



Fund

Fund Council

2nd Meeting (FC2)—Rome, Italy

July 14-16, 2010

Form of Contribution Agreement

(Will be revised, taking into account comments and issues raised at FC2)

*Document presented for Agenda Item 4:
Outstanding Business Issues Related to
CGIAR Fund Establishment Documents*

Submitted by:
Fund Office

Form of Contribution Agreement

This document is being distributed for purposes of reaching donor consensus on its terms. Agreement on the form of agreement is needed to enter into any agreements for receipt of funds into the trust fund. It may be affected by agreement negotiations with the Consortium, which are just beginning.

*Form of Contribution Agreement ¹
Between the [Fund Donor] and the Trustee
for the CGIAR Fund (MTO 069017)
Dated [___]*

WHEREAS, this Contribution Agreement is entered into by the International Bank for Reconstruction and Development and the _____ (the “Fund Donor”) for the purpose of receiving funds for the multi-donor trust fund for the CGIAR, MTO 069017, and for which capitalized terms used herein but not otherwise defined herein are used as defined in Annex 1 (Defined Terms) attached hereto;

WHEREAS, the governance of the CGIAR Fund is set forth in the Governance Framework adopted by the Fund Council on [July 16], 2010, ; and

NOW THEREFORE, the Parties hereto agree as follows:

1. The Fund Donor hereby agrees to contribute a total amount of _____ [currency and amount] to the CGIAR Fund as specified in paragraph 4 below.
2. The Contribution shall be administered by the Trustee on behalf of the Donor in accordance with the terms and conditions specified in this Contribution Agreement, including Annex 1 (Defined Terms), Annex 2 (Trustee Provisions), Annex 3 (Form of W3 Transfer Agreement), and the Governance Framework, which is hereby incorporated by reference, all of which constitute an integral part of this Contribution Agreement. In addition, the current version on the date of this Contribution Agreement of the Governance Framework is attached hereto as Annex 4 for informational purposes only. Other donors are also expected to contribute to the CGIAR Fund on such terms and conditions.
3. The Fund Donor shall deposit the Contribution in cash² through a bank transfer into such account with such bank designated by the Trustee [USD\$ 25,000,000]³ in accordance with the following payment schedule, in each case upon submission of a payment request by the Trustee:
 - (i) [US\$ 15,000,000] [upon effectiveness of this Contribution Agreement] [on or before _____] (“Installment 1”); [and]
 - (ii) [US\$ 10,000,000] on or before _____ (“Installment 2”).⁴

¹ The cover agreement and annexes may be revised as needed in the case of donors that require non-agreement language. Specific donor terms that do not affect the commingled funds and are acceptable to the Trustee and consistent with the intent of the reform may also be added to the cover agreement.

² Language is to be revised in the event of use of instruments payable on demand.

³ Numbers are provided here simply by way of example. All amounts in this cover agreement should be expressed in the same currency as the contribution in paragraph 1.

⁴ Modify the payment schedule as appropriate. Commitments / payments may be made in one lump sum or multiple installments. Firm dates (by day, month or year) should be provided in each case.

4. When making deposits, the Fund Donor shall instruct its bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Fund Donor for the CGIAR Fund (MTO 069017), and the date of the deposit.

5. Upon receipt and identification of any deposits, and subject to the terms of paragraphs [2.6] and [4.3] of Annex 2 (Trustee Provisions) attached hereto, the Trustee shall assign the funds as follows:

Installment	Amount ⁵	Window ⁶	Designation ⁷	CSFFP/CSFSP ⁸	Net Allocation
Installment 1	\$ 5,000,000	3	IFPRI	\$ 50,000	\$ 4,950,000
	\$ 7,000,000	3	CIAT	\$ 70,000	\$ 6,930,000
	\$ 3,000,000	2	MP2	\$ 30,000	\$ 2,970,000
Installment 2	\$ 10,000,000	1	N/A	N/A	\$ 10,000,000
TOTAL	\$ 25,000,000			\$ 150,000	\$ 24,850,000

6. Immediately upon assigning the funds as specified above, the Trustee shall convert all such funds into an Operational Currency.

7. The offices responsible for coordination of all matters related to the implementation of this Contribution Agreement are, except as may be notified in writing to the other Contact:

For the Trustee (the “Trustee Contact”):

Director
Multilateral Trusteeship and Innovative Financing
The World Bank
1818 H Street, NW
Washington, DC 20433, U.S.A.
Tel: + 1 202 458 0019
Fax: + 1 202 614 0249

For the Fund Donor (the “Donor Contact”):

[insert details]

8. This Contribution Agreement may be amended only by written, signed agreement between the Trustee and the Fund Donor; provided, however, that (i) Annexes 1, 2 and 3 attached hereto may be amended only with the written, signed agreement of all Fund Donors and the Trustee, and (ii) any amendment made to the Governance Framework in accordance with its terms shall apply to this Contribution Agreement as and when such amendment becomes effective without the need

⁵ The numbers in this column must aggregate to the total Contribution in paragraph 1.

⁶ In each case, either Window One, Two or Three.

⁷ Designations can be either specific Centers for Window 3, MPs for Window 2, or “provisional” if no specific designation is made at the time of signature.

⁸ Demonstration amounts of 0.7% for the CSFFP and 0.3% for the CSFSP have been used here.

for further written agreement between the Trustee and any of the Fund Donors; provided that such amendment does not conflict with other terms of this or other Contribution Agreements or World Bank policies and procedures.

9. This Contribution Agreement may be executed in separate counterparts and by each of the Parties separately on a separate counterpart, and each such counterpart, when so executed, shall be an original. Such counterparts shall together constitute one and the same instrument.

10. IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorized representatives, have caused this Contribution Agreement to be signed in their respective names. This Contribution Agreement shall become effective as of the date of the last signature.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
as Trustee of the CGIAR Fund**

Axel van Trotsenburg, Vice President
Concessional Finance and Global Partnerships

Date: _____

[FUND DONOR]

[name]

[title]

Date: _____

Attachments:

Annex 1 (Defined Terms)

Annex 2 (Trustee Provisions)

Annex 3 (Form of W3 Transfer Agreement)

Annex 4 (Governance Framework) – for informational purposes only

Defined Terms

“Bilateral Funders” means funders of the CGIAR that provide their funding directly to the Centers.

“Bilateral Funding” means funding that flows directly from Bilateral Funders to Centers.

“Bilateral Portion of System Costs” means the Bilateral Funders’ portion of the System Costs.

“CGIAR” means the reformed global research-for-development partnership consisting of the Consortium of Centers and its funders working with partners to implement the SRF based on the aspirations expressed in the Joint Declaration.

“CGIAR Funders” means all Fund Donors and all Bilateral Funders.

“CGIAR Fund” means the multi-donor trust fund, MTO 069017, for the CGIAR administered by the World Bank, as Trustee, and governed by the Fund Council.

“Centers” means the international agricultural and natural resources research centers that are members of the Consortium.

“Common Operational Framework” means the common framework agreed between the Fund Council and the Consortium Board on processes, reporting, monitoring, evaluation and other operational aspects that applies to all funding and implementation aspects of the SRF, regardless of funding source or implementing entity.

“Consortium” means the consortium of the Centers established on [____], 2010 to manage and implement the SRF, including as the Consortium is initially hosted by one of the Centers.

“Consortium Board” means the Board of the Consortium as defined by the Constitution.

“Constitution” means the primary governing document of the Consortium as adopted by the Centers on [____], 2010.

“Contribution” means, with respect to each Contribution Agreement, the total amount expressed as the respective Fund Donor’s contribution to the CGIAR Fund in Section 1 of such Contribution Agreement, as such amount may be supplemented through amendments to such Contribution Agreement from time to time.

“Contribution Agreement” means the agreement entered into between the Trustee and a Fund Donor in respect of the Fund Donor’s contribution to the CGIAR Fund.

“Donor Share” means, with respect to each Fund Donor, an interest in the CGIAR Fund in an amount equal to the aggregate of the respective Fund Donor’s shares of the respective Fund Donor’s designations as credited by the Trustee.

“Fund Costs” means the costs of supporting the CGIAR Fund, including those of the Trustee and the Fund Office.

“Fund Portion of System Costs” means the Fund Donors’ portion of the System Costs.

“Fund Council” means the CGIAR Fund’s decision making body representing all Fund Donors.

“Fund Council Members” means the representatives of the specific entities designated to participate in Fund Council meetings by the respective regional constituencies of Fund Donors, in addition to certain representatives designated to participate in Fund Council meetings from other specified CGIAR stakeholders.

“Fund Donor” means any entity that provides a minimum contribution of US\$ 100,000 to the CGIAR Fund through a Contribution Agreement.

“Fund Office” means the support unit of the Funders Forum, the Fund Council, and their respective Chairs.

“Fund Use Agreements” means any agreements entered into between the Consortium or the Centers, on the one hand, and the World Bank, whether in the World Bank’s capacity as Trustee or on behalf of the Fund Council, on the other hand, for the receipt of Funds by the Consortium or the Centers, as the case may be.

“Funders Forum” means the biennial event that brings together Fund Donors and Bilateral Funders.

“GCARD” means the biennial Global Conference on Agricultural Research for Development, which is a forum to engage stakeholders in the design of the SRF and MPs so the CGIAR can avail itself of GCARD recommendations, including the identification of opportunities for partnerships and demand-driven research for development.

“Governance Framework” means the governance framework adopted by the Fund Council on [July 16], 2010, as such document may be amended by the Fund Council from time to time in accordance with its terms.

“IEA” means the independent evaluation arrangement under the M&E Framework for (a) regular independent evaluations of MPs commissioned by the Fund Council, and (b) periodic independent evaluations of the CGIAR as a whole commissioned by a special purpose body jointly established by the Fund Council and the Consortium.

“ISPC” means the Independent Science and Partnership Council, which is an independent standing panel established by the Fund Council to provide independent advice and expertise as part of its assessment of MPs and other SRF research proposals submitted by the Consortium and serves as an intellectual bridge between the Fund Council and the Consortium.

“Investment Income” means the aggregate amount of any income earned from the investment of CGIAR funds.

“Joint Declaration” means the document approved by the CGIAR Business Meeting on December 8, 2009, which sets forth mutual aspirations and expectations for the CGIAR.

“Lead Center” means the Center assigned by the Consortium to coordinate the implementation of activities and receive fund transfers from the CGIAR Fund with respect to a Mega Program or other SRF research proposal from the Consortium.

“M&E Framework” means the monitoring and evaluation framework approved by the CGIAR Business Meeting on December 8, 2009, which provides a coordinated approach for assessing the implementation of the SRF, as a means to promote both institutional learning and accountability, as such framework may be incorporated into the Common Operational Framework or otherwise revised through agreement of the Fund Council and the Consortium.

“MPs” means the research proposals submitted by the Consortium and approved by the Fund Council for coordinated implementation of the SRF by the Centers and their partners, which become subaccounts of Window 2 of the CGIAR Fund to which Fund Donors can designate their funding.

“Operational Currencies” means the currencies offered by the Trustee and approved by the Fund Council in which the funds in the CGIAR Fund may be held, i.e., United States dollars and Euros.

“Party” means, in the case of each Contribution Agreement, the International Bank for Reconstruction and Development and the donor signatory party to such Contribution Agreement, respectively, and together the “Parties.”

“Provisional Subaccount” means the subaccount of the CGIAR Fund to which Fund Donors may contribute funds without initially specifying any designations.

“SRF” means the Strategy and Results Framework approved by the Funders Forum on [July 15], 2010, which sets forth common goals (in terms of development impacts), strategic objectives and results (in terms of outputs and outcomes) to be jointly achieved by the CGIAR Fund, the Consortium and Bilateral Funders within a specified timeframe.

“System Costs” means non-research costs incurred for coordinating governance and business processes at the overall system level that are carried out for the benefit of the CGIAR as a whole, as specified in the System Costs Structure and Cost Sharing Modality.

“System Costs Structure and Cost Sharing Modality” means the structure for System Costs and the arrangement for equitable distribution of all System Costs among all CGIAR Funders, as developed by the Fund Office in conjunction with the Consortium and endorsed by the Funders Forum, as it may be amended from time to time by agreement of the Consortium and the Fund Council.

“Trustee” means the World Bank in its capacity as administrator of the CGIAR Fund.

“Window” means one of three accounts of the CGIAR Fund, where “Window 1” is for Fund Donor designations to the funding pool allocated by the Fund Council, “Window 2” is for Fund Donor designations to MP subaccounts, and “Window 3” is for Fund Donor designations to Centers.

“World Bank” means the International Bank for Reconstruction and Development.

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Trustee Provisions for the CGIAR Fund

This Annex shall be applicable to and form an integral part of each Contribution Agreement entered into between the World Bank as Trustee, acting not for its own account, but solely in its capacity as trustee of the CGIAR Fund, and each Fund Donor with respect to funds contributed to the CGIAR Fund.

1. Role of the Trustee

1.1 The Trustee shall be responsible only for performing those functions specifically set forth in the Contribution Agreements and shall not be subject to any other duties or responsibilities to the Fund Donors, the Consortium or any other CGIAR participant, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in the Contribution Agreements shall be considered a waiver of any privileges or immunities of the World Bank's Articles of Agreement or any applicable law, all of which are expressly reserved.

2. Administration of the Contributions

2.1 Contributions to the CGIAR Fund may be received from an entity approved by the Fund Council that agrees to enter into a Contribution Agreement with the Trustee, consistent with the Trustee's policies and procedures. The Trustee shall periodically update the Fund Council on new Contribution Agreements and new indications of funding to the CGIAR Fund.

2.2 Funds may be provided to the Trustee for deposit into the CGIAR Fund in the originally stated currency or in an equivalent amount of a freely convertible currency (as "freely convertible" is determined by the Trustee). With respect to each Contribution, funds provided to the Trustee in a currency other than an Operational Currency shall be converted, in the Trustee's discretion, to an Operational Currency.

2.3 Fund Donors may agree to contribute funds to the CGIAR Fund by means of payment in cash, or, with agreement of the Trustee, by the delivery to the Trustee of instruments payable on demand or similar obligations in a form acceptable to the Trustee; provided that such payment terms shall be specified in the respective Contribution Agreement. Contributions may be paid in one lump sum or in installments on the terms agreed with the Trustee and specified in the respective Contribution Agreement.

2.4 Fund Donors may specify designations for their Contributions to Window 2 on the basis of Fund Council approvals of Mega Programs and the Trustee's establishment of such Mega Program as an eligible subaccount of Window 2. The Trustee shall maintain a list of eligible Window 2 designations and status based on Fund Council approvals.

2.5 Subject to paragraph 2.6 of this Annex below, when Fund Donors specify designations for their Contributions, the Trustee assigns the specified designated amount to the respective subaccount, such as Window 1, a Mega Program under Window 2, Window 3, and the Provisional Subaccount. Once funds have been received and credited to the respective subaccount, those designations cannot be changed by an individual Fund Donor, except that (i) a Fund Donor may assign its pro rata share of the Provisional Subaccount to Window 1, subaccounts of Window 2

and / or Centers under Window 3 through a written notice from the Donor Contact to the Trustee, and (ii) a Fund Donor may terminate its participation in the CGIAR Fund and receive its pro rata shares across all subaccounts in accordance with paragraph [x] of this Annex below. Each Fund Donor shall have an interest in the CGIAR Fund equal to its Donor Share.

2.6 Any designations specified by Fund Donors for their Contributions shall be subject to the following terms:

- (i) With respect to Window 2 designations, if the funds contributed to a specific Window 2 subaccount (Mega Program) exceed the total budget amount approved by the Fund Council for that Mega Program, those excess funds shall be transferred by the Trustee into Window 1 on a pro rata basis for each Fund Donor that has contributed funds to that subaccount. To avoid such redesignations prior to a deposit of funds by a Fund Donor, such Fund Donor may amend its designation of funds, provided that such amendment shall not reduce the total amount previously agreed to be provided by such Fund Donor.
- (ii) With respect to Window 2 designations, the Fund Council may at any time decide to instruct the Trustee, primarily to address instances of over- and underfunding of Window 2 subaccounts (Mega Programs), and net of any previous commitments to the Consortium or Centers, to (a) move a specific amount of funds from one Window 2 subaccount to another Window 2 subaccount, (b) move a specific amount of funds from a Window 2 subaccount to Window 1, and (c) close a Window 2 subaccount, in which case funds contributed thereto and any receivables shall be transferred by the Trustee to Window 1.
- (iii) With respect to Window 3 designations, any amounts contributed to Window 3 may be received by the Trustee only for the time period during which Window 3 remains open, as may be determined at any time by the Fund Council, such that any Window 3 commitments made under a Contribution Agreement shall not be valid after such time period.

2.7 Subject to the availability of applicable funds held in Window 1 and Window 2 of the CGIAR Fund as determined by the Trustee, the Trustee may commit, transfer or use such funds for any purpose approved and in the amount allocated by the Fund Council in accordance with the terms of the Contribution Agreements and the Governance Framework; provided that funds credited to a designated Mega Program may be committed or transferred only with respect to the specified designation.

2.8 With respect to funds held in Window 3 of the CGIAR Fund as determined by the Trustee, the Trustee shall provide a signed W3 Transfer Agreement substantially in the form of Annex 2 attached hereto to each designated recipient Center, as instructed by the contributing Fund Donor under its Contribution Agreement. Upon countersignature by such Center and receipt by the Trustee of such countersigned W3 Transfer Agreement, the Trustee shall transfer funds in accordance with the terms of such W3 Transfer Agreement.

2.9 The Fund Donors acknowledge and agree that neither the Trustee nor the Fund Office, nor any part of the World Bank, has responsibility under the Contribution Agreements or otherwise for (i) confirming that funds from the CGIAR Fund were used for intended purposes; (ii) implementing, monitoring, supervising, evaluating, or providing quality assurance for activities

funded by the CGIAR Fund; (iii) providing Fund Donors with financial, progress, results or impact reporting for activities funded by the CGIAR Fund; or (iv) any misuse or misprocurement by any entity other than the World Bank with respect to funds from the CGIAR Fund. The Fund Donors further acknowledge and agree that the Trustee shall disburse funds requested by the Consortium or other recipients for implementation of activities under the SRF on the basis of documented approvals by the Fund Council and proper fund transfer requests, as specified in relevant agreements, without requiring pre- or post-fund transfer review by the Trustee of any funding proposals submitted to the Fund Council or any activities implemented thereunder. The Trustee shall have no responsibility for reviewing the appropriateness of any decision by the Fund Council or fund transfer requests, including depository information, and shall at all times be entitled to rely thereon.

3. Commingling, Exchange and Investment of the Contributions

3.1 The Contributions shall be accounted for as a single trust fund and kept separate and apart from the funds of the World Bank. The Contributions may be commingled with other trust fund assets maintained by the World Bank.

3.2 The Contributions may be freely exchanged by the Trustee into other currencies as may facilitate their transfer.

3.3 The World Bank shall invest and reinvest the funds in the CGIAR Fund pending their transfer in accordance with the World Bank's applicable policies and procedures for the investment of trust funds administered by the World Bank. The Trustee shall credit all income from such investment to Window 1 of the CGIAR Fund.

4. Costs

4.1 Costs incurred by the Trustee, including hiring consultants and providing other support services, shall at all times be covered in their entirety by the CGIAR Fund. The Fund Donors acknowledge and agree that the Trustee's annual budget amounts approved by the Fund Council shall be adjusted as necessary at the end of each calendar year based on actual costs incurred.

4.2 Fund Costs and System Costs shall be paid from Window 1 and may go to the Trustee, the Fund Office, the ISPC, the Consortium and any other entity whose proposed annual budget and work plan may have been approved by the Fund Council. The Trustee shall, upon verification of Fund Council approval, transfer the relevant budget amount to the respective entity following entry by the World Bank, on behalf of the Fund Council, into a proper transfer agreement (or internal documentation in case of the Fund Office). Such entity shall return any funds remaining unused at the end of its budget year to the Trustee for deposit into Window 1 to the extent actual costs incurred were lower than the transferred budget amount.

4.3 As direct contributions from Window 2 and Window 3 to Fund Costs and System Costs paid through Window 1, the Trustee shall be entitled to deduct from amounts contributed to Windows 2 and 3 the relevant percentages for transfer to Window 1 to equitably defray the Fund Costs and the Fund Portion of System Costs, respectively, in accordance with the System Costs Structure and Cost Sharing Modality.

5. Use of Funds

5.1 Subject to the availability of applicable funds held in the CGIAR Fund as determined by the Trustee, the Trustee shall commit, transfer and / or use the funds from the CGIAR Fund for any purpose approved and in the amount allocated by the Fund Council in accordance with the terms of this Contribution Agreement, including the Governance Framework and Annex 2 attached hereto.

5.2 Any and all activities financed by Funds shall be within the scope of the SRF and for purposes of implementing the SRF. In the event questions of interpretation regarding research and related activities to implement the SRF arise, decisions about what constitutes an activity within the scope of the SRF and for purposes of implementing the SRF are expected to be made by the Consortium Board in consultation with the Fund Council. Funds from the CGIAR Fund may finance:

- (i) MPs as defined by proposals submitted by the Consortium and approved by the Fund Council; provided that, for purposes of transfer by the Trustee, (a) use of Window 1 funds for such purpose shall be as allocated in the discretion of the Fund Council, (b) use of Window 2 funds for such purpose shall be in the discretion of each contributing Fund Donor to the extent allocated by the Fund Council, and (c) use of Window 3 funds for such purpose shall not be in the discretion of the Fund Council or the contributing Fund Donor.
- (ii) Other proposals (outside of MPs) submitted by the Consortium for Fund Council approval; provided that such other proposals shall be funded through Window 1 as allocated in the discretion of the Fund Council.
- (iii) Funding requests submitted by other bodies or entities for Fund Council approval for Fund Costs and System Costs; provided that such funding requests shall be paid for by all Windows on a cost-sharing basis (together with the Bilateral Portion of System Costs in the case of System Costs) and paid through Window 1 as allocated in the discretion of the Fund Council.

5.3 Funds from the CGIAR Fund shall not be (i) used for payments prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; (ii) used for payments for which corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Consortium; and (iii) used for lobbying activity; provided that the Fund Council is responsible for confirming the inclusion of such terms, as appropriate, in relevant agreements with recipients for the transfer of such funds. No offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, was or shall be made to anyone, either directly or indirectly, as an inducement or reward for the execution of this Contribution Arrangement.

5.4 Funds from the CGIAR Fund shall be used in accordance with the Consortium's and other recipient's applicable policies and procedures (including those with respect to the procurement of goods and services and reporting arrangements), except to the extent otherwise specified in the relevant agreement(s) to transfer such funds, including any proposal approved by the Fund Council which may be attached thereto. Funds from Window 1 and Window 2 of the CGIAR Fund can only be used by the recipient in support of its funding request as approved by the Fund Council or as otherwise specified in such funding request.

5.5 Fund Donors will not be responsible for the activities of any person or third party engaged by a recipient with use of the funds from the CGIAR Fund or as a result of the Contribution

Agreements, nor will the Fund Donors be liable for any costs incurred by such recipients in terminating the engagement of any such person.

5.6 The Contributions may be used to retroactively finance payments by the recipients of funds from the CGIAR Fund for expenditures consistent with the agreements for the transfer of such funds.

5.7 In the event any funds from the CGIAR Fund are returned to the Trustee, such as unused funds or refunds under the terms of the relevant agreements for the transfer of such funds, the Trustee shall credit those funds to Window 1, except as may be agreed with the Trustee and specified in Contribution Agreements for donors who require return of their pro rata shares under specific circumstances.

6. Accounting and Financial Reporting

6.1 The Trustee shall maintain separate records and ledger accounts with respect to the Contributions deposited in the CGIAR Fund and transfers made therefrom.

6.2 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.

6.3 The Trustee shall cause a financial statement in United States dollars prepared by the Trustee with respect to the CGIAR Fund to be audited by the World Bank's external auditors once in three years unless otherwise agreed between the Trustee and the Fund Council; provided that the cost of any such audit, including the costs of the Trustee with respect such audit, shall be included in the Trustee's budget. The Trustee shall provide to the members of the Fund Council and all the Fund Donors a copy of such audited financial statement and auditors' report as soon as practicable.

6.4 If a Fund Donor wishes to request, on an exceptional basis, a financial statement audit by the World Bank's external auditors of the CGIAR Fund, and such a request is approved by the Fund Council, a designated representative of the Fund Council (the "Audit Representative Donor") and the Trustee shall first consult as to whether such an external audit is necessary. If so, the Audit Representative Donor and the Trustee shall agree on the most appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Trustee shall arrange for such external audit. The costs of any such audit, including the internal costs of the World Bank with respect to such audit, shall be paid out of the CGIAR Fund. In the event such a request is not approved by the Fund Council, and the requesting Fund Donor has a statutory, regulatory or policy environment requiring such Fund Donor's ability to make such a request unilaterally, such Fund Donor may proceed with the terms set forth above in agreeing with the Trustee on the most appropriate scope and terms of reference, with the costs of any such audit to be paid by such Fund Donor.

6.5 The Fund Donors acknowledge and agree that the provision of any financial statements with respect to the use of funds from the CGIAR Fund is the responsibility of the recipient of those funds.

7. End Date; Termination

7.1 It is expected that no new funds will be received for the CGIAR Fund by the Trustee after _____ (the “End Contribution Date”). The Fund Donors may contribute funds to the CGIAR Fund after such date only with the approval of the Trustee.

7.2 Any Fund Donor may, upon 90 days’ prior written notice, withdraw all or part of the Donor Share of any balance remaining in the CGIAR Fund that has not been allocated by the Fund Council prior to the time of the receipt of such notice. In the event of such withdrawal, the Trustee shall return to such Fund Donor the amount of its Donor Share by transferring the funds directly to such Fund Donor, to such Fund Donor’s donor balance account held by the World Bank or to another trust fund administered by the World Bank, as instructed in writing by the Donor Contact. Following transfer of such Donor Share, such Fund Donor shall be considered to have withdrawn from the CGIAR Fund.

7.3 In the event the Trustee determines that circumstances have arisen that lead it to conclude it should no longer carry out its duties hereunder, the Trustee (i) shall promptly so notify all Fund Donors, the Fund Council, the Consortium and any other then-current recipients of funds from the CGIAR Fund, and (ii) may suspend fund transfers from the remaining balance of the CGIAR Fund upon notice to the same entities. Thereafter the Trustee shall forthwith consult with the Fund Council and the Consortium to determine the subsequent measures to be taken with respect to the CGIAR Fund; provided that such measures will be completed within 90 days of the date after the notice was provided, thus enabling the Trustee’s termination at the end of such 90-day period, unless the Trustee agrees in writing to extend the period or resume its duties hereunder.

7.4 Following the date when all commitments made by the Trustee regarding funds in the CGIAR Fund have been fully disbursed, or upon earlier termination by the Trustee, the Trustee shall return to each Fund Donor its respective Donor Share.

7.5 Fund Donors acknowledge and agree that any enforcement of Fund Donor remedies or pursuit of Fund Donor rights with respect to funds from the CGIAR Fund shall be undertaken to the extent approved by the Fund Council and shall not require involvement of the Trustee; provided that in the event a Fund Donor wishes to enforce a remedy or pursue a right that is not approved by the Fund Council, and such Fund Donor has a statutory, regulatory or policy environment requiring such Fund Donor’s ability to act unilaterally, such Fund Donor may enforce such remedy or pursue such right on its own behalf . Enforcement of Fund Donors’ rights and obligations shall occur in accordance with the terms of the agreements by which such recipient receives its funds.

8. Amendments; Status

8.1 This Annex may be amended by agreement of the Trustee and a consensus decision of the Fund Council, in its representative capacity for all Fund Donors; provided, however, that no Fund Donor shall be obligated to make any additional contributions under any such amendments, unless it expressly agrees to do so. Any amendment to this Annex shall be notified by the Trustee to all Fund Donors.

8.2 In the event of conflict, the terms of this Annex and the other terms of the Contribution Agreements shall prevail over the Governance Framework.

9. Disclosure

9.1 The World Bank may disclose the Contribution Agreements and information on the CGIAR Fund in accordance with the World Bank's policy on access to and disclosure of information in effect at the time of such disclosure. By agreeing to these terms, each Fund Donor consents to disclosure of its Contribution Agreement and information on the CGIAR Fund. This provision shall continue in full force and effect following completion of all CGIAR Fund transfers and any termination of the Contribution Agreements or the CGIAR Fund.

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Form of W3 Transfer Agreement

This Annex shall be applicable to and form an integral part of each Contribution Agreement entered into between the World Bank as Trustee, acting not for its own account, but solely in its capacity as trustee of the CGIAR Fund, and each Fund Donor with respect to funds contributed to the CGIAR Fund.

[Bank letterhead]

[Date]

[Name and Title]
[Name of Center]
[Address]

RE: CGIAR Fund (MTO No.069017)

Dear [name]:

In accordance with the instructions received from _____ [name of donor] through its Contribution Agreement for the above-referenced CGIAR Fund, the International Bank for Reconstruction and Development (the "Trustee"), acting as trustee for the donors contributing to the CGIAR Fund, are intending to transfer [US\$] _____ [amount]⁹ (the "Funds") to _____ [name of Center].¹⁰

Based on our records, this wire transfer will be made to: _____ [name of bank, account information and other transmittal details].

Please confirm or correct the transmittal information provided above and return this letter to: [CGIAR Trustee, Director, Multilateral Trusteeship and Innovative Financing, The World Bank, 1818 H Street, NW, Washington, DC 20433, U.S.A., Tel: + 1 202 458 0019, Fax: + 1 202 614 0249].

In agreeing to receive the Funds and signing below, you acknowledge and agree that the Funds shall be used only (i) to implement aspects of the Strategy and Results Framework of the CGIAR endorsed by the Funders Forum on [July 15], 2010 (the "SRF"), and (ii) through application of the Common Operational Framework (as defined in the Governance Framework adopted by the Fund Council on [July 16], 2010). You further acknowledge and agree that in the event the Funds are not used to implement aspects of the SRF or in accordance with the Common Operational Framework, (i) the Consortium may take whatever corrective actions it considers appropriate and within its purview; and (ii) the Trustee, in its discretion or upon instructions from the Fund Council, may withhold further fund transfers to [name of Center] from the CGIAR Fund; provided that if questions of interpretation arise, (i) decisions about what constitutes activities for

⁹ Each Transfer Agreement may be in only one Operational Currency.

¹⁰ This may be any of the CGIAR Centers that is a member of the Consortium according to the Consortium's Constitution

implementing the SRF shall be made by the Consortium Board in consultation with the Fund Council, and (ii) decisions about compliance with the Common Operational Framework shall be made jointly by the Consortium and the Fund Council.

Your countersignature will authorize the Trustee to proceed with the indicated wire transfer in accordance with the confirmed or corrected transmittal information and subject to the terms stated herein.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
as Trustee of the CGIAR Fund

[name]
[title]
Date: _____

Countersignature:

[NAME OF CENTER]

[name]
[title]
[organization]
Date: _____

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Governance Framework (informational version only)

Version dated [_____]

[insert Governance Framework current as of date of agreement]

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