

**MULTI-DONOR TRUST FUND FOR THE CONSULTATIVE GROUP ON
INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR) CENTERS**

**ADMINISTERED BY THE
INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND
THE INTERNATIONAL DEVELOPMENT ASSOCIATION**

**WORLD BANK REFERENCE
TF069005**

**FINANCIAL STATEMENT AND
INDEPENDENT AUDITORS' REPORT
December 31, 2010**

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Controller's Vice Presidency
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KPMG LLP
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Independent Auditors' Report

International Bank for Reconstruction and Development and
International Development Association
as Administrators of the Multi-Donor Trust Fund for the Consultative Group on International
Agricultural Research (CGIAR) Centers

We have audited the accompanying statement of receipts, disbursements and fund balance of the Multi-Donor Trust Fund for the Consultative Group on International Agricultural Research (CGIAR) Centers for the three-year fiscal period from January 1, 2008 to December 31, 2010. This financial statement is the responsibility of the Administrators' management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Administrators' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by the Administrators' management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 2, this financial statement was prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the receipts, disbursements and fund balance of the Multi-Donor Trust Fund for the Consultative Group on International Agricultural Research (CGIAR) Centers for the three-year fiscal period from January 1, 2008 to December 31, 2010 on the basis of accounting described in note 2.

As discussed in note 8, the accompanying statement of receipts, disbursements and fund balance of the Multi-Donor Trust Fund for the Consultative Group on International Agricultural Research (CGIAR) Centers for the period from July 7, 2005 (date of inception) to December 31, 2010 was not audited by us and, accordingly, we do not express an opinion on it.

KPMG LLP

June 30, 2011

MULTI-DONOR TRUST FUND FOR THE CONSULTATIVE GROUP ON INTERNATIONAL
AGRICULTURAL RESEARCH (CGIAR) CENTERS

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

Expressed in U.S. dollars

	January 1, 2008 to December 31, 2010	July 7, 2005 (date of inception) to December 31, 2010 (Unaudited, see Note 8)
Contributions (Note 3)		
Austria	\$ 7,413,941	\$ 13,824,606
Bangladesh	300,000	300,000
Belgium	-	13,065,075
Canada	64,608,910	107,703,768
China	3,599,955	5,199,940
Finland	13,582,780	16,977,967
France	8,226,460	12,073,820
Germany	-	263,037
Israel	450,000	1,360,000
Italy	14,819,200	25,964,150
Japan	4,000,000	4,073,747
Luxembourg	776,605	776,605
Morocco	999,900	2,499,818
New Zealand	5,245,495	7,101,025
Norway	15,987,471	15,987,471
Portugal	1,800,000	2,400,000
South Africa	2,500,000	2,500,000
Switzerland	38,108,496	48,665,732
Thailand	300,000	500,000
Turkey	-	500,000
United Kingdom	15,284,525	15,655,605
United States of America	148,312,279	165,227,629
Total contributions	<u>346,316,017</u>	<u>462,619,995</u>
Net investment income (Note 4)	406,536	1,467,446
Total receipts	<u>346,722,553</u>	<u>464,087,441</u>
Grant payments (Note 7)	322,228,274	430,250,535
Administrative expenses (Note 6)	605,727	809,001
Total disbursements	<u>322,834,001</u>	<u>431,059,536</u>
Excess of receipts over disbursements	23,888,552	33,027,905
Fund balance		
Beginning of period	9,139,353	-
End of period	<u>\$ 33,027,905</u>	<u>\$ 33,027,905</u>
Fund balance consists of:		
Trust Fund's share of the cash and investments in the Pool (Note 5)	<u>\$ 33,027,905</u>	<u>\$ 33,027,905</u>

The accompanying notes are an integral part of this financial statement.

MULTI-DONOR TRUST FUND FOR THE CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH (CGIAR) CENTERS

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 1 - Organization

The International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) (collectively, the Bank) and several donors entered into an Administration Agreement (the Agreement) on July 7, 2005 (date of inception, hereinafter referred to as 'Inception'), whereby the donors agreed to provide grants to the Multi-Donor Trust Fund, for the Consultative Group on International Agricultural Research (CGIAR) Centers (the Trust Fund). The CGIAR is a strategic alliance of members, partners and international agricultural centers that mobilizes science to benefit the poor. CGIAR's mission is to achieve sustainable food security and reduce poverty in developing countries through scientific research and research-related activities in the fields of agriculture, forestry, fisheries, policy, and environment. The Bank, in its capacity as Administrator, undertakes to perform limited trustee functions as set forth in the Agreement, which includes collecting contributions, providing financial management of donor funds, and disbursing donor funds to designated recipients on behalf of the Trust Fund. The committed amounts for each donor as of December 31, 2010 are presented in Note 3.

IBRD performs certain administrative, accounting, financial reporting and treasury services related to the Trust Fund's activities on behalf of the Bank. IBRD and IDA are members of the World Bank Group, which also includes the International Finance Corporation, the Multilateral Investment Guarantee Agency, and the International Centre for Settlement of Investment Disputes.

Pursuant to the Agreement between the Bank and several donors, an audit will be performed on the financial statement by the Bank's external auditors every three years.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 2 - Significant Accounting Policies

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, modified to record the share in pooled cash and investments at fair value (modified cash basis of accounting). Accordingly, net investment income includes realized and unrealized investment income/loss.

The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP) or International Financial Reporting Standards (IFRS). Receipts, with the exception of net investment income as described above, are reported when collected (i.e., when credited to the Trust Fund) rather than when pledged/earned, and disbursements are reported when paid (i.e., when debited to the Trust Fund).

In accordance with the modified cash basis of accounting, as described above, and with policies adopted for the administration of this Trust Fund, certain transactions are reported in the Statement of Receipts, Disbursements and Fund Balance in the period in which the transaction is credited/debited to the Trust Fund, rather than in the period to which they relate. These may include contributions not credited to the Trust Fund at the financial statement date due to timing or other reasons, repostings of disbursements in the ordinary course of business, as deemed necessary, and any refunds of previous disbursements deemed by the Administrator not to be eligible in accordance with the relevant agreements.

This financial statement is not intended to be a presentation in conformity with U.S. GAAP or IFRS; however, certain information pertaining to the fair value of financial instruments held in the pooled cash and investments is presented in accordance with the applicable U.S. GAAP pronouncements as described below.

U.S. GAAP defines fair value, establishes a consistent measurement framework and a fair value hierarchy, which is based on the quality of inputs used to measure fair value, and requires fair value measurement disclosures. It also requires that the valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. Note 5 provide further details on the fair value measurement of the pooled cash and investments.

Amounts paid into the Trust Fund but not yet disbursed are managed by IBRD, which maintains an investment portfolio (the Pool) for all the trust funds administered by the entities of the World Bank Group. IBRD maintains all trust fund assets separate and apart from the funds of the World Bank Group.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 2 - Significant accounting policies (continued)

The Pool is divided into sub-portfolios to which allocations are made based on fund specific investment horizons, risk tolerances and/or other eligibility requirements for trust funds with common characteristics as determined by IBRD in accordance with the respective trust fund agreements.

Generally, the Pool is invested in cash and liquid financial instruments such as time deposits, money market securities, government and agency obligations, and asset-backed securities. The Pool may also include securities pledged as collateral under repurchase agreements with other counterparties and receivables from resale agreements for which it has accepted collateral. Additionally, the Pool includes derivative contracts such as currency forward contracts, currency swaps and interest rate swaps.

The Pool is a trading portfolio and is reported at fair value, with gains/losses included in net investment income. The share in the pooled cash and investments represents the Trust Fund's allocated share of the Pool's fair value at the end of the fiscal year.

This financial statement is presented in U.S. dollars, which is the Trust Fund's functional and presentation currency. Transactions in currencies other than U.S. dollar are reported at the market rates of exchange in effect on the date of the transaction. At the end of each reporting period, fund balances that are not denominated in U.S. dollar are revalued at the market rate of exchange prevailing at the end of the respective reporting period. Any adjustment resulting from currency exchange rate changes is recognized as foreign currency adjustment.

Disbursements made from IBRD's resources, on behalf of the Trust Fund, are reimbursed by the Trust Fund to IBRD on a regular basis. To the extent that disbursements are made in currencies other than U.S. dollar, IBRD may be reimbursed a different amount due to the difference in exchange rates on various dates. Transaction gains or losses on disbursements, if any, are borne by IBRD.

Note 3 - Contributions

Contributions received in various currencies are converted into U.S. dollars by IBRD, upon receipt of funds and receipt of the signed and countersigned confirmation letter in which a donor confirms the amount pledged to the Trust Fund.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 3 – Contributions (continued)

The amounts committed by the donors as of December 31, 2010 and received by the Trust Fund for the three year fiscal period ended December 31, 2010 and the period from Inception to December 31, 2010 (Unaudited, see Note 8), respectively are as follows:

Donor	Amounts Committed	January 1, 2008 to December 31, 2010		Inception to December 31, 2010 (Unaudited, see Note 8)	
		Amounts Received	Amounts in US\$	Amounts Received	Amounts in US\$
Austria	€ 10,330,204	€ 5,285,766	\$ 7,413,941	€ 10,330,204	\$ 13,824,606
Bangladesh	US\$ 300,000	US\$ 300,000	300,000	US\$ 300,000	300,000
Belgium	€ 10,062,000	€ -	-	€ 10,061,934	13,065,075
Canada	Can\$ 118,140,000	Can\$ 64,140,000	60,144,082	Can\$ 64,140,000	60,144,082
Canada	US\$ -	US\$ 4,464,828	4,464,828	US\$ 47,559,686	47,559,686
China	US\$ 5,200,000	US\$ 3,599,955	3,599,955	US\$ 5,199,940	5,199,940
Finland	€ 12,690,000	€ 10,000,000	13,582,780	€ 12,690,000	16,977,967
France	€ 9,000,000	€ 5,899,650	8,226,460	€ 8,999,650	12,073,820
Germany	€ 210,000	€ -	-	€ 210,000	263,037
Israel	US\$ 1,360,000	US\$ 450,000	450,000	US\$ 1,360,000	1,360,000
Italy	€ 18,500,000	€ 10,000,000	14,819,200	€ 18,500,000	25,964,150
Japan	¥ 8,506,000	¥ -	-	¥ 8,506,000	73,747
Japan	US\$ 4,000,000	US\$ 4,000,000	4,000,000	US\$ 4,000,000	4,000,000
Luxembourg	€ 586,383	€ 586,383	776,605	€ 586,383	776,605
Morocco	US\$ 2,499,943	US\$ 999,900	999,900	US\$ 2,499,818	2,499,818
New Zealand	NZ 9,994,500	NZ 4,100,000	2,803,350	NZ 4,100,000	2,803,350
New Zealand		US\$ 2,442,145	2,442,145	US\$ 4,297,675	4,297,675
Nigeria	₦ 110,000,000	₦ -	-	₦ -	-
Norway	NKr 98,000,000	NKr 98,000,000	15,987,471	NKr 98,000,000	15,987,471
Portugal	US\$ 2,400,000	US\$ 1,800,000	1,800,000	US\$ 2,400,000	2,400,000
South Africa	US\$ 2,500,000	US\$ 2,500,000	2,500,000	US\$ 2,500,000	2,500,000
Switzerland	SwF 51,032,496	SwF 26,900,000	26,228,551	SwF 26,900,000	26,228,552
Switzerland	US\$ -	US\$ 11,879,945	11,879,945	US\$ 22,437,180	22,437,180
Thailand	US\$ 500,000	US\$ 300,000	300,000	US\$ 500,000	500,000
Turkey	US\$ 500,000	US\$ -	-	US\$ 500,000	500,000
United Kingdom	£ 10,450,000	£ 10,250,000	15,284,525	£ 10,450,000	15,655,605
United States of America	US\$ 169,922,909	US\$ 148,312,279	148,312,279	US\$ 165,227,629	165,227,629
Total			\$ 346,316,017		\$ 462,619,995

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 4 - Net investment income

Net investment income consists of the Trust Fund's allocated share of the following: interest income earned by the Pool, realized gains/losses from sales of securities, and unrealized gains/losses resulting from recording the assets held by the Pool at fair value. Net investment income in the amounts of \$406,536 and \$1,467,446 (Unaudited, see Note 8) were credited to the Trust Fund during the three year fiscal period ended December 31, 2010 and for the period from Inception to December 31, 2010, respectively, based on its share of the cash and investments in the Pool.

Note 5 - Fair value of financial instruments

As discussed in Note 2, the cash and investments of all trust funds administered by the World Bank Group are managed in a pooled investment portfolio. The Trust Fund's share in the Pool is not traded in any market; however, the underlying assets within the Pool are reported at fair value. All investment decisions are made and performance monitored at the Pool level. The disclosure on fair value measurement and fair value hierarchy is therefore at the Pool level. The fair value amount of the Trust Fund's share of the cash and investments in the Pool at the end of each reporting period is also disclosed.

Fair Value Measurements

IBRD, as Administrator, has an established and documented process for determining fair values. Fair value is based upon quoted market prices for the same or similar securities, where available. Financial instruments for which quoted market prices are not readily available are valued based on discounted cash flow models. These models primarily use market-based or independently-sourced market parameters such as yield curves, interest rates, volatilities, foreign exchange rates and credit curves, and may incorporate unobservable inputs. Selection of these inputs involves judgment. The Pool may include financial instruments such as government and agency obligations, time deposits and money market securities, asset-backed securities, securities purchased under resale agreements and securities sold under repurchase agreements, and derivatives.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 5 - Fair value of financial instruments (continued)

The techniques applied in determining the fair values of financial instruments are summarized below.

Government and agency obligations and asset-backed securities

Where available, quoted market prices are used to determine the fair value of government and agency obligations and asset-backed securities. When quoted market prices are not readily available, fair values are determined using model-based valuation techniques, either internally-generated or vendor-supplied, that include the standard discounted cash flow method using market observable inputs such as yield curves, credit spreads, prepayment speeds, foreign exchange rates, and funding spreads.

Time deposits and money market securities

Time deposits and money market securities, unless quoted prices are available, are reported at face value, which approximates fair value.

Securities purchased under resale agreements and securities sold under repurchase agreements

Securities purchased under resale agreements and securities sold under repurchase agreements are reported at face value, which approximates fair value.

Derivative contracts

Derivative contracts include currency forward contracts, currency swaps and interest rate swaps. Derivatives are valued using the standard discounted cash flow method with market observable inputs such as yield curves, foreign exchange rates, basis spreads and funding spreads.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 5 - Fair value of financial instruments (continued)

Fair Value Hierarchy

Financial instruments representing the pooled investments for all trust funds administered by the World Bank Group are recorded at fair value and are categorized based on the inputs to the valuation techniques as follows (in order to priority placed on the inputs):

- Level 1: Financial instruments whose values are based on unadjusted quoted prices for identical instruments in active markets.

- Level 2: Financial instruments whose values are based on quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; or pricing models for which all significant inputs are observable, either directly or indirectly for substantially the full term of the instrument.

- Level 3: Financial instruments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

When the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement of the instrument may include inputs that are observable (Level 2) and unobservable (Level 3).

As of December 31, 2010, the Pool does not have any financial instruments measured at fair value on a non-recurring basis.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 5 - Fair value of financial instruments (continued)

The following table presents the Pool's fair value hierarchy for financial instruments measured at fair value on a recurring basis as of December 31, 2010. The Trust Fund's share of the Pool's financial instruments may hold varying proportions among the three levels.

In millions of U.S. dollars

	<i>Fair Value Measurements on a Recurring Basis as of December 31, 2010</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Government and agency obligations	\$ 4,271	\$ 7,706	\$ -	\$ 11,977
Time deposits and money market securities	525	9,245	-	9,770
Asset-backed securities	-	3,710	8	3,718
Securities purchased under resale agreements and securities sold under repurchase agreements, net	(115)	(52)	-	(167)
Derivatives, net	-	(128)	-	(128)
Total of financial instruments in the Pool at fair value	\$ 4,681	\$ 20,481	\$ 8	\$ 25,170

In the Pool, the carrying value of securities pledged as collateral under repurchase agreements as of December 31, 2010 was \$317 million. Under resale agreements, IBRD received securities as collateral with a fair value of \$150 million as of December 31, 2010. During the fiscal years ended December 31, 2010, neither transfers between levels nor securities in Level 3 were significant. Therefore, no further disclosures on them are included.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 5 - Fair value of financial instruments (continued)

Financial risks related to the Pool

The Trust Fund is exposed to credit risk on its share of the cash and investments in the Pool. IBRD limits investments to those financial instruments with minimum credit ratings in the U.S markets or equivalent as follows:

- Time deposits and money market securities - issued or guaranteed by financial institutions whose senior debt securities are rated at least A-;
- Government and agency obligations - issued or unconditionally guaranteed by government agencies rated at least AA- if denominated in a currency other than the home currency of the issuer, otherwise no rating is required. Obligations issued by an agency or instrumentality of a government, a multilateral organization or any other official entity require a minimum credit rating of AA-;
- Asset-backed securities - minimum rating must be AAA; and
- Derivatives - counterparties must have a minimum rating of A+.

Trust Fund's Share of the Cash and Investments in the Pool

The Trust Fund's share of the cash and investments in the Pool, which was allocated based on the specific investment horizons, risk tolerances and other eligibility requirements pursuant to the Agreements, has a fair value of \$33,027, 905 and \$9,139,353 (Unaudited, see Note 8) as of December 31, 2010 and December 31, 2007, respectively.

As of December 31, 2010, the Trust Fund's share in the Pool is invested in a sub-portfolio, of which approximately 28% of the securities are rated at least AA and 100% of the securities are rated at least A+. As of December 31, 2010, this Pool sub-portfolio is invested in the following types of instruments: 96% in time deposits, money market securities, and 4% in government and agency obligations.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 6 - Administrative Fees

To assist in the defrayment of costs incurred for administration, supervision and oversight of the Trust Fund, the Bank deducts a fee equal to 0.175% of the contribution amount per the Agreement upon receipt. The Bank deducted from the Trust Fund administrative fees in the amount of \$605,727 and \$809,001, (Unaudited, see Note 8) for the three year fiscal period ended December 31, 2010 and for the period from Inception to December 31, 2010, respectively. The remaining fees are yet to be collected in 2011.

Note 7 - Grant payments

In accordance with the Agreement, the Administrator disburses funds from the Trust Fund to the recipients as specified in the respective agreements at the time of each donor's contribution. Grant payments totaling \$322,228,274 and \$430,250,535, (Unaudited, see Note 8) were transferred to recipients during the three year fiscal period from January 1, 2008 to December 31, 2010 and during the period from Inception to December 31, 2010, (Unaudited, see Note 8), respectively.

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S. dollars unless otherwise noted

Note 7 - Grant payments (continued)

The details of grant payments from the Trust Fund to the recipients are as follows:

<u>Principal Recipient</u>	<u>January 1, 2008 to December 31, 2010</u>	<u>Inception to December 31, 2010 (Unaudited, see Note 8)</u>
International Center for Tropical Agriculture	\$ 18,435,507	\$ 30,818,566
Center for International Forestry Research	9,662,074	12,502,455
International Maize and Wheat Improvement Center	22,624,858	31,272,691
International Potato Center	14,442,829	21,113,870
Food and Agricultural Organization of The United Nations	-	1,290,807
Forum for Agriculture Research in Africa	1,515,343	2,758,968
International Centre for Agricultural Research In Dry Areas	16,144,182	24,880,257
International Centre for Living Aquatic Resources Management	8,887,071	11,243,946
International Center for Research In Agroforestry	14,092,372	19,254,897
International Crops Research Institute for The Semi-arid Tropics	17,082,328	24,480,666
International Foundation for Agriculture Research	96,205	180,296
International Food Policy Research Institute	58,416,325	64,861,883
International Institute of Tropical Agriculture	38,502,127	48,791,215
International Livestock Research Institute	28,950,977	38,248,046
International Plant Genetic Resources Institute	26,480,034	40,495,784
International Rice Research Institute	24,252,536	28,615,068
International Water Management Institute	14,085,771	18,511,836
West African Rice Development Association	8,557,735	10,929,284
	<u>\$ 322,228,274</u>	<u>\$ 430,250,535</u>

NOTES TO FINANCIAL STATEMENT

December 31, 2010

All amounts expressed in U.S dollars unless otherwise noted

Note 8 - Inception to date amounts

For the three year fiscal period from January 1, 2008 to December 31, 2010, the Statement of Receipts, Disbursements and Fund Balance are audited by KPMG LLP, who have expressed an unqualified audit opinion thereon. In addition, the Statement of Receipts, Disbursements and Fund Balance for the period from Inception to December 31, 2007 was audited by other auditors, who expressed an unqualified audit opinion thereon, dated October 6, 2008. As a result, all activities for the period from Inception to December 31, 2010, have been subject to audit by different audit firms. However, because the amounts for the period from Inception to December 31, 2007 were not audited by KPMG LLP, the cumulative amounts have been labeled 'Unaudited'.

Note 9 - Subsequent events

Management has evaluated subsequent events through June 30, 2011, the date this financial statement was available to be issued.