

DRAFT



Investment Proposals and Financing Of the 2006 CGIAR Research Agenda

October 2005

Introduction:

This document summarizes the financial requirements of the 2006 research programs and their financing as proposed by the Centers and Challenge Programs. As the CGIAR Priorities exercise being developed by the Science Council is still ongoing, the 2006-8 MTP's continue to describe the work program in terms of CGIAR outputs. It is expected that once the new priorities are approved by the CGIAR, the Science Council will provide guidance on translating outputs into the new priorities.

This document 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 fifteen Centers and four Challenge Programs covering the 2005-2008 period.

Section I: Summary of the 2006 Proposals

Investment: The Center and Challenge Programs have proposed an aggregate investment of \$489 million for 2006. This is \$14 million (3 percent) higher than the current estimate for 2005 and \$64 million (15 percent) over the actual 2004 level.

Financing: The \$489 million in planned aggregate investment is to be financed by investor grants of \$452 million, \$21 million in Center income and \$16 million in other sources and reserves.

Table A below summarizes the 2006 financing plan and compares it with the 2005 current estimate and 2004 actual.

Table A: 2006 CGIAR Financing Plan
(in \$ million)

	2006 proposal	2005 estimate	2004 actual
<u>Investment</u>			
Centers			
Own Programs	430	431	406
Challenge Programs	24	22	14
Sub-total	454	453	420
CG Partners-Challenge Programs	35	22	5
System Total	489	475	425
<u>Financing</u>			
Investor Grants			
Centers-Own and Challenge Programs	422	438	432
CG Partners-Challenge Programs	30	22	5
Sub-total	452	460	437
Center income	21	15	16
Other sources and reserves	16	-	(28)
System Total	489	475	425

Section II: 2006 Financial Decision-making Calendar

The CGIAR financial calendar follows the decision-making calendar adopted for the CGIAR reform program. It combines the review and approval of both the medium term (2006-8) and financing (2006) plans of the Centers. The timetable for the 2006 financial year is as follows:

March 2005

- Science Council (SC) and the CGIAR Secretariat issue guidelines for preparing the plans.

June

- Centers and CPs prepare and submit detailed Financing Plans (FP) for 2006 and MTPs for 2006-2008.

September

- SC reviews and shares MTP commentaries with Centers and CPs.

October

- Centers and CPs prepare responses to the commentaries.
- ExCo reviews the SC report and the financial summary, and makes a recommendation to the CGIAR.

December

- The CGIAR approves the updated MTP and the 2006 CGIAR Financing Plan at AGM05.

January 2006

- Implementation of the Approved Research Agenda begins.
- Investors begin disbursement of funds.

Section III: Highlights of the Investment and Financing Proposals

Significant Changes Proposed in 2006:

While the majority of Centers (eleven) indicate that their proposals are essentially extensions of their 2005-2007 MTPs, the remaining four have indicated significant changes in 2006. The proposals of CIP, ICRISAT, IPGRI and WorldFish reflect implementation of new strategies and/or restructuring of the project portfolio. These changes which are detailed in the Centers' proposals are summarized as follows:

- CIP: The 2006 project portfolio presented in CIP's document differs both in structure and content from the 2005 portfolio. The change in content results from new research outcomes and tools, new projects and in the case of CONDESAN, new strategic planning.
- ICRISAT: This MTP has been developed in response to the EPMR recommendation and governing board direction to strengthen research impact particularly in Sub-Saharan Africa. As a result, ICRISAT adopted a decentralized regional approach to research and management and also reduced its portfolio from 5 global research themes in 2004 to 4 global themes.
- IPGRI: A new strategy "*Diversity for Well-Being: Making the most of Agricultural Biodiversity*" was launched at the CGIAR AGM04. While continuing to focus primarily on plant genetic resources, the new strategy builds on the Center's expertise in this area to seek further synergies through a more holistic approach to agricultural biodiversity.
- WorldFish: For this MTP, the research structure of WorldFish was organized as a matrix of regional programs and disciplinary areas. As a consequence of this restructuring, all of the projects of the previous year's MTP have been remapped into the regional projects that correspond to the new regional portfolios and one global project corresponding to Natural Resource Management.

Of the eleven Centers extending their 2005-7 MTPs into 2006-8,

- IRRI has merged the former Project 11- *Enhancing ecological sustainability and improving livelihoods through ecoregional approaches to integrated natural resource management* into Project 8- *Natural resource management for rainfed lowland and upland rice ecosystems* based on the recommendation of the 6th External Program and Management Review in March 2004 and also as a result of staff changes in late 2004. In addition, the rapid changes in science and technology have provided the spur to make some adjustments to Project 2 - *Functional Genomics*.

- IWMI reflects the consolidation and refinement process. In particular, its MTP introduces the newly refined research framework and supporting thematic structure and explains the related programmatic transition,
- World Agroforestry awaits the finalization of the CGIAR's System research priorities as a platform for considering possible structural changes that would be reflected in next year's MTP.
- Africa Rice, CIAT, CIFOR, CIMMYT, ICARDA, IFPRI, IITA and ILRI did not propose any significant modifications in their portfolios.

Aggregate Investment Proposal:

This section analyzes the distribution of the aggregate CGIAR investment proposal of \$489 million.

Table 1 shows the following proposed investment levels for 2006:

- two Centers (IITA and IFPRI) propose investments above \$40 million,
- four Centers (CIAT, CIMMYT, IPGRI and IRRI) between \$35 million and \$40 million,
- three Centers (World Agroforestry, ICRISAT and ILRI) between \$30 million and \$35 million,
- three Centers (CIP, ICARDA, and IWMI) between \$20 million and \$25 million,
- two Centers (CIFOR and WorldFish) between \$15 million and \$20 million and,
- one Center (Africa Rice) below \$15 million.

Table 5 gives the relative investment shares of each Center in the CGIAR annual totals while Table 6 does the same by outputs.

Table 1. Investment Proposals for the 2006 Research Agenda by CGIAR Output
(in \$ million)

Centers	Germplasm Improvement	Germplasm Collection	Sustainable Production	Policy	Enhancing NARS	Total Agenda	<i>Memo Item:</i> Amount included in Center Totals for CPs
Africa Rice	2.5	1.4	4.1	0.9	2.8	11.7	
CIAT	12.6	6.2	10.8	1.7	5.7	37.0	3.9
CIFOR	-	3.8	9.0	3.2	0.9	16.9	
CIMMYT	11.2	7.6	9.4	3.0	5.7	36.9	1.2
CIP	5.3	2.2	8.7	2.2	5.6	24.0	0.8
ICARDA	5.8	1.2	12.8	0.9	3.6	24.3	1.4
ICRISAT	10.8	2.0	7.4	4.4	6.5	31.1	1.8
IFPRI	-	-	3.7	23.0	13.6	40.3	2.8
IITA	9.7	1.7	19.6	8.0	11.8	50.8	1.4
ILRI	5.4	1.1	17.0	6.4	4.3	34.2	0.1
IPGRI	4.1	13.5	4.2	5.2	11.0	38.1	1.3
IRRI	9.9	2.2	13.2	3.3	9.3	37.8	5.9
IWMI	-	-	10.1	8.6	4.7	23.3	2.9
World Agroforestry	1.2	3.7	9.7	7.3	9.3	31.3	
WorldFish	2.0	0.4	6.0	3.4	3.6	15.3	0.5
Center Sub-total	80	47	146	83	98	454	24
Percentage	18%	10%	32%	18%	22%	100%	
Challenge Programs to be implemented by CGIAR Partners ^{1/}							
Generation						11.0	
HarvestPlus						7.5	
Water and Food						6.8	
Sub-Saharan Africa						9.8	
Sub-total						35	
Total						489	

1/ Allocation by output is not available at this time.

Challenge Programs and System Wide and Ecoregional Programs:

The four Challenge Programs as well as the 11 system wide and 6 ecoregional programs are included in the financial and programmatic proposals. Highlights of the CPs are included in the attachment to this document while those of the System wide and ecoregional programs are part of the Center highlights. The financial summary of the Challenge Programs confirm a steady increase in the level of activity, as shown below in Table 1a.

Table 1a. Investment Proposals for Challenge Programs ^{1/}

(in \$ million)

Challenge Program :	2004 Actual	2005 Estimate	2006 Proposal	2007 Plan	2008 Plan
Generation	6.5	16.5	17.0	12.9	12.1
HarvestPlus ^{2/}	6.8	11.2	15.4	16.1	17.9
Water and Food	5.7	14.3	16.6	15.9	14.6
Sub-Saharan Africa ^{3/}	0.4	2.3	9.8	15.9	16.3
Total	19	44	59	61	61

^{1/} Comprised of components implemented by both CGIAR Centers and Partners

^{2/} This excludes linkage projects whose activities are highly complementary to HarvestPlus goals, principles, methods, and programs which expand the scope and reach of HarvestPlus "core" activities, but which are administered independently of HarvestPlus. These projects are estimated at \$2.6 million each from 2006 to 2008.

^{3/} Approved at AGM04 for \$2.3 million during the inception period.

Included in the 2006 proposals is \$59 million for Challenge Programs. Of this, \$24 million is to be implemented by Centers while \$35 million is to be implemented by CGIAR Partners. The amount of CP investment in 2005 is \$44 million (of which \$22 million by Centers and \$22 million by Partners), and for 2004 it was \$19 million (of which \$14 million by Centers and \$5 million by Partners).

Highlights of the 2006 Financing Projections :

The \$489 million required for the 2006 investment is projected to be financed by \$452 million in investor grants, complemented by \$21 million in Center income and \$16 million in reserves and other sources. Table 2 below summarizes the proposed financing plans of the Centers and Challenge Programs.

Table 2: Financing the 2006 Research Agenda

(in \$ million)

Centers	Total Proposal	Financed by:			Memo: funding changes		
		Investor Grants	Center Income	Other Sources/Reserves	2004 Actual Grants	2006 vs. 2004 Increase (Decrease) Amount	2006 vs. 2004 Increase (Decrease) %
Africa Rice	11.7	12.1	0.1	(0.5)	10.4	1.7	16%
CIAT	37.0	36.3	0.9	(0.2)	36.3	0.0	0%
CIFOR	16.9	16.5	0.3	0.1	14.8	1.7	11%
CIMMYT	36.9	30.5	1.8	4.6	41.2	(10.8)	-26%
CIP	24.0	23.1	0.3	0.6	22.3	0.8	4%
ICARDA	24.3	23.2	0.8	0.3	24.8	(1.7)	-7%
ICRISAT	31.1	29.8	1.3	(0.0)	27.7	2.1	8%
IFPRI	40.3	32.5	0.5	7.3	32.8	(0.3)	-1%
IITA	50.8	45.5	5.4	(0.1)	42.8	2.7	6%
ILRI	34.2	32.2	2.0	(0.0)	32.9	(0.7)	-2%
IPGRI	38.1	37.9	0.7	(0.5)	34.8	3.1	9%
IRRI	37.8	32.6	5.2	0.0	32.4	0.2	1%
ISNAR					5.8	(5.8)	
IWMI	23.3	23.6	0.2	(0.5)	23.6	0.0	0%
World Agroforestry	31.3	30.9	0.6	(0.2)	29.7	1.2	4%
WorldFish	15.3	15.1	0.2	(0.0)	14.3	0.8	6%
	454	422	21	11	427	(5)	-1%
System Office and inter-Center activities					5	(5)	
Challenge Programs Implemented by Partners							
Generation	11.0	7.5	-	3.5	1.1	6.4	580%
HarvestPlus	7.5	6.9	-	0.6	2.4	4.5	189%
Water and Food	6.8	6.9	-	(0.1)	1.9	5.0	263%
Sub-Saharan Africa	9.8	8.8	-	1.0	-	8.8	
Sub-total	35	30	-	5	5	25	458%
Total	489	452	21	16	437	15	3%

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 2006. The projected funding levels are based on confirmed and highly probable sources of forecasted grants, some of which are still being negotiated. However, funding whose probability is not high is considered "unidentified" and is captured in the column "other sources/reserves". The bulk of the unidentified funding (\$14.4 million) is concentrated at IFPRI (\$7.4 million) and CIMMYT (\$4.6 million).

The \$452 million in projected investor grants are 2 percent lower than the current estimate for 2005 but 4 percent above the 2004 actual.

Sources of Forecasted Growth in 2006 Funding:

Of the six major groups of investors, three (Europe, International and Regional Organizations and North America) are projected to increase their support in 2006 compared with 2004. The total projected increase from these three groups is \$29 million. However, this is offset by a reduction of \$14 million from the other groups for a net increase of \$15 million.

Europe continues to lead all groups in its support to the CGIAR. Compared with 2004, Europe is projected to increase its contribution by \$12 million (6 percent). The increase is mainly attributed to the European Commission (\$5 million), Netherlands (\$5 million), and the United Kingdom (\$2 million).

The International and Regional Organizations are forecast to increase their support by \$9 million (12 percent). The increases are mainly from AfDB (\$3.8 million), UNEP (\$3 million) and IFAD (\$2.1 million)^{1/}.

The increase from the North America group is projected at \$8.3 million (10 percent). Virtually, all of the increase is due to Canada's support to ILRI for the project *Application of Biotechnology to Secure Assets* and to CIP for *Natural Resources Management* project.

Annex I provide details of the 2006 projections and compares them with the 2005 estimates and 2004 actual amounts.

^{1/}The increase from ADB is attributed mainly to support the Sub-Saharan Africa Challenge Program while the increase from IFAD is allocated among various Centers. The increase from UNEP is to support IPGRI's projects on Agricultural Biodiversity and Ecosystems and Community Management of Agricultural Biodiversity and ICRISAT's project on Land, Water and Agro-Diversity Management-Agro Ecosystem Development (GTAE).

Beneficiaries of the Forecasted Growth in 2006 Funding:

A Center-by-Center analysis shows that four Centers (CIMMYT, ICARDA, IFPRI and ILRI) are projecting a decrease in their 2006 funding compared with 2004. All the other Centers are forecasting an increase in support. Table 2 provides details of the changes in amount and percentage terms.

Table 3 is a time series of CGIAR funding from 2003 to 2006.

Table 3. CGIAR Funding

(in \$ million)

Centers	2003	2004	2005	2006
	actual		estimate	proposal
Africa Rice	10.7	10.4	11.6	12.1
CIAT	32.0	36.3	36.7	36.3
CIFOR	13.6	14.8	16.2	16.5
CIMMYT	36.2	41.2	37.3	30.5
CIP	18.0	22.3	23.0	23.1
ICARDA	25.4	24.8	25.5	23.2
ICRISAT	23.2	27.7	30.3	29.8
IFPRI	26.5	32.8	39.1	32.5
IITA	36.6	42.8	44.9	45.5
ILRI	29.5	32.9	33.3	32.2
IPGRI	27.9	34.8	37.4	37.9
IRRI	27.3	32.4	34.5	32.6
ISNAR ^{1/}	8.3	5.8	-	-
IWMI	22.1	23.6	22.1	23.6
World Agroforestry	27.3	29.7	30.4	30.9
WorldFish	14.5	14.3	15.5	15.1
Center total	379	427	438	422
System Level				
System Office and Committees	7.0	9.0		
Unallocated Member funding		0.5		
Inter-Center activities	(5.2)	(4.7)		
Challenge Programs implemented by CGIAR Partners				
Generation		1.1	10.0	7.5
HarvestPlus		2.4	6.8	6.9
Water and Food		1.9	4.6	6.9
Sub-Saharan Africa			0.4	8.8
Sub-total	- ^{2/}	5	22	30
Total	381	437	460	452

^{1/} Became a program of IFPRI in 2004

^{2/} Total CP funding was \$8 million but due to the reporting format at the time, this was not segregated between Centers and Partners. Thus, the total CP investment is included in the Center totals.

Section IV: Analysis of the Investment Proposals from Various Dimensions

Changes in CGIAR Investment Growth Rates

2004–2006: From a time series perspective, \$489 million aggregate investment is proposed for 2006 compared with \$425 million actual level for 2004 and \$475 million estimated for 2005 (Table 4).

Table 4. CGIAR Investments
(in \$ million)

Centers	2003	2004	2005	2006	2007	2008	2006 vs		2006 vs 2008	
	actual		estimate	proposal	plan		2004	2005	Amount	%
Africa Rice	10.1	10.1	11.5	11.7	12.0	12.2	16%	2%	0.6	5%
CIAT	32.9	36.7	37.0	37.0	37.0	37.0	1%	0%	-	0%
CIFOR	13.6	15.1	16.8	16.9	17.3	17.6	12%	1%	0.7	4%
CIMMYT	37.5	41.1	39.1	36.9	38.0	39.1	-10%	-6%	2.2	6%
CIP	17.6	21.5	23.0	24.0	24.8	23.7	12%	4%	(0.3)	-1%
ICARDA	26.2	24.6	26.3	24.3	25.3	26.3	-1%	-8%	2.0	8%
ICRISAT	24.0	26.8	31.4	31.1	31.3	31.5	16%	-1%	0.4	1%
IFPRI	26.5	31.4	40.0	40.3	41.8	43.5	28%	1%	3.2	8%
IITA	37.7	42.6	49.8	50.8	49.8	50.0	19%	2%	(0.8)	-2%
ILRI	31.0	31.7	35.1	34.2	35.4	37.4	8%	-3%	3.2	9%
IPGRI	28.3	32.0	36.7	38.1	39.2	40.4	19%	4%	2.3	6%
IRRI	28.8	32.9	38.8	37.8	36.8	36.8	15%	-3%	(1.1)	-3%
ISNAR	12.8	2.4	-	-	-	-	-	-	-	-
IWMI	23.0	23.1	21.8	23.3	25.0	26.7	1%	7%	3.4	14%
World Agroforestry	27.4	28.5	30.3	31.3	32.4	33.8	10%	4%	2.5	8%
WorldFish	15.5	14.1	15.8	15.3	16.6	18.1	9%	-3%	2.7	18%
Center Sub-total	393	415	453	454	462	474	9%	0.2%	20	4%
System Level										
System Office and Committees	7.0	9.0								
Unallocated Member funding		0.5								
Inter-Center activities	(5.2)	(4.7)								
Challenge Programs implemented by CGIAR Partners										
Generation	-	1.1	9.2	11.0	12.9	12.1	900%	20%	1.1	10%
Harvestplus		2.4	5.8	7.5	16.1	17.9	213%	30%	10.4	139%
Water and Food	-	1.9	4.6	6.8	15.9	14.6	258%	49%	7.8	115%
Sub-Saharan Africa	-	-	2.2	9.8	15.9	16.3		351%	6.6	68%
Sub-total	-	5	22	35	61 ^{1/}	61 ^{1/}	549%	62%	26	74%
Total	395	425	475	489	523	535	15%	3%	46	9%

^{1/} This is comprised of components implemented by both the Centers and Partners. The breakdown of these totals is not yet available.

A majority of the Centers propose increases in their 2006 investments compared with 2004. Of these, only CIAT, ILRI, IWMI and WorldFish propose an increase below 10 percent, eight Centers (Africa Rice, CIFOR, CIP, ICRISAT, IITA, IPGRI, IRRI and World Agroforestry) propose increases between 10 to 20 percent, and only one Center, IFPRI, proposes an increase above 20 percent compared with the 2004 actual levels. Two Centers (CIMMYT and ICARDA) propose reduced levels of investment in 2006 compared with 2004 of 10 and 1 percent, respectively.

Of the thirteen Centers proposing increases over 2004, eight Centers (Africa Rice, CIFOR, CIP, IFPRI, IITA, IPGRI, IWMI and World Agroforestry) also show increases in 2006 when compared with their 2005 estimates. Four Centers (ICRISAT, ILRI, IRRI, and WorldFish) propose a slight decrease between 1 to 3 percent while CIAT's proposal remains constant.

2006–2008: Over the MTP period, CGIAR investments for Centers are projected to increase by \$20 million (4 percent), distributed among twelve Centers. The increase in absolute terms distributed over the majority of the Centers implies that investment levels will remain relatively stable over the MTP period. The average increase is about \$1.3 million during the period. As table 4 shows, the largest increase in absolute terms is \$3.4 million (IWMI). The second largest increase is by ILRI and IFPRI with about \$3.2 million each, followed by WorldFish, World Agroforestry, CIMMYT, ICARDA and IPGRI with approximately over \$2 million each and the rest CIFOR, Africa Rice and ICRISAT with less than \$1 million each. CIAT continues to project the same investment over this period. Three centers, CIP, IITA and IRRI projected a decrease between \$0.3 million and \$1.1 million.

In percentage terms, the highest rate of increase is by WorldFish (18 percent), followed by IWMI (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 investment levels in terms of Center shares in the CGIAR investment total.

2004–2006: The 2006 proposals show increases in the percentage share of the total CGIAR investments by five Centers (Africa Rice, ICRISAT IFPRI, IITA, and WorldFish) compared with 2004. On the other hand, one Center (CIMMYT) shows reduction by two percent and two Centers (ICARDA and IWMI) show reductions by one percent each in their shares of the CGIAR total. The remaining Centers (CIAT, CIFOR, CIP, ILRI, IPGRI, IRRI and World Agroforestry) maintain their shares.

When 2006 shares are compared with 2005, two Centers (Africa Rice and WorldFish) show increases of one percent each. Two Centers (CIMMYT and ICARDA) show reductions in their shares of the CGIAR total. All other Centers' shares remain stable.

2006–2008: Over the MTP period, all shares remain stable.

Table 5. CGIAR Investment Shares
(percentage shares of the annual Center totals)

Centers	2003	2004	2005	2006	2007	2008
	actual	actual	estimate	proposal	plan	plan
Africa Rice	3%	2%	2%	3%	3%	3%
CIAT	8%	8%	8%	8%	8%	8%
CIFOR	3%	4%	4%	4%	4%	4%
CIMMYT	10%	10%	9%	8%	8%	8%
CIP	4%	5%	5%	5%	5%	5%
ICARDA	7%	6%	6%	5%	5%	5%
ICRISAT	6%	6%	7%	7%	7%	7%
IFPRI	7%	8%	9%	9%	9%	9%
IITA	10%	10%	11%	11%	11%	11%
ILRI	8%	8%	8%	8%	8%	8%
IPGRI	7%	8%	8%	8%	8%	8%
IRRI	7%	8%	8%	8%	8%	8%
ISNAR	3%	1%	0%	0%	0%	0%
IWMI	6%	6%	5%	5%	5%	5%
World Agroforestry	7%	7%	7%	7%	7%	7%
WorldFish	4%	3%	3%	4%	4%	4%
Total	100%	100%	100%	100%	100%	100%

System Level Analysis

Allocation of Investment by CGIAR Output:

2004–2006: At the system level, the proposed investments by output imply shifts in the shares between 2004 and 2006 (Table 6). The share of Germplasm Improvement increases by one percent and Policy and Enhancing NARS increase by two percent each. On the other hand, the share of Germplasm Collection decreases by two percent and that of Sustainable Production decreases by three percent.

2006–2008: Over the MTP period the shares of all the outputs remain constant.

Table 6. Allocation of CGIAR Investments by Output
(percentage)^{1/}

	2003	2004	2005	2006	2007	2008
	actual		estimate	proposal	plan	
Germplasm Improvement	17%	17%	18%	18%	18%	18%
Germplasm Collection	11%	12%	11%	10%	10%	10%
Sustainable Production	34%	35%	32%	32%	32%	32%
Policy	16%	16%	18%	18%	18%	18%
Enhancing NARS	22%	20%	21%	22%	22%	22%
Total	100%	100%	100%	100%	100%	100%

^{1/} Totals may not add up due to rounding

Allocation of Investments by Object of Expenditure

A fifth object of expenditure, Collaboration/Partnerships was introduced in 2004 as required by the new CGIAR Accounting guidelines which became effective in 2004.

The only shift between 2004 and 2006 is the increase of one percent in personnel and the reduction of one percent in travel. Supplies and services, collaboration/ partnerships, travel and depreciation remain stable.

There are no shifts in the shares of objects of expenditure during the MTP period, as illustrated in Table 7 below.

Table 7. CGIAR Investments by Object of Expenditure

(percentage) ^{1/}

	2003	2004	2005	2006	2007	2008
	actual		estimate	proposal	plan	
Personnel	46%	45%	45%	46%	46%	46%
Supplies and Services	31%	29%	30%	29%	29%	29%
Collaboration/ Partnerships	12%	14%	14%	14%	14%	14%
Travel	7%	8%	7%	7%	7%	7%
Depreciation	4%	4%	4%	4%	4%	4%
Total	100%	100%	100%	100%	100%	100%

^{1/} Totals may not add up due to rounding

Allocation of Investments by Region:

The proposed investment in 2006 implies stability in regional allocation except for Asia and Latin America and Caribbean.

Over the plan period (2006–2008), the regional share for SSA increases by one percent with a corresponding decrease in the allocation for Latin America and Caribbean, as illustrated in Table 8.

Table 8. CGIAR Investments by Developing Region

(percentage) ^{1/}

	2003	2004	2005	2006	2007	2008
	actual		estimate	proposal	plan	
Sub-Saharan Africa (SSA)	45%	47%	47%	48%	48%	48%
Asia	32%	32%	32%	30%	30%	30%
Latin America and the Caribbean (LAC)	14%	12%	13%	13%	13%	13%
Central, West Asia and North Africa (CWANA)	9%	9%	9%	9%	9%	9%
Total	100%	100%	100%	100%	100%	100%

^{1/} Totals may not add up due to rounding

Annex 1: Support to CGIAR Research Agenda by Investor 2004-2006

(in \$ million)

Note: 2004 figures are actual; 2005 and 2006 are from financing plans submitted. The 2006 have not yet been validated.

Members	2004 ¹	2005	2006	Change, 2006 vs.		% Change, 2006 vs.	
	actual	estimate	proposal	2004	2005	2004	2005
Europe							
Austria	1.7	2.9	2.4	0.7	(0.5)	41%	-16%
Belgium	7.0	6.3	6.8	(0.2)	0.5	-3%	8%
Denmark	8.2	7.6	6.7	(1.5)	(0.9)	-18%	-12%
European Commission	26.3	31.5	31.5	5.2	(0.0)	20%	0%
Finland	1.9	1.8	1.8	(0.1)	0.1	-4%	4%
France	6.3	6.4	6.4	0.1	(0.0)	1%	0%
Germany	15.3	15.8	17.5	2.2	1.7	15%	11%
Ireland	3.4	3.7	3.6	0.2	(0.1)	5%	-2%
Israel	0.1	0.5	0.5	-	-	0%	0%
Italy	7.2	6.4	6.9	(0.3)	0.4	-4%	7%
Luxembourg	0.6	0.6	0.3	(0.3)	(0.2)	-44%	-42%
Netherlands	20.9	26.2	25.5	4.6	(0.7)	22%	-3%
Norway	11.7	11.9	11.5	(0.2)	(0.4)	-1%	-3%
Spain	2.3	2.7	2.4	0.1	(0.4)	2%	-13%
Sweden	14.6	14.5	14.4	(0.2)	(0.1)	-2%	-1%
Switzerland	18.1	17.7	16.7	(1.4)	(1.0)	-8%	-6%
United Kingdom	35.3	36.0	37.8	2.5	1.8	7%	5%
Sub-total	181.0	192.6	192.8	11.5	0.3	6%	0%
North America							
Canada	32.5	36.2	39.5	7.0	3.3	21%	9%
United States	54.2	55.5	55.5	1.3	0.0	2%	0%
Sub-total	86.7	91.7	95.0	8.3	3.3	10%	4%
Pacific Rim							
Australia	8.8	8.6	8.4	(0.4)	(0.3)	-5%	-3%
Japan	14.4	13.0	12.5	(1.9)	(0.5)	-13%	-3%
Korea	1.5	1.8	1.5	0.0	(0.3)	1%	-14%
New Zealand	1.2	1.4	1.4	0.2	0.1	21%	5%
Sub-total	25.9	24.8	23.9	(2.1)	(0.9)	-8%	-4%
Developing Countries							
Brazil	0.2	0.2	0.2	(0.0)	0.0	-13%	1%
China	1.0	0.8	0.8	(0.2)	(0.0)	-24%	-1%
Colombia	1.9	1.1	1.1	(0.8)	0.0	-41%	2%
Cote d'Ivoire	0.1	0.1	0.1	0.1	-	0%	0%
Egypt	0.6	0.6	0.5	(0.1)	(0.1)	-14%	-9%
India	1.4	1.3	1.7	0.3	0.4	21%	31%
Indonesia	0.2	0.1	0.1	(0.1)	-	-74%	0%
Iran	1.0	1.4	1.1	0.1	(0.3)	10%	-23%
Kenya	0.6	0.1	0.1	(0.5)	(0.0)	-88%	-20%
Malaysia	0.3	0.3	0.3	-	-	0%	0%
Mexico	1.6	0.1	0.0	(1.6)	(0.1)	-97%	-62%
Morocco	0.5	0.5	0.5	(0.0)	0.0	0%	0%
Nigeria	4.6	4.9	4.9	0.3	-	0%	0%
Pakistan	0.2	0.1	0.2	(0.0)	0.1	0%	154%
Peru	0.6	0.4	0.2	(0.4)	(0.2)	-64%	-42%
Philippines	0.4	0.4	0.3	(0.1)	(0.1)	-25%	-16%
South Africa	0.8	0.5	0.5	(0.3)	(0.0)	-38%	-2%
Syria	0.5	0.5	0.5	-	-	0%	0%
Thailand	0.2	0.1	0.1	(0.1)	0.0	-31%	1%
Turkey	0.5	0.5	0.5	-	-	0%	0%
Uganda	0.3	0.2	-	(0.3)	(0.2)	-100%	-100%
Sub-total	16.5	13.9	13.5	(3.3)	(0.4)	-20%	-3%
International & Regional Organizations							
ADB	5.0	3.9	5.1	0.1	1.2	2%	32%
AFDB	0.4	1.0	4.2	3.8	3.2	951%	340%
Arab Fund	1.2	1.0	0.8	(0.4)	(0.2)	-35%	-23%
FAO	1.5	1.5	1.4	(0.1)	(0.1)	-4%	-4%
Gulf Cooperation Council	0.1	0.4	0.5	0.4	0.1	369%	25%
IDB	0.3	0.0	0.5	0.2	0.4	54%	885%
IFAD	6.2	9.1	8.3	2.1	(0.8)	34%	-9%
OPEC	0.5	0.2	0.2	(0.3)	(0.0)	-64%	-1%
UNDP	1.1	0.8	1.2	0.1	0.4	9%	47%
UNEP	6.6	6.9	9.6	3.0	2.7	46%	40%
World Bank	50.0	50.0	50.0	-	-	0%	0%
Sub-total	72.8	74.7	81.8	9.0	7.0	12%	9%
Foundations							
Ford Foundation	0.9	1.2	0.8	(0.1)	(0.5)	-14%	-38%
IDRC	2.9	4.0	3.5	0.6	(0.5)	22%	-12%
Kellogg Foundation	0.4	0.2	0.1	(0.3)	(0.0)	-65%	-13%
Rockefeller Foundation	8.5	8.5	7.7	(0.8)	(0.7)	-9%	-9%
Synqenta Foundation	0.8	0.8	0.4	(0.4)	(0.4)	-48%	-50%
Sub-total	13.5	14.7	12.6	(0.9)	(2.1)	-7%	-14%
Non-CGIAR Members	40.4	47.6	32.8	(7.6)	(14.8)	-19%	-31%
Total	437	460	452	15	(8)	3%	-2%

Annex 2: Actual vs. Approved ^{1/} Investments by Center

(in \$ million and percent)

Center	2002			2003			2004		
	Approved	Actual	Difference ^{2/}	Approved	Actual	Difference ^{2/}	Approved	Actual	Difference ^{2/}
Africa Rice	10.9	9.8	-10%	10.5	10.1	-4%	11.2	10.1	-10%
CIAT	31.2	32.6	4%	32.4	32.9	2%	34.4	36.7	7%
CIFOR	14.0	11.7	-16%	13.1	13.6	4%	14.5	15.1	4%
CIMMYT	37.5	41.5	11%	34.5	37.5	9%	39.8	41.1	3%
CIP	21.1	19.3	-9%	19.5	17.6	-10%	22.0	21.5	-2%
ICARDA	21.4	24.3	14%	28.1	26.2	-7%	23.0	24.6	7%
ICRISAT	22.0	24.8	13%	22.3	24.0	8%	23.0	26.8	17%
IFPRI	22.0	23.5	7%	23.4	26.5	13%	36.7	31.4	-14%
IITA	34.1	32.7	-4%	35.8	37.7	5%	36.9	42.6	15%
ILRI	30.1	28.8	-4%	27.7	31.0	12%	28.9	31.7	10%
IPGRI	24.5	25.7	5%	28.8	28.3	-2%	30.7	32.0	4%
IRRI	34.0	33.6	-1%	28.9	28.8	0%	31.0	32.9	6%
ISNAR ^{3/}	9.1	8.9	-2%	11.4	12.8	12%	9.6	2.4	-75%
IWMI	14.3	20.8	45%	17.9	23.0	28%	22.5	23.1	3%
World Agroforestry	25.6	21.9	-14%	25.9	27.4	6%	28.7	28.5	-1%
WorldFish	14.3	12.3	-14%	15.6	15.5	-1%	15.4	14.1	-8%
Total	366	372	2%	376	393	5%	408	415	2%

^{1/} Proposed by Centers and approved by the Group at the AGM preceding the financial year.

^{2/} Negative percentage difference indicates that Center's actual investment was less than the approved whereas a positive percentage indicates that the actual was higher.

^{3/} Became a program of IFPRI in 2004

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Attachment

Summary of the 2006 Financing Plans and the 2006-2008 Medium-Term Plans of the CGIAR Centers and Challenge Programs

Attached as part of the paper "**Investment Proposals and Financing of the 2006 CGIAR Research Agenda**", are the summary analyses of the Financing and Medium-Term Plans of the fifteen CGIAR Centers and four Challenge Programs, as well as their Project Cost Allocation tables.

Index of the 2006 Center Proposals and Project Costs:

- Attachment 1a: Africa Rice Center (WARDA)
- Attachment 1b: Centro Internacional de Agricultura Tropical (CIAT)
- Attachment 1c: Center for International Forestry Research (CIFOR)
- Attachment 1d: Centro Internacional de Mejoramiento de Maiz y Trigo (CIMMYT)
- Attachment 1e: Centro Internacional de la Papa (CIP)
- Attachment 1f: International Center for Agricultural Research in the Dry Areas (ICARDA)
- Attachment 1g: International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)
- Attachment 1h: International Food Policy Research Institute (IFPRI)
- Attachment 1i: International Institute of Tropical Agriculture (IITA)
- Attachment 1j: International Livestock Research Institute (ILRI)
- Attachment 1k: International Plant Genetic Resources Institute (IPGRI)
- Attachment 1l: International Rice Research Institute (IRRI)
- Attachment 1m: International Water Management Institute (IWMI)
- Attachment 1n: World Agroforestry Center (ICRAF)
- Attachment 1o: WorldFish Center (ICLARM)
- Attachment 1p: Generation Challenge Program
- Attachment 1q: Challenge Program on Water and Food
- Attachment 1r: HarvestPlus Challenge Program
- Attachment 1s: Sub Saharan Africa Challenge Program

Attachment 1a: Africa Rice Center (WARDA)

Proposal

Africa Rice Center continues to focus on two major challenges – Integrated Rice Production Systems and Rice Policy and Development initially envisioned in its 2003-2012 Strategic Plan. Except for the change recommended by Center-commissioned Review on Inland Valley Consortium, all other program structure proposed in the 2005-2007 MTP was put in place efficiently. Due to the relocation and consolidation of WARDA staff in Cotonou, Benin, it is expected that WARDA is in an ideal position to implement this MTP.

Financial Highlights

2004 Outcome

Actual investment in 2004 was \$10.1 million, the same as in 2003. This was financed by \$10.4 million in donor grants and \$0.1 million in Center income. Although funding was reduced by 3%, the center still managed to end up with a surplus of \$0.4 million that further strengthened its working capital and equity position.

2005 Outlook

WARDA estimates its 2005 investment at \$11.5 million, approximately 14% higher than 2004 actual. Although unrestricted funding is reduced by 19%, the 74% increase in restricted support strengthened total funding by 11% equivalent to \$1.19 million. The increase in investment over funding reduced the estimated surplus from \$0.4 million in 2004 down to \$0.2 million in 2005. This will maintain WARDA's reserve position in 2005 at the 2004 level.

2006 Proposal

The proposed funding of \$12.2 million composed of \$12.1 million in grant income and \$0.1 million in Center income, includes a slight decrease of 2% in unrestricted funding and a 10% increase in restricted support compared to the current estimate. With a planned spending of \$11.7 million, a net increase to reserves of \$0.5 million is expected that places WARDA in stronger financial position to enable the Center implement the plans set out in the MTP.

CGIAR share:

	Share of CGIAR investment
2004 actual	2%
2005 estimate	2%
2006 proposal	3%

2006-2008 Program Highlights:

Africa Rice Center is one of the convening Centers for the concerted effort to address the impact of HIV/AIDS on agriculture, agricultural productivity, food security, health and nutrition, through the interventions of agricultural research and development. Africa Rice Center also leads the Systemwide program of Inland Valley Consortium. The Consortium released the West African Inland Valley Information System (WAIVIS) for the first time in 2005. This was initiated to improve the livelihood of rural communities through sustainable use of technologies that fulfill the potential of the inland valleys to provide additional food. The Consortium will develop appropriate technologies that will help farmers to profitably increase productivity, while conserving the environment and biodiversity.

Due to the success of NERICA, a new dimension in the form of lowland NERICA will be introduced. With the high potential of the lowlands in Africa, the new rice is expected to go beyond the impact upland NERICA varieties had.

After a temporary relocation to Bamako, Mali, the Center is now fully operational in Cotonou, Benin and is continuing a full and uninterrupted research portfolio both there and at its regional research satellites.

Africa Rice Center (WARDA) – Cost Allocation by Project & Output
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
001 Enhancing Productivity and Stability of Upland Rice-based Systems	1.5	1.5	1.5	1.6
002 Sustainable Intensification of Lowland Rice-based Systems for Enhanced Livelihoods	2.2	2.2	2.3	2.3
003 Enhancing the Performance of Irrigated Rice-based Systems in Africa	1.6	1.6	1.6	1.7
004 Integrated Management of Drought in Rainfed Rice Ecosystems in Africa	0.9	0.9	0.9	1.0
005 Rice Policy and Technology Impact for Food Security and Poverty Reduction	0.8	0.8	0.8	0.8
006 Mitigating Human and Environmental Effects on Rice-based Livelihoods	0.6	0.7	0.7	0.7
007 The Consortium for the Sustainable Development of Inland Valley Agro-ecosystems SSA (IVC)	1.7	1.8	1.8	1.8
008 Partnerships through Networks	2.2	2.2	2.3	2.3
Total	11.5	11.7	11.9	12.2

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	2.4	2.5	2.5	2.6
Germplasm Collection	1.3	1.4	1.3	1.4
Sustainable Production	4.1	4.1	4.2	4.3
Policy	0.9	0.9	1.0	1.0
Enhancing NARS	2.8	2.8	2.9	2.9
	11.5	11.7	11.9	12.2

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

Proposal

CIAT proposes an investment of \$37 million in 2006, the same as in 2005. This is 1% higher than the 2004 actual level of \$36.7 million. The proposed investment is to be financed by \$36.3 million in grant income and \$0.9 million in center income, with a projected surplus of \$0.2 million.

Financial Highlights

2004 Outcome

Total investment amounted to \$36.7 million, financed by \$36.3 million in grant income and \$1 million in center income, resulting in a surplus of \$0.6 million. The investment represents 12% increase over 2003. Working capital days increased from 75 days in 2003 to 77 days in 2004. Reserves in expenditure days increased from 58 to 63. Thus, although still below the CGIAR recommended targets, CIAT's financial indicators improved in 2004.

2005 Outlook

CIAT estimates total investment of \$37 million in 2005 which is higher by 1% over the 2004 actual. This will be financed by \$36.7 million in grant income and \$0.8 million in center income. A surplus of \$0.5 million is expected for 2005, which will be added to reserves. Canada, USA and Switzerland remain the top three CIAT donors for 2005.

2006 Proposal

The proposed investment of \$37 million will result in a surplus of \$0.2 million for the Center. In 2006, unrestricted funding is projected to decrease by \$0.9 million and restricted funding is projected to increase by \$0.8 million in 2006. The decrease in unrestricted funding is expected to be compensated by the decrease in unrestricted expenditure and additional cost recovery from the restricted projects.

CGIAR shares:

	Share of CGIAR investment
2004 actual	8%
2005 estimate	8%
2006 proposal	8%

2006-2008 Program Highlights:

CIAT's 2006-08 MTP, like the previous MTP, is focused around three research for development challenges:

- Sharing the benefits of agrobiodiversity
- Improving management of agro ecosystems in the tropics
- Rural innovation

The three research focus reflects the critical conditions for sustainable rural livelihoods identified in 2001 in the Strategic Plan 2001-2010.

CIAT convenes the Systemwide Program on Participatory Research and Gender Analysis for Technology Development and Institutional Innovation (PRGA Program) that is now in Phase Two. The major goal in Phase two is to mainstream gender analysis and equitable participatory research to promote learning and change through partnerships with CG Centers, NARS and civil society groups, so that they can better target the demands of beneficiary groups, particularly poor women.

Although CIAT dropped the Systemwide Soil Water Nutrient Management Program, a substantial part of CIAT's work along these lines continues within the framework of the Tropical Soil Biology Fertility Institute, and it is intended to strengthen partnerships with the Sub-Saharan Africa Challenge Program and the Food and Water Challenge Program.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
BP-1: Impact Assessment	0.9	0.9	0.9	0.9
CP-1: Biofortification for Improved human Nutrition Challenge	1.6	2.1	2.1	2.9
IP-1: Bean Improvement for the Tropics	4.5	4.5	4.5	4.4
IP-3: Improve Cassava for the Developing World	2.4	2.4	2.4	2.4
IP-4: Improved Rice for Latin America and the Caribbean	2.1	2.1	2.1	2.0
IP-5: Tropical Grasses and Legumes	2.5	2.4	2.5	2.4
IP-6: Tropical Fruits	0.4	0.4	0.4	0.3
PE-1: Integrated Pest and Disease Management	1.6	1.5	1.6	1.5
PE-2: Integrated Soil Fertility Management in the Tropics	5.4	5.4	5.4	5.3
PE-3: Communities and Watersheds	1.9	1.9	1.9	2.0
PE-4: Land Use in Latin America	1.6	1.6	1.6	1.6
SB-2: Conservation and Use of Tropical Genetic Resources	6.9	6.9	6.9	6.7
SN-1: Rural Agroenterprises Development	1.5	1.5	1.5	1.4
SN-3: Participatory Research	1.1	1.1	1.1	1.1
SN-4: Information and Communication in Rural Communities	1.1	1.1	1.1	1.1
SW-3: Participatory Research and Gender Analysis - PRGA -	1.5	1.2	1.0	1.0
Total	37.0	37.0	37.0	37.0
Summary by CGIAR Output:				
	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	12.5	12.6	12.7	12.8
Germplasm Collection	6.1	6.2	6.1	6.2
Sustainable Production	10.9	10.8	10.7	10.6
Policy	1.7	1.7	1.7	1.7
Enhancing NARS	5.8	5.7	5.8	5.7
	37.0	37.0	37.0	37.0

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

Proposal

The Center proposes an investment of \$16.9 million in 2006, 12% higher than the 2004 actual. The proposed investment is to be funded by \$16.5 million in grant income and \$0.3 million in Center income resulting in a deficit of \$0.1 million. This deficit (and that estimated for 2005) is attributed to the upcoming second EPMR. CIFOR's Board approved a strategy to gradually reduce the reserves towards its long standing internal targets.

Financial Highlights

2004 Outcome

Actual investment was \$15.1 million, 11% higher than in 2003. This was funded by \$14.8 million in grant income, and \$0.2 million in Center income with a deficit of \$0.1 million that was planned and was covered from reserves.

2005 Outlook

CIFOR's estimated investment of \$16.8 million is 11% higher than the 2004 actual level. It will be financed by \$16.2 million in grant income and \$0.4 million in Center income with a projected deficit of \$0.2 million attributed to CIFOR's second EPMR which will begin in late 2005 and finish in mid – 2006.

2006 Proposal

The proposed investment of \$16.9 million in 2006 includes a planned deficit of \$0.1 million to be funded from reserves. Revenues are expected to increase slightly. The proportion of the Agreed Research Agenda financed by restricted grants is expected to be approximately 54% of the donor funding throughout the MTP period.

CGIAR share:

	Share of CGIAR investment
2004 actual	4%
2005 estimate	4%
2006 proposal	4%

2006-2008 Program Highlights

CIFOR presented its programmatic research strategies last year. These strategies are now being operationalised through the Project Portfolio presented in this MTP. There have been a few minor changes in the project and project sub-theme titles and objectives to better reflect the directions of the projects. In this MTP, rehabilitation of degraded landscapes is moved into Project 3 "*Ecosystem Functions and services in Forested Catchments*". The project previously called "*Ecosystem Functions and services in Forested Catchments*" (Project 3) has been changed to "*Forest Ecosystem Services*" for the sake of brevity.

Although there are some small changes in the structure of the portfolio, the main focus and priorities of CIFOR's research over the coming triennium build on plans presented in previous MTPs.

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

	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Project				
Project 1: Sustainable Use of Forests	1.5	1.5	1.6	1.6
Project 2: Biodiversity in Fragmented Landscapes	3.2	3.3	3.3	3.4
Project 3: Forest Ecosystem Services	1.8	2.5	2.5	2.6
Project 4: Governance of Multi-stakeholder Forested Landscapes	3.9	4.1	4.2	4.2
Project 5: Forest Finance and Trade, Law Enforcement and Corporate Accountability	1.6	1.0	1.1	1.1
Project 6: Managing Landscape Mosaics for Sustainable Livelihoods	2.1	2.4	2.4	2.5
Project 7: Improving Human Well-being through Forests	2.3	2.0	2.1	2.1
Project 8: Global Public Goods and Impact Assessment	0.4	0.1	0.1	0.1
Total	16.8	16.9	17.3	17.6

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	.0	.0	.0	.0
Germplasm Collection	3.7	3.8	3.9	4.0
Sustainable Production	8.5	9.0	9.2	9.4
Policy	3.2	3.2	3.3	3.3
Enhancing NARS	1.4	0.9	0.9	0.9
	16.8	16.9	17.3	17.6

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

Proposal

CIMMYT proposes an investment of \$36.9 million in 2006, 10% lower than the 2004 actual. The proposed investment is to be funded by \$35.1 million in grant income. Unrestricted grants from donors are predicted to decline in both 2005 and 2006 due to a combination of real reduction in investments from certain donors compounded by a strengthening of the US dollar from the levels of previous years. However, overall unrestricted resources will not decline appreciably due to improvements in investment income.

Financial Highlights

2004 Outcome

Actual investment was \$41.1 million, 10% higher than the 2003 level. CIMMYT was able to increase reserves from approximately \$3.0 million (30 days of operating expenditure) to a level in excess of \$4.8 million (86 days). This increase represents a substantial move towards the Board and Management's stated goal of building reserves to the CGIAR recommended standard of 75-90 days by December 2007.

2005 Outlook

CIMMYT's estimated investment of \$39.1 million is 5% lower than the 2004 actual. Projected revenues for 2005 are slightly less than the 2004 actual result due to the fact that the short-term impact of expenditures incurred in the implementation of the strategic plan will reduce significantly in 2005.

2006 Proposal

The proposed investment is \$36.9 million in 2006. This investment is 6% lower than the 2005 level. CIMMYT has budgeted to put aside \$2 million per year over the 2005-2006 periods to reach the target.

In its proposal, CIMMYT has yet to identify approximately \$4.6 million or 12% of the budget, but is confident that this funding will be achieved through active fund raising efforts that are currently being implemented by the restructured management team. An important part of this unidentified funding- \$1 million relates to management's plan to recruit two senior wheat breeders and two senior maize breeders. Overall, the Center plans to recruit seven additional IRS in 2006, subject to funding availability.

CGIAR share:

	Share of CGIAR investment
2004 actual	10%
2005 estimate	9%
2006 proposal	8%

2006-2008 Program Highlights

Looking to 2006, CIMMYT continues to see breeding for specific traits important to the most marginalized poor farmers and their families as vital in the coming years. The world-leading work in drought tolerance in both wheat and maize will continue both via traditional channels and in the case of wheat by the continued exploration of the potential of genetic enhancement with the genes from other drought tolerant species. CIMMYT will also leverage its global leadership position to embark on mega initiatives such as one to pre-empt a potential stem rust pandemic in wheat.

For much of the work outlined in the center's vision, partnerships will be an essential element of moving forward. Among others, these partnerships will involve sister centers namely ICARDA and IIRRI.

CIMMYT views its participation in the Challenge Programs as an integral part of its strategy for partnership development. This includes the hosting of the Generation CP and participation in the HarvestPlus, Water and Food and Sub-Saharan Africa CP's. CIMMYT is also a member of the Rice-Wheat Consortium for the Indo-Gangetic Plains (RWC) to address issues of intensively-cultivated, irrigated and cropping system from which more than 300 million people in South Asia derive their livelihoods.

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

	Estimate	Proposed	Plan	Plan
Project	2005	2006	2007	2008
1. Genetic Resources	7.7	7.0	7.2	7.4
2. Impacts Targeting and Assessment	3.0	2.4	2.4	2.5
3. Sustaining African Livelihoods	10.1	9.6	9.9	10.2
4. Rainfed Wheat Systems	4.7	5.1	5.3	5.4
5. Tropical Ecosystems	4.7	4.5	4.6	4.7
6. Intensive Agroecosystems	7.5	7.1	7.3	7.6
8. Rice-Wheat Consortium for the Indo-Gangetic Plains	1.4	1.2	1.2	1.3
Total	39.1	36.9	37.9	39.1
Summary by CGIAR Output:				
	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	11.7	11.2	11.5	11.8
Germplasm Collection	8.1	7.6	7.8	8.1
Sustainable Production	9.6	9.4	9.7	10.0
Policy	3.6	3.0	3.1	3.2
Enhancing NARS	6.1	5.7	5.8	6.0
	39.1	36.9	37.9	39.1

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

Proposal

The proposed investment of \$24 million in 2006 is 12% higher than the 2004 actual of \$21.5 million and 4% higher than the 2005 estimates of \$23 million. This is projected to be funded by \$23.1 million in grant income and \$0.3 million in Center income, resulting in a surplus of \$0.6 million in 2006.

Financial Highlights

2004 Outcome

Actual investment was \$21.5 million, 22% higher than the 2003 level. The investment was financed by \$22.3 million in grant income, \$0.3 million Center income resulting in a surplus of \$1.1 million. This exceeded expected outcome in the budget by 162%, increasing the Center's financial reserves to \$ 5.7 million, which represents 99 days of working capital.

2005 Outlook

CIP estimates total investment of \$23 million in 2005, which is 7% above the actual for 2004. This investment will be funded by \$23 million in grant income and \$0.3 million in Center income, resulting in a surplus of \$0.3 million and will increase CIP's reserves from \$5.7 million to \$6.0 million. Restricted contributions will grow by \$1.4 million or 10%. The start of new special projects explains this increase. Restricted revenue growth is expected to compensate for the fall of unrestricted contributions, which is mainly due to the contribution decrease from one major donor.

2006 Proposal

The proposed investment of \$24 million will result in a surplus of \$0.6 million for the Center. CIP will continue to emphasize its work on its mandate crops, linking research to activities that will eventually have a strong development impact and contribute to the prioritized Millennium Development Targets. To that end, the Center plans to raise the share of its project portfolio in Africa and Asia starting in 2005, but the effects of a higher presence in those regions will be more noticeable in 2007 and 2008.

CGIAR share:

	Share of CGIAR investment
2004 actual	5%
2005 estimate	5%
2006 proposal	5%

2006 - 2008 Program Highlights

The 2006 project portfolio presented in this document differs both in structure and content from the 2005 portfolio. The change in structure results from CIP's decision to respect the MTP preparation guidelines and report projects on the basis of Research Divisions and the CGIAR Systemwide and Ecoregional Programs hosted by the Center. The change in content results from new research outcomes and tools, new projects and, in the case of CONDESAN, new strategic planning.

CIP is the host institution for two Systemwide programs, the Global Mountain Program and Urban Harvest, and one Ecoregional Program CONDESAN. CIP is also participating in other partnerships such as the four Challenge Programs, Systemwide Genetic Resources Program, Systemwide Program on Integrated Pest Management and other Ecoregional programs and CGIAR collective action initiatives.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
01 Impact Enhancement	2.8	2.2	2.0	2.0
02 Genetic Resources Conservation and Characterization	2.5	2.1	2.4	2.4
03 Germplasm Enhancement and Crop Improvement	7.5	7.3	7.5	7.0
04 Integrated Crop Management	4.6	4.4	4.6	4.1
05 Natural Resource Management	1.7	3.0	2.8	2.7
06 Agriculture and Human Health	0.5	0.4	1.2	1.0
07 Consortium for the Sustainable Development of the Andean Ecoregion - CONDESAN	.8	1.7	1.7	1.5
08 Global Mountain Program	2.0	1.8	1.3	1.3
09 Urban Harvest	0.6	1.1	1.3	1.7
Total	23.0	24.0	24.8	23.7

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	5.5	5.3	5.7	5.4
Germplasm Collection	2.5	2.2	2.4	2.3
Sustainable Production	7.8	8.7	9.1	8.6
Policy	1.9	2.2	2.3	2.3
Enhancing NARS	5.3	5.6	5.3	5.1
Total	23.0	24.0	24.8	23.7

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

Proposal

The proposed plan is an update of the major restructuring of the Center's portfolio in the 2005-2007 MTP which was developed in response to the recommendation of the Center-Commissioned External Review in 2003 and a review of ICARDA's research project portfolio in 2004. There are no significant changes in its six mega-projects.

Financial Highlights

2004 Outcome

Actual investment was \$24.6 million representing a 6% increase over 2003. The investment was financed by \$24.8 million in grants and \$0.5 million in Center income ending in a surplus of \$0.7 million. Key financial indicators such as liquidity and adequacy of resources remain strong and well above the CGIAR recommended standards.

2005 Outlook

ICARDA's estimated investment for 2005 is \$26.3 million, 7% higher than the 2004 actual. The investment is expected to be financed by \$25.5 million in grants and \$0.8 million in Center income meeting ICARDA's aim of a balanced budget.

2006 Proposal

The \$24.3 million proposed investment represents an 8% decrease over 2005 estimates. The Center's projected investment in 2006, funded by \$23.2 million in grant income and \$1.1 million in Center income and other sources.

CGIAR share:

	Share of CGIAR investment
2004 actual	6%
2005 estimate	6%
2006 proposal	5%

2006-2008 Program Highlights:

ICARDA's research portfolio comprises six mega-projects. Four of these mega-projects, MP1-MP4, address specific thematic problems, while the other two are crosscutting in nature. MP5 supports the entire research agenda while MP6 focuses on the management of and dissemination to end users of the research knowledge generated in MP1-MP5.

ICARDA leads the Collaborative Research Program for Sustainable Agricultural Development in Central Asia and the Caucasus (CAC) and continues to participate in other Systemwide programs. ICARDA is also an active partner in six of the IT-KM projects and leads the project "Utilization of Intelligent Information for Plant Protection".

The Center's research is designed as a single coherent poverty-focused program, sub-divided into six mega-projects.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Collaborative Research Program for Sustainable Agricultural Development in Central Asia & Caucasus	0.2	0.2	0.2	0.2
MP1. Management of Scarce Water Resources and Mitigation of Drought	3.4	2.9	3.0	3.1
MP2. Integrated Gene Management - Conservation, improvement and sustainable use of agrobiodiversity	8.5	7.1	7.3	7.6
MP3. Improved Land Management to Combat Desertification	2.1	1.7	1.8	1.9
MP4. Diversification and Sustainable Improvement of Rural Livelihoods	7.0	7.3	7.6	7.9
MP5. Poverty and Livelihoods Analysis	1.7	1.7	1.8	1.9
MP6. Knowledge Management and Dissemination for Sustainable Development	3.4	3.4	3.5	3.6
Total	26.3	24.3	25.2	26.2

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	6.7	5.8	6.0	6.3
Germplasm Collection	1.8	1.2	1.3	1.3
Sustainable Production	13.4	12.8	13.3	13.8
Policy	0.8	0.9	0.9	0.9
Enhancing NARS	3.6	3.6	3.7	3.9
	26.3	24.3	25.2	26.2

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

Proposal

The Center proposes an investment of \$31.1 million for 2006, which is 17% higher than the 2004 actual investment and 1% lower than the 2005 estimate. ICRISAT has 5 global themes in 2004, however, as one of these themes was much smaller than the others for logistical purposes it was decided to consolidate the global themes further. Two of the smaller themes have been amalgamated to form a new global theme.

Financial Highlights

2004 Outcome

The actual investment of \$26.8 million was financed by \$27.7 million in grant income, \$2.3 million in Center income resulting in a surplus of \$3.2 million. Investment in 2004 is 12% higher as compared to 2003 actual investment. For 2004 the liquidity indicator was 287 days and the long term financial stability indicator was 124 days. Both indicators are substantially above CGIAR target thresholds.

2005 Outlook

ICRISAT estimates total investment of \$31.4 million in 2005, 17% higher than the 2004 actual level. The investment is to be financed by \$30.3 million in grant income, \$0.8 million in Center income and a draw down from reserves of \$0.3 million.

2006 Proposal

The proposed investment level of \$31.1 million will be financed by \$29.8 million and \$1.3 million in Center income. Unrestricted funding will remain at more or less the same level as in the previous years.

CGIAR share:

	Share of CGIAR investment
2004 actual	6%
2005 estimate	7%
2006 proposal	7%

2006-2008 Program Highlights:

ICRISAT's 2006-08 MTP has been developed in response to the EPMR recommendations and Governing Board direction to strengthen research ad impact in all regions, particularly in Sub-Saharan Africa, adopted a decentralized regional approach to research and management. ICRISAT's new organizational structure now reflects this through a combination of regional mega projects -- West and Central Africa (WCA), Eastern and Southern Africa (ESA) and Asia from which planning, research execution, research outputs, and budgetary control are now being promulgated by regional directors.

ICRISAT is the executing agency of the Desert Margin Program (DMP) while the Global Environment Facility (GEF) Implementing Agency is the United Nations Environment Program (UNEP).

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Global theme 1: Harnessing Biotechnology for the Poor	6.3	6.1	6.1	6.2
Global theme 2: Crop Improvement, Management and Utilization for Food Security and Health	8.9	10.3	10.4	10.5
Global theme 3: Land, Water and Agro-Diversity Management – Agro-ecosystem Development (GTAE)	10.1	10.4	10.4	10.4
Global theme 4: Sustainable Seed Supply Systems for Productivity				
Global theme 6: SAT Futures and Development Pathways				
Global Theme on Markets, Policy and Impact	6.1	4.3	4.4	4.4
Total	31.4	31.1	31.3	31.5

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	9.4	10.8	10.8	10.9
Germplasm Collection	2.5	2.0	2.0	2.0
Sustainable Production	10.7	7.4	7.5	7.5
Policy	4.2	4.4	4.4	4.5
Enhancing NARS	4.6	6.5	6.6	6.6
	31.4	31.1	31.3	31.5

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

Proposal

In 2005, under the guidance of its Board of Trustees, IFPRI updated its 2003 strategy document, *Toward Food and Nutrition Security*, to capture a number of new and emerging policy changes for food and agriculture. Also, at IFPRI's annual Board meeting in March 2005, the management and board of trustees considered the recommendations of the 4th External Program and management review that covered the centers research, capacity strengthening and policy communication activities.

In effect, IFPRI's proposed investment in 2006 of \$40.3 million is 28% higher than the actual 2004 actual level of \$31.4 million and virtually the same as the 2005 estimate of \$40 million.

Financial Highlights

2004 Outcome

The institute experienced significant growth in 2004 and 2005. This was partly due to the inclusion of the ISNAR Division and the expansion of the Development Strategy and Governance Division along with the research on biosafety.

Actual investment in 2004 was \$31.4 million representing an 18% increase over 2003. Of the total investment, \$32.8 million was from grant income and \$0.8 million from center income, resulting in a surplus of \$2.2 million for the year. IFPRI's other financial indicators on liquidity and reserves were above the CGIAR recommended standards.

2005 Outlook

IFPRI's investment continues to grow as planned. The center estimates an investment of \$ 40 million in 2005 which is 27% higher than the investment in 2004.

2006 Proposal

Unrestricted donor support is projected to be maintained at the 2005 level. In the proposed investment of \$40.3 million, IFPRI has yet to identify donors for approximately \$7.3 million for 2006 or 18% of the budget, but is confident that proposals under discussion with donors will result in the gap being filled. This assumption is consistent with past experiences.

CGIAR share:

	Share of investment of annual total
2004 actual	8%
2005 estimate	9%
2006 proposal	9%

2006-2008 Program Highlights:

This MTP is developed in a transition period, given that the Science Council is due to present its recommendations on priorities for the CGIAR system for the next decade. The MTP discusses the thematic approach, which is reflected in the board-approved strategic plan of 13 research themes, plus two policy-communications and capacity-strengthening themes.

The system wide program, Collective Action and Property Rights (CAPRI), headed by IFPRI is included in this plan. Also, IFPRI has been co-leading with CIAT the HarvestPlus Challenge Program since 2003. In addition, IFPRI's ISNAR division will lead the redesigned and highly successful agricultural Science and Technology Indicators (ASTI) system-wide initiative in 2006.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Project CAPRI: Collective Action and Property Rights System-wide Program	1.1	1.1	1.1	1.1
Project GRP01: Genetic Policies for the Poor: Biodiversity and Biotechnology	1.5	1.5	1.6	1.7
Project GRP02: Global and Regional Trade	0.9	0.9	0.9	1.0
Project GRP03: Priorities for Public Investment in Agricultural and Rural Areas	0.4	0.4	0.4	0.4
Project GRP04: 2020 Vision for Food, Agriculture, and the Environment Initiative	2.4	1.6	1.7	1.7
Project GRP06: HarvestPlus	2.3	2.4	2.4	2.5
Project GRP22: Water Resource Allocation: Productivity and Environmental Impacts	1.3	1.2	1.2	1.3
Project GRP23: Institutions and Infrastructure for Market Exchange	0.8	1.2	1.1	1.1
Project GRP24: Diet Quality and Health of the Poor	0.7	0.7	0.7	0.7
Project GRP25: Policy Processes in Food Security and Nutrition	0.3	0.3	0.3	0.3
Project GRP26: Pathways from Poverty	2.2	2.0	2.1	2.2
Project GRP27: Participation in High-Value Agricultural Markets	1.7	1.8	1.9	1.9
Project GRP28: Large-Scale Interventions to Enhance Human Capital	1.2	1.2	1.3	1.4
Project GRP29: Institutional Change and Agricultural Innovation Systems	1.9	1.7	1.7	1.8
Project GRP30: Organization and Management for Strengthening of Agricultural Research	0.9	1.5	1.6	1.6
Project GRP31: Agricultural Science and Technology Policy	1.0	1.4	1.5	1.5
Project GRP32: Country Development Strategy	4.4	4.4	4.6	4.8
Project GRP33: HIV/AIDS and Food Security	1.5	1.3	1.3	1.4
Project GRP34: Program for Biosafety Systems	4.1	4.9	5.1	5.3
Project GRP35: Learning and Capacity Strengthening	1.3	0.9	0.9	1.0
Project GRP36: Urban-Rural Linkages Research Activities	0.2	0.3	0.3	0.3
Project GRP37: Governance and Policy Processes	0.3	0.5	0.5	0.6
Project GRP38: Global Food and Natural Resources: Strat. And for Adapting to Global Change	1.2	1.5	1.6	1.7
Project GRP39: Lands Resource Management for Poverty Reduction	1.2	1.1	1.2	1.2
Project GRPGSP1: Policy and Research Networks	2.2	1.7	1.8	1.8
Project MP14: Urban Challenges to Food and Nutrition Security	0.2	0.0	0.0	0.0
Project PP20: Communications and Impact Assessment	2.0	1.8	1.8	1.9
Project Synthesis	0.8	1.0	1.2	1.3
Total	40.0	40.3	41.8	43.5

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	0.0	0.0	0.0	0.0
Germplasm Collection	0.0	0.0	0.0	0.0
Sustainable Production	3.4	3.7	3.8	3.9
Policy	22.6	23.0	23.9	24.9
Enhancing NARS	14.0	13.6	14.1	14.7
	40.0	40.3	41.8	43.5

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

Proposal

IITA's proposal is a continuation of the 2005-7 MTP which is divided into six program areas. The Center continues to report using the same internal organizational structure but has followed the Science Council's recommendations and criteria to identify and report based on projects. This structure does not indicate a change in the research approach.

The proposed investment of \$50.8 million in 2006 is 19% higher than the 2004 actual level of \$42.6 million and 2% higher than the 2005 estimate of \$49.8 million. The 2006 and 2005 figures are \$1.4 million and \$1.9 million higher than the Center's submission, respectively, because IITA did not include their share of CPs in their proposal.

Financial Highlights

2004 Outcome

Actual investment of \$42.6 million was 13% higher than the 2003 level. This investment was financed by \$42.8 million in grant income and \$1.5 million in Center income, resulting in a marginal surplus of \$1.7 million. Financial indicators of liquidity and reserves were within the CGIAR-recommended targets.

2005 Outlook

IITA's current estimate for 2005 is for a total of \$49.8 million which is 16% above the 2004 actual level. The increase is mainly due to projects financed by Shell and the government of Nigeria. The investment is to be financed by \$44.9 million in grant income and \$5.2 million in Center income, which will result in a surplus of \$0.3 million. This result would maintain IITA's healthy financial condition.

2006 Proposal

The proposed investment of \$50.8 million will be financed by \$45.5 million in grant income and \$5.4 million in center income. This projection will result in a marginal surplus of \$0.1 million. In-kind contributions from a number of donor agencies are expected to continue during the MTP period. IITA will continue to be in a strong financial condition, providing it with the ability to withstand any unforeseen decline in core funding.

CGIAR share:

	Share of CGIAR investment
2004 actual	10%
2005 estimate	11%
2006 proposal	11%

2006 - 2008 Program Highlights

The research effort is divided into six program areas. It should be noted that the word *program* has been adopted to replace the term *project* used in the 2005-2007 MTP. There is no other change beyond terminology.

IITA is a participant in the Harvest Plus and Generation Challenge Programs, and actively participates in the Sub-Saharan Africa CP as a lead institution for both the CORAF/WECARD and SADC pilot learning sites. In addition, the Center is convening the system wide program on Integrated Pest Management (IPM), and is also a participant in the System wide Livestock Program.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
A. Preserving and Enhancing Germplasm and Agrobiodiversity	9.3	9.7	9.6	9.5
B. Developing Plant-health Management Options	9.1	9.7	9.8	9.6
C. Supporting Innovation Processes	5.5	5.5	5.6	5.8
D. Eastern and Southern African Agricultural Food Systems	4.5	4.2	4.2	4.2
E. Enhancing Livelihoods in the Humid & Sub-humid Zone of W&C Africa	11.9	12.8	12.9	13.5
F. Improving and Intensifying Cereal-Legume- Livestock Systems in the Moist & Dry Savannas of West & Central Africa	7.6	7.5	7.7	7.4
G. Challenge Program ^{1/}	1.9	1.4	0.0	0.0
Total	49.8	50.8	49.8	50.0

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	9.6	9.7	9.4	9.3
Germplasm Collection	1.8	1.7	1.7	1.7
Sustainable Production	19.1	19.6	19.3	19.2
Policy	7.8	8.0	7.8	8.0
Enhancing NARS	11.5	11.8	11.6	11.8
	49.8	50.8	49.8	50.0

^{1/} IITA did not include these figures of its Challenge Program participation in the submitted tables.

Attachment 1j: International Livestock Research Institute (ILRI)

Proposal

ILRI's mandate is to reduce poverty and enhance sustainable development through livestock-related research. It is determined to ensure that its research effectively contributes towards meeting the Millennium Development Goals (MDG) particularly for poverty alleviation. In this context, ILRI has adopted a "Pathways out of Poverty" framework, based on sustainable livelihoods approach. Three pathways out of poverty have been identified to improve the contribution of livestock in poor households.

In 2004, ILRI began the implementation of two novel partnership innovations. The first was the Biosciences eastern central Africa (BecA), implemented with the New Partnership for Africa's Development (NEPAD), and the Improving Productivity and Market Success (IPMS) of Ethiopian farmers' project. ILRI hosts the BecA research hub and secretariat, and the design of research facilities and development of the research program began in 2004. Meanwhile, the Center is coordinating the IPMS research for development project on behalf of the Ethiopian government with many CGIAR, international and Ethiopian research partners. BecA and IPMS are reflected in the 2006 proposal of ILRI.

The proposed investment of \$34.2 million for 2006 is about 8% higher than 2004 actual of \$31.7 million but 3% lower than 2005 estimate.

Financial Highlights

2004 Outcome

Actual investment was \$31.7million, 2% higher than the 2003 level. The investment was funded by \$32.9 million in grant income and \$2.1 million in center income resulting in a surplus of \$3.3million. ILRI's other financial indicators – liquidity and reserves – were above the CGIAR standards.

2005 Outlook

ILRI estimates total investment of \$35.1 million in 2005, 11% higher than in 2004. ILRI proposes to finance this level of investment through \$33.3 million in grants and \$1.8 million in Center income.

2006 Proposal

ILRI expects to grow moderately over the 2006-2008 period. It proposes an investment of \$34.2 million in 2006 to be financed by \$32.2 million in grant income and \$2.0 million in Center income. ILRI expects to stay within the recommended liquidity and adequacy of reserves ranges throughout the MTP period.

CGIAR share:

	Share of CGIAR investment
2004 actual	8%
2005 estimate	8%
2006 proposal	8%

2006- 2008 Program Highlights:

A highlight expected in 2006 is major works on the construction and refurbishment of bioscience laboratory facilities at the ILRI Nairobi campus as part of the BecA hub development. In line with the development of BecA hub, ILRI anticipates increasing its emphasis on strategic livestock biotechnology research for vaccine and diagnostic test development and genetic improvement.

Another major highlight in 2006 will be the 2nd EPMR. Also, following the recommendation of the Sub-Saharan Task Force, ILRI is coordinating the development of the regional east and southern Africa MTP which is due for submission in 2006.

ILRI also actively participates in the Water and Food and Sub-Saharan Africa Challenge Programs. In addition, ILRI coordinates one system-wide programme, the *System-wide Livestock Programme (SLP)*, and participates in 7 other system-wide and eco-regional programmes.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
1. Targeting Research and Development Opportunities	3.6	3.0	3.0	3.1
2. Enabling Innovation	3.7	3.1	3.1	3.2
3. Improving Market Opportunities	6.1	6.0	6.1	6.3
4. Application of Biotechnology to Secure Assets	11.7	13.7	14.7	16.0
5. People, Livestock and the Environment	9.0	7.7	7.8	8.1
6. CGIAR System-Wide Livestock Programme (SLP)	1.0	0.7	0.7	0.7
Total	35.1	34.2	35.4	37.4

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	5.3	5.4	5.7	6.1
Germplasm Collection	1.0	1.1	1.1	1.2
Sustainable Production	17.4	17.0	17.6	18.6
Policy	6.9	6.4	6.5	6.8
Enhancing NARS	4.5	4.3	4.5	4.7
	35.1	34.2	35.4	37.4

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

Proposal

IPGRI launched its new strategy "*Diversity for Well-Being: Making the most of Agricultural Biodiversity*" at the CGIAR AGM in October 2004. While continuing to focus primarily on plant genetic resources, the new strategy builds on the center's expertise in this area to seek further synergies through a more holistic approach to agricultural biodiversity.

The proposed investment of \$38.1 million in 2006 is 19% higher than the 2004 actual level and 4% higher than the 2005 estimate.

Financial Highlights

2004 Outcome

Actual investment was \$32 million, financed by \$34.8 million in grant income resulting in a surplus of \$2.8 million which brought the reserves up to the CGIAR required level. The investment is 13% higher than the 2003 level. The liquidity indicator improved from 101 to 124 days, remaining above the CGIAR-recommended level. The reserve indicator also improved from below the CGIAR-recommended level (67 days) to the recommended level (91 days).

2005 Outlook

IPGRI estimates total investment of \$36.7 million in 2005 which is 13% higher than the 2004 actual level. This is to be financed by \$ 37.4 million in grants that will result in a surplus of \$0.7 million for the year. This surplus will allow further build up of the Center's reserves.

2006 Proposal

Steady growth is expected to continue in 2006. The proposed investment of \$38.1 million is to be financed by \$37.9 million in grants and Center income of \$0.7 million. The projection includes \$0.6 million restricted funding from yet unidentified sources. Under these assumptions a surplus of \$0.5 million is projected. This will help maintain the reserves at the required level in the context of a growing budget.

CGIAR share:

	Share of CGIAR investment
2004 actual	8%
2005 estimate	8%
2006 proposal	8%

2006-2008 Program Highlights:

The new strategy represents a broadening in scope to include some additional aspects of understanding and managing agricultural biodiversity. In response to the new strategy, the project portfolio was restructured in 2004. There are now only fifteen projects in this new series of projects aggregated into four programmes and three research and support units. Also, effective January 2005, a new research structure came into effect. One important feature of this new structure is to clarify the roles of the five regional offices, led by a Regional Director who will provide guidance and advice to national decision makers on genetic resources policy issues.

IPGRI's involvement in the current four CP's, particularly in the Generation CP continues to engage the active participation of many of the scientific staff. It is a co-founder of the Generation Challenge Program and contributes as a partner to the other three CP's. Also, collaboration through partnerships has always been a distinguishing feature of IPGRI. Other centers are also important partners of IPGRI as demonstrated by IPGRI's hosting of one System-wide program- Genetic Resource Program (SGRP), one Inter-Centre Initiative-ILAC, and one System-wide service-CAS-IP.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
01 Agricultural Biodiversity and Ecosystems	1.3	3.2	3.3	3.4
02 Community Management of Agricultural Biodiversity	4.6	4.1	4.2	4.3
03 Agricultural Biodiversity, Human Health and Welfare	0.9	1.0	1.0	1.0
04 Conservation of Agricultural Biodiversity	3.6	3.2	3.3	3.4
05 Use of Genetic Resources to Improve Livelihoods	0.7	0.9	0.9	0.9
06 Conservation and Sustainable Use of Forest Biodiversity	0.9	0.5	0.5	0.5
07 Management, Access and Use of Genetic Resources Information	0.5	0.5	0.6	0.6
07 Management, Access and Use of Genetic Resources Information- SGRP portion	1.2	1.1	1.1	1.1
08 Conservation and Sustainable Use of Coconut and Other Commodities	1.8	2.6	2.6	2.7
09 Conserving, Understanding and Improving MUSA Biodiversity	2.9	2.6	2.7	2.8
09 Conserving, Understanding and Improving MUSA Biodiversity –SGRP portion	0.4	0.2	0.2	0.2
10 Use of Musa Biodiversity to Improve Livelihoods	3.6	3.0	3.1	3.2
11 Regional Collaborations for Sustainable Management of Agricultural and Forest Biodiversity	5.0	5.6	5.8	6.0
12 Mobilizing International Partnerships to Use and Conserve Agricultural Biodiversity	3.1	3.3	3.3	3.5
12 Mobilizing International Partnerships to Use and Conserve Agricultural Biodiversity- SGRP portion	0.5	0.4	0.5	0.5
13 Enabling Policy Environments for the Use and Conservation of Agricultural Biodiversity	2.9	2.9	3.0	3.1
13 Enabling Policy Environments for the Use and Conservation of Agricultural Biodiversity- SGRP portion	0.2	0.2	0.2	0.2
14 Strengthening Human Capacity to Manage Agricultural Biodiversity	1.9	2.3	2.4	2.5
15 Raising Awareness to Create Support for Agricultural Biodiversity	0.7	0.5	0.5	0.5
Total	36.7	38.1	39.2	40.4

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	4.1	4.1	4.3	4.4
Germplasm Collection	13.5	13.5	13.9	14.3
Sustainable Production	3.9	4.2	4.3	4.5
Policy	5.1	5.2	5.4	5.5
Enhancing NARS	10.1	11.0	11.3	11.7
	36.7	38.1	39.2	40.4

Attachment 1I: International Rice Research Institute (IRRI)

Proposal

The 2006 –2008 plan reflects IRRI's core agenda in addressing *current and emerging problems in rice*. It is guided by the broad framework of the strategic plan outlined in the document IRRI Toward 2020 published in 1996, and updated in November 2003. The current project portfolio straddles the continuum of strategic to applied research- from the molecule to the field. However, this will be the last MTP under the current program and project structure. IRRI is a strong participant in the Generation, Water and Food and HarvestPlus Challenge Programs. The proposed investment of \$37.8 million for 2006 is 14% higher than the 2004 actual level of \$32.9 million but 3% lower than the 2005 estimate of \$38.8 million.

Financial Highlights

2004 Outcome

The actual investment of \$32.9 million represented an increase of 15% over the 2003 level. This was financed by \$32.4 million in grant income and \$4.1 million in Center income, resulting in a surplus of \$3.6 million. Liquidity and long-term solvency indicators were each 490 days of expenditure, substantially above the CGIAR-recommended targets.

2005 Outlook

IRRI's current estimate for 2005 is for total investment of \$38.8 million which is 17% higher than the 2004 actual level. Part of the increase is due to a higher level of activity in the Challenge Programs mentioned above and the other is due to increases in attributed and restricted activity funded mainly from ADB, Germany, IFAD and USA. The investment is to be financed by \$34.5 million in grant income and \$4.3 million in center income and drawdown on reserves, resulting in a balanced budget for the year.

2006 Proposal

The proposed investment of \$37.8 million will be financed by \$32.6 million in grant income and \$5.2 million in Center income and drawdown on reserves. The 14% increase in 2006 budget as compared with 2004 is entirely due to increased activity in the Challenge Programs whose funding is projected to increase by \$4 million.

CGIAR share:

	Share of CGIAR investment
2004 actual	8%
2005 estimate	8%
2006 proposal	8%

2006–2008 Program Highlights:

Based on the recommendation of the 6th External Program and Management Review in March 2004 and also as a result of staff changes in late 2004, the former Project 11- *Enhancing ecological sustainability and improving livelihoods through ecoregional approaches to integrated natural resource management* was merged into Project 8- *Natural resource management for rainfed lowland and upland rice ecosystems*. Also, the rapid changes in science and technology have provided the spur to make some adjustments to Project 2. These changes and those associated with the new log frame are the only ones introduced to IRRI's program structure for this reporting period.

IRRI has just initiated a strategic planning process involving external and stakeholder consultations, and this will lead to the development of a business plan and a new MTP 2007-2009 for submission to the Science Council in mid-2006.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
IRRI001: Germplasm Conservation, Characterization, Documentation and Exchange	3.5	3.1	3.1	3.1
IRRI002: Functional Genomics	4.9	4.2	4.1	4.1
IRRI003: Genetic Enhancement for Yield, Grain Quality and Stress Resistance	4.6	4.8	4.6	4.6
IRRI004: Managing Resources under Intensified Rice-based Systems	5.0	4.3	4.2	4.2
IRRI005: Enhancing Water Productivity in Rice-based Systems	2.1	2.5	2.5	2.5
IRRI006: Irrigated Rice Research Consortium	0.5	0.5	0.5	0.5
IRRI007: Genetic Enhancements for Improving Productivity and Human Nutrition in Fragile Environments	6.0	6.6	6.4	6.4
IRRI008: Natural Resource Management for Rainfed and Upland Rice Ecosystems	5.6	5.3	5.2	5.2
IRRI009: Consortium for Unfavorable Rice Environments	0.8	0.8	0.7	0.7
IRRI010: Understanding Rural Livelihood Systems for Research Prioritization and Impact Assessment	1.7	1.7	1.6	1.6
IRRI011: Facilitating Rice Research for Impact	4.1	4.0	3.9	3.9
Total	38.8	37.8	36.8	36.8

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	9.7	9.9	9.6	9.6
Germplasm Collection	2.5	2.2	2.1	2.1
Sustainable Production	13.6	13.2	12.8	12.8
Policy	3.4	3.3	3.3	3.3
Enhancing NARS	9.6	9.3	9.0	9.0
	38.8	37.8	36.8	36.8

Attachment 1m: International Water Management Institute (IWMI)

Proposal

In recent years, IWMI has undergone a period of consolidation and continues to experience changes that include reducing IWMI's Management Team to six while creating a more uniform middle management layer. Another change is the approval of new thematic structure which provides a sharper focus and reduces the Center's themes from five to four. In addition, management is pursuing a policy to consolidate the research portfolio into a small set of larger projects and to strengthen IWMI's project management.

This 2006-2008 MTP reflects this "consolidation" and refinement process. It introduces the newly refined research framework and supporting thematic structure (MTP Projects) and explains the related programmatic transition. Furthermore, its MTP format was completely reorganized to more clearly articulate the linkages between IWMI's research framework and MTP projects as well as the synergies between IWMI's research agenda and other CGIAR centers, the Challenge Programs, and Systemwide Initiatives. IWMI convenes the Challenge Program on Water and Food.

Financial Highlights

2004 Outcome

Actual investment in 2004 was \$23.1 million. The investment was financed by \$23.6 million grant income and \$0.2 million from Center income with a surplus of \$0.7 million. IWMI's reserves are at 75 days while its liquidity indicator is at 108 days; both within the CGIAR recommended ranges and both reflecting improvements from 2003.

2005 Outlook

IWMI estimates total investment of \$21.8 million in 2005, a 6% decrease from the 2004 level. It will be financed by \$22.1 million from grant income and \$0.2 million from Center income that will result in a surplus of \$0.5 million. Although a reduction in Center income is expected, an increase on both unrestricted and restricted support will keep IWMI's funding more than enough to cover its estimated investment.

2006 Proposal

The proposed investment for 2006 of \$23.3 million will be financed by \$23.6 million from grant income and \$0.2 million from Center income resulting in a surplus of \$0.5 million. A \$1.5 million increase in the planned investments is matched with a corresponding increase in the proposed restricted support.

CGIAR share:

	Share of CGIAR investment
2004 actual	6%
2005 estimate	5%
2006 proposal	5%

2006-2008 Program Highlights:

The 2006-2008 MTP reflects how IWMI will target its existing and on-going activities with the new frameworks such as Water Productivity Mapping, Water Poverty Mapping, Assessing High Potential Interventions, and Assessing Impacts.

This MTP also includes the four new IWMI themes and two IWMI-led CGIAR system wide initiatives:

- Basin Water Management
- Land, Water and Livelihoods
- Agriculture, Water and Cities
- Water Management and Environment
- Comprehensive Assessment of Water Management in Agriculture
- System-wide Initiative on Malaria and Agriculture

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Comprehensive Assessment	1.8	1.0	0.0	0.0
Systemwide Initiative on Malaria and Agriculture	0.5	0.5	0.5	0.5
Basin Water Management	7.6	8.1	8.1	8.2
Land, Water and Livelihoods	6.3	6.8	7.1	7.5
Agriculture, Water and Cities	3.1	3.9	5.1	6.0
Water Management and Environment	2.5	3.0	4.1	4.4
Total	21.8	23.3	24.9	26.6

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement				
Germplasm Collection				
Sustainable Production	9.5	10.1	10.5	11.1
Policy	7.9	8.6	9.4	10.2
Enhancing NARS	4.4	4.7	5.0	5.3
	21.8	23.3	24.9	26.6

Attachment 1n: World Agroforestry Centre (ICRAF)

Proposal

The MTP for 2006-2008 is to be understood in the context of recent institutional history of ICRAF. With its reorganized Senior Leadership Team (SLT) and more experienced Theme Leaders, ICRAF has embarked on a new wave of strategic planning that comprised of internal analyses of global trends, internal analyses of specific factors, a published vision document, and an internal business plan. This MTP reflects this larger context as much as is currently possible, subject to evolving institutional planning framework. It also recognizes the rapidly shifting external environment.

Financial Highlights

2004 Outcome

The actual investment was \$28.5 million, which is 4% higher than the 2003 level. The investment was financed by \$ 29.7 million in grants and \$0.5 in center income, leading to a surplus of \$1.7 million. ICRAF was successful in achieving the CGIAR recommended reserves level.

2005 Outlook

ICRAF estimates a total investment of \$30.3 million in 2005, which is 6% above the actual for 2004. This investment will be funded by \$30.4 million in grant income and \$0.2 million in Center income, resulting in a surplus of \$0.3 million. ICRAF aims to maintain the reserves at the current level of 90 days of operating expenses.

2006 Proposal

The proposed investment of \$31.3 million will be financed by \$30.9 million in grants and \$0.6 million in Center income, resulting in a surplus of \$0.2 million. Over the period 2006-2008, ICRAF proposes to transfer its surplus to its reserves to maintain the reserves at current levels. ICRAF also recognizes the need to strike a balance between the amount of core funds that are transferred into reserves and the need for core funds to provide flexibility in pursuing the Center's research and development priorities.

CGIAR shares:

	Share of CGIAR investment
2004 actual	7%
2005 estimate	7%
2006 proposal	7%

2006-2008 Program Highlights:

In this MTP, profiles of each focal area within CRAF's four themes are provided. It is expected that changes will be incremental and gradual therefore there is no plan for re-directions of strategy. However, ICRAF awaits the finalization of the CGIAR's System Research Priorities as a platform for considering possible structural changes that would be reflected in next year's MTP. In addition, the center looks forward to recommendations that could flow from the EPMP to be conducted in 2005-2006.

Three R&D areas – (1) Agroforestry in relation to human nutrition and health; (2) the science of scaling-up agroforestry innovations; and (3) markets and marketing of agroforestry products and services are being considered for new or increased emphasis. These are not fully incorporated in this MTP, but may possibly be introduced next year depending on reviews and discussions to take place within the next 12 months

ICRAF is host to the Systematic Programme on Alternatives to Slash-and-Burn (ASB), as well as to the Ecoregional Programme on African Highlands Initiative (AHI). ASB is undergoing major transition and is launching its "refreshed vision and mission".

World Agroforestry Centre (ICRAF) – Cost Allocation by Project & Output
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
ABS Alternatives to Slash-and-Burn Systemwide Programme	0.7	0.8	0.8	0.8
AHI African Highlands Ecoregional Programme	1.4	1.5	1.5	1.5
ES1 Pro-poor Strategies to Enhance Watershed Functions	1.7	1.7	1.8	1.9
ES2 Use and Conservation of Biological Diversity in Multi-functional Landscapes	0.5	0.5	0.5	0.5
ES3 Climate Change Mitigation and Adaptation for Rural Development	0.6	0.7	0.6	0.7
ES4 Harmonizing Policy for Environmental Stewardship and Rural Development	2.6	2.6	2.7	2.9
LP1 Improving Rural Livelihoods through Integrated Soil Fertility Management	2.4	2.4	2.5	2.7
LP2 Conserving Soil and Water for Productive Agricultural Landscapes	1.1	1.1	1.2	1.2
LP3 Sustaining Productive Farming Systems through Improved Agroforestry Management	1.6	1.7	1.7	1.8
LP4 Reaching the Poorest Land Users with Land Management Interventions	2.6	2.7	2.8	2.9
SI1 Strengthening Agricultural Research Institutions and Systems	1.7	1.6	1.8	1.9
SI2 Strengthening the Agroforestry Capacity of Development Institutions and Systems	1.3	1.4	1.4	1.5
SI3 Strengthening Educational Institutions and Systems	0.7	0.7	0.8	0.8
SI4 Fostering Inter-Institutional Collaboration and Knowledge Management	1.5	1.6	1.6	1.7
TM1 Market Analysis and Support to Tree Product Enterprises	2.3	2.4	2.5	2.6
TM2 Sustainable Seed and Seedling Systems for Sound Conservation and Use of Genetic Resources of Agroforestry Trees	3.4	3.6	3.7	3.8
TM3 Tree Domestication with Intensification and Diversification of Tree Cultivation Systems	1.8	1.8	1.9	2.0
TM4 Farmer-led Development and Scaling Up of Tree-based Options	2.0	2.1	2.1	2.2
TM5 Enhanced Utilisation of Tree Diversity at the Landscape Level	0.4	0.4	0.4	0.4
Total	30.3	31.3	32.3	33.8

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	1.2	1.2	1.2	1.3
Germplasm Collection	3.6	3.7	3.9	4.0
Sustainable Production	9.3	9.7	9.9	10.4
Policy	7.1	7.3	7.5	7.9
Enhancing NARS	9.1	9.3	9.8	10.2
	30.3	31.3	32.3	33.8

Attachment 1o: WorldFish Center (ICLARM)

Proposal

The proposed plan is the result of restructuring of the research programs. All existing projects were streamlined into regional projects that correspond to the new regional portfolios, and one global project corresponding to the Natural Resources Management discipline. This change continues as further strategic planning will introduce two additional MTP projects developed under different disciplines addressing key global issues identified in the planned campaigns of 2006.

Financial Highlights

2004 Outcome

Actual investment was \$14.1 million representing a 9% decrease over 2003. The \$15.2 million support to this investment comprises \$14.3 million in grants and \$0.9 million in Center income resulting in a \$1.1 million surplus. The Center's liquidity and reserves indicators remained substantially above the CGIAR recommended standards at the end of the year, prompting the Center's Board to push for their reduction to more appropriate levels through a sound long-term investment strategy.

2005 Outlook

In 2005, WorldFish estimates total investment of \$15.8 million, 12% higher than the 2004 actual level. Grant income estimated at \$15.5 million and earned income expected at \$0.3 million will fund this investment.

2006 Proposal

The proposed investment of \$15.3 million is 3% lower than the 2005 level. The proposed financing plan of \$15.1 million in grants and \$0.2 million in Center income will result in a balanced budget in 2006.

CGIAR share:

	Share of CGIAR investment
2004 actual	3%
2005 estimate	3%
2006 proposal	4%

2006–2008 Program Highlights:

For the MTP period, the research structure of WorldFish has been restructured into a matrix of six regional portfolios and a global project relating to the discipline in Natural Resources Management. The research projects are either merged completely into the overall work or assigned to the region or regions in which they operate. The change in names and contents did not substantially change the research activities, in turn; this MTP represents an evolutionary development in the Center's overall portfolio of work. Further strategic planning will result in two additional MTP projects that will address key global issues identified within the planned campaigns namely Aquaculture and Genetics Global Project and Policy, Economics and Social Science Global Project.

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

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Project 01: Pacific	1.9	1.9	2.1	2.3
Project 02: East and Southeast Asia	2.8	3.0	3.2	3.5
Project 03: Greater Mekong	1.5	1.7	1.9	2.1
Project 04: South Asia	5.1	3.0	3.2	3.5
Project 05: Sub Saharan Africa	1.0	2.7	2.9	3.2
Project 06: West and Central Africa	2.2	1.9	2.1	2.2
Project 7: Global Biodiversity and Conservation	1.3	1.1	1.2	1.3
Total	15.8	15.3	16.6	18.1

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	2.0	2.0	2.1	2.3
Germplasm Collection	0.4	0.4	0.4	0.5
Sustainable Production	5.6	6.0	6.5	7.1
Policy	3.2	3.4	3.7	4.0
Enhancing NARS	4.6	3.6	3.9	4.2
	15.8	15.3	16.6	18.1

Attachment 1p: Generation Challenge Program

Proposal

The Generation Program's proposed investment of \$17 million in 2006 is 3% higher than the 2005 estimate of \$16.5 million. For the GCP to maintain the flexibility and innovation needed to continue achieving its research objectives, a stable and sufficient funding base is essential. Partnerships with GCP member institutions have been enhanced and enriched as a result of the new consortium research model championed by the GCP.

Financial Highlights

2004 Outcome

Actual investment in 2004 was \$6.5 million compared with available funds of \$19.1 million. During 2004, the Africa Rice Center (WARDA), the African Center for Gene Technologies in South Africa, and the Indian Council for Agricultural Research were added to the consortium. CG Centers implemented 83% of the CP while CG Partners executed the remaining 17%.

2005 Outlook

The estimated revenue in 2005 is \$13.9 million and expenses are \$16.5 million resulting in an estimated funding shortfall of \$2.6 million which will be covered from budget carryover of previous years. In the 2005 research portfolio, there are 26 non-GCP NARS partners and 27 non-GCP ARI partners. The GCP increased its membership to complement the capacity of the current consortium.

2006 Proposal

Estimated investment in 2006 is \$17 million whereas estimated funding is \$13.3 million thereby a shortfall of \$3.6 million. GCP aims to maintain the momentum of the complementary competitive and commissioned research scheme at the level of funding they currently enjoy or higher, a short-term fundraising scheme will be developed for additional funding. At present 6 CG members and 2 non-CG members are expected to contribute, with most of the support coming from EC, UK, World Bank and Rockefeller Foundation.

2006 - 2008 Program Highlights

At the time of submitting the MTP last year, the GCP has not completed the process of awarding all competitive and commissioned grants; as a result, the output statements were estimates of potentially funded projects.

Program activities for 2006-2008 are organized in five subprograms to collectively address its objective *to develop a platform for and conduct analysis of genetic diversity of international crop genetic resources and apply this to improve major crops for drought tolerance and other related traits of importance to resource-poor farmers, and to strengthen the capacity of NARS and GCP scientists to apply tools of genomic, molecular biology, and bioinformatics to the analysis of genetic diversity and use this knowledge to improve crop breeding programmes and develop new stress-tolerant varieties.*

All five programmes aim at the GCP purpose of creating a freely available public platform to access and utilize the vast genetic diversity held in germplasm collections of crops and their wild relatives. The 5 subprogrammes include:

- 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 and Bioinformatics
- subprogram 5: Capacity Building and Enabling Delivery

Generation Challenge Program – Cost Allocation by Project & Output
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
001 Genetic Diversity of Global Genetic Resources	4.0	3.9	2.9	2.8
002 Comparative Genomics for Gene Discovery	3.5	3.6	3.0	1.9
003 Trait Capture for Crop Improvement	3.5	3.5	2.9	1.4
004 Genetic Resources, Genomic, and Crop Information Systems and Bio informatics	3.0	3.2	2.2	2.9
005 Capacity Building and enabling delivery	2.5	2.8	1.9	3.1
Total	16.5	17.0	12.9	12.1

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	5.1	5.2	4.1	3.0
Germplasm Collection	7.2	7.3	5.5	5.1
Sustainable Production	1.0	1.1	0.9	0.5
Policy	1.2	1.2	0.9	1.0
Enhancing NARS	2.0	2.2	1.5	2.5
Total	16.5	17.0	12.9	12.1

Attachment 1q: Challenge Program on Water and Food

Proposal

The Challenge Program on Water and Food (CPWF) proposed an investment of \$16.6 million in 2006 which is 16% higher than the 2005 estimate of \$14.3 million. This is due to the expansion of CPWF projects. MTP project 6 titled "Basin Focal Project" was launched in June 2005. Estimated cost of this additional project in 2006 is \$3.6 million compared to \$1.8 million in 2005.

Financial Highlights

2004 Outcome

The CPWF entered its implementation phase in January 2004 with a full agenda, which included the mobilization of its research projects, refining its research priorities, implementing the activities of theme leaders and basin coordinators, identifying more efficient governance and management procedures to ensure efficiency of costs and operations, and increasing financial support. Actual 2004 investment was \$5.8 million compared with available funding of \$9.4 million. 67% of the CP was executed by CG Centers and 33% was implemented by CG Partners.

2005 Outlook

The estimated investment of \$14.3 million represents an increase of \$8.5 million or 246% over the actual 2004 results. The increase is with the expectation that major research work will be done in 2005 and also the launching of the new theme of CPWF.

2006 Proposal

Steady growth is expected to continue in 2006. The Program will reach its planned activity level in 2006. At present there are eleven CG donors expected to contribute to the GCP, with most of the support coming from the World Bank, the UK, and Netherlands. It is expected that EC will contribute in 2006. The proposed investment to be financed by these and other donors is \$16.6 million.

2006 - 2008 Program Highlights:

The organizational framework of five research themes remains unchanged from the 2005-2007 MTP as projects one to five. This MTP introduces the "Basin Focal Projects" as a sixth project.

CPWF has reformed its research activity to expand its research base and work to ensure that its outputs have meaningful developmental impact. CPWF will strengthen its partnership with NARES and other subscribers. The program is organized in 6 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 (led by WorldFish).
4. MTP 4: integrated basin water management systems (led by IWMI).
5. MTP 5: the global and national food and water system (led by IFPRI).
6. MTP 6: the basin focal projects (each project team will be led by ARI)

Synthesis conference, which is a key milestone of the CPWF, will be the main highlight in 2006. During the year the focus will be on:

- Synthesis of water poverty and productivity issues and methodologies
- Synthesis of early research findings and their recommendation domains
- Outcome mapping and identification of appropriate impact pathways
- Working with development partners to enhance outreach

Challenge Program on Water and Food – Cost Allocation by Project & Output
(in \$ million)

Project	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
001 Crop-Water Productivity Improvement	4.2	3.9	3.9	5.1
002 Water and People in Catchments	2.6	2.4	2.3	1.8
003 Aquatic Ecosystems and Fisheries	1.2	1.7	1.9	2.8
004 Integrated Basin Water Management Systems	2.6	2.4	2.3	1.4
005 The Global & National Food and Water System	1.9	2.6	2.4	1.9
006 Basin Focal Project	1.8	3.6	3.1	1.6
Total	14.3	16.6	15.9	14.6

Summary by CGIAR Output:	Estimate	Proposed	Plan	Plan
	2005	2006	2007	2008
Germplasm Improvement	1.0	1.0	1.0	1.3
Germplasm Collection				
Sustainable Production	6.0	6.9	6.6	6.2
Policy	4.6	5.3	5.1	4.4
Enhancing NARS	2.7	3.4	3.2	2.7
	14.3	16.6	15.9	14.6

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. The proposed investment amounts to \$15.4 million of this investment will be allocated among CG centers. Over 100 additional partners from the developed and developing world are collaborating to accomplish the HarvestPlus mandate.

The program management team consists of the program director and six disciplinary coordinators. In early 2005 the final two coordinators were appointed, namely the breeding coordinator, based at CIAT-Colombia, and the reaching end user coordinator based at CIAT-Uganda.

Financial Highlights

2004 Outcome

January 2004 was designated the start up year for the full time HarvestPlus operations described in the Biofortification Challenge Program in 2004. Actual investment in 2004 was \$6.9 million compared with available funding of \$3.9 million, the shortfall being funded by carryover funds from 2003. 65% of the CP was implemented by CG Centers compared with 35% by CG Partners.

2005 Outlook

The estimated investment of \$11.2 million represents an increase of \$4.3 million or 62% over the actual 2004 results. New funding commitments will be from USA - \$2.0 million for 2005 and \$2.4 million in 2006 and 2007, UK for \$0.9 million per year from 2005 to 2007, and ADB - \$0.1 million per year up to 2007.

2006 Proposal

Estimated investment of \$15.4 million in 2006 is 37% higher than 2005 estimate of \$11.2 million. Estimated grant revenue is \$12.1 million resulting to a funding gap of \$3.3 million or 21% of the budget. Funding is being sought to expand activities in *Reaching End Users* to cover this deficit.

Expenditures level increase from 2005 – 2006 due to an assumption of attainment of 100% of originally proposed funding and proposed new activities for reaching and engaging end users. The accounting, fiduciary, and financial reporting requirements of the CP are overseen by CIAT and IFPRI, who have overall leadership responsibility for the program. HarvestPlus financial reports are reviewed by the audit committee of the HarvestPlus PAC. From an accounting and reporting perspective, the arrangement is a joint venture, whereby each participating organization recognized revenue/income that it earns from the provisions of research services under the terms of contractual arrangement. The contractual management of the HarvestPlus Challenge Program includes joint control, whereby no single organization is in a position to unilaterally control the activities

2006 – 2008 Program Highlights:

The goal of the HarvestPlus is to reduce micronutrient malnutrition among poor populations in Africa, Asia, and Latin America. The objectives of HarvestPlus are being accomplished by coordinating functional research activities, namely:

- Impact and policy analyses
- Reaching end users
- Plant breeding
- Human nutrition
- Biotechnology and nutritional genomics
- Communication

In addition to the “core funded” activities are “linkage” projects whose activities are highly complementary to HarvestPlus goals, principles, methods, and programs, which expand the scope and reach of HarvestPlus core activities but which are administered independently of HarvestPlus. CIDA has announced support of \$16 million over six years for “linkage” activities in Latin America and has designated CIAT to administer these funds.

Attachment 1s: Sub Saharan Africa Challenge Program

Proposal

This is the first Medium Term Plan of the Sub Saharan Africa Challenge Program. This program is in its inception stage and was approved by CGIAR at AGM04. Timelines and milestones commenced on 1 January 2005.

The research will be conducted by Pilot Learning Teams (PLT) with the communities at Pilot Learning Sites (PLS) which are representative of the conditions of large number of the poorest agricultural producers in Africa. So far, three PLTs have been identified: Kano-Katsina-Maradi, Malawi-Mozambique-Zimbabwe, and Lake Kivu. Leadership and accountability of the PLT are provided by the Lead Institution (appointed by the Sub-Regional Organization) and the PLS Management Committee. Both are accountable to the CP Program Steering Committee (PSC) which is in turn responsible to the FARA Executive Committee.

Financial Highlights

2005 Outlook

The requested elaborated work program cannot be developed until the stakeholders in the Pilot Learning Sites are more fully engaged than has been possible in the first months of programme activities. A series of workshops to initiate the programme implementation have been undertaken. The estimated investment during the inception period is \$2.3 million (as approved at AGM04). To date five CGIAR members are contributing to the program, namely, EC, Netherlands, Norway, Italy and UK.

2006 Proposal

The Program will reach its planned and significant activity level in 2006. Projected investment in 2006 is \$9.8 million and a projected funding of \$8.9 million, thereby leaving a shortfall of \$0.9 million.

2006 - 2008 Program Highlights:

Despite many local successes, agricultural research in Africa has not been able to reverse the continually worsening livelihoods of millions of rural Africans. The problems that must be addressed have been identified in the NEPAD framework for agriculture, known as the Comprehensive Africa Agricultural Development Programme (CAADP). The philosophy that underpins the SSA CP is the integrated agricultural research for development (IAR4D) which postulates that in order to reverse the declining productivity in African agricultural research, stakeholders and their partners must adopt a new paradigm and change the philosophy of "business as usual".

By early 2006, the 3 Pilot Learning Teams will have Task Forces in place, trained, and operating. The diagnostic phase will have been completed, with funding proposals for advanced preparation for competitive bidding. Log frames will have been completed, with outputs and milestones for specific entry points.