



CGIAR Fund

Financial Report

Prepared by the Trustee

Summary of Financial Information

As of September 30, 2016



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Introduction

The information contained in this report is prepared based on financial information as of September 30, 2016.

The CGIAR Fund (the “Fund”) was established as a Financial Intermediary Fund (FIF) in December 2010. The Fund is administered by the World Bank as Trustee, and governed by the Fund Council, a representative body of Fund donors and other stakeholders. 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.

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.”

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CGIAR Fund Financial Summary as of September 30, 2016

Contributions

As of September 30, 2016, Contributions and Pledges to the Fund from Fund Donors totaled USDeq. 2.99 billion, of which USDeq. 105 million represents new or additional Contributions since June 30, 2016.

As of September 30, 2016, Fund Donors paid USDeq. 2.91 billion towards their Contributions. Of the total amount paid, USDeq. 110.48 million was received by the Trustee between June 30, 2016 and September 30, 2016.

The paid Contributions by Window is as follows: USDeq. 1031.50 million to Window 1, USDeq. 585.70 million to Window 2, and USDeq. 1.29 billion to Window 3.

Investment Income

Investment income earned to date totals USD 1.71 million, of which USD 0.05 million was earned between June 30, 2016 and September 30, 2016.

Funding Commitments

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, 2016, USD 1.64 billion has been committed by the Trustee under Windows 1 and 2 and USD 1.25 billion for Window 3. The Total Trustee Commitments for all windows is USD 2.89 billion.

Cash Transfers

Based on Fund Council or Fund Donor decisions, the Trustee has to date transferred USD 2.89 billion of which USD 1.64 billion approved by Fund Council and USD 1.25 billion designated to centers through Window 3. Out of the 1.64 billion transferred, USD 854.22 million was transferred from Window 1 to Centers for CRPs; USD 574.45 million from Window 2 to Centers for CRPs; USD 91.19 million to Consortium, ISPC, IEA, Fund Office and Trustee for System Costs; USD 97.36 million to Centers for Funding Stability and USD 18.89 million to Centers for Transition Finances; USD 3.34 million for Strengthening Impact Assessment in CGIAR (SIAC).

Funds Held in Trust and Funds Available for Cash Transfers

Funds Held in Trust totaled USD 32.8 million as of September 30, 2016, increased by USD 0.6 million since June 30, 2016. Of the Funds Held in Trust, USD 12.5 million is available for cash transfer to the Centers, resulting in a balance of USD 20.3 million as Funds Available for Cash Transfers towards CRPs and as determined by the Fund Council.



Financial Highlights

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, 2016, the CGIAR Fund has earned investment income of approximately USD 1.71 million on the undisbursed balance of the CGIAR Fund Trust Fund. The CGIAR Fund liquid portfolio has returned 0.43% through the calendar year to September 30, 2016. 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 97.5% 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. CGIAR Fund Summary – Inception through September 30, 2016

In USD millions

	Total	% of Total
<u>Donor Contributions</u>		
Contributions	2,984.7	100%
Pending Contributions	4.0	0%
Total Donor Contributions	2,988.7	100%
<u>Cumulative Resources</u>		
<u>Resources received</u>		
Contribution Receipts	2,909.2	96.8%
Other Receipts	15.7	0.5%
Investment Income earned	1.7	0.1%
Total Resources Received	2,926.5	97%
<u>Resources not yet received</u>		
Pending Contributions	4.0	0%
Contributions not yet received	75.6	3%
Total resources not yet received	79.6	3%
Total Cumulative Resources (A)	3,006.1	100%
<u>Trustee Commitments Net of Cancellations</u>		
Trustee Commitments Approved by Fund Council	1,639.4	57%
<i>of which transferred</i>	<i>1,639.4</i>	<i>57%</i>
Trustee Commitments for Window 3 designations to Centers	1,254.4	43%
<i>of which transferred to Centers</i>	<i>1,254.3</i>	<i>43%</i>
Total Trustee Commitments Net of Cancellations (B)	2,893.8	100%
Cumulative Resources Net of Trustee Commitments (A) - (B)	112.3	
<u>Funds Available for Cash Transfer</u>		
Funds Held in Trust	32.8	
Amounts Committed, pending cash transfer	0.1	
Total Funds Available for Cash Transfer	32.7	

**Numbers may not add-up due to rounding.*



2. Contributions

In millions

Contributor	Currency	In Contribution Currency			Total
		Pledge	Effective contributions	Total	USDeq. a/
Australia	AUD	-	175.32	175.32	156.21
Austria	EUR	-	6.80	6.80	7.85
Bangladesh	USD	-	0.60	0.60	0.60
Belgium	EUR	-	29.73	29.73	37.10
Canada	CAD	-	113.10	113.10	103.53
China	USD	-	13.29	13.29	13.29
Denmark	DKK	-	205.00	205.00	34.55
European Commission	EUR	-	50.05	50.05	63.65
Finland	EUR	-	14.00	14.00	17.65
France	EUR	-	5.80	5.80	7.33
Gates Foundation	USD	-	330.43	330.43	349.44
IBRD	USD	-	277.00	277.00	307.00
IFAD	USD	-	17.02	17.02	17.02
India	INR	-	1,657.71	1,657.71	27.26
Iran	USD	-	1.50	1.50	1.45
Ireland	EUR	-	17.89	17.89	26.59
Italy	EUR	-	2.20	2.20	3.01
Japan	USD	-	35.72	35.72	35.72
Korea, Republic of	USD	-	1.48	1.48	1.48
Luxembourg	EUR	-	2.60	2.60	3.36
Mexico	USD	4.00	2.00	6.00	6.00
Morocco	USD	-	3.00	3.00	3.00
Netherlands	b/ EUR	-	4.00	4.00	5.39
	USD	-	217.85	217.85	217.85
New Zealand	NZD	-	24.00	24.00	18.85
Nigeria	USD	-	1.20	1.20	1.20
Norway	NOK	-	612.54	612.54	96.22
Portugal	EUR	-	1.80	1.80	2.29
Russian Federation	USD	-	15.00	15.00	15.00
South Africa	USD	-	2.50	2.50	2.50
Spain	b/ USD	-	0.50	0.50	0.50
	EUR	-	0.52	0.52	0.68
Sudan	USD	-	1.00	1.00	1.00
Sweden	SEK	-	1,194.50	1,194.50	168.79
Switzerland	CHF	-	74.50	74.50	98.23
Thailand	USD	-	0.50	0.50	0.50
Turkey	USD	-	2.50	2.50	3.00
United Kingdom	b/ USD	-	15.34	15.34	15.34
	GBP	-	272.33	272.33	432.67
United States	USD	-	652.94	652.94	684.66
United Arab Emirates	USD	-	1.00	1.00	1.00
					2,988.75

a/ Valued at the exchange rates as of September 30, 2016

b/ Contributions made in more than one currency

* Numbers may not add-up due to rounding

The above table shows the status of contributions to the CGIAR Fund. As of September 30, 2016, the Trustee had entered into Contribution Agreements/Contribution Arrangements with 38 donors for a total of USDeq. 2.99 billion.



3. Schedule of Receipts and Cash Transfers

In USD millions

	As of September 30, 2016 (a)	As of June 30, 2016 (a)	Change since last report (a) - (b)
1. Cumulative Receipts	2,926.5	2,811.5	115.0
a. Contribution receipts	2,909.2	2,798.7	110.5
b. Other receipts a/	15.7	11.1	4.5
c. Investment income earned	1.7	1.7	0.1
2. Cumulative Cash Transfers	2,893.7	2,779.3	114.5
a. Centers	2,802.6	2,688.2	114.4
b. System Costs	91.2	91.1	0.1
c. Other	-	-	-
3. Funds Held in Trust	32.8	32.2	0.59

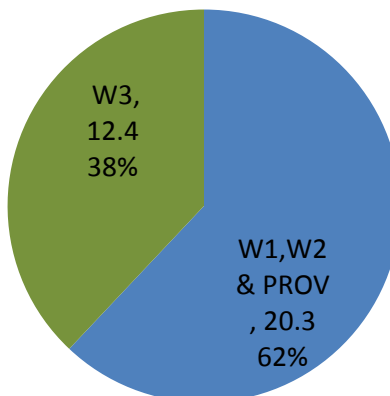
a/ Represents the amount of system cost sharing contributions collected by Centers and transferred by the Consortium to the CGIAR Fund.

* Numbers may not add-up due to rounding

FUNDS HELD IN TRUST

In USD millions

Funds Held in Trust totaled USDeq. 32.8 million as of September 30, 2016, increased by USDeq. 0.6 million, since June 30, 2016. Of the total amount of Funds Held in Trust, 62 percent were held in Window 1 (W1); Window 2 (W2); Provisional Account (PA) and 38 percent in Window 3 (W3).



in USD millions

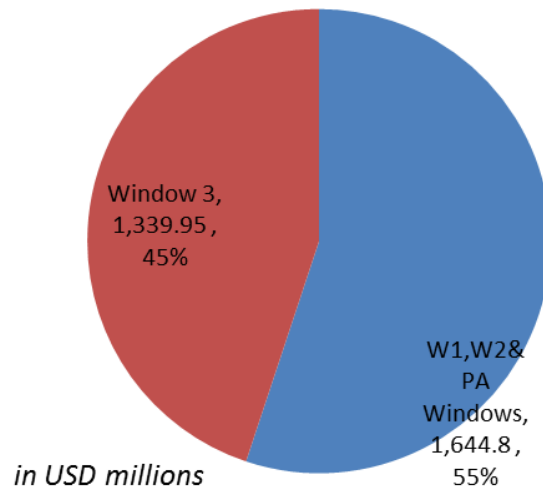


4. Cumulative Resources

In USD millions

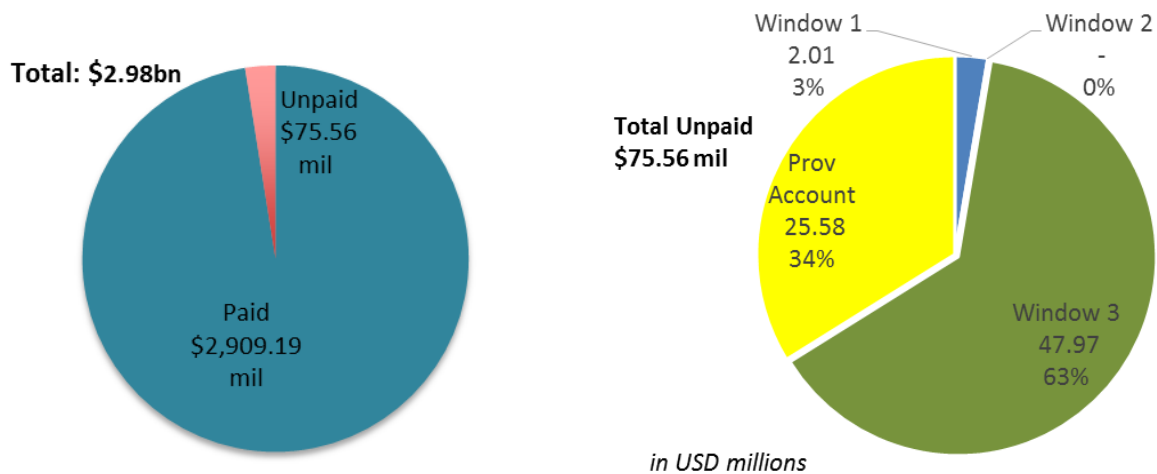
DONOR CONTRIBUTIONS BY WINDOW

Donor contributions totaled USDeq. 2.98 billion as of September 30, 2016, of which 55 percent of donor contributions are allocated to Window 1 (W1), Window 2 (W2) and Provisional Account (PA) and 45 percent to Window 3 (W3).



STATUS OF DONOR CONTRIBUTION PAYMENTS

Of the USDeq. 2.98 billion Contributed by donors, 97 percent are paid-in and 3 percent are unpaid. Out of the unpaid contributions of USD 75.56 mil, 63% is for Window 3 and 37% for all other Windows.





5. Asset Mix and Investment Income

ASSET MIX

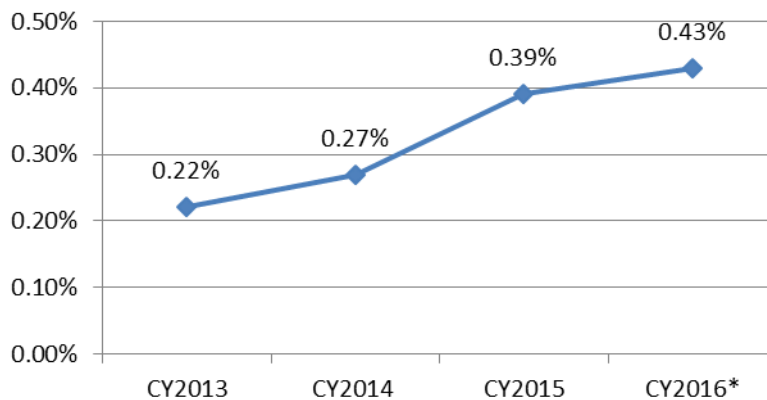
Funds held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the “Pool”) for all trust funds administered by the World Bank. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the 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.

On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management of trust funds. Funds are managed such that the expected maximum loss, as measured by the CVaR, at the portfolio’s investment horizon, is not to exceed 1% with 99% confidence.



INVESTMENT RETURNS

The CGIAR Fund liquid portfolio (which totaled USD 32.8 million as of September 30, 2016) has earned USD 1.71 million in investment income since inception.



*non-annualized returns

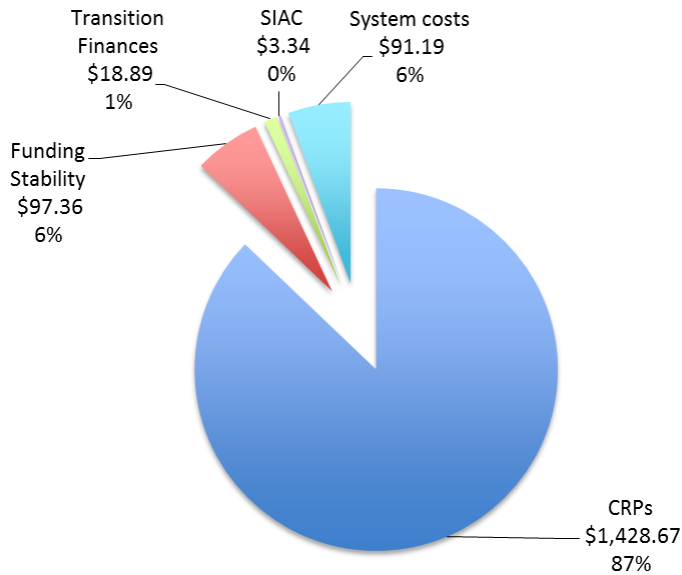


6. Cumulative Trustee Commitments and Cash Transfers for Window 1 and 2

In USD millions

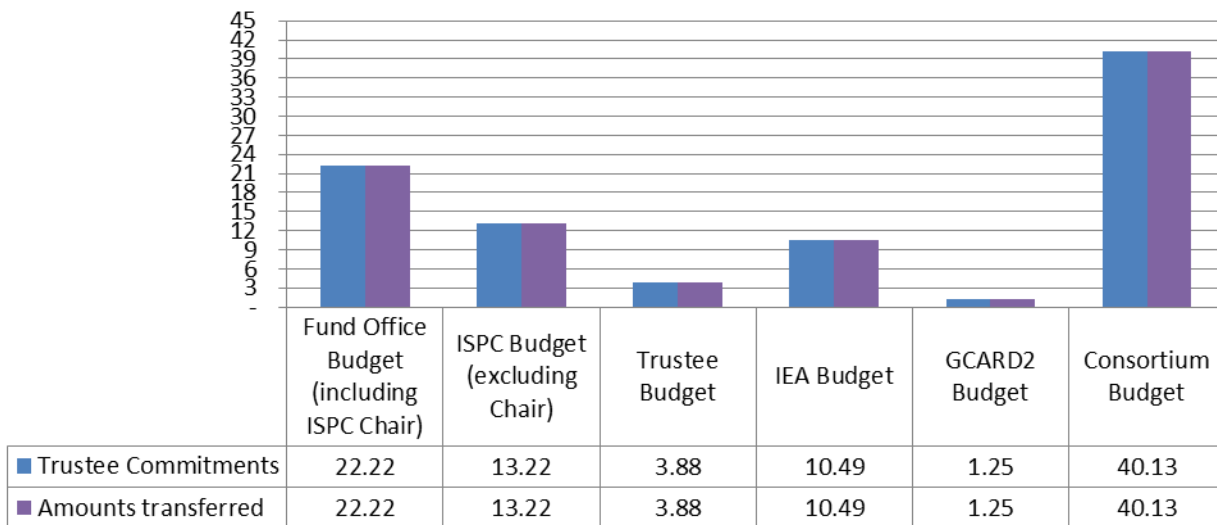
CUMULATIVE TRUSTEE COMMITMENTS BY ACTIVITY

Since inception to September 30, 2016, Trustee commitments totaled USD 1.64 billion. Of the total amount committed, CRPs represent about 87%, Funding Stability 6%, System costs 6%, Transition Finances 1% and SIAC 0%



SYSTEM COSTS APPROVALS AND CASH TRANSFERS

Of the USD 91.19 million committed for System Costs, the total amount USD 91.19 million has been transferred. The chart presents the breakdown by recipients.





7. Window 3 Cash Transfers

This table presents amounts transferred from Window 3 to Centers in accordance with Donors' designations, as of September 30, 2016.

Center Name	Amounts	Amounts	New Transfers Since Last Report
	Transferred as of 9/30/2016	Transferred as of 6/30/2016	
	(a)	(b)	(c) = (a) - (b)
AFRICA RICE CENTER	30.84	29.96	0.88
Bioversity	38.91	37.99	0.92
CIAT	41.03	37.87	3.16
CIFOR	49.34	47.85	1.48
CIMMYT	249.06	236.38	12.68
CIP	76.16	72.47	3.69
ICARDA	38.95	36.01	2.94
ICRAF	60.27	59.90	0.36
ICRISAT	87.67	80.70	6.97
IFPRI	219.05	203.12	15.93
IITA	135.56	131.94	3.62
ILRI	69.97	67.45	2.53
IRRI	95.43	94.23	1.21
IWMI	21.88	20.97	0.91
WorldFish Center	40.17	39.39	0.78
Total	1,254.30	1,196.23	58.07

* Numbers may not add-up due to rounding



ANNEX 1. 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.