 million in 2005 is 20% higher than the 2003 actual level of \$37.7 million and 3% higher than the 2004 estimate of \$44.1 million. This is to be funded by \$44.3 million in grant income and \$1.0 million in Center income.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment of \$37.7 million was 15% higher than the 2002 level. This investment was financed by \$36.6 million in grant income and \$1.3 million in Center, resulting in a marginal surplus of \$0.2 million. Other financial indicators for IITA (liquidity and reserves) were healthy and comfortably above the CGIAR-recommended targets.

#### **2004 Outlook**

The 2004 estimate for investment of \$44.1 million is 17% above the 2003 actual level. The increase is due to projects financed by Canada (including the carryover of the Canada Fund for Africa), the Global Issues Group (GIG) and the government of Nigeria. The investment is to be financed by \$43.1 million in grant income and \$1.0 million in Center income, which would result in a surplus of \$0.7 million. This result would maintain IITA's healthy financial condition.

#### **2005 Proposal**

The 2005 financial projection will result in a balanced budget. Pressure on unrestricted funding is expected to continue into 2005 although the level of investment will expand as a result of additional restricted funding. With the rapid increase in the level of investment in 2004, IITA projects a more restrained growth rate (3%) in 2005. While unrestricted funding will remain at more or less the same level as in the previous two years, additional project funding from IFAD and the private sector. Although its liquidity will decline to under 100 days, IITA will continue to be in a strong financial condition, providing it with the ability to absorb any unforeseen decline in core funding. In-kind support from a number of donor agencies is expected to continue during the MTP period.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	9%
2004 estimate	10%
2005 proposal	10%

#### **2005 - 2007 Program Highlights**

Except for some minor changes in the names of two projects, the proposal is basically an extension of the last MTP and maintains the 6 projects in the Center's portfolio. IITA is a participant in the currently existing three Challenge Programs, and expects to also actively participate in the Sub-Saharan Africa CP. In addition, the Center is convening the system wide program on Integrated Pest Management (IPM), and is a participant in the System wide Livestock Program.

**IITA— Cost Allocation by Project & Output**  
(in \$ million)

<b>Project</b>	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
A. Preserving and Enhancing Germplasm and Agrobiodiversity	7.4	6.6	6.8	6.9
B. Developing Biological Control Options	8.9	8.4	8.6	8.7
C. Impact, Policy and Systems Analysis	5.6	6.5	6.6	6.7
D. Starchy and Grain Staples in Eastern and Southern Africa	6.1	7.1	7.3	7.4
E. Starchy Staples, Peri-Urban & Tree Crop Systems of the Humid & Sub-humid Zone of W&C Africa	9.4	9.5	9.6	9.7
F. Cereal-Legume Systems in the Moist & Dry Savannas of West & Central Africa	6.7	7.3	7.5	7.5
<b>Total</b>	<b>44.1</b>	<b>45.3</b>	<b>46.5</b>	<b>46.9</b>

<b>Summary by CGIAR Output:</b>	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Germplasm Improvement	8.0	7.8	8.0	8.1
Germplasm Collection	1.4	1.3	1.3	1.3
Policy	7.1	7.7	7.8	7.9
Sustainable Production	17.0	17.4	17.9	18.0
Enhancing NARS	10.6	11.1	11.4	11.5
	<b>44.1</b>	<b>45.3</b>	<b>46.5</b>	<b>46.9</b>

## Attachment 1k: International Livestock Research Institute (ILRI)

### **Proposal**

ILRI's proposal is based on its current strategy, "Livestock – a Pathway out of Poverty" that focuses on research outputs that would lead to outcomes having a significant impact on poverty alleviation. Three pathways out of poverty have been identified, in which livestock plays an important role. The work is organized in five interdisciplinary issue-oriented themes. The proposed investment of \$33.7 million for 2005 is about 9% higher than 2003 actual of \$31 million and 7% higher than 2004 estimates. This is to be funded by \$32.6 million in grants and \$1.1 million in center income.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$31million, 14% higher than the 2002 level. The investment was funded by \$29.5 million in grant income and center income of \$1.1 million resulting in a surplus of \$0.1 million. ILRI's other financial indicators – liquidity and reserves – were above the CGIAR standards.

#### **2004 Outlook**

ILRI estimates total investment of \$31.4 million in 2004, marginally higher than in 2003. ILRI proposes to finance this level of investment through \$30.3 million in grants and \$1.1 million in Center income.

#### **2005 Proposal**

ILRI proposes an investment of \$33.7 million in 2005 to be financed by \$32.6 million in grant income and \$1.1 million in Center income. The increase is due mostly to the funding from CIDA for the Africa Biosciences center and Ethiopia, although the \$8.7 million increase (over 2003) is offset by a reduction from other donors. Still, ILRI expects to grow during the MTP period, but balancing its expenditures against its revenues. Financial indicators show that the Center will remain fiscally healthy.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	8%
2004 estimate	7%
2005 proposal	7%

#### **2005- 2007 Program Highlights:**

The implementation plan for the ILRI strategy was presented in the last MTP for 2004-06 and the current MTP for 2005-07 outlines ILRI's work in this new strategic direction over the next three years. ILRI proposes to work and focus on impacts – recognizing the fact that it cannot achieve the desired impacts without partnerships, ILRI is working to create partnerships that will deliver technology and policy options that will make a positive impact on the needs of the poor.

The emphasis of the 2005-07 MTP will be:

- to maintain a strong emphasis on sub-Saharan Africa, while increasing activities in Asia;
- to increase emphasis on smaller livestock species;
- to maintain emphasis on mixed crop-livestock systems and pastoral systems in Africa while increasing work in peri-urban and landless systems; and
- to prioritize the needs of poor women.

The MTP also presents the plans for the System-wide Livestock Program (SLP), which ILRI convenes and involves 11 CGIAR Centers and their partners.

**ILRI – Cost Allocation by Project & Output**  
(in \$ million)

<b>Project</b>	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Biotechnology	11.4	14.0	14.6	15.1
Enabling Innovation	4.6	5.3	5.5	5.7
Market Opportunities	5.0	4.2	4.4	4.6
People, Livestock and Environment	5.9	6.9	7.2	7.4
SW-1: System-Wide Livestock Programme	1.0	0.7	0.6	0.7
Targeting Opportunities	3.5	2.6	2.7	2.8
<b>Total</b>	<b>31.4</b>	<b>33.7</b>	<b>35.0</b>	<b>36.3</b>

<b>Summary by CGIAR Output:</b>	Estimate	Proposed	Plan	Plan
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Germplasm Improvement	2.8	3.3	3.4	3.5
Germplasm Collection	2.3	2.8	2.9	2.9
Policy	3.6	3.4	3.6	3.8
Sustainable Production	19.9	21.3	22.1	22.9
Enhancing NARS	2.8	2.9	3.0	3.2
	<b>31.4</b>	<b>33.7</b>	<b>35.0</b>	<b>36.3</b>

## **Attachment 11: International Plant Genetic Resources Institute (IPGRI)**

### **Proposal**

IPGRI's proposal is essentially an update of the previous MTP while an ongoing strategic planning exercise is scheduled to be completed in September 2004. The proposed investment of \$36.9 million in 2005 is 30% higher than the 2003 actual level and 14% higher than the 2004 estimate.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$28.3 million, financed by \$28.1 million in grant income and \$0.2 million in Center income, resulting in a deficit of \$0.3 million, below the CGIAR recommendation of a balanced budget. The liquidity indicator (at 101 days of expenditures) was above the CGIAR-recommended level but that for reserves (at 67 days) was below.

#### **2004 Outlook**

IPGRI estimates total investment of \$32.3 million in 2004, to be financed by \$ 34.5 million in grants and \$0.2 in center income resulting in a surplus of \$2.4 million for the year. This will be use to build up the Center's reserves. Changes in unrestricted income due to significant increase from Italy, designation of UK funds as unrestricted and exchange gains contribute to the increase in expected revenues. \$1 million for the Generation Challenge Program and \$3.6 million for SGRP are included in the estimates.

#### **2005 Proposal**

The proposed investment of \$36.9 million is to be financed by \$37.7 million in grants and \$0.2 million in center income. The projection includes \$0.5 million restricted funding from yet unidentified sources. \$0.5 million relates to Generation Challenge Programs and \$4.1 million for SGRP. Under these assumptions a surplus of \$1 million is projected and will be used to strengthen the Center's reserves.

- A comprehensive plan of action to address the 2003 financial deficiencies (an operating deficit of \$0.3 million and reserves of 67 days of expenditures) cited by the 6<sup>th</sup> ExCo is due from the IPGRI Board by December 2004.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	7%
2004 estimate	7%
2005 proposal	8%

#### **2003-2005 Program Highlights:**

The ongoing strategic planning exercise is intended to align the Center optimally for the delivery of an efficient, effective programme that meets the development needs as articulated in the Millennium Development Goals.

While the MTP proposed plan has been presented in the existing structure pending finalization of the strategic planning exercise, the project log frames have been reviewed and revised indicators and milestones identified, taking into account the strategy discussions. IPGRI will seek to ensure that people today and in the future will enjoy greater well being through the deployment of diversity in farm and forestry systems. An important contribution to strategy development has been to explore the application of Sustainable Livelihoods approaches to IPGRI's work in collaboration with DfID.

IPGRI is a leading player in the Generation Challenge Program. IPGRI is also participating in the Water and Food, Harvest Plus and Sub-Saharan Africa Challenge Programs. During the MTP period, Center genebank upgrading operations will move onto Phase 2 of rehabilitation of genetic resources as Global Public Goods. The system-wide initiative SGRP will continue documentation activities through SINGER.

**IPGRI – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
01 Strengthening national plant genetic resources programmes and networks in the Americas	0.7	0.8	0.7	0.7
02 Strengthening national plant genetic resources programmes and networks in Asia, Pacific, Oceania	2.1	2.4	2.4	2.4
03 Strengthening national plant genetic resources programmes and networks in Europe	1.6	1.8	1.6	1.8
04 Strengthening national plant genetic resources programmes and networks in Sub-Saharan Africa	2.0	2.4	2.7	2.9
05 Strengthening national plant genetic resources programmes and networks in C&W Asia and N Africa	2.9	3.3	3.3	3.3
06 Capacity-building for plant genetic resources conservation and use	0.3	0.4	0.5	0.8
07 Global forest genetic resources strategies	0.9	1.0	1.1	1.1
08 Collaborative commodity chains research to promote sustainable livelihoods	1.7	2.0	2.2	2.2
09 Locating, assessing and monitoring plant genetic diversity	0.5	0.6	0.6	0.7
10 Plant genetic resources conservation strategies and technologies	1.3	1.8	1.6	1.6
11 Laws and policies affecting the conservation, use and exchange of genetic resources	2.4	2.8	3.0	3.3
12 Agricultural biodiversity management and production system	2.1	2.2	2.4	2.5
13 Livelihoods and institutions: social, cultural and economic aspects of agrobiodiversity	1.1	1.4	1.5	1.6
14 Plant genetic resources information management and knowledge sharing	1.1	1.2	1.1	1.1
15 Understanding and communicating the value and impact of plant genetic resources	0.4	0.5	0.5	0.5
16 Musa genetic resources management	1.2	1.4	1.5	1.5
17 Genetic improvement of Musa	1.7	1.7	1.9	1.9
18 Musa information management and sharing	0.5	0.6	0.7	0.6
19 Regional support to Musa research	4.0	4.4	4.6	4.7
20 Supporting global genetic resources conservation and use through the System-wide GR Prog.	3.6	4.1	4.2	3.9
<b>Total</b>	<b>32.3</b>	<b>36.9</b>	<b>38.0</b>	<b>39.1</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	5.4	5.8	6.2	6.2
Germplasm Collection	9.3	11.0	11.1	11.2
Policy	3.6	4.1	4.3	4.6
Sustainable Production	5.2	5.9	6.1	6.3
Enhancing NARS	8.7	10.0	10.3	10.7
	<b>32.3</b>	<b>36.9</b>	<b>38.0</b>	<b>39.1</b>

## Attachment 1m: International Rice Research Institute (IRRI)

### **Proposal**

IRRI's current plan is largely an update of the 2004-06 MTP, both of which are based on IRRI's strategic plan document "*IRRI Toward 2020*" published in 1996 and updated in 2003. A new strategic planning exercise is scheduled to be launched in 2005. The proposed investment of \$35 million for 2005 is 22% higher than the 2003 actual level of \$28.8 million for 2003 and 4% higher than the 2004 estimate of \$33.8 million. IRRI is a strong participant in all three ongoing Challenge Programs.

### ***Financial Highlights***

#### **2003 Outcome**

The actual investment of \$28.8 million represented a reduction of 14% over the 2002 level. This was financed by \$27.2 million in grant income and \$4.8 million in Center income, resulting in a surplus of \$3.3 million. Other key financial indicators such as liquidity and long-term solvency (reserves) remained strong and well above the CGIAR-recommended targets.

#### **2004 Outlook**

IRRI's current estimate for 2004 is for total investment of \$33.8 million which is 17% higher than the 2003 actual level. Part of the increase is due to a higher level of activity in the three Challenge Programs and the other part is due to increased attributed and restricted activity funded mainly by DfID, Austria, Germany, IFAD and Switzerland. The investment is to be financed by \$31.8 million in grant income and \$2 million in center income, resulting in a balanced budget for the year. This result means that the Center's strong finances will remain the same in 2004.

#### **2005 Proposal**

The proposed investment will be financed by \$34 million in grant income and \$1 million in Center income, resulting in a balanced budget in 2005. The 4% increase in 2005 budget compared with 2004 is entirely due to increased activity in the Challenge Programs whose funding is projected to increase by \$1 million. As in the past IRRI will remain in a strong financial position by the end of the year since draw down of the reserves to implement the work program is not anticipated.

#### ***CGIAR share:***

	Share of CGIAR investment
2003 actual	7%
2004 estimate	8%
2005 proposal	8%

#### **2005–2007 Program Highlights:**

The 2005 –7 plan reflects IRRI's core agenda in addressing current and emerging problems in rice. Research for development and research-related activities continue to be implemented through four programs that relate to specific problems in the major rice ecosystems – irrigated and rainfed lowlands and uplands. Within these programs are the twelve projects in IRRI's portfolio which straddle the continuum of strategic to applied research. The 6<sup>th</sup> External Program and Management Review (EPMR) of IRRI (March 2004) made recommendations concerning program and project structure. These recommendations will be taken up later in 2005 when IRRI revises its strategic plan and new leadership is in place.

**IRRI – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
IRRI001: Germplasm Conservation, Characterization, Documentation and Exchange	3.1	3.3	3.4	3.4
IRRI002: Functional Genomics	4.7	4.1	4.2	4.2
IRRI003: Genetic Enhancement for Yield, Grain Quality and Stress Resistance	4.0	4.5	4.7	4.7
IRRI004: Managing Resources under Intensified Rice-based Systems	4.6	3.3	3.4	3.4
IRRI005: Enhancing Water Productivity in Rice-based Systems	1.1	1.2	1.2	1.2
IRRI006: Irrigated Rice Research Consortium	0.4	0.3	0.3	0.3
IRRI007: Genetic Enhancements for Improving Productivity and Human Nutrition in Fragile Environments	6.2	6.3	6.5	6.5
IRRI008: Natural Resource Management for Rainfed and Upland Rice Ecosystems	4.3	3.3	3.4	3.4
IRRI009: Consortium for Unfavorable Rice Environments	0.7	0.7	0.7	0.7
IRRI010: Understanding Rural Livelihood Systems for Research Prioritization and Impact Assessment	1.7	2.0	2.1	2.1
IRRI011: Enhancing ecological sustainability and improving livelihoods thru ecoregional approaches	0.9	0.8	0.8	0.8
IRRI012: Facilitating Rice Research for Impact	2.2	5.2	5.4	5.4
<b>Total</b>	<b>33.8</b>	<b>35.0</b>	<b>36.0</b>	<b>36.0</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	8.8	9.8	10.1	10.1
Germplasm Collection	4.1	4.0	4.1	4.1
Policy	3.3	3.7	3.8	3.8
Sustainable Production	10.4	9.8	10.0	10.0
Enhancing NARS	7.2	7.8	8.0	8.0
	<b>33.8</b>	<b>35.0</b>	<b>36.0</b>	<b>36.0</b>

## **Attachment 1n: International Water Management Institute (IWMI)**

### **Proposal**

In 2003, IWMI was engaged in a Center Commissioned External Review (CCER) of all its work as well as a linked strategic planning process. The previous strategic planning process took place in 2000 but rapid implementation of this plan and the desire to involve greater stakeholder perspective motivated IWMI to embark on a new, more externally focused strategic planning process for the period 2004-2008.

The 2005-2007 MTP reflects the research and operational outcomes from these two processes and IWMI and project level goals and objectives for this period. In line with this, IWMI proposed an investment of \$29.3 million which is higher than 2003 actual level by 27% and 16% higher than the 2004 estimated level of \$25.3 million. The Center continues to lead the Water and Food Challenge Program, which is integrated into IWMI's financial proposal.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$23.1 million, 10% higher than the 2002 actual investment. The investment was financed by \$22.2 million grant income and \$0.2 million from Center income with a deficit of \$0.7 million. IWMI's working capital days has decreased from 92 days in 2002 to 78 days in 2003, and equity days stood at 54 days in 2003, all three indicators being below the CGIAR standards.

#### **2004 Outlook**

IWMI estimates total investment of \$25.3 million in 2004, to be financed by \$25.6 million from grant income and \$0.2 million from Center income. A surplus of \$0.5 million is anticipated. This investment is 10% higher than the actual level of \$23.1 million in 2003. In addition, the annual depreciation charge is likely to exceed capital expenditures by \$0.3 million. This will further increase reserves so that the total increase for the year is \$0.8 million. Undesignated net assets are projected to be \$4.0 million at year-end.

#### **2005 Proposal**

The proposed investment for 2005 will be financed by \$29.6 million from grant income and \$0.2 million from Center income resulting in a surplus of \$0.5 million. The projected increase in funding of \$4 million over 2004 is mainly due to increases for the Challenge Program on Water and Food.

- A comprehensive plan of action to address the 2003 financial deficiencies (operating deficit of \$0.7 million, liquidity of 78 days of expenditures and reserves of 54 days) cited by the 6th ExCo has already been submitted by the IWMI Board.

#### ***CGIAR share (includes Challenge Programs):***

	Share of CGIAR investment
2003 actual	6%
2004 estimate	6%
2005 proposal	6%

#### **2005-2007 Program Highlights:**

The new Strategic Plan serves to consolidate IWMI's recent advances while simultaneously outlining a strategy to become a world class knowledge center on water, food and the environment and to further develop the organization's impact, performance and service culture.

**IWMI – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
IWMI 014. Integrated Water Management for Agriculture (IWMA)	3.9	4.0	4.1	4.1
IWMI 015. Sustainable Smallholder Land & Water Management Systems (SSLWMS)	3.8	3.9	4.0	4.1
IWMI 016. Sustainable Groundwater Management (SGM)	0.9	1.0	1.0	1.0
IWMI 017. Water Resource Institutions & Policies (WRIP)	4.4	4.5	4.6	4.6
IWMI 018. Water, Health & Environment (WHE)	1.8	1.8	1.8	1.9
IWMI 019. Comprehensive Assessment	2.3	1.3	0.8	0.4
IWMI 020. Systemwide Initiative on Malaria and Agriculture (SIMA)	0.9	0.8	1.0	1.2
Water for Food Challenge Program	7.3	12.0	13.0	14.0
<b>Total</b>	<b>25.3</b>	<b>29.3</b>	<b>30.3</b>	<b>31.3</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	-	-	-	-
Germplasm Collection	-	-	-	-
Policy	8.8	9.9	10.2	10.5
Sustainable Production	10.5	12.6	13.1	13.6
Enhancing NARS	6.0	6.8	7.0	7.2
	<b>25.3</b>	<b>29.3</b>	<b>30.3</b>	<b>31.3</b>

## **Attachment 1o: West Africa Rice Development Association (WARDA)**

### **Proposal**

WARDA's MTP is based on its 2003-2012 Strategic Plan. It has revamped and streamlined its program structure to focus on two major challenges – Integrated Rice Production Systems, and Rice Policy and Development under eight project headings. WARDA also envisions returning to its research headquarters in M'be, Cote d'Ivoire, before the start of this proposed MTP period. WARDA's proposed investment in 2005 is \$11.6 million, approximately 15% higher than the actual 2003 level of \$10.1 million and virtually at the same level estimated for 2004 (of \$11.4 million).

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment was \$10.1 million representing a 3% increase over 2002. This was financed by \$10.7 million in donor grants and \$0.3 million in Center income, resulting in a surplus of \$0.9 million. Included in the donor grants was approximately \$1.2 million of special World Bank funding to assist WARDA in coping with the challenges posed by civil crisis in its host country (necessitating working from four different sites). Although WARDA continued to lag well below the CGIAR-recommended targets for liquidity and equity (reserves) these ratios improved greatly in 2003 (from negative territory to 22 and 23 days, respectively).

#### **2004 Outlook**

WARDA estimates its 2004 investment at \$11.4 million, approximately 13% higher the 2003 actual. In terms of the projects in WARDA's new project portfolio, this growth is across the board, with the largest absolute increase being in the project "Enhancing the Performance of Irrigated Rice-based Systems in Africa". In terms of resources, the growth was due almost entirely to restricted funding. Adjusting for the reclassification of the DfID fore contribution and the special World Bank support, unrestricted funding remained at about the same level as in 2003 (of approximately \$5 million). WARDA is estimating a slightly smaller surplus in 2004, partly due to a \$0.2 million reduction in Center income. Nonetheless, with an estimated \$0.5 million in surplus, WARDA should still be in a good position to improve its financial targets.

#### **2005 Proposal**

The proposed investment is to be funded by \$12.1 million in donor grants and Center income of \$0.1 million, resulting in a surplus of \$0.6 million which is to be added to reserves. WARDA's proposal for 2005 is in line with its plans to continue to improve its financial targets. With the projected surplus the Center will have turned a surplus for three consecutive years and thus strengthening its finances. The 2005 investment level will only be marginally higher than the 2004 and the small increase will also be in the restricted category.

- A comprehensive plan of action to address the 2003 financial deficiencies (liquidity of 22 days of expenditures and reserves of 23 days) cited by the 6<sup>th</sup> ExCo is due from the WARDA Board by December 2004.

#### ***CGIAR share:***

	Share of investment of annual total
2003 actual	3%
2004 estimate	3%
2004 proposal	2%

#### **2005-2007 Program Highlights**

The revised program structure encompasses eight projects in two programs (each with four projects). One of the projects, "The Consortium for the Sustainable Development of Inland Valley Agro-ecosystems in Sub-Saharan Africa (IVC)" located within the Rice Policy and Development Program (Program 2) is a system wide program convened by WARDA. This project will focus on partnerships, database and decision support tool development, improved ways for using participatory learning and action research, and integrating land and water technologies to improve productivity. In addition WARDA envisions a continued active role in the existing three Challenge Programs, as well as in the planned CP focused SSA. The Center engaged a wide range of stakeholders in setting its priorities in the MTP, which in turn is based on its strategic plan.

**WARDA – Cost Allocation by Project & Output**  
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
001 Enhancing Productivity and Stability of Upland Rice-based Systems	1.9	1.9	1.9	2.0
002 Sustainable Intensification of Lowland Rice-based Systems for Enhanced Livelihoods	2.1	2.1	2.1	2.2
003 Enhancing the Performance of Irrigated Rice-based Systems in Africa	2.4	2.4	2.4	2.5
004 Integrated Management of Drought in Rainfed Rice Ecosystems in Africa	1.1	1.1	1.1	1.1
005 Rice Policy and Technology Impact for Food Security and Poverty Reduction	0.7	0.7	0.7	0.7
006 Mitigating Human and Environmental Effects on Rice-based Livelihoods	0.3	0.3	0.3	0.3
007 The Consortium for the Sustainable Development of Inland Valley Agro-ecosystems SSA (IVC)	1.3	1.3	1.3	1.3
008 Partnerships through Networks	1.8	1.8	1.9	1.9
<b>Total</b>	<b>11.4</b>	<b>11.6</b>	<b>11.8</b>	<b>12.1</b>

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2004	2005	2006	2007
Germplasm Improvement	2.4	2.4	2.4	2.5
Germplasm Collection	0.7	0.8	0.8	0.8
Policy	1.0	1.0	1.0	1.0
Sustainable Production	3.1	3.2	3.3	3.3
Enhancing NARS	4.2	4.2	4.3	4.4
	<b>11.4</b>	<b>11.6</b>	<b>11.8</b>	<b>12.1</b>

## **Attachment 1p: Generation Challenge Program**

### **Proposal**

The Generation Program's proposed cash investment of \$13.3 million in 2005 is 58% higher than the 2004 estimate of \$8.4 million. This is to be fully funded by grant income. In addition, in 2005 there will be an estimated \$5.2 million in documented in-kind contributions from within the CGIAR and from Advanced Research Institutions (ARI's). In 2004, the estimated in-kind contributions amount to \$5.8 million.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment in the very early days of the start-up was \$0.8 million.

#### **2004 Outlook**

The estimated cash investment of \$8.4 million in 2004 represents approximately 60% of the total value of inputs to the Program, including the documented in-kind contributions. Total funding assigned by the Program to 9 CGIAR centers for research purposes in 2004 amounted to \$5.2 million.

#### **2005 Proposal**

The Program will reach its planned and significant activity level in 2005 with growth of nearly 58% in contributions over 2004, and then will grow moderately in the MTP years that follow. Because of the unique circumstances of this CP's fund-raising and planning cycle, at this early stage it is not possible to forecast the allocation of Program resources to CG centers (nine CG centers presently are Consortium members) and other institutions within the Consortium (participating NARS and ARI's) for 2005. It is expected that a revised and updated financing plan will be forthcoming in the first months of 2005. At the moment there are five CG donors expected to contribute to the GCP, with most of the support coming from the World Bank, the United Kingdom and the European Commission.

#### **2005 - 2007 Program Highlights**

This first MTP is based upon the program presented to the Executive Council (ExCo) in 2003. The program was approved for a one year inception phase in July 2003, and was extended to September 2004. Initial planning was done in Wageningen in August 2003, where representatives from participating institutions met and formed the Consortium of the Generation Challenge Program. The research plan that was developed was subjected to external peer review, and was approved by the World Bank and the European Commission. It became operational in 2004.

Program activities for 2005-2007 are organized within five subprograms that fall into two broad objectives. These objectives and associated subprograms are:

1. To develop a platform for, and undertake analysis of, genetic diversity in international crop genetic resources and apply this to improve major crops for drought tolerance and other related traits of importance to resource-poor farmers.
  - subprogram 1: Genetic Diversity of Global Genetic Resources
  - subprogram 2: Comparative Genomics for Gene Discovery
  - subprogram 3: Trait Capture for Crop Improvement
  - subprogram 4: Genetic Resource, Genomic, and Crop Information Systems
2. To strengthen the capacity of NARS and Program consortium scientists to apply the tools of genomics, molecular biology and bioinformatics to the analysis of genetic diversity held in germplasm collections, and to use this knowledge to improve crop breeding programs and to develop new stress-tolerant varieties.
  - subprogram 5: Capacity Building

## **Attachment 1q: Food and Water Challenge Program**

### **Proposal**

The Challenge Program on Water and Food (CPWF) proposed investment of \$12 million in 2005 is 64% higher than the 2004 estimate of \$7.3 million, and 140% higher the 2003 actual level. IWMI is the coordinating Center for the Challenge Program, and accounts for all its income and expenditures.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment in 2003 was \$5 million funded by the World Bank, the Netherlands, Denmark, Norway and Sweden.

#### **2004 Outlook**

The estimated funding and investment of \$7.3 million represents an increase of 46% over the actual 2003 results. About \$3.2 million of the total is being implemented by CGIAR Centers (including IRRI, CIAT, WorldFish, and IFPRI), and the balance of \$4.1 million by the various other partners (over 150 NARES, more than 20 NGO's, and over 30 ARI's).

#### **2005 Proposal**

At the projected \$12 million, the Program will reach its planned and significant activity level in 2005, and then will grow more moderately in the 2006 and 2007. This amount is to be funded by donor grants, with significant contributions from the World Bank, United Kingdom and the Netherlands.

#### **2005 - 2007 Program Highlights**

The CPWF is still at a very early stage, only seven months into implementation (the "inception phase" was in 2003). The overarching research question that the CPWF endeavors to answer is: "How can we produce more food and sustain rural livelihoods with less water in a manner that is socially acceptable and environmentally sustainable?". The program therefore is organized around 5 priority themes.

1. MTP 1: crop-water productivity improvement (led by IRRI).
2. MTP 2: water and people in catchments (led by CIAT).
3. MTP 3: aquatic ecosystems and fisheries (let by WorldFish).
4. MTP 4: integrated basin water management systems (led by IWMI).
5. MTP 5: the global and natural food and water system (led by IFPRI).

In addition to the center focus on these themes, the CPWF also will work with two CGIAR systemwide programs – CONDESAN and SWIM-2, and with other CG-specific emerging programs. The three existing CP's will continue to work together on:

- Research in drought resistance
- Identifying a geographical area for joint field research among the CP's
- Sharing workshops where common interests lie (IP, etc.) and consultations on process issues
- Exploring additional opportunities to collaborate.

## **Attachment 1r: HarvestPlus Challenge Program**

### **Proposal**

The HarvestPlus Challenge Program (HarvestPlus) is a 10-year research program that focuses on developing sources of food that are high in micronutrients. In addition to several of the CG centers, there are some 125 additional research partners in place to accomplish the HarvestPlus mandate.

The proposed investment for the first half of the program (2004-2007) is \$55 million. The expected investment of \$16.4 million in 2005 is 66% higher than the 2004 estimate of \$9.9 million. In 2004, 58% of the spending will have been accounted for by CG centers, and in 2005 the share is expected to be 70%. Expenditure estimates for 2006 and 2007 are \$17.6 and \$17.2 million respectively. Major investors in the HarvestPlus program are expected to be the following: World Bank (22% of the 2004-2007 total), The Bill and Melinda Gates Foundation (45%), Canada (12%), USA (12%), UK (5%), and Denmark (3%). Sweden and Austria will provide smaller amounts.

CIAT and IFPRI have overall oversight and fiduciary responsibility for HarvestPlus. In March 2003, the two centers entered into a Cooperative Research Agreement to combine complementary expertise in developing and implementing the originally named Biofortification CP (now called HarvestPlus). A Program Advisory Committee (PAC) was established by the two centers' Boards to report the progress to the respective Boards. The PAC is comprised of 12 experts from various countries, 2 Trustees, and the Director Generals of CIAT and IFPRI.

### ***Financial Highlights***

#### **2003 Outcome**

Actual investment in 2003 was \$2 million, virtually all of which was accounted for by CG Centers. The funding for this early phase was provided by the World Bank and the Bill and Melinda Gates Foundation. About \$8 million of contributed funds remained unspent at the end of the first year of work.

#### **2004 Outlook**

The estimated investment of \$9.9 represents an increase of \$6.9 million over then actual 2003 results. Governance and oversight costs in 2004 will account for 16% of the CGIAR spending, and 9% of the total. The share will continue to decrease as the program activity level rises in the MTP period. Denmark and Sweden contributed to the CP in 2004.

#### **2005 Proposal**

HarvestPlus will reach its planned and significant activity level in 2005 at \$16.4 million (a growth of 66% over 2004), and then will grow very moderately in the MTP years that follow (actually decreasing slightly in 2007, at least based on current projections). The proposal is to be funded by grant income (CGIAR and non-CGIAR). As of this submission about \$14.1 million of the required funds had been identified by donor, leaving a gap of \$2.3 million still to be identified. New donors to the program in 2005 include Canada (\$1.6 million), United Kingdom (about \$1 million), and United States (\$1.8 million).