

CIMMYT Funding Overview

2001-2002

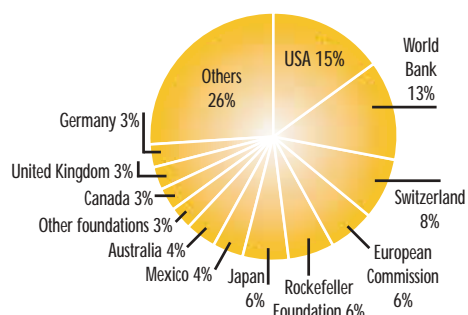


Figure 1. Top 12 investors in CIMMYT, 2001.

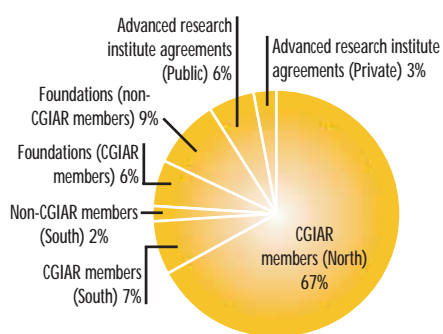


Figure 2. Investors in CIMMYT, 2001.

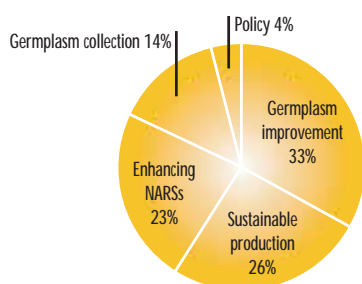


Figure 3. Allocation by CGIAR output, 2001.

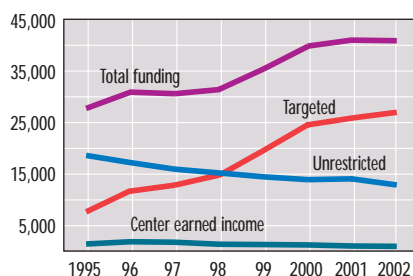


Figure 4. Trends in funding (US\$ 000), 1995-2002.

Funding at a Glance

The governments and agencies that provided the largest share of our funding in 2001 are shown in Figure 1. The contributions to CIMMYT's budget by CGIAR member nations, North and South, as well as foundations and advanced research institutes (public and private), are presented in Figure 2. To achieve the five research outputs of the CGIAR, CIMMYT allocated its budget as shown in Figure 3.

Sources of income from grants are presented in the Table (p. 56). Targeted funding continues to provide the bulk of CIMMYT's research resources (Figure 4). The trend in core unrestricted funding in relation to targeted contributions continues to provide challenges to the Center, as flexibility is reduced and core research on the management and use of genetic resources becomes harder to support. Full costing of projects is more important than ever, including accurate costing and recovery of indirect costs. Indirect costs are currently running at about 28%, whereas net overhead recovery is slightly less than half this rate.

Funding Trends

Funding for 2001 was US\$ 41.030 million (including Center earned income), of which 80% came from CGIAR investors and 20% from other sources. Expenditure was US\$ 41.3 million.

The budget in 2001 was 4% higher than initially projected for several reasons. First, our research portfolio is highly relevant to the current goals of investors who have traditionally supported international agricultural research. Second, CIMMYT has enhanced efforts to support its research with non-traditional sources of funding. The trend towards diversified sources of income has continued in 2001-2002. CIMMYT's partnerships with foundations and advanced research institutes are expanding.

CIMMYT's alliances with advanced research institutes take the form of partnerships, generally with the public sector in the North and the South. In the case of the former, CIMMYT is interested in alliances that help us to more quickly develop new, appropriate technologies and deliver them to farmers' fields in developing countries. For the latter, we are very cognizant of our role in helping to create an enabling environment for our partners in developing countries. A significant component of CIMMYT's budget in 2001 (almost US\$ 5.5 million) was flow-through funding to our partners in the South; this represents trust in CIMMYT by our partners and trust with our investors.

Similarly, our interactions with the advanced research institutes of the private sector have become stronger. These interactions continue to take the form of "win-win" alliances directed at achieving the following outcomes:

- access to proprietary technologies that enable CIMMYT to deliver research outcomes to developing countries more quickly;
- the facilitated transfer of technology, research products, and other benefits to the resource-poor; and
- the leverage of additional resources brought to bear on challenges in developing countries.

A third reason that the Center's budget was higher in 2001 than initially projected is that CIMMYT has vigorously pursued partnerships that enable scientists from developed countries to work at CIMMYT sites worldwide and make a significant contribution to CIMMYT's research agenda. This approach, known as "in-kind contributions," is perhaps best exemplified by the current contribution from France (CIRAD, IRD, INRA),* but there are a number of other examples. Total income in this category for 2001 amounted to almost US\$ 2 million.

Prospects for 2002-2003

An important factor in the Center's budget and cash flow scenario in 2001 was that the US dollar remained strong against almost all other currencies in the world.

Against this trend, however, the Mexican peso appreciated in value. With 50% of CIMMYT's budget expended in pesos, the Center was forced to produce an effective "efficiency gain" of 5-7%.

The operation of a Center that has two major plant breeding programs continues to pose challenges for financial management, particularly with regard to cash flow and working capital reserves. CIMMYT's level of working capital is lower than that recommended by the CGIAR and an additional injection is needed. We are using alternative options to increase working capital beyond the current level of about 50 days. We have also taken measures internally to optimize the use of capital funds. For example, we have implemented an internally administered cost recovery system for the vehicle fleet.

Given the volatility of traditional funding resources and the increased competition for resources, both inside and outside the CGIAR, CIMMYT's budget estimate for 2003 is likely to be more conservative. More specifically, CIMMYT and other CGIAR Centers will be affected by changing conditions in the World Bank's general support allocation (replacing the matching formula with a fixed contribution based on the past three years' funding outcomes), most probably starting in 2003. In addition, we have not budgeted funds for the implementation of the Challenge Programs.

* CIRAD (Centre de Coopération Internationale en Recherche Agronomique pour le Développement), IRD (Institut de Recherche pour le Développement), and INRA (Institut National de la Recherche Agronomique).

Table 1. CIMMYT sources of income from grants by country/entity (US\$ 000s), 2001.

Investor	Grant	Investor	Grant
ADB (Asian Development Bank)	745 ¹	Kenya, Government of	78
Argentina	50	KARI (Kenya Agricultural Research Institute)	78 ²
INTA (Instituto Nacional de Tecnología Agropecuaria)	50 ⁶	Korea, Republic of	140
Australia	1,467	Rural Development Administration	140 ²
AusAID	115 ¹	Mexico	1,592
Australian Centre for International Agricultural Research	640 ¹	SAGAR (Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación)	1,137 ²
CRC Molecular Plant Breeding	259 ⁶	Fideicomisos Instituidos en Relación con la Agricultura	45 ³
Grains Research and Development Corporation	448 ⁶	Fundación Guanajuato Produce A.C.	59 ⁵
Southern Cross University	5 ⁶	Fundación Hidalgo	30 ⁵
Austria	160	Fundación Sonora	228 ⁵
Federal Ministry of Finance	160 ¹	Grupo Industrial Bimbo (Industrial Quality in Wheat)	38 ⁷
Azerbaijan	158	ICAMEX (Maize and Wheat Improvement)	54 ⁷
Agency for Support to the Development of the Agricultural Private Sector	158 ³	Miscellaneous Research Grants	149 ⁶
Bangladesh	65	Netherlands	398
Bangladesh Agricultural Research Council	65 ²	Ministry of Foreign Affairs	318 ¹
Belgium	574	DGIS (Directorate General for International Cooperation)	81 ⁶
Ministry of Foreign Affairs, Foreign Trade and International Cooperation	574 ¹	New Zealand	100
Bolivia	449	Ministry of Foreign Affairs and Trade	100 ¹
Protrigo	449 ³	Norway	268
Brazil	100	Royal Norwegian Ministry of Foreign Affairs	268 ¹
EMBRAPA (Brazilian Agricultural Research Corporation)	100 ²	OPEC Fund for International Development	50 ¹
Canada	1,335	Other	717 ⁷
Agriculture and Agri-Food	63 ⁶	Other Foundations	1,337 ⁵
Canadian International Development Agency	1,213 ¹	Peru	60
International Development Research Centre	58 ¹	National Institute of Natural Resources	60 ²
CGIAR	648	Philippines	12
Centro Internacional de Agricultura Tropical	30 ¹	Bureau of Agriculture Research, Department of Agriculture	12 ²
CGIAR Finance Committee*	352 ¹	Portugal	150
International Food Policy Research Institute	154 ¹	Institute for International Scientific and Technological Cooperation	150 ¹
International Livestock Research Institute	20 ¹	Rockefeller Foundation	2,405 ⁴
International Plant Genetic Resources Institute	23 ¹	SCOPE	37 ⁶
Standing Panel on Impact Assessment	68 ¹	South Africa	135
China	424	Agricultural Research Council	41 ⁶
Department of International Cooperation, Ministry of Agriculture	120 ²	National Department of Agriculture	94 ²
CAAS (Chinese Academy of Agricultural Sciences)	293 ⁶	Spain	325
Lamsou Milling Company (Germplasm Enhancement)	11 ⁷	Ministerio de Agricultura, Pesca y Alimentación	223 ²
Colombia	219	Agrovegetal, S.A. (Durum and Bread Wheat Breeding)	102 ⁷
CORPOICA	87 ³	Sweden	352
Ministry of Agriculture and Rural Development	132 ²	Swedish International Development Agency	352 ¹
Denmark	686	Switzerland	3,325
Danish International Development Agency	686 ¹	Swiss Agency for Development and Cooperation	1,680 ¹
European Commission	2,424	Syngenta Foundation for Sustainable Agriculture	1,644 ⁵
Rural Development and Food Security	2,424 ¹	Tajikistan, Republic of	5
Ecuador	23	Farm Privatisation Support Project	5 ³
Promsa	23 ³	Thailand	9
FAO (Food and Agriculture Organization)	21 ¹	Department of Agriculture	9 ²
Ford Foundation	56 ⁴	United Kingdom	1,319
France	1,113	Department for International Development	1,295 ¹
Club Cinq (Wheat Breeding)	153 ⁷	University of Reading	24 ⁶
Ministère de l'Éducation Nationale, de la Recherche et de la Technologie - DRIC (Délégation aux Relations Internationales et à la Coopération)	960 ¹	UNDP (United Nations Development Programme)	505
Germany	1,216	Africa Bureau	413 ¹
Eiselen Foundation	64 ⁵	SEED	93 ¹
Federal Ministry of Economic Cooperation and Development	1,139 ¹	Uruguay	150
University of Hohenheim	13 ⁶	National Institute of Agricultural Research	150 ³
India	181	USA	5,971
Department of Agriculture, Research and Education	161 ²	Carter Center	80 ⁵
Maharashtra Hybrid Seed Co. Ltd. (Wheat Germplasm)	20 ⁷	Cornell University	36 ⁶
Indonesia	69 ²	Hilton Foundation	12 ⁵
IDB (Inter-American Development Bank)	300 ¹	Monsanto Company (Hybrid Wheat)	229 ⁷
IFAD (International Fund for Agricultural Development)	441 ¹	Oklahoma State University	28 ⁶
Iran, Islamic Republic of	227	Pioneer (Training Center)	25 ⁷
Ministry of Agriculture	227 ²	Stanford University	116 ⁶
Japan	2,214	United States Agency for International Development	4,883 ¹
Economic Cooperation Bureau, Ministry of Foreign Affairs	1,814 ¹	United States Department of Agriculture	547 ⁶
JIRCAS (Japan International Research Center for Agricultural Sciences)	112 ¹	University of California	15 ⁶
Nippon Foundation	251 ⁵	World Bank	5,028 ¹
Sasakawa-Global 2000	37 ⁵	Total Grants	39,980 ^{**}

* Activities related to this grant: Rice-Wheat Consortium (214), Maize-rice genomics (55), CAC System-wide Initiative (wheat) (62), and CAC System-wide Initiative (maize) (21).

** Does not include Center income of US\$ 1.050 million.

¹⁾ CGIAR Members (North).

²⁾ CGIAR Members (South).

³⁾ Non-CGIAR members (South).

⁴⁾ Foundations (CGIAR members).

⁵⁾ Foundations (Non-CGIAR members).

⁶⁾ Advanced research institute agreements (Public).

⁷⁾ Advanced research institute agreements (Private).