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Executive Summary of the 2006 CGIAR Financial Results

An IRRI/CGIAR Secretariat Collaborative Effort

The 2006 financial results reported here are based on the audited financial statements of the 15 Centers and four Challenge Programs supported by the Consultative Group on International Agricultural Research (CGIAR). The aggregation, analyses and reports, including this summary, were produced through a joint effort between a team from IRRI of Kwame Akuffo-Akoto, Melba M. Aquino and Rodelita D. Panergalin, and the CGIAR Secretariat.

Executive Summary of the 2006 CGIAR Financial Results

Members of the Consultative Group on International Agricultural Research (CGIAR) support the CGIAR Centers and programs of their choice. The 2006 financial outcome¹ discussed here is an aggregation of the audited financial statements of the 15 Centers and the four Challenge Programs supported by the CGIAR.

Overview

Total revenues (funding and Center earned income) decreased by \$9 million or approximately 2 percent from \$460 million in 2005 to \$451 million. Of the total revenues available in 2006, \$429 million represented contributions from Members and non-members, a decrease of \$21 million (5 percent) compared with 2005, and \$22 million from Center earned income. In addition, expenditure in 2006 increased by \$9 million (2 percent) over 2005. The result was an excess of expenditure over revenues of \$10 million, which was financed by reserves.

The decrease in funding was mainly due to the non-delivery of the 2006 European Commission (EC) funding of approximately \$30 million due to extended negotiations with the World Bank which could not be completed in 2006². If this funding had been delivered, the aggregate net result would have been a surplus of \$20 million. The loss was partially offset by the reprogramming of \$6 million of the World Bank's contribution, and an increase of \$8 million from non-members.

The above results affected the financial indicators for liquidity and reserves for the System as a whole. Reserves decreased by \$10 million or 13 days of operations. The liquidity indicator also dropped, from 155 days to 149 days. These two indicators were down because expenditure increased while revenues decreased in 2006.

Background

The review and aggregation of the financial statements was done in accordance with fiduciary management and reporting standards approved by the CGIAR to guide the Centers. Additional information on financial compliance is contained in the box below.

¹ The outcome is reported in US dollars.

² Through the new thematic programme for food security to be launched as from 2007, the EC will address the 2006 shortfall in favour of the CGIAR Centers. In this respect, a Contribution Agreement with IFAD totaling EURO 45 million is being negotiated. Signature of the Agreement is foreseen by fall 2007.

Compliance with Financial Guidelines

To ensure transparency and consistency in financial practices and the presentation of financial information, the 15 CGIAR-supported Centers are required to follow financial guidelines issued by the CGIAR Secretariat. Developed with the input of Center finance personnel and external financial experts, these guidelines aim to bring the CGIAR's financial practices into conformity with the best international standards.

As part of the annual review of substantive financial performance, and in keeping with practice established in 2004, a peer group of finance directors, internal audit director and finance expert have reviewed the 2006 externally audited financial statements of the Centers to assess their compliance with CGIAR accounting policies and reporting guidelines, and to validate the analysis underpinning the CGIAR financial report. The peer review also made a number of recommendations to promote best practice in fiduciary management and financial reporting. In 2006, the Financial Management Guideline (FG1) was the latest standard in the series to be updated to meet international best practice.

Overall Financial Outcome

A summary of the CGIAR program outcome for 2006 and a comparison with the approved and the actual outcome for 2005 is shown below. Highlights of the System's 2006 financial performance are shown in table 1, with comparative information for the previous 4 years.

Summary of 2006 CGIAR Approved Program vs Actual Outcome
(millions of US dollars)

			Actual 2006 Outcome	2006 Plan Approved at AGM05	Actual 2005 Outcome
Expenditure					
Centers ³			423	430	417
Challenge Programs	}	Centers	27	24	25
		Partners	11	35	10
Total expenditure			461	489	452
Revenue					
Funding					
Centers ⁴			391	398	415
Challenge Programs	}	Centers	27	24	25
		Partners	11	30	10
Subtotal funding			429	452	450
Earned income			22	17	10
Total revenue			451	469	460
(Financed from reserves)/Carried forward for future use			(10)	(20)	8

³ Includes System Office and CGIAR Committees

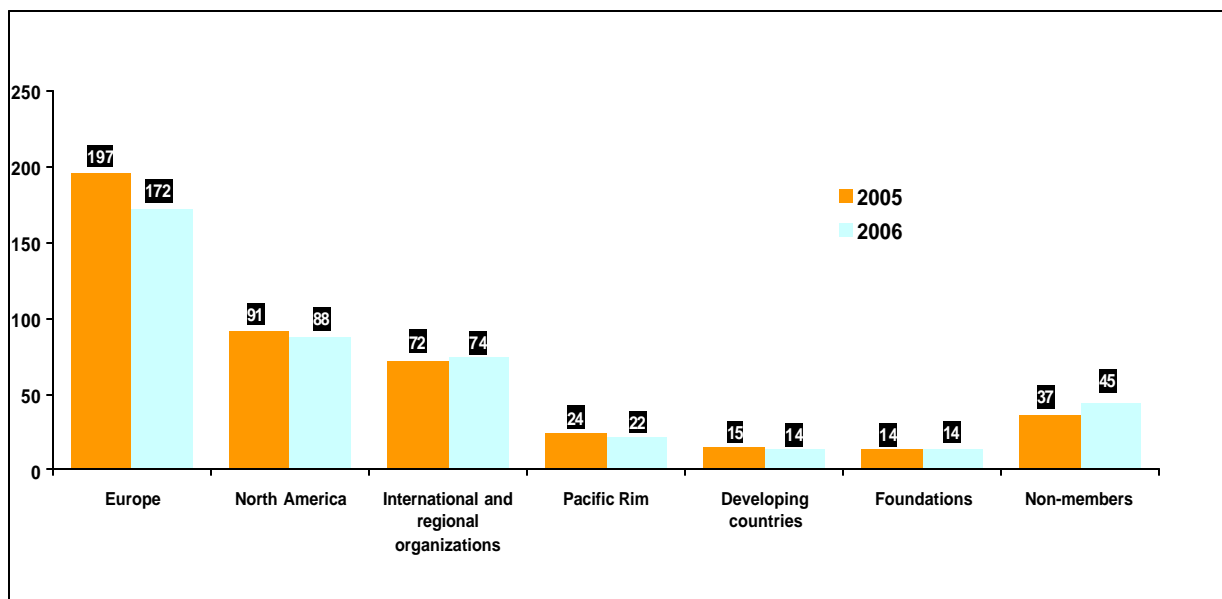
⁴ Includes System Office, CGIAR Committees and Unallocated Member funds

Contributions to Centers and Programs

In 2006, aggregate contributions to the System decreased by \$21 million (5 percent). Contributions to Centers and Programs totaled \$429 million compared with \$450 million in 2005. Unrestricted contributions decreased by \$14 million (7 percent) from \$195 million. Restricted contributions decreased by \$7 million (3 percent). Table 2 is a schedule of CGIAR contributions from 1972 – 2006.

As shown below, the decrease in 2006 contributions came from two groups: Europe by \$25 million and North America by \$3 million. The significant decrease in funding from European Members was mainly due to non-delivery of the 2006 EC contribution. On the other hand, contributions from non-members increased by \$8 million, partly due to the increase from the Bill and Melinda Gates Foundation.

CGIAR Funding
(millions of US dollars)



Contributions from fifteen Members accounted for approximately 73 percent of funding for the research agenda in 2006. The United States, contributing \$60.7 million, was again the single largest contributor, followed by the World Bank with \$50 million, and the United Kingdom with \$45.4 million. The top Member contributions in 2005 and 2006 are shown below:

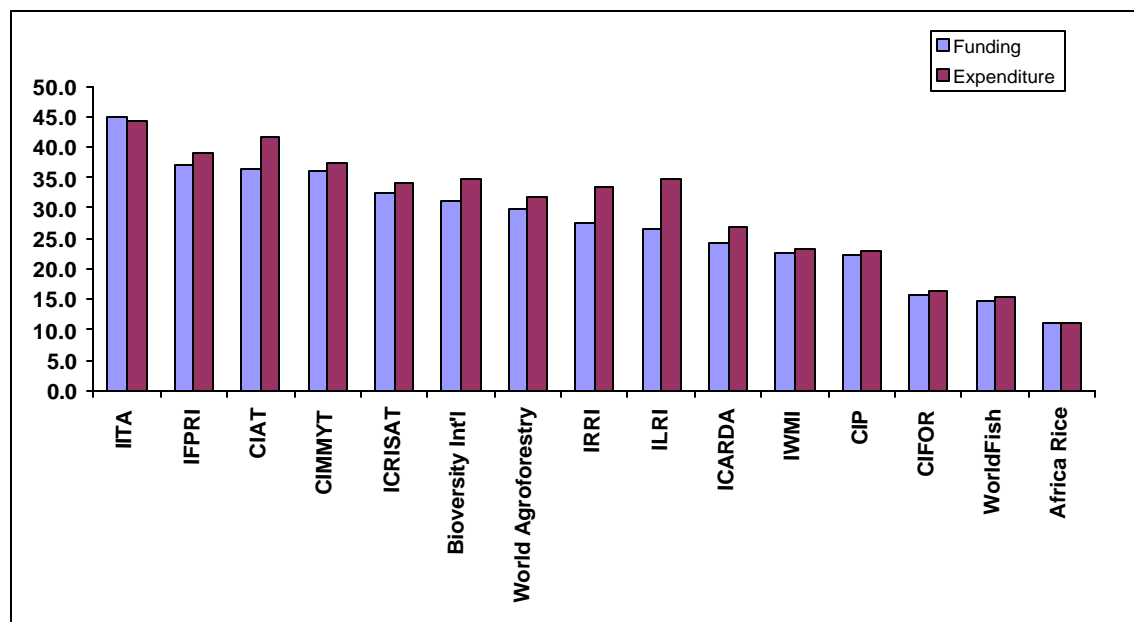
Top Member Contributions

(millions of US dollars)

2005		2006	
Industrialized Countries and Multilateral Organizations			
United States of America	54.8	United States of America	60.7
World Bank	50.0	World Bank	50.0
United Kingdom	44.2	United Kingdom	45.4
Canada	36.4	Canada	26.9
European Commission	30.6	Netherlands	20.1
Developing Countries			
Nigeria	3.2	India	4.1
India	1.8	Nigeria	2.5
Brazil	1.3	Mexico	1.1
China	1.2	Turkey	1.0
Turkey	1.1	Kenya	0.9

Funding and Expenditure by Center, 2006

(millions of US dollars)



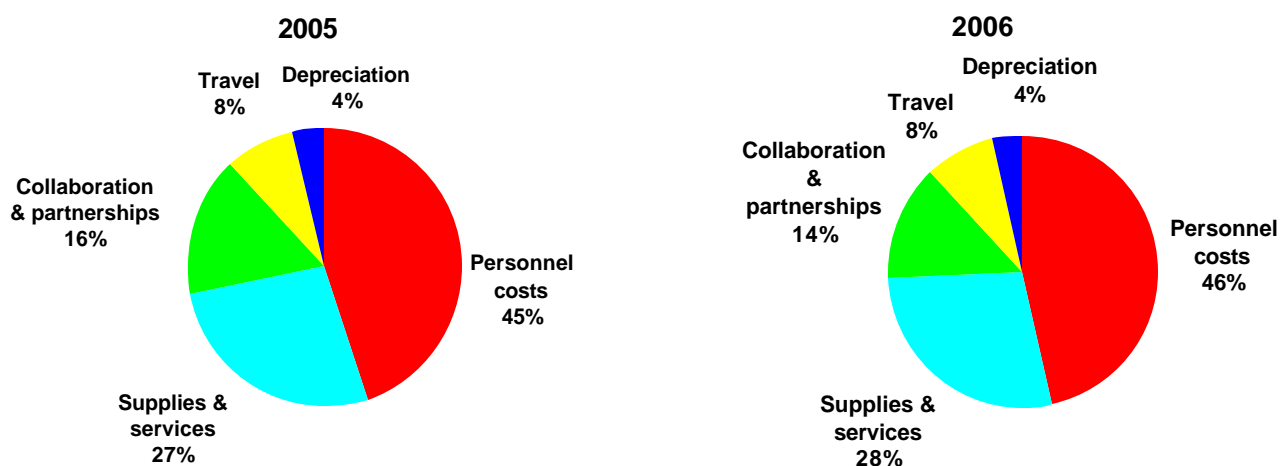
Resource Allocation

Total CGIAR expenditure in 2006 increased by 2 percent to \$461 million.

The following paragraphs summarize, at the System level, resource allocation by object of expenditure and by region.

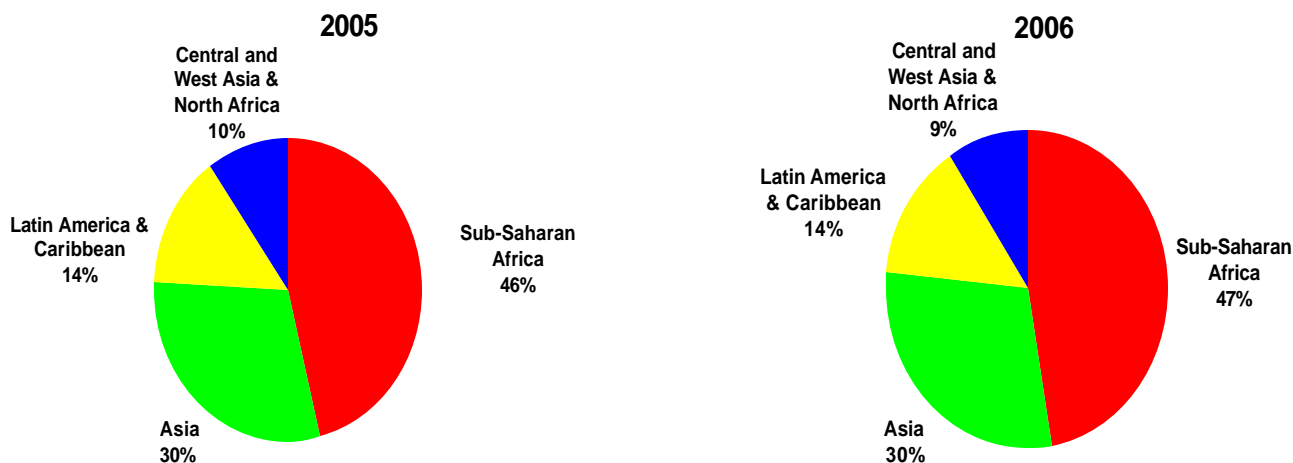
Expenditure by Object: Overall personnel costs and supplies and services increased marginally with a corresponding decrease in collaboration and partnerships, as shown below.

Expenditure by Object



Expenditure by Region: Illustrative allocations by region using the 2006 financing plan ratios appear below. The charts below indicate no major shifts between 2005 and 2006, and confirm the priority focus on Sub-Saharan Africa.

Expenditure by Region



Center Perspectives

The funding decrease noted at the System level reflects a range of outcomes at the individual Centers. Total contributions increased for four Centers compared with eight in 2005. Of the four centers, two, ICRISAT and WorldFish, increased between 10 and 15 percent while the other two, IITA and CIP, had increases below 10 percent. Three Centers, Bioversity International, ICARDA and ILRI had decreases between 10 percent and 20 percent. The other eight Centers decreased by less than 10 percent.

Operating results (contributions and Center earned income less expenditure) showed that five Centers (Africa Rice, CIMMYT, CIP, ICRISAT and IITA) ended the year with a surplus compared with ten Centers in 2005. As a percentage of total revenues, these five Centers had surpluses below 5 percent. Ten Centers incurred deficits. Six of these (CIFOR, ICARDA, IFPRI, IWMI, World Agroforestry and WorldFish) had deficits of below 5 percent while four Centers, Bioversity International, CIAT, ILRI and IRRI had deficits of between 5 percent and 20 percent.

Table 3 provides 2005 and 2006 results of operations by Center and for the System as a whole including results for that portion of Challenge Programs implemented by CGIAR partners. Table 4 provides an overview of the System's finances (Expenditure Allocation and Revenues) for 2006. Table 5 summarizes the System's overall financial position for the years 2002 to 2006.

Summary of Challenge Programs

Funding for Challenge Programs decreased by \$6 million in 2006. The biggest decrease was in the Generation Challenge Programs due mainly to the non-delivery of the EC funding. During the year, \$32 million were available for CPs compared with \$38 million in 2005. An amount of \$38 million was spent (compared with \$35 million in 2005) resulting in a reduction of \$6 million from cumulative balances of the Program fund. Table 6 summarizes Challenge Program revenues and expenditure.

2006 Progress Report on ExCo Requested Action Plans

Following the review of 2005 financial indicators, ExCo10 requested seven Centers to submit action plans to address deficiencies in the liquidity and reserves indicators.

Three Centers (Africa Rice, CIAT and CIMMYT) were cited for low liquidity relative to the CGIAR recommended benchmark of 90-120 days of operating expenditure. Three other Centers (CIAT, CIMMYT and IWMI) were cited for low reserves relative to the CGIAR recommended benchmark of 75-90 days of operating expenditure. On the liquidity indicator, CIMMYT and IWMI improved to the CGIAR benchmark while CIAT showed further decline. With respect to the reserves indicator only CIMMYT showed improvement while CIAT and IWMI showed deterioration.

The three Centers which were cited for excessive reserves (IRRI, WorldFish and ILRI) in 2005 reduced their reserves in 2006.

Conclusion

The 2006 results indicate the need for continued vigilance of financial health at both Center and System levels. In three cases, (Bioversity International, CIAT and IWMI) reserves are below the minimum benchmark.

The Centers are facing a difficult combination of continuing decline of unrestricted and restricted funding and only partial success in achieving full cost recovery on restricted projects. Centers must carefully assess their financial strategies, including those for resource mobilization, project cost recovery and reserves management.

Table 1. CGIAR Program and Resource Highlights

Actual	2002	2003	2004	2005	2006
Revenues (millions of US dollars)					
Agenda funding	357	381	437	450	429
(of which unrestricted)	44%	44%	45%	43%	42%
Earned income	14	17	16	10	22
Total	371	398	453	460	451
Agenda funding (millions of US dollars)					
Members					
Europe	147	161	181	197	172
North America	65	76	87	91	88
Pacific Rim	26	24	26	24	22
Developing countries	12	12	17	15	14
Foundations	13	12	13	14	14
International and regional organizations	69	70	73	72	74
Sub-total	332	356	397	413	384
Non-members	25	25	40	37	45
Total	357	381	437	450	429
Top three contributors					
	USA World Bank United Kingdom	USA World Bank E.C.	USA World Bank United Kingdom	USA World Bank United Kingdom	USA World Bank United Kingdom
Staffing					
Internationally recruited	1,060	1,065	1,063	1,100	1,115
Support	6,699	6,837	6,728	6,774	7,039
Total	7,759	7,902	7,791	7,874	8,154
Object of expenditure					
Personnel costs	49%	46%	45%	45%	46%
Supplies & services	40%	31%	29%	27%	28%
Collaboration & partnerships		12%	14%	16%	14%
Travel	7%	7%	8%	8%	8%
Depreciation	4%	4%	4%	4%	4%
Total (millions of US dollars)	381	395	425	452	461
Expenditure by region					
Sub-Saharan Africa	43%	45%	47%	46%	47%
Asia	33%	32%	32%	30%	30%
Latin America & the Caribbean	15%	14%	12%	14%	14%
Central and West Asia & North Africa	9%	9%	9%	10%	9%
Result of operations [surplus/(deficit) in US\$m]	(10)	3	28	8	(10)
Center financial information (millions of US dollars)					
Unrestricted net assets excluding fixed assets	96	127	156	158	145
Liquidity indicators					
Working capital (days expenditure) ⁵	125	151	164	155	149
Current ratio	1.8	1.8	1.9	1.9	1.8
Adequacy of reserve indicator					
Net assets excl. fixed assets expenditure in days	96	124	145	137	124
Fixed asset indicators					
Capital expenditure (millions of US dollars)	9.3	9.7	15.5	15.8	16.8
Capital expenditure / depreciation	65%	63%	90%	101%	107%
Efficiency of operations indicator					
Indirect cost ratio			24%	21%	20%
Cash management on restricted operations					
Restricted accounts receivable ratio ⁶			0.55	0.80	0.46

⁵ 2004 and 2005 restated to exclude investment in non-marketable GOI bonds held by ICRISAT.⁶ 2004 and 2005 restated to reflect refinement of formula (accounts receivables stated net of allowance for doubtful accounts).

Table 2. CGIAR Funding to the Research Agenda by Member Group
(millions of US dollars)

Members	1972-2001	2002	2003	2004	2005	2006	Total
Europe							
Austria	23.4	0.2	0.8	1.7	2.1	2.1	30.4
Belgium	88.0	4.9	6.4	7.0	5.1	7.4	118.9
Denmark	144.1	10.2	9.1	8.2	7.4	6.7	185.7
European Commission	279.3	24.5	27.2	26.3	30.6	6.6	394.5
Finland	36.1	1.5	1.7	1.9	2.0	2.1	45.2
France	78.7	7.8	7.6	6.3	5.0	8.1	113.4
Germany	290.7	10.5	11.6	15.3	15.4	15.3	358.7
Ireland	12.1	2.1	2.6	3.4	5.0	5.0	30.1
Israel				0.1	0.4	0.5	0.9
Italy	105.6	4.1	4.4	7.2	7.5	4.8	133.8
Luxembourg	5.5	0.8	0.7	0.6	0.6	0.5	8.7
Netherlands	189.5	17.0	19.2	20.9	24.1	20.1	290.9
Norway	113.4	10.4	11.2	11.7	12.6	13.4	172.7
Portugal	1.8	0.3	0.0				2.1
Spain	15.6	1.3	2.3	2.3	1.9	2.1	25.5
Sweden	150.8	10.7	13.6	14.6	14.3	14.4	218.4
Switzerland	248.3	16.0	15.6	18.1	18.2	17.5	333.7
United Kingdom	245.4	24.8	26.4	35.3	44.2	45.4	421.5
Subtotal	2,028.3	146.9	160.5	181.0	196.5	172.0	2,885.1
North America							
Canada	308.7	10.7	20.9	32.5	36.4	26.9	436.1
United States of America	998.2	54.9	55.5	54.2	54.8	60.7	1,278.3
Subtotal	1,306.9	65.6	76.4	86.7	91.2	87.6	1,714.4
Pacific Rim							
Australia	118.2	7.3	7.3	8.8	10.6	10.1	162.3
Japan	526.8	17.1	15.0	14.4	10.9	9.1	593.3
Korea, Republic of	7.4	1.1	1.2	1.5	1.8	1.8	14.9
New Zealand	2.3	0.7	0.8	1.2	0.8	1.0	6.7
Subtotal	654.7	26.2	24.4	25.9	24.0	22.0	777.1
Developing countries							
Bangladesh	1.0				0.2		1.2
Brazil	4.2	0.9	0.3	0.2	1.3		6.8
China	9.1	1.0	1.0	1.0	1.2	0.8	14.0
Colombia	17.1	2.5	2.3	1.9	0.6	0.4	24.8
Cote d'Ivoire	0.9	0.0					0.9
Egypt, Arab Republic of	7.6	0.8	0.5	0.6	0.5	0.5	10.5
India	13.4	1.0	1.3	1.4	1.8	4.1	23.0
Indonesia	2.7	0.2	0.2	0.2	0.1	0.1	3.3
Iran, Islamic Republic of	15.6	0.9	1.2	1.0	0.7	0.4	19.7
Kenya	1.3	0.2	0.3	0.6	0.4	0.9	3.7
Malaysia				0.0	0.1	0.1	0.2
Mexico	10.1	0.9	0.7	1.6	0.7	1.1	15.2
Morocco			0.5	0.5	0.5	0.5	2.0
Nigeria	15.1		1.5	4.6	3.2	2.5	26.9
Pakistan	1.5		0.1	0.2	0.4	0.2	2.4
Peru	1.5	0.9	0.4	0.6	0.4	0.3	4.2
Philippines	7.1	0.2	0.2	0.4	0.3	0.4	8.6
Russian Federation	0.2						0.2
Saudi Arabia	5.0						5.0
South Africa	2.7	0.8	0.8	0.8	1.0	0.5	6.6
Syria, Arab Republic of	1.0	0.6	0.5	0.5	0.5	0.6	3.6
Thailand	1.1	0.1	0.1	0.2	0.1	0.1	1.6
Turkey				0.0	1.1	1.0	2.2
Uganda	0.6	0.6	0.6	0.3	0.2	0.1	2.4
Subtotal	118.8	11.6	12.4	16.6	15.3	14.6	189.3
Foundations							
Ford Foundation	59.6	1.3	0.8	0.9	0.9	1.0	64.6
IDRC	36.5	2.4	1.9	2.9	3.2	3.9	50.8
Kellogg Foundation	4.2	0.3	0.3	0.4	0.4	0.4	5.9
Rockefeller Foundation	60.6	7.5	7.8	8.5	8.7	8.4	101.5
Syngenta Foundation		1.4	1.1	0.8	0.8	0.5	4.6
Subtotal	160.9	13.0	11.9	13.3	14.0	14.2	227.4
International and regional organizations							
ADB	29.4	6.5	6.0	5.0	4.1	3.7	54.6
AfDB	17.2	0.6	0.2	0.4	0.2	1.0	19.5
Arab Fund	17.2	1.0	0.8	1.2	1.2	1.2	22.6
FAO	1.7	1.8	2.0	1.5	1.4	1.7	10.0
Gulf Cooperation Council				0.1	0.1	0.3	0.6
IDB	170.6	0.5	0.3	0.3	0.2	0.4	172.2
IFAD	68.5	5.8	5.7	6.2	7.5	8.3	102.0
OPEC Fund	14.7	0.2	0.3	0.5	0.4	0.5	16.6
UNDP	156.1	1.5	1.1	1.1	0.9	0.5	161.1
UNEP	4.9	1.3	3.6	6.6	6.1	6.5	29.0
World Bank ⁷	795.8	50.0	50.0	50.0	50.0	50.0	1,045.9
Subtotal	1,276.1	69.3	69.9	72.7	72.1	74.1	1,634.2
Total Members	5,546	332	356	396	413	384	7,427
Non-members	89.7	24.8	25.4	40.4	36.8	44.5	261.5
Total	5,635	357	381	437	450	429	7,689

⁷ Before 2002 excluded CGIAR Secretariat costs.

Table 3. Results of Operation by Center

(millions of US dollars)

Center	2005					2006				
	Agenda funding	Earned income	Total revenue	Expenditure	Result	Agenda funding	Earned income	Total revenue	Expenditure	Result
Africa Rice	11.6	0.2	11.7	10.9	0.8	11.1	0.4	11.5	11.2	0.3
Bioversity Int'l	35.6	(0.4)	35.2	34.6	0.6	31.2	0.9	32.2	34.6	(2.5)
CIAT	40.3	1.2	41.5	42.4	(0.9)	36.5	1.4	37.9	41.8	(3.9)
CIFOR	16.7	0.5	17.2	17.5	(0.3)	15.7	0.5	16.2	16.5	(0.3)
CIMMYT	39.3	1.5	40.8	38.8	2.0	36.1	1.8	37.9	37.5	0.4
CIP	21.8	0.3	22.0	22.0	0.0	22.3	0.6	23.0	22.9	0.1
ICARDA	28.7	0.9	29.6	29.1	0.5	24.4	1.6	26.0	27.0	(1.0)
ICRISAT	28.4	1.1	29.5	28.4	1.1	32.3	2.9	35.3	34.0	1.2
IFPRI	38.2	0.3	38.6	39.7	(1.1)	37.2	0.9	38.1	39.1	(1.0)
IITA	41.2	1.5	42.8	40.2	2.6	45.1	1.4	46.5	44.4	2.1
ILRI	31.7	2.5	34.3	32.2	2.1	26.7	3.9	30.6	34.8	(4.2)
IRRI	28.5	(0.4)	28.1	33.4	(5.3)	27.7	3.9	31.6	33.3	(1.7)
IWMI	23.1	0.5	23.6	23.1	0.5	22.7	0.5	23.2	23.3	(0.1)
World Agroforestry	30.2	0.3	30.5	30.0	0.5	29.9	1.2	31.1	31.9	(0.9)
WorldFish	13.3	0.1	13.5	15.2	(1.7)	14.8	0.4	15.2	15.5	(0.3)
Subtotal	428.5	10.3	438.8	437.5	1.2	413.8	22.4	436.2	447.9	(11.7)
System level										
System Office and Committees	9.7		9.7	9.9		9.3		9.3	9.3	
Advance	3.9		3.9		3.9	(1.9)		(1.9)	(1.9)	
Unallocated Member funding	3.0 ⁸		3.0 ⁸		3.0 ⁸	0.7 ⁹		0.7 ⁹		0.7 ⁹
GCP & SSA CP ¹⁰						1.5		1.5		1.5
Subtotal	16.6		16.6	9.9	6.9	9.6		9.6	7.4	2.2
<i>less</i> Inter-center activities ¹¹	(5.4)		(5.4)	(5.4)		(5.6)		(5.6)	(5.6)	
Subtotal System level	11.2		11.2	4.5	6.9	4.0		4.0	1.8	2.2
Total	439.6	10.3	449.9	442.0	8.1	417.8	22.4	440.2	449.7	(9.5)
<i>plus</i> Challenge Programs Partners ¹²	10.2		10.2	10.2		11.3		11.3	11.3	
Total CGIAR Program	450	10	460	452	8	429	22	451	461	(10)

⁸ From Italy, Brazil and Morocco.⁹ From Mexico and Morocco.¹⁰ GCP (Generation Challenge Program); SSA CP (Sub-Saharan Africa Challenge Program).¹¹ Inter-center activities netted out at the System, not Center level to maintain the integrity of Center accounts.¹² Challenge Program components implemented by CGIAR partners.

Table 4. Center Finances, 2006
(millions of US dollars)

Center	Expenditure Allocation						Financing										Reserves	
	Personnel	Supplies & services	Collaboration & partnerships	Travel	Depreciation	Total	Member Funding										Earned income	Addition (+)/ Draw(-)
							Europe	North America	Pacific Rim	Developing countries	Foundations	Intl & regnl organizations	Non-members	Inter-center activities	Total funding			
Africa Rice	5.2	3.8	0.6	0.6	0.9	11.2	4.0	2.2	1.7	0.1	0.4	2.5	0.3		11.1	0.4	0.3	
Bioversity Int'l	18.8	8.2	5.4	1.8	0.5	34.6	17.9	2.5	1.7	0.6	0.9	5.8	1.9	0.0	31.2	0.9	(2.5)	
CIAT	21.9	10.5	4.4	3.6	1.4	41.8	13.3	9.1	1.1	0.6	3.2	3.8	4.9	0.5	36.5	1.4	(3.9)	
CIFOR	8.1	2.2	4.8	1.0	0.4	16.5	9.6	1.5	0.7	0.1	0.7	2.0	1.2	0.0	15.7	0.5	(0.3)	
CIMMYT	16.6	12.3	5.6	2.0	1.0	37.5	9.4	9.0	5.0	1.7	1.9	6.5	2.6	0.1	36.1	1.8	0.4	
CIP	10.6	6.0	3.7	1.8	0.9	22.9	10.1	5.2	0.5	0.3	0.6	2.7	2.3	0.6	22.3	0.6	0.1	
ICARDA	11.3	8.4	2.8	2.8	1.6	27.0	8.4	4.3	1.4	1.6	0.2	6.6	1.0	0.8	24.4	1.6	(1.0)	
ICRISAT	15.9	10.6	4.0	2.8	0.7	34.0	11.3	6.3	1.1	2.4	0.7	6.6	3.6	0.3	32.3	2.9	1.2	
IFPRI	17.6	8.4	9.4	3.0	0.7	39.1	11.5	10.2	0.9	1.0	1.1	6.4	4.7	1.5	37.2	0.9	(1.0)	
IITA	18.0	15.7	6.4	3.1	1.3	44.4	14.4	15.7	0.4	3.0	0.7	3.2	7.3	0.4	45.1	1.4	2.1	
ILRI	16.9	10.9	2.2	2.2	2.6	34.8	12.3	5.9	0.4	0.5	0.5	3.1	3.3	0.7	26.7	3.9	(4.2)	
IRRI	14.4	10.4	3.8	2.7	2.0	33.3	11.6	5.1	4.3	0.9	0.7	3.9	1.2		27.7	3.9	(1.7)	
IWMI	12.5	4.0	2.8	3.6	0.5	23.3	12.4	1.8	0.8	0.7	0.3	5.3	1.3	0.1	22.7	0.5	(0.1)	
World Agroforestry	13.9	9.9	3.4	3.9	0.9	31.9	11.7	6.0	0.6	0.2	1.5	3.8	5.7	0.4	29.9	1.2	(0.9)	
WorldFish	7.7	3.3	2.6	1.6	0.3	15.5	7.2	2.0	1.4	0.5	0.0	3.0	0.7	0.0	14.8	0.4	(0.3)	
Subtotal	209.4	124.4	61.8	36.5	15.7	447.9	165.0	86.9	21.9	14.0	13.4	65.2	41.7	5.6	413.8	22.4	(11.7)	
System level																		
System Office and Committees						9.3						9.3			9.3		-	
Advance						(1.9)						(1.9)			(1.9)		-	
Unallocated Member funding ¹³										0.7					0.7		0.7	
GCP & SSA CP ¹⁴												1.5			1.5		1.5	
Subtotal						7.4				0.7		8.9			9.6		2	
less Inter-center activities						(5.6)									(5.6)			
Subtotal System level						1.8				0.7		8.9			4.0		2	
Total	209.4	124.4	61.8	36.5	15.7	449.7	165.0	86.9	21.9	14.7	13.4	74.1	41.7	5.6	417.8	22.4	(9.5)	
plus Challenge Program Partners	2.5	4.0	2.4	0.9	1.5	11.3	7.0	0.7	-		0.8		2.8		11.3			
Total CGIAR Program	212	128	64	37	17	461	172	88	22	15	14	74	45	6	429	22	(10)	

¹³ See footnote 9.

¹⁴ See footnote 10.

Table 5. CGIAR System Financial Position
(thousands of US dollars)

	2002	2003	2004	2005	2006
Assets					
Current assets					
Cash and cash equivalents	149,076	201,662	237,047	221,853	255,899
Accounts receivable:					
Members	72,864	87,768	69,717	83,907	56,363
Employees	3,078	2,797	3,594	4,105	4,726
Others	14,864	14,527	17,147	22,280	20,952
Inventories	4,447	4,165	4,540	4,593	6,001
Pre-paid expenses	3,673	3,262	2,994	3,401	3,140
Other current assets	3,327	4,567	16,924	6,580	943
Total current assets	251,329	318,748	351,963	346,719	348,024
Non-current assets					
Net property, plant, and equipment	77,172	79,585	78,433	77,869	78,277
Investments	41,828	37,838	34,985	46,642	41,020
Others assets			3,012	1,223	7,076
Total non-current assets	119,000	117,423	116,430	125,734	126,373
Total assets	370,329	436,172	468,393	472,453	474,397
Liabilities and net assets					
Current liabilities					
Accounts payable:					
Members	78,749	110,925	115,904	119,497	112,066
Employees	11,877	13,805	12,435	14,514	19,024
Others	34,177	47,181	49,216	44,430	49,254
Accruals and provisions	42,377	28,925	24,294	24,086	25,938
Total current liabilities	167,180	200,836	201,849	202,527	206,282
Long-term liabilities	27,906	25,876	30,486	31,897	42,383
Total liabilities	195,086	226,712	232,335	234,424	248,665
Net assets					
Unrestricted					
Unrestricted net assets excl fixed assets	96,039	126,820	155,539	157,966	145,087
Fixed assets	77,172	79,585	78,433	77,869	78,277
Unrestricted net assets	173,211	206,405	233,972	235,835	223,364
Restricted	2,032	3,054	2,086	2,194	2,368
Total net assets	175,243	209,459	236,058	238,029	225,732
Total liabilities and net assets	370,329	436,172	468,393	472,453	474,397

Table 6. Summary of Challenge Programs, 2006
(millions of US dollars)

Funds Available	Harvest Plus	Water & Food	Generation	SSA	Total
Bill & Melinda Gates Foundation	7.0				7.0
Denmark	0.3			0.4	0.7
European Commission				0.9	0.9
France		2.1			2.1
Italy				0.6	0.6
Netherlands				1.2	1.2
Pioneer			0.02		0.02
Rockefeller Foundation			1.0		1.0
Sweden	0.1		0.1		0.2
Switzerland		1.5	0.4		1.9
United Kingdom	1.0	2.0	4.7	0.1	7.8
USA	1.8				1.8
Waternet		0.05			0.05
World Bank	2.0	2.7	2.0		6.7
Total¹⁵	12.1	8.4	8.3	3.3	32.0

Expenditure	HarvestPlus		Water & Food		Generation		SSA		Total	
	Center	Others	Center	Others	Center	Others	Center	Others	Center	Others
Bioversity Int'l	0.2				1.3		0.02		1.5	
CIAT	1.4		1.1		1.1		0.2		3.8	
CIMMYT	1.0		0.4		1.4				2.9	
CIP	0.6		0.1		1.1				1.8	
ICARDA	0.2		0.5		0.4				1.0	
ICRISAT	0.3		0.9		0.6				1.8	
IFPRI	2.7		0.2						3.0	
IITA	0.7				0.7		1.2		2.7	
IRRI	0.6		2.5		1.6				4.7	
IWMI			2.8						2.8	
World Agroforestry			0.04						0.04	
WorldFish			0.9						0.9	
Sub-total¹⁵	7.7	4.0	9.6	0.9	8.2	4.9	1.5	1.5	26.9	11.3
Total¹⁵		11.6		10.5		13.0		3.0		38.2

2006 Balance	0.5	(2.1)	(4.8)	0.2	(6.2)
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2005 Cumulative balance	10.6	4.2	14.2	2.5	31.5
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Cumulative balance	11.1	2.1	9.4	2.7	25.3
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¹⁵ Totals may not add up due to rounding.