Approved: 12 December 2024

# CGIAR Windows 1 & 2 budget for 2025

## Purpose

This document sets out the 2025 budget for the System Organization ('SO') and the Integrated Partnership's Windows 1 and 2 budget, as approved by the System Council at its 21st meeting on 11-12 December 2025 (Decision Reference SC/M21/DP6), following concurrence of the Integrated Partnership Board at its 2nd meeting on 25 November 2024.

**Document category:** There is no restriction on the circulation of this document

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## Executive Summary

1. This document sets out the CGIAR Windows 1 ('W1) and 2 ('W2') Budget for 2025, marking the inauguration of the CGIAR's 2025—30 science and innovation Portfolio, the operationalization of its Programs and Accelerators, and the onboarding of new science leadership.

2. The budget is prepared for a full year for planning purposes, with the allocations by Program and Accelerator subject to change as part of a planned review in the first half of 2025, including allocating 2024 unspent funds and making space for the new and emerging high-impact opportunities that each Program and Accelerator is designed to pursue.

3. Since it is too early to estimate, the projections in this document include a conservative 2024 carryover from Initiatives and Platforms, with details on unspent resources and their proposed allocation to the new Portfolio to be provided as part of the Portfolio budget revision in the first half of 2025.

4. The budget also includes the recommendations from the Financial Model Reference Group (FMRG)[1] to reintroduce the use of Window 2 accounts earmarked to Programs and Accelerators and use Window 1 as untied contributions prioritized for Programs and Accelerators (P&A). Window 1 can also accept designations towards specific, cross-cutting functions outside the Portfolio of Programs and Accelerators (e.g. SPIA).

5. After consultations with donors, a new rule was implemented for the current budget cycle: besides Windows 2 designations to Programs and Accelerators, designations to Window 2 may also be directed to specific Areas of Work: such tightly earmarked designations are capped at 50% (except for genebanks-related Areas of Work), meaning that for every dollar designated by a donor to an Area of Work, an equivalent amount must remain untied (Window 1) or be allocated to Window 2 at the Program/Accelerator level by that donor (see Annex II). These designations would need to be announced by November of the year preceding budget implementation to ensure stability and alignment with Programs and Accelerators established workplans.

6. Based on the most recent Donor contributions, commitments, and pledges received, the budget adopts two scenarios for available 2025 resources: (i) a **Baseline Scenario** against which Initiatives and Platforms and other functions can confidently plan their 2025 delivery; (ii) a **Surge Scenario,** representing the envelope of resources that would be available, should potential revenues materialize in full. With 2025 as a transition year, the Surge Scenario is an initial estimate that could evolve as the new Portfolio gets finalized and the corresponding investment opportunities materialize. Under the Baseline Scenario, available 2025 resources amount to US$344m, of which US$301m (88%) represents new donor contributions to CGIAR Trust Fund Windows 1 ('W1') and 2 ('W2'), with the rest made up of other revenue

[1] The Financial Model Reference Group was formed by multiple stakeholders from Boards, Center management, Science Groups, donors and external experts to strategically advise on a new financial model for the new business cycle commencing in 2025, aiming to enhance the stability, predictability, and volume of funding for research and impact. Their key considerations included identifying alternative funding models aligned with CGIAR's mission, ensuring support for infrastructure maintenance and investment, removing barriers to attract diverse funding sources (governments, IFIs, private sector, individuals), exploring innovative funding opportunities and CGIAR's capacity to capitalize on them, and optimizing cost-recovery mechanisms to support integrated science delivery.

and CSP on Window 3 and bilateral funding. Under the Surge Scenario, available resources would amount to US$442m, with new W1 and W2 funding rising to US$399m.

7. Building on these revenue scenarios and considering any associated donor designations and earmarks, all spending has been carefully reviewed to align with CGIAR's overarching goals for the year, which continue to build on the direction set by Management in 2024: (I) Deliver relevant and impactful research and innovations, (II) Elevate CGIAR's funding and visibility on global agendas, and (III) Ensure that CGIAR is fit for purpose and efficiently organized.

8. Consistent with these goals, the proposed budget allocates available 2025 resources under the Baseline Scenario as follows:

   I. **Science and innovation (US$303.64m, 88.39%):**
      i. Programs and Accelerators (US$288.7m, 84.04%);
      ii. Office of the Chief Scientist, including functions related to performance and results management, technical reporting, as well as Portfolio management and coordination (US$9.18m, 2.67%);
      iii. Other science and innovation investments (US$5.76m, 1.68%), including Digital & Data and budget placeholder for the Continental structure planned for implementation in 2025.

   II. **Business Functions (US$15.74, 4.58%),** covering the Office of the Executive Managing Director (EMD), and Deputy EMD and his teams including Business Operations and Finance, Communications and Advocacy, Donor Relations & Business Development, Legal Affairs, Strategic Planning & Risk, Gender Diversity and Inclusion, and People and Culture.

   III. **Governance and independent functions (US$21.49m, 6.26%),** including the System Council, the Integrated Partnership Board, and their committees; the Independent Advisory and Evaluation Service (IAES); as well as Ethics and Business Conduct (EBC) and Internal Audit.

   IV. **Special system-wide projects managed by the System Organization (US$2.65, 0.77%),** prioritizing areas such as new technology development, business process improvements, MELIA, and, more recently, hosting the Secretariat for the Alliance of Champions for Food Systems Transformation (ACF).

9. With funding to science and innovation prioritized and the costs of CGIAR's governance and independent functions largely outside of management's remit, the costs of Business Functions have been diligently assessed since 2024. Following an initial reduction in the revised 2024 budget, a new diminution is anticipated for 2025, with a permanent cut of a further 20%. For the first time in 5 years since 2019, Business Functions will be entirely funded by the Cost Sharing Percentage (CSP), without having to draw on Window 1. The reductions highlight Management's commitment to cost control, efficiency, and an operational structure prepared to deliver integration and coordination in areas emerging from the ICI process and support to the new science and innovation Portfolio.

10. In a possible Surge Scenario, total resources available would increase to US$442m. Should additional funding materialize accordingly, priority will continue to be given to science and innovations to the full extent possible or unless specifically designated to other cross-cutting functions.

# A. Introduction

1. This document presents the CGIAR Windows 1 ('W1) and 2 ('W2') Budget for 2025, marking the inaugural year of CGIAR's 2025-30 science and innovation Portfolio. It outlines the budget development process, incorporates new funding mechanisms, maintains key innovations in the budget process introduced in 2024, and provides a strategic preliminary outlook on 2026 revenue and costs.

2. Considering that 2025 is the inaugural year of the 2025—30 Portfolio, further reviews of budget allocations to Programs and Accelerators are necessary. Therefore, the budget development process will occur in two phases:

   (i) Phase I: Initial 2025 allocations to Programs and Accelerators will be based on a mapping of the current W1/2-funded work to the new Portfolio with an understanding that any ongoing W1/2 work delivered by a Center in 2024 will continue to be delivered by the same Center in 2025.

   (ii) Phase II (Inception Phase): In this phase, detailed Plans of Work and Budgets (PoWB) for 2025 will be prepared. This exercise will incorporate more complete data on expected donor contributions and earmarks, full 2024 carryovers from Initiatives and Platforms, as well as the results of prioritization exercises at the Program and Accelerator levels. Consequently, allocations to Programs and Accelerators will be revised and communicated to CGIAR donors and other stakeholders.

3. During the inception phase, a six-year framework for program delivery, partnership arrangements, and other design aspects covering the entire portfolio period from January 2025 to December 2030 will be developed.

4. The 2025 budget incorporates recommendations from the Financial Model Reference Group (FMRG) regarding CGIAR's new funding mechanisms starting in 2025. These mechanisms reintroduce the use of Window 2 accounts, which are earmarked specifically for Programs and Accelerators. Window 1 is redefined to accept untied contributions that are prioritized for Programs and Accelerators. Additionally, Window 1 can accept designated funds for specific, cross-cutting functions outside the Portfolio of Programs and Accelerators. Window 1 funds will also support Governance and Independent Functions (GIF) up to an agreed cap. It is important to note that for the first time in the past 5 years since 2019, Business functions are expected to be entirely funded from the Cost Sharing Percentage (CSP), without recourse to Window 1 funds.

5. Several innovations introduced in 2024 are maintained, including utilizing more detailed and granular revenue scenarios for clearer resource breakdowns and risk assessment, mitigating funding fluctuations through a high-confidence Baseline Scenario and a Surge Scenario for potential additional funding; emphasizing strategic priorities with a focus on CGIAR science and innovations; incorporating governance

recommendations approved in December 2023; and offering a preliminary outlook on 2026 revenue and costs to continuously improve CGIAR's value for money.

6. Finally, management has strengthened transparency, inclusion and collaboration throughout the W1/2 budget process, with time dedicated to deeper interaction, listening, and learning. This budget represents an aligned approach with the broader CGIAR-wide processes on portfolio design and governance.

7. This budget is a strategic snapshot providing the most accurate picture available as of the date of its publication but does not constitute a guarantee of funding.

## B. Overarching goals for the year

8. The CGIAR Windows 1 and 2 Budget is designed with a view to the following overarching goals for the year 2025, as set by the CGIAR Executive Managing Director (EMD) and Deputy Executive Managing Director (DEMD):

**II. Deliver relevant and impactful research and innovations:**

a. Ensure a timely and effective closeout of and final reporting on CGIAR's 2022—24 Portfolio of Research Initiatives and Impact Area Platforms.
b. Successfully launch CGIAR's 2025—30 science and innovation Portfolio of Programs and Accelerators.
c. Enhance CGIAR's partnerships and stakeholder engagement in support of a more relevant and more impactful CGIAR offer.

**III. Elevate CGIAR's funding and visibility on global agendas:**

a. Run a robust campaign targeting a cumulative US$4 billion between 2025 and 2027, towards reaching $2 billion annually by 2030.
b. Enhance our presence and influence in key global forums while expanding trust and engagement with a wider group of donors.
c. Implement the strategy by revitalizing investment opportunities and capitalizing on key events, culminating in COP30 in Brazil to drive funding efforts.

**IV. Ensure that CGIAR is fit for purpose and efficiently organized:**

a. Continue to prioritize the shifting of funding towards science and improving efficiency in business enablers, as evidenced in the budget.
b. Advance the risk and oversight action plan and continue identifying integration and coordination opportunities to drive additional synergies.
c. Support the successful and timely implementation of the new governance arrangements and the newly adopted CGIAR organizational structure.

9. The goals described above set the direction for the proposed allocation of resources across and within functional areas. They serve as the North Star to ensure a focused and efficient deployment and subsequent accountability in the use of CGIAR's resources; both human and financial. They will be reflected in cascading objectives and key results and targets.

10. These goals will be delivered within a revised organizational structure approved in 2024, emerging from an in-depth consultative process and approved by our governing bodies. This new structure is designed to foster greater collaboration, efficiency, and value for money. Implementation of these changes will occur in two phases:

    (i) Phase 1 (detailed plan announced and implementation started in Q4 2024 and expected to continue next year) consolidates and enhances our approach to External Engagement (including Donor Relations and Business Development, Communication and Advocacy) Business Enablement (including Business Operations and Finance, People and Culture); Gender, Diversity and Inclusion; and Legal Affairs functions, unifying key areas to elevate CIAR's global profile and impact.

    (ii) Phase 2 (roll out anticipated for 2025) involves the recruitment of a new Chief Scientist to guide our science and innovation portfolio and the establishment of three new Continental Hubs to deepen our work at the regional, national, and local levels and ensuring our science teams are fit for purpose. These strategic changes position us to deliver relevant and impactful research and innovations, elevate our visibility and influence in global discussions, and ensure that our organization is fully equipped to achieve its mission efficiently.

11. Additionally, CGIAR has undergone a significant evolution to better align our governance, management, and structure with our vision as an Integrated Partnership. This includes the formation of the Global Leadership Team (GLT), the revision of the Charter of the System Organization and System Framework, establishment of the new Integrated Partnership Board on October 1, 2024, and the launch of the Integrated Partnership's Audit, Finance, and Risk Committee (IP-AFRC) as well as the Centers' AFRCs.

## C. Available resources for 2025

12. This budget builds on the latest understanding of donor contributions as of November 1st, 2024. It maintains the granularity of details introduced in 2024 to ensure full transparency on available resources for 2025, including a **data-driven approach to quantifying** the reliability of estimates. It clarifies which amounts are (i)

***paid*** vs. (ii) ***committed***[2] (confirmed in writing but not paid) vs. (iii) ***pledged*** (indicated but not yet committed) vs. (iv) ***prospective*** (active engagement, no pledge yet).

13. Not all prospects materialize. High-level public announcements often do not go into detail and may not always or not immediately translate into specific, detailed, yearly commitments. Commitments are generally solid, but resources may be tied, and their precise designations not known until late. The model allocates the probability for each category of funding to materialize based on historical data.

14. The budget also unpacks the **Cost Sharing Percentage** (CSP), which includes 2% of Windows 1 and 2 based on expected 2025 contributions (applying the same discounting methodology) and 2% of Window 3 and Bilateral based on estimated funding.

15. In addition, it specifies the distinction between ***in-year*** and ***for-year*** Donor contributions: the year funds are paid vs. the year funds are expected to be spent.

16. This budget includes a conservative 2024 carryover from Initiatives and Platforms. Full details on unspent 2024 resources and their proposed allocation to the new Portfolio will be provided by the second quarter of 2025.

17. Based on Donor contributions, commitments, and pledges received, Table 1 below provides an overview of the potential resources available across two scenarios:

    (i) **A Baseline Scenario**, representing the envelope of resources against which Initiatives & Platforms and other functions can confidently plan their 2025 delivery. The Baseline Scenario conservatively discounts Donor commitments and indications based on historical data and risk.

    (ii) **A Surge Scenario**, representing the envelope of resources that would be available, should current Donor commitments and indications materialize in full. The Surge Scenario would release additional resources to Programs and Accelerators and other agreed priorities, subject to confirmation of additional funds available during 2025.

[2] Committed includes W1 earmarked ("designated") contributions where a "Designation Form" has been completed.

## Table 1: Revenue for-year 2025, undiscounted and adjusted for certainty

| Type | Resources available for 2025 | US$ million | % certainty | Discounted (US$m) | % of total funds | *2024 budget (US$m)* |
|---|---|---|---|---|---|---|
| OTHER SOURCES OF REVENUE | **One-off resources** | | | | | |
| | **Prior year carryover** | | 100% | | | |
| | Carryover of Initiatives & Platforms | 26.36 | | **26.36** | | ***47.53*** |
| | Carryover of funds allocated to non-Program costs * | 3.59 | | 3.59 | | *7.80* |
| | Special Projects carryover** | 2.68 | | 2.68 | | *9.60* |
| | | **32.63** | | **32.63** | 9.5% | ***64.93*** |
| | **Other System Organization revenue** *(Includes, inter alia, an internal tax of 5.5% of gross salaries and investment income on funds paid to the System Organization).* | | | | | |
| | Other System Organization revenue | **0.50** | 100% | **0.50** | 0.1% | ***0.50*** |
| | **Donor contributions** | | | | | |
| | CSP collected on 2023 Win. 3 & Bilateral (2%) | **9.80** | **100%** | **9.80** | 2.9% | ***9.80*** |
| NEW WINDOWS 1/2 REVENUE | **New Windows 1 & 2 funding** (see note 1) | | | | | |
| | *In-year for following-year* | 1.00 | 100% | 1.00 | | *35.20* |
| | - **Paid** Win.1 (prepayments) | | | | | |
| | - (i) **USD Committed** not paid Win.1/2 | 31.45 | 100% | 31.45 | | *271.08* |
| | - **Non-USD Committed** not paid Win.1/2 | 25.73 | 96% | 24.71 | | |
| | - (ii) **USD Pledged** ('indicated') not committed Win.1/2 (ii) | 85.97 | 95% | 81.67 | | |
| | - **Non-USD Pledged** ('indicated') not committed Win.1/2 | 130.20 | 91% | 118.48 | | |
| | - (iii) **Prospective** Win.1/2 (iii) | 54.10 | 80% | 43.28 | | *1.54* |
| | | **328.46** | | **300.59** | 87.5% | ***307.82*** |
| SCENARIOS | | | | | | |
| | **Baseline scenario** (adjusted for certainty) | | | **344** | | ***383*** |
| | **Surge scenario** (all expected resources materialize) | | | **442** | | ***395*** |

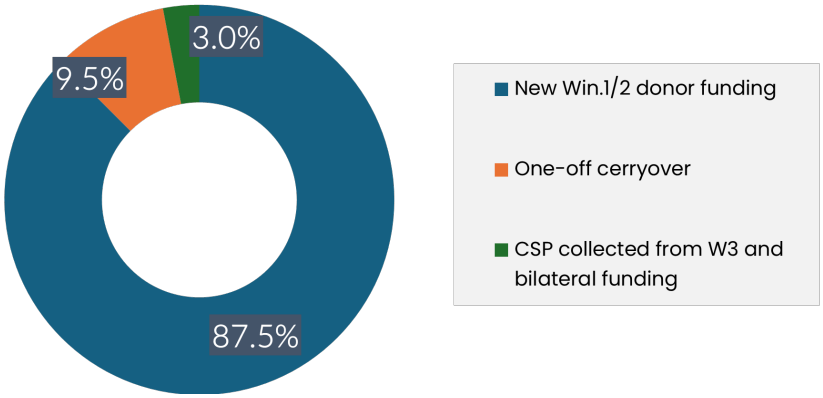
*Note 1:*
*(i) Committed: Confirmed in writing, but unpaid contributions are counted at 100% for USD amounts, supported by signed agreements and thus not subject to forex fluctuations. A 4% deduction for non-USD contributions is applied to manage forex risk.*
*(ii) Pledged: Based on donor conversations and historical data, pledged amounts are discounted by 5% for expected funding volatility, with an additional 4% reduction applied to non-USD amounts for forex adjustments.*
*(iii) Prospective: Contributions under active engagement but without a pledge, with a 20% discount applied for conservatism.*

Note 2:
** Include SPIA funding not spent US$1.30m and unspent funds allocated for System Entities costs US$2.29m.*
*** Include Special Projects (Germany towards CGIAR Flagship report US$0.20m, BMGF targeted to IPSR scaling strategy design process US$0.10m, Norway ACF Secretariat US$0.5m, and CAPSHA US$1.9m that is allocated in 2025 to the Capacity Sharing Accelerator).*

18. The baseline scenario for Windows 1 and 2 in 2025 results from two opposite trends: a positive resource mobilization pattern since 2020, accelerated by pledges made at COP28 now materializing, and a negative outlook affecting ODA budgets in a range of donor markets, compounded by the risk of USD appreciation against major currencies.

19. Based on preliminary discussions with Donors and the application of risk factors derived from historical data, the Baseline Scenario for Windows 1 and 2 is set at US$344m. Of this, US$33m (9.5%) is expected carryover, US$9.8m (3%) comes from CSP collected on Window 3 and bilateral contributions, and US$301m (87.5%) is new Donor contributions for the year 2025 (Figure 1).

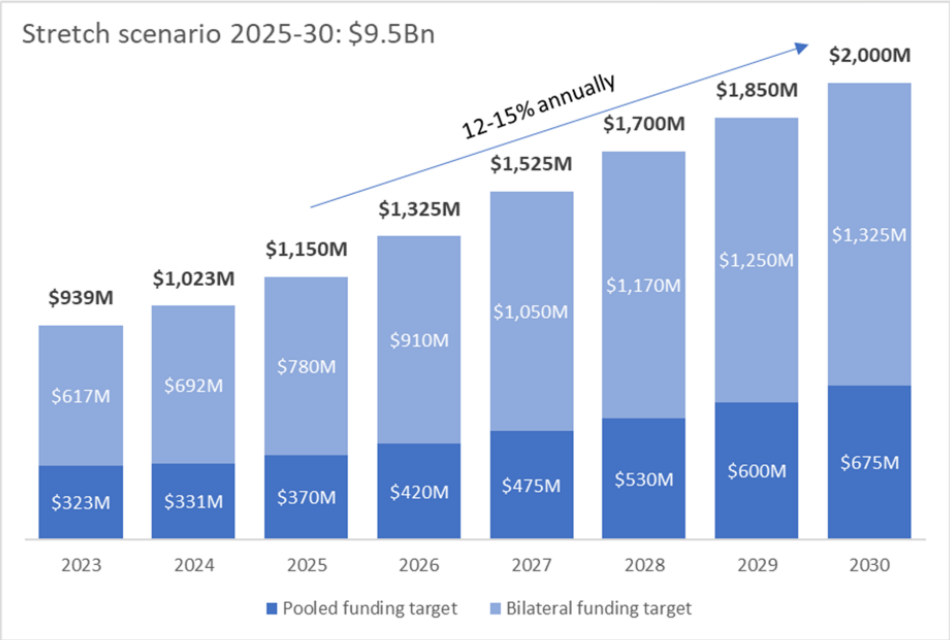
**Figure 1: Funding in 2025: Baseline Scenario**




20. The surge scenario is anchored in ongoing discussions to further broaden the donor base and is expected to be boosted by emerging opportunities stemming from the constitution of CGIAR's new External Engagement group – bringing together resource mobilization, innovative finance, communications, and advocacy – that will be fully effective, equipped, and retooled, in the course of 2025. At US$442m (US$399m in new funding), the surge scenario sits comfortably above the US$370m that – together with Window 3 and bilateral resources anticipated to reach US$780M[3] – will set CGIAR on the way to secure cumulatively US$4bn over 2025-2027, towards US$2bn annually by 2030 (Figure 2).

[3] *A 10% year-over-year growth is projected based on actuals from 2020 to 2023 (including ICRISAT) and the 2024 forecasted budget provided by Centers. This also incorporates a stretch target of US$20 million for 2025, with US$10 million already confirmed from Google.*

**Figure 2: 2030 Funding Target**




Sources
- 2023 data: provisional bilateral revenue from Centers (W3, Bilateral, Other) and Trust Fund receipts (pooled)
- 2024: Center budgets (W3, Bilateral, Other) and IFRM targets (Pooled)
- 2025-30 targets based on IFRM calculations

21. Although this document is focused on Windows 1 and 2, as we progress on our journey as an Integrated Partnership, it may be useful to compare this budget to the overall funding available to CGIAR and its Centers. Besides Window 1 and 2, donors can also contribute to CGIAR's research and innovation through two mechanisms. Window 3, managed by the World Bank CGIAR Trust Fund, channels funding allocated by donors individually to projects that are defined by the donors themselves (with partners). Bilateral funding goes directly to specific projects at CGIAR Centers, outside the CGIAR Trust Fund.

## D. Designation and earmarking of available resources

22. Donors designate or earmark their funding to some activities, while others fund the whole research portfolio. Table 2 summarizes how the different sources of revenue can be used.

**Table 2: Earmarking on different sources of revenue**

| Typology of resources available for 2025 | Baseline scenario US$ million | Portfolio/ Untied | Designated /Earmarked |
|---|---|---|---|
| **One-off resources** | | | |
| **2024 carryover** | | | |
| - Initiatives & Platforms carryover | 26.4 | | X |
| - Other carryover – unearmarked* | 3.6 | X | |
| - Other carryover – earmarked** | 2.7 | | X |
| | **32.6** | | |
| **Other System Organization revenue** | | | |
| Other System Organization revenue | **0.5** | X | |
| **Donor contributions*** ** | | | |
| **CSP projection for 2025 Win. 3 & Bilateral** | **9.8** | X | |
| **New Window 1 & 2 funding** | | | |
| - CSP on Win.1/2 contributions (2%) | 6.0 | X | |
| - Win.1 ('portfolio') | 132.7 | X | |
| - Win.2 Earmarked for Initiatives & Platforms | 158.5 | | X |
| - Special Projects**** | 3.3 | | X |
| | **300.6** | **138.7** | **161.9** |
| **Baseline Scenario** | **344** | **153** | **191** |

** Include SPIA funding not spent US$1.30m and unspent funds allocated for System Entities costs US$2.29m.*
*** Include Special Projects (Germany towards CGIAR Flagship report US$0.20m, BMGF targeted to IPSR scaling strategy design process US$0.10m, Norway ACF Secretariat US$0.5m, and CAPSHA US$1.9m that is allocated in 2025 to the Capacity Sharing Accelerator).*
**** Also referred to as "Designated Contributions".*
***** New funding towards selected Special Projects, including Norway ACF Secretariat US$0.73m, BMGF contribution for SPIA US$1.47m, and BMFG contribution for MELIA US$1.14m.*

23. With the new Portfolio still under review by ISDC and awaiting System Council approval, the current earmarking or portfolio allocations are high-level estimates, informed by historical data and initial discussions with donors regarding their intentions to maintain contributions at the portfolio level (unearmarked) or earmark funds to specific programs or accelerators.

24. Based on these preliminary assumptions, out of an expected US$301m of new Windows 1 and 2 contributions under the Baseline Scenario, it is expected that ~**US$162 (~54%) will come with earmarking restrictions** and ~**US$139m will be available as untied funding.** This includes US$6m recovered through the compulsory CSP mechanism, and US$133m (~44%) coming from a proactive choice from donors not to earmark.

## E. Spending

25. In line with the three strategic objectives set as CGIAR's North Star for 2025 (see Section B), CGIAR management intends to drive budget spending with three aims:

    (i) Strong emphasis on investment in science and innovation, to ensure CGIAR's ability to fulfil its mission to "deliver science and innovation to transform food, land and water systems in a climate crisis";

    (ii) Ensuring CGIAR's partnership-wide institutional enablers are nimble, efficiently run, fit-for-purpose, and ready to deliver on the integration agenda, working as enablers to CGIAR and its Centers; and

    (iii) Strategically building capacity to put CGIAR in a position to elevate funding and visibility on the global agenda.

26. This budget was therefore scrutinized for value for money, with a careful review of funds to ensure they flow into clearly identified, value-added activities that are directly connected to leadership's overarching priorities.

27. As an overarching principle, the budget builds on the strategy implemented in 2024 and continues to maximize the funding going to science and innovation to build a strong and impactful CGIAR 2025—30 science and innovation Portfolio.

28. To be able to allocate funds with maximum precision, the projected expenses have been held to categorize them in a way that brings clarity to how much funding goes to science vs. to fund business functions, with a view to maximizing the first and ensuring the second is fit for purpose. Expenses that are not within the direct purview of CGIAR management and special system-wide projects implemented by the System Organization have also been reported separately. As a result, the proposed spending has been reviewed and clustered across four pillars:

    (i) **Science and innovation:** This area consists of all direct contributions to the science and innovation agenda. This includes Programs and Accelerators, scientific leadership, thought leadership on the digital and data agenda in CGIAR's Portfolio, and performance and results management and management and coordination of the 2025—30 Portfolio.

    (ii) **Business functions:** This area consists of the costs linked to functions enabling and supporting the accomplishment of CGIAR's Integrated Partnership vision and mission: the Office of the Executive Managing Director (OEMD), Office of the Deputy Executive Managing Director (ODEMD), Business Operations and Finance (BO&F), Communications and Advocacy (C&A), Donor Relations and Business Development (DRBD), Legal Affairs, Strategic Planning & Risk, People and Culture (P&C); and Gender, Diversity and Inclusion.

(iii) **Governance and independent functions**: This area and associated costs are generally outside CGIAR management remit, and include expenses inherent to the CGIAR System Council, the Integrated Partnership Board (IPB) and their committees, as well as the General Assembly of the Centers; the Independent Advisory and Evaluation Service (IAES), comprising the Independent Science for Development Council (ISDC), the Standing Panel on Impact Assessment (SPIA), and the CGIAR evaluation function; as well as Ethics and Business Conduct (EBC) and internal audit.

(iv) **Special projects:** The System Organization frequently receives funding from Donors to implement special system-wide projects, prioritizing areas such as new technology development, business process improvements, MELIA, and, more recently, hosting the Secretariat for the Alliance of Champions for Food Systems Transformation (ACF).

29. Table 3 below sets out the proposed, high-level allocation of resources across the four Pillars under the Baseline Scenario, taking into account all donor designations and earmarking requirements. The table also shows the budget directionality from 2025 and the 2024 budget approved in March 2024.

## Table 3: Proposed resource allocation

| | | 2025 Baseline Scenario | | For reference | | Variation |
|---|---|---|---|---|---|---|
| | | US$m | % of total | 2024 budget (US$m) | 2024 spend (est.) (US$m) | 2025 Baseline vs. 2024 budget (US$m) |
| | **I. Science and innovation** | **303.64** | **88.39%** | **345.43** | | ***-41.79*** |
| Programs & Accelerators | Programs and Accelerators (previously Initiatives & Platforms) | 288.70 | 84.04% | 322.93 | | *-34.23* |
| | *Carryover* | *28.26* | *8.23%* | *47.53* | | *-19.27* |
| | *New for-year Funder contributions* | *260.44* | *75.82%* | *275.40* | | *-14.96* |
| System Entities | Office of the Chief Scientist | 9.18 | 2.67% | 12.53 | 10.82 | *-3.35* |
| | Continental Structure | 2.00 | 0.58% | 6.21 | 4.00 | *-4.21* |
| | Digital & Data | 3.76 | 1.09% | 3.75 | 3.59 | *0.01* |
| | | | | | | |
| | **II. Business Functions** | **15.74** | **4.58%** | **19.67** | **18.75** | ***-3.93*** |
| | Office of the Executive Director | 1.77 | 0.51% | 2.88 | 2.02 | *-1.12* |
| | Office of the Deputy Executive | 0.99 | 0.29% | 0.00 | 0.74 | *0.99* |
| | Gender Diversity and Inclusion | 1.24 | 0.36% | 0.00 | 1.11 | *1.24* |
| | Legal Affairs | 1.18 | 0.34% | 1.47 | 1.54 | *-0.29* |
| | Strategic Planning & Risk | 0.78 | 0.23% | 0.00 | 0.33 | *0.78* |
| | Business Operations & Finance | 2.81 | 0.82% | 4.59 | 4.29 | *-1.79* |
| | People & Culture | 1.48 | 0.43% | 4.35 | 2.72 | *-2.88* |
| | Donor Relations & Biz Dev | 2.49 | 0.72% | 3.17 | 2.63 | *-0.69* |
| | Comms and Advocacy | 3.03 | 0.88% | 3.20 | 3.37 | *-0.19* |
| | | | | | | |
| | **III. Governance & independent functions** | **21.49** | **6.26%** | **17.95** | **14.34** | ***3.54*** |
| | System Council & committees | 1.57 | 0.46% | 1.27 | 1.28 | *0.31* |
| | IPB Board & Committees | 3.10 | 0.90% | 3.27 | 2.26 | *-0.17* |
| | Inde. Advisory & Evaluation Service (IAES)* | 12.51 | 3.64% | 9.72 | 7.55 | *2.78* |
| | Ethics & Business Conduct, Internal Audit | 2.88 | 0.84% | 2.48 | 1.74 | *0.40* |
| | Governance Team | 1.43 | 0.41% | 1.21 | 1.52 | *0.22* |

** Not under the IPB Board's purview. IAES includes the Independent Science for Development Council (ISDC), the Standing Panel on Impact Assessment (SPIA), and the CGIAR evaluation function.*

Continued on next page

| | | 2025 Baseline Scenario | | For reference | | Variation |
|---|---|---|---|---|---|---|
| | | US$m | % of total | 2024 budget (US$m) | 2024 spend (est.) (US$m) | 2025 Baseline vs. 2024 budget (US$m) |
| System Entities | **IV. Special Projects** | **2.65** | **0.77%** | | **4.92** | **2.65** |
| | Projects closed in 2024 | 0.00 | 0.00% | | 3.90 | *0.00* |
| | IPSR Scaling Strategy Design Process | 0.14 | 0.04% | | 0.46 | *0.14* |
| | CGIAR Flagship Report | 0.10 | 0.03% | | 0.36 | *0.10* |
| | Advocacy ACP Grant | 1.27 | 0.37% | | 0.20 | *1.27* |
| | PPU-Melia | 1.14 | 0.33% | | 0.00 | *1.14* |
| | | | | | | |
| | **Grand total** | **343.52** | **100%** | 383.05 | | ***-39.53*** |

30. The CGIAR System Organization manages staff and operating expenses for four entities – the System Entities: Science and Innovation Management, Programs and Accelerators leadership, Business Functions, Governance and Independent Functions, and system-wide special projects. The System Organization 2025 preliminary budget is detailed in Table 4 below.

**Table 4: System Organization Budget**

| System Organization | System Entities and Special Projects managed by the System Organization | US$m | % of total | 2024 budget (US$m) | 2024 spend (est.) (US$m) | 2025 Baseline vs. 2024 budget (US$m) |
|---|---|---|---|---|---|---|
| | I. Science and innovation management | 14.94 | 27.25% | 22.50 | 18.41 | *-7.56* |
| | II. Business Functions | 15.74 | 28.71% | 19.67 | 18.75 | *-3.93* |
| | III. Governance & independent functions | 21.49 | 39.20% | 17.95 | 14.34 | *3.54* |
| | IV. Special Projects | 2.65 | 4.83% | 0.00 | 4.92 | *2.65* |
| | **Grand total** | **54.82** | **100%** | 60.12 | 56.42 | ***-5.30*** |

## F. Connecting workplan and budget: CGIAR leadership comments

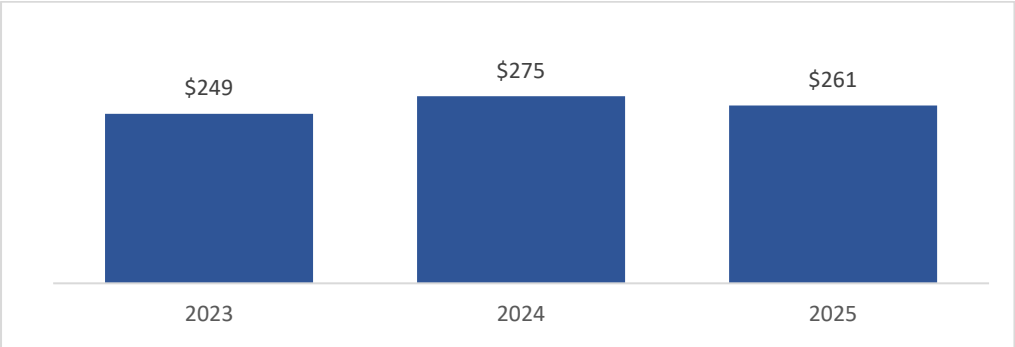
### Pillar I: Science and Innovation

31. 2025 marks the launch of CGIAR's new 2025—30 science and innovation Portfolio, made up of eight Science Programs, a Scaling for Impact Program, and three Accelerators. Subject to IPB concurrence and System Council approval in November and December 2024, a Portfolio Inception Phase will be launched in January 2025 to operationalize the Programs and Accelerators. This will include completing key, detailed design elements and partnership arrangements, as well as rolling out CGIAR's new science and innovation leadership and management arrangements.

32. In parallel, resources have been set aside for an effective and timely financial and operational closure of CGIAR's 2022—24 Portfolio of Research Initiatives and Impact Area Platform; as well as final technical reporting on their 2024 results and broader achievements and progress towards impact over the 2022—24-time frame.

33. To deliver on leadership's first objective of relevant and impactful science and innovation, this budget allocates US$304m or 88% of available resources to CGIAR science and innovation. Under the Baseline Scenario, allocations to CGIAR Programs and Accelerators amount to US$289m, of which new funding amounts to $261m compared with US$275m in 2024 (-5%) (Figure 3).

**Figure 1: Baseline scenario, 2023—25 (US$m)**




34. Additionally, the budget includes US$26m carryover of 2024 Initiative and Platform funding and US$1.9m from CapSha to the new Programs and Accelerators, making the total funding available for programs and accelerators to be US$289m. Such carryover is a conservative estimate until details on unspent Initiative and Platform funding are confirmed in the first half of 2025.

35. Annex I sets out the proposed initial allocations of W1/2 funds towards the new Programs and Accelerators. In the absence of several key building blocks of a robust, evidence-based prioritization process at the Portfolio level, these initial allocations are based on a mapping of current W1/2-funded work to the new Programs and Accelerators. They will be reviewed and adjusted in 2025, informed by the comparative advantage analyses and structured prioritization exercises that were only partially completed in 2024; deeper partner and stakeholder engagement; a more substantive alignment of relevant Window 3 and bilaterally funded work to each Program's/ Accelerator's higher-level objectives and theories of change; as well as more granular information regarding donors' anticipated W1/2 contributions and associated earmarks for 2025 and beyond.

36. To provide overall leadership of CGIAR's science and innovation Strategy and Portfolio, a CGIAR Chief Scientist has been appointed with effect from January 2025. The Chief Scientist will be supported by an Office that will bring together functions related to performance and results management, technical reporting, as well as Portfolio management and coordination. The Chief Scientist will directly oversee 12 Program and Accelerator Directors, expected to be recruited by early 2025. The costs

of the Directors will be directly charged to the relevant Programs and Accelerators. The Office of the Chief Scientist will play a critical role in the closeout of and final reporting on the current 2022—24 Portfolio, as well as in leading an effective Inception Phase across the new Portfolio of Programs and Accelerators. From a staffing perspective, 2025 marks a transition year from the current structure of three Science Groups with Managing Directors, Senior Directors, and Directors to the new structure of Programs and Accelerators.

37. A key priority within the Science and Innovation Pillar is to enhance CGIAR's partnerships and stakeholder engagement in support of a more relevant and more impactful CGIAR offer. To this end, 2025 will mark the launch of a new Continental structure of three Continental Hubs and Country Convenors to help foster strong partnerships for impact and ensure that CGIAR's science and innovation offer is firmly grounded in stakeholder priorities and interests at the local, national, and regional levels. A startup budget is proposed for the Continental Structure, subject to adjustments as part of the 2025 budget review as the resourcing needs of the structure have been more clearly defined.

38. The Science and Innovation Pillar retains the **Digital & Data function,** which has played a critical role in shaping the new Digital Transformation Accelerator. As the Accelerator is launched in 2025, the structure and functions of the System Organization's Digital & Data function will be reviewed and adapted as required for continued fit for purpose.

39. Table 5 provides a summary of the workplan pursued, its alignment with the overall objectives set by CGIAR leadership for 2024 and with resourcing from budget.

**Table 5: 2025 priorities for science and innovation** (outside of Programs and Accelerators)

| | **Baseline scenario** (US$m) | **Evolution vs 2024 budget** | **2025 priorities** |
|---|---|---|---|
| Office of the Chief Scientist | 9.18 | *-3.35* | • Ensure a timely and effective closeout of and final reporting on CGIAR's 2022—24 Portfolio of Research Initiatives and Impact Area Platforms;<br>• Successfully launch of CGIAR's 2025—30 science and innovation Portfolio of Programs and Accelerators;<br>• Deliver an effective transition from the current structure of three CGIAR-wide Science Groups to the new Portfolio management arrangements of 12 Program/ Accelerator Directors reporting to the CGIAR Chief Scientist. |
| Continental Structure | 2.00 | *-4.21* | • Enhance CGIAR's partnerships and stakeholder engagement in support of a more relevant and more impactful CGIAR offer;<br>• Ensure that CGIAR's science and innovation offer is firmly grounded in stakeholder priorities and interests at the local, national, and regional levels;<br>(Note: A startup budget is proposed for the Continental Structure, subject to adjustments as part of the 2025 budget review). |

| | | | |
|---|---|---|---|
| Digital and Data (D&D) | 3.76 | *+0.01* | • Supporting the transition and inception phase of the Accelerator on Digital Transformation and the Science Portfolio at large;<br>• Building core AI capability and implementing value-add AI use cases to deliver science, improve operations and user experience;<br>• Establishing strong data analytics and business intelligence capabilities;<br>• Strengthening the enabling digital core of System Organization (SO);<br>• Enhancing user digital experience. |

**Pillar II: Business Functions**

40. The business functions workplan, and therefore their budget, is the result of the following complementary considerations:

(i) In 2024, CGIAR leadership has started a careful review of institutional enablers and implemented cost review measures to ensure they are fit-for-purpose to deliver on the Integrated Partnership and play their role as enablers of CGIAR and its Centers.

(ii) Following a first wave of cuts initiated in the revised 2024 budget, and as a result of a thorough review, the structure and costs of business functions have been further streamlined allowing, in 2025, the corresponding budget to be permanently reduced by another 20%. For the first time in 5 years since 2019, they will be fully funded by the 2% CSP without further recourse to Window 1 funds. The reductions highlight Management's commitment to cost control, efficiency, and an operational structure prepared to deliver integration and coordination in areas emerging from the ICI process.

(iii) Strategically, CGIAR leadership has been intentional in maximizing funding allocations to science and innovation. In addition, besides the scope of management's budgeting decisions, increased funds will need to be allocated for the implementation of the new governance arrangements and a growing budget for independent advice and evaluation, notably SPIA (see detail in the Pillar III section below) as decided by CGIAR's governance bodies. Everything else equal, this implies delivering business functions on a reduced budget.

41. As discussed above, One of CGIAR leadership's top goals for 2025 is to increase funding and visibility on the global stage. This priority drives CGIAR's fundraising efforts and elevates its profile in key global forums. To maximize impact, Donor Relations & Business Development and Communications & Advocacy functions have joined forces under a new External Engagement pole, ensuring strong value for money and cross-cutting strategic approaches. Consequently, the Donor Relations & Business Development budget will see a modest increase for 2025, balanced by adjustments in other areas.

42. Business Enablers (Business Operations and Finance and People & Culture) have undergone a significant restructuring and cost optimization, resulting in a leaner structure focused on strengthening business, human and financial processes across the System Organization. This streamlined structure also supports integration and coordination in areas emerging from the ICI process.

43. The Gender, Diversity, and Inclusion (GDI) function has been separated from the People and Culture (P&C) unit, allowing for a dedicated focus on advancing gender equity, diversity, and inclusion across CGIAR's workplaces. GDI will report directly to the Deputy Executive Managing Director (DEMD). This change strengthens GDI's distinct mandate to foster an inclusive culture, promote diverse representation, and ensure accountability organization-wide.

44. The integrated CGIAR-wide Risk and Oversight Plan is expected to be rolled out in 2025, and the Global Leadership Team (GLT), building on the work of the ICI Forum, will determine other functions to be integrated and coordinated across the partnership

45. Finally, a new Strategic Planning & Risk Management function has been established with direct report to the DEMD, recognizing the need to elevate and strengthen risk management, which was previously part of the governance and legal function. It will evolve to align with the outcomes of the Risk and Oversight plan; hence, the budget for this function may be subject to future adjustments.

46. These changes are expected to result in net savings of US$4m in 2025, compared to the revised 2024 budget.

47. Table 6 below summarizes the key 2025 priorities for institutional functions under the Baseline scenario.

**Table 6: 2024 priorities for business functions**

| | **Baseline scenario** (US$m) | **Evolution vs 2024 budget** | **2025 priorities** |
|---|---|---|---|
| Office of the Executive Director | 1.77 | *-1.12* | • An effective closeout of the 2022—24 Portfolio of research Initiatives and Impact Area Platforms;<br>• A successful launch of CGIAR's 2025—30 Portfolio;<br>• Strong partnerships underpinning a more impactful and more relevant CGIAR offer;<br>• Renewed funding growth underpinned a refreshed strategy, targets, and a robust investment case for the 2025—30 Portfolio;<br>• Growing CGIAR presence and influence in key global processes and dialogues related to food, land, and water systems;<br>• New System Organization structure embedded;<br>• ICI priorities implemented;<br>In line with the above, the Office of the EMD will house key, strategic functions and processes related to CGIAR's global partnerships, CGIAR Science Week and convening CGIAR's Global Leadership. |

| | | | |
|---|---|---|---|
| Office of the Deputy Executive Director | 0.99 | *+0.99* | • Strengthen the organization's impact by delivering on the Integrated Partnership's vision, collaborating with EMD to achieve key goals, and building a unified external engagement function for growth and risk management;<br>• Lead coordinated engagement and reporting efforts with key stakeholders while establishing and cultivating high-level relationships to position the organization strategically within mission-relevant sectors;<br>• Oversee the implementation of a streamlined structure covering business enablement, governance, legal, risk management and strategic planning;<br>• Champion change management, integration efforts, and the gender, diversity, and inclusion agenda across the organization.<br>(Note: in 2024, for its first year, the DEMD budget was included under the EMD Office; it is now separated for additional transparency). |
| Gender, Diversity & Inclusion (GDI) | 1.24 | *+1.24* | • Inclusive Leadership: Developing a competency framework, embedding inclusive leadership skills in job roles and evaluations, and offering leadership development programs;<br>• Inclusive Culture: Building a supportive workplace where all employees feel valued, with engagement surveys, competency frameworks, inclusive performance guidelines, and training on respectful behaviors;<br>• Diverse Representation: Prioritizing equitable recruitment, retention, and advancement through workforce data analysis, inclusive recruitment guidelines, and frameworks for returnship and exit data;<br>• Accountability: Monitoring GDI progress via a GDI Index, reporting to governance, and integrating GDI into audit and evaluation processes.<br>(Note: The GDI budget was previously managed under the P&C unit). |
| Legal Affairs | 1.18 | *-0.29* | • Ensure the CGIAR System Organization's actions have a sound legal basis (draft and review legal agreements; provide legal advice across all business areas; support implementation of the System Organization' restructuring);<br>• Develop robust legal agreements and related documents to support the 2025-2030 CGIAR Portfolio and access to relevant funding streams (CGIAR Trust Fund, Green Climate Fund, etc.);<br>Support the enhancement of CGIAR's policy framework in order to build synergies and efficiencies across CGIAR and support access to relevant funding streams;<br>• Revise CGIAR's core governing documents (i.e., the CGIAR System Framework and Charter) to ensure they are fit for purpose for the CGIAR Integrated Partnership;<br>• Provide stewardship of the CGIAR System's Intellectual asset management matters (reporting, coordination of community of practice, capacity-building). |
| Strategic Planning & Risk | 0.78 | *+0.78* | • Develop and implement a tailored risk management process for programs and accelerators;<br>• Enhance CGIAR's risk management approach by ensuring consistency in risk assessment practices across Centers/SO, in alignment with ICI outcomes and timelines. This includes securing approval for the risk framework, policy, and appetite, as well as acquiring a risk and assurance tool;<br>• Revise the Executive Risk Review process by updating risk inputs, refining membership to reinforce GLT's role, and enhancing interactions to align with ICI outcomes and the new organizational structure.<br>(Note: in 2024, the risk function was included under the Legal and Risk unit; it is now separated due to the restructuring of the two units). |

| | | | |
|---|---|---|---|
| Business Op. & Finance | 2.81 | *-1.79* | • Transition the current team and onboard new positions into the new operating model, streamlining financial processes and optimizing cash flow management for greater financial integrity;<br>• Provide core finance and business operations services to support the System Organization and partnership-wide initiatives, enhancing efficiency and collaboration;<br>• Enhance office infrastructure by addressing maintenance needs and upgrading facilities to create a safe and efficient work environment that boosts productivity and staff well-being. |
| People and Culture (P&C) | 1.48 | *-2.88* | • Support leadership with implementation of new structure and change management (phases 1 & 2);<br>• Support the establishment of people-related processes for the new portfolio and provide a set of agreed services;<br>• Strategic & Operational management of an expanded number of SO staff;<br>• Work with the P&C CoP to develop and implement P&C projects for integration or collaboration through the ICI Forum;<br>• Continue to provide support to ongoing cross-centers collaboration projects.<br>(Note: $1.4m savings are related to the segregation of P&C and GDI functions). |
| Donor Relations & Business Development | 2.49 | *-0.69* | • Lay out and implement strategic engagement plans with key donors, champions and partners, in preparation for a hybrid replenishment campaign (2026-2030);<br>• Sustain and grow current donors and expand donor diversification efforts in support of CGIAR's Portfolio through targeted portfolio and market segmentation, notably using COP30 as a key fundraising moment;<br>• Transition the current team and onboard new positions into the new operating model for the Resource Mobilization & Business Development unit;<br>• Engage ICI and GLT to strengthen collaborative strategies for greater core, designated and earmarked investments for CGIAR's new Portfolio and campaign. |
| Communications & Advocacy | 3.03 | *-0.19* | • CGIAR "With Science We Can" campaign;<br>• Strengthen relevance and visibility in key global fora;<br>• Shape global policy dialogues & build trust with stakeholders/ audiences & cultivate champions;<br>• Continue upgrading comms, advocacy & knowledge systems & processes;<br>• Support development of policies & guidelines & templates. |

## Pillar III: Governance and independent functions

48. In 2024, significant progress was made in governance reform with the delivery of the updated Charter of the CGIAR System Organization and System Framework, the launch of the Integrated Partnership Board (IPB), Integrated Partnership Audit, Finance and Risk Committee (IP-AFRC), and the Centers' AFRCs. The essential foundational elements are now in place.

49. The CGIAR Common Internal Rules Framework (IRF) will be implemented in 2025 to complete the process. Additionally, the small governance team supporting the IPB, System Council (SC), and their Committees will be reviewed to ensure they remain fit for purpose.

50. The budget for the Independent Advisory and Evaluation Service (IAES) including the two independent bodies it supports; the Independent Science for Development Council (ISDC) and the Standing Panel on Impact Assessment (SPIA) will rise 22% compared to the 2024 budget. Further to the 20th meeting of System Council, the System Council committed to an adjusted SPIA work plan and budget of approximately US$45.5 million through 2030. Accordingly, the SPIA budget has risen by 61% from 2024 to 2025. This is partially compensated for by a decline in the budget for ISDC and that of the Evaluation function of IAES. Overall, the 2025 IAES budget will reach $12.51m (+$2.79m).

51. Internal Audit and Ethics and Business Conduct functions will be strengthened on the basis of the Risk & Oversight plan currently under review by after the IPB and SC. As a result, a provisional budget has been established that may be subject to future adjustments.

52. Table 7 summarizes the priorities for governance and independent functions.

**Table 7: 2025 priorities for governance and independent functions.**

| | **Baseline scenario** (US$m) | **Evolution vs 2023 budget** (US$m) | **2025 priorities** |
|---|---|---|---|
| System Council & Committees | 1.57 | *+0.31* | • The mandate and functions of the System Council and its committees are set out in the CGIAR System Framework.<br>• The Council will meet twice in person in 2025, with both meetings representing critical decision moments for the new CGIAR Portfolio and the associated pooled funding modalities; Two of the System Council Committees will also hold in-person meetings, with critical discussions on the new CGIAR Portfolio, associated pooled funding modalities, the Risk and Oversight Plan, and mandated reviews set out in the Committee's terms of reference.<br>• In addition, several virtual touch points are envisaged as part of the implementation of CGIAR's new governance arrangements, the new science and innovation Portfolio and seat reconciliation process for 2026. |
| Integrated Partnership Board & Committees | 3.10 | *-0.17* | • The mandate and functions of the Integrated Partnership Board and its committees are set out in the Charter of the CGIAR System Organization. |
| Independent Advisory & Evaluation Service (IAES) incl. ISDC and SPIA[a] | 12.51 | *+2.78* | • The IAES budget comprises the shared secretariat and the implementation of three distinct mandated workstreams, viz., ISDC, SPIA, and Evaluation.<br>• ISDC will focus on generating pertinent advice on research and research strategy; the completion of portfolio-related review activities mandated by System Council; and consensus building and System Council consultation related to such advice;<br>• SPIA will launch and progress consortium contracts to institutionalize and scale country-level data on CGIAR reach in 20 countries; expand and deepen evidence of the causal impacts of CGIAR research through commissioned and competitively selected impact studies; and strengthen the use of rigorous impact evidence through targeted interactions with stakeholder groups; |

| | | | |
|---|---|---|---|
| | | | • IAES's Evaluation function will implement external evaluative activities (process and performance evaluations) aligned with the approved multiyear independent evaluation plan; issue evaluation guidance to support the implementation of CGIAR's Evaluation Policy (2022); and engage with user groups, including CGIAR's cadre of MEL professionals, to support the use of evaluative knowledge in programmatic and thematic areas. |
| Ethics & Business Conduct, Internal Audit | 2.88 | *+0.40* | • Internal Audit and Ethics & Business Conduct will be strengthened based on the results of the Risk & Oversight plan currently under review by the IPB and SC. As a result, we have established a provisional budget that may be subject to future adjustments. |
| Governance Team[a] | 1.43 | *+0.22* | • The governance team provides dedicated secretariat services to all CGIAR-wide governing bodies, including the System Council, the IPB Board, and their committees, as well as the General Assembly of the Centers;<br>• The implementation of CGIAR's new governance arrangements comes with a need for more frequent and more intensive governance-level engagement and resulting demands on the team. |

[a] *Not under the System Board's purview.*

## G. Surge scenario

53. In the Surge scenario, total resources available would increase from US$344m to US$442m, for-year 2025 with new donor income estimated to rise to US$399m. The Surge scenario is based on the materialization of all pledges and commitments and successful stewardship of additional contributions under active engagement/ negotiations

54. Under the Surge scenario, priority will continue to be given to science and innovation, with the objective to direct all additional funding to science (subject to any donor designations).

## H. Risks inherent to the current budget

Risk on available resources:

55. There is a remaining risk related to donors fulfilling their pledges and commitments or unfavorable exchange rate volatility of donor currencies vis-à-vis US$. At the time of writing, **assured resources** (those with 100% certainty), which include the 2024 system entities and special projects carryover, Initiatives and Platforms carryover, and Donor pre-payments *in-year* 2024 *for-year* 2025, represent a total of US$34m (~10% of the Baseline Scenario).

56. This baseline includes a conservative 2024 carryover from Initiatives and Platforms. Full carryovers will be factored in once reported in the first half of 2025. Still, assured resources are expected to be lower than those available in 2024.

57. Another risk involves uncertainties around donor contributions. Despite a careful assessment of 2025 funding projections based on recent donor interactions, the combination of new inception activities linked to the upcoming Portfolio, and ongoing activities from the previous science and innovation Portfolio, may require donors to take extra time to evaluate the updated Portfolio, which could result in some funding being postponed to future years.

58. An adapted structure is being rolled out across the Business functions. Plans are in place to ensure business continuity; yet as new positions will need to be recruited and teams retooled, there will be a limited ability to take on additional or unplanned activities during the transition.

Mitigation:

59. The Baseline Scenario is anchored in robust historical data. Committed resources, whereby a donor has confirmed their funding decision in writing, but money has not yet been received, and pledged funding, where a donor has publicly quoted their intent to fund CGIAR, but has not yet translated this intention in writing, have been discounted for risk on an historical basis.

60. CGIAR management has set the goal to elevate funding and visibility as one of its three priorities for 2024. This includes running a strong campaign towards the goal of securing a combined US$4bn over 2025—27, setting out an ambitious strategy to fund CGIAR's next portfolio and move towards US$2bn/year by 2030, strengthening our relevance in key global fora, and diversifying our donor portfolio. As part of this, Donor Relations & Business Development and Communications & Advocacy functions have strengthened and will get closer together under a new External Engagement pole in 2025, increasing their alignment and capacity to deliver new sources of funding and engaging with existing donors to move from pledges to commitments and payments. In addition, the review of financial modalities previously mentioned in this document should facilitate the acquisition of new resources.

61. The effects of foreign exchange volatility will be closely monitored and communicated to stakeholders throughout the period that this budget covers. Where possible, the Liquidity and Stabilization Fund (LSF) will be used to mitigate any material downside foreign exchange impacts on funding receipts. Recourse to the LSF may also be considered in case of a funding drop, as set out in Annex II.

62. Ultimately, to the extent possible, subject to donor designations, CGIAR management will seek to ensure that any downward fluctuation or funding gap will preserve the budget going to Initiatives and Platforms and future Science Programs and Accelerators, subject para 8 of ANNEX II: Guiding principles for 2025 Window 1 Budgets.

**Box: The Liquidity and Stabilization Fund**

The purpose of the Liquidity and Stabilization Fund (LSF) is to provide a reliable source of pre-financing cash flow for a portion of Window 1 funding to science and innovation during the first quarter of the fiscal year, when some Donors may not yet have paid their contributions to CGIAR. On average, 80% of the LSF is used for prefinancing purposes. The fund can be used as an interim contingency resource, to ensure business continuity in case fundraising targets do not immediately materialize. The System Council has approved a multi-year target of US$50m for the Fund, with variability of +/- 10%. The System Board may recommend to the System Council that CGIAR make strategic use of this Fund for investments required to address such global challenges. This enhances the CGIAR's response and ability to position itself as an innovative and transformative global leader of agricultural research excellence. See table below for the status of the Fund's balance.

**Table 8: Evolution of the Liquidity and Stabilization Fund**

| W1 Liquidity and Stability Fund Analysis | 2023 Actual (US$m) | 2024 Forecast (US$m) | 2025 Budget (US$m) |
|---|---|---|---|
| 1. Opening Balance | 71.6 | 124.3 | 47.6 |
| 2. W1 Contributions received from donors | 342.5 | 154.5 | 1.0 |
| 3. W1 Contribution expected to be received | 0.0 | 130.5 | 299.6 |
| 4. CSP collection from W3 & Bilateral grants | 11.1 | 9.4 | 9.8 |
| 5. Interest Income from CGIAR Trust Fund | 5.2 | 5.0 | 4.0 |
| 6. W1 Paid to Programs | -257.6 | -186.5 | 0.0 |
| 7. W1 expected to pay towards Programs* | 0.0 | -134.6 | -262.3 |
| 8. W1 paid to System Entities + projects | -48.6 | -43.9 | 0.0 |
| 9. W1 expected to pay System Entities + projects | 0.0 | -8.1 | -49.9 |
| 10. Completion of the One CGIAR Transition - estimated cost | 0.0 | -3.0 | -3.0 |
| **Cash Balance** | **124.3** | **47.6** | **46.70** |

*As of November 2024, there is a forex loss of US$3m and funding gap of US$6m from received contributions.

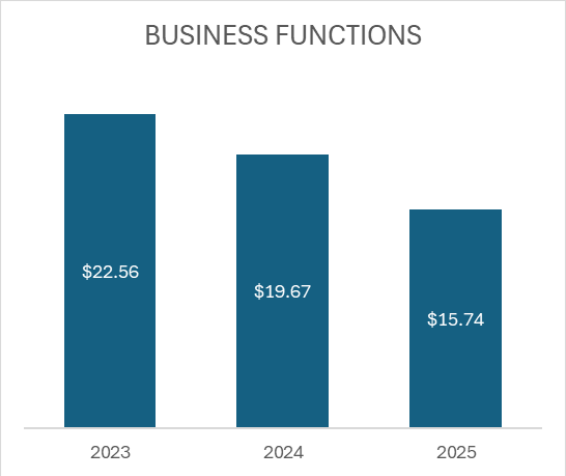
Risk on spending:

63. The year 2025 is transitional: significant efforts will be deployed to develop a strong CGIAR Portfolio from the year 2025 onwards, but it is too early to determine how this may affect CGIAR's business model and, therefore, its structure and spending.

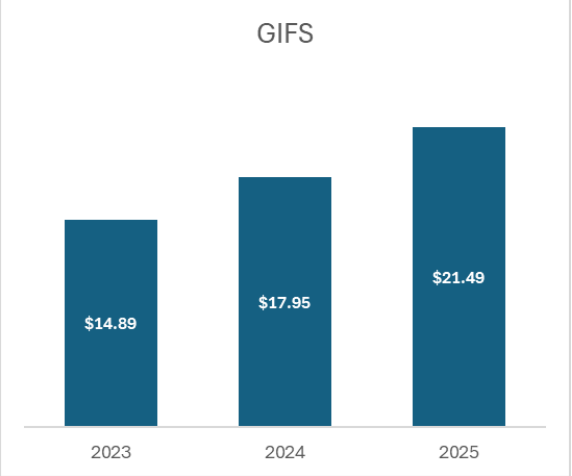
64. Depending on the outcome of these processes, additional spending needs may emerge, for instance, to acquire new or adapt existing skills and competencies, invest in promising assets underpinning our future science, or implement integration and coordination plans.

65. The process itself, including running a wide consultation of CGIAR's stakeholders and bringing CGIAR and other scientists together to cross-fertilize ideas during the 2025 CGIAR Science Week, will represent additional one-off costs increasing the pressure on next year's budget.

66. While Business functions budgets have been significantly reduced in line with plans discussed in 2024, a broadened Integrated Partnership Board and ambitious growth mandates given to IAES by the System Council, supported by Window 1 funding, means that the portion of non-science costs supported by the 'System Entities' budget is on a continued growth path, and this growth may not be matched by additional donor contributions.




Business functions: -20% in 2025 after an initial reduction in the revised 2024 budget




Governance and Independent Functions (GIFS): continued growth path

Mitigation:

67. The new CGIAR leadership has thoroughly reviewed the current business function's structure and implemented changes to maintain its relevance and effectiveness.

68. CGIAR leadership has set three overarching goals for 2025 that will be cascaded into key results and targets across the organization to guide the efficient deployment and accountability in the use of resources. This budget brings clarity to the use of funds and how they connect to workplans, themselves guided by the three goals.

69. Consistent with the mandates and workplans for CGIAR's governing bodies and independent functions, costs and trends identified in this budget equips the IPB, System Council and independent bodies to anticipate and plan for costing and funding implications of decisions on governance and independent functions.

## I. Projection 2026

Revenues

70. It is CGIAR leadership's intention to move to more predictable, multi-year budgeting processes and visibility. This will go together with efforts to increasingly secure multi-year pledges as we start the new Portfolio. In the first half of 2025, CGIAR will develop detailed workplans and budgets (POWBs) for Programs and Accelerators for 2025, alongside a 6-year budget outlook. This vision includes a review checkpoint at 2.5 years and an annual progress assessment to ensure alignment with objectives.

71. CGIAR's ability to raise significant funding will be strongly connected with the final shape and attractiveness of the next science and innovation Portfolio, as well as the overall availability of donor contributions, which depends on international and geopolitical contexts far beyond CGIAR's control.

72. Historical trends since the beginning of the 'One CGIAR' integration process in 2019 have demonstrated robust growth in Window 1 funding. Donor pledges in support of CGIAR at COP28 demonstrate that donor interest remains strong. Continued prioritization of resource mobilization, accelerated by a strategic consolidation as part of a new, synergistic External Engagement pole, alongside the design of a strong CGIAR Portfolio is expected to set the organization on course for long-term funding growth.

73. Results of the reform to strengthen resource mobilization and External Engagement should be fully paid off from 2026. By then the full team will be in place for several months and will have built a solid network of new contacts that will start to materialize into new resources. In addition, the new investment opportunities would have been fully socialized and the strategy of leveraging key moments should pay dividends. We therefore expect that if the external environment is negative, we would be able to maintain historical growth rates at least at 7% (defensive scenario) and if the international outlook is more positive, funding increase could reach 13% (offensive scenario) based on Centers past growth patterns in positive conditions. This defines the minimum and maximum boundaries for Windows 1 and 2 for 2026, setting the baseline scenario at$322m and the surge scenario at $450m.

Spending

74. With the Business functions budget entirely funded by CSP and assuming only inflation adjustments applied to the Governance and Independent Functions, the available Window 1 & 2 funds for Science and Innovation from new funds would

total US$297m in 2026. This represents an increase of US$37m over the 2025 baseline budget of US$261m.

75. These preliminary projections may be affected in several ways:

(i) First, amounts that will be needed for 2026 investments in science and innovation will be driven by the final shape of the next Portfolio and the results of the ongoing process to design CGIAR's Programs and Accelerators. To fund these evolving needs, additional modalities are expected to be available, as the Programs and Accelerators are intended to encompass all CGIAR funding and therefore, Window 3 and Bilateral sources will contribute directly to the Portfolio. In addition, a strengthened donor relations and business development team is expected to accelerate its work to secure green and other innovative funding sources, beyond ODA and philanthropic support.

(ii) Second, business models for integration of enabling functions are expected to be costed and shared among Centers. While the Integrated Partnership may need to invest additional money in some areas to kickstart new areas of integration, raise standards and provide necessary assurances, efficiency gains stemming from increasing integration are also expected to translate into long-term savings and downward budgetary pressure. The net impact for 2026 will be refined as plans for integration continue to be brought forward in the course of 2025.

# ANNEXES

## ANNEX I: 2025 allocations to Programs and Accelerators

| Program/ Accelerator | Baseline (US$m) | % | Surge (US$m) |
|---|---|---|---|
| Breeding for Tomorrow and Genebanks | 78.3 | 27.1% | 105.0 |
| Sustainable Farming | 36.0 | 12.5% | 48.3 |
| Sustainable Animal and Aquatic Foods | 28.4 | 9.8% | 38.0 |
| Multifunctional Landscapes | 18.7 | 6.5% | 25.1 |
| Better Diets and Nutrition | 21.5 | 7.5% | 28.9 |
| Climate Action | 18.1 | 6.3% | 24.3 |
| Policy Innovations | 20.0 | 6.9% | 26.8 |
| Food Frontiers and Security | 12.6 | 4.4% | 16.9 |
| Scaling for Impact | 36.4 | 12.6% | 48.8 |
| Gender Equality and Inclusion | 12.0 | 4.2% | 16.1 |
| Capacity Sharing | 1.9 | 0.7% | 2.5 |
| Digital Transformation | 4.7 | 1.6% | 6.3 |
| | **288.7** | 100.0% | **387.1** |

## ANNEX II: Guiding principles for 2025 Windows 1 and 2 Budget

1. The Windows 1 and 2 Budget is underpinned by the following guiding principles:

2. Following the recommendations from the Finance Model Reference Group (FMRG), Window 2 accounts will be used for Programs and Accelerators, and Window 1 will be available for untied contributions prioritized for Programs and Accelerators and also for Governance and Independent Functions (GIF) and Business Functions. Window 1 can also accept designations towards specific, cross-cutting functions outside the Portfolio of Programs and Accelerators (e.g. SPIA).

3. Designations to Window 2 may be directed to specific Areas of Work but are capped at 50% of each Donor's contributions to Window 1 and/or to Programs and Accelerators through Window 2[4] (except for genebanks-related Areas of Work), meaning that for every dollar designated to an Area of Work, an equivalent amount must remain untied (Window 1) or be allocated to Window 2 at the Program/Accelerator level. Such designations should be announced by November of the year preceding budget implementation to ensure stability and alignment with Programs and Accelerators established workplans.

4. Carryover from 2022—2024 Portfolio: Carryover of Pooled funding (both portfolio and designated) from 2024 of an Initiative or Platform will not be permitted.

5. Managing Unspent funds at the end of 2024: At the end of 2024, any unspent funds will be returned to Window 1 for reallocation towards the next CGIAR Portfolio as provided in Section 16.1 of the Financial Framework Agreement. All Initiatives and Platforms should be planning to fully implement the funds available to them, including unspent funds from prior years (2022—2023). Accruals related to issuing final Initiative or Platform reports, as included in the audited financial statements of each CGIAR Center, will be permitted.

6. Indistinguishable Pooled funds at the CGIAR Center and thereafter: Window 1 (untied) and Window 2 (earmarked for specific Programs and Accelerators) funding will be treated as indistinguishable by Donor in terms of financial reporting once received by the CGIAR Center.

7. In this 2025 budget, partial de-linking of Window 1 and 2 funds is applied. Window 1 (untied) funds are 'linked' to Window 2 funds (earmarked for specific Programs/Accelerator) at the beginning of the planning cycle in the sense that they are combined to build up the target Program/Accelerator budgets for the year.

[4] CGIAR Donors retain the ability to earmark CGIAR Trust Fund Window 2 (W2) contributions to the genebanks Pillar (comprising the five genebanks-related AoWs). Such earmarked contributions are not subject to the restrictions applied to other AoW-level contributions (which cannot exceed 50% of a Donor's total W1/2 contributions).

8. The Window 1 funding will then be 'de-linked' from Window 2 funding after the combined Budget allocations are identified and approved by the System Council.

9. As a result, in the event of receipt in 2025 of unplanned Window 2 funding for a specific Platform or Accelerator that exceeds the approved allocation, it will be considered as additional funds available for use by the relevant Program or Accelerator. It will not result in a downward adjustment of the planned allocation of Window 1 funding.

10. If total Window 2 funding received in 2025 for a specific Program or Accelerator is less than the budget allocation, additional portfolio funds may be allocated to offset the reduction (in part or in full) – although in this eventuality, funding from the W1 Liquidity and Stabilization Fund will be considered subject to the limitation of the paragraph below on the use of Window 1 Liquidity Stabilization Fund.

11. Use of Window 1 Liquidity and Stabilization Fund (LSF): Recognizing the need to provide near-term predictability, the LSF will be used to provide a partial guarantee of original combined pooled funding Window 1 and 2 Budget targets to each Program and Accelerator, subject to the following limitations:

    (i) The balance of the LSF is not drawn down by more than US$10 million in any one year. In the event that more than US$10 million would be needed to fully guarantee combined Window 1 and 2 pooled funding targets, the ceiling of US$10 million will be distributed on a pro-rata basis.

    (ii) There remains a minimum balance of US$10 million in the Fund at the end of each calendar year.

    (iii) Should there be a reduction of more than 20% of the overall Pooled funding inflow, the Integrated Partnership Board may recommend to the System Council to make strategic use of the Fund to partially fulfill targets established in the Windows 1 and 2 Budget.

## ANNEX III: Process to contribute to CGIAR Trust Fund

1. Following the FMRG recommendation to reintroduce the use of Window 2 earmarked to Programs and Accelerators, Donors sought to clarify the mechanics of how to operationalize make contributions to pooled funding.

2. Donors will continue to sign amendments to the Contribution Agreements with the Trustee. Each agreement may be used to designate funding for the different funding windows of the Trust Fund.

3. Contributions to Window 1:

   (i) Untied or Portfolio contributions will be designated to Window 1 without the need for specific designations.
   (ii) Window 1 can also accept designations towards specific, cross-cutting functions outside the Portfolio of Programs and Accelerators. However, no specific designation may be made in the Contribution Agreement. The specific designation should be provided by the Donor to the System Organization in writing for proper implementation. Designation, budgeting and implementation will be administered directly by the System Organization. Reports will be available in the CGIAR Trust Fund dashboard for easy monitoring.

4. Contributions towards specific Programs or Accelerators will be designated to Window 2 with corresponding specific Program or Accelerator names.

   (i) Contributions at Program or Accelerator level can be designated in the Contribution Agreement.
   (ii) As agreed with Funders, contributions to Areas of Work may be earmarked under Window 2. These earmarking may not be made in the Contribution Agreement but rather through a designation. Funders will need to designate a specific Program or Accelerator name in the Contribution Agreement and also submit a designation form to the System Organization to earmark contributions to specific Areas of Work.
   (iii) Designations to Areas of Work will be capped at 50% of the total donor contributions made to Window 1 and/or to Programs and Accelerators through Window 2 (except for genebanks-related Areas of Work). In other words, for every dollar designated to a specific Area of Work, an equivalent amount must remain untied (Window 1) or be allocated to Window 2 at the Program/Accelerator level.
   (iv) A designation form will be provided by the System Organization once the detailed budget by Areas of Work becomes available.

5. Contributions towards a specific Center will continue to be designated to Window 3 with corresponding specific Center names.

- END -