Chairman's Letter to Center Directors

January 29, 1996

Dear Colleagues:

I am writing to share with you the progress made in securing financing for the agreed agenda, and to acknowledge the sentiment expressed by several of you regarding the teething problems faced in implementing the new financing arrangements.

At International Centers Week, the CGIAR Finance Committee put in place the financing plan for the 1996 research agenda agreed to at the Nairobi Mid-Term Meeting. That financing plan was based on firm commitments for about two-thirds of the agenda requirements, marking a significant step toward achieving funding predictability and stability. Since ICW, additional commitments have been received, and I am very pleased to say that three-quarters of the funding is now confirmed. Disbursements have also picked up. Australia, Finland, Norway, and Switzerland have already, in addition to the World Bank, disbursed their contributions. I am also delighted to inform you that, since ICW, Syria and Pakistan have informed me of their intention to join the CGIAR.

I appreciate that at the Center level the picture on 1996 financing is not as clear as at the System level. To firm it up, I am requesting the CGIAR membership to expedite their allocations and commitments. As you will see in the attached copy, I am asking that they give special attention to elements of the matrix that appear to be less than fully funded in the financing plan; for example, the Systemwide Program on Livestock, and on Alternatives to Slash and Burn.

Several Centers have voiced concerns regarding the management of the funding matrix, including some confusion about whether the support is directed to items inside or outside of the agreed agenda. I have requested the Finance Committee at its next meeting during MTM96 to meet with the Center Directors to work toward resolving these differences. I hope we can deal with the issue of whether support is or is not for the agreed agenda quite simply by convincing the concerned members to refocus their support on the agreed agenda. Doing otherwise can very quickly lead us to another financial crisis. We overcame the 1994 crisis because we shared a common vision and sense of purpose and because we agreed to work together. It is essential that we continue this spirit by dedicating ourselves to support the agreed agenda and not permit CGIAR member funds to get sidetracked to activities outside of the agenda, while some cells of the matrix remain unfunded.
We are all aware of the present difficult political situation in the United States and the resulting delays in their financial commitments. I am hopeful that this will be resolved in the near future and remain optimistic that the 1996 agenda will be fully financed. However, I endorse the advice given to us by the Finance Committee at ICW to be prudent in our expenditure planning.

Sincerely,

Ismail Serageldin
Chairman

Attachment (Chairman's Letter to CGIAR Heads of Delegation)