Board of Governors 2005

Board Chair

Ambassador Remo Gautschi
Deputy Director General
Swiss Agency for Development Cooperation
Federal Department of Foreign Affairs
Freiburgstrasse 130
CH-3003 Berne
Switzerland
Email : remo.gautschi@deza.admin.ch

Vice - Chair

Ms. Rokhaya Daba Fall
Senior Technical Advisor
Ministry of Agriculture, Forestry & Fisheries
B.P. 6225, Dakar
Senegal
Email : rodabafa@sentoo.sn,
rodabafa@hotmail.com

Ms. Cecilia López Montaño
President
Fundacion Agenda Colombia
Carrera 13A, #41-44
Bogota
Colombia
Email : c.lopezm@cgiar.org

Ms. Joan Joshi
Management Consultant
212 9th Street, SE
Washington, DC 20003-2111
U.S.A.
Email : jhjoshi@aol.com

Prof. Nobumasa Hatcho
Professor
Dept of International Resources
Management, School of Agriculture
Kinki University
204-3327 Nakamachi
Nara 631-8505
Japan
Email : hatcho@nara.kindai.ac.jp

Dr. Walter Huppert
Senior Water Advisor
Department 44, Environment & Infrastructure
GTZ
Dag-Hammarskjöld-Weg 1-5
Box 5180
D-65726 Eschborn
Germany
(With effect till 31.12.2004)
Email : Walter.Huppert@gtz.de

Dr. U. Tan-Kim-Yong
Chairperson
Graduate Program in Man and Environmental
Management (Payao)
Graduate School
Chiang Mai University
Chiang Mai 50200
Thailand
Email: asia@loxinfo.co.th,
asia@chmai.loxinfo.co.th

Dr. Rivka Kfir
Chief Executive Officer
Water Research Commission
491, 18th Avenue
Pretoria 0084
South Africa
Email : rivkak@wrc.org.za

Dr. Margaret Catley-Carlson
Chair
ICARDA & Global Water Partnership
249 East 48th St 8A
New York 10017
USA
917 582 3149
E-mail: m.catley-carlson@cgiar.org

Mr. Tariq Mahmud
Secretary
Ministry of Food, Agriculture and Livestock
Government of Pakistan
14-M Plaza, Al-Markaz F-8
Islamabad
Pakistan
(Until 31.12.2004)

Dr. Sunita Narain
Director
Centre for Science and Environment
41, Tughlakabad Institutional Area
New Delhi 110 062
India
(With effect from 01.01.2005)
Email: sunita@cseindia.org

Mr. Tissa Warnasuriya
Secretary
Ministry of Agriculture, Livestock, Lands & Irrigation
Government of Sri Lanka
"Govijana Mandiraya"
80/5 Rajamalwatte Avenue
Battaramulla
Sri Lanka
E-mail: secagric@sltnet.lk

Prof. Frank Rijsberman
Director General
International Water Management Institute
P.O.Box 2075
Colombo
Sri Lanka
Phone: (94-11) 2787404 / 2784080
Email: f.rijsberman@cgiar.org

Seated from left to right : *Dr. U. Tan-Kim Yung, Dr. Walter Huppert, Dr. Akiça Bahri (left on 31/12/04), Ambassador Remo Gautschi (Board Chair), Ms. Cecilia Lopez Montano, Prof. Frank Rijsberman.*

Standing from left to right: *Mr. Tissa Warnasuriya, Dr. Margaret Catley–Carlson, Ms. Rokhaya Daba Fall, Mr Gerard O'Donoghue (Board Secretary), Prof. Nobumasa Hatcho, Dr. Rivka Kfir, and Ms. Joan Joshi,*

Not present : *Dr Sunita Narain*

Donors 2004

- African Development Bank
- Asian Development Bank
- Australia (ACIAR)
- Belgium
- Canada
- Denmark(DANIDA)
- France
- Germany(BMZ,GTZ)
- IFAD
- International Development Research Center
- InWent
- Ireland
- Japan (JBIC,JICA)
- National Oceanic Atmospheric Administration
- Netherlands
- Norway
- Sir Ratan Tata Trust
- Sweden (SIDA)
- Switzerland(SDC)
- Taiwan
- The OPEC Fund for International Development
- United Kingdom (DFID, DES)
- United Nations Educational Scientific and Cultural Organization
- United Nations Environmental Program
- United Nations Food and Agriculture Organization
- United States of America (USAID)
- World Bank
- World Health Organization

The Governments of Cambodia, China, India, Iran, Nepal, Pakistan, South Africa, Sri Lanka and Thailand provided program support for IWMI-related activities in those countries.

Board Statement on Risk Management

IWMI's Board of Governors has responsibility for ensuring an appropriate risk management process is in place to identify and manage high and significant risks to the achievement of the Institute's business objectives, and to ensure alignment with CGIAR principles and guidelines, which have been adopted by all CGIAR Centers. These risks include operational, financial and reputational risks that are inherent in the nature, modus operandi and location of the Institute's activities, and are dynamic as the environment in which the Institute operates changes. They represent the potential for loss resulting from inadequate or failed internal processes or systems, human factors, or external events. They include low impact (and therefore irrelevance) of scientific activities; misallocation of scientific efforts away from agreed priorities; loss of reputation for scientific excellence and integrity; business disruption and information system failure; liquidity problems; transaction processing failures; loss of assets including information assets; failures to recruit, retain and effectively utilize qualified and experienced staff; failures in staff health and safety systems; and failures in the execution of legal, fiduciary and agency responsibilities.

The Board has adopted a risk management policy, communicated to all staff, that includes a framework by which the Institute's management identifies, evaluates and prioritizes risks and opportunities across the organization; develops risk mitigation strategies which balance benefits with costs; monitors the implementation of these strategies; and periodically reports to the Board on results. This process will draw upon risk assessments and analyses prepared by the Institute's staff, internal auditors, Institute-commissioned external reviewers, and the external auditors. The risk assessments will also incorporate the results of collaborative risk assessments with other CGIAR Centers, System Office components and other entities in relation to shared risks arising from jointly managed activities. The risk management framework seeks to draw upon best practice promoted in codes and standards promulgated in a number of CGIAR member countries, and it is subject to ongoing review as part of the Institute's continuous improvement effort.

Risk mitigation strategies include the implementation of systems of internal control which, by their nature, are designed to manage rather than eliminate the risk. The Institute endeavours to manage risk by ensuring that the appropriate infrastructure, controls, systems and people are in place throughout the organization. Key practices employed in managing risks and opportunities include business environmental scans, clear policies and accountabilities, transaction approval frameworks, financial and management reporting and the monitoring of metrics which are designed to highlight positive or negative performance of individuals and business processes across a broad range of key performance areas. The design and effectiveness of the risk management system and internal controls is subject to ongoing review by IWMI's internal audit service, which is independent of business units and reports on the results of its audits directly to the Director General and the Board through the Board's Audit Committee.

Financial Comment

Mr Gerard O'Donoghue, Deputy Director General (Operations)

The period 2000 – 2003 was a period of unprecedented growth for IWMI. Funding increased from $9.1 million in 2000 to $22.4 million in 2003 - an increase of $13.3 million (246%) or an average annual increase of 35%. During this period IWMI established a number of new regional and sub regional offices in Africa, South Asia and South East Asia and invested heavily in setting up this network of regional offices. The number of researchers trebled and IWMI's core business processes were reengineered. Major new activities are now taking place in these regions. 2004 and 2005 are periods of consolidation for IWMI. We have now entered a period where the advances of recent years are consolidated. However, for IWMI this means that funding for core IWMI activities increased by 7% in 2004 and is projected to increase by 7% in 2005. In particular, during the current reporting period major new projects have come on stream in both India and Central Asia. Activities in Ghana and Ethiopia also continue to expand. There has been a corresponding decrease in expenditures and hence activity in Pakistan.

Unrestricted funding has increased in line with the general increase in funding and has increased from 3.9 million in 1999 to 7.4 million in 2004 and a projected $8.2 million in 2005. We are particularly pleased to note the addition of two new donors to our list of core supporters, namely DfID, with a contribution of $0.55 million in 2004 and $1.1 million in 2005 and the European Commission with a contribution of $1.1 million in 2005.

IWMI's financial position continues to be stable and to improve. Total reserves at the end of 2004 were $4.2 million up from $3.2 million at the end of 2003. They are projected to increase to $4.7 million by the end of 2005.

In recent years, the CGIAR have devised two financial indicators for measuring the financial health of centers. The two measures are the adequacy of reserves for measuring the long term financial stability of the center (recommended range 75 – 90 days) and the short term solvency ratio for measuring the liquidity of the center (recommended range 90 – 120 days). IWMI 's long term financial stability ratio of 77 days at the end of 2004, projected to increase to 78 days at the end of 2005 and a short term solvency ratio of 109 days are within the recommended ranges.

IWMI's long term financial ratio is calculated by taking into account both IWMI core expenditures and IWMI's Challenge Program expenditures. It does not include non-IWMI Challenge Program expenditure as set out in the table below:

Expenditures	2000	2001	2002 US$'000	2003	2004
IWMI core	9,483	11,923	16,791	19,452	19,648
IWMI Challenge Program	-		631	2,321	1,671
Total IWMI	**9,483**	**11,923**	**17,422**	**21,773**	**21,319**
Non IWMI Challenge Program	-			2,588	2,106
Total	**9,483**	**11,923**	**17,422**	**24,361**	**23,425**