



RACHEL KYTE
Chair
CGIAR Fund Council

November 6, 2014

Dear Colleagues,

At its meeting on 4th November in Brussels, the Fund Council discussed the CRP extension proposals and budgets (submitted for consideration by the Consortium) from a budget management perspective, based on an analysis provided by the Fund Office. The analysis provided details on each CRP's budget request, taking into consideration ISPC and Consortium Science Team assessments, absorptive capacity of the CRP, prior spending trajectory, dependency on W1/W2 funding, and budget growth proposed in the extensions. Members considered previous burn rates and spending patterns, and the likelihood and rate at which spending may be accelerated over the next two years.

The Fund Council approved the proposed budget allocations for each CRP as presented in the Fund Office analysis (see attachment).

The budgets for the following CRPs were unchanged: A4NH, CCAFS, Dryland Cereals, FTA, Grain Legumes, GRiSP, Livestock and Fish, Maize, PIM, RTB, and Wheat. The budgets for the remaining CRPs were reduced as follows:

- WLE: 15% of W1/2 request
- AAS: 25% of W1/2 request
- Humidtropics: 40% of W1/2 request
- Dryland Systems: 50% of W1/2 request

In making its decisions, the Fund Council focused on the importance of effective stewardship of limited funds. Although some questions about performance and science quality did surface, there was no rating of performance in the budget decisions. Fund Council members agreed to hold a session at their next meeting to discuss how research on dryland systems can be strengthened going forward.

In the course of the debate, it became clear that the Consortium Office had made different assumptions on underspends by CRPs. As at the end of the contract period unspent funds must be returned to the Trustee. As had previously been confirmed with the Consortium General Council and Chief Science Officer, new contracts will be issued for the extensions based on two year research proposals, including total budgets, by the Fund Council. We realize that some CRPs had prepared their budgets based on the incorrect assumption that underspends from 2014 would be available to them in addition to the budget requested. This information was noted by the FC and the FC will remain in touch with the Consortium to ensure no CRP is compromised by lack of W1/2 funding allocations.

Fund Council members appreciate the excellent work being done across the system and endeavor to ensure that the allocation of Windows 1 and 2 resources will be used in the most efficient and effective way for maximum impact.

Sincerely,
Rachel Kyte

Modified W1/W2 extension proposals for Fund Council consideration:

						2014	2015	2016
Group	CRP	Extension Request	Suggested modifications	Variance with original W1/W2 budget request	Variance with original total budget request	W1/2	W1/2 modified	W1/2 modified
A	A4NH, Agriculture for Nutrition and Health	59,000	59,000	0%	0.0%	28,000	29,300	29,700
A	CCAFS, Climate Change, Agriculture and Food Security	99,200	99,200	0%	0.0%	47,348	48,400	50,800
A	DC, Dryland Cereals	16,514	16,514	0%	0.0%	9,827	7,140	9,374
A	FTA, Forests, Trees and Agroforestry	68,838	68,838	0%	0.0%	34,100	32,780	36,058
A	GL, Grain Legumes	35,471	35,471	0%	0.0%	18,722	16,150	19,321
A	GRISP, Rice	86,360	86,360	0%	0.0%	37,759	41,440	44,920
A	L&F, Livestock and Fish	34,755	34,755	0%	0.0%	19,149	16,550	18,205
A	MAIZE	41,048	41,048	0%	0.0%	16,318	20,220	20,828
A	PIM, Policies, Institutions and Markets	54,500	54,500	0%	0.0%	29,700	27,000	27,500
A	RTB, Roots, Tubers and Bananas	68,456	68,456	0%	0.0%	36,100	33,155	35,301
A	WHEAT	39,570	39,570	0%	0.0%	15,246	19,144	20,426
B	AAS, Aquatic Agricultural Systems	42,100	31,575	-25%	-13.2%	16,399	15,075	16,500
B	Humidtropics	42,000	25,200	-40%	-21.5%	12,489	12,000	13,200
B	WLE, Water, Land and Ecosystems	71,400	60,690	-15%	-7.7%	29,200	28,900	31,790
C	DS, Dryland Systems	42,000	21,000	-50%	-18.5%	20,722	10,373	10,628
		801,212	742,177	-7%	-2.8%	371,079	357,627	384,551

CGIAR Fund Office • Mailing address: The World Bank, MSN P6-601, 1818 H Street, NW, Washington, DC 20433, USA

Office Location: 900 - 19th Street, NW, Washington, DC 20006

Tel: (202)473-8918 • Fax: (202)473-8110 • Email: cgiarfund@cgiar.org • Web site: www.cgiarfund.org