



CGIAR Fund

Financial Report

Prepared by the Trustee

Summary of Financial Information

As of September 30, 2012



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Introduction

The information contained in the report is prepared based on financial information as of September 30, 2012.

The CGIAR Fund (the “Fund”) was established as a Financial Intermediary Fund (FIF) in December 2010 in the World Bank. The Fund operates through three Windows: Window 1 funds are used as determined by the Fund Council; Window 2 funds are directed by Fund Donors to eligible CRPs; and Window 3 funds are directed by Fund Donors to individual CGIAR Centers. The information contained in this report is prepared based on financial information as of September 30, 2012. This report is produced by the Trustee in accordance with the Trustee’s role in the CGIAR Fund as set forth in Annex 2 of the Contribution Agreement section 6 which states:

“The Trustee shall maintain separate records and ledger accounts with respect to the Contributions deposited in the CGIAR Fund and transfers made there from. The Trustee shall maintain books, records, documents, and other evidence in accordance with the Trustee’s usual accounting procedures to sufficiently substantiate the management of funds in the CGIAR Fund. The Trustee shall report to the Fund Council and all the Fund Donors annually, unless otherwise agreed with the Trustee, on the status of the CGIAR Fund.”



CGIAR Fund Financial Summary as of September 30, 2012

Contributions

As of September 30, 2012, Contributions to the Fund from Fund Donors totaled USDeq. 697.4 million, of which USDeq. 302.5 million represents new or additional Contributions since January 1, 2012. In addition, Pending Contributions from Bangladesh, China, Finland, France, Gates Foundation, Iran, the Netherlands, Thailand and the World Bank totaled USDeq. 230.2 million.

As of September 30, 2012, Fund Donors paid USD 521.2 million towards their Contribution. Of the total amount paid, USD 142.4 million was received by the Trustee between January 1, 2012 and September 30, 2012.

The breakdown of paid Contributions by Window is as follows: USD 277.1 million to Window 1, USD 91.4 million to Window 2, and USD 126.9 million to Window 3. In addition, USD 25.8 million remains in the Provisional Account pending donor instructions to transfer the funds to any of the three CGIAR Windows.

Investment Income

Investment income earned to date totals USD 0.54 million, of which USD 0.28 million was earned between January 1, 2012 and September 30, 2012.

Funding Approvals and Commitments

As of September 30, 2012, the total amount of USD 1,785.6 million was approved by the Fund Council, including indicative funding for CRPs, of which USD 92.7 million was approved between January 1, 2012 and September 30, 2012. Of the total amount approved, ninety-three percent was approved for CRPs, including funding for Genebank (USD 1,661 million), six percent for Funding Stability (USD 102.6 million) and one percent for System Costs (USD 22.1 million).

Funds for CRPs are committed by the Trustee only when instructions for cash transfer are received from the Consortium, following relevant approval by the Fund Council. All other funding is committed by the Trustee following respective approvals by the Fund Council. As of September 30, 2012, USD 329.1 million has been committed by the Trustee under Windows 1 and 2.

Cash Transfers

Based on Fund Council or Fund Donor decisions, the Trustee has to date transferred USD 450.1 million, of which USD 137.5 million was transferred from Window 1 to Centers for CRPs; USD 72.6 million from Window 2 to Centers for CRPs; USD 121 million to Centers through Window 3; USD 21.7 million to Consortium, ISPC, Fund Office and Trustee for System Costs; and USD 97.4 million to Centers for Funding Stability.

Funds Held in Trust and Funds Available for Cash Transfers

Funds Held in Trust totaled USD 72.7 million as of September 30, 2012, a decrease of USD 51.1 million since December 31, 2011. Of the Funds Held in Trust, USD 3.3 million was scheduled for cash transfer to the Centers, resulting in a balance of USD 69.4 million as Funds Available for Cash Transfers.



Financial Highlights

Liquidity

Liquidity risk remains high as the current liquidity level (USD 72.7 million) is not sufficient to cover the remaining balance of year 1&2 budget of the CRPs approved, Funding Stability and Systems costs (USD 170.7 million). This issue may be discussed at the Funders Forum.

Investments

Funds Held in Trust are invested in a cash portfolio of the World Bank's Trust Fund investment pool. This portfolio comprises bank deposits and investments in money market instruments with an investment horizon of less than 3 months. Typically, funds invested in a cash portfolio represent working capital and funds that are expected to be disbursed in less than a year. As of September 30, 2012, the CGIAR Fund has earned investment income of approximately USD 0.54 million on the undisbursed balance of the CGIAR Fund Trust Fund. The CGIAR Fund liquid portfolio has returned 20%¹ through the calendar year to September 30, 2012. Given the unpredictability of CGIAR Fund inflows and outflows, CGIAR liquidity balances cannot be currently invested in longer-term portfolios.

Donor Funding

The total amount of Contributions received represents 56% of total cumulative resources. However, overall donor funding remains unpredictable since only a few donors have signed multi-year Contribution Agreements/Arrangements and the majority of inflows to the CGIAR Fund are therefore unknown.

¹ Represents non-annualized rate of return



1. CGIAR Fund Summary – Inception through September 30, 2012

In USD millions

	Total	% of Total
<u>Donor Contributions</u>		
Contributions	697.4	75%
Pending Contributions	230.2	25%
Total Donor Contributions	927.6	100%

<u>Cumulative Resources</u>		
<u>Resources received</u>		
Contribution Receipts	521.2	56%
Other Receipts	1.1	0%
Investment Income earned	0.5	0%
Total Resources Received	522.9	56%
<u>Resources not yet received</u>		
Pending Contributions	230.2	25%
Contributions not yet received	176.2	19%
Total resources not yet received	406.3	44%
Total Cumulative Resources (A)	929.2	100%

<u>Funding Decisions Net of Cancellations</u>		
Indicative Funding Approved by Fund Council	1,785.6	93%
<i>of which committed</i>	329.1	17%
<i>of which transferred</i>	329.1	17%
Cancellations	-	0%
Window 3 designations to Centers	124.3	7%
<i>of which committed</i>	124.3	7%
<i>of which transferred to Centers</i>	121.0	6%
Total Funding Decisions Net of Cancellations (B)	1,910.0	100%
Cumulative Resources Net of Funding Decisions (A) - (B)	(980.8)	

<u>Funds Available for Cash Transfer</u>		
Funds Held in Trust	72.7	
Amounts requested, pending cash transfer	3.3	
Total Funds Available for Cash Transfer	69.4	

* Numbers may not add-up due to rounding



2. Contributions

In millions

Contributor	Currency	Pending Contributions	Effective Contributions	Total	USDeq. a/
Australia	AUD	-	52.37	52.37	54.70
Bangladesh	USD	0.10	0.10	0.20	0.20
Canada	CAD	-	25.37	25.37	25.52
China	USD	2.80	1.60	4.40	4.40
Denmark	DKK	-	65.00	65.00	11.48
European Commission	EUR	-	18.86	18.86	24.38
Finland	EUR	3.00	3.00	6.00	7.71
France	EUR	0.60	1.30	1.90	2.50
Gates Foundation	USD	6.12	51.60	57.73	57.73
IBRD	USD	50.00	100.00	150.00	150.00
India	INR	-	163.25	163.25	3.09
Iran	USD	0.50	0.50	1.00	1.00
Ireland	EUR	-	5.38	5.38	7.09
Italy	EUR	-	1.40	1.40	1.93
Japan	USD	-	1.81	1.81	1.81
Korea, Republic of	USD	-	0.29	0.29	0.29
Luxembourg	EUR	-	2.60	2.60	3.41
Mexico	USD	-	1.00	1.00	1.00
Morocco	USD	-	0.50	0.50	0.50
Netherlands	b/ USD	165.89	2.50	168.39	168.39
	EUR	-	4.00	4.00	5.39
New Zealand	NZD	-	5.00	5.00	3.98
Nigeria	USD	-	0.59	0.59	0.59
Norway	NOK	-	220.00	220.00	38.46
Portugal	EUR	-	0.68	0.68	0.91
Russian Federation	USD	-	15.00	15.00	15.00
South Africa	USD	-	0.50	0.50	0.50
Spain	b/ USD	-	0.50	0.50	0.50
	EUR	-	0.46	0.46	0.60
Sweden	SEK	-	226.50	226.50	33.42
Switzerland	CHF	-	28.00	28.00	30.49
Thailand	USD	0.10	0.10	0.20	0.20
Turkey	USD	-	1.00	1.00	1.00
United Kingdom	b/ USD	-	15.34	15.34	15.34
	GBP	-	61.25	61.25	97.54
United States	USD	-	156.54	156.54	156.54
					927.58

a/ Valued at the exchange rates as of September 30, 2012

b/ Contributions made in more than one currency

The above table shows the status of contributions to the CGIAR Fund. As of September 30, 2012, the Trustee had entered into Contribution Agreements/Contribution Arrangements with 37 donors for a total of USDeq. 697.4 million.



3. Schedule of Receipts and Cash Transfers

In USD millions

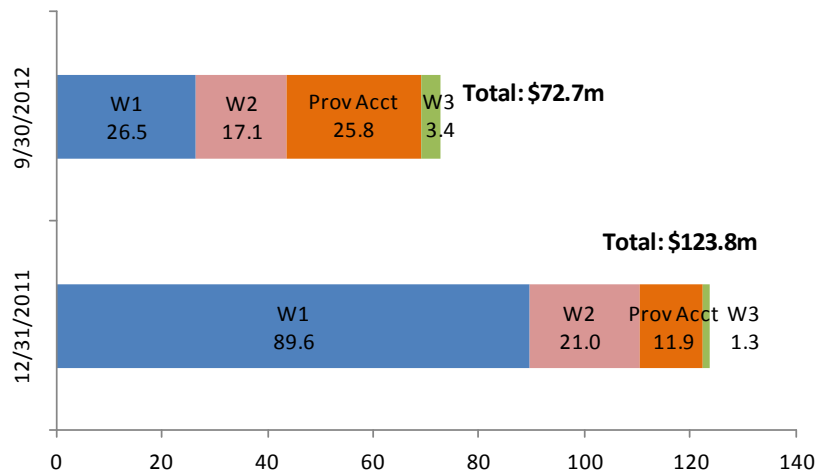
	As of Sept. 30, 2012 (a)	As of Dec. 31, 2011 (b)	Change since last report (a) - (b)
1. Cumulative Receipts	522.9	379.1	143.9
a. Contribution receipts	521.2	378.8	142.4
b. Other receipts a/	1.2	-	1.2
c. Investment income earned	0.5	0.3	0.3
2. Cumulative Cash Transfers	450.1	255.3	194.8
a. Centers	428.4	246.0	182.5
b. System Costs	21.7	9.3	12.3
c. Other	-	-	
3. Funds Held in Trust	72.7	123.8	(51.0)

a/ Represents the amount of system cost sharing contributions collected by Centers and transferred by the Consortium

FUNDS HELD IN TRUST

Funds Held in Trust totaled USDeq. 72.7 million as of September 30, 2012, a decrease of USDeq. 51.1 million since December 31, 2011.

Of the total amount of Funds Held in Trust, 36.5 percent were held in Window 1; 23.5 percent in Window 2; 4.7 percent in Window 3; 35.4 percent in the Provisional Account.



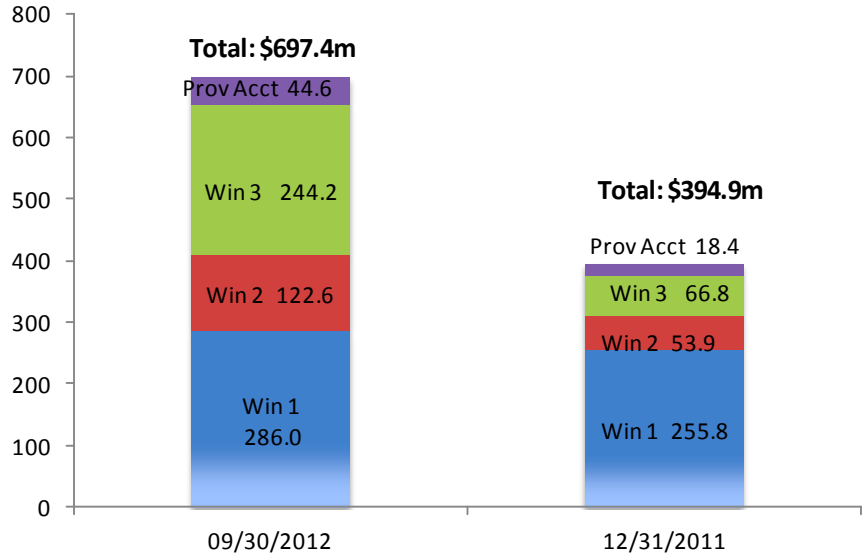


4. Cumulative Resources

In USD millions

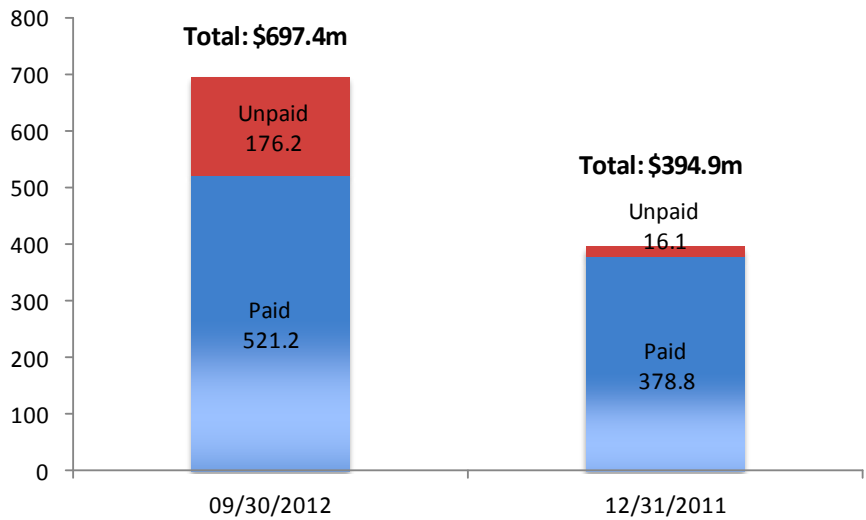
DONOR CONTRIBUTIONS BY WINDOW

Donor contributions totaled USDeq. 697.4 million as of September 30, 2012, of which 41 percent of donor contributions are allocated to Window 1; 18 percent to Window 2; 35 percent to Window 3; and 6 percent are designated to the Provisional Account.



STATUS OF DONOR CONTRIBUTION PAYMENTS

Of the USDeq. 697.4 million contributed by donors, 75% are paid-in and 25% are not yet paid.

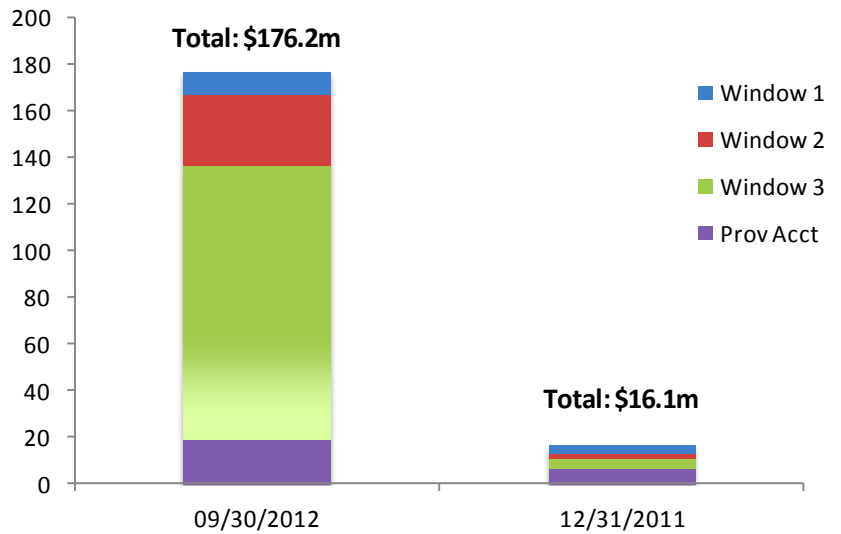




DONOR CONTRIBUTIONS NOT YET PAID

Donor contributions not yet paid total USDeq. 176.2 million, of which USDeq. 8.9 million are for Window 1, USDeq. 31.2 million are for Window 2, USDeq. 117.4 million are for Window 3 and USDeq. 18.8 million are for the Provisional Account.

Table below shows unpaid contributions by donor.



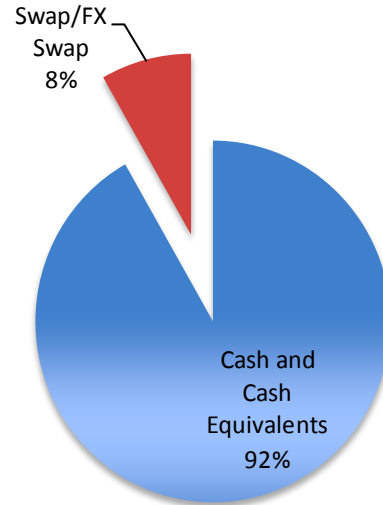
Donor	Currency	Total Amount				Prov Account
		Unpaid	Window 1	Window 2	Window 3	
Gates Foundation	USD	0.50	0.50	-	-	-
Luxembourg	EUR	1.50	0.70	-	0.80	-
Switzerland	CHF	14.00	6.50	6.20	1.30	-
Canada	CAD	0.50	-	0.50	-	-
Denmark	DKK	17.50	-	17.50	-	-
Australia	AUD	19.90	-	-	19.90	-
European Commission	EUR	18.90	-	-	18.90	-
Iran	USD	0.50	-	-	0.50	-
Morocco	USD	0.50	-	-	0.50	-
Nigeria	USD	0.20	-	-	0.20	-
Spain	EUR	0.10	-	-	0.10	-
United Kingdom	GBP	4.00	-	-	4.00	-
Russia	USD	2.70	-	-	-	2.70
United States	USD	99.60	0.50	21.00	62.00	16.10



5. Asset Mix and Investment Income

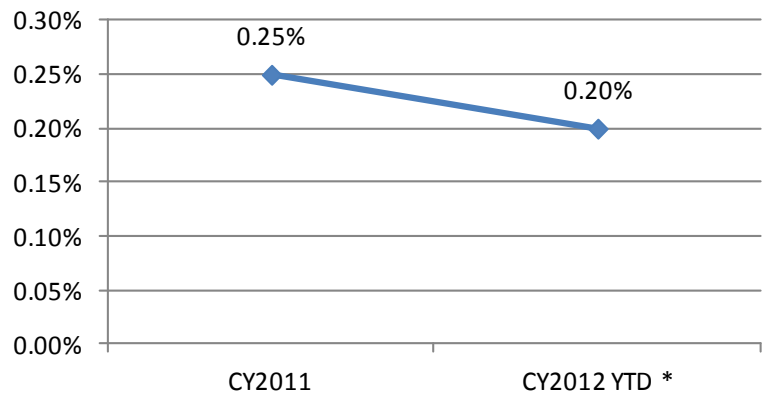
ASSET MIX

Funds held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the "Pool") for all trust funds administered by the World Bank. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the World Bank. The CGIAR Fund funds are invested in cash portfolio of the World Bank's Trust Fund investment pool. This portfolio comprises bank deposits and investments in money market instruments with an investment horizon of less than 3 months.



INVESTMENT RETURNS

The CGIAR Fund liquid portfolio (which totaled USD 72.7 million as of September 30, 2012) has earned USD 0.54 million in investment income since inception.



* non-annualized



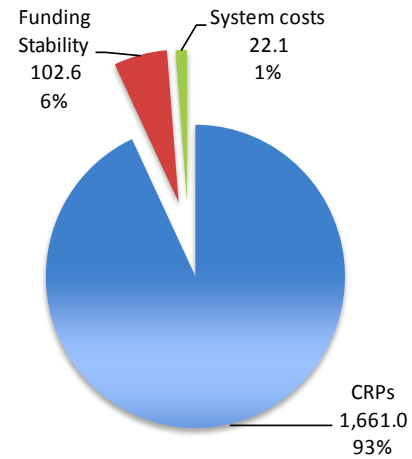
6. Cumulative Funding Decisions, Trustee Commitments and Cash Transfers

In USD millions

CUMULATIVE FUNDING APPROVALS BY ACTIVITY

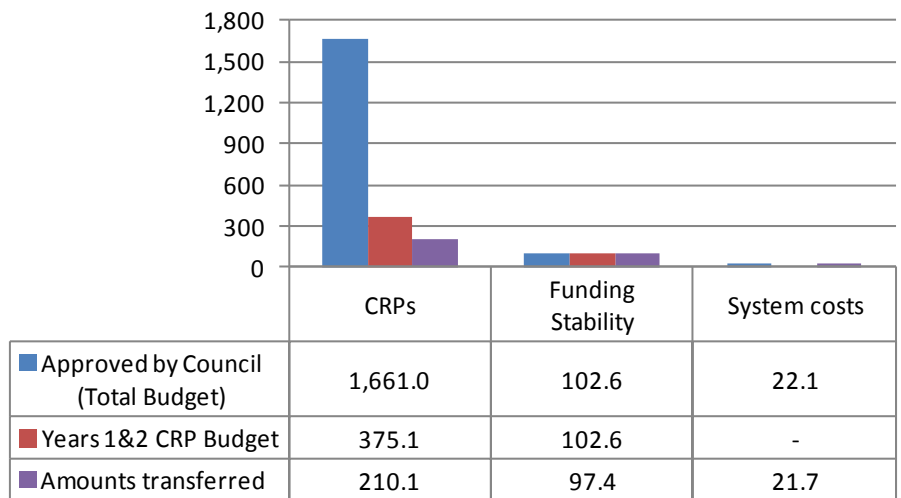
Since inception to September 30, 2012, funding approvals made by the CGIAR Fund Council totaled USD 1,785.6 million, of which USD 92.7 million was approved for CRPs since January 1, 2012.

Of the total amount approved, CRPs represent about 93%, Funding Stability 6% and System costs 1%.



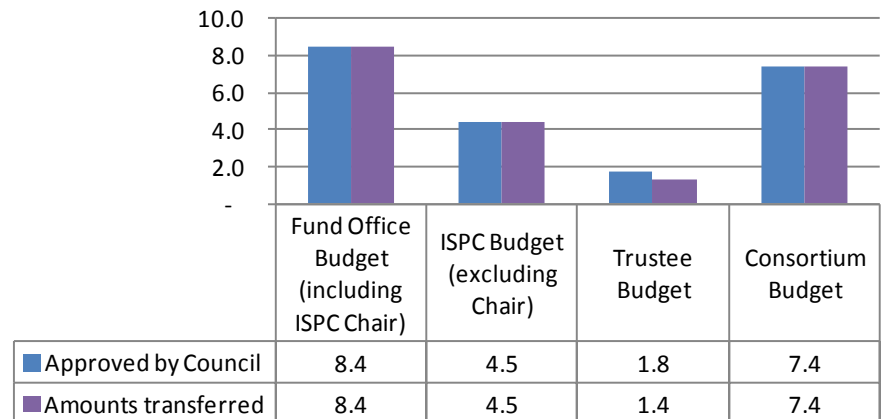
FUNDING APPROVALS AND CASH TRANSFERS BY ACTIVITY

Of the total amount of USD 1,785.6 million approved by Fund Council, USD 329.1 million has been transferred.



SYSTEM COSTS APPROVALS AND CASH TRANSFERS

Of the USD 22.1 million approved for System Costs, USD 21.7 million has been transferred. The chart presents the breakdown by recipients.





In USD millions

CRPs APPROVALS AND CASH TRANSFERS AS OF SEPTEMBER 30, 2012

CRPs		Approved by Council (total CRP Budget)	Year 1&2 CRP Budget	Amounts transferred	Balance of Year 1&2 budget to be transferred	Balance of amounts in Window 2		Amounts needed to cover Year 1&2 budget	
						Cash	Not yet received		
		(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)	(g)=(d)-(e)-(f)	
1.1	Dry areas	Cat. I appr.	70.3	10.0	3.8	6.3	-	1.6	4.6
1.3	Aquatic ag systems	Cat. I appr.	32.3	9.7	7.8	2.0	-	2.1	(0.1)
	2 Policies, institutions, markets	Cat. I appr.	140.8	30.1	8.4	21.7	2.9	5.3	13.6
3.1	Wheat	Cat. I appr.	41.0	13.2	6.7	6.5	4.4	3.4	(1.4)
3.2	Maize	Cat. I appr.	44.7	14.5	12.4	2.1	0.2	1.5	0.4
3.3	GRIISP	Cat. I appr.	383.7	76.0	48.0	28.0	-	4.4	23.6
3.4	Roots, tubers, and bananas	Cat. I appr.	135.6	38.4	10.4	28.1	4.3	5.8	18.0
3.7	Meat, milk, and fish	Cat. I appr.	35.2	10.3	4.2	6.1	0.6	3.9	1.6
	4 Agriculture for improved nutrition and health	Cat. I appr.	93.6	17.2	5.5	11.7	1.7	1.2	8.9
5	Water, land and ecosystems	Cat. I appr.	163.8	40.4	10.9	29.5	1.9	0.5	27.0
6	Forests, trees and agroforestry	Cat. I appr.	90.3	27.9	22.2	5.7	-	-	5.7
7	CCAFS	Cat. I appr.	323.9	56.1	56.9	(0.8)	0.6	-	(1.4)
	Genebanks	Cat. I appr.	105.8	31.3	13.1	18.2	0.2	-	18.0
Total			1,661.0	375.1	210.1	165.0	16.8	29.7	118.5

WINDOW 2 CRP CONTRIBUTIONS AND CASH TRANSFERS

This table presents amounts contributed by donors and transferred to Lead Centers, as of September 30, 2012.

CRPs		Donor Contributions		Amounts Transferred	Cash balance in Window 2	
		Received	Not Yet Received			
		(a)	(b)	(c)	(d) = (a) - (c)	
1.1	Dry areas	Cat. I appr.	2.9	1.6	2.9	-
1.3	Aquatic ag systems	Cat. I appr.	3.3	2.1	3.3	-
	2 Policies, institutions, markets	Cat. I appr.	8.8	5.3	5.9	2.9
3.1	Wheat	Cat. I appr.	8.7	3.4	4.3	4.4
3.2	Maize	Cat. I appr.	3.4	1.5	3.2	0.2
3.3	GRIISP	Cat. I appr.	11.3	4.4	11.3	-
3.4	Roots, tubers, and bananas	Cat. I appr.	12.0	5.8	7.7	4.3
3.7	Meat, milk, and fish	Cat. I appr.	4.8	3.9	4.2	0.6
	4 Agriculture for improved nutrition and health	Cat. I appr.	7.1	1.2	5.5	1.7
5	Water, land and ecosystems	Cat. I appr.	3.2	0.5	1.3	1.9
6	Forests, trees and agroforestry	Cat. I appr.	3.7	-	3.7	-
7	CCAFS	Cat. I appr.	19.9	-	19.3	0.6
	Genebanks	Cat. I appr.	0.2	-	-	0.2
Total			89.4	29.7	72.6	16.8



7. Window 3 Cash Transfers

In USD millions

This table presents amounts transferred from Window 3 to Centers in accordance with Donors' designations, as of September 30, 2012.

Center Name	Amounts	Amounts	New Transfers Since Last Report
	Transferred as of 09/30/2012	Transferred as of 12/31/2011	
	(a)	(b)	(c) = (a) - (b)
AFRICA RICE CENTER	1.12	0.75	0.37
Bioversity	11.21	1.03	10.18
CIAT	0.99	0.76	0.23
CIFOR	9.42	0.69	8.73
CIMMYT	16.35	13.50	2.85
CIP	5.79	4.89	0.90
ICARDA	2.84	2.39	0.46
ICRAF	3.81	0.76	3.05
ICRISAT	17.38	9.48	7.90
IFPRI	9.88	5.04	4.84
IITA	13.86	10.64	3.23
ILRI	7.94	3.29	4.65
IRRI	13.29	4.56	8.73
IWMI	5.46	2.58	2.88
WorldFish Center	1.66	1.33	0.33
Total	121.00	61.68	59.31

ANNEX 1. Donor Contribution Agreements/Arrangements by Window

Donor	Currency	Total	Window 1	Window 2	Window 3	Provisional Account
Australia	AUD	52,373,333	5,533,465	11,188,645	33,928,458	1,722,765
Bangladesh	USD	100,000	-	-	100,000	-
Canada	CAD	25,370,000	15,370,000	10,000,000	-	-
China	USD	1,600,000	-	100,000	1,500,000	-
Denmark	DKK	65,000,000	-	65,000,000	-	-
EC/IFAD	EUR	18,863,316	-	-	18,863,316	-
Finland	EUR	3,000,000	1,000,000	1,000,000	1,000,000	-
France	EUR	1,300,000	1,300,000	-	-	-
Gates Foundation	USD	51,602,524	2,000,000	1,500,000	48,102,524	-
India	INR	163,253,000	37,500,000	24,320,000	95,980,000	5,453,000
Iran	USD	500,000	-	-	500,000	-
Ireland	EUR	5,382,500	900,000	1,852,500	2,630,000	-
Italy	EUR	1,397,205	797,205	-	600,000	-
Japan	USD	1,808,780	79,415	700,000	1,029,365	-
Korea, Republic of	USD	290,000	290,000	-	-	-
Luxembourg	EUR	2,600,000	880,000	-	1,720,000	-
Morocco	USD	500,000	-	-	500,000	-
Mexico	USD	1,000,000	-	500,000	500,000	-
Netherlands	EUR	4,000,000	4,000,000	-	-	-
Netherlands	USD	2,500,000	-	2,500,000	-	-
New Zealand	NZD	5,000,000	5,000,000	-	-	-
Nigeria	USD	586,397	486,397	-	100,000	-
Norway	NOK	220,000,000	220,000,000	-	-	-
Portugal	EUR	675,000	-	250,000	425,000	-
Russian Federation	USD	15,000,000	1,500,000	1,500,000	-	12,000,000
South Africa	USD	-	-	-	-	-
Spain	EUR	460,000	-	-	460,000	-
Spain	USD	500,000	500,000	-	-	-
Sweden	SEK	226,500,000	163,200,000	-	63,300,000	-
Switzerland	CHF	28,000,000	11,790,000	10,360,000	5,850,000	-
Thailand	USD	100,000	-	-	100,000	-
Turkey	USD	1,000,000	-	-	1,000,000	-
United Kingdom	GBP	61,250,000	45,000,000	10,250,000	6,000,000	-
United Kingdom	USD	15,340,627	15,340,627	-	-	-
United States	USD	156,541,347	1,000,000	38,675,540	94,391,301	22,474,506
World Bank	USD	100,000,000	100,000,000	-	-	-



ANNEX 2. Schedule of Receipts and Cash Transfers by Window

In USD millions

	Total	Window 1	Window 2	Window 3	Prov Acct
1. Cumulative Receipts	522.9	283.1	89.6	124.4	25.8
a. Contribution receipts	521.2	281.4 <i>a/</i>	89.6 <i>b/</i>	124.3 <i>b/</i>	25.8
b. Other receipts	1.2	1.2			
c. Investment income earned	0.5	0.5	0.0	0.1	(0.1)
2. Cumulative Cash Transfers	450.1	256.6	72.6	121.0	-
a. Centers	428.4	234.9	72.6	121.0	
b. System Costs	21.7	21.7	-	-	
c. Other	-	-	-	-	
3. Funds Held in Trust	72.7	26.5	17.1	3.4	25.8

a/ Includes system costs sharing portion from Window 2 and Window 3 contributions

b/ Net of system costs sharing



ANNEX 3. Glossary

Term	Definition
Approvals	See Funding Approvals
Cancellations	Funds that have been released back to the pool of available funds.
Cash Transfers	Payments made out of a trust fund.
Contributions	Funds provided or to be provided based on the basis of a signed agreement or arrangement between donor(s) and the World Bank as trustee for the trust fund.
Commitments	Obligations to provide financing to a recipient(s) through a legal agreement.
Contribution Agreement or Arrangement	A document entered into between the donor and the Trustee in respect to the donor's contribution to the Fund.
Contributions Paid-in	Amount of Contribution received by the Trustee in the form of Cash or Promissory Notes.
Encashment	Draw down (payment in cash) of a promissory note.
Financial Intermediary Fund (FIF)	A FIF is an arrangement that can be either a trust fund or a financial platform that typically leverages a variety of public and private resources in support of international initiatives; they enable the international community to provide a direct and coordinated response to global priorities.
Funding Approvals	Decisions taken by a governing body to provide financing.
Funding Availability	Funds held in trust less restricted funds and amounts pending transfer.
Funds Held in Trust	Represents balance of cash, investments and unencashed promissory notes (if any) as of reporting date.
Pending Contributions	Amounts of donor contribution agreements being negotiated.
Promissory Notes	A document containing a promise to pay which is irrevocable and legally binding. Promissory notes are payable on demand, can be paid in accordance with agreed schedules, and are non-interest bearing.
Provisional Account	The account of the CGIAR Fund to which Fund Donors may contribute funds without initially specifying any designations.
Receipts	Cash, promissory notes, and investment income received by the trust fund.
Restricted Funds	Funds held in trust that are not available to the governing body for funding decision purposes.
Set-Aside	Funds that have been reserved based on governing body funding decision and pending commitment by the Trustee.
Systems Costs	Costs incurred for coordinating governance, administration, and business processes at the overall system level.
Commitments	Legal obligations to pay a recipient based on the funding decisions taken by a governing body.