From: The Secretariat

May 5, 1997

Report of the Tenth Meeting of the CGIAR Finance Committee

At ICW96, the Chair of the Finance Committee, Mr. Michel Petit, reported the outcome of the 10th Meeting of the Finance Committee, which covered the 1996 and 1997 Financing Plans.

A written report of the Meeting is attached for information.

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TAC Chair, Members, Secretariat
IAEG Chair and Members
NGO Committee Chair and Members
Private Sector Committee Co-Chairs and Members
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Tenth Meeting of the CGIAR Finance Committee

The CGIAR Finance Committee held its ninth meeting In Washington D.C. on October 26, 1996 concurrent with International Centers Week. A special session was held on Friday, November 1 to resolve outstanding 1997 financing issues. The outcome of the meeting was reported by the Finance Committee Chair under agenda item "Report of the Finance Committee" and is also recorded in the Summary of Proceedings for ICW96.

Michel Petit (World Bank) chaired the meeting with participation by Australia (Robert Clements and Iain Bevage), Canada (Iain MacGillivray), Egypt (Saad Nassar), Germany (Jürgen Friedrichsen), India (Rajinder Paroda), IFAD (Abdulmajid Slama and Shantanu Mathur), Japan (Kunio Nakamura), and the United Kingdom (Ian Haines, and Robert Carlisle). Regrets were received from the Netherlands. New members elected to the Finance Committee, European Commission (Anton Riethinger) and Sweden (Carl-Gustaf Thornstorm) participated in the special session on Friday. Mr. Dana Dalrymple (USAID) observed the meeting. Dr. Winkelmann, the TAC Chair participated during the session on 1997 financing.

1996 Financing Plan

The Secretariat briefed the Finance Committee on 1996 financing. The Group had approved a financing plan of $300 million at ICW95. By MTM96, there was widespread concern that the agenda would be underfunded by approximately $20 million, while some $47 million in funding remained outside of the agenda in support of complementary programs. Funding shortfalls threatened several centers, in particular the larger, older centers, placing these centers at serious risk due to insufficient funding in 1996. The Finance Committee determined that an additional $8 to 9 million in funding was required to meet the minimum needs of those centers facing financial gaps. As well, the World Bank's matching contribution was placed in jeopardy as a consequence of the shortfall, raising the possibility that a refund of part of the Bank's contribution would be required.

Decisive action was taken by the Group at MTM96 to avert a funding crisis. Three measures were used to close the funding gap. First, monies were identified to fund the agreed agenda through a redefinition and/or reclassification of funding currently in support of complementary programs outside of the agreed agenda. Second, during the course of MTM96, several members, most notably Denmark, mobilized additional resources at a level of about $5 million for centers facing the most severe funding shortfalls. Third, reserves previously set aside at the start of this year were partially drawn down. Full access to the Bank's matching contribution was, thus, ensured.

As a result of these efforts, a total rescue package of $7.5 million for CIAT, ICRISAT, IITA, IRRI, and CIMMYT was put together at MTM96. The Secretariat reported that the actual rescue package would likely be on the order of $9 million based on member response, and that the outcome for 1996 would be $300 million.

Financing Plan for the 1997 Research Agenda

The new financing arrangements arising from the CGIAR renewal have modified the Group's financial decision-making cycle. The Group reviews and agrees on the research agenda for the following year at the Mid-Term Meeting (six months earlier than before) and approves the resulting financing plan at International Centers' Week. Additional modifications were introduced at MTM96 to fine-tune the arrangements. (a fuller discussion can be found in the notes on the ninth meeting of the Finance Committee.)

The Secretariat briefly reviewed the financial decisionmaking cycle leading up to ICW96:

- approval of the agenda by the Group at MTM96;

- preparation by centers, in consultation with members, of their financing plans during the months following MTM96;
- review of center financing plans by TAC in September; and
- review of the aggregate financing plan by the Finance Committee in October.

At MTM96, the Group approved a $300 million indicative planning figure. The centers subsequently prepared individual financing plans which totaled $328 million, including unidentified financing of $18 million. In September, TAC endorsed the $328 million financing plan, pointing to the congruence between the CGIAR's priorities and the overall financing plan. At the same time, TAC alerted the Finance Committee to several issues stemming from a comparison of the financing plan to the approved agenda. (Annex 1: Note from TAC Chair)

Dr. Winkelmann highlighted the issues as being: the underfunding of germplasm enhancement, under the principal undertaking of increasing productivity; the underfunding of systemwide programs on livestock and genetic resources, and the potential concern for the funding of the systemwide program on water; and the contractions faced by the larger, older centers.

The Finance Committee interacted with members prior to and during ICW96, leading to additional contributions for systemwide programs and for centers facing funding reductions. The result of this interaction was a financing plan of $331 million for 1997, which still included unidentified funding of $15 million (the reduction from $18 million was a result of deliberations between centers and members leading to firm financing). Indications were received from members of additional, as yet unallocated, contributions totaling $9 million, leading to a prospective total financing plan of $340 million. The Finance Committee recommended the Group take a prudent approach and adopt a financing plan of $325 million (i.e., $340 million less the $15 million in unidentified funding), which could be expanded to $340 million if the unidentified funding was realized.

The committee reviewed the composition of 1997 CGIAR financing, and the distribution of and sources of financing by center. Regarding investments in the five principal undertakings of the CGIAR, at the aggregate level, the financing plan was very similar to the agreed agenda approved by the Group, in terms of the distribution of funding across undertakings. Although the overall funding situation of the system was quite encouraging, it was noted that several centers were still facing difficulties. Activities at a number of the centers had been reclassified to bring funding into the agreed agenda, leading to an apparent reduction in financial gaps. However, activities associated with this funding forced a reduction in important ongoing activities, such as in germplasm enhancement, as pointed out by TAC. Gaps due to the reclassification issue were particularly prominent at CIAT, ICRISAT, IRRI, CIMMYT as well as IITA.

Members responded positively to resolve the issue of funding gaps at the older centers by providing additional funds. Denmark informed the committee that they were considering a contribution of $4 million, over and above the $4 million in extraordinary funds announced by Denmark at MTM96. Increases were also indicated by the European Union. The committee noted the statement from the US representative about the proposed increase in the contribution by the United States.

The committee estimated that as a consequence of these actions at least a portion of the funding gaps at the older centers would be covered. Specifically, the gaps would be reduced to about $6 million at ICRISAT and IRRI, $4.6 million at CIAT and $2.6 million at CIMMYT. The Committee indicated that it would aim to ensure that at least 25% of these gaps, $19.5 million in the aggregate, would be covered by additional contributions by the European Union, the United States and drawdown on the CGIAR reserve.

The committee reviewed the allocation of World Bank funding in 1997 and confirmed that it will be in accordance with the modified financing arrangements agreed to at MTM96, taking into account that 1997 is a transition year to the full implementation of the modified financing arrangements in 1998.

Of the $45 million in Bank funding, representing 15 percent of the agreed agenda, $26.6 million, or 9 percent, will be allocated on a matching basis in relation to the $295 million in funding received from other members. Four percent, or $12 million, will be for one-time-only payments to help ease the transition to the modified financing arrangements of those centers that have been particularly dependent in the past on World Bank funding. Of the remaining Bank funds, $0.5 million will finance CGIAR committees, $0.5 million a small grants program, $0.2 million twenty-fifth anniversary expenses, and $5.2 million for reserves.

Bank funds will be disbursed in two tranches. The first tranche will consist of the one-time payments and 50 percent of the matching funds. The second tranche, consisting of the remaining matching funds and the reserve payments, will be authorized at MTM97, based on a review of 1997 financing by the Finance Committee.

The Finance Committee's proposal for the 1997 research agenda recommending a funding plan of $325 million for the agenda was presented to the Group during ICW96 and subsequently approved. (A copy of the presentation is provided as Annex 2 to this report). This was not a ceiling, but a projection, and individual centers were not limited to their funding target level. Some severe adjustments would occur in four centers due to changes in levels of funding. Members should give these centers special attention in their additional allocations, as well as to the systemwide programs on livestock and genetic resources.

Other Items

As requested by the Group, the committee would ensure that funding for a program in Eastern/Central Europe and the former Soviet Union is additional as agreed; however, the committee will only begin to evaluate funding arrangements for such projects once proposals move into the pipeline.

The committee decided to draw the attention of the Group to a breach of process at MTM96, in which the CGIAR adopted a Finance Committee recommendation, and then shortly thereafter, altered it without formal referral to the committee. It was noted that the committee understood the urgency that dictated the changes and agreed with their substance; however, it felt that, with better communication, the committee could have arrived at the same decision initially.

The committee planned to review center financial management practices at one of its future meetings.

Membership

Following a nomination conducted by caucus of the membership, the European Community and Sweden were appointed as new members of the Finance Committee, to replace departing members the Netherlands and the United Kingdom. The change will be effective at MTM97, when the composition of the Finance Committee will be: Australia, Canada, Egypt, European Commission, Germany, IFAD, India, Japan, Sweden, and World Bank. World Bank was reelected as the Chair of the Finance Committee.

Next Meeting

The Committee will hold its next meeting in Cairo, Egypt on May 24, 1997 at the time of Mid-Term Meeting, May 26 to May 30, 1997.

Consultative Group on International Agricultural Research (CGIAR)

TECHNICAL ADVISORY COMMITTEE (TAC)

Donald Winkelmann, Chairman

4 October 1996

MEMORANDUM

TO: Michel Petit
Chairman, Finance Committee

FROM: Donald Winkelmann
Chairman, TAC

SUBJ: The attached report

cc: Alexander von der Osten, CGIAR Secretariat
Shellemiah Keya, TAC Secretariat

As you know, a TAC Sub-Committee met with the principal of the CGIAR Secretariat's Financial Team to review the Centers' 1997 Financing Plans. The intent was to assess the congruence of the Financing Plans with TAC's May 96 recommendations on the 1997 budget. The attached report is a synthesis of the findings for review by the Finance Committee.

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DRAFT
October 4, 1996
Washington, D.C.

BRIEF REPORT OF THE MEETING TO REVIEW CGIAR PROGRAMME IMPLICATIONS BY TAC 22-24 SEPTEMBER 1996, ROME, ITALY

Introduction

In accordance with the results of MTM96, TAC met in September to review the programme implications and convey to the CGIAR's Finance Committee its views about the 1997 Centre Financial Plans. TAC 70 had endorsed a Sub-Committee to examine these plans on behalf of TAC. Composition of the Sub-Committee was as follows:

Donald Winkelmann	TAC Chair
Sir Ralph Riley	Chair, Standing Committee on External Reviews
Ammar Siamwalla	Chair, Standing Committee on Priorities and Strategies
Ted Henzell	Chair, Standing Committee on Systemwide Initiatives
Ravi Tadvalkar	CGIAR Secretariat
Shellemiah Keya	TAC Secretariat
Guido Gryseels	TAC Secretariat

The CGIAR and TAC Secretariats received the financial plans from the 16 Centres, which the CGIAR Secretariat used to prepare a summary of the Centre plans. The background documents used by TAC featured:

a) Centre Allocations for 1996 by Activity;
b) Centre Proposed Allocations for 1997 by Activity (Pre-MTM96);
c) Centre Proposed Allocations for 1997 by Activity (September 1996);
d) Centre Projects and Financial Plans for 1997 (September 1996);
e) CGIAR Secretariat Summary of 1997 Financial Plans;
f) Proposed Transfers to the Agreed Agenda;
g) CGIAR Priorities and Strategies (Draft 1996) - Chapter 5;
h) The CGIAR 1997 Research Agenda.

Where additional information was required, Centres and others were contacted directly and the feedback was incorporated during the course of the meeting.

As a first step, the Sub-Committee reviewed the proposed transfers to the agreed agenda. (Individual centres have been apprised of the findings.) It then worked through the projects and financial plans. Finally, it turned to comparisons of the trends from 1996, through the 1997 agenda submitted to MTM96, to the September 1996 Plans for 1997 with the recommendations made for the 1998-2000 timeframe. Chapter 5 of the Priorities and Strategies Draft reviews those recommendations and provides the logical basis for comparisons. An adapted version (reflecting nuance found in the text) of Table 5.1 is presented here for convenience.

Table 1: Priorities by Activity Category[1/]

Activity Category	Estimated 1996 Share	Recommended for 1998-2000
1. Increasing Productivity	44%	=
1.1 Germplasm Enhancement and Breeding	20%	+
1.2 Production Systems	24%	-
2. Protecting the Environment	16%	+
3. Saving Biodiversity	11%	+
4. Improving Policies	11%	=
5. Strengthening NARS	18%	-
5.1 Training	7%	-
5.2 Documentation	7%	-
5.3 Institution Building, etc.	2%	+
5.4 Institution Building Networks	2%	-

1/ From CGIAR Priorities and Strategies, Draft, 1996, p.54

The Sub-Committee notes that within several of the categories shifts in emphasis were recommended, for example, in 1.2 TAC recommended: a decrease for crops and that the orientation of work be changed, increased support for livestock, fish, and forestry, and that postharvest work be increased; and in 4.0 TAC recommended that social and economic analysis be increased relative to other pursuits. These themes will be reviewed with centres during the MTP process.

Comparisons

The Sub-Committee examined the changes from 1996 through the agenda recommended to MTM96 for 1997 to the September 1996 estimates. The September estimates rest on bilateral interactions between Centres and Members. The trends were compared with the recommendations for 1998-2000 as seen in the preceding Table. A motivating assumption was that 1997 allocations should not contradict the changes recommended for 1998-2000. As agreed at MTM96, the analysis was in terms of the five undertakings (increasing productivity, protecting the environment, saving biodiversity, improving policies, and strengthening NARS). In two cases, however, TAC went behind the undertakings to their constituent elements. Two points must be noted. The fiscal data do not reflect the influence of inflation, so the dollar values given in what follows are in nominal terms. It should also be remembered that some part of the apparent shifts or absences of shifts discussed below might be the result of the increasing precision in classification available from the by now more refined project descriptions.

Table 2: Comparing Apparent Allocations

Undertakings	TAC[1/] 1996	TAC[2/] 1998-2000	Centre Sept. 1996 for 1997[3/]
1. Increasing Productivity	44%	=	41%
1.1 Germplasm Enhancement and Breeding	20%	+	18%
1.2 Production Systems	24%	-	23%
2. Protecting the Environment	16%	+	17%
3. Saving Biodiversity	11%	+	10%
4. Improving Policies	11%	=	12%
5. Strengthening NARS	18%	-	21
5.1 Training	7%	-	8%
5.2 Documentation	7%	-	5%
5.3 Institution Building, etc.	2%	+	4%
5.4 Institution Building Networks	2%	-	4%

1/ See Table 1.
2/ From text, Chapter 5, CGIAR Priorities and Strategies (Draft 1996)
3/ From CGIAR Secretariat: Summary of the 1997 Financing Plans by Centres, 20 September 1996

Increasing Productivity: For 1998-2000, TAC recommended no change in this undertaking, but recommended that enhancement and breeding be increased and production systems be decreased, the latter ultimately to be merged with protecting the environment. The September 1996 estimates show a reduction in the category to 41% (see Table 2), most of it in Germplasm Enhancement and Breeding. Notable here are reductions at CIMMYT, ICRISAT, and IRRI and the increases estimated by IITA and IPGRI. Had the investment even remained at its earlier 20%, it would have added roughly US$ 7 million more to the activity in 1997. Meanwhile, the estimated investment in Production Systems is estimated to decline slightly but - congruent with TAC's recommendations for 1998-2000 - with increases in fisheries, forestry, and livestock.

TAC expresses its strong concern about the reduction in germplasm enhancement and recommends that Centres and Members revisit allocations in this activity.

Protecting the Environment: TAC recommends a modest increase in this undertaking for 1998-2000, particularly in work dealing with water and with the off-site consequences of production activities. While the commitment has increased in the September 1996 estimates for 1997, TAC hopes that its concerns for specific activities will guide further increases. These concerns will be pursued in the MTP process.

Saving Biodiversity: When the CGIAR accepted that it had a corporate responsibility for saving biodiversity, it was anxious to ensure the security of the material in its charge there should be stable funding. Consequently TAC's 1998-2000 recommendations are for a modest increase of funding with emphasis on the existing genebanks. Five of the 11 centres with such facilities show an increase in their estimated 1997 investment while there are two which propose significant reductions. While the total commitment is about where it was in the past, this is in considerable measure because of large increases reported by CIMMYT and IPGRI.

Given the Group's commitment to the activity, the importance of existing germplasm, and the recommendations of the "Innes Report" (commissioned by the Systemwide Genetic Resources Programme, SGPR), the Sub-Committee is heartened by the levels of investment forecast for 1997. However, and of considerable concern, TAC notes that 1997 funding for the SGPR is estimated at about two thirds of that proposed while projects of apparently lower priority are being funded in this same undertaking.

TAC recommends that Centres and Members re-examine their tentative commitments in this arena.

Improving Policies: For 1998-2000, TAC recommended no increase in this undertaking but a restructuring among its elements. Estimates for 1997 show a modest increase over those recommended by TAC for 1997. The difference is not large, certainly not large enough to suggest a review of the allocation.

Strengthening NARS: This undertaking is composed of four activities: training; documentation, publication, and information; institution building; and institution building networks. TAC estimated that 18% of the total budget was invested in the undertaking (see Table 1) and went on to recommend that the proportion be reduced in 1998-2000, in particular in the light of its view of the constraints which now limit NARS performance. Specifically, TAC recommends a moderate reduction in financing for training (holding that other agencies are better situated to provide such financing), in documentation (as a significant portion of the current expenditure is really destined for centre administrative purposes and should be charged there), and institutional networking (noting that there is less need for such networks, given the advent of regional associations and the overall reduction recommended for CGIAR financing of training). Finally, TAC recommends a moderate increase in research and advice on institution building.

At MTM96, it was suggested that TAC reassess its recommendations on training and networks. With respect to the latter, TAC noted at MTM96 that its comments on networking reflected the view that research networks should be maintained, but charged to research activities rather than to networking. In that context, the Sub-Committee has re-examined the views expressed at MTM96 and concluded that TAC's initial recommendations are consistent with the CGIAR's aim to efficiently pursue its goals of poverty alleviation and protecting the environment. It has been noted that the Centres are well placed to offer training and should continue to do so, but through contracting and other arrangements such that the costs are borne by others. Several Centres have moved in that direction.

On reviewing the financing plans, strengthening NARS occupies 21% of the estimated 1997 budget, with training taking 7.8%, documentation 5.4%, organization and management 3.6%, and networking 3.9%. The commitment to the undertaking and, in particular, training and networking, are moving counter to TAC's recommendations for 1998-2000, the first moderately and the second strongly.

TAC recommends that members and centres reduce their notional allocations to these two categories in the light of TAC's sense of their relative importance to CGIAR interests.

Systemwide Programmes

For the most part, and with the clear exception of SGRP, the Sub-Committee is favourably impressed with the estimated 1997 support for Systemwide programmes. Even so, the impression is that some of the estimates, especially those for the work in livestock and water, are soft and the Sub-Committee is concerned that the anticipated support be realized.

Transfers to Agreed Agenda

Included in the 1997 Financing Plans were proposals from CIMMYT, CIP, ICRISAT, IITA, IPGRI, and IRRI to transfer some $13.6m to the agreed agenda. TAC endorsed transfers of $11.4m and has pending a further transfer of $.8m. Some of the IPGRI's transfers were not endorsed.

For IPGRI, TAC did not approve roughly $1.4m because of (1) earlier observations that judgments be deferred until after the External Review (now underway) or (2) a perception that the work was of lower priority than other work not being supported. Also for IPGRI, a transfer of $.8m is pending, awaiting an amplification in the project's goals.

Conclusions

In conclusion, the Sub-Committee has some apprehensions about the apparent results of the bilateral negotiations between centres and members - viz. germplasm enhancement, SGRP, and strengthening NARS, along with the extent of the rebalancing and reorientation of work within activities - but is heartened by the extent of the congruity between its recommendations and the estimated 1997 profile of support. The overall congruence may, of course, be a consequence of inertia. The Sub-Committee, however, believes that it is a manifestation of a considerable agreement about what is important to the CGIAR. Finally, as for rebalancing and reorientation within undertakings, these considerations will be assessed through TAC's interactions with Centres in the MTP review process.

C G I A R
25 YEARS
1971 - 1996

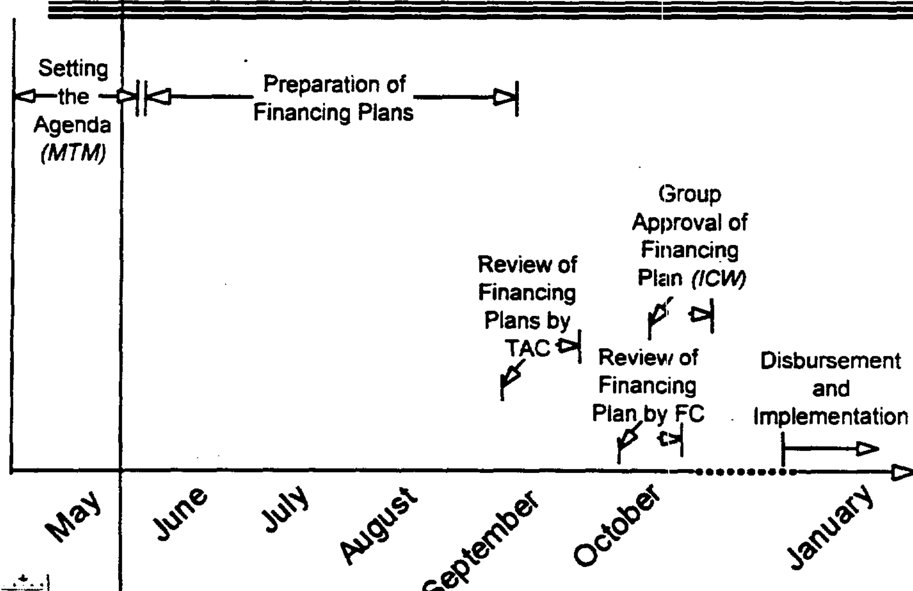
1996 Financing of the CGIAR Research Agenda: Update

1996 Financing

- **ICW95: Approved Financing Plan - $300 million.**
- **MTM96: Shortfalls identified for several large Centers. Rescue package of $7.5 million for CIAT, ICRISAT, IITA, IRRI, CIMMYT.**
- **Actual package likely to be $9 million based on Member response.**
- **Likely 1996 outcome: $300 million.**

Financing of the 1997 CGIAR Research Agenda

Financial Decision Making Cycle



1997 Financing Plan

Evolution of 1997 Financing Plans

- MTM96: $300 milion indicative planning figure
- Center Financing Plans project [$328] million financing (plans include unidentifed financing of $18 million)
- TAC endorses $[328] million alerting CGIAR to underfunding of Germplasm Enhancement and Systemwide Programs (SWP) on Livestock, Genetic Resources, Water

Evolution of 1997 Financing Plans

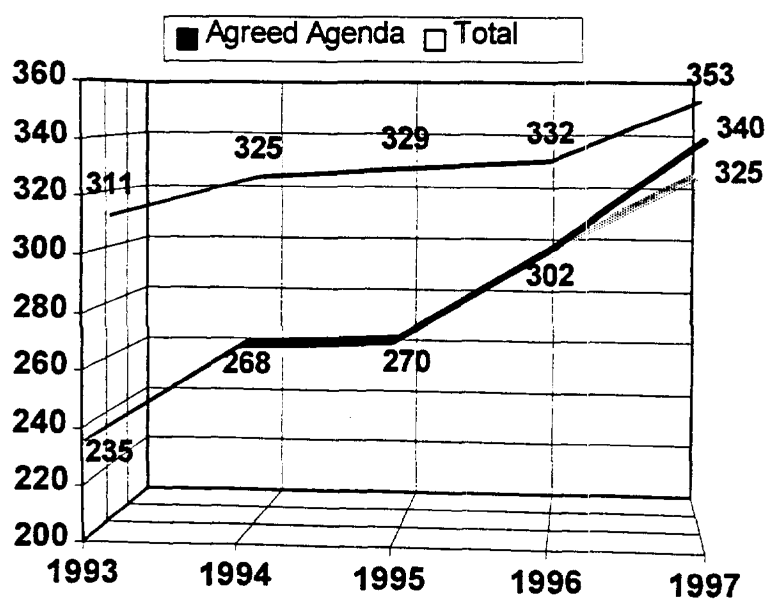
- Membership actions leading to financing for SWPs, additional contributions to larger Centers facing reductions
- Resulting financing of $[331] million -- unidentified pool reduces to $15 million
- Additional membership indications of about $9 million as yet unallocated to Centers

Evolution of 1997 Financing Plans

- Resulting prospects of $340 million including $15 million in unidentified funds
- Finance Committee proposal to adopt $325 million as the 1997 Financing Plan figure
- Membership urged to respond to gaps at larger Centers -- Positive response indicated by several Members

1997 Financing Plan

Agreed Agenda and Total Support, 1993-1997
(in $ million)



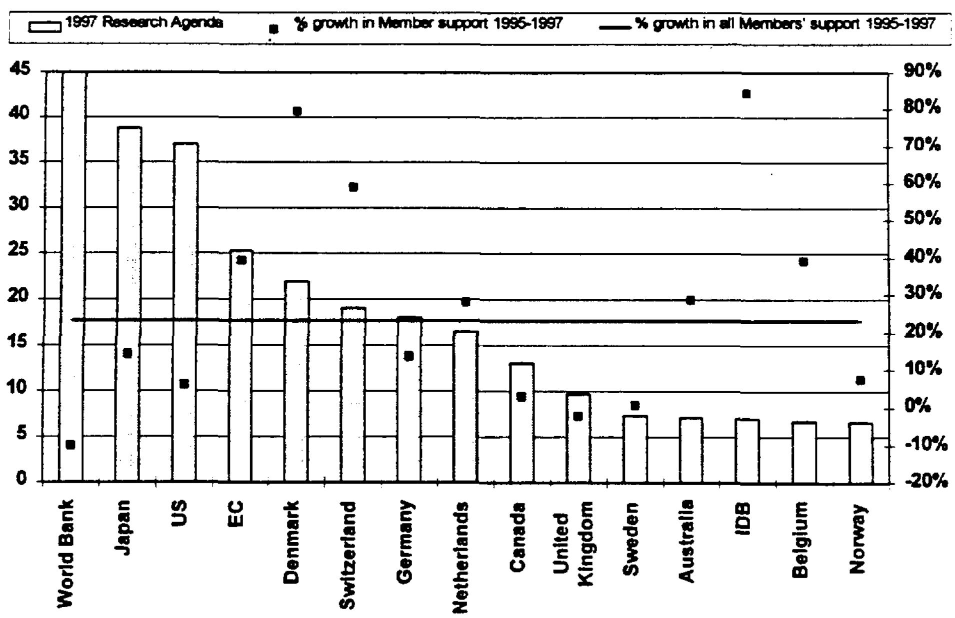
Composition of CGIAR Financing

(in $ million)

	1993	1994	1995	1996	1997
Europe	81	100	107	128	144
North America	56	48	45	45	50
Developing Countries	2	3	5	8	8
Pacific Rim	37	41	39	46	46
Foundations	3	4	4	7	6
International and Regional Organizations	56	71	68	69	69
Non-CGIAR Donors		0	1		2
Research Agenda	235	268	270	302	325

1997 Financing Plan

Top 15 Members' 1997 Level of Agenda Support and 1995-1997 Growth Rate
(in $ million and % terms)



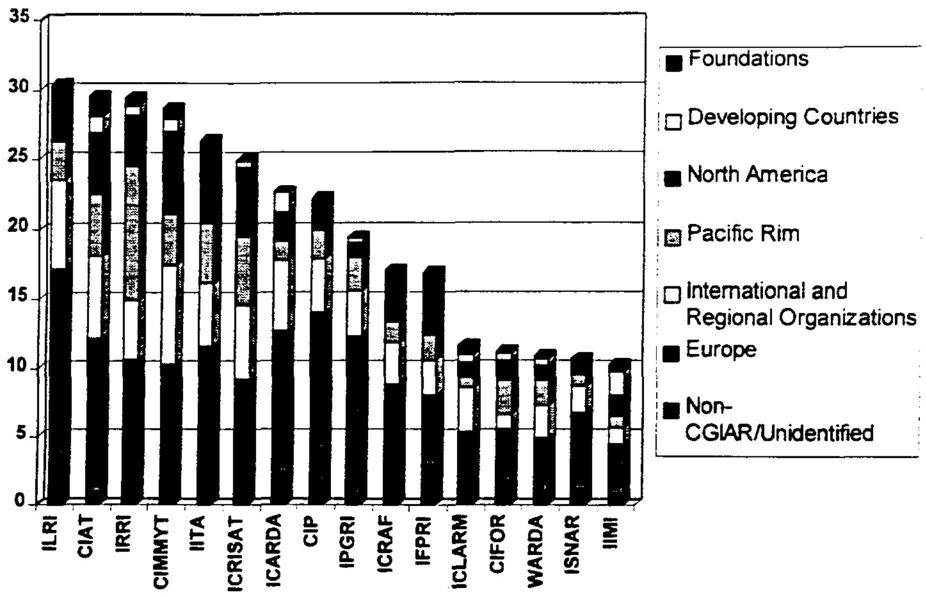
Distribution of and Sources of Financing by Center

Center Investments by Member Groups

✲ Top three recipients (in $ million)

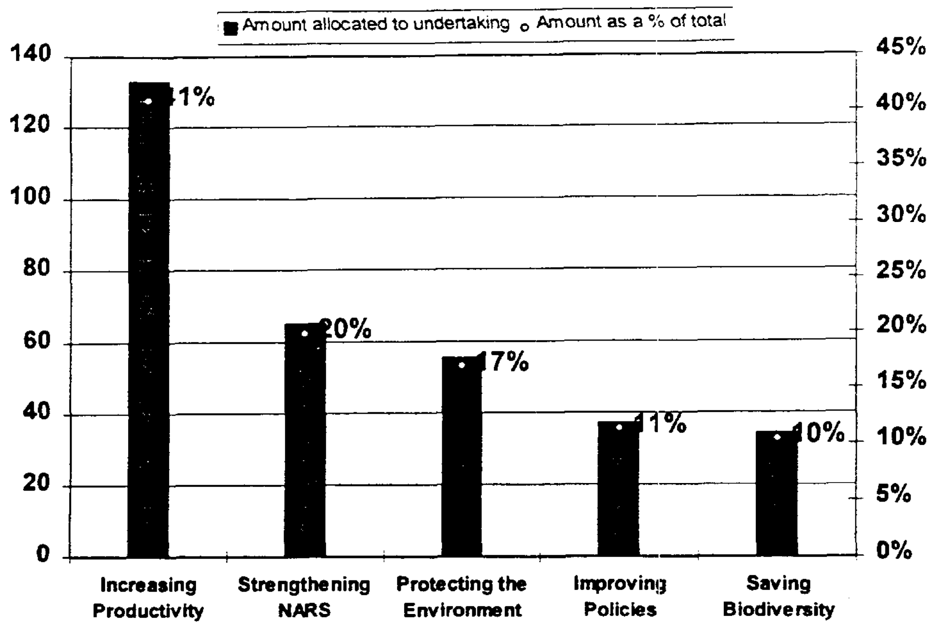
Europe	CIP	13.8	ILRI	13.5	IPGRI	12.2
North America	IITA	6.4	CIMMYT	5.9	ICRISAT	5.1
Pacific Rim	IRRI	9.6	ICRISAT	5.0	CIAT	4.5
Developing Countries	ICARDA	1.3	CIAT	1.2	CIMMYT	0.9
Foundations	CIAT	1.3	ICRAF	0.9	CIMMYT	0.7
International and Regional Org.	CIMMYT	7.1	ILRI	6.4	CIAT	6.0

1997 Support to CGIAR Centers by Member Group
(in $ million)



CGIAR 1997 Research Agenda Matrix, Investments in Undertakings

Proposed 1997 Investments by CGIAR Undertakings
(in $ million and % terms)



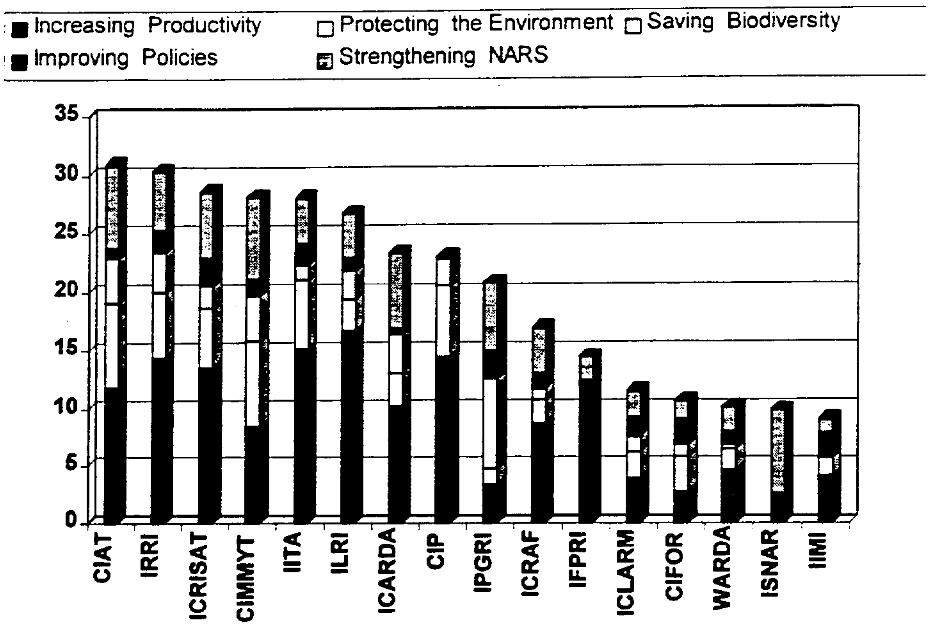
1997 CGIAR Research Agenda Matrix

Center Projections (in $ million)

	Allocations by Undertaking					Total Allocations		
	Increasing Productivity	Protecting the Environment	Saving Biodiversity	Improving Policies	Strengthening NARS	Center Total	September Proposals	Approved Agenda
CIAT	11.9	7.2	3.9	0.8	7.1	30.9	30.8	1.5
CIFOR	2.6	3.1	0.9	2.4	1.5	10.6	11.1	0.2
CIMMYT	8.4	7.4	3.8	1.6	7.9	28.1	28.6	0.6
CIP	14.4	6.2	2.3		0.2	23.0	22.1	1.0
ICARDA	10.2	2.9	3.3	0.5	6.5	23.3	22.6	2.6
ICLARM	3.8	2.4	1.3	1.5	2.1	11.4	11.4	0.2
ICRAF	8.6	2.1	0.9	1.4	3.9	18.9	17.0	0.2
ICRISAT	13.6	8.0	1.9	2.5	6.6	25.6	25.5	3.7
IFPRI				12.3	2.1	14.4	17.1	0.3
IIMI	4.1	1.5		2.3	1.1	9.0	9.7	0.2
IITA	15.2	8.8	1.4	1.9	3.8	28.1	27.3	1.4
ILRI	16.7	2.7	2.4	1.2	3.5	26.7	30.3	
IPGRI	3.4	1.4	7.8	2.4	5.8	20.7	20.4	0.4
IRRI	14.5	8.5	3.5	1.9	4.9	30.3	29.4	1.5
ISNAR				2.6	7.3	9.8	10.5	0.3
WARDA	4.6	1.8	0.3	1.1	2.2	10.1	10.8	0.3
Total	132	55	34	37	65	322	324	14

1997 CGIAR Research Agenda Matrix

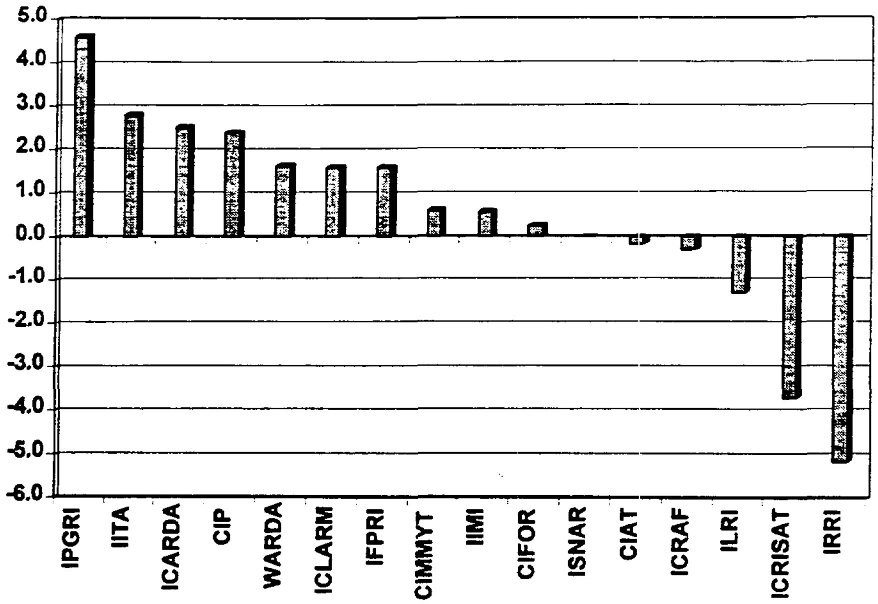
(in $ million)



Financing Plan vs. Approved Agenda

- **Issues**
  - ***Germplasm enhancement underfinanced***
  - ***Larger older Centers facing contractions***
  - ***Some major systemwide programs underfinanced***

1997 Financing Plan versus Approved Agenda -- Variations
(in $ million)

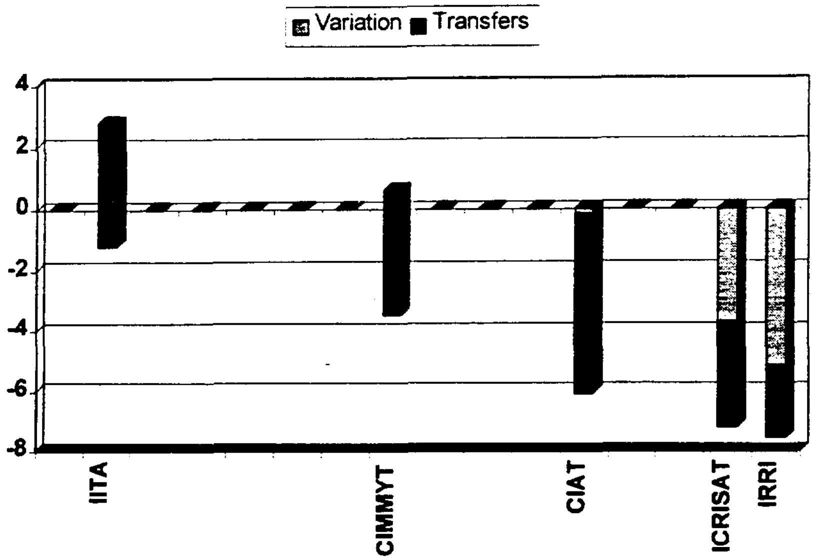


Impact of Transfers into Agenda Projects

Select Centers
(in $ million)

	IITA	CIMMYT	CIAT	ICRISAT	IRRI
Variation	2.8	0.6	-0.2	-3.7	-5.2
Transfers	4.0	4.0	5.9	3.5	2.4
Variation	-1.2	-3.4	-6.1	-7.2	-7.6

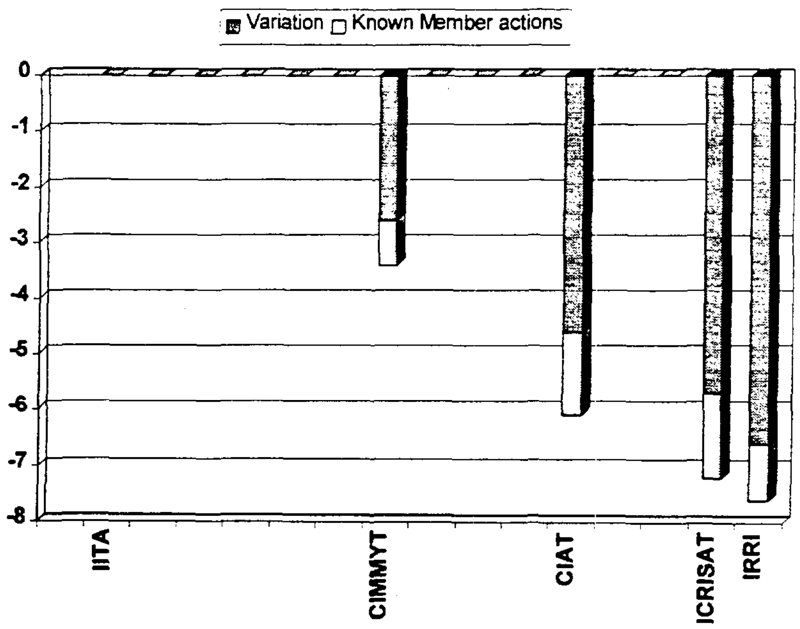
Filling the Gaps – Impact of Transfers into Agenda Projects
(in $ million)



Impact of Known Member Actions

	IITA	CIMMYT	CIAT	ICRISAT	IRRI
Variation	2.8	0.6	-0.2	-3.7	-5.2
Transfers	4.0	4.0	5.9	3.5	2.4
Shortfall	-1.2	-3.4	-6.1	-7.2	-7.6
Known Actions	1.2	0.8	1.5	1.5	1.0
Remaining Shortfall		-2.6	-4.6	-5.7	-6.6
Likely Actions					

Filling the Gaps – Impact of Known Member Actions
(in $ million)



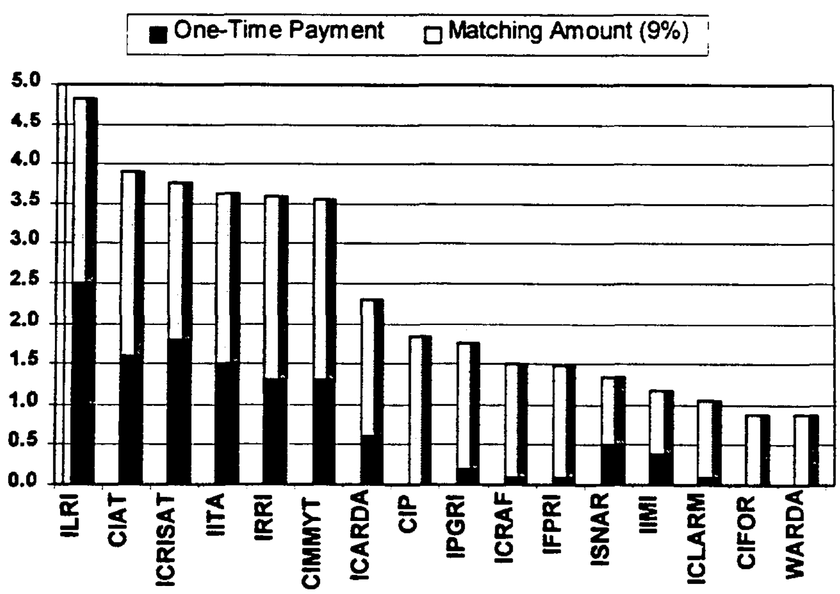
World Bank Allocations

World Bank Allocations

- $26.6 million: 9% matching funding in relation to $295 m non-Bank financing
- $12 million: one-time transition payments
- $[0.5] million: financing for Committees (NGO, PS, GRPC), $[0.2] million anniversary costs
- $[0.5] million: small grants program
- $[5.2] million: reserves could be used to cover shortfalls faced by some Centers

1997 Financing Plan

World Bank Allocations Included in the 1997 Center Financing Plans
(in $ million)



Proposed 1997 Financing Plan

1997 Funding Summary and World Bank Allocations
(in $ million)

	Center Projections – Contributions other than World Bank: Members	Non-CGIAR Donors	Unidentified	Subtotal	Total World Bank of which:	Matching: Amount	Matching: As a %	One-Time Payment	Total Funding
CIAT	25.2	0.6	0.2	26.1	3.9	2.3	9%	1.6	30.0
CIFOR	9.5	0.0	0.7	10.2	0.9	0.8	9%		11.1
CIMMYT	24.0		1.1	25.0	3.6	2.3	9%	1.3	28.6
CIP	20.2		0.1	20.3	1.8	1.8	9%		22.1
ICARDA	17.9	0.4	1.8	20.1	2.4	1.8	9%	0.6	22.6
ICLARM	10.1		0.3	10.3	1.1	1.0	9%	0.1	11.4
ICRAF	16.2		0.3	16.5	1.6	1.4	9%	0.1	17.0
ICRISAT	21.4	0.4		21.8	3.8	2.0	9%	1.8	25.5
IFPRI	12.7		2.9	15.6	1.5	1.4	9%	0.1	17.1
IIMI	7.6		0.9	8.5	1.2	0.8	9%	0.4	9.7
IITA	23.4	0.2		23.6	3.6	2.1	9%	1.6	27.3
ILRI	21.8		3.6	25.3	4.8	2.3	9%	2.5	30.3
IPGRI	17.9	0.7	0.0	18.6	1.9	1.7	9%	0.2	20.4
IRRI	25.2		0.6	25.8	3.6	2.3	9%	1.3	29.4
ISNAR	8.1		1.1	9.3	1.3	0.8	9%	0.6	10.6
WARDA	8.9		1.0	10.0	0.9	0.9	9%		10.8
Total	269.1	2.3	14.7	286.1	37.7	25.7		12.0	323.7
Bank funds: Reserves					6.4				6.4
Member pledges				9	0.8				9.8
									340

Summary

- 1997 overall Financing Plan -- $325 million, not a ceiling
- Members to support in their additional allocations:
  - *larger Centers*
  - *SW Programs on Livestock and Genetic Resources*
- Centers to exercise caution in spending
- World Bank second tranche of matching funds disbursed after FC review of 1997 financing at MTM97

C G I A R

YEARS

1971 - 1996