

A VISION WATER FOR A FOOD-SECURE WORLD



Annual Report 2010

IWMI
International
Water Management
Institute

IWMI Celebrating



The background of the entire page is a solid blue color. Overlaid on this are three large, stylized, light blue wave-like shapes. One wave starts from the top left, curves around, and ends near the center. Another wave starts from the top right, curves down, and ends near the center. A third wave starts from the bottom right, curves up, and ends near the center. These waves have a brush-stroke-like texture with some internal shading and white highlights.

VISION

Water for a **food-secure world**

MISSION

To **improve** the management
of **land** and **water resources**
for **food, livelihoods** and
the **environment**

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Joint Message from the Board Chair and Director General



Prof. John Skerritt FTSE
Board Chair



Dr. Colin Chartres
Director General

The year 2010 officially marked our 25th anniversary and was celebrated via a series of events held at our headquarters in Colombo, Sri Lanka, and at our regional offices. In a sense, it was also a year to reflect on IWMI's journey from childhood to maturity. In this regard, we consider it highly appropriate that as water resources became increasingly scarce throughout the 1980s and 1990s, the Institute had wisely changed its name in 1997 from being the International Irrigation Management Institute (IIMI) to International Water Management Institute (IWMI). Over the last decade, the Institute became more research-oriented, addressing biophysical, economic and social issues relating to water management. This was, once again, a wise move, given the multifaceted dimensions of water governance and management, and increasing

competition for water use between agriculture and other sectors of the economy and the environment.

One of our staff remarked that, at maturity, one looks for a partner to share experiences with. IWMI spent considerable effort in 2010 developing appropriate partnerships to work with as part of the proposed CGIAR Research Program (CRP) on Water, Land and Ecosystems. This new program, which should commence later this year, will see the critical functions of water, land and ecosystem services that underpin agriculture and food supply brought together in a more integrated fashion than before. It will enable the pooling of knowledge and resources between key Centers of the Consultative Group on International Agricultural Research (CGIAR) and external partners, and increase our chances of making

Scientifically, 2010 has been a year of consolidation of work on a number of existing projects. A notable feature is the renewed interest in irrigation, particularly in Asia, as a response to food security concerns.

greater impact on food security, environmental sustainability and poverty reduction via more effective mechanisms of delivering outputs to users.

Similarly, IWMI welcomed the formation of the Consortium, its Board and the appointment of its Chief Executive Officer and staff. It will be increasingly important for the CGIAR to present a loud and clear, unified response on the key drivers of food security and potential research-based solutions in the major international fora over the coming years, and the Consortium offers us a way to do this to the advantage of all Centers.

For IWMI, 2010 was marked as a year in which we continued to grow in terms of funding and staff numbers. Our income, thanks to the generosity and increasing support of several existing donors including the USA, Australia, the Netherlands and Norway, and significant competitive funding success, grew to over USD 30 million. In fact, our ability to target and win external funds over the last three years has seen us increase our success rate in capturing more than one in three of our proposal submissions from a success rate of only one in seven a few years earlier. This has enabled us to strategically continue to expand staffing, particularly in Africa and Southeast Asia. Across IWMI as a whole (including hosted partners), we advertised 89 positions. Out of these, 64 were IWMI positions and over half of these were new positions aimed at strengthening our core scientific capabilities.

Regionally, we formally signed a country hosting agreement with the Lao PDR and have commenced construction of a new wing on the National Agriculture and Forestry Research Institute (NAFRI) Campus in Vientiane. We are extremely appreciative of the efforts from NAFRI and ministry staff in the Lao PDR, who have facilitated these exercises. We also reopened a satellite office in Ouagadougou, Burkina Faso, and are similarly grateful to our hosts there, Comité permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel (CILSS) and

Institut International d'Ingénierie de l'Eau et de l'Environnement (2iE) for their assistance and support.

Scientifically, 2010 has been a year of consolidation of work on a number of existing projects. A notable feature is the renewed interest in irrigation, particularly in Asia, as a response to food security concerns. IWMI produced several major reviews and articles on the need to revitalize irrigation in Asia, and presented these at key events and opportunities in the region in Bangkok, Manila and elsewhere. We also critically reviewed and analyzed whether participatory irrigation management experiments throughout Asia had been as successful as people originally thought, and we received mixed reviews. The end of the year was marked with the awarding of a major project, funded by the Netherlands and focusing on improvements in irrigation management in the Punjab and the Northwest Frontier Provinces of Pakistan. In Africa, we have highlighted the lack of water storage and put forward suggestions that will protect communities from the ravages of droughts and climate change. Solutions can be as simple as promoting and encouraging more rainwater harvesting, but also include the construction of small, medium and large dams and greater exploitation of sustainable groundwater storage. This work will be pursued further under the auspices of the CRP on Climate Change, in which we are a major partner. This program was approved by the CGIAR Fund Council late in the year. Given the major flood events of 2010 (Pakistan, China) and early 2011 (Australia, Sri Lanka), we will need to explore whether we need to put more emphasis on both the drought and flood aspects and impacts of climate change on agriculture as part of our future program.

Finally, we were delighted that the Deputy Director General-Research, Dr. David Molden, was honored with the annual CGIAR Outstanding Scientist Award at the combined CGIAR and Global Conference on Agricultural Research for Development (GCARD) meeting held in Montpellier, France, in March.



Prof. John Skerriitt FTSE
Board Chair



Dr. Colin Chartres
Director General

CGIAR Award for “Outstanding Scientist of the Year”

The CGIAR Science Awards recognize and reward excellence in science. The Consultative Group on International Agricultural Research (CGIAR) has acknowledged outstanding performance through awards since 1981.

In 2010, Dr. David Molden, Deputy Director General – Research, at the International Water Management Institute (IWMI) in Colombo, Sri Lanka, was the winner of the CGIAR “Outstanding Scientist of the Year” Award. The award recognized him for his extraordinary leadership in bringing the issue of water scarcity to prominence in the policy arena worldwide.



At the Awards Ceremony in Montpellier, France. Photo credit: CGIAR.

David Molden spearheaded the framework and coordinated the Comprehensive Assessment of Water Management in Agriculture, a five-year, first-of-its-kind study, which was a partnership that engaged over 1,000 researchers and practitioners worldwide. At a time when water scarcity, food security and climate change are top items on the agenda, the findings of David Molden and his team are seen as “benchmark research” for water, food, livelihoods and the environment. The Assessment provided key policy options for ensuring global food security over the next 50 years.

According to David Molden, agriculture is both the cause and solution to many of the world’s water problems. Water scarcity is already a constraint to food production in many parts of the world. With today’s production and consumption trends, meeting future food demands will require much more water, making livelihood and environmental problems worse. The solutions lie in tapping the unmet potential to grow more food with limited water, and the greatest potential lies within areas of high poverty. Only if we act now to improve water use in agriculture will we meet the acute freshwater challenges facing humankind over the coming fifty years.

David Molden holds a PhD in Civil Engineering from the Colorado State University specializing in groundwater hydrology and irrigation, and has had a long and fruitful career in water research spanning Africa, Asia



Dr. David Molden receiving his award from Katherine Sierra. In the picture are (from left to right): Katherine Sierra, former CGIAR Chair and Vice President of the World Bank; Rudy Rabbinge, Chair, CGIAR Science Council; David Molden, Deputy Director General – Research, IWMI; and Carlos Pérez del Castillo, Chair, Consortium Board. Photo credit: CGIAR.

and the USA. He is currently Deputy Director General – Research at IWMI, providing scientific direction for the Institute’s researchers working in Africa and Asia. The Comprehensive Assessment is but one of David Molden’s many achievements during the course of his career. He led IWMI’s initiative to develop new paradigms for irrigation and basin water use in the 1990s and his work provided the first operational definition of water productivity. This is now recognized as an important indicator in water-scarce regions and an organizing principle of the CGIAR Challenge Program on Water and Food (CPWF). The concepts and indicators David Molden developed to assess irrigation performance are still in use today. Over the years his work has expanded to river basin management, water and environment, groundwater and water governance. David Molden has mentored many younger CGIAR scientists at IWMI and partner organizations. He is an accomplished public speaker and a prolific writer who has contributed to influential policy-making bodies and authored over 150 scientific papers, reports and public awareness material.

At their annual awards ceremony in Montpellier, France, the CGIAR formally acknowledged David Molden’s exemplary leadership of the Comprehensive Assessment along with the many valuable contributions he has made over the years in water productivity and water accounting research.

Dr. Colin Chartres, Director General of IWMI, said, “We are extremely proud of David’s outstanding achievement.” This year, IWMI celebrates its 25th anniversary and David Molden’s achievement is a crowning tribute to 25 years of research in land and water resources management, and the promise of many more years of robust research ahead.

Overview of Research - 2010

David Molden, Deputy Director General – Research, IWMI

The Change Management Process within the CGIAR picked up pace in 2010 and started becoming a reality for researchers at IWMI. A set of CGIAR Research Programs (CRPs) was announced and researchers and partners were given the task of putting together proposals. IWMI was selected as the Lead Center for CRP5 on Water, Land and Ecosystems (see www.iwmi.org/CRP5), essentially complementing IWMI's water agenda with more land and ecosystems to be a full natural resource management program. Thirteen CGIAR Centers and numerous partners were involved in putting together a concept note, and then the proposal. IWMI was also involved in drafting six of the fifteen other CRPs:

- **CRP1.1 - Integrated agricultural production systems for dry areas**
- **CRP1.2 – Integrated systems for the humid tropics**
- **CRP1.3 – Harnessing the development potential of aquatic agricultural systems for the poor and vulnerable**
- **CRP2 – Policies, institutions, and markets to strengthen assets and agricultural incomes for the poor**
- **CRP4 - Agriculture for improved nutrition and health**
- **CRP7 - Climate change, agriculture and food security**

For me, the most exciting part of the process was the enthusiasm of researchers from across centers in putting together the suite of proposals. This provided a great opportunity to get together, discuss and debate ideas, and really try to develop something new for the CGIAR. Equally exciting were the regional consultations used to develop CRP5. CRP5 was discussed with partners in Central Asia, the Andes Region, West and Southern Africa, and Southeast Asia, and once again there was true excitement about the possibility of a new way of working within the CGIAR.

Against this background of change, IWMI researchers were quite busy on a full agenda this year. Several new significant projects came on

board, and several are in the process of being completed and coming out with key results.

IWMI is becoming increasingly savvy about methods to enhance uptake of research. We employ a triple approach – working in regions, themes, and through corporate communications to try and make sure results are used. While we recognize that there is ample scope for improvements, IWMI staff are encouraged to ensure that these efforts are having payoffs. This will become increasingly important as we move into CRPs.

There was positive news for IWMI in Pakistan. At the end of the year, we were awarded a USD 3.8 million project – from the Embassy of the Kingdom of the Netherlands in Pakistan – on revitalizing irrigation in Pakistan. This will boost IWMI's work in Pakistan, which, compared to a vibrant program of ten years ago, has been waning in recent years. With increasing water scarcity and a growing population dependent on irrigation for food security, we feel that we can work with the people of Pakistan to make a difference.

To celebrate IWMI's 25th Anniversary, we held our Annual Research Meeting, bringing together 84 IWMI researchers from around the world. This was a marvelous opportunity to discuss and debate big research ideas. In addition, it was an opportunity to try and bring together thoughts on impact, and the way the Institute operates. What was particularly special about this year's meeting was that many of our previous directors general and board chairs were invited to participate in these discussions. All in all, it was an excellent meeting, had good content, and, best of all, it was fun.

... we were awarded a USD 3.8 million project – from the Embassy of the Kingdom of the Netherlands in Pakistan – on revitalizing irrigation in Pakistan. This will boost IWMI's work in Pakistan ...

Some Specific Highlights from 2010

- The Mekong River Commission published an IWMI report, *"Impacts of climate change and development on Mekong flow regimes,"* which established IWMI's reputation as a climate change hub in the region.
- IWMI has taken a new look at water storage, arguing that we will need to consider a range of storage options to contend with water scarcity and climate change. A Blue Paper, *"Water storage in an era of climate change: Addressing the challenge of increasing rainfall variability,"* was presented at the World Water Week in Stockholm and attracted significant media attention.
- Improved water management will be critical for climate change adaptation in Sri Lanka. An IWMI Research Report, *"Impacts of climate change on water resources and agriculture in Sri Lanka: A review and preliminary vulnerability mapping,"* based on climate change analysis and vulnerability assessment in Sri Lanka, led to significant publicity and was presented to the Minister of Disaster Management of Sri Lanka at the National Disaster Adaptation Forum.
- Results from the Agricultural Water Management Solutions Project made the case for increased focus on small-scale irrigation in Ethiopia, which has now been taken as a priority area by the newly created Ethiopian Agricultural Transformation Agency.
- IWMI organized the West Africa Irrigation Symposium, held in Ouagadougou in December. This was the first time representatives from all 14 member countries of the Economic Community of West African States (ECOWAS) came together to discuss the status of irrigation and hold brainstorming sessions to find solutions to underperformance. The importance of groundwater irrigation as a major opportunity emerged, as well as the recognition of private and small-scale investment by farmers as a main driver in irrigation development.
- IWMI and the International Livestock Research Institute (ILRI) produced a special issue *"Improving water productivity of crop-livestock systems in drought-prone regions,"* which was published in the journal, *Experimental Agriculture*. Six articles in this issue were led by an IWMI project together with PhD and MSc students from Ethiopia and Zimbabwe.
- IWMI's material on wastewater was used for the production of international public goods, including guidelines and contributions to reports on wastewater for the World Bank, the State of the World report, and for the development of guidance notes on the safe use of wastewater by the World Health Organization.
- Work by the Regional Strategic Analysis and Knowledge Support System (ReSAKSS) was used to set agricultural investment priorities by the Southern African Development Community (SADC) and ministers of agriculture in the region. Water investments are now highlighted on the agenda.
- IWMI's work has brought together elected officials to cooperatively manage small transboundary rivers in Central Asia as an alternative to failed basin-scale approaches.
- Pioneering gender mapping was developed both as a tool to target technologies and to raise awareness.
- IWMI scientists have questioned the utility of water footprinting and "virtual water" as a policy concept, bringing renewed debate to these issues.
- The report, *"Water management: Questions and answers to farmers,"* was released in eight Indian regional languages to get messages out on how to increase water productivity.

Some highlights of outreach activities and outcomes that have culminated over the last few years of research, include:

Policy reform supports urban producers in Sri Lanka

As the South Asian partner of the Resource Centres on Urban Agriculture and Food Security (RUAF), IWMI is supporting poor urban and peri-urban farmers in the production and marketing of their produce. In close collaboration with the authorities of Gampaha, Sri Lanka, the project supported the establishment of farmer associations to address the unique needs of urban and peri-urban producers. At the outset, capacities of 100 farmers were enhanced through innovations in urban farming practices, development of urban farmer field schools, internal lending and revolving fund schemes, social security schemes, book keeping, and documentation. Marketing strategies for the sale of their produce have been developed, through which they are able to collect produce from the neighborhoods, and gather revenue for themselves and also for the association.

A multi-stakeholder forum was formed to identify key issues for action planning. The forum developed a City Strategy Agenda to support urban farming and secure governmental funding, for example, for waste recycling, household compost generation, biogas production and seedling production. IWMI helped draft a policy revision document which has now been accepted by the Western Provincial Council and is being debated with other provincial councilors to be presented to the national government.

There's more to gravity than running downhill

Effective gravity irrigation systems are a bit more complex than running a pipe down the side of a hill. Farmers with small vegetable plots in the Hill Region of Uttarakhand State in India know this only too well. For them, the big problem is storage. IWMI researchers and partners have been experimenting with various combinations of ponds and tanks so that farmers can store and manage water to maximize benefits. With water for dry-season irrigation, yields of vegetables have increased 30 to 40%, and incomes have also increased, on average, by 20%. Because these systems are using locally available materials, the initial investment is low and the payback period is relatively short. The benefits have been sufficiently impressive which has led to farmers from neighboring villages expressing their interest.

Influence in action

IWMI Senior Fellow, Tushaar Shah, has been an active advocate of groundwater and irrigation reform in India for many years. In June, Shah addressed experts attending a global conference on groundwater and agrarian livelihoods. His keynote speech dealt with lessons from South Asia's experience with

groundwater irrigation and livelihoods promotion for policymakers in sub-Saharan Africa. The three-day event brought together leading scientists, policy analysts, policymakers and decision makers, and agricultural and environmental stakeholder groups to define and highlight the science, challenges, and potential policy solutions in agricultural groundwater resources management and groundwater quality protection that will provide a sustainable future at regional, national and global scales. The conference received wide media coverage and further strengthens IWMI's position as a leader in the global discourse on groundwater and irrigation.

Closer to home, Shah addressed a brainstorming session of the Government of India on "Revising the National Water Policy" which was hosted by the Ministry of Water Resources. In January, he made a presentation to the pre-budget consultation meeting of the Finance Minister and officials of the Ministry in New Delhi. The topic of his presentation was, "Outline of National Groundwater Recharge Program." He is currently Chair of the Planning Commission's Working Group on Major and Medium Irrigation and Command Area Development for the Twelfth Five-Year Plan. This was an outcome of an earlier invitation from the Planning Commission to develop a paper on the 'Future of Canal Irrigation in India'. Shah's track record demonstrates the value of good relationships, timing and a clear message in the policy arena.

Case studies on good wetlands management practices inform diverse audiences

IWMI has been a partner in the three-year "Wetlands and Poverty Reduction Project" carried out by Wetlands International. Researchers have been aiming to better understand how wetland conservation initiatives can help improve livelihoods by reviewing ten case studies, including five in Africa (South Africa, Nigeria, Kenya, Mali and Malawi-Zambia). The case studies illustrated how improving livelihoods and conserving wetlands can go hand in hand. One case study looked at how *dambos* (wet, grassy depressions where water seeps to the surface) can be farmed sustainably to improve livelihoods. The demonstration project staff worked with local people at each site to provide training in soil and water management practices. The project's 'functional landscape' approach helped villagers understand how the *dambo* functioned within the broader environment, and the need to manage the landscape as a holistic system.

IWMI's review showed that by the end of the two-year program, villagers had improved food security during the dry months, improved nutrition as a result of cultivation of a greater variety of crops, and were able to save money to invest in education and health. Project staff helped create local institutions to act as

multi-stakeholder platforms for resolving conflicts and planning, and to sustain management efforts once the project was completed. Many of the project findings are of interest to wetland specialists and researchers working on balancing biodiversity conservation and poverty reduction in other ecosystems. In addition to informing wetlands policy, publication of the case studies is being used by students and course developers in South Africa and the UK, teachers and researchers in Kenya, Thailand and India, and also Birdlife International and the Netherlands Commission for Environmental Assessment.

Integrating policy issues at national level

Commune agro-ecosystems analysis (CAEA) is a participatory approach designed to help communities improve decision making at the commune (subdistrict) level. Initiated in Cambodia in 2001, it focused mainly on agricultural issues. The freshwater fisheries sector, which is closely linked to agriculture, had not been adequately addressed. To better integrate fisheries considerations into the CAEA process, the CGIAR Challenge Program on Water and Food (CPWF) initiated a project titled "Adaptive, Participatory and Integrated Assessment and Agro-ecosystem Analysis to Support Decision-making for Water Allocation for Fisheries and Agriculture in the Tonle Sap Wetland System." The project significantly improved the way fisheries issues are addressed and the use of CAEA has been officially adopted as a national policy for agricultural development. The revised CAEA guidance manual has also shown potential for having wider uptake and a number of tools have been used by several other projects within Cambodia as well as in Lao PDR.

Ethanol plant solves two problems in one

Over the past few years, the Government of Thailand has taken up recommendations, presented in a joint report by IWMI researchers and Thailand's Land Development Department (LDD), on long-term solutions to cadmium contamination. This entailed taking land impacted by cadmium contamination out of production of crops for human consumption and converting this land to alternative productions systems. A bioethanol plant has been built by the government with support from a mining company implicated in the contamination. The plant, which uses sugarcane as feedstock, provided a clean source of alternative energy while putting previously unproductive land back into good use.

Maximizing benefits of drip irrigation in Tamil Nadu

Staff involved in the IWMI-Tata Water Policy Program are working to overcome problems with drip irrigation systems in the State of Tamil Nadu in India. Farmers were eager to try drip irrigation but were disappointed when crop yields were

less than expected. Researchers quickly identified the solution: more training in basic operation and maintenance. Working with university scientists, drip irrigation experts, agricultural extension officers and farmers, training teams spend 2-3 days in a village training a core group of farmers. Training includes water budgeting and composting. To date, over 600 farmers have been trained. The intention is that once trained in the basic operation and maintenance, these farmers will become local experts and resource persons. Yields and water savings have increased from 15-25% under different farmer groups. In total, 1,000 farmers will be trained. The upscaling effect of this training exercise is expected to be 5-10 times this number following completion of the program.

Ghana Dams Dialogue: A growing alliance for sustainable dam development

The Ghana Dams Dialogue (GDD) is the first successful dialogue on dam development in West Africa. It was created in 2006 with the objective of supporting public policy development and providing tools for improved decision-making on dam-related issues. The Dialogue has had an impact on informed decision-making and sustainable planning and management of dams in Ghana, by providing a platform for key stakeholders to discuss issues and problems and find ways to address negative impacts. The platform has helped consolidate the communities from different dam-affected areas, hydropower authorities, and government ministries and other organizations into one association, by facilitating a transparent and non-confrontational dialogue. It has provided a mechanism for supporting research and sharing scientific information among and between researchers, policymakers, policy implementers, the private sector and people from dam-affected communities. In the process, the capacities of people in dam-affected communities have been strengthened, enabling them to better articulate their needs. The platform has helped to diffuse tensions between stakeholders and has paved the way for more effective interactions in the future.

A recent evaluation of the GDD found a vibrant and functional national network on sustainable dam development. Stakeholder analysis demonstrated a high commitment among partners to take the Dialogue into an impact-oriented fourth phase, and that stakeholders are supportive of the proposed institutional growth of the Dialogue process. The evaluators acknowledged IWMI for dedicating staff to host and strengthen the GDD Secretariat. Other achievements of the GDD process include the International Hydropower Association's Sustainability Assessment Protocol incorporating recommendations from Dialogue participants. Another highlight was the appointment of IWMI staff member, Dr. Liqa Raschid-Sally, Project Leader of the GDD, as the Development Chief of the Ghanaian Bui Community. IWMI's involvement has led to further requests for support in policy formulation and dialogue facilitation.

BOARD INFORMATION

IWMI Board of Governors

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(Chair, IWMI Board of Governors)

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Standing (left to right): Ir. K. W. Ivan de Silva; Mr. Getachew Engida; Dr. Mamadou Khouma; Mr. Asger Kej (Vice Chair, IWMI Board of Governors); and Dr. Pietro Veglio

Seated (left to right): Dr. Colin Chartres (Director General, IWMI); Prof. Isher Ahluwalia; Prof. John Skerritt (Chair, IWMI Board of Governors); and Ms. Shanthi Weerasekera (Secretary, IWMI Board of Governors)

Absent: Dr. Fatma Attia

Photo credit: Platé Limited, Colombo, Sri Lanka.

Board Statement on Risk Management



I WMI's Board of Governors has the responsibility for ensuring that an appropriate risk management process is in place to identify and manage high and significant risks for 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 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; failures in the execution of legal, fiduciary and agency responsibilities; and low impact scientific activities.

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

analysis 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 endeavors 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.

IWMI Key Donors



2010

3ie	International Initiative for Impact Evaluation
ACIAR	Australian Centre for International Agricultural Research
ADB	Asian Development Bank
AusAID	Australian Agency for International Development
BMGF	Bill and Melinda Gates Foundation (Gates Foundation)
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Cooperation and Development) (BMZ), Germany
CIDA	Canadian International Development Agency
DFID	UK Department for International Development
EC	European Commission
FAO	Food and Agriculture Organization of the United Nations
France	Government of France
GEF	Global Environment Facility
IDRC	International Development Research Centre, Canada
IFAD	International Fund for Agricultural Development
India	Government of India
Ireland	Government of Ireland
Japan	Government of Japan
Netherlands	Government of the Netherlands
Norway	Government of Norway
OFID	Organization of the Petroleum Exporting Countries (OPEC) Fund for International Development
OXFAM	Oxfam America
ROCKEFELLER	Rockefeller Foundation
SDC	Swiss Agency for Development and Cooperation
SIDA	Swedish International Development Cooperation Agency
UNEP	United Nations Environment Programme
USAID	United States Agency for International Development
World Bank	World Bank
WWF	World Wide Fund for Nature, India

New Projects



2010

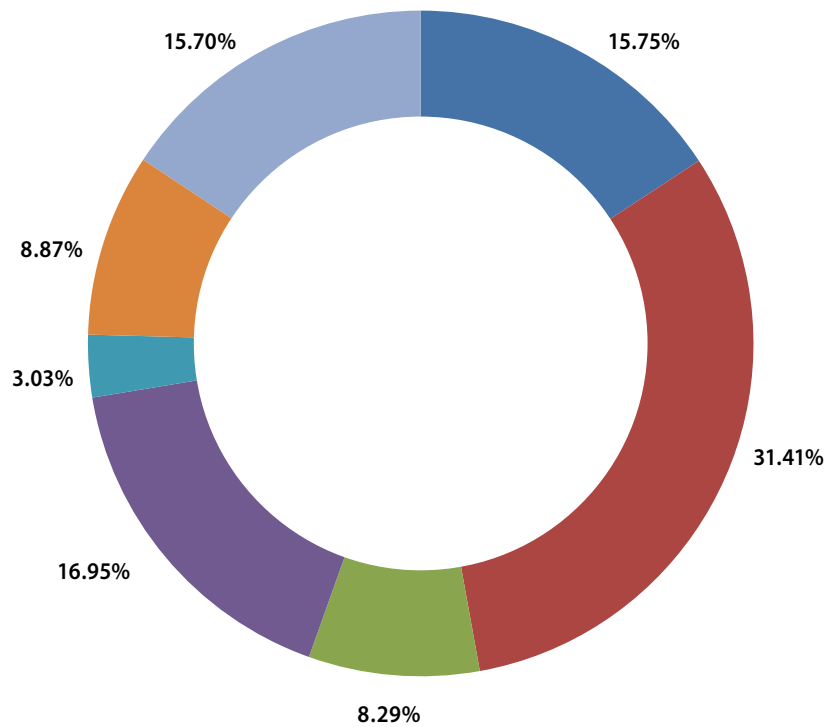
Donor/Lead Agency	Name as per Agreement	Grant Amount USD (Original currency)	Duration (months)
OFID	Sustainable management of ground water in Central Asia (Phase 3)	100,000	16
ICAR	ICAR - Program Support	100,000	12
Government of Norway/The Norwegian Institute for Agricultural and Environmental Research (Bioforsk)	CLIMARICE II: Sustaining rice production in a changing climate - testing climate uncertainties and validating selected adaptation techniques on farmers' fields	219,604 (NOK 8,275,000)	36
USAID/IFPRI	Exploring strategic priorities for regional agricultural R&D investments in Southern Africa	400,000	13
UNEP	Sustainable water use for food production and ecosystems	80,000	6
BMGF	Input into BMGF strategy on water, sanitation and hygiene	94,014	6
FAO	Comparative assessment of water usage and impacts arising from biofuel projects in Southeast Asian countries	50,000	6
USAID/IFPRI	CAADP Monitoring and Evaluation Workshop	131,027 (ZAR 1,205,651)	2
OXFAM	Equitable access to water for production for smallholders in Ethiopia. Impact baseline research for Oxfam America's water program	62,950	6
BMZ	Opportunities for economic incentives to promote sustainable land and water management in the sloping lands of South and Southeast Asia	1,597,275 (EUR 1,200,000)	36
BMGF	Ethiopia Irrigation Diagnostic	71,875	9
CIDA	Preparation for an uncertain water future in Nepal through sustainable storage development	225,000 (CAD 225,000)	36
International Initiative for Impact Evaluation (3ie)	Impact of metering of agricultural tube wells on groundwater use and informal groundwater irrigation services markets in West Bengal, India	159,218	14
ACIAR	Impacts of climate change and watershed development on whole-of-basin agricultural water security in the Krishna and Murray-Darling basins	176,656 (AUD 183,120)	51
BMZ/WorldFish Center	Enhancing adaptive capacity to climate change impacts through well-managed water use for aquaculture integrated with small-scale irrigation in the Chinyanja Triangle in Africa (Malawi, Mozambique and Zambia)	352,094 (EUR 266,932)	36

(Continued)

Donor/Lead Agency	Name as per Agreement	Grant Amount USD (Original currency)	Duration (months)
BMZ/GIZ	Transboundary water management in Central Asia	133,911 (EUR 102,000)	17
ADB/Irrigation Department - Peshawar	Post-project evaluation of the Pehur high level canal	77,438	12
AusAID	Exploring the Mekong Region Futures	194,876 (AUD 200,000)	24
World Bank	Direct delivery of power subsidy to rural areas in India	349,984	14
SIDA	Managing water in rainfed agriculture: The key to food security in the GMS	142,410 (SEK 1,000,000)	10
Research Council of Norway	Human rights and gender dimensions of water governance in Africa: Actors, norms and institutions	115,516 (NOK 680,000)	42
CGIAR	CRP5 Proposal Development Grant	220,000	10
BMGF	Agricultural Water Management Landscape Analysis: Assessing the feasibility and potential impacts of on-farm water control interventions in sub-Saharan Africa and South Asia	1,526,702	36
IFAD	Improved management of agricultural water in eastern and southern Africa Phase 2	1,500,000	37
CPWF	To improve rural livelihoods and their resilience through a landscape approach to rainwater management. Project NL2: On integrating rainwater management strategies - technologies, institutions and policies	2,600,000	46
CPWF	To reduce poverty and foster development through management of water for multiple uses in large and small reservoirs. Project MK1: On optimizing reservoir management for livelihoods	1,599,775	45
CPWF	To improve rural livelihoods and their resilience through a landscape approach to rainwater management. Project NL4: On assessing and anticipating consequences of innovation	999,967	46
CPWF	Integrated management of rainwater and small reservoirs for multiple uses. Project VL4: Subbasin management and governance of rainwater and small reservoirs	874,985	39
IFAD	Evaluation of IFAD-funded IMT/PIM interventions in the Asia Region."Regional WUA Assessment with IWMI.	75,000	10
Government of the Netherlands	Revitalizing irrigation in Pakistan	3,749,738	48

Research Expenditure by Program

2010



Water Availability and Access (WAA)
Theme 1

Productive Water Use (PWU)
Theme 2

Water Quality, Health and Environment
(WQHE) Theme 3

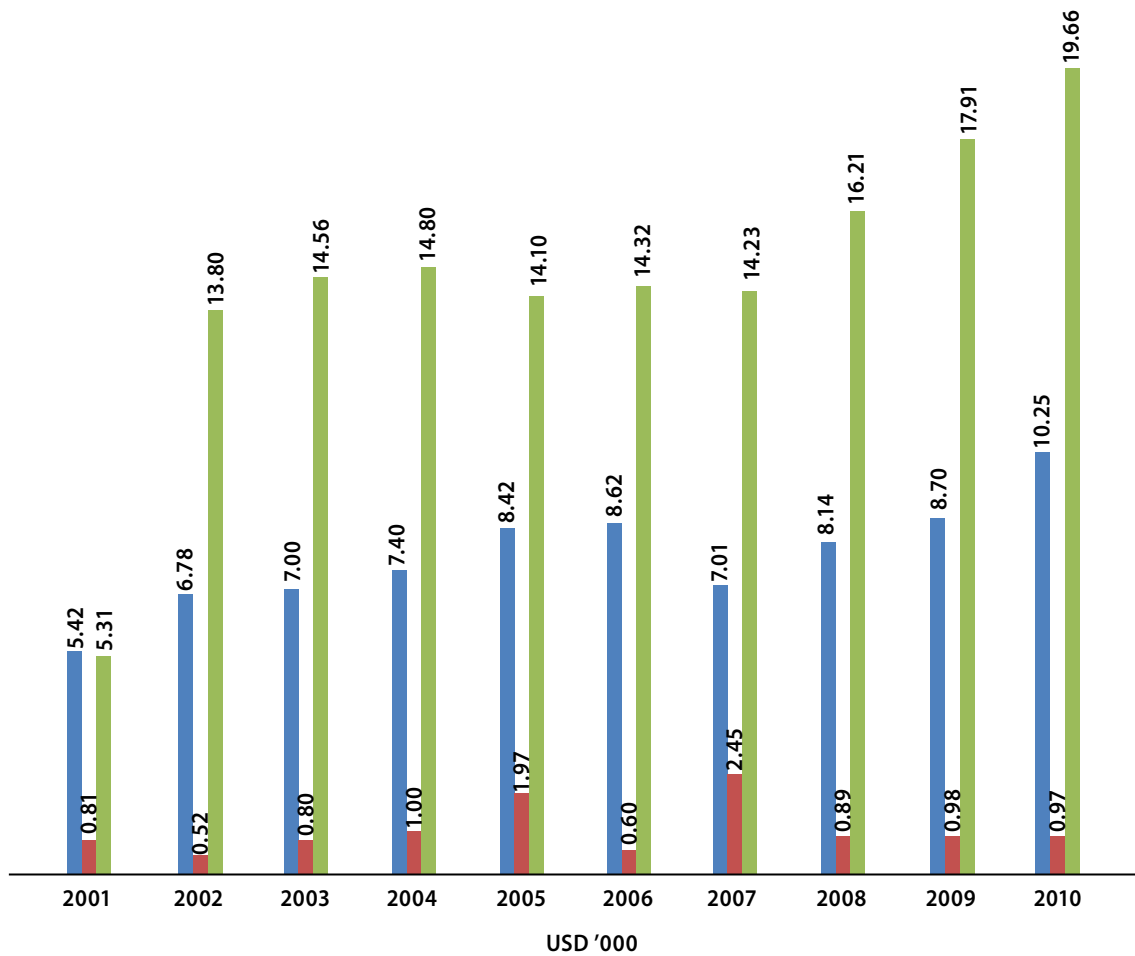
Water and Society (WS)
Theme 4

In-kind and Cash Grants

Other Hosted Activities

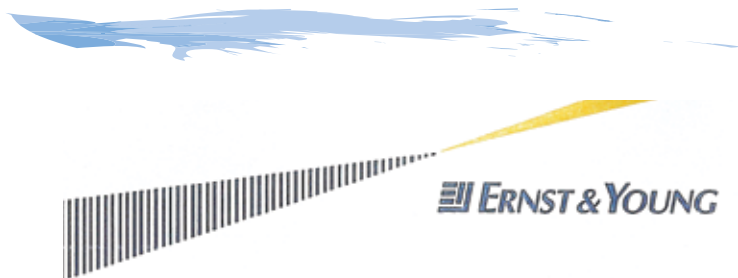
CGIAR Challenge Program on
Water and Food (CPWF)

Income 2001-2010



- Unrestricted Support including Investment Income
- Program Support
- Restricted Support

Auditor's Letter



APAG/NAPJ/NYR/JJ

Chartered Accountants

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**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF GOVERNORS OF INTERNATIONAL WATER MANAGEMENT INSTITUTE**

Report on the Financial Statements

We have audited the accompanying financial statements of International Water Management Institute, which comprise the statement of financial position as at 31 December 2010, and the related statement of activities, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies, other explanatory notes and supplementaries.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations made in the Consultative Group for International Agricultural Research (CGIAR) Financial Guidelines Series No.2 - CGIAR Accounting Policies and Reporting Practices Manual (updated February 2006). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, so far as appears from our examination, the Institute has maintained proper accounting records for the year ended 31 December 2010 and the financial statements give a true and fair view of the Institute's state of affairs as at 31 December 2010 and its surplus and cash flows for the year then ended in accordance with the recommendations made in the CGIAR Financial Guidelines Series No.2 - CGIAR Accounting Policies and Reporting Practices Manual (updated February 2006).

15 March 2011
Colombo

Grant Revenue 2010-2009

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
UNRESTRICTED INCOME		
DFID	1,290,538	1,096,205
Government of Canada	1,465,500	575,568
Government of China	20,000	-
Government of France	235,382	253,865
Government of Germany	305,517	442,232
Government of India	-	37,500
Government of Ireland	484,225	552,050
Government of Japan	(2,670)	30,942
Government of the Netherlands	1,470,588	675,676
Government of Norway	815,687	647,886
Government of South Africa	-	179,685
Government of Sweden	402,570	339,121
Government of Switzerland	405,381	381,375
Government of Australia	823,509	483,900
USAID	1,104,000	642,873
World Bank	1,430,000	1,820,000
TOTAL UNRESTRICTED	10,250,227	8,158,878
RESTRICTED GRANT INCOME		
1) IWMI Restricted Research Projects		
3ie - Impact of metering in West Bengal	100,094	-
ACIAR - Impact of Climate Change & Watershed Development, Krishna & Murray-Darling Basins	22,951	-
ACIAR - Krishna Project	-	350,551
ACIAR - Meso-scale Watershed Development in Andhra Pradesh	112,989	23,342
ACIAR - Watershed Management in Andhra Pradesh, India	41,955	45,475
ADB - Post-Project Evaluation of Pehure High Level Canal project	62,459	-
ADB - Supporting Productive Economics AWDO 2010	(117)	42,419
ADB - Sustainable Wetland Management China	19,007	30,106
ADB - Trends & Transition in Asian Irrigation	-	221,090
AIT - Jasmine Rice in Northeast Thailand	6,608	8,260
BMF - Mekong Hydro Investment	7,844	-
BMGF - Agricultural Water Management Landscape Analysis	3,181,813	1,979,987
BMGF - Ethiopia Irrigation Diagnostic - EID	53,005	-
BMGF - MUS Scoping	-	4,952
BMGF - Wastewater treatment and reuse - Gates	71,576	-
BMZ - Enhancing adaptive capacity to climate change impacts through well-managed water use for aquaculture integrated with small-scale irrigation in the Chinyanja Triangle in Africa	89,229	-

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
RESTRICTED GRANT INCOME		
1) IWMI Restricted Research Projects (continued)		
BMZ - Improving water in crop-livestock SSA	285,865	604,181
BVI - Rehabilitation of Global Public Goods	-	8,900
CANADA - Irrigation Innovation - IPMS P2	29,103	334
CANADA - Storage Development – Nepal (Canada Linkage Fund)	61,306	-
CCAFS - Climate change, agriculture and food security	420,793	-
CGIAR - ICT-KM KS in Research	-	136,186
CGIAR - MP5 Workshop	167,242	-
CSIRO - MRC - P2 Climate Change Mekong	447	18,172
DANIDA - IWRM demonstration projects in SADC region	-	34,372
DANIDA - Local Water Governance	13,918	22,547
DBSA - Agrarian reform in Southern Africa	9,171	-
DFID - Crops for the Future	37,094	109,892
DFID - ICUC - Underutilised Crops Research	-	89,088
DFID - IWMI in RiPPLE	-	2,178
DUKE - Lao climate change and water policy	2,660	17,723
EC - European Community Contribution 2009	-	883,321
EC - European Community Contribution 2010	869,645	-
EC - SUST WATER - Andhra Pradesh	-	5,561
EC - SWITCH	61,630	67,769
EC - WASPA Asia	-	40,219
EC - WETwin	102,377	142,270
ECOWAS - Promotion of Irrigation in W. Africa	2,057	39,390
FAO - DELTA 2007 International Conference	1,033	-
FAO - Impacts of Sluice Gate Operations	25,000	-
FAO - IWMI-FAO Biofuel water account study	50,000	-
FAO - SADC RAP	-	79,910
FRANCE - MSEC-IRD (Management of Soil Erosion Consortium)	595,800	749,400
FRANCE - Other Staff Secondment	-	121,000
GEF - GEF-Inland Wetlands in Southern Africa	76,316	177,147
GHI - Recipes for success	147,335	-
GOOGLE - Google Staff Contract	-	7,734
GTZ - Ghana Dams Dialogue	-	250
GTZ - Ghana Dams Dialogue III	103,847	103,359
GTZ - Ghana Dams Dialogue Workshop	-	138
GTZ - GIS/RS for Transboundary Water Management in Central Asia	44,624	-
GTZ - Land and Water Management in South Asia	95,660	-
GTZ - Water Storage for Climate Change in SSA	510,939	387,839
GWP - Global Water Partnership - South Asia Secretariat	274,185	-
ICAR - Livelihood Improvement in NE India	3,137	727
ICAR - Livelihood improvement - Bihar	2,503	4,029

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
RESTRICTED GRANT INCOME		
1) IWMI Restricted Research Projects (continued)		
ICRAF - Secondment	-	40,114
IDRC - IDRC/AWA-Course on Water Demand Management	22,922	-
IDRC - IDRC-Climate Change Vulnerabilities	119,901	15,858
IFAD - AWM in Challenging Contexts	184,425	29,358
IFAD - Improved Management of Agricultural Water in Eastern & Southern Africa Phase 2 (IMAWESA 2)	4,020	-
IFAD - Livelihood Improvement in NE India	24,730	12,721
IFAD - Livelihood improvement - Bihar	27,348	29,900
IFAR - Grant for Central Asia	-	4,262
IFAR - IFAR grant for Central Asia 2010	9,040	-
IFPRI - CAADP Monitoring and Evaluation Workshop	131,027	-
IFPRI - CARDESA Priority Setting Study	366,724	-
IFPRI - Ghana Irrigation Sector Assessment	-	128,125
IFPRI - Moz-SAKSS Phase II	243,258	105,419
IFPRI - Re SAKSS SA	83,061	231,539
IISD - Assessing Irrigation Subsidies, Andhra Pradesh, India	13,143	-
INDIA - Central India Initiative (CInI Cell)	-	15,724
INDIA - ICAR	100,000	100,000
INDIA - IWMI Tata Water Policy Programme - Phase 2	167,351	129,707
INDIA - North Gujarat Sustainable Groundwater Initiative	-	61,840
IRRI - Disaster Resilience Project	-	1,315
IUCN - ESPA Proposal development - Choosing Wise Investments in Natural & Built Water Infrastructure	3,516	-
JAPAN - Assessment of Water User Associations	36,572	-
JAPAN - JIRCAS - Water Fee Collection Mechanism	3,309	-
JAPAN - Lowland paddy fields development	98,413	36,715
JAPAN - Research on Water Use Efficiency - NIRE	-	26,318
JAPAN - Survey on Analytical Estimation of Participatory Irrigation Management	260,416	74,968
JAPAN - Sustainable dissemination of small-scale lowland paddy fields development in inland valleys in West Africa (SDSSLFPD)	-	18,475
JAPAN - Transferring Effective Irrigation & Water Resource Management Techniques (TEIWRMT)	-	88,424
KKU - Thai MAR Investigation	12,875	-
KNUST - WHO Guideline Testing in Kumasi, Ghana	-	(1,609)
LINKOPING University - Operational Expenses	-	618
MDP - Conference Fee - DELTA 2007	9,408	170
NEA - CLIMA ADAPT - Development Programme	9,150	-
NEA - CLIMAWATER	15,654	1,848
NEA - CLIMAWATER-II RICE	37,982	-
NES - Nestle Milk Water Footprints	48,801	26,099
NETHERLANDS - RUAF-FStT (From Seed to Table) Anglophone West Africa	200,834	246,891
NETHERLANDS - RUAF-FStT (From Seed to Table) in South & South East Asia	236,672	206,107
NETHERLANDS - SRIWASH	-	9,938

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
RESTRICTED GRANT INCOME		
1) IWMI Restricted Research Projects (continued)		
NETHERLANDS - Urban Agriculture Policy Support - Ghana/India	-	(165)
NORWAY - Human rights and gender dimensions of water governance in Africa	6,832	-
NRIL - CoDI - Coalition to Diversify Income	189,385	166,142
OECD - Financing Water Resources Management	14,167	-
OPEC - Groundwater Management in Central Asia - P3	86,837	-
OPEC - GW in Arid & Saline Env - Tunisia & Central Asia	20	-
OPEC - GW in Arid & Saline Env - Tunisia & Central Asia - P2	-	29,583
OXFAM - Impact Baseline for Oxfam America	62,628	-
PIP - RS Irrigation Performance Pakistan	2,857	10,000
ROCKEFELLER - Groundwater in SSA	243,314	136,268
SEI - Sustainable Mekong	-	7,150
SEI - Sustainable Mekong IFS	-	1,040
SEI - Sustainable Mekong II	8,856	-
SEI - Sustainable Mekong - PES Cluster Research	-	2,600
SIDA - GWP - CACENA	270,863	453,110
SIDA - IWRM 2008	-	3,504
SIDA - IWRM Ramboll 2009	17,551	13,514
SIDA - IWRM Training - Ramboll 2008	-	11,018
SIDA - Rainfed system in South East Asia	5,632	-
SIDA - ReSAKSS-SA support to SADC	2,970	-
SIDA - SIDA - Smallholder System Innovation in Irrigated Watershed Management	-	257,067
SIDA - SIDA Climate Change	61,179	76,958
SIDA - Sri Lanka National Water Partnership	27,675	23,800
SWITZERLAND - CA Synthesis: SWWF	-	10,029
SWITZERLAND - SWISS - Ferghana Valley Phase IV	1,264,510	1,533,492
SWITZERLAND - Water Flume Meters for Water User	-	(6,646)
SWITZERLAND - Water Productivity at Plot Level	-	35,055
SWITZERLAND - Water Productivity Improvement at Plot Level II	900,278	469,217
UDS - WHO Guideline Testing in Tamale	2,856	455
UNDP - NREGA - Rural Water Security-India	31,109	-
UNEP - Water for Food and Ecosystems	80,000	-
UNESCO - Algeria recycling project	3,966	50
UNESCO - Algeria SINBAD Project	-	195
UNESCO - SINBAD	1,429	-
UNESCO-IHE - IRBM ECB	6,150	-
UNESCO-IHE - Joint Appointment	-	75,105
UOC - Kumasi Research Platform	226	16,088
USAID - Additional Budget - Blue Revolution	-	19,609
USAID - AWM Technologies	9,232	19,786
USAID - Blue Revolution	41,989	131,430

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
RESTRICTED GRANT INCOME		
1) IWMI Restricted Research Projects (continued)		
USAID - CILSS - Improving Food Security in West Africa	357,557	224,366
USAID - Climate Change Modeller Mekong	-	13,920
USAID - Linkage Fund	16,530	33,379
USAID - Natural Resources Mgt Phase 2	(3,250)	313,603
USAID - New Agriculture/Environment Assessment & Project Design	-	23,469
USAID - NRM 2 Program - Water Team Collaboration	305,025	-
USAID - SA SAKSS P1 and P2	59,328	144,692
USAID - USAID GATES - Activity 1	-	275,622
USAID - Water Team Collaboration	76,602	-
WATERNET - Integrated WRM (CPWF)	-	52,002
WIN - Best Practices & Lessons learned - Wetlands & Poverty - P2	-	14,167
WIN - Best Practices & Lessons learned - Wetlands & Poverty - P1	-	(165)
WORLD BANK - ESMAP Groundwater Electricity	16,147	-
WORLD BANK - India Irrigation Study	35,998	21,759
WORLD BANK - Issue paper - Improving Water Management in Urban Agriculture	11,000	10,500
WORLD BANK - Survey Plan for WUAs Impact Assessment	-	23,000
WOTRO - Blue Nile Hydrosolidarities	-	2,600
WTI - WIN Programme on RSM	9,545	-
WWF - WWF Ganga Basin Project	84,079	84,342
ZEF - Glowa Volta Project	-	(107,799)
ZEF - Phase 4 - Reimbursement from Glowa Volta	95,814	37,723
ZEF - Secondment - (WASCAL)	84,142	-
Subtotal	14,724,680	12,863,292
2) GWP South Africa		
AFDB - GWP South Africa	2,601	239,031
CGIAR - GWP South Africa	(3,865)	3,865
DANIDA - Climate change workshop report Cape Town	-	66,340
DANIDA - GWP South Africa	27,226	169,900
DFID - RCCP - Regional Climate Change Programme	162,065	-
GWP - Core - GWP South Africa	285,101	330,974
GWP - Host Institution Fees	148,933	-
HBF - Water, Climate Change and Development	48,570	-
NETHERLANDS - GWP South Africa	193,959	171,028
SIDA - Bridging - GWP South Africa	(4,761)	249,478
Subtotal	859,829	1,230,614
3) IWMI Components of Non-IWMI CP Projects		
CIAT - PES in Mekong Region	-	10,168
CIRAD - CP 25: Companion Modeling & Water Dynamics	-	30,239
CMU-USER - CP 67: Mekong Water Allocation	2,404	17,421
CMU-USER - Theme leader activities	-	3,106

	Total Revenue 2010 (US\$)	Total Revenue 2009 (US\$)
RESTRICTED GRANT INCOME		
3) IWMI Components of Non-IWMI CP Projects (continued)		
FANRPAN - CP 62: Limpopo BFP	4,575	27,825
ICRISAT - CP 1: Food Security & Income in Limpopo Basin	-	51,619
IFAD - CP 50: Enhancing Multi-Scale Mekong Water Governance	5,411	2,750
ILRI - CP 37: CP Nile Livestock	-	16,893
IRD - Interventions Analysis	-	35,000
SAVANA - CP 6: Strategic Innovation in Dryland Farming	-	27,505
UOC - CP 51: Health Impact of Wastewater Use	-	2,177
Subtotal	12,390	224,703
4) IWMI CP Projects		
CPWF - CP 19: Upstream downstream impacts in Nile	154,711	326,596
CPWF - CP 28: Implementing Multiple-use Systems	-	143,728
CPWF - CP 30: Sustainable Wetland Management - South Africa	-	85,170
CPWF - CP 36: Improved Livelihoods through Dams Management	-	106,490
CPWF - CP 42: Groundwater Governance in IGB & YRB	-	17,394
CPWF - CP 46: Small Multi-purpose Reservoir Ensemble Planning	-	31,194
CPWF - CP 48: Strategic Analysis of River Linking	-	158,331
CPWF - CP 57: Karkheh Basin Focal Project	1,000	-
CPWF - CP 59: Nile BFP	177,644	391,224
CPWF - CP 60: BFP - Indus Gangetic Basin	-	517,463
CPWF - CP 65: Shallow Groundwater Irrigation, White Volta	188,389	132,899
CPWF - CP 66: Water Rights -Limpopo & Volta	-	305,860
CPWF - CP 68: Crop-livestock Systems in IGB	176,171	238,642
CPWF - CP 71: Water Allocation in Tonle Sap	148,996	189,127
CPWF - CPWF DELTA 2007 International Conference	6,912	-
Subtotal	853,823	2,644,118
CPWF - MK1: Optimizing reservoir management for livelihoods	346,921	-
CPWF - NL2: Integrated rainwater management strategies	305,701	-
CPWF - NL4: Assessing and anticipating consequences of innovation	121,261	-
CPWF - VL4: Sub-basin management and governance	23,034	-
Subtotal	796,917	-
5) CP Secretariat and Other CP donors		
CPWF - CP Secretariat	3,385,261	2,466,928
Subtotal	3,385,261	2,466,928
TOTAL RESTRICTED (1+2+3+4+5)	20,632,900	19,429,655
TOTAL OF RESTRICTED & UNRESTRICTED	30,883,127	27,588,533

Statement of Financial Position

December 31, 2010 and 2009

	2010 US\$'000	2009 US\$'000
ASSETS		
Current Assets		
Cash and Cash Equivalents	27,979	26,224
Investment	31	46
Accounts Receivable		
Donor	3,387	1,993
Employees	218	219
Other CGIAR Centers	214	513
Others	902	1,079
Prepaid Expenses	75	84
Inventories	35	36
Total Current Assets	32,841	30,194
Non-Current Assets		
Property, Plant and Equipment, net	1,388	1,667
TOTAL ASSETS	34,229	31,861
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable		
Donor	6,464	9,349
Employees	1,285	1,265
Other CGIAR Centers	582	764
Others	2,001	1,692
Amount Held for Challenge Program	5,555	4,657
Accruals	826	776
Total Current Liabilities	16,713	18,503
Non-Current Liabilities		
Accounts Payable		
Employees	2,280	2,028
Total Non-Current Liabilities	2,280	2,028
TOTAL LIABILITIES	18,993	20,531
Net Assets		
Unrestricted		
Designated	4,180	3,180
Undesignated	11,056	8,150
Total Net Assets	15,236	11,330
TOTAL LIABILITIES AND NET ASSETS	34,229	31,861

These financial statements were approved on 15 March 2011



.....) Director General



.....) Director Finance & Administration

The accounting policies on pages 7 to 13, notes on pages 14 to 27 and supplementary informations on pages 28 to 33 form an integral part of the financial statements



Overview of IWMI Staff

IWMI Diversity at Different Organizational Levels as at December 31, 2010

	Male			Female			Total
	North	South	Subtotal	North	South	Subtotal	
Board of Trustees	4 44%	3 33%	7 78%	0 0%	2 22%	2 22%	9 100%
Management Team	5 42%	3 25%	8 67%	4 33%	0 0%	4 33%	12 100%
Researchers	23 28%	39 48%	62 77%	10 12%	9 11%	19 23%	81 100%

Breakdown of Researchers

Principal Researchers	12	7	19	4	0	4	23
Senior Researchers	4	12	16	4	2	6	22
Researchers	5	18	23	1	6	7	30
Postdoctoral Scientists	2	2	4	1	1	2	6
Subtotal	23	39	62	10	9	19	81
Research Support	3 7%	33 77%	36 84%	0 0%	7 16%	7 16%	43 100%
Services	3 2%	88 56%	91 58%	6 3%	61 39%	67 42%	158 100%
Total IWMI Staff	29	160	189	16	77	93	282

* Total IWMI staff number includes hosted staff

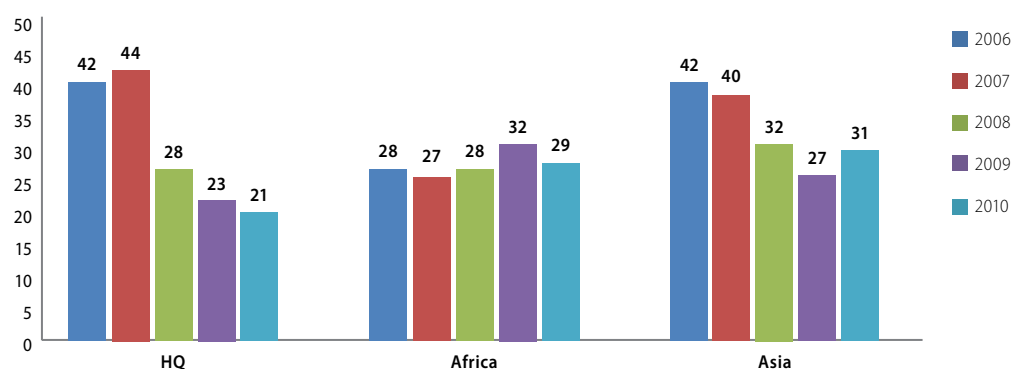


- Agricultural Economics/Economics
- Environment/Ecology
- Irrigation/Agricultural Engineering
- RS/Spatial Analysis
- Social Science/Geographer/Technology Policy Analysis
- Soil Science/Agronomy/Pedology
- Water Resource Specialist (Surface/Ground)
- Water Quality/Health/Water Science



- Researchers
- Research Support
- Services

Researchers by Region 2006-2010



IWMI reports are made available via the Institute's website.

- **Annual reports**
www.iwmi.org/About_IWMI/Strategic_Documents/Annual_Reports/index.aspx
- **Full financial statements**
www.iwmi.org/About_IWMI/IWMI_Financial_Statements.aspx
- **Performance indicator reports**
www.iwmi.org/About_IWMI/Performance/index.aspx

ANNUAL REPORT TEAM

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Front cover image:

Catherine Tan, Vizual Solution

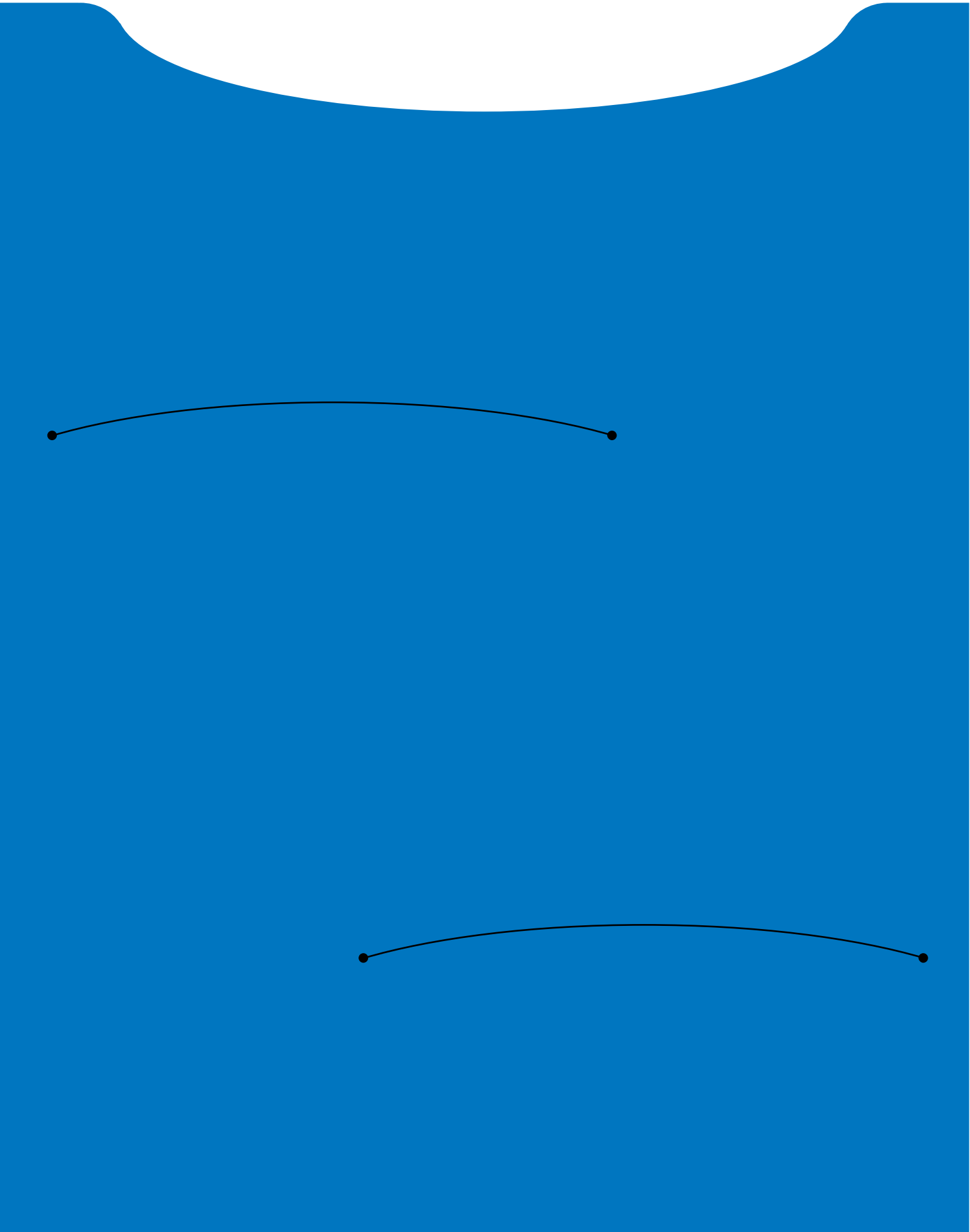
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Gunaratne Offset Limited

IWMI (International Water Management Institute). 2011. **IWMI Annual report 2010**. Colombo, Sri Lanka: International Water Management Institute (IWMI). 28p. + Insert: 1 Book (IWMI celebrating 25 years of research achievements), 2 DVDs (IWMI Publications 1985-2010; IWMI@25: interviews with some past and present Board Chairs and Directors General). doi: 10.5337/2011.203

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