

**CGIAR Status Report**  
**Report from The CGIAR Director**  
**AGM08**

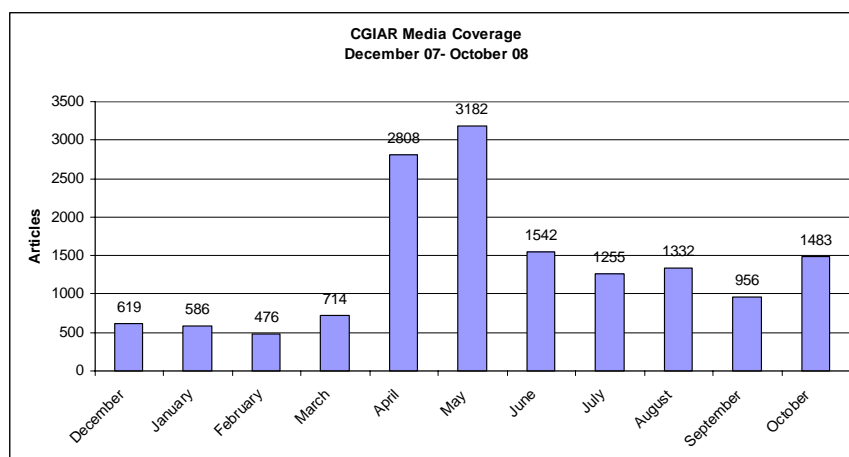


**Maputo, Mozambique**  
**December 2008**

A considerable portion of CGIAR efforts and activities since AGM07 have been devoted to the CGIAR Change Management Process and Independent Review. The CGIAR Director served on the Change Steering Team, and has been responsible for managing both processes. These items will be discussed in detail during the course of the AGM08 Business Meeting. This report contains updates on the CGIAR Secretariat's activities in support of the CGIAR System and outcome of ExCo efforts (not discussed elsewhere in the agenda) on behalf of the CGIAR.

## Communications and Outreach

**Media:** Media coverage of the CGIAR reached new highs in 2008, with increased coverage driven by growing interest in agriculture due to rising food prices and a more proactive media approach. From January through mid-October 2008 the CGIAR research Centers received coverage of at least 12,750 media stories (see graph). Specific story promotions carried out in partnership with Centers addressed topics including: the food price crisis, the Svalbard Global Seed Vault, the Enola bean patent claim, seed aid, the impact of New Rice for Africa (NERICA®), the use of wastewater in urban and peri-urban agriculture, the bushmeat trade and banana production and conservation.



Media promotion related to the opening of the Svalbard Global Seed Vault in February focused on the smoothly coordinated shipment of tons of seed of some 200,000 crop samples from CGIAR genebanks to the vault, which was built by the

Norwegian government to serve as a safeguard of last resort for the genetic heritage of world agriculture. About 10 wire services wrote stories, and dozens of reports appeared in broadcast, print and online media. Because the release was heavily promoted with the Mexico City press pool and with other media in Latin America, coverage in that region was especially strong.

In April, the CGIAR Secretariat organized an *audio press conference on the food price crisis* to brief journalists about the drivers behind the crisis, the role of agricultural research in this context and possible solutions to resolve the crisis. Moreover, the press briefing aimed to position the Centers supported by the CGIAR as primary sources of information about global agriculture and food security. The briefing took an interesting format with participants across the world calling in to the audio conference. The session consisted of statements from three Directors General from IFPRI, ILRI, and IRRI, followed by a moderated question and answer period. Twenty-one reporters from top media – such as the *Financial Times* (UK) and *Scientific American* – took part in the briefing.

An Africa focused briefing on the food crisis took place in May with participation from Directors General and senior scientist from the Africa Rice Center, CIMMYT, and the World Agroforestry Centre. Top media covered the briefing such as AP, *Business Day* (South Africa), the *New York Times*, *East African* and *Le Monde* (France), Radio France International, Inter Press Service, Reuters and United Press International.

**System wide capacity building and collaboration:** A Story Development Workshop was held in mid-April at the ILRI Addis Ababa campus, bringing together 25 communicators from 10 Centers. The workshop identified 18 new story ideas for promotion on topics ranging from increasing rice production in Africa to protection of date palms in Iraq to more refined mapping of the impact of climate change on specific crops. Workshop participants honed their skills for writing press releases, pitching stories and creating media strategies.

**CGIAR Presence at International Events:** Various CGIAR exhibitions on the value of agriculture research and thematic work on topics such as climate change were displayed at: the World Bank Sustainable Development Network Week, the United Nations Commission on Sustainable Development, the Fourth Tokyo International Conference on African Development (TICAD IV), the Convention on Biological Diversity COP-9, the FAO High Level Conference on Food Security and Agriculture, the 2008 UN General Assembly and the Hibiya Park Festival organized by the Japan International Research Center for Agricultural Sciences (JIRCAS). A CGIAR sponsored exhibition at the British Science Museum on “Future Foods” will open in December 2008.

**Change Management Communications:** A communications strategy in support of the ongoing CGIAR Change Management Initiative was launched, including a website, newsletter and blog on progress within the process. The following statistics reflect audience reached as of September 30<sup>th</sup>, 2008: **The Change Blog** has received 4,906 visitors, with up to 448 visitors per day; on average, there are 1,530 visitors to the **Change Management website**; and four issues of the Change Management Update have been produced with initial circulation of 4,100 people – individual Centers determine internal dissemination of the Updates to their staff, so the reach could be much greater.

**Parliamentarian Outreach:** Parliamentarian engagement consisted of a video conference briefing for African Parliamentarians on the findings of the 2008 World Development Report relevant to Africa implemented in partnership with the Parliamentarian Network on the World Bank (PNoWB). In late November, PNoWB will hold a conference on “Navigating Food, Fuel and Financial Crises and Climate Change to Ensure Growth and the Delivery of Effective Aid”. The CGIAR is invited to organize a session at this event that is expected to draw parliamentarians from 100 countries.

**Information Dissemination:** The CGIAR.org website has been updated with new features, including a newsroom with a newsfeed for all Center and System Office press releases as well as a newsfeed of current media coverage of the top 20 stories updated every two hours.

**Publications:** Corporate publications in 2008 included: the CGIAR Annual Report *Research Within Reach*; three editions of CGIAR eNews with several stories contributed from Centers, a new corporate brochure; and partnership booklets for CIDA, IDRC and Portugal. A new book featuring the work of CGIAR-supported Centers in Africa entitled *Passion Beyond Normal* is completed and will be disseminated at AGM08.

## Finance

### 2007 Financial Results

Total System<sup>1</sup> revenues in 2007 were \$520 million, an increase of \$72 million (16%, or 14% in real terms) from \$448 million in 2006. The improvement in revenue was driven by increases in both contributions from Members and non-members and in Center-earned income.

Contributions increased by \$69 million (16%, or 14% in real terms) to \$495 million. Of this increase, \$52 million was volume and \$17 million was foreign exchange gains on contributions not denominated in US dollars. Center-earned income increased by \$3 million (14%) to \$25 million.

Expenditures in 2007 were \$506 million, an increase of \$48 million (10%) over 2006.

The net result was a surplus of \$14 million, which was added to reserves.

In comparison with the financing plan approved at the 2006 Annual General Meeting, the actual total revenues of \$520 million are 7% higher, and the \$14 million in net surplus compares with a planned deficit of \$28 million, for an improvement over projections of \$42 million.

A summary of the CGIAR program outcome for 2007, compared with the approved and the actual outcome for 2006, is shown below.

(\$ million)		Actual 2007 Outcome	2007 Plan Approved at AGM06	Actual 2006 Outcome
<b>Expenditure</b>				
Centers <sup>1</sup>		458	452	418
Challenge Programs	Centers	31	27	29
	Partners	17	34	11
<b>Total expenditure</b>		<b>506</b>	<b>513</b>	<b>458</b>
<b>Revenue</b>				
Funding	Centers <sup>2</sup>	447	414	386
	Challenge Programs	31	27	29
Subtotal funding	Centers	17	29	11
	Partners	17	29	11
<b>Total revenue</b>		<b>520</b>	<b>485</b>	<b>448</b>
<b>Carried forward for future use/(Financed from reserves)</b>		<b>14</b>	<b>(28)</b>	<b>(10)</b>

<sup>1</sup> Includes System Office and CGIAR committees  
<sup>2</sup> Includes System Office, CGIAR committees and unallocated Member funds

Of the total contributions of \$495 million, 36% was unrestricted, a decrease of 6 percentage points from 42% in 2006. Correspondingly, restricted contributions increased in 2007 to 64% from 58% in 2006.

The 2007 results were presented to ExCo14. Only one Center, CIAT, continued to have financial indicators below recommended levels. Progress reports since then show improvements (as a result of internal measures, additional special support from donors and a favorable exchange environment).

### 2009 Financing Plan

Centers and Challenge Programs developed their 2009 proposals in the context of a number of evolving external and internal developments that are likely to affect the financial outcome of the system in 2009.

<sup>1</sup> The CGIAR System comprises the 15 Centers supported by the CGIAR, System Offices and Challenge Programs.

Internally, the CGIAR was in the midst of transformational reforms. Externally, the food price crises catapulted to the forefront of the international agenda during the first half of the year. This brought unprecedented attention to the CGIAR and its work. A flurry of policy pronouncements (e.g., G-8 Summit and World Food Summit) and actions ensued from the renewed attention to food and agriculture. The global financial crisis intensified in the last few months with potential consequences on development aid. These developments will affect the amount of financial resources that will ultimately be available to the CGIAR in 2009.

### **Summary of the 2009 Financing Plan**

ExCo15 endorsed the 2009 CGIAR Financing Plan of \$576 million. It will be presented to AGM08 for approval.

*Investment:* The investment of \$576 million for 2009 is \$70 million (14 percent) over the actual 2007 level.

*Financing:* This investment is to be financed by investor grants of \$521 million, \$20 million in Center earned income and \$35 million in other sources and reserves. Other sources include \$31 million of grants still being negotiated.

Approximately half of these investments will be allocated to Sub-Saharan Africa, consistent with the levels of the last several years.

### **2008 Update**

- The CGIAR Secretariat established the Change Initiative Facility (CIF) at WorldFish Center. Through CIF, the Secretariat manages the contributions and disbursements for the Change Management Process and Independent Review. A total of about \$5.0 million has been pledged to the CIF by: Canada, China, Germany, Ireland, Norway, Switzerland, Syngenta Foundation, United Kingdom, and World Bank.
- The external audit of the Multi-Donor Trust Fund (MDTF) established in 2005 was completed by the World Bank external auditor. It covered the period July 7, 2005 (date of inception) to December 31, 2007. There were no issues identified.
- Through September 2008, a total of \$183 million in contributions to the CGIAR were disbursed through the MDTF.
- The World Bank Board approved \$50 million for the CGIAR as its 2009 contribution from its Development Grant Facility. The submission for 2010 will be launched by December 2008
- Indonesia has re-engaged with a \$1.0 million contribution.
- United Kingdom has announced a £130 million support to the CGIAR over 5 years.
- In direct response to the food price crisis, Japan announced a \$20 million grant to the CGIAR for the development of rice seed with resistance to heat and drought.
- New Zealand also made an additional contribution of NZD2 million in response to the food crisis.
- A high level donor meeting to discuss and assess commitment to the proposed CGIAR Fund was convened by DFID and World Bank.
- The Secretariat organized a strategic dialogue with the private sector on scaling-up CGIAR/Private Sector partnerships in agriculture research to benefit the poor.
- Under the leadership of the Secretariat, a new financial guideline on cost allocation was completed.

## **Governance and Accountability**

### **CGIAR Change Management Process and Independent Review of the CGIAR System**

The CGIAR Secretariat has been actively engaged in these two initiatives from their inception up to the present stage. The CGIAR Director served on the Change Steering Team, and has been responsible for managing both processes. Several other CGIAR Secretariat staff members provided professional and administrative support to the four Working Groups. The Secretariat was responsible for providing overall logistical support to the process, organizing workshops and meetings starting with the kick-off workshop in Washington, DC (February 2008) and subsequent workshops/meetings in Addis Ababa, Ethiopia (April 2008); Ottawa, Canada (May 2008); Brussels, Belgium and Lima, Peru (July 2008); Los Baños, Philippines (September 2008); and Lisbon, Portugal (October 2008). The CGIAR Director has actively engaged with stakeholders at various regional fora (e.g. FORAGRO, FARA) and at other key events throughout the year. The Secretariat has also actively supported the work on the Independent Review Panel throughout the review process by fulfilling information requests and providing logistical support.

### **Evaluation**

While several Center External Program and Management Reviews (EPMRs) and Challenge Program External Reviews (CPEs) were completed in 2007, only the external review of the Generation CP was completed and discussed in 2008 by ExCo. As agreed at AGM07, where ExCo was delegated decision making authority on external reviews, ExCo endorsed the recommendations of the review and its deliberations were transmitted to the entire CGIAR in June 2008. The CP received a favorable review and ExCo noted that it could serve as a model for other CPs or other programs in the CGIAR going forward.

### **Performance Measurement**

The CGIAR Secretariat and SC organized a workshop to explore ways to improve the PM System in July 2008. Representatives from the Alliance, CGIAR Members and M&E experts were invited to attend. There was particular focus on the output and institutional health elements. The workshop proposed a major enhancement that simplifies the system and reduces the number of indicators. The proposal was endorsed by ExCo at its October 2008 meetings. It was also noted that as the CGIAR moves to a programmatic approach, the PM System will need to develop System-level indicators as part of the overall results framework that go beyond aggregation of performance results of Centers.

### **Update on CIAT**

At its May 2008 meeting, ExCo agreed that a Board change at CIAT was necessary to help reinvigorate the Center. A transition plan was developed and new Board leadership was jointly identified by CIAT and the CGIAR Chair. A new smaller board was appointed in July 2008. The Board held a special meeting in September and elected Gordon

MacNeil as Board Chair. The Center is moving forward with development of a strategic plan, and has re-launched the process to identify a new Director General.

### **Challenge Programs**

Cycle 2 of CPs were also discussed by ExCo. Challenge Programs on Climate Change and Oasis were discussed at ExCo 14 in May and on High-Value Crops at ExCo 15 in October. ExCo agreed with SC recommendations and endorsed the CP on Climate Change proposal, which was later approved by the CGIAR. Proposals on the other two CPs were not endorsed. The governance and management structure of the Climate Change CP is currently being organized in preparation for the CP's launching and implementation in 2009.

ExCo also endorsed a set of governance guidelines/principles for CPs. This was a common issue that had emerged from several CPERs for which ExCo commissioned a study. The guidelines/principles suggested clear lines of responsibility between CPs and host institutions, simplified governance arrangements, and effective chains of command.

### **Strengthening Governance**

ExCo continues to follow-up on implementation of the recommendations from the Stripe Review of Corporate Governance of CGIAR Centers. The Alliance gave a progress report at ExCo 15 and noted that significant progress has been made by the Centers in implementing the recommendations.

There have been three Board Orientation Programs organized jointly with the Alliance since AGM07. The first was held immediately after AGM07 in Beijing, followed by programs at CIMMYT in July 2008 and at ICARDA in November 2008.

A senior managers course was held in February-March 2008 in Bangkok, Thailand, and the 4<sup>th</sup> senior leadership program was held at IMD in Switzerland in July 2008. Both programs were well attended.

### **Private Sector Committee High-Level Dialogue**

Private sector and CGIAR representatives held a strategic dialogue in October 2008, to discuss key ways to strengthen private sector collaboration with the CGIAR to achieve greater pro-poor impacts of agriculture research. The dialogue created space for the CGIAR to receive private sector feedback on the Change Management Process. It also allowed for feedback on ways to build on earlier successful partnerships with the private sector.

### **CGIAR Secretariat Appointment**

Iftikhar Mostafa, formerly of the Australian Grain Research and Development Corporation, was recently appointed as Governance and Management Advisor in the CGIAR Secretariat.