AMENDMENT NO. 1 TO THE CONSORTIUM PERFORMANCE AGREEMENT
UNDER THE CGIAR FUND (MTO 069018)
FOR CRP In Trust for the International Community: Plan and Partnership for Managing and Sustaining CGIAR-held Collections (Genebanks)

WHEREAS a Consortium Performance Agreement (as may be amended from time to time, the “CPA”) was entered into on June 21, 2012 by the Fund Council of the CGIAR Fund (the “Fund Council”), represented by the International Bank for Reconstruction and Development (the “World Bank”), and the International Plant Genetic Resources Institute (operating under the name of Bioversity International, hereafter referred to as “Bioversity”), on behalf of the Consortium of International Agricultural Research Centers (the “Consortium”) (the Consortium together with the Fund Council are collectively referred to as the “Parties”) under the Joint Agreement between the Fund Council and the Consortium dated April 15, 2011 (the “Joint Agreement”); and

WHEREAS the CPA is for the CGIAR Research Program entitled In Trust for the International Community: Plan and Partnership for Managing and Sustaining CGIAR-held Collections (Genebanks) (the “CRP”), which the Parties have agreed to modify in accordance with the amendment proposal attached hereto as Exhibit A (the “Revised Terms”), which was submitted by the Consortium to the Fund Council and approved by the Fund Council on May 5, 2016, as recorded in agreed minutes of the Fund Council attached hereto as Exhibit B (the “Supplemental Fund Council Approval”);

NOW THEREFORE, the Parties hereto agree to modify the CPA as follows:

1. Based on the Supplemental Fund Council Approval and as set forth in the Revised Terms:
   a. for 2012 through 2016, the total Fund Council-Allocated Component will be increased to US$ 94,400,000 and the total Window 3 & Bilateral Component will be increased to US$ 25,100,000, which add up to a Total Budget for the CRP of US$ 119,500,000; and

The Consortium agrees, and shall require the Lead Center for the CRP, and through such Lead Center any other Centers or Partners participating in such CRP, to agree that the amounts above and any investment income specified under Section 10.2 of the Joint Agreement will be used only for the purposes described in the CPA as modified by the Revised Terms and as may be duly amended, modified and updated from time to time, and will be governed by the terms and conditions of the Joint Agreement, which is incorporated by reference herein, and the terms and conditions of the CPA.

For clarity, the Parties acknowledge that the figures presented in the “Explanations” section of the Revised Terms are historic in nature and do not correspond to actual amounts requested or disbursed under the CRP.

2. The offices responsible for the Consortium, Fund Council, Fund Office and Trustee for coordination of all relevant matters related to the implementation of the CPA and this Amendment, including providing or being provided any notice, taking any action and executing any documents required or permitted pursuant to the CPA and this Amendment, are, except as may be notified in writing to the other Contact:
For the Consortium (the “Consortium Contact”):
Chief Executive Officer
CGIAR Consortium
1000 avenue Agropolis
34394 Montpellier cedex 5
FRANCE
Tel: + 33 (0)4 67 04 75 31
Fax: + 33 (0)4 67 04 75 83

For the Trustee (the “Trustee Contact”)
Director
Trust Funds and Partnerships
Development Finance
The World Bank
1818 H Street, NW, MSN G 6-601
Washington, DC 20433, U.S.A.
Tel: +1 202 473 7654
Fax: +1 202 458 0454

For the Fund Council (the “Fund Council Contact”)
Acting Chair of the CGIAR Fund Council
Juergen Voegele
The World Bank
1818 H Street, NW
Washington, DC 20433, U.S.A.
Tel: + 1 202 458 5237
Fax: + 1 202 522 7122

For the Fund Office (the “Fund Office Contact”):
Executive Secretary, CGIAR Fund Council and
Head, CGIAR Fund Office
The World Bank
1818 H Street, NW
Washington, DC 20433, USA
Tel: +1 202 473 8918
Fax: +1 202 473 8110

3. In the preamble,

“WHEREAS, the Consortium was established as an independent international organization with its headquarters in Montpellier, France; the Fund Council has approved on November 4, 2015 the transfer from Bioversity to the Consortium of the rights and obligations contracted by Bioversity on behalf of the Consortium under the CPA”.

is added immediately after:

“WHEREAS, pending its formal establishment as an international organization and until it is ready to carry out its business in its own name (the “Interim Period”), the Consortium shall draw on the legal personality of Bioversity, a Center which has its international headquarters in Maccarese, Italy and an office in Montpellier, France, and which is authorized to enter into agreements and contract obligations on behalf of
the Consortium under a Memorandum of Understanding between Bioversity and the Consortium Board on behalf of the Consortium dated February 23, 2011 (the "Bioversity MOU")

4. All other terms and conditions of the CPA shall remain in full force and effect as written.

5. The Consortium consents to the disclosure of this Amendment and related information in accordance with the World Bank’s policy on disclosure of information.

6. This Amendment will come into effect as of the date of the last duly authorized signature below. The World Bank is signing this Amendment solely in its capacity as signatory for the Fund Council as the Fund Council does not have legal personality, and not in its capacity as Trustee, Fund Office or in any other role, except as otherwise provided herein.

THE FUND COUNCIL, by the International Bank for Reconstruction and Development

[Signature]
Juergen Voegele
Acting Fund Council Chair
Date July 11, 2016

THE CONSORTIUM OF INTERNATIONAL AGRICULTURAL RESEARCH CENTERS

[Signature]
Nicolas Austin
Interim Executive Director
Date 12 July 2016
Consortium Request to increase funding ceilings for Genebanks and Livestock & Fish CRPs
Fund Council
15th Meeting (FC15)—Rome, Italy
May 5-6, 2016

WORKING DOCUMENT

Request to increase funding ceilings for Genebanks and Livestock & Fish CRPs

Submitted by:
Consortium
Request to increase funding ceilings for Genebanks and Livestock & Fish CRPs

Purpose
This paper sets out the justification for a request for the Fund Council to approve an increase in the total budget ceilings in the existing performance implementation agreements ("PIAs") for the Genebanks and Livestock & Fish CGIAR Research Programs (‘CRPs’).

Subject to approval by the Consortium Board at its meeting on April 28, 2016 and the Fund Council thereafter in respect of the underlying Consortium Performance Agreement ("CPA"), this will bring the respective PIAs and CPAs into conformity with the operating understanding of the CGIAR Consortium and the relevant CRPs.

The timing of this request is to ensure receipt of formal approvals in advance of formalization of transition of the CGIAR Consortium to the CGIAR System Organization, as envisaged from 1 July 2016.

Proposed decision point

The Consortium Board recommends for Fund Council approval:

1. Increasing the total amount of W1-2 funding to be provided for the Genebanks CRP from US$ 92.7 million to US$ 94.4 million and increasing the maximum amount of total funding to be made available for the Genebanks CRP from US$ 108.6 million to US$ 120 million.

2. Increasing the maximum amount of total funding to be made available for the Livestock & Fish CRP from US$ 60.86 million to US$ 70 million.
Background

1. The Consortium has received formal requests from the:
   a. Genebanks CRP\(^1\) to increase the Window 1 and 2 budget and the maximum total budget approved under the applicable PIA, to reflect, respectively, the arrangements of the plan approved by the Consortium Board in November 2013 for the decentralization of ICARDA’s research and capacity development functions as a result of the destruction of ICARDA’s office in Syria (“ICARDA Investment Plan”), and increased bilateral support; and
   b. Livestock & Fish CRP to increase the maximum total budget approved under the applicable PIA due to increased bilateral support.

2. The PIAs entered into with Lead Centers define the terms and conditions for the implementation of research programs and set out a maximum total budget (“Total Budget”) approved under the CRP, which includes the Fund Council approved component (“Windows 1 and 2 Funds”) as well as expected Window 3 and bilateral amounts. Additional Window 1 and 2 Funds cannot be transferred to the Lead Center beyond the approved Window 1 and 2 Funds or beyond the Total Budget without the approval of the Consortium Board and the Fund Council.

3. The 2016 CRP Financial Plan approved by the Consortium Board is fully consistent with the material set out below.

Explanation of Genebanks CRP proposed amendments

4. As identified above, two separate items trigger the request for approval of an increase in the Total Budget for the Genebanks PIA and the related CPA.

5. First, the civil war in Syria led ICARDA to evacuate its headquarters from Aleppo and implement a plan to relocate staff and assets to other countries in the Mediterranean basin. ICARDA developed the ICARDA Investment Plan, which estimated the costs of replacing equipment and facility refurbishment in seven countries where it operates, and indicated approximately what CRPs the different locations would serve.

6. On 17 December 2013, the Consortium Board approved the allocation of up to US$ 4 million in 2014 (for 2013-2014) and up to US$ 2 million in 2015 to support the ICARDA Investment Plan. Funding was to be achieved through the increased allocation of Windows 1 and 2 funding in several CRPs.\(^2\)

---

\(^1\) As officially titled, “In Trust for the International Community: Plan and Partnership for Managing and Sustaining CGIAR-held Collections of Plant Genetic Resources”.

\(^2\) Refer to the Consortium Board’s Fourteenth meeting minutes, at agenda item 3, here: https://library.cgiar.org/bitstream/handle/10947/3879/Consortium%20Board%20Meeting%2014.pdf?sequence=1
7. Genebanks was initially approved for a maximum Total Budget of US$ 108.6 million, consisting of Windows 1 and 2 Funds of US$ 92.7 million and a Window 3 and bilateral component of US$ 15.9 million. The ICARDA Investment Plan included an allocation of additional Window 1 and 2 Funds of US$ 953,000 for 2014 and US$ 657,000 for 2015.

8. Second, Genebanks has also received increased bilateral funding ("Additional Bilateral Funding") than what was anticipated in the original budget in the amount of US$ 7.55 million, primarily from the German government.

9. At the time the 2016 disbursements from the CGIAR Fund are expected to be received by the Genebanks CRP, the allocation of that additional funding is expected to result in Genebanks exceeding the Window 1 and 2 budgets approved under the CPA, and the Genebanks CRP PIA, and exceeding the Total Budget amounts approved under each of those agreements. Table 1 below shows the difference in the original budget and the expected expenditures over 2012-2016.

10. The agreements, therefore, require amendment to allow the Fund Council and the CGIAR Consortium to continue to provide Windows 1 and 2 Funds, and the CGIAR System Organization to provide such funds after the transition to the new system takes place. CGIAR Consortium management suggests increasing the maximum amounts under the Windows 1 and 2 Funds by US$ 2 million, and the maximum under the Total Budget by US$ 15 million (inclusive of the US$ 2 million Window 1 and 2 Funds), to allow for further flexibility in managing the CRP.

Table 1: Genebanks Budget (in US$ millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Windows 1 &amp; 2</td>
<td>75.5</td>
<td>18.9</td>
<td>94.4</td>
<td>92.7</td>
<td>1.71</td>
</tr>
<tr>
<td>Window 3</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bilateral Funding</td>
<td>18.3</td>
<td>5.0</td>
<td>23.3</td>
<td>15.9</td>
<td>7.55</td>
</tr>
<tr>
<td>Center funds</td>
<td>1.7</td>
<td>1.7</td>
<td>1.7</td>
<td></td>
<td>1.67</td>
</tr>
<tr>
<td>Total Funding</td>
<td>95.6</td>
<td>23.9</td>
<td>119.5</td>
<td>108.6</td>
<td>10.93</td>
</tr>
</tbody>
</table>

Explanation of Livestock & Fish proposed amendment

11. The Livestock & Fish CRP expects significant growth in Window 3 and Bilateral funding for 2016. When the original extension proposal was submitted in April 2014, it was projected that the CRP would receive a total of US$ 26.1 million in Window 3 and bilateral funding in 2015 and 2016 (US$ 13.7 million in 2015 and US$ 12.4 million in 2016, respectively). This estimate, conservative in hindsight, only
included secured funding, and funding in the pipeline with higher than 80% probability of realization.

12. In fact, the bilateral funding situation has improved for Livestock & Fish. Accordingly, the Lead Center requests that the Total Budget for 2015 and 2016 be increased by US$ 10 million, to a revised amount of US$ 70 million. This latter amount is higher than the actual expected spend to end 2016, but allows for further contingencies.

13. Table 2 below shows the increases to the Window 3 and bilateral funding ceilings that are required to put this proposal into effect, as well as the revised Window 3 and bilateral funding ceiling taking into account such increases.

14. As for the Genebanks CRP, both the CPA and PIA for the Livestock & Fish CRP require amendment to give effect to the revised maximum Total Budget. CGIAR Consortium management recommends this course of action be undertaken.

Table 2: Increase in Window 3 & Bilateral funding ceiling for Livestock & Fish (in US$ millions)

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Approved CRP Extension Budget 2015-16</th>
<th>2015</th>
<th>2016 FinPlan</th>
<th>Total Expected</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Windows 1 &amp; 2</td>
<td>34.76</td>
<td>19.44 1</td>
<td>10.3</td>
<td>29.74</td>
<td>5.02</td>
</tr>
<tr>
<td>Window 3 &amp; Bilateral</td>
<td>26 1</td>
<td>13.99 2</td>
<td>23 3</td>
<td>36.99</td>
<td>(10.89)</td>
</tr>
<tr>
<td>Center Funds</td>
<td>0 12 2</td>
<td>0 12 2</td>
<td></td>
<td>120</td>
<td>(120)</td>
</tr>
<tr>
<td>Total</td>
<td>60.86</td>
<td>33.54</td>
<td>33.3</td>
<td>66.84</td>
<td>(5.99)</td>
</tr>
</tbody>
</table>

1 2015 Disbursements
2 2015 Expenditure
3 Lead Center estimate from September 2015
MINUTES OF FUND COUNCIL MEETING ON
May, 5 2016 (excerpt):

CGIAR Fund Council
May 5-6, 2016
Rome, Italy

Agenda Item 3. Genebanks and Livestock & Fish CRP

Conclusions and decisions:

1. The Fund Council approved the request to increase the budget ceiling for the Genebanks program, and to increase the budget gap for the Livestock & Fish CRP to accommodate an increased inflow of W3 and bilateral funds, as detailed in the table below.

2. While approving the request, the FC also expressed concerns and requested that the two programs provide a more detailed explanation and documentation, including how the money will be used, and to do so inter-sessionally in advance of the July meeting of the new System Council.

<table>
<thead>
<tr>
<th>Window 1&amp;2</th>
<th>Window 3 &amp; bilateral</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>Proposed</td>
<td>Increase</td>
</tr>
<tr>
<td>Livestock &amp; Fish</td>
<td>34.76</td>
<td>29.74</td>
</tr>
<tr>
<td>Genebanks</td>
<td>92.7</td>
<td>94.4</td>
</tr>
<tr>
<td>Total</td>
<td><strong>127.46</strong></td>
<td><strong>124.14</strong></td>
</tr>
</tbody>
</table>
