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Annual Report 2011

Celebrating 40 years of progress



A global research partnership for a food secure future

About CGIAR

CGIAR is a global partnership that unites organizations engaged in research for a food secure future.

The name CGIAR comes from the acronym for the Consultative Group on International Agricultural Research. Recently CGIAR underwent a major transformation. To reflect this and yet retain our roots we have kept CGIAR as our name.

CGIAR research is dedicated to reducing rural poverty, increasing food security, improving human health and nutrition, and ensuring more sustainable management of natural resources. It is carried out by the 15 Centers that are members of the CGIAR

Consortium, in close collaboration with hundreds of partner organizations, including national and regional research institutes, civil society organizations, academia and the private sector.

The 15 Research Centers generate and disseminate knowledge, technologies and policies for agricultural development through CGIAR Research Programs. The CGIAR Fund provides reliable and predictable multi-year funding to enable research planning over the long term, resource allocation based on agreed priorities, and the timely and predictable disbursement of funds. The multi-donor trust fund finances research carried out by the Centers through CGIAR Research Programs.



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Message from the CGIAR Consortium Board Chair and the CGIAR Fund Council Chair

In 2011, CGIAR celebrated its 40th anniversary. Since the establishment of CGIAR in 1971, CGIAR research has led to improvements in agricultural productivity – including productivity of crops, livestock and fish – natural resource management and food policy across the developing world, increasing smallholders' incomes, and reducing poverty, hunger and malnutrition. CGIAR's success stories include connecting small-scale farmers to markets, strengthening women's access to land and farming technologies, applying greener approaches to pest management, and improving children's nutrition, health and wellbeing.

Despite these accomplishments, the international community faces many challenges to achieving global food security. Hunger and chronic under-nutrition still affect 850 million people – about one in eight on the planet – and threaten millions more. Not only is this morally unacceptable, it is economically senseless, and socially dangerous. And the challenges are mounting. To meet the world's food needs in 2050, food production must increase by 70 percent, even as threats to food security intensify due to climate change, worsening water scarcity, land degradation, fish stock depletion, and rising costs for food, feed and fuel.

CGIAR's comprehensive research portfolio – one of the centerpieces of the reform effort initiated in 2009 – was developed specifically to tackle these major development challenges. But capitalizing on this potential requires substantial investment in agricultural research, a proven formula for sustainably boosting food production, and alleviating poverty and hunger. As a result of reforms, which advanced rapidly throughout 2011, CGIAR is bringing donors together in a more coordinated, innovative and results-oriented approach to investment that promises to deliver bigger and better impact for every dollar received. With increased and sustained funding, CGIAR is better positioned than ever before to advance science, technology and policy for the benefit of poor people in developing countries, particularly women and children, while safeguarding vital natural resources.

But time is not on our side. The lag between investing in research and attaining results on the ground is long, measured in decades rather than years. Building on the successes of the past four decades, in close collaboration with our valued partners, CGIAR is determined to redouble its efforts, intensify its commitments, and take action today to realize the food secure future that is our collective vision.

Carlos Pérez del Castillo,
CGIAR Consortium Board Chair

Rachel Kyte,
CGIAR Fund Council Chair

Highlights of the 40th anniversary

In 2011 CGIAR celebrated its 40th year of international agricultural research for development by reflecting on the past and looking forward to the future. With four decades of successful research behind us we have a solid foundation for tackling the challenges ahead.

Celebrating CGIAR's 40th anniversary

- July – The World Bank and CGIAR Fund Office organized a celebration of CGIAR's 40th anniversary, hosted by the President of the World Bank.
- July – The CGIAR Fund Office prepared the anniversary publication *The CGIAR at 40 and Beyond: Impacts that Matter for the Poor and the Planet*.
- July – The Executive Secretary of the CGIAR Fund Council gave a seminar at the World Bank Office in Tokyo, Japan, on 'The CGIAR at 40: Commemorating Past Achievements and Preparing to Meet New Challenges'.
- December – The Food and Agriculture Organization of the United Nations hosted a celebration of CGIAR's 40th anniversary.

Highlights of 2011

- The Funders Forum approved the Strategy and Results Framework.
- The CGIAR Consortium Board approved 15 proposals for CGIAR Research Programs and submitted them to the CGIAR Fund Council.
- CGIAR Consortium office staff were recruited and started operating in the new CGIAR Consortium office at Agropolis International, Montpellier.
- The CGIAR Fund Council and the CGIAR Consortium Board agreed on a Joint Agreement and Performance Agreement.
- The CGIAR Consortium Board and Centers approved a program implementation agreement, and consortium-level Gender Strategy monitoring principles.
- France and Hungary signed an agreement establishing the CGIAR Consortium as an international organization.
- Five CGIAR Consortium Board committees were set up to improve transparency and governance within CGIAR:
 - o Executive Committee
 - o Member Interest Committee
 - o Nominations and Evaluation Committee
 - o Audit and Risk Committee
 - o Science, Programs and Partnership Committee
- Jonathan Wadsworth, a senior advisor to the UK government, was appointed Executive Secretary of the CGIAR Fund Council and Head of the CGIAR Fund Office.
- Rachel Kyte was elected as new CGIAR Fund Council Chair at the 6th Fund Council Meeting.
- The CGIAR Fund completed its first full year in 2011, following its launch in December 2010.
- Donors contributed about half of their overall funding to CGIAR multilaterally through the CGIAR Fund in the CGIAR Fund's first year. Of that, about 80 percent was untied aid.
- The CGIAR Fund was successful in pooling significant resources for research. By the end of 2011, the CGIAR Fund had received US\$378.8 million.
- An ad-hoc Funders Forum reviewed impacts of CGIAR work to date and discussed ways to confront the development challenges of the 21st century and approved the Strategy and Results Framework in April.
- The CGIAR Consortium and the French Commission de la recherche agricole internationale signed a joint declaration of intent in September.
- The CGIAR Consortium took part in the G20 Conference on Agricultural Research for Development, in Montpellier, in September, the first G20 conference to focus on international agricultural research for development.
- The CGIAR Consortium and the Stockholm International Water Institute signed a Memorandum of Understanding to collaborate on water management issues, in November.

Strategy and Results Framework approved

The Strategy and Results Framework (SRF) provides the CGIAR Consortium, for the first time, with a common research strategy for all 15 member Centers. The SRF establishes four strategic outcomes – reducing rural poverty, improving food security, enhancing nutrition and health, and sustainably managing natural resources. CGIAR Research Programs, grounded in the SRF, are multi-year collaborative research initiatives through which the Centers and their partners will deliver outcomes sharply focused on development impact.

The Funders Forum approved the SRF in April 2011 after revision by the CGIAR Consortium Board to address gaps and concerns identified by donors and other stakeholders at the Funders Forum in July 2010. The SRF describes the evolving context of international agricultural research and sets out a role for CGIAR that draws on its comparative advantage. The framework defines the areas in which CGIAR will concentrate research in order to achieve the CGIAR vision.

Action plan prepared

During the year, the CGIAR Consortium worked on an action plan to bring the SRF to life. Through a series of consultations, foresight, priorities and linking the performance of CGIAR Research Programs to the four strategic outcomes were examined. The action plan will be further refined in 2012 and presented for approval at the 2nd Funders Forum in November 2012.

Resource mobilization strategy and action plan developed

In 2011, resource mobilization continued to be a high priority for CGIAR. One objective of the reform process is to achieve the four strategic outcomes. To do this requires defining what is expected from CGIAR Research Programs and monitoring the results, securing predictable funding for the multi-year programs, and clearly linking funding to results.

Moving to formal and transparent resource mobilization – setting up a predictable long-term funding mechanism which includes provision for multi-year commitments from donors – is a natural next step in the CGIAR reform process. During the year, the CGIAR Consortium Board and the CGIAR Fund Council worked to establish a resource mobilization strategy and action plan to realize this.

The CGIAR Fund Council developed three principles for the resource mobilization strategy: a voluntary, multi-year replenishment; a multi-layered replenishment; and linking funding to results. The resource mobilization strategy is envisaged to be part of a 'compact' between donors and the CGIAR Consortium that will link donor funding to the results of CGIAR Research Programs. The CGIAR Consortium will monitor, assess, and disseminate CGIAR Research Program results, and the CGIAR Fund will develop ways to generate, monitor and increase predictable contributions from donors, and to bring their interests and concerns to the CGIAR community. The principles of the resource mobilization strategy will be submitted for endorsement at the CGIAR Fund Council meeting in March 2012, in Seattle, Washington.

Investor relations

In parallel with developing a resource mobilization strategy, in 2011 the CGIAR Fund and the CGIAR Consortium made a major joint effort to raise funds and strengthen relations with donors and other key stakeholders. In March, a mission led by the CGIAR Fund Council Chair and CGIAR Consortium Board Chair met with decision makers in Denmark, Norway, Sweden, the European Commission in Brussels, and the United Kingdom. They had discussions with high-level government representatives, directors of cooperation agencies, universities, the media, CGIAR Consortium Board members, and key donor agencies. The aim was to increase the visibility of CGIAR, and explain how CGIAR's new way of doing business would deliver greater development impact. The mission also made a case for doubling funding to CGIAR, given food price volatility, climate change, and long-term food security concerns.

Outcomes of the mission were positive. Denmark agreed to sign an agreement establishing CGIAR as an international organization. The European Union (EU) improved how funding is channeled from the EU to the CGIAR Fund, and support for the CGIAR Gender Strategy was strengthened. In May the Consortium Board Chair met with the President of the World Bank on the subject of the reform as a way of generating greater involvement of the World Bank.

The CGIAR Fund Office engaged in a number of other missions in 2011 to update partners and potential investors on the progress of CGIAR reforms, strengthen relationships and encourage participation in the CGIAR Fund or increased contributions to it, especially through Windows 1 and 2. Austria, Australia, Japan, Mexico, Morocco, Spain and the United Kingdom were among the countries visited, as well as the African Development Bank.

Gender Strategy approved

In 2011, after wide consultation with donors, Centers and experts, the CGIAR Consortium approved a system-wide Gender Strategy. Taking the strategy forward, the CGIAR Consortium Board approved the recruitment of a senior gender advisor, who started work in December.

Gender Strategy

The Gender Strategy will:

- Improve the relevance of CGIAR's research to poor women as well as men (reduce poverty and hunger, improve health and environmental sustainability) in all geographical areas. By 2015 progress towards these outcomes will be measurable.
- Ensure that Centers and CGIAR Research Programs attract top scientific talent, regardless of gender and nationality, and retain this talent at the highest levels of decision making.

Monitoring principles approved

The CGIAR Consortium and CGIAR Fund Council worked together to develop a monitoring and evaluation (M&E) system. M&E will deliver a continuous stream of detailed information about the achievements and impacts of CGIAR Research Programs and finances. To reinforce M&E, external evaluations of CGIAR Research Programs and Centers will assess issues of governance, management and financial health. The CGIAR Consortium Board approved the seven monitoring principles in November 2011.

Monitoring and evaluation

Objectives

- Provide a transparent, credible, and rigorous framework for assessing progress in delivering results, at both CGIAR Research Program and CGIAR Research Program portfolio levels;
- Encourage and facilitate drawing lessons from assessments, in order to further improve CGIAR Research Program performance;
- Satisfy donor requirements for reporting;
- Provide overall coherence and reasonable standardization in approaches, within each CGIAR Research Program and across all CGIAR Research Programs, for progress at portfolio level to be assessed and associated lessons drawn.

Principles

Principle 1: What is monitored is progress over time, both in quantity and quality, toward the delivery of outputs and outcomes.

Principle 2: In parallel with assessing progress, total spending (from all sources: CGIAR Fund and bilateral) against expected expenditures, is monitored and reported by thematic component of a CGIAR Research Program, and if relevant at the regional level.

Principle 3: Progress is monitored through quantitative and, where appropriate, qualitative approaches that are transparent, can be validated independently, and are cost-efficient.

Principle 4: Each CGIAR Research Program standardizes monitoring within the CGIAR Research Program.

Principle 5: Monitoring progress includes re-visiting the plausibility of the impact pathways in the approved proposal, including risks and assumptions, in the light of the progress accomplished by the CGIAR Research Program.

Principle 6: In an effective monitoring system, the results of the monitoring are used as feedback to make necessary adjustments in planned activities.

Principle 7: The team accountable for designing a CGIAR Research Program monitoring plan and collecting the associated information should be identified by each CGIAR Research Program in the first six months following inception.

Common operational framework agreed

A framework was agreed between the CGIAR Fund Council and the CGIAR Consortium on common processes, which include reporting, CGIAR Research Program selection criteria, CGIAR Research Program proposal preparation guidelines, financial guidelines, monitoring, evaluation, conflict of interest, intellectual property, communications plans, resource mobilization plans, system cost modalities and other operational aspects that apply to all funding and implementation aspects of the SRF (including CGIAR Research Programs), regardless of funding source or implementing entity.

Intellectual assets principles

Throughout 2011, several extensive consultations were held to forge an agreement by donors and Consortium members on the draft CGIAR Principles on the Management of Intellectual Assets (IA). The draft represents many months of negotiation between an IA working group of the CGIAR Consortium (composed of representatives from the CGIAR Consortium Board, CGIAR Consortium Office and Centers) and a group of CGIAR Fund donors: Australia, Bill & Melinda Gates Foundation, Canadian International Development Agency, European Initiative on Agricultural Research for Development, Food and Agriculture Organization of the United Nations, Japan, World Bank and United States Agency for International Development. Once finalized, the Principles will be submitted for approval by the Consortium Board and Fund Council.

Agreements on performance and program implementation approved

In 2011, the CGIAR Fund Council and the CGIAR Consortium entered into a joint agreement. The CGIAR Fund Council and the CGIAR Consortium approved the template of performance agreements, and the CGIAR Consortium and its members approved the template of program implementation agreements.

Joint agreement

A joint agreement between the CGIAR Consortium and the CGIAR Fund Council sets out the terms and conditions governing the submission and approval of CGIAR Research Program proposals, and how funds should be used by CGIAR Research Programs.

Harmonized reporting

The joint agreement stipulates reporting requirements to improve monitoring and evaluation of research. The objective is to harmonize reports by using a common template across the system which caters to all needs and provides information transparently. As a first step in this direction, draft templates will be prepared that will enable the CGIAR Consortium Board to report annually to the CGIAR Fund Council on:

- The status of the CGIAR Research Program portfolio in terms of progress towards broad system-level outcomes;
- The strategic overview of where individual CGIAR Research Programs stand in terms of progress towards their respective milestones and targets;
- The externally audited CGIAR Consortium budget, and Center budgets and operational performance.

Performance agreements

Consortium performance agreements (CPAs) are the agreements entered into by the CGIAR Consortium and the CGIAR Fund Council for each approved CGIAR Research Program proposal. The CPAs consist of specific results-based terms applicable to a CGIAR Research Program, include the CGIAR Research Program proposal and incorporate the terms of the joint agreement. Seven CPAs were entered into in 2011.

Program implementation agreements

Program implementation agreements (PIAs) are the downstream agreements entered into by the CGIAR Consortium and the lead Center of each approved CGIAR Research Program. PIAs govern the use of funds made available by the CGIAR Consortium to the lead Center. Each PIA incorporates the terms of the joint agreement and the relevant CPA. Seven PIAs were entered into in 2011.

Independent evaluation arrangement

Throughout 2011, CGIAR made significant progress in the development of an independent evaluation arrangement (IEA) designed to support CGIAR in becoming more effective in pursuit of its objectives, particularly the four system-level outcomes. Once the arrangement is fully formed and approved, evaluation will play its part in providing accountability, supporting decision making and providing lessons for improved and more cost-effective benefits from research.

As part of the process of developing the IEA, the CGIAR Fund Council selected and appointed a design team of consultants. During the CGIAR Fund Council meeting in April 2011, the leader of the IEA design team presented an inception report that provided information on evaluation, reviews and performance reporting in CGIAR, and set out the main functions of an IEA office. At the July CGIAR Fund Council meeting, the design team presented seven recommendations for establishing an IEA. The recommendations covered a structure for the IEA, staffing, the location of the IEA office, and an evaluation work plan and budget. At its meeting in November 2011, the CGIAR Fund Council discussed a paper that proposed principles for evaluation in CGIAR, as well as a policy for independent external evaluation. The CGIAR Fund Office revised the paper based on comments received, and facilitated the search and selection process for the head of IEA.

Key step towards achieving international organization status fulfilled

Achieving international organization status for the CGIAR Consortium will be a major step towards enabling the reformed CGIAR to deliver research that has a real impact on improving food security, health and nutrition, and sustainable management of natural resources. As an international organization, the CGIAR Consortium will be able to operate independently, speak with one voice on global issues, establish vital partnerships, and raise awareness of its work at a time when agricultural research is key to the survival of a billion people. Recognition of the CGIAR Consortium as an international organization will strengthen links to national and regional agricultural research, and focus research on the interests of the rural poor.

Agreement signed by France and Hungary

France and Hungary signed an agreement establishing the CGIAR Consortium as an international organization during the closing session of the G20 meeting in September, in Montpellier, France. Since then, the French Ministry of Foreign Affairs in Paris has opened the agreement for signature by other countries. All CGIAR donor countries have been invited to sign the agreement and the CGIAR Consortium has engaged many potential signatory countries in discussions regarding their signature. Denmark is scheduled to sign the agreement early in 2012, and many other countries have expressed interest in signing. As France's signature requires parliamentary ratification, international organization status will be granted as soon as a country not requiring ratification signs the agreement.

CGIAR Consortium office in Montpellier opened

The CGIAR Consortium Board chose Montpellier, France, as the location for the CGIAR Consortium office at the invitation of the French Government. In 2011, CGIAR Consortium staff started operating in the new office at Agropolis International.

Montpellier is a well-established, French agricultural research hub. Locating the CGIAR Consortium office there enhances the French scientific community's involvement in CGIAR Research Programs, such as the Global Rice Science Partnership (GRiSP), the CGIAR Research Program on Rice, a program that already works in partnership with, among others, two French organizations, Centre de coopération internationale en recherche agronomique pour le développement (CIRAD) and Institut de recherche pour le développement (IRD).

Proposal for Center genebanks developed

The CGIAR Consortium has been working closely with the Global Crop Diversity Trust to address a request from the CGIAR Fund Council that the CGIAR Consortium develop a sustainable mechanism to support system genebanks. A 2010 study, involving the ten CGIAR Centers that house crop germplasm and other plant genetic resources, assessed the cost of maintaining germplasm collections to international standards, distributing germplasm, and making information about germplasm collections available under the terms of the International Treaty on Plant Genetic Resources.

In 2011, based on this study, the CGIAR Consortium Board of Trustees submitted a proposal for financially supporting CGIAR Center genebanks to the CGIAR Fund Council. The proposal outlined the design and implementation of a genetic resources information system. This system would involve all relevant CGIAR Research Programs and facilitate an expert network on emerging strategic genetic resources issues.

Science for a food secure future

The context of CGIAR research is changing. To overcome new challenges and exploit new opportunities, CGIAR Research Programs are now the main mechanism for planning and carrying out research. Stronger and broader partnerships are central to the new CGIAR Research Programs. Collectively, program partners will foster a global process of innovation in which national research systems shape the agenda, and the private sector and civil society organizations are invited to participate.

Working in a new way

Designated Centers lead collaborative research in the CGIAR Research Programs, and involve partners both inside and outside CGIAR. Just as CGIAR Research Programs represent a new way of working, they also require a new system of funding. Donors can choose to support CGIAR research by contributing to the CGIAR Fund or through bilateral funding.

The CGIAR Fund Office performs an important role in facilitating the process that enables CGIAR Research Programs to become fully operational by guiding the process of obtaining CGIAR Fund Council approval, completing legal documents, disbursing funds and reporting progress to donors. In 2011, the CGIAR Fund Office shepherded 12 performance agreements for CGIAR Research Programs including the program on long-term support to genebanks and an agreement to ensure stability of funding for CGIAR Consortium members into fully executed agreements, a major requirement before any funds can flow. Information on the status of each CGIAR Research Program and the amount of funds in Window 2 are made available weekly to ensure an efficient process in which all the parties are fully informed and moving in the same direction.

The CGIAR Research Program approach harmonizes research, focusing on research themes and regional hubs. For example, WorldFish has dissolved its Science Advisory Committee and now harmonizes research under the guidance of the oversight panel of the AAS, the CGIAR Research Program on Aquatic Agricultural Systems. The Deputy Director General at WorldFish leads the AAS, thus avoiding the need to create a new position for a director of AAS. In another example of harmonization, the CGIAR Research Program on Forests, Trees and Agroforestry set up a team of people from the four Centers participating in the program to work with scientists on gender issues. This team has been instrumental in developing a gender strategy for the CGIAR Research Program on Forests, Trees and Agroforestry.

CGIAR Research Programs launched

The first two CGIAR Research Programs were launched in January 2011: CCAFS, the CGIAR Research Program on Climate Change, Agriculture and Food Security, and the CGIAR Research Program on Rice, known as the Global Rice Science Partnership (GRiSP). Three more CGIAR Research Programs were launched mid-way through the year: AAS, the CGIAR Research Program on Aquatic Agricultural Systems; MAIZE, the CGIAR Research Program on Maize; and the CGIAR Research Program on Forests, Trees and Agroforestry.

CGIAR Research Programs launched in 2011

CCAFS, the CGIAR Research Program on Climate Change, Agriculture and Food Security

This program offers developing country farmers new options for adapting to the emerging impacts of climate change and mitigating its effects through 'carbon-friendly' agriculture that also strengthens food security and reduces poverty.

The CGIAR Research Program on Rice, known as the Global Rice Science Partnership (GRiSP)

This program aims to increase rice productivity and value for the poor, foster more sustainable production, help rice farmers adapt to climate change, and improve the efficiency and equity of the rice sector.

AAS, the CGIAR Research Program on Aquatic Agricultural Systems

This program aims to help low-income smallholders overcome the constraints that prevent them from fully benefiting from diverse aquatic agricultural systems.

MAIZE, the CGIAR Research Program on Maize

This program will help double maize productivity with essentially no expansion of maize area through more intensive, sustainable, and resilient farming systems that are adapted to climate change and the rising costs of fertilizer, water, and labor.

CGIAR Research Program on Forests, Trees and Agroforestry

This program seeks to enhance the management and use of forests, agroforestry, and tree genetic resources across the landscape, from forests to farms, for the benefit of poor people, particularly women and other disadvantaged groups.

Research progress in 2011

In 2011, the five CGIAR Research Programs underway made significant progress. AAS reviewed the entire research portfolio in aquatic agricultural systems to assess the extent to which it provides what is needed to bring about development change. In Durban in 2011, the United Nations Framework Convention on Climate Change (UNFCCC) adopted the approach proposed by the CGIAR Research Program on Forests, Trees and Agroforestry to setting reference levels and reference emission levels. CCAFS developed a novel methodology for crop modeling.

Productivity in aquaculture improved

A project of AAS saw 22,500 farmers increase their annual profit from aquaculture from US\$356 per household in 2008 to US\$1075 in 2011. This was achieved through a project funded by USAID, Greater Harvest and Economic Returns from Shrimp, which worked to improve the productivity of shrimp and fish farms in the southern coastal districts of Bagerhat, Khulna, and Shatkhira, in Bangladesh.

Integrated landscape approaches developed

A set of principles for sustainable use of biodiversity in a landscape perspective developed by the CGIAR Research Program on Forests, Trees and Agroforestry was recognized by the Convention on Biological Diversity (CBD) at the 15th meeting of the Subsidiary Body on Scientific and Technological Advice (SBSTA), Montreal, Canada, in November. If this decision is confirmed at the Eleventh Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP 11) in October 2012, the principles will guide the 193 governments which are party to the CBD in implementing integrated landscape approaches.

Forest tenure influenced

Work of the CGIAR Research Program on Forests, Trees and Agroforestry on forest management influenced changes in forest tenure in Indonesia. In 2011 the Indonesian Ministry of Forestry agreed to extend various forms of land tenure from 0.1 to 5 million hectares by 2015 to deal with conflicts on the margins of Indonesia's forests. The vice president issued permits for 'community management' and 'village forest' tenure categories, which research has shown are tenures that improve forest management.

Climate change discussions influenced

The CGIAR Research Program on Forests, Trees and Agroforestry, and CCAFS influenced discussions of the UNFCCC during the year. The UNFCCC adopted the approach proposed by the CGIAR Research Program on Forests, Trees and Agroforestry to setting reference levels and reference emission levels for countries to receive Reducing Emissions from Deforestation and Forest Degradation plus payments. CCAFS played a part in referring agriculture to the UNFCCC SBSTA for detailed discussion. This had stalled prior to the involvement of CCAFS.

Modeling tool developed

CCAFS developed a novel analogues tool to empirically test climate and crop models on the ground. The analogues tool connects sites with statistically similar – analogous – climates, across locations and/or time – past or future climate. Once analogue sites have been identified, information can be drawn from local field studies or databases to provide data for further studies, propose high-potential adaptation pathways, facilitate farmer-to-farmer exchange of knowledge, validate models, test new technologies and/or techniques, and enable learning from the past. The tool can be used with free, open-source software, or online.

Household baseline survey across 15 benchmark sites completed

CCAFS led partners in collecting baseline household survey data at 15 benchmark sites in 12 countries across three regions. Teams surveyed more than 6,000 households, disaggregated the data by gender, and made it available to the public in just six months. Survey manuals, data sets and site reports are freely available on the CCAFS website.

Summary of 2011 financial results

The CGIAR financial report for 2011 has a different format to previous years, reflecting the transition to program funding. With program funding, donors contribute to the CGIAR Fund, and their contributions are pooled in Windows 1 and 2. The CGIAR Fund determines how the pooled funds will be allocated. Donors fund Centers directly through Window 3. The CGIAR Fund financed 45 percent of CGIAR Research Program activities in 2011, and over 25 percent of Center activities.

Overview

Total revenues for the CGIAR system – the 15 member Centers, CGIAR Research Programs, Challenge Programs and system entities – in 2011 amounted to US\$735 million, an increase of US\$39 million (5.6%) compared to US\$696 million in 2010.

Expenditure in 2011 was US\$707 million, an increase of US\$50 million (7.6%) over 2010. The overall net result was a surplus of US\$28 million.

Table 1. Summary of CGIAR revenue and expenditure 2010 and 2011 (US\$ million)

	2011		2010
	CGIAR Research Programs	Non-CGIAR research programs	
Revenue			
CGIAR Fund Windows 1 and 2	95	83	
CGIAR Fund Window 3	2	14	
Bilateral	124	357	
	221	454	
Total Center grant income		675	626
System entities		9	17
Challenge Program partners		29	30
Total grant income		713	673
Centers' own income		22	23
Total revenue		735	696
Expenditure			
CGIAR Research Programs		221	
Centers' own programs		486	657
Total expenditure		707	657
Net result		28	39

Note: Revenue for CGIAR Research Program activities may be reported for more than one Center where Centers partner in the research. CGIAR Research Program revenues have been eliminated from the lead Center, so that the revenue appears only in the reports of the Center doing the work.

Table 2. CGIAR program finances 2007-2011 (US\$ million)

	2007	2008	2009	2010	2011
Revenue (US\$ million)					
CGIAR Research Program Windows 1 and 2					95
CGIAR Research Program Window 3 and bilateral					126
Total CGIAR Research Program revenue					221
Non-CGIAR research program restricted	328	355	420	460	357
Unrestricted	167	176	186	213	136
Total non-CGIAR research program revenue	495	531	606	673	493
	495	531	606	673	713
Other	25	22	23	23	22
Total revenue	520	553	629	696	735
Expenditure (%)					
Personnel	44	44	42	43	44
Supplies and services	30	29	27	27	30
Collaboration and partnerships	15	16	18	18	16
Travel	7	8	7	8	7
Depreciation	4	3	6	4	4
Total expenditure (US\$ million)	506	542	603	657	707
Results of operations (surplus, deficit)	14	11	26	39	28
Staffing					
Internationally recruited	1,096	1,163	1,238	1,278	1,227
Nationally recruited	6,986	6,904	6,992	7,281	7,095
Total	8,082	8,067	8,160	8,559	8,322
Indicators					
Working capital (days expenditure)	161	150	159	170	169
Current ratio	1.7	1.6	1.6	1.5	1.3
Adequacy of reserves	127	123	134	141	139
Fixed assets					
Capital expenditure (US\$ million)	18.7	21.2	30.9	30.4	32.9
Capital expenditure/depreciation (%)	110	119	95	118	119
Indirect/direct cost ratio (%)	20	19	17	18	16

Analysis of the CGIAR Fund in 2011

In the first year of the CGIAR Fund, December 2010-December 2011, donors contributed about half of their overall funding to CGIAR multilaterally, through the CGIAR Fund. Of that, about 80 percent was untied aid – evidence of the multilateral approach in action.

2011 CGIAR Fund inflows and outflows

In 2011, the CGIAR Fund was successful in pooling significant resources for research priorities, despite the fact that many CGIAR Research Programs were approved only during the year and a few were in the initial stages of implementation. By the end of 2011, the CGIAR Fund had received a total of US\$378.8 million and disbursed US\$251.3 million, demonstrating strong commitment by donors to the new CGIAR. Table 3 shows the status of the CGIAR Fund and the funding windows from inception of the CGIAR Fund to December 31, 2011.

Table 3. CGIAR Fund status (US\$ million) as of 12/31/2011

	Window 1	Window 2	Window 3	Provisional	Total
Received	252.7	51.2	63.0	11.9	378.8
Disbursed	159.5	30.2	61.6		251.3
CGIAR Fund balance	93.2	20.9	1.4	11.9	127.5
2011 contributions being processed*	1.3	1.4	3.9		6.6

* Funds had been received but contribution agreements had not been signed by 12/31/2011, or contribution agreements had been signed by year end, but funds had not been received in 2011.

An analysis of inflows to the CGIAR Fund shows the pace at which projections turned into actual receipts during the year (Figure 1). The year-end projection of US\$437.5 million included contributions from Canada, the European Community, and Japan; contribution agreements/arrangements for these had not been finalized before the end of 2011. Figure 2 shows the CGIAR Fund balance by month during 2011, indicating how the balance fluctuated during the year. The receipt of the bulk of donor funds towards the end of the year is a major concern for CGIAR. More uniform distribution of disbursements by donors throughout the year would be preferable. An alternative is to set a reserve level for the CGIAR Fund.

Figure 1. Cumulative inflows to the CGIAR Fund as of 12/31/2011

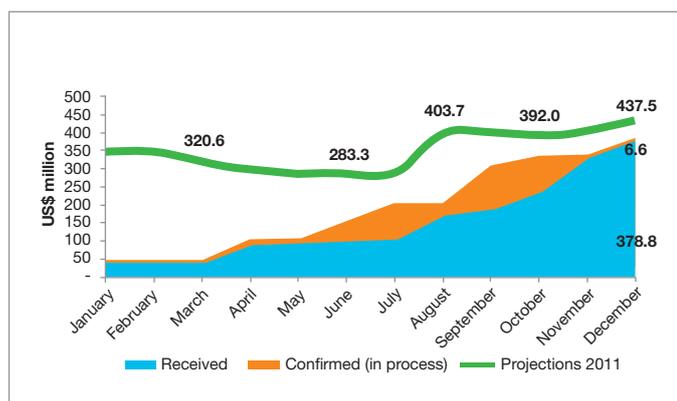
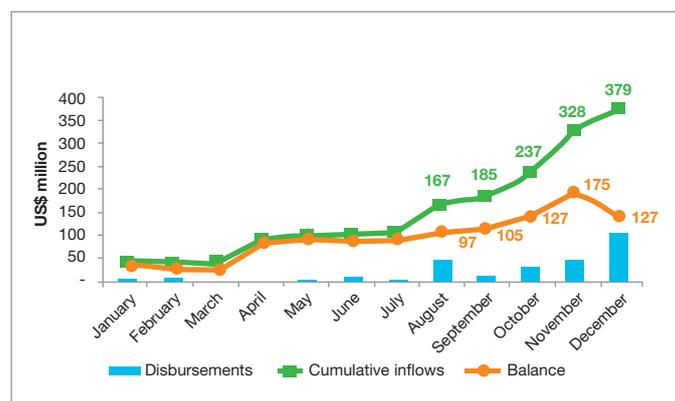


Figure 2. CGIAR Fund monthly balances as of 12/31/2011



Funding inflows and outflows through the CGIAR Fund illustrate the restrictions donors impose on their contributions (Figures 3 and 4). Windows 1 and 2 combined represent 80 percent of total contributions, important for harmonizing funding.

Figure 3. Inflows to the CGIAR Fund by Window as of 12/31/2011 (US\$ million)

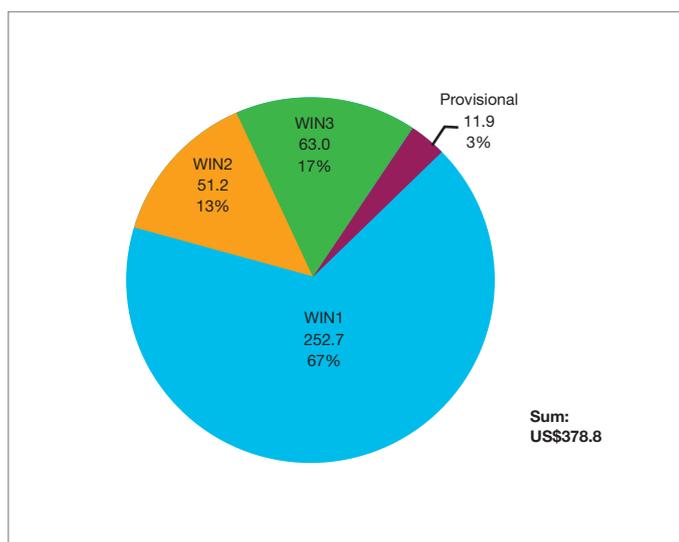
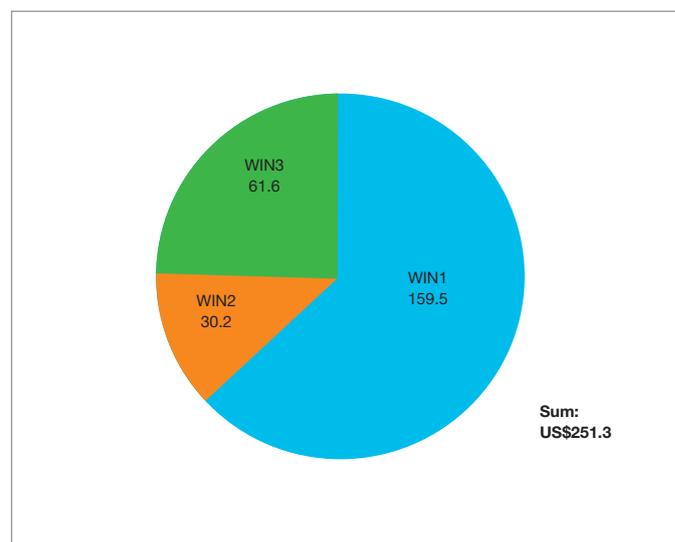


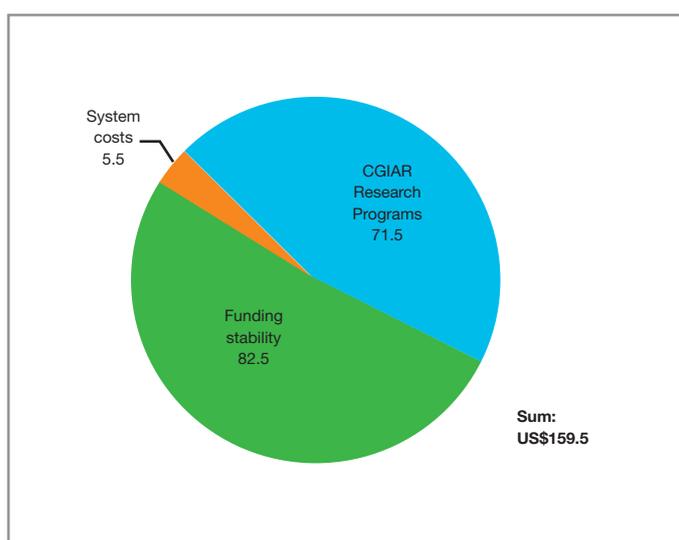
Figure 4. Outflows from the CGIAR Fund by Window as of 12/31/2011 (US\$ million)



Window 1 disbursements approved by the CGIAR Fund Council are shown in Figure 5. The allocation of pooled funds from Window 1 to CGIAR Research Programs and to funding stability demonstrates the strength of the reform and CGIAR's ability to adapt to changing times. As donors started shifting their contributions from Center-based core funding to the new CGIAR Fund, transitional management of funding was needed to bridge the temporary gap between Center-based funding and the new programmatic approach, represented by the CGIAR Research Programs. Given the staggered implementation schedule of the CGIAR Research Programs, some Centers had little CGIAR Research Program funding at a time when core support had been diverted into the CGIAR Fund. This required the provision of funding stability in 2011. The overall objective of funding stability was to ensure critical research continued in the run-up to the launch of the CGIAR Research Programs.

As illustrated in Figure 5, more than half of Window 1 resources were allocated and disbursed to support stability of funding across the Centers. Funding stability was a major component of the total outflow, complementing outflows to approved CGIAR Research Programs and system costs. A report on the use of funds is expected from the CGIAR Consortium in accordance with the provisions of the joint agreement and performance agreements.

Figure 5. Outflows from Window 1 as of 12/31/2011 (US\$ million)



Window 2 contributions and disbursements to CGIAR Research Programs are shown in Figures 6 and 7. The pattern of disbursements to CGIAR Research Programs shows the essential role of Window 1 contributions in providing funding across approved CGIAR Research Programs. Although a number of CGIAR Research Programs were approved and Window 2 funding was allocated by donors before the end of 2011, some CGIAR Research Programs were unable to request payment pending the completion of legal agreements, while other funds were not disbursed before the end of the year because funding was received late in December, and requests for payments could not be processed before December 31, 2011.

Figure 6. Window 2 contributions to CGIAR Research Programs as of 12/31/2011

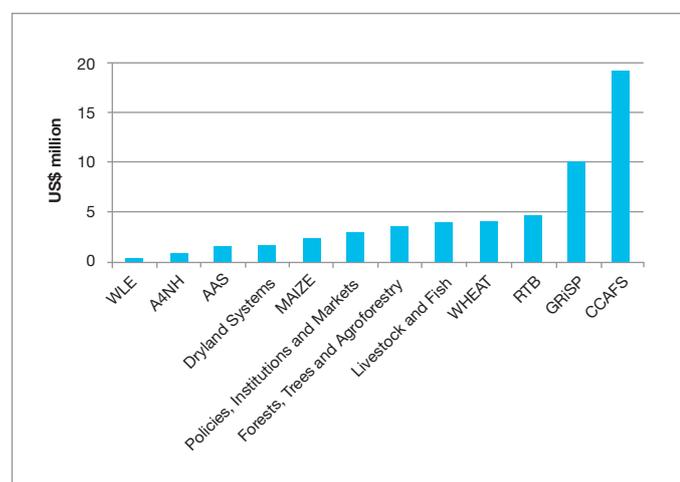
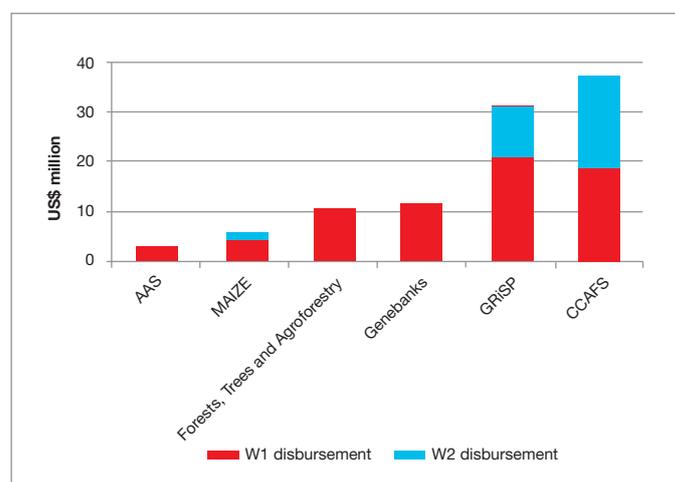


Figure 7. Window 1 and Window 2 disbursements to CGIAR Research Programs as of 12/31/2011



Recovery of system costs 2011

One of the important features of the reform is the sharing of system-level costs among all CGIAR donors. A mechanism for calculating the cost was approved at the Funders Forum in July 2010. Based on that mechanism, the cost sharing percentage (CSP) for 2011 was calculated at 2 percent of funding. This key milestone in the history of CGIAR was first implemented in 2011. Of the total system cost of US\$14.3 million, only 60 percent is expected to be funded from CSP recovery; other sources of financing cover the remaining 40 percent. The analysis of system costs for 2011 (Table 4) shows that, of the US\$8.65 million (or 60%) expected to be financed from recovery of the CSP, US\$8.60 million was recovered, leaving US\$50,000 still to be recovered.

Table 4. Analysis of system costs and recovery for 2011 (US\$ million)

System entities	Budget	Financing	
		Through CSP	Other
Fund Office	3.50	3.50	
Consortium	6.07	1.78	4.29
Independent Science and Partnership Council	3.85	2.49	1.36
Trustee	0.88	0.88	
Total	14.30	8.65	5.65
Actual cost-sharing percentage (CSP) recovery, from the CGIAR			
Funding Received		CSP (2%)	
W1	254.04	5.08	
W2	52.54	1.05	
W3	65.75	1.32	
Total	372.34	7.45	
Estimated recovery from bilateral donors, excluding legacy projects		1.15	
Over (under) recovery of system costs		-0.05	

CGIAR in 2011

CGIAR FUND COUNCIL

Chair: Inger Andersen (January–November 2011) Rachel Kyte (from November 2011)

CGIAR Fund Council members

Organisation for Economic Co-operation and Development—Development Assistance Committee (OECD-DAC) countries

Europe: European Commission, Sweden, Switzerland and the United Kingdom

North America: Canada and the United States of America

Asia: Japan

Pacific: Australia

Non-OECD-DAC countries and regional organizations

Sub-Saharan Africa: Kenya and Nigeria

Asia: China and India

Pacific: Papua New Guinea

Central and West Asia and North Africa: Egypt

Latin American Countries: Brazil

Global Forum on Agricultural Research

Regional Fora: Association of Agricultural Research Institutions in the Near East and North Africa

Multilateral and global organizations

Food and Agriculture Organization of the United Nations

International Fund for Agricultural Development

World Bank

Foundations

Bill & Melinda Gates Foundation

International Development Research Centre

CGIAR FUND OFFICE

Head of the CGIAR Fund Office and Executive Secretary of the CGIAR Fund Council

Jonathan Wadsworth

Science Advisor

Manuel Lantin

Governance Advisor

Iftikhar Mostafa

Investor Relations

Lystra Antoine

CGIAR FUND TRUSTEE

Ulrich Hess/Pamela Crivelli

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Kenneth Cassman

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Margaret Gill

Rashid Hassan

Marcio de Miranda Santos

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Jimmy Smith, Director General

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Emerlinda Roman, Board Chair
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International Water Management Institute

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World Agroforestry Centre

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Tony Simons, Director General

WorldFish Center

Remo Gautschi, Board Chair
Stephen Hall, Director General

CGIAR Investors in 2011

An enduring commitment to agricultural research is necessary to ensure that the knowledge generated by CGIAR scientists and their partners, including agricultural research systems and the private sector, is applied for the benefit of the poor, such as farming, forest, and fishing communities. Diverse partnerships are fundamental to transforming research into development results. Since 1971, CGIAR has steadfastly supported research to sustainably reduce hunger, poverty, and malnutrition in the developing world. The ongoing reforms promise to strengthen CGIAR so that it is better equipped and positioned to meet the challenges of the 21st century. CGIAR thanks its investors.

African Development Bank	Gulf Cooperation Council	Norway
Arab Fund for Economic and Social Development	India	Oman
Asian Development Bank	Indonesia	OPEC Fund for International Development
Australia	Inter-American Development Bank	Peru
Austria	International Development Research Centre	Philippines
Bangladesh	International Fund for Agricultural Development	Portugal
Belgium	Islamic Republic of Iran	Rockefeller Foundation
Bill & Melinda Gates Foundation	Ireland	Russia
Brazil	Italy	South Africa
Canada	Japan	Spain
China	Kellogg Foundation	Sweden
Colombia	Kenya	Switzerland
Commission of The European Community	Republic of Korea	Syngenta Foundation for Sustainable Agriculture
Denmark	Kuwait	Syrian Arab Republic
Arab Republic of Egypt	Libya	Thailand
Finland	Luxembourg	Turkey
Food and Agriculture Organization of the United Nations	Malaysia	Uganda
Ford Foundation	Mexico	United Kingdom
France	Morocco	United Nations Development Programme
Germany	Netherlands	United Nations Environment Programme
	New Zealand	United States of America
	Nigeria	Vietnam
		World Bank

Abbreviations

CBD	Convention on Biological Diversity
CIRAD	Coopération internationale en recherche agronomique pour le développement
CPA	CGIAR Consortium performance agreement
CRP	CGIAR Research Program
CSP	Cost sharing percentage
EU	European Union
IA	Intellectual assets
IEA	Independent Evaluation Arrangement
IRD	Institut de recherche pour le développement
M&E	Monitoring and evaluation
PIA	Program implementation agreement
SBSTA	Subsidiary Body on Scientific and Technological Advice
SRF	Strategy and Results Framework
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development

CGIAR Research Programs

A4NH	CGIAR Research Program on Agriculture for Nutrition and Health
AAS	CGIAR Research Program on Aquatic Agricultural Systems
CCAFS	CGIAR Research Program on Climate Change, Agriculture and Food Security
Dryland Cereals	CGIAR Research Program on Dryland Cereals
Dryland Systems	CGIAR Research Program on Dryland Systems
Forests, Trees and Agroforestry	CGIAR Research Program on Forests, Trees and Agroforestry
Grain Legumes	CGIAR Research Program on Grain Legumes
GRIISP	CGIAR Research Program on Rice, also known as the Global Rice Science Partnership (GRIISP)
Humidtropics	CGIAR Research Program on Integrated Systems for the Humid Tropics
Livestock and Fish	CGIAR Research Program on Livestock and Fish
MAIZE	CGIAR Research Program on Maize
Policies, Institutions and Markets	CGIAR Research Program on Policies, Institutions and Markets
RTB	CGIAR Research Program on Roots, Tubers and Bananas
WHEAT	CGIAR Research Program on Wheat
WLE	CGIAR Research Program on Water, Land and Ecosystems

CGIAR Consortium

The CGIAR Consortium provides leadership to the CGIAR system and coordinates activities among member Centers and other partners within the framework of CGIAR Research Programs, in order to enable them to enhance their individual and collective contribution to the achievement of the CGIAR vision, through such means as:

- (i) Fostering a more conducive international environment for agricultural research for development and increasing CGIAR relevance and effectiveness within the institutional architecture for international development;
- (ii) Enhancing the impact of member Center research through common strategic objectives, programmatic convergence, concerted action and fostering innovation;
- (iii) Together with the CGIAR Fund Council, expanding the financial resources available to the member Centers to conduct their work;
- (iv) Managing the allocation of funds to meet priorities identified in the Strategy and Results Framework, and serving as a central point of fiduciary and operational accountability for all funds that pass to the CGIAR Consortium and/or to the member Centers from the CGIAR Fund;
- (v) Improving the cost-efficiency of each member Center and of the CGIAR system as a whole through the provision of advice, shared functions and research platforms, and other means; and
- (vi) Identifying with the member Centers and promoting opportunities to achieve gains in relevance, efficiency and effectiveness.

CGIAR Fund

Recognizing that agricultural research requires funding stability that stretches well beyond political budget cycles, in December 2010, CGIAR launched a multi-donor trust fund to provide reliable and predictable multi-year funding and, thereby, to enable research planning over the long term, resource allocation based on agreed priorities, and the timely and predictable disbursement of funds. The CGIAR Fund finances research carried out by the 15 Centers through CGIAR Research Programs. To receive funding, programs must set out what they expect to achieve and provide verifiable targets against which progress can be measured and monitored. By linking funding to results, the CGIAR Fund creates a 'compact' between donors and researchers, giving donors better value for money and ensuring that research translates into tangible benefits for the poor.

To maximize funding, coordination and harmonization, reduce transaction costs, and avoid funding and research fragmentation, donors to CGIAR are encouraged to channel their resources through the CGIAR Fund, which is held in trust by the World Bank. The CGIAR Fund Council, a representative body of CGIAR Fund donors and other stakeholders, governs the CGIAR Fund. As a decision-making body, it sets overall priorities on the use of resources and appoints the Independent Science and Partnership Council, a panel of world-class scientific experts that advises CGIAR Fund donors. The CGIAR Fund Office, located at World Bank headquarters in Washington, DC, supports the CGIAR Fund Council and the biennial Funders Forum.

Donors to the CGIAR Fund may designate their contributions to one or more of three funding windows:

Window 1: The CGIAR Fund Council determines how these funds are allocated to CGIAR Research Programs, used to pay system costs, or otherwise applied to achieving the CGIAR mission.

Window 2: CGIAR Fund donors designate their contributions to specific CGIAR Research Programs.

Window 3: CGIAR Fund donors allocate contributions to specific CGIAR Centers to finance research programs or other needs.



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