



Fund

Fund Council

6th Meeting (FC6)—Rome, Italy

November 8-9, 2011

"Peer Review Team Budget Analysis"

(Presentation by PRT)

*Document presented for Agenda Item 5:
2012 Work Plans and Budget*

Submitted by:
PRT

2012 CGIAR System Budget Analysis: Peer Review Team

Peer Review Team: Process

- Appointed by FC Chair 24th September
- Jonathan Wadsworth (FO Exec Sec), Lloyd Le Page* (Consortium CEO), Peter Gardiner (ISPC Exec Dir), Prabhu Pingali (BMGF) and Philip Chiverton (Sweden; Convenor)

*replaced by Lynn Haight (COB) and Gordon MacNeill (CO)

- Mission: to review budgets and work plans of CO, FO and ISPC and scrutinize these in terms of value for money
- Two teleconferences; one 4hr meeting

Consortium, Fund Office and ISPC: 2012 Budget Comparison

CONSORTIUM	\$ m	FUND OFFICE	\$ m	ISPC	\$ m
Personnel costs	2.71	Personnel costs	2.20	Personnel costs	1.88
Consultants - long term	0.35			Consultants	0.10
Consultants - short term	0.80				
Travel	0.46	Travel	0.25	Travel	0.10
Meetings and workshops	0.45				
Operating expenses	0.38	Operating expenses	0.03	Operating expenses	0.05
Overhead charges	0.63	Overhead charges	-		
		IT (Equipment & connectivity)	0.18		
		Rent	0.31		
		Legal Services*	0.08		
		Communications & services	0.17		
		Review of CGIAR reform	0.08		
				Tech activities:studies & reviews	0.84
Sub-total Office / Secretariat	5.79	Sub-total Office / Secretariat	3.30	Sub-total Office / Secretariat	2.96
Consortium Board	1.07	Fund Council, Donor meetings	0.21	ISPC Chair / Members	0.81
TOTAL CONSORTIUM BUDGET	6.86	TOTAL FUND BUDGET	3.50	TOTAL ISPC BUDGET	3.77
<u>No. of staff</u>		<u>No. of staff</u>		<u>No. of staff</u>	
Senior	9	Senior	7.5	Senior	7
Support	7	Support	5.5	Support	3
Long term consultants	2	Long term consultants	-	Long term consultants	-
TOTAL STAFF	18	TOTAL STAFF	13	TOTAL STAFF	10
Budget Financing					
From the Fund	6.16	From the Fund	3.50	From the Fund	2.40
From other sources	0.70	From other sources	-	From FAO	1.37
Total resources	6.86		3.50		3.77

* amount \$0.075m rounded

System Costs Prior to and After the CGIAR Reform

(\$ million)

	<u>Prior to Reform</u>	<u>Transition</u>	<u>After</u>		<u>Steady State</u>
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	
Consortium Board and Office	-	2.5	6.07	6.86	6.86
Secretariat / Fund Office	4.7	4.0	3.50 ¹	3.50	3.50
Science Council / ISPC	3.5	3.5	3.85	3.77	3.77
Trustee	0.1	0.1 ²	0.88 ³	0.91	0.91
Independent Evaluation (System Review, EPMRs, etc)	1.0	1.0 ⁴	0.0	0.80 ⁵	2.70
Business Meeting	0.1	0.0	0.0	- ⁶	-
System Office units	2.2	1.7	0.0	-	-
GCARD	1.9 ⁷	2.0 ⁷	0.0	-	-
Total	13.5	14.8	14.3	15.8 ⁸	17.7 ⁸

¹ Includes cost of Fund Council and Funders Forum

² Negotiated fee arrangement for the existing MDTF.

³ Full Cost Recovery basis for the new Trust Fund, includes a one time fee of \$0.25m.

⁴ 2009-2010 figures reflect the annualized cost of CGIAR system reviews, EPMRs, other reviews.

⁵ Estimated, as Head of IEA is not expected to be on board before mid 2012

⁶ Funders' Forum (equiv of Business mtg) cost included in Fund Office budget

⁷ Annualized

⁸ Does not include GCARD

Summary of Budget Analysis

- **CO Budget**

- considered excessive
- \$1.3 M (2010) >>> \$5.8 M (2012)
- not activity based
- difficult to see deliverables e.g. \$460,000 travel
- suggest prioritization in discretionary budget items e.g. travel etc.

- **ISPC Budget**

- reasonable
- work plans include implementation of communication strategy which is considered vital
- delays expected in IEA staff appointments
- Science Forum good for mobilization

Summary of Budget Analysis

- **FO Budget**

- reasonable
- possibly heavy on support staff
- \$75,000 for Review of CGIAR Reform in 2012

Suggestions by the Peer Review Team

- **CO**
 - submits three different budget scenarios e.g. **\$4.5M, \$5.0M and \$5.5M** for Consortium Office
 - CO describes different scenarios for **salaries, activities and components** at these levels for virtual review and decision by FC
- **2012 GCARD**
 - provides the **key products and services** that the CGIAR will receive
 - FC decides on what price it is willing to pay for these 2012 GCARD products and services

Possible Questions

- Should there be budget cap for each of the System Units?
- Should there be zero growth in annual budget in nominal terms or real terms?
- How to identify areas of potential efficiency gains in the System Units?
- What is the mechanism for reporting on efficiency gains?