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Executive Summary of the 2004 CGIAR Financial Results

A CIAT/CGIAR Secretariat Collaborative Effort

The 2004 financial results reported here are based on the audited financial statements of the 15 Centers including four Challenge Programs supported by the CGIAR. The aggregation, analyses and reports, including this summary, were produced on behalf of the CGIAR Secretariat by the Centro Internacional de Agricultura Tropical (CIAT) team (Jorge Peña, Yenny Andrade and Yofred Gallego) led by Juan Garafulic, Director of Finance working in close collaboration with the CGIAR Secretariat. A final version of this report and a more detailed financial report including time series tables and charts will be issued in June.

Executive Summary of the 2004 CGIAR Financial Results

Members of the Consultative Group on International Agricultural Research (CGIAR) support Centers and programs of their choice. Each Center receives and spends funds autonomously. The 2004 financial outcome¹ discussed here is an aggregation of the audited financial statements of the 15 Centers including four Challenge Programs supported by the CGIAR. A final version of this report and a more detailed financial report including time series tables and charts will be issued in June.

The review and aggregation of the financial statements have been done in the context of fiduciary management and reporting standards that have been approved by the CGIAR to guide the Centers in these areas. Additional information on financial compliance is contained in the box below.

Compliance with Financial Guidelines

The Centers are institutions governed by their respective boards of trustees. To ensure transparency and consistency in financial practices and the presentation of financial information, the Centers are required to follow financial guidelines issued by the CGIAR Secretariat. Developed with the input of Center finance personnel and external financial experts, these guidelines aim to bring the CGIAR's financial practices into conformity with those generally accepted worldwide.

For the second year, as part of the annual review of the substantive financial performance, a peer group of finance directors has reviewed the 2004 externally audited financial statements of the Centers to assess their compliance with CGIAR accounting policies and reporting guidelines, and validate the analysis underpinning the CGIAR financial report. The guidelines (*CGIAR Accounting Policies and Reporting Practices Manual*) were recently updated to adopt International Financial Reporting Standards (IFRS). The peer review also made a number of recommendations to promote best practice in fiduciary management and financial reporting.

Another mechanism to strengthen accountability within the CGIAR is an initiative to strengthen internal audit within the System by providing strategic internal audit advice and services to the Centers. The Internal Audit initiative is now part of the System Office. In 2004, three Centers joined the consortium, bringing to thirteen the number of Centers participating in this initiative.

CGIAR's 2004 Financial Goals

As in past years, the CGIAR's financial goals in 2004 were to mobilize sufficient resources to enable it to implement its work program for the year and to maintain its strong financial position. The financial goal for 2004 approved at the CGIAR Annual General Meeting 2003 was:

¹ The results are reported in US dollars.

- To implement an approved work program costing \$408 million², of which \$392 million was forecast from Members, \$11 million from Center income and \$5 million from Center reserves.

Overall Financial Outcome

The overall 2004 result shows that the CGIAR surpassed these targets. Total expenditures (including for Challenge Program) were \$425 million, 4 percent above the approved target. Member contributions (grant and contract income) amounted to approximately \$437 million, which was supplemented by \$16 million in Center income, for total financing of \$453 million, and resulting in savings (additions to reserves) of \$28 million³. Overall, the CGIAR's financial position grew stronger at the end of the year as confirmed by both short-term and long-term financial indicators. Table A summarizes the approved CGIAR program and the outcome for 2004 along its major components. Highlights of the System's 2004 financial performance are shown in Table 1, with comparative information for the previous 4 years.

Table A. Summary of 2004 CGIAR Approved Program vs Actual Outcome
(millions of U.S. dollars)

		Approved at AGM03			Actual Outcome
Expenditures			Expenditures		
Centers	Programs	386	Centers	Programs	406
	Challenge Programs	22		Challenge Programs	14
Partners	Challenge Programs		Partners	Challenge Programs	5
Total Expenditures		408	Total Expenditures		425
Financing			Financing		
Member Funding			Member Funding		
	Centers-Programs	370		Centers-Programs	418
	Centers-Challenge Programs	22		Centers-Challenge Programs	14
				Partners-Challenge Programs	5
Subtotal Member Funding		392	Subtotal Member Funding		437
	Center Income	11		Center Income	16
	Center Reserves	5			
Total Financing		408	Total Financing		453
			Savings/Reserves		28

² Of which \$386 million was for Center programs, and \$22 million for Water and Food, and HarvestPlus Challenge Programs. The work program and budget of the Generation CP was still being developed at AGM03 when the 2004 CGIAR Financing Plan was approved. The Sub-Saharan Africa CP was approved at AGM04.

³ About \$4 million of this was special support for transforming ISNAR into a program.

CGIAR Contributions

The year 2004 showed a further increase in aggregate contributions to the System. CGIAR contributions totaled \$437 million compared with \$381 million in 2003, an increase of \$56 million, or 15 percent. Unrestricted contributions totaled \$195 million compared with \$169 million in 2003, an increase of \$26 million or 15 percent. This was mainly as a result of the increase from the United Kingdom, and their decision to convert previously restricted to unrestricted contributions. Restricted contributions totaled \$242 million compared with \$211 million in 2003, an increase of \$31 million or 15 percent. Of this increase, \$11 million was due to Challenge Programs. There are three levels of restriction associated with restricted contributions in the CGIAR. The least restricted are programs (e.g., Challenge Programs, System wide and Ecoregional Programs), followed by targeted (e.g., geographic), and the most restricted are projects (usually requiring line item reporting). In 2004 program restricted contributions amounted to \$20 million, targeted were \$24 million and projects were \$198 million.

Fifty-nine of the 64 CGIAR Members⁴ contributed \$397 million (up from \$354 million in 2003), and the remaining \$40 million came from a broad range of sources including non-member foundations, NGOs and developing countries. Table 2 provides a schedule of contributions for 1972-2004 by Member.

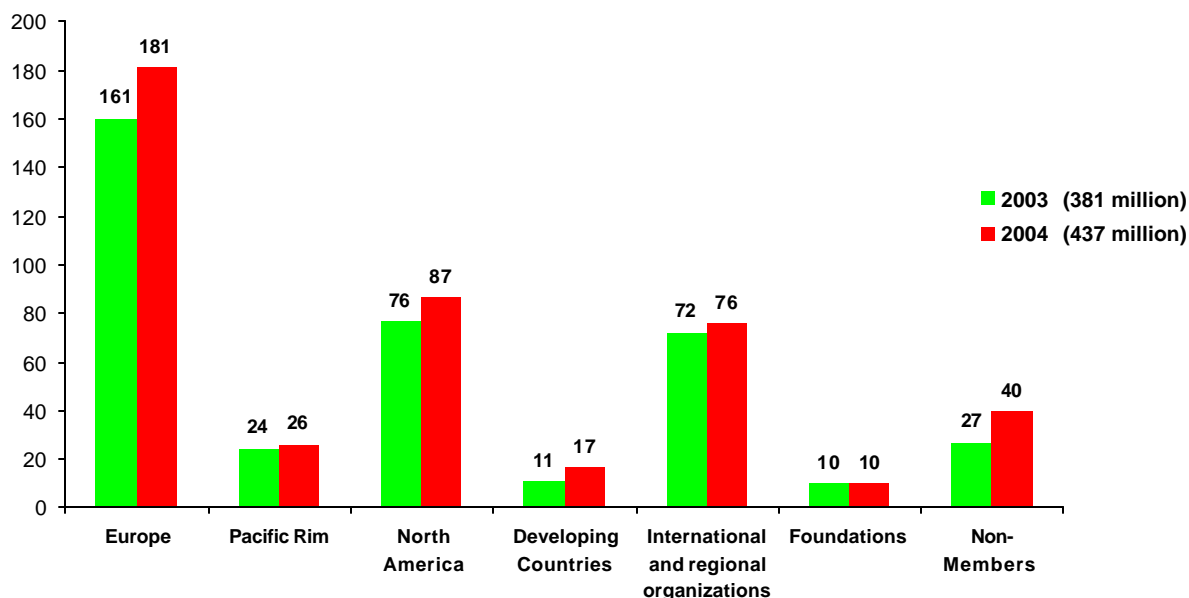
As shown in Figure 1, the increase in contributions in 2004 came mainly from two Member groups: Europe increased by \$20.5 million (13 percent) while North America increased by \$10.3 million (14 percent). Many of the European Members make their contributions in Euro and other national currencies, which are then converted into US dollars by Centers. In 2004 these currencies appreciated against the dollar, although at a slower pace than in 2003⁵. Developing Countries increased their contributions by \$5.6 million (34 percent), International and Regional Organizations by \$3.7 million (5 percent), and Pacific Rim by \$1.6 million (6 percent). Contributions from Foundations remained stable. Non-members increased their contributions by \$13.6 million (51 percent)⁶.

⁴ For presentation purposes, Members are divided into four distinct groups: industrialized countries (24), developing countries (24), foundations (4), and international and regional organizations (12). Industrialized countries are further divided along geographical lines into three subgroups: Europe, North America and Pacific Rim. Two new Members joined in 2004: Gulf Cooperation Council and Turkey.

⁵ The impact of foreign exchange gains on 2004 contributions was about \$7 million, compared with \$9 million in 2003.

⁶ Most of this increase is attributed to the Bill & Melinda Gates Foundation support for the HarvestPlus CP.

Figure 1 CGIAR Funding / Millions of US dollars



The increase in contributions from Europe⁷ came mainly from the United Kingdom (\$9 million, or 34 percent), Germany (\$3.6 million, or 31 percent), Italy (\$2.8 million, or 64 percent), Switzerland (\$2.5 million, or 16 percent), Netherlands (\$1.8 million, or 10 percent), Sweden (\$1.0 million, or 7 percent), Austria (\$0.9 million, or 110 percent), and Ireland (\$0.8 million, or 31 percent). In North America the increase came from Canada (\$11.6 million, or 56 percent). The net increase in contributions from the Pacific Rim mainly came from Australia (\$1.5 million, or 20 percent), New Zealand (\$0.4 million, or 56 percent), and Korea (\$0.3 million or 21 percent).

Contributions from Developing Countries increased from \$10.9 million in 2003 to \$16.5 million in 2004. Within this group Nigeria became the largest contributor, although Colombia and India continued to be important as well.

About three-quarters of the contributions for the research agenda was provided by the top 15 contributors in 2004, 2 more than in 2003. The United States, contributing \$54.2 million, was the single largest contributor, followed by the World Bank (\$50 million) and the United Kingdom (\$35.3 million). The United States and World Bank held the same rankings in 2003, while the United Kingdom ranked fourth.

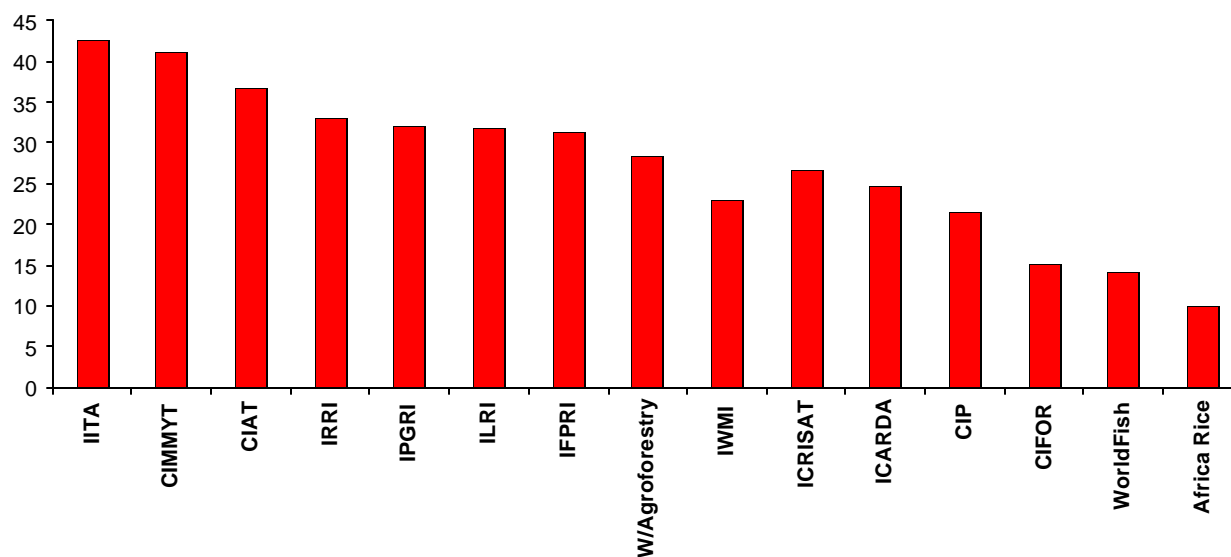
⁷ As indicated in footnote number 5 a portion of the increase was due to foreign exchange gains.

Resource Allocation

In overall terms, total CGIAR expenditures in 2004 (including for Challenge Programs) amounted to \$425 million, 8 percent higher than in 2003. Resource allocation at the Centers is largely made at the project level established in the context of a logical framework. The following paragraphs summarize, at the System and Center levels, resource allocations by object of expenditure, output and region.

Distribution among Centers: Figure 2 shows the distribution of expenditures by Center in 2004⁸.

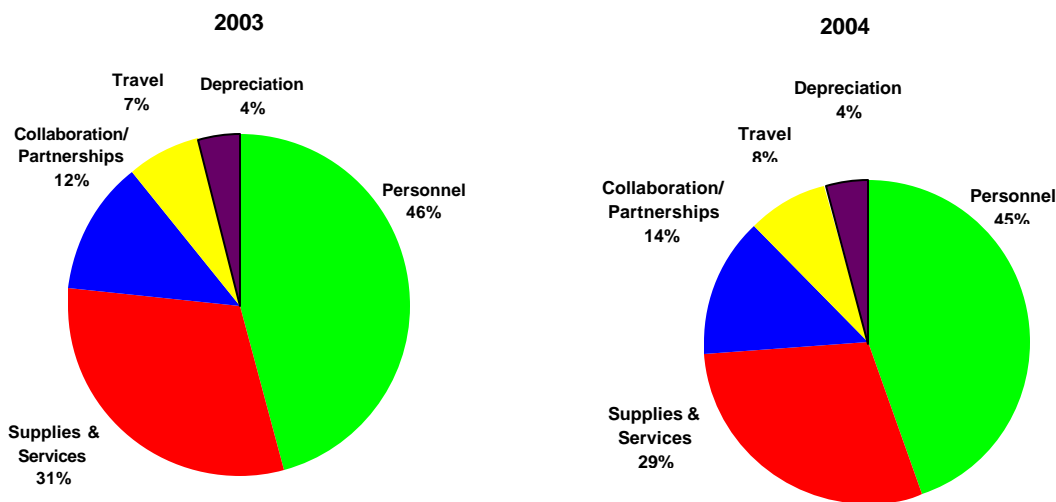
Figure 2 Expenditures by Center / Millions of US dollars



⁸ Although aggregate 2004 CGIAR results include figures for ISNAR (for the period January 1 to March 31), the Center is not shown in this figure of individual Center comparison.

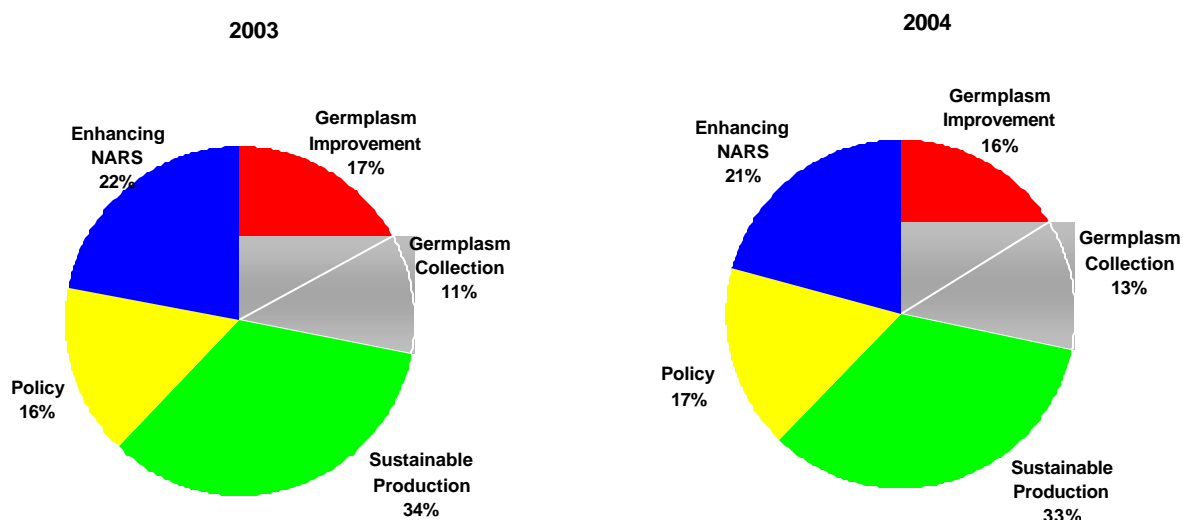
Expenditures by Object⁹: Overall personnel costs represented 45 percent of total expenditures in 2004, compared with 46 percent in 2003, as shown in Figure 3. Total staffing decreased from 7,902 to 7,791 due primarily to reductions at CIMMYT, Africa Rice and ICARDA.

Figure 3 Expenditures by Object



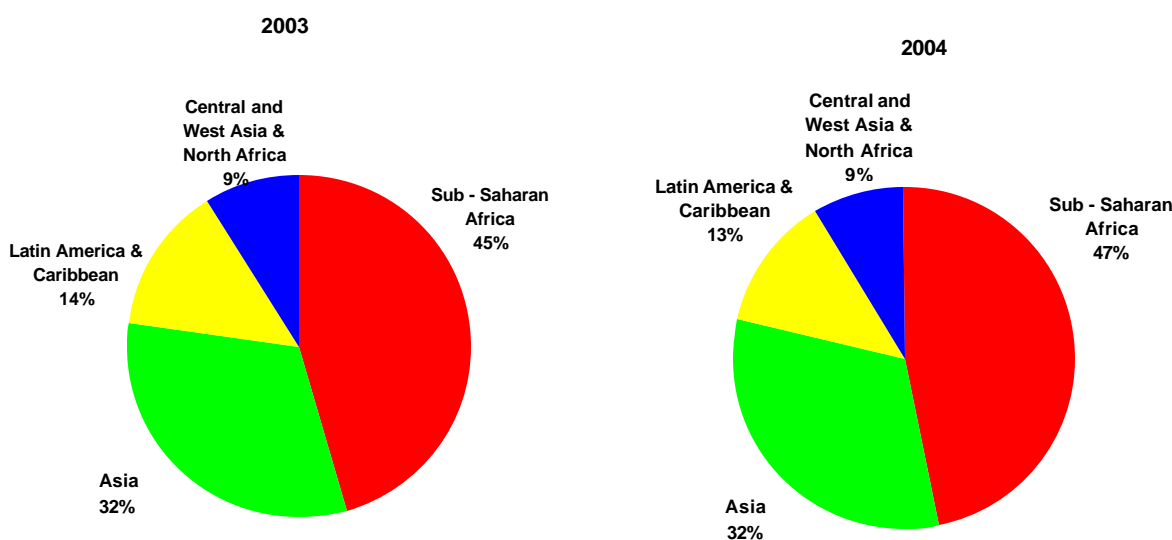
Outputs: Illustrative allocations by the five CGIAR outputs — germplasm improvement, germplasm collection, sustainable production, policy and enhancing national agricultural research systems (NARS) — for 2004 are shown in Figure 4. These ratios have remained fairly stable over the five-year period, 2000 – 2004.

Figure 4 Expenditures by Output



Allocations by Region: Illustrative allocations by region appear in Figure 5. Expenditures in Sub-Saharan Africa increased from \$180 million in 2003 to \$199 million in 2004, or from 45 percent to 47 percent. Allocations in Asia for 2004 increased by \$10 million to \$135 million while for Latin America and the Caribbean and Central, and West Asia and North Africa the levels remained approximately constant at \$54 million and \$37 million, respectively.

Figure 5 Allocations by Region



Center Perspectives

The growth noted at the System level reflects a range of outcomes at the individual Centers. Contributions increased for twelve Centers, compared with four in 2003. Fourth of the increases — for IPGRI, CIP, IFPRI and ICRISAT — were over 20 percent. Five — for IRRI, IITA, CIMMYT, CIAT and ILRI — were between 10 and 20 percent. Three — for World Agroforestry, CIFOR and IWMI — were under 10 percent. Only three Centers experienced a contraction in their contributions. These were Worldfish and ICARDA (each by 2 percent), and Africa Rice (3 percent).

Operational results (expenditures matched against contributions and Center income) show that fourteen Centers, compared with eight in 2003, ended the year with surpluses. As a percentage of total expenditures, two Centers — IWMI and IPGRI — had operational savings above 10 percent; eight Centers — Africa Rice, ICRISAT, ILRI,

⁹ The new CGIAR Accounting Guidelines introduced Collaboration/Partnerships as a fifth object of expenditures. The 2003 data was restated for comparability.

IFPRI, IITA, CIP, World Agroforestry and IRRI- were between 5 and 10 percent, and four Centers –CIMMYT, ICARDA, WorldFish and CIAT– were below 5 percent. Only one Center - CIFOR - compared with three in 2003, incurred a deficit. Operational surpluses are the main source for CGIAR Centers to build up reserves.

Table 3 provides 2004 and 2003 results of operations by Center and for the System as a whole, including for that portion of Challenge Programs implemented by CGIAR partners.

Table 4 provides an overview of the System's finances (revenues and expenditures) for 2004, and Table 5 summarizes the System's overall financial position for the years 2000 to 2004.

Centers continue their efforts to address long-term financial health through full cost budgeting on their restricted projects, among other financial management measures.

Summary of Challenge Programs

2004 was the second full year of implementation of Challenge Programs. The data and discussion on Challenge Programs include the Sub-Saharan Africa Challenge Program, which was approved¹⁰ at AGM04.

In 2004 Members and non-members made available \$37 million for Challenge Programs compared with \$18 million in 2003. Of the \$37 million for 2004, \$19 million¹¹ was spent (compared with \$8 million in 2003), leaving a balance of \$18 million for future implementation¹². Table 6 summarizes Challenge Program resources and expenditures.

Conclusion

The 2004 results confirm improvement in CGIAR finances in the aggregate. As in the last several years, however, there has been significant variability among the 15 Centers on a number of financial health indicators, suggesting a need for continued vigilance at both the Center and System levels. The six Centers¹³ whose indicators were borderline or below the CGIAR recommended targets in 2003 showed improvement in 2004, although there is still room for improvement for four of them¹⁴.

¹⁰ Aggregate CGIAR 2004 results include figures for Generation and SSA-CP, which were not included in the program approved at AGM03.

¹¹ \$14 million of Challenge Program components were implemented by Centers and \$5 million by CGIAR partners

¹² With a 2003 balance of \$10 million, the cumulative balance for Challenge Programs at year-end was \$28 million.

¹³ These were CIAT, CIMMYT, IPGRI, IWMI, World Agroforestry and Africa Rice.

¹⁴ CIAT, CIMMYT, IWMI and Africa Rice.

Table 1 CGIAR Program and Resource Highlights / 2000 - 2004 ¹

ACTUAL	2000	2001	2002	2003	2004
Center income (millions of U.S. dollars)					
Agenda funding	331	337	357	381	437
<i>(of which percent unrestricted)</i>	50%	43%	44%	44%	45%
Center earned income	14	16	14	17	16
Total revenue	345	353	371	398	453
Member funding (millions of U.S. dollars)					
Europe	128	131	147	161	181
Pacific Rim	43	37	25	24	26
North America	54	57	66	76	87
Developing Countries	14	14	13	11	17
International and Regional Organizations	66	67	72	72	76
Foundations	7	9	9	10	10
Non-Members	19	23	26	27	40
Total	331	337	357	381	437
Top three contributors	World Bank United States	United States World Bank	United States World Bank	United States World Bank European Commission	United States World Bank United Kingdom
	Japan	Japan	United Kingdom		
Staffing (number)					
Internationally recruited staff	1,017	1,012	1,060	1,065	1,063
Support Staff	7,649	7,489	6,699	6,837	6,728
Total	8,666	8,501	7,759	7,902	7,791
Agenda program expenditures by Outputs (percent) ²					
Germplasm Improvement	18%	18%	18%	17%	16%
Germplasm Collection	10%	10%	10%	11%	13%
Sustainable Production	35%	36%	35%	34%	33%
Policy	15%	14%	15%	16%	17%
Enhancing NARS	22%	22%	22%	22%	21%
Total (millions of U.S. dollars)	339	355	381	395	425 ³
Object expenditures (percent)					
Personnel	49%	49%	49%	46%	45%
Supplies/services	38%	40%	40%	31%	29%
Collaboration/Partnership				12%	14%
Travel	7%	7%	7%	7%	8%
Depreciation	5%	4%	4%	4%	4%
Regional Expenditures (percent)					
Sub-Saharan Africa (SSA)	42%	43%	43%	45%	47%
Asia	32%	31%	33%	32%	32%
Latin America and the Caribbean (LAC)	17%	16%	15%	14%	13%
Central and West Asia and North Africa (CWANA)	9%	9%	9%	9%	9%
Result of Operations (System Level)	6.6	(1.7)	(9.6)	3.2	28
Center financial information					
Net Assets excluding Fixed Assets (millions of U.S. dollars)	105	100	98	130	156
Liquidity indicator					
Working capital (in days of expenditures)	112	129	125	151	171
Current Ratio	1.74	1.88	1.8	1.8	1.9
Adequacy of reserves indicator					
Net Assets excluding Fixed Assets: in days of expenditures	119	107	98	127	145
Fixed asset indicators					
Capital expenditure (millions of U.S. dollars)	14.9	15.9	9.3	9.7	15.5
Capital expenditure / depreciation (percent)	93%	104%	65%	63%	90%

¹ Some information have been restated for clarification purposes

² Starting 2003 the research agenda is presented in terms of Outputs.

³ Includes System Office, CGIAR Committees, and disbursements for FARA and Millennium Ecosystem Assessment.

Table 2 CGIAR Funding to the Research Agenda by Member Group 1972 - 2004
(millions of U.S. dollars)

Members	1972-1999	2000	2001	2002	2003	2004	Total
Europe							
Austria	19.5	1.8	2.1	0.2	0.8	1.7	26.1
Belgium	78.8	4.7	4.5	4.9	6.4	7.0	106.3
Denmark	122.5	11.0	10.6	10.2	9.1	8.2	171.6
European Commission	235.3	22.3	21.7	24.5	27.2	26.3	357.2
Finland	33.1	1.5	1.5	1.5	1.7	1.9	41.2
France	66.7	6.0	6.0	7.8	7.6	6.3	100.4
Germany	268.2	10.2	12.3	10.5	11.6	15.3	328.1
Ireland	9.8	0.8	1.5	2.1	2.6	3.4	20.1
Israel	-	-	-	-	-	0.1	0.1
Italy	98.7	3.2	3.7	4.1	4.4	7.2	121.4
Luxembourg	3.4	1.3	0.8	0.8	0.7	0.6	7.5
Netherlands	163.6	13.7	12.2	17.0	19.2	20.9	246.7
Norway	97.4	7.7	8.3	10.4	11.2	11.7	146.7
Portugal	1.1	0.4	0.3	0.3	0.0	-	2.1
Spain	13.2	1.2	1.2	1.3	2.3	2.3	21.5
Sweden	132.2	9.4	9.2	10.7	13.6	14.6	189.7
Switzerland	214.3	18.3	15.7	16.0	15.6	18.1	298.0
United Kingdom	211.3	14.9	19.2	24.8	26.4	35.3	331.9
Subtotal	1,769.1	128.4	130.8	146.9	160.5	181.0	2,516.6
North America							
Canada	285.7	11.4	11.6	10.7	20.9	32.5	372.8
United States	910.7	42.1	45.4	54.9	55.5	54.2	1,162.9
Subtotal	1,196.4	53.5	57.0	65.6	76.4	86.7	1,535.6
Pacific Rim							
Australia	102.5	8.5	7.2	7.3	7.3	8.8	141.6
Japan	463.0	34.6	29.2	17.1	15.0	14.4	573.3
Korea, Republic of	5.4	0.9	1.1	1.1	1.2	1.5	11.3
New Zealand	1.1	0.5	0.7	0.7	0.8	1.2	5.0
Subtotal	572.0	44.5	38.2	26.2	24.4	25.9	731.2
Developing Countries							
Bangladesh	0.5	0.3	0.2	-	-	-	1.0
Brazil	3.4	0.4	0.4	0.9	0.3	0.2	5.5
China	7.2	1.0	0.9	1.0	1.0	1.0	12.0
Colombia	12.3	2.3	2.5	2.5	2.3	1.9	23.8
Cote d'Ivoire	0.7	0.1	0.1	0.0	-	-	0.9
Egypt, Arab Republic of	4.9	1.4	1.3	0.8	0.5	0.6	9.5
India	11.8	0.8	0.8	1.0	1.3	1.4	17.1
Indonesia	2.2	0.2	0.3	0.2	0.2	0.2	3.2
Iran, Islamic Republic of	12.2	1.7	1.7	0.9	1.2	1.0	18.7
Kenya	0.9	0.1	0.3	0.2	0.3	0.6	2.4
Malaysia	-	-	-	-	-	0.0	0.0
Mexico	7.0	1.8	1.3	0.9	0.7	1.6	13.3
Morocco	-	-	-	-	0.5	0.5	1.0
Nigeria	14.1	1.0	-	-	-	4.6	19.7
Pakistan	0.7	0.2	0.6	-	0.1	0.2	1.8
Peru	0.7	0.2	0.6	0.9	0.4	0.6	3.5
Philippines	6.5	0.4	0.2	0.2	0.2	0.4	7.9
Romania	-	-	-	-	-	-	-
Russian Federation	0.2	-	-	-	-	-	0.2
Saudi Arabia	5.0	-	-	-	-	-	5.0
South Africa	1.6	0.6	0.6	0.8	0.8	0.8	5.1
Syria	0.5	-	0.5	0.6	0.5	0.5	2.5
Thailand	0.9	0.1	0.1	0.1	0.1	0.2	1.5
Uganda	-	0.3	0.3	0.6	0.6	0.3	2.1
Subtotal	93.3	12.9	12.6	11.6	10.9	16.5	157.8
Foundations							
Ford Foundation	54.3	2.6	2.7	1.3	0.8	0.9	62.6
Kellogg Foundation	4.0	-	0.2	0.3	0.3	0.4	5.1
Rockefeller Foundation	50.3	4.0	6.3	7.5	7.8	6.5	84.4
Syngenta Foundation	-	-	-	1.4	1.1	0.8	3.3
Subtotal	108.6	6.6	9.2	10.5	10.0	10.5	155.4
International and regional organizations							
ADB	16.5	6.0	6.9	6.5	6.0	5.0	46.9
AFDB	15.7	1.2	0.3	0.6	0.2	0.4	18.3
Arab Fund	13.9	1.7	1.6	1.0	0.8	1.2	20.2
FAO	1.1	0.2	0.4	1.8	2.0	1.5	6.9
Gulf Cooperation Council	-	-	-	-	-	0.1	0.1
IDB	168.7	1.4	0.5	0.5	0.3	0.3	171.7
IDRC	31.7	2.3	2.5	2.4	1.9	2.9	43.7
IFAD	56.1	5.8	6.6	5.8	5.7	6.2	86.2
OPEC Fund	14.1	0.2	0.4	0.2	0.3	0.5	15.7
UNDP	152.7	1.8	1.6	1.5	1.1	1.1	159.7
UNEP	3.5	0.7	0.7	1.3	3.6	6.6	16.4
World Bank ¹	705.8	45.0	45.0	50.0	50.0	50.0	945.9
Subtotal	1,179.8	66.3	66.5	71.7	71.8	75.6	1,531.7
Non - members	47.4	19.2	23.1	24.8	26.8	40.4	181.7
Total	4,966	331	337	357	381	437	6,810

¹ Before 2002 excluded support allocated to the CGIAR Secretariat.

Table 3 **Results of Operation by Center / 2003 - 2004**
(millions of US dollars)

Center	2003					2004				
	Member Funding	Center Income	Total revenue	Expenditures	Result	Member Funding	Center Income	Total revenue	Expenditures	Result
Africa Rice	10.7	0.3	11.0	10.1	0.9	10.4	0.4	10.8	10.1	0.7
CIAT	32.0	1.0	32.9	32.9	0.1	36.3	1.0	37.2	36.7	0.5
CIFOR	13.6	0.2	13.8	13.6	0.2	14.8	0.2	15.0	15.1	(0.1)
CIMMYT	36.2	2.0	38.3	37.5	0.7	41.2	1.3	42.5	41.1	1.4
CIP	18.0	0.4	18.4	17.6	0.9	22.3	0.3	22.6	21.5	1.1
ICARDA	25.4	0.8	26.2	26.2	0.0	24.8	0.5	25.3	24.6	0.7
ICRISAT	23.2	1.4	24.6	24.0	0.6	27.7	0.9	28.6	26.8	1.9
IFPRI	26.5	0.7	27.2	26.5	0.7	32.8	0.5	33.3	31.4	1.9
IITA	36.6	1.3	37.9	37.7	0.2	42.8	2.3	45.1	42.6	2.5
ILRI	29.5	1.6	31.1	31.0	0.1	32.9	0.8	33.7	31.7	2.0
IPGRI	27.9	0.2	28.1	28.3	(0.3)	34.8	1.5	36.3	32.0	4.3
IRRI	27.3	4.8	32.1	28.8	3.3	32.4	2.1	34.4	32.9	1.5
ISNAR ¹	8.3	0.3	8.5	12.8	(4.3)	5.8	0.0	5.8	2.4	3.4
IWMI	22.1	0.2	22.3	23.0	(0.7)	23.6	4.1	27.7	23.1	4.6
World Agroforestry	27.3	0.7	27.9	27.4	0.5	29.7	0.2	29.9	28.5	1.5
WorldFish	14.5	1.4	15.9	15.5	0.3	14.3	0.1	14.3	14.1	0.2
Sub Total	379.0	17.2	396.2	393.1	3.2	426.5	16.1	442.6	415	28.0
System Level										
System Office and Committees	7.0		7.0	7.0		9.5 ⁴		9.5	9.5	
Sub Total	386.1	17.2	403.2	400.1	3.2	435.9	16.1	452.1	424	28.0
Less Intercenter Activities ²	(5.2)		(5.2)	(5.2)	-	(4.7)		(4.7)	(4.7)	-
TOTAL	380.9	17.2	398.1	394.9	3.2	431.3	16.1	447.4	419	28.0
Plus Challenge Programs ³						5.3		5.3	5.3	
TOTAL CGIAR PROGRAM	381	17	398	395	3	437	16	453	425	28

¹ For the period January 1 to March 31, 2004.

² Intercenter activities netted out at the system, not center, level to maintain the integrity of center accounts.

³ Challenge program components implemented by CGIAR partners

⁴ Increase over 2003 reflects mainly special transitional support to the Science Council.

TABLE 5 CGIAR System Financial Position, 2000-2004
(thousands of U.S. dollars)

	2000	2001	2002	2003	2004
Assets					
Current Assets					
Cash and Cash Equivalents	151,327	142,339	149,076	201,662	237,047
Accounts Receivable:					
<i>Members</i>	60,823	63,346	72,864	87,768	69,717
<i>Employees</i>	3,499	2,498	3,078	2,797	3,594
<i>Others</i>	13,576	13,342	14,864	14,527	17,147
Inventories	6,506	6,040	4,447	4,165	4,540
Pre-paid Expenses	3,069	3,265	3,673	3,262	2,994
Other Current Assets	5,248	3,515	3,327	4,567	16,924
Total Current Assets	244,048	234,345	251,329	318,748	351,963
Non-Current Assets					
Net Property, Plant, and Equipment	98,074	89,058	77,172	79,585	78,433
Investments	25,728	33,495	41,828	37,838	36,801
Others Assets					1,196
Total Non-Current Assets	123,802	122,553	119,000	117,423	116,430
Total Assets	367,850	356,898	370,329	436,172	468,393
Liabilities and net assets					
Current Liabilities					
Accounts Payable:					
<i>Members</i>	56,658	54,078	78,749	110,925	115,904
<i>Employees</i>	5,369	12,020	11,877	13,805	12,435
<i>Others</i>	29,804	29,192	34,177	47,181	49,216
Accruals and Provisions	48,259	47,223	42,377	28,925	24,294
Total Current Liabilities	140,090	142,513	167,180	200,836	201,849
Long-term Liabilities	24,899	25,814	27,906	25,876	30,485
Total Liabilities	164,989	168,328	195,086	226,712	232,334
Net Assets					
Unrestricted					
Unrestricted Net Assets <i>excluding Fixed Assets</i>	104,787	99,512	96,039	126,820	155,540
Fixed Assets	98,074	89,058	77,172	79,585	78,433
Unrestricted Net Assets	202,861	188,570	173,211	206,405	233,973
Restricted			2,032	3,054	2,086
Total Net Assets	202,861	188,570	175,243	209,459	236,059
Total Liabilities and net assets	367,850	356,898	370,329	436,172	468,393

Table 6. Summary of Challenge Programs 2004
(millions of U.S. dollars)

Funds Available	Harvest Plus	Water & Food	Gene ration	SSA	Total
Denmark	0.9	0.4			1.3
European Commission	-		6.0	0.9	6.9
European Commission ¹			5.2		5.2
France		2.7			2.7
Germany		0.4			0.4
Italy				0.6	0.6
Netherlands		0.7		1.5	2.2
Norway		0.4		0.6	1.0
Pionner	-		0.1		0.1
Sweden	0.1				0.1
Syngenta Foundation	-		0.0		0.0
United Kingdom	0.5	2.3	4.7	1.1	8.5
USA		0.1			0.1
World Bank	2.5	2.5	3.1		8.1
Total	3.9	9.4	19.1	4.7	37.1

Expenditures	Harvest Plus		Water & Food		Generation		SSA		Total	
	Center	Others	Center	Others	Center	Others	Center	Others	Center	Others
CIAT	1.0		0.2		0.4				1.5	
CIMMYT	0.7		-		2.0				2.6	
CIP	0.4		0.1		0.4				0.9	
ICARDA	0.1		0.1		0.2				0.4	
ICRISAT	0.3		0.1		0.5				0.9	
IFPRI	1.6		0.1		-				1.7	
IITA	0.2		0.4		0.3		0.1		1.0	
ILRI	-		-		-		0.3		0.3	
IPGRI	0.0		-		1.0				1.0	
IRRI	0.4		0.7		0.7				1.9	
IWMI	-		2.0		-				2.0	
WORLD FISH	-		0.2		-				0.2	
Total	4.5	2.4	3.9	1.9	5.4	1.1	0.4		14.3	5.3
		6.9		5.8		6.5		0.4		19.6

2004 Balance	(3.0)	3.6	12.6	4.3	17.5
2003 Balance ²	8.0	1.8	0.1	0.6	10.5
Cumulative Balance	5.0	5.4	12.7	4.9	28.0

¹ For 2003.

² 2003 Balance includes major contributions from the Bill & Melinda Gates Foundation, Netherlands, Switzerland and Norway