



Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Annual Report 2010

Science for a food secure future



CGIAR Annual Report 2010

CGIAR ANNUAL REPORT 2010	1
TOWARDS A REFORMED CGIAR	1
GFAR AND THE GLOBAL CONFERENCE ON AGRICULTURAL RESEARCH FOR DEVELOPMENT	12
OCS: ONE SYSTEM, MANY GAINS	13
SUMMARY OF THE 2010 CGIAR FINANCIAL RESULTS	14
THE CGIAR IN 2010	22
TRIBUTE TO CGIAR INVESTORS	25



TOWARDS A REFORMED CGIAR

In December 2009, the CGIAR opened a new chapter in its 39-year history by adopting a new business model. The 2009 CGIAR Business Meeting held on 8 December 2009 endorsed the reforms that had been designed over the previous two years, and approved the founding documents of the reformed CGIAR – including drafts of the Constitution of the Consortium on International Agricultural Research Centers, the CGIAR Fund Framework, the joint declaration for outcomes between the Consortium and the Fund, and the monitoring and evaluation framework. This initiated the process of establishing the CGIAR Fund and Fund Council, the Consortium, and the Independent Science and Partnership Council (ISPC) (which replaces the CGIAR Science Council), and heralded a busy year ahead in putting these all into effect.

The central innovation of the new model is to clearly delineate the responsibilities and accountability of those who conduct research and those who fund it. The Consortium unites the international agricultural research and natural resource management Centers supported by the CGIAR and provides a single contact point for donors. Similarly, CGIAR donors join together in the CGIAR Fund the new multi-donor, multiyear trust fund administered by the World Bank with the aim of harmonizing their contributions to agricultural research for development, improving the quantity and quality of funding available, and engendering greater financial stability. The Fund Council is the Fund's decision-making body. It is composed of 22 members who represent and make decisions on behalf of Fund Donors and stakeholders. It is chaired by a vice president of the World Bank and comprises representatives from eight developed countries and eight developing countries and regional organizations, and six members drawn from multilateral and global organizations and foundations. The Funders Forum, held every two years, provides a platform through which participants, funders and stakeholders can discuss and exchange views about the CGIAR.

Cementing this two-pillar management structure – Consortium and Fund – are three bridging mechanisms:

- the Strategy and Results Framework (SRF), which guides the development of a results-oriented research agenda in line with the CGIAR's new vision and strategic objectives;
- the monitoring and evaluation framework, which provides a coordinated approach for assessing the implementation of the SRF, as a means to promote both institutional learning and accountability; and
- the Joint Agreement: the umbrella to all legally binding funding and performance agreements that render the Consortium and Fund Council mutually accountable while operationalizing the SRF through a portfolio of 'CGIAR Research Programs' (CRPs).

The ISPC, a standing panel of world-class scientific experts provides advice to the CGIAR funders on strategic scientific issues and harnesses the best of global science to support the goals of the international agricultural research community. The ISPC replaces the former CGIAR Science Council.

The CRPs (originally designated 'mega programs') mark the beginning of a new way of working in the CGIAR, with their strategic focus on development impacts and impact pathways, their integration of research capacities within and outside the CGIAR, and their commitment to working through open partnerships.

The World Bank Board of Directors took the first step in putting this new structure in place when they approved the concept of creating the CGIAR Fund in early January 2010. The Fund Council held its inaugural meeting on 23 February 2010 at the World Bank offices in Brussels, Belgium. This meeting focused on actions needed to make the CGIAR Fund and Consortium fully operational and to establish the interim ISPC (iISPC)¹. These included adopting interim rules of procedure for Council meetings; approving the budget for the Consortium; approving the 2010 work plan and budget for the iISPC, and the structure and nomination and selection processes for the ISPC; and agreeing to the appointment of an independent evaluator to help in the development of a permanent evaluation arrangement for the CGIAR.

Through January and February of 2010, the Alliance of CGIAR Centers continued working with its lawyer to reformulate the draft Constitution of the Consortium in appropriate legal language while ensuring that the substantive content and meaning of the draft, approved by the CGIAR members in December 2009, were retained. This was completed by the end of February 2010, and the Agreement Establishing the Consortium of International Agricultural Research Centers, including as an annex the Constitution of the Consortium as a contractual joint venture, was opened up for signature by the Boards of each Center. The Consortium was officially established on 29 April 2010 after the Boards of more than three quarters of the Centers had signed the agreement. By 4 July 2010 the Agreement had been signed by the Boards of all 15 Centers. The Constitution sets out the internal rules of the Consortium. It provides for the future establishment of the Consortium as an autonomous international organization under international law, and defines both the initial membership of the Consortium – "those CGIAR-supported Centers that are parties to the Agreement Establishing the Consortium" – and the process by which new members may be admitted to the Consortium. The Constitution lays out the purpose of the Consortium (see box, 'Purpose of the Consortium'), its activities (see box, 'Activities of the Consortium'), and how it is to function.

¹ In 2010 the Science Council acted as the iISPC, which comprised Rudy Rabbinge (chair), Derek Byerlee, Ken Fischer, Hans Herren, Jeffrey Sayer, Beatriz da Silveira Pinheiro (until April) and Gebisa Ejeta (until April; left the iISPC to assume become a member of the Consortium Board).

Purpose of the Consortium

The purpose of the Consortium shall be to provide leadership to the CGIAR system and coordinate 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 Consortium and/or to the Member Centers from the 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.

Activities of the Consortium

The Consortium shall in particular ... –

- (a) Develop, in cooperation with the Member Centers and with the input of a broad range of donors and partners, a unified CGIAR Strategy and Results Framework for approval by the Funders Forum;
- (b) Maintain relations with Donors and the CGIAR Fund Council with a view to obtaining funding for CGIAR Research Programs and the institutional structure of the Member Centers;
- (c) Develop, in cooperation with the Member Centers, approve and manage performance of CGIAR Research Programs;
- (d) Keep under review the efficiency and optimal organizational structure of the system of Member Centers and decide on appropriate action in accordance with this Constitution;
- (e) Develop, manage and operate, in cooperation with Member Centers, as appropriate, shared services for Member Centers with a view to increasing operational efficiency;
- (f) Communicate the role of the CGIAR, the Consortium and the Member Centers and carry out advocacy in international fora.

Following a transparent international selection process, in which donors participated, the Alliance of the CGIAR Centers appointed Carlos Perez del Castillo as the first Chair of the Consortium Board, with Carl Hausmann and Bongiwe Njobe as Vice-Chairs. The Alliance also appointed the remaining six members of the inaugural Board: Mohammed Ait-Kadi, Tom Arnold, Ganesan Balachander, Gebisa Ejeta, Ian Goldin and Lynn Haight. The Board held its first meeting in March 2010 at ILRI's headquarters in Nairobi. At the meeting, the Board set up four task forces to facilitate the implementation of the Consortium Board work plan: (i) Chief executive officer search and selection, chaired by the Board Chair; (ii) Consortium Office location, chaired by Vice-Chair Carl Hausmann; (iii) Science, chaired by Ganesan Balachander; (iv) Negotiations/dialogue with the Fund Council, chaired by Lynn Haight.

The meeting also addressed a number of other key issues, including: the continuing development of the SRF by the Alliance and the definition of Research Thematic Areas; the development of the CRPs (including definition of initial criteria to be used in selecting and approving CRPs [see box, 'Initial criteria used in selection and approval of CGIAR Research Programs']); recruitment of the Consortium chief executive officer; communications management (with the Chair of the Consortium Board assuming leadership for communication for the whole CGIAR system, as agreed with the then-Chair of the CGIAR Fund Council, Kathy Sierra); the selection of a headquarters location for the Consortium; and principles of the 'fast-tracking' of selected CRPs for funding in 2011.

Initial criteria used in selection and approval of CGIAR Research Programs

- Building complementarities, synergies and collective action among Centers in line with the CGIAR reform process, and ensuring that strategic research planning is done collaboratively among Centers and partners.
- Demonstrating innovation; new areas of CGIAR work with interactions among Centers and greater partnerships (including outside the CGIAR Centers) in different regions.
- Producing greater impact on the ground with regards to reducing poverty and hunger and improving food security and environmental sustainability. The impact pathway must be clearly spelled out and quantified.
- Indicating clear strategic focus and added value to current Centers and programs.
- Clear articulation of the Program's strategy regarding gender research issues and capacity building.

The Alliance presented a draft of the SRF that included a preliminary description of eight CRPs, called mega programs at that time, at the first Global Conference on Agricultural Research for Development (GCARD), held in Montpellier, France, in March 2010 (see page XX). The estimated 1000 participants included researchers, policymakers, farmers, donors and members of civil society from every region of the world. The conference gave the CGIAR the opportunity to discuss priorities for agricultural research with a wide range of stakeholders. The views and insight provided by this dialogue were useful inputs into the long process of defining the research programs, while enhancing the concept of partnerships in agricultural research for development

The iISPC held its first meeting in April 2010 at ICARDA's headquarters near Aleppo, Syria. High on the agenda was a review of the March 2010 draft of the SRF developed by the Alliance, including how it was reflected in the CRPs and its contribution to the ongoing process of change in the CGIAR. In discussing its role in the process, the iISPC decided that it was important that it: (i) look very clearly at the SRF and provide suggestions as to how it could be modified to lead the process of research portfolio development; (ii) evaluate and comment on the criteria used by the Consortium to evaluate CRP proposals; (iii) develop a short statement on partnerships in research and development that would be useful to the Consortium and provide a foundation for the ISPC's own work plan and budget; and (iv) comment on the science content of the CRPs as they were developed. The meeting also received reports on the activities of the Standing Panel on Impact Assessment (SPIA) and its proposed new business model, which is centred on greater independence from the Centers and an increased budget to allow for commissioning and managing impact assessments directly on behalf of the Fund Council.

In April representatives from the donors and the Consortium Board met at the World Bank offices in Berlin, Germany, to discuss key issues relating to the CGIAR Fund Governance Framework and the CGIAR Fund Contribution Agreement or Arrangement between each Fund donor and the Trustee – the World Bank – and commented on the Joint Agreement between the Consortium

and the Fund Council. These three documents are central to the functioning and legal underpinnings of the Fund. The Governance Framework covers the governance terms for the CGIAR Fund adopted by the Fund Council. The Contribution Agreement is the arrangement entered into between the Trustee and a Fund Donor in respect of the Fund Donor's contribution to the CGIAR Fund. The Joint Agreement sets forth an umbrella set of terms and conditions that govern principally the submission and approval of CRP proposals and the transfer and use of funds from the CGIAR Fund for implementation of CRPs. The meeting set out a timeline for completion of these documents.

In May, the Consortium Board, at its second meeting, held in Rome, Italy, received the revised version of the SRF, submitted by the Alliance, which incorporated input from GCARD. The Consortium welcomed it as a great step forward while acknowledging limitations in the document that required further improvements. At the same time, the Consortium Office and the Science Task Force discussed and assessed the reports of the reviewers of the 12 CRP concept notes (see box, 'Initial concept notes'). The Consortium Office had organized the external review by international referees of all the first CRP proposals submitted to the Consortium Board. Each proposal was reviewed by four external reviewers, one of whom focussed on gender issues.

Initial concept notes

Twelve initial concept notes were submitted under eight research thematic areas.

1. Integrated agriculture systems for the poor and vulnerable
 - (i) Integrated agricultural production systems for dry areas
 - (ii) Integrated systems for the humid tropics**
 - (iii) Harnessing the development potential of aquatic agricultural systems for the poor and vulnerable
2. Policies, institutions and markets for enabling agricultural incomes for the poor
3. Sustainable productivity increase for global food security
 - (i) Pulses and legumes
 - (ii) Roots and tubers, bananas and plantains
 - (iii) Sorghum, millet and barley
 - (iv) Livestock and fish
4. Agriculture, nutrition and health
5. Water, soils and ecosystems
6. Forests and trees
7. Climate change²
8. Mobilizing agricultural biodiversity for food security and resilience

The Board made specific recommendations for the further development of the SRF and decided that 11 of 12 the concept notes received (three related to thematic area 1 on agricultural systems, four related to thematic area 3 on crop improvement and the other four related to each of the other thematic areas) should be developed further. As regards the concept note on 'Genetic diversity for better lives', the Board acknowledged the importance of genetic diversity in underpinning all agriculture and decided to commission a scoping study to examine the best approaches to address this cross-cutting issue, especially in terms of advocacy and policy. The Board also commissioned a scoping study to explore how research on gender should be taken forward in the context of the new CRPs.

At the request of some donors, the Board also received four proposals for 'fast tracking' which focussed on rice, wheat, maize and climate change. These were sent for assessment by external reviewers proposed by the interim Consortium Office.

In an effort to improve coordination of the assessment of the CRPs with the other units of the system, the Consortium proposed a process for the submission and approval of CRPs (see box, 'Process for submission and approval of CGIAR Research Programs'), which was discussed with the iSPC and agreed with the Fund Office during July and August 2010.

² The full proposal was prepared by Climate Change Challenge Program, in partnership with contact points from 15 CGIAR centers and numerous research and development partners. It was submitted to the CB as a full proposal on May 10th.

Process for submission and approval of CGIAR Research Programs

- A group of Centers submits concept note to the Consortium Board
- The Consortium Office organizes the external review of the concept note, synthesizes comments received, and proposes a course of action to the Science Task Force of the Consortium Board
- If the concept note is approved, the Board requests the Centers to develop full program proposal, including identification of the Lead Center, clear objectives, a scientific conceptual framework, justification of the program, measurable results, identification of Centers and partners involved, expected outcomes, approach to gender issues, integration with other CRPs, a quantified impact pathway and budget, inter alia
- The Lead Center submits full proposal to the Consortium Board, The Consortium Office sends the proposal to four external reviewers, one to evaluate the gender aspect, considering the common criteria agreed with the iISPC The Consortium Board either approves the proposal or provides feedback to the Lead Center in an iterative process
- Once the Consortium Board is satisfied with the proposal, it sends it to the iISPC for its formal review and to the Fund Council for consideration for funding
- The iISPC submits its comments on the proposal to the Fund Council
- The Fund Council considers the proposal, based on its own assessment and comments received from the iISPC, and may either approve the proposal for funding or return it to the Consortium Board
- The Consortium Board sends the proposal to the Lead Center and other Centers involved for further revision until the FC approves it.

Centers decided among themselves which would be the Lead Center of each CRP, based on an agreed set of criteria (see box, 'Criteria for selection of the Lead Center for a CGIAR Research Program'). The Consortium Board decided the CRP Lead Center in 3 of 15 CRPs (Roots, Tubers and Banana, Agriculture for Improved Nutrition and Health, and Forests, Trees and Agroforestry), at the request of the Centers involved.

Criteria for selection of the Lead Center for a CGIAR Research Program

The Center chosen as the Lead Center should:

- generally be the one with the greatest level of research activity and investment in the CGIAR Research Program (CRP);
- generally have the greatest proportion of budget allocated to Centers involved in the CRP;
- have played the catalytic role in advancing the area of research and development in question and has in addition to the core competence, the comparative advantage in implementing the activities of the CRP;
- have a demonstrably strong record in management, financing and governance;
- have the geographic focus and ability to partner with key institutions for impact on the ground;
- demonstrate a comparative advantage in implementing the activities of the CRP;
- be capable of managing and dealing with the scope and scale of the CRP;
- have core competencies and demonstrated scientific quality in the key science involved in the CRP; and
- be acceptable and credible as a Lead Center in the eyes of its partners.

The Board also acknowledged and accepted the resolution of the Alliance to cease operations as of 31 May 2010 as the new Consortium had come into being. Anne-Marie Izac, Chief Alliance Officer until then, was appointed as Interim Executive Officer of the Consortium.

Other key matters addressed in this Board meeting included: presentation of a draft of the Program Implementation Agreement (PIA), a proposed agreement between the Consortium and Lead Centers for delivery of CRPs; the selection process for the Consortium chief executive officer; and the search for a location for the Consortium Office among the five candidate countries bidding for it – Ethiopia (Addis Ababa), France (Montpellier), India (New Delhi), Italy (Rome) and Kenya (Nairobi). Each country was asked to submit a formal expression of interest for consideration by the Consortium Board. The Board task force on the Consortium Office location handled the negotiations with the candidate countries, and after seven months of deliberations chose Montpellier, France, as the site for the Consortium Office.

In June, the Consortium Board held an informal meeting with donors at the USAID offices in Washington, DC, to discuss progress on the reform of the CGIAR and to raise concerns arising from the new business model, not the least of which was uncertainty about funding for the Centers pending the establishment of the full set of CRPs. This informal meeting proved very useful for a better understanding of problems and concerns.

The Funders Forum, at its meeting in Rome on 15 July 2010, accepted the SRF prepared by the Alliance and submitted by the Consortium Board as a 'work in progress,' requesting that it be revised under the leadership of the Consortium Board Chair before the end of the year and resubmitted to the Funders Forum for final endorsement.³

The Fund Council held its second meeting on 14 and 16 July 2010 at FAO headquarters in Rome, Italy, either side of the Funders Forum meeting. The Council discussed progress by the Consortium, draft versions of the CGIAR Fund Governance Framework and the Form of Contribution Agreement, Fund Office business procedures, CRP proposal assessment process and criteria, the Global Rice Science Partnership (GRiSP) proposal, the establishment of an Independent Evaluation Arrangement, the 2011 Program Budget, and the appointment of a new CGIAR Fund Council chair.

The Fund Council also requested the iISPC to take the lead in developing a common set of criteria for assessing CRP proposals, in conjunction with the Consortium and the Fund Council (see box, 'Common criteria used to assess CRPs').

Common criteria used to assess CGIAR Research Programs

In August, after two months of intensive discussions, the Consortium, Fund Council and iISPC jointly developed and agreed a set of six main criteria to be used in developing and assessing CRPs across the CGIAR System:

1. Strategic coherence and clarity of Program objectives
2. Delivery focus and plausibility of impact
3. Quality of science
4. Quality of research and development partners and partnership management
5. Appropriateness and efficiency of Program management
6. Clear accountability and financial soundness, and efficiency of governance

The July meeting of the Fund Council was the last meeting for Katherine Sierra as chair of the Fund Council prior to her retirement from the World Bank and the CGIAR. During this meeting, the Fund Council appointed Inger Andersen, World Bank Vice President for Sustainable Development, as Ms Sierra's replacement. Ren Wang, Executive Secretary of the Fund Council, also announced his departure from the CGIAR and the Council adopted a process for appointing a replacement.

Following the request of the Funders Forum for further revision of the SRF, the Consortium Board commissioned a team of experts to further improve the SRF. The team comprised Martin Piñeiro (Chair), John Lynam, Jeff Wagge and Eduardo Trigo (representing the Global Forum on Agricultural Research). Sir Gordon Conway and M.S. Swaminathan provided additional expert advice on the document.

³ The Funders Forum is a biennial event that is open to all countries and organizations that are CGIAR Fund Donors, Members of the Fund Council, host countries of CGIAR Center and Consortium headquarters and bilateral donors that contribute a minimum of US\$500 000 per year to support implementation of the Strategy and Results Framework.

In August, Peter Gardiner was appointed as Executive Secretary of the ISPC.

The iISPC held its second meeting at IRRI's headquarters in the Philippines in September. The Council received presentations on GRiSP and the CRP on climate change, and on proposals for CRPs on wheat and maize, and made suggestions for improvements. Other key topics discussed included the Council's review of the Sub-Saharan Africa Challenge Program, SPIA's 2010 work plan, the role of ex ante impact assessment in the work of the ISPC, plans for ISPC-commissioned studies of genetic resources and natural resource management research in the CGIAR, and a draft communications strategy for the ISPC.

Also in September, the Consortium Board announced the appointment of Lloyd Le Page as the chief executive officer of the Consortium. At its third meeting, held at ICARDA at the beginning of October, the Consortium Board chose Montpellier, France, as the headquarters of the Consortium Office. It also announced that France had offered to act as the depository of the agreement establishing the Consortium as an international organization and to work with the Consortium Office in seeking the signatures needed for the agreement to enter into force. The CRPs were a major topic of discussion.

The Board approved two fast-tracked CRPs – GRiSP Climate Change, Agriculture and Food Security (CCAFS) and – and submitted them to the iISPC. It also asked the Lead Centers of the proposed wheat and maize CRPs to make some additional changes to these Programs.

CGIAR Research Programs at the end of 2010

Approved

- Climate Change, Agriculture and Food Security
- Global Rice Science Partnership

Under development

- Integrated Agricultural Production Systems for the Poor and Vulnerable in Dry Areas
- Integrated Systems for the Humid Tropics
- Harnessing the Development Potential of Aquatic Agricultural Systems for the Poor and Vulnerable
- Policies, Institutions and Markets to Strengthen Food Security and Incomes for the Rural Poor
- WHEAT-Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World
- MAIZE - Global Alliance for Improving Food Security and the Livelihoods of the Resource-poor in the Developing World
- Roots, Tubers and Bananas for Food Security and Income
- Grain Legumes: enhanced food and feed security, nutritional balance, economic growth and soil health for smallholder farmers
- Dryland cereals: Food Security and Growth for the World's Most Vulnerable Poor
- More Meat, Milk and Fish by and for the Poor
- Agriculture for Improved Nutrition and Health
- Water, Land and Ecosystems
- Forests Trees and Agroforestry: Livelihoods, Landscapes and Governance

The third Fund Council meeting, held in November 2010, saw several major developments. Key among these were the adoption of two of the documents underpinning the establishment of the CGIAR Fund – the CGIAR Principles (which guide the Fund Council and the Consortium in their joint efforts to implement the SRF) and the Governance Framework –, the acceptance of the form of the Contribution Agreement or Arrangement, and approval of a paper on Non-Research System Cost Financing. The Council also appointed the inaugural ISPC, with effect from January 2011 (Kenneth Cassman [chair], Vibha Dhawan, Margaret Gill, Rashid Hassan, Marcio de Miranda Santos and Jeffrey Sayer), and approved two CGIAR Research Programs – GRiSP and CCAFS.

With an initial five-year budget of nearly US\$600 million, GRiSP is intended to deliver innovations in rice genetics, agronomy, postharvest processing and policy that strengthen food security through large and sustainable increases in crop yields. The research will be carried out jointly by three CGIAR Centers (AfricaRice, CIAT and IRRI) and major international organizations in France and Japan in collaboration with hundreds of partners, including the private sector, national agricultural research systems and civil society. Their roles vary from upstream science to policy development and the grassroots dissemination of research results. Partners officially launched the new initiative on 10 November 2010 at the Third International Rice Congress taking place in Hanoi, Vietnam.

CCAFS, developed with the Earth System Science Partnership (ESSP), involves all CGIAR Centers and a wide coalition of partners. This combination of talents should enable higher-quality assessments of impacts of climate change on agriculture, which should provide a more reliable basis for dialogue and collaboration toward climate change adaptation and mitigation. With an initial five-year budget of US\$392 million, the program will offer smallholder farmers new options for climate change adaptation and mitigation that closely match their circumstances. It was launched during the United Nations Climate Change Conference in early December at Cancún, Mexico.

Altogether, 2010 was a very busy year in the continuing reform process of the CGIAR. Major strides were taken towards the new CGIAR, with key legal documents and processes in place and the first of the new CGIAR Research Programs approved. It is still early days for the new CGIAR and much still remains to be done, but the directions are clear and the future holds much promise.

Chronology of key actions in 2010

- **January 12:** Approval of the establishment of the new CGIAR Trust Fund
- **February 5:** Consortium Board announced
- **February 23:** Inaugural Fund Council Meeting, Brussels, Belgium
- **March 1–3:** Inaugural Consortium Board Meeting, Nairobi, Kenya
- **March 28–31:** First Global Conference on Agricultural Research for Development, Montpellier, France
- **April 1:** Informal Donor Consultation, Montpellier, France
- **April 13:** Workshop on Documents for Establishing the CGIAR Fund, Berlin, Germany
- **May 5:** CGIAR Fund Teleconference on Donor Risk, Responsibility and Liability
- **May 5:** CGIAR Fund Teleconference on Intellectual Property Issues
- **May 23–25:** Second Consortium Board Meeting, Rome, Italy
- **July 14 and 16:** Second Fund Council Meeting, Rome, Italy
- **July 15:** Funders Forum, Rome, Italy
- **October 3–5:** Third Consortium Board Meeting, Aleppo, Syria.
- **November 1–2:** Third Fund Council Meeting, Washington, DC.
- **November 2:** First two CGIAR Research Programs – Global Rice Science Partnership, and Climate Change, Agriculture and Food Security – approved by the Fund Council

GFAR AND THE GLOBAL CONFERENCE ON AGRICULTURAL RESEARCH FOR DEVELOPMENT

The Global Forum on Agricultural Research, in partnership with the CGIAR, is driving forward an inclusive process to revitalize agricultural innovation and its role in development

Radical action is required to reduce poverty, ensure food security and sustain environments in a rapidly changing world. The Global Forum on Agricultural Research (GFAR), in partnership with the CGIAR, is driving forward an exciting and inclusive process to revitalize agricultural innovation and its role in development: the Global Conference on Agricultural Research for Development (GCARD). The biennial GCARD process merges the GFAR Triennial Conferences and the CGIAR Annual General Meetings, bringing together all concerned with the role of agriculture in addressing the enormous development challenges worldwide.

A series of processes generated new thinking in the run up to the first GCARD, held in 2010:

- Reviews, e-consultations and face-to-face meetings organized by regional forums identified regional needs. These innovative mechanisms brought in new thinking from around the world and from all sectors. Over 2,000 people had their say, including, most importantly, farmers themselves.
- Surveys and discussions on reform of the CGIAR's strategy and programs helped shape the CGIAR Strategy and Results Framework.
- International workshops were held on key systematic needs, such as information and communications management, capacity development, gender focus, public-private partnerships and new roles of fast growing economies.

A panel of international experts used the findings of these processes to propose new ways forward, embedding research directly in development and setting the scene for GCARD 2010.

These rich discussions explored how the complex jigsaw of actions required in transforming agricultural research for development can be brought together and turned into practical programs for large-scale change. Over 800 invited delegates then attended the GCARD 2010 conference, from farmers to the heads of UN agencies.

The Conference, held in Montpellier, France, in March 2010, was highly energized and achieved a remarkable new consensus: all involved recognized the need for transforming and strengthening agricultural research for development systems at all levels. Participants called for integrated actions in agricultural innovation to be driven by development demands and centred on the needs of the poor, in particular poor smallholder farmers. Among these actions is the revitalization of the international agricultural research system and its move towards large-scale outcome-focused actions, with clear partnerships and accountabilities. Participants also recognized that agricultural innovation is essential, but not itself sufficient; appropriate enabling inputs, stability and incentives are also required for impacts.

These dynamic processes created the *GCARD Roadmap: Transforming Agricultural Research for Development Systems for Global Impact* ([http://www.fao.org/docs/eims/upload//294891/GCARD Road Map.pdf](http://www.fao.org/docs/eims/upload//294891/GCARD_Road_Map.pdf)). The Roadmap establishes clear paths for change at national, regional and international levels, and has been endorsed by representatives from all sectors.

The GCARD Roadmap proposes a six-point plan for transforming agricultural research for development around the world:

1. Improved foresight and focus on key development priorities
2. Establishing true and effective partnerships between research and those it serves
3. Increased investments to meet the huge challenges ahead
4. Greater capacities to generate, share and make use of agricultural knowledge
5. Embedding research effectively in wider development processes and actions
6. Better linking between science and society, creating awareness of the crucial value of agricultural innovation in development

GCARD 2010 and its resultant Roadmap have established an inclusive rolling process of reform and action. Going forward, the GCARD process will enable the CGIAR's work to be further developed in unison with the actions of national partners and to have an impact on the lives of millions. Together we have created tremendous collective will to enable development change through agricultural innovation. Achieving these transformations requires urgent action among all those who care about the future of agriculture and rural development – 'business as usual' is no longer an option.

OCS: ONE SYSTEM, MANY GAINS

A common corporate platform for project, financial and human resource management will boost efficiencies and collaboration across the CGIAR Centers and Research Programs

Nine CGIAR Centers and the Consortium Office are integrating their diverse project, financial and human resource management systems into a common corporate platform, known as One Corporate System (OCS). The move is expected to create a highly functional and interconnected system that will boost efficiencies, support greater cross-Center coordination and result in better investments of donor funding.

The impetus for OCS reaches back several years, when Deputy Director Generals of Finance and Administration from several Centers began investigating the potential benefits and cost savings that could be gained from adopting a joint system. That potential has become even more important with the advent of the CGIAR Research Programs and demands for greater accountability from funders.

OCS incorporates a vast array of management data and processes. It provides a sophisticated platform to aggregate results, reduce redundancies and improve accountability. The resulting efficiency gains and process improvements represent a whole new generation of cross-Center collaboration.

The new structure is designed to integrate data and processes, using standard solutions and functionality. At the same time, it offers the flexibility to support locally specific information needs across Centers or decentralized, regional offices.

Research and administrative managers from numerous Centers have invested considerable time and effort to align their management terminology and practices in preparation for the new system. They have devoted weeks to face-to-face workshops and reviews, along with conference calls and remote meetings to compare processes, test proposals and prototypes, and prepare for implementation.

The OCS project is now widely recognized as a model of cross-organizational collaboration across the CGIAR system. In addition it promises important financial benefits. Calculations indicate that each participating Center is saving about US\$500 000 by implementing a common platform and purchasing a system jointly instead of individually. And there are significant annual savings in equipment and maintenance costs from the fact that they are using a commonly hosted infrastructure.

Not surprisingly, the scope and complexity of the task have posed challenges. But it is the positive synergies and successes of this effort that stand out. As one participant in the planning process describes OCS, "It may sound like a tedious and technical exercise, but when you see a demonstration of what OCS can do, its functionality and how it can resolve tough problems, well, that really is worth getting excited about."

The 2010 financial outcome⁴ presented here is an aggregation of the audited financial statements of the 15 Centers and the 5 Challenge Programs supported by the CGIAR. These statements are prepared and audited in accordance with fiduciary management and reporting standards approved by the CGIAR to guide the Centers, and they are consistent with relevant international standards.

The first Centers to implement the new system will be the International Potato Center, the International Rice Research Centre and WorldFish, joined by the Consortium Office. A second phase will include AfricaRice, Bioversity International, the International Center for Tropical Agriculture, the International Center for Agricultural Research in the Dry Areas, the International Livestock Research Institute and the World Agroforestry Centre.

⁴ The outcome is reported in United States dollars.

SUMMARY OF THE 2010 CGIAR FINANCIAL RESULTS⁵

The extensive structural reforms approved at the CGIAR Business Meeting in 2009 were still in transition during 2010. A major component of the reform was a change in the financing architecture of the CGIAR anchored on establishing the CGIAR Fund to serve as a new multi-donor, multiyear funding mechanism for priority areas of agricultural research. This is a fundamental change in the CGIAR business model, and even in 2010 the implications of it were starting to be felt. The new financing structure contributed to the Centers adopting cautious practices about funding expectations for 2010 as well as for future years.

Overview

Total CGIAR revenues in 2010 amounted to US\$696 million, an increase of US\$67 million (11%) from 2009. Expenditure in 2010 was US\$657 million, an increase of US\$54 million (9%) over 2009. The overall net result was a surplus of US\$39 million, allowing Centers to add to their reserves. Table 1 summarizes the actual outcomes for 2010 and 2009.

TABLE 1

CGIAR financial results and highlights, 2009 and 2010

(US\$ million)

	2010	2009	Change	
	US\$ million	US\$ million	US\$ million	%
Revenue				
Funding				
Members	584	481	103	21
Non-members	89	125	(35)	-28
Center income	23	23	(0)	-1
Total revenue	696	629	67	11
Expenditure				
Center program [†]	593	549	43	8
Challenge Programs	65	54	11	20
Total expenditure	657	603	54	9
Net operating result	39	26	13	50

† Includes system-level activities

One important factor in generating this improved result was that Centers have been working closely with donors to achieve better cost recoveries in projects funded with restricted grants. Another reason is caution: Centers have been careful in their recruitment and their investments because of the prevailing uncertainty about the global economy.

Funding

In recent years, there has been a steady increase in funding by CGIAR Members and non-members, and funding in 2010 was 11% above that in 2009.

Figure 1 shows CGIAR funding from 2006 to 2010.

FIGURE 1

CGIAR funding trend
(US\$ million)

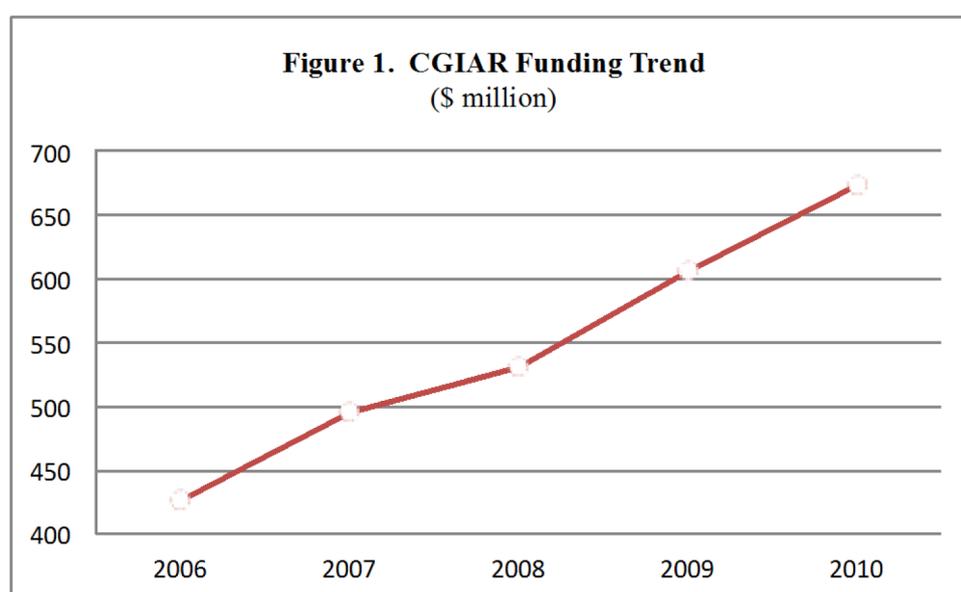


Table of data for Figure 1

Year	US\$ million
2006	426
2007	495
2008	531
2009	606
2010	673

Funding Profile

Sixty-one of the 65 CGIAR Members⁶ contributed US\$584 million (US\$481 million in 2009), and the remaining US\$89 million came from a broad range of non-members. The average Member funding was approximately US\$9.6 million, 19% higher than the 2009 average of US\$8 million. Figure 2 compares the composition of funding for 2010 with that of 2009. Figure 2 presents the composition of funding by Center and Member group in 2010.

⁶ For presentation purposes, Members are divided into four groups: industrialized countries (23), developing countries (24), foundations (6) and international and regional organizations (12). Industrialized countries are further divided geographically into three subgroups: Europe, North America and Pacific Rim.

FIGURE 2

Agenda funding by Member group, 2009 and 2010

(US\$ million)

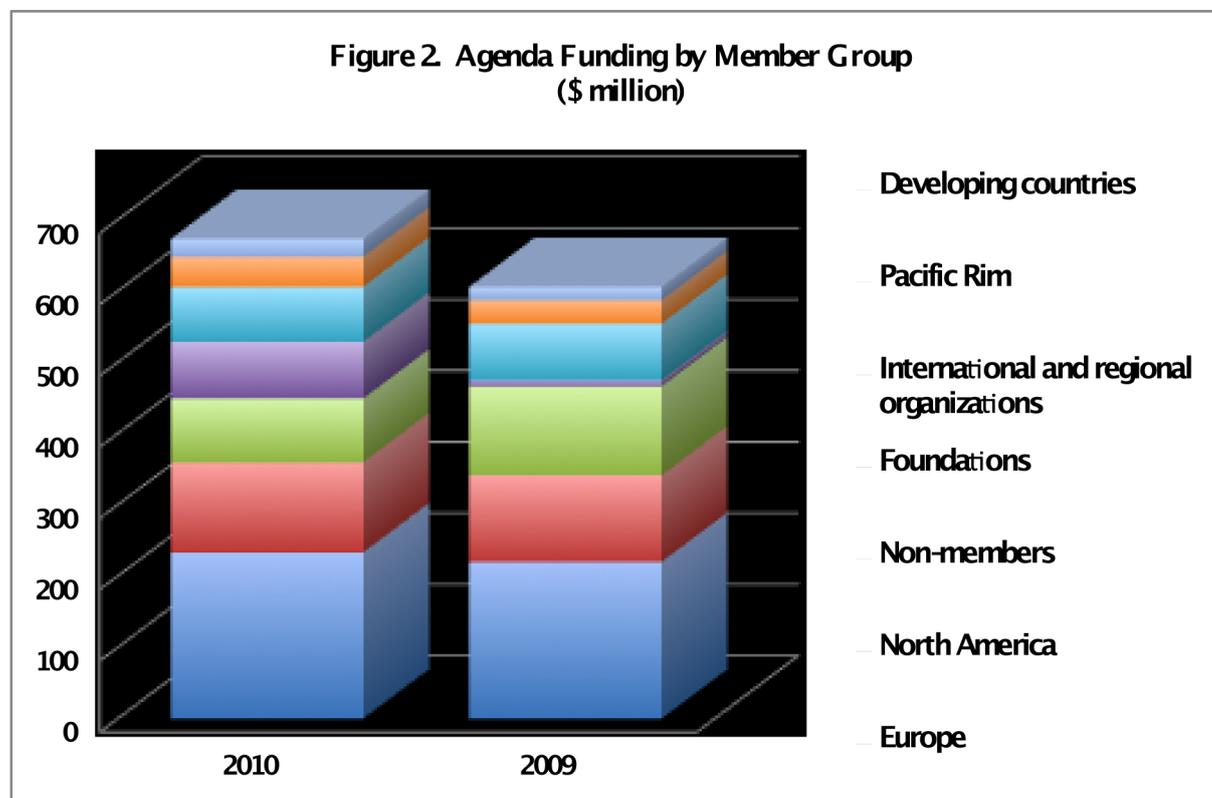


Table of data for Figure 2

	2010	2009
Developing countries	24.9	18.5
Europe	233.3	220.0
North America	126.5	121.3
Pacific Rim	42.0	32.8
International and regional organizations	77.3	79.5
Foundations	79.6	8.5
Non-members	89.6	125.0

Summary of Resource Highlights

Table 2 shows the CGIAR program and resource highlights for 2006–2010.

TABLE 2
CGIAR program and resource highlights

Actual	2006	2007	2008	2009	2010
Revenues (US\$ million)					
Agenda funding	426	495	531	606	673
(of which unrestricted)	42%	36%	36%	34%	34%
Earned income	22.4	25.2	22.3	23.3	23.1
Total	448	520	553	629	696
Agenda funding (US\$ million)					
Members					
Europe	169	222	213	220	233
North America	88	91	92	121	127
Pacific Rim	22	22	28	33	42
Developing countries	14	15	20	19	25
Foundations [†]	14	12	8	9	80
International and regional organizations	74	76	78	79	77
Subtotal	381	438	439	481	584
Non-members	45	57	92	125	89
Total	426	495	531	606	673
Top three contributors	USA World Bank United Kingdom	EC USA World Bank	USA World Bank United Kingdom	USA World Bank Canada	USA Bill & Melinda Gates Foundation World Bank
Staffing (number)					
Internationally recruited	1,115	1,096	1,163	1,238	1,278
Nationally recruited	7,039	6,986	6,904	6,922	7,281
Total	8,154	8,082	8,067	8,160	8,559
Object of expenditure (%)					
Personnel costs	47	44	44	42	43
Supplies & services	27	30	29	27	27
Collaboration & partnerships	14	15	16	18	18
Travel	8	7	8	7	8
Depreciation	4	4	3	6	4
Total Expenditure (US\$ million)	458	506	542	603	657
Result of operations [surplus/(deficit), US\$ million]	(10)	14	11	26	39
Center financial information (US\$ million)					
Unrestricted net assets excluding fixed assets	145.1	158.8	164.6	198.8	232.6
Liquidity indicators					
Working capital (days expenditure)	149	161	150	159	170
Current ratio	1.8	1.7	1.6	1.6	1.5
Adequacy of reserve indicator					
Net assets excl. fixed assets (days expenditure)	124	127	123	134	141
Fixed asset indicators					
Capital expenditure (US\$ million)	16.8	18.7	21.2	30.9	30.4
Capital expenditure/depreciation (%)	107	110	119	95	118
Efficiency of operations indicator					
Indirect cost ratio (%)	20	20	19	17	18
Cash management on restricted operations					
Restricted accounts receivable ratio	0.46	0.33	0.36	0.18	0.23

[†] In 2010, the Bill & Melinda Gates Foundation became an official Member of the System.

CGIAR Funding by Member, 2010 (US\$ million)

	Unrestricted	Restricted	Total
Europe			
Austria	-	2.2	2.2
Belgium	9.1	3.1	12.2
Denmark	5.3	0.6	5.9
European Commission	-	42.7	42.7
Finland	3.9	0.5	4.4
France	1.8	3.1	4.9
Germany	6.8	14.6	21.4
Ireland [†]	7.3	3.8	11.1
Italy	2.4	1.8	4.2
Luxembourg	-	0.7	0.7
Netherlands	9.3	5.9	15.2
Norway [†]	15.5	6.5	22.0
Portugal	0.2	0.5	0.7
Spain	-	2.2	2.2
Sweden	8.9	3.4	12.3
Switzerland [†]	11.9	10.1	22.0
United Kingdom [†]	31.3	17.8	49.1
Subtotal	113.8	119.5	233.3
North America			
Canada	15.3	24.9	40.2
United States of America	31.4	54.9	86.3
Subtotal	46.7	79.8	126.5
Pacific Rim			
Australia	8.8	13.3	22.1
Japan	1.6	14.7	16.3
Korea, Republic of	0.4	1.3	1.7
New Zealand	1.1	0.9	2.0
Subtotal	11.9	30.2	42.0
Developing countries			
Bangladesh	0.1	-	0.1
Brazil	-	0.4	0.4
China [†]	1.1	3.1	4.2
Colombia	-	0.7	0.7
Egypt, Arab Republic of	0.3	0.2	0.5
India	0.5	8.6	9.1
Indonesia	-	0.3	0.3
Iran, Islamic Republic of	0.1	0.3	0.4
Kenya	-	0.3	0.3
Malaysia	-	0.1	0.1
Mexico	-	4.2	4.2
Morocco	-	0.3	0.3
Nigeria	0.7	0.3	1.0
Pakistan	-	0.2	0.2
Peru	-	0.7	0.7
Philippines	0.2	0.5	0.7
South Africa	0.2	-	0.2
Syria, Arab Republic of	0.5	0.0	0.5
Thailand	0.1	0.0	0.1
Turkey	0.0	0.4	0.4
Uganda	-	0.5	0.5
Subtotal	3.8	21.1	24.9
Total Member Countries	176.1	250.6	426.7

	Unrestricted	Restricted	Total
Foundations			
Bill & Melinda Gates Foundation		71.4	71.4
Ford Foundation	-	0.4	0.4
IDRC		3.3	3.3
Kellogg Foundation	-	0.2	0.2
Rockefeller Foundation	-	1.4	1.4
Syngenta Foundation	-	2.9	2.9
Subtotal	-	79.6	79.6
International and regional organizations			
ADB	-	2.1	2.1
AfDB	-	0.6	0.6
Arab Fund	-	2.4	2.4
FAO	1.4	3.3	4.7
Gulf Cooperation Council	-	0.4	0.4
IDB	-	1.2	1.2
IFAD	-	10.9	10.9
OPEC Fund	-	0.9	0.9
UNDP	-	1.0	1.0
UNEP	-	3.1	3.1
World Bank†	50.0	3.1	50.0
Subtotal	51.4	25.9	77.3
Total Organizations	227.5	356.1	583.5
Non-members			
Others	1.6	88.0	89.6
Subtotal	1.6	88.0	89.6
Grand Total	229	444	673

THE CGIAR IN 2010

CGIAR FUND COUNCIL

Chair: Inger Andersen

Executive Secretary: Ren Wang

DONOR COUNTRIES

Europe: European Commission (Marc Debois), Norway (Ruth Haug), Sweden (Philip Chiverton), United Kingdom (Jonathan Wadsworth)

North America: Canada (Catherine Coleman), USA (Robert Bertram)

Asia: Japan (Keiichi Sugita)

Pacific: Australia (Nick Austin)

DEVELOPING COUNTRIES AND REGIONAL ORGANIZATIONS

Sub-Saharan Africa: Kenya (Romano Kiome), Nigeria (B.Y. Abubakar)

Asia: China (Huajun Tang), India (S. Ayyappan)

Pacific: Papua New Guinea (Raghunath Ghodake)

Central and West Asia and North Africa: Iran (Jahangir Porhemmat)

Latin America and the Caribbean: Brazil (Luciano Nass)

Regional Fora: Fondo Regional de Tecnologia Agropecuaria (Mario Allegri)

MULTILATERAL AND GLOBAL ORGANIZATIONS

World Bank: Juergen Voegelé

International Fund for Agricultural Development:

Rodney Cooke

Food and Agriculture Organization of the United Nations: Anton Mangstl

Global Forum on Agricultural Research: Monty Jones

FOUNDATIONS

Bill & Melinda Gates Foundation: Prabhu Pingali

International Development Research Centre: Jean Lebel

CGIAR FUND OFFICE

Executive Secretary of the Fund Council and

Head of the Fund Office: Ren Wang

CGIAR TRUSTEE

Ulrich Hess

INDEPENDENT SCIENCE AND PARTNERSHIP COUNCIL

Chair: Roelof (Rudy) Rabbinge

Members: Derek Byerlee, Ken Fischer, Hans Herren, Jeffrey Sayer, Beatriz da Silveira Pinheiro

Executive Director: Peter Gardiner

**CONSORTIUM OF INTERNATIONAL AGRICULTURAL
RESEARCH CENTERS**

CONSORTIUM BOARD COMPOSITION:

Carlos Pérez del Castillo, *Chair*

Carl Hausmann, *Vice Chair*

Tom Arnold

Mohammed Ait-Kadi

Ganesan Balachander

Gebisa Ejeta

Ian Goldin

Lynn Haight

Lloyd Le Page, *ex-officio board member*

CONSORTIUM OFFICE

Lloyd Le Page, *Chief Executive Officer*

RESEARCH CENTERS

AFRICA RICE CENTER

Getachew Engida, *Board Chair*

Papa Abdoulaye Seck, *Director General*

BIOVERSITY INTERNATIONAL

Paul Zuckerman, *Board Chair*

Emile Frison, *Director General*

INTERNATIONAL CENTER FOR TROPICAL AGRICULTURE

Juan Lucas Restrepo, *Board Chair*

Ruben Echeverria, *Director General*

CENTER FOR INTERNATIONAL FORESTRY RESEARCH

Andrew Bennett, *Board Chair*

Frances Seymour, *Director General*

INTERNATIONAL MAIZE AND WHEAT IMPROVEMENT CENTER

Julio Berdegué, *Board Chair*

Thomas Lumpkin, *Director General*

INTERNATIONAL POTATO CENTER

Peter VanderZaag, *Board Chair*

Pamela Anderson, *Director General*

**INTERNATIONAL CENTER FOR AGRICULTURAL RESEARCH
IN THE DRY AREAS**

Henri Carsalade, *Board Chair*

Mahmoud Solh, *Director General*

**INTERNATIONAL CROPS RESEARCH INSTITUTE FOR
THE SEMI-ARID TROPICS**

Nigel Poole, *Board Chair*

William Dar, *Director General*

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

Fawzi Al-Sultan, *Board Chair*

Shenggen Fan, *Director General*

INTERNATIONAL INSTITUTE OF TROPICAL AGRICULTURE

Bryan Harvey, *Board Chair*

P. Hartmann, *Director General*

INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

Knut Hove, *Board Chair*

Carlos Seré, *Director General*

INTERNATIONAL RICE RESEARCH INSTITUTE

Elizabeth Woods, *Board Chair*

Robert Zeigler, *Director General*

INTERNATIONAL WATER MANAGEMENT INSTITUTE

John Skerritt, *Board Chair*

Colin Chartres, *Director General*

WORLD AGROFORESTRY CENTRE

Eric Tollens, *Board Chair*

Dennis Garrity, *Director General*

WORLD FISH CENTER

Remo Gautschi, *Board Chair*

Stephen Hall, *Director General*

TRIBUTE TO CGIAR INVESTORS

<i>AFRICAN DEVELOPMENT BANK</i>	<i>KELLOGG FOUNDATION</i>
<i>ARAB FUND FOR ECONOMIC AND SOCIAL DEVELOPMENT</i>	<i>KENYA</i>
<i>ASIAN DEVELOPMENT BANK</i>	<i>REPUBLIC OF KOREA</i>
<i>AUSTRALIA</i>	<i>LUXEMBOURG</i>
<i>AUSTRIA</i>	<i>MALAYSIA</i>
<i>BANGLADESH</i>	<i>MEXICO</i>
<i>BELGIUM</i>	<i>MOROCCO</i>
<i>BILL & MELINDA GATES FOUNDATION</i>	<i>NETHERLANDS</i>
<i>BRAZIL</i>	<i>NEW ZEALAND</i>
<i>CANADA</i>	<i>NIGERIA</i>
<i>CHINA</i>	<i>NORWAY</i>
<i>COLOMBIA</i>	<i>OPEC FUND FOR INTERNATIONAL DEVELOPMENT</i>
<i>COMMISSION OF THE EUROPEAN COMMUNITY</i>	<i>PAKISTAN</i>
<i>DENMARK</i>	<i>PERU</i>
<i>ARAB REPUBLIC OF EGYPT</i>	<i>PHILIPPINES</i>
<i>FINLAND</i>	<i>PORTUGAL</i>
<i>FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS</i>	<i>ROCKEFELLER FOUNDATION</i>
<i>FORD FOUNDATION</i>	<i>SOUTH AFRICA</i>
<i>FRANCE</i>	<i>SPAIN</i>
<i>GERMANY</i>	<i>SWEDEN</i>
<i>GULF COOPERATION COUNCIL</i>	<i>SWITZERLAND</i>
<i>INDIA</i>	<i>SYNGENTA FOUNDATION FOR SUSTAINABLE AGRICULTURE</i>
<i>INDONESIA</i>	<i>SYRIAN ARAB REPUBLIC</i>
<i>INTER-AMERICAN DEVELOPMENT BANK</i>	<i>THAILAND</i>
<i>INTERNATIONAL DEVELOPMENT RESEARCH CENTRE</i>	<i>TURKEY</i>
<i>INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT</i>	<i>UGANDA</i>
<i>ISLAMIC REPUBLIC OF IRAN</i>	<i>UNITED KINGDOM</i>
<i>IRELAND</i>	<i>UNITED NATIONS DEVELOPMENT PROGRAMME</i>
<i>ITALY</i>	<i>UNITED NATIONS ENVIRONMENT PROGRAMME</i>
<i>JAPAN</i>	<i>UNITED STATES OF AMERICA</i>
	<i>WORLD BANK</i>

An enduring commitment to agricultural research is necessary to ensure that the knowledge generated by scientists of the CGIAR and their research partners is applied sustainably by end users such as farmers, forest and fishing communities and national agricultural research systems. Such dedication is fundamental to transforming research into development results. Since 1971, the CGIAR partnership has steadfastly supported research to reduce hunger and poverty in the developing world. The reforms being made to the CGIAR in 2010 promise to strengthen its research to meet the challenges of the twenty-first century. The CGIAR thanks its Members as of December 2010.



CGIAR Consortium
c/o AGROPOLIS INTERNATIONAL
Avenue Agropolis
F-34394 Montpellier Cedex 5

t + 33 4 67 04 7575
e consortium@cgiar.org

www.cgiar.org

Photo by CIAT International Center for Tropical Agriculture