

# One CGIAR – Towards \$2 Billion

## Resource Mobilization, Communication and Advocacy Strategy

*Working Document*

25 June 2020

# One CGIAR – Grow Back Better

## Resource Mobilization, Communication and Advocacy Strategy

### Contents

Executive summary.....	1
A guiding narrative for the One CGIAR RMCA strategy .....	1
Pathway to implementation .....	2
Aims of the Resource Mobilization, Communication and Advocacy strategy .....	3
Current context .....	3
Relevance and impact of CGIAR .....	3
System Reference Group recommendations and transition to One CGIAR .....	4
CGIAR funding.....	5
Highlights of CGIAR funding history .....	5
Current sources of CGIAR funding .....	6
Global funding context .....	7
Sources and growth of potential funding .....	7
COVID-19 risks and opportunities .....	9
Path to \$2 billion.....	10
Multi-channel Action Area approach.....	10
The sustainable campaign model .....	10
Cross-cutting components.....	11
Communications, advocacy and engagement .....	11
Engagement strategies .....	12
Strategic communications .....	12
Global advocacy.....	12
Campaign communications .....	13
Speaking with one voice .....	13
Funding targets and scenarios.....	13
Details of the Action Areas .....	14
Action Area 1: Elevate System Council funders .....	15
Definition of the Action Area 1 funders.....	15
Current funding and growth potential from Action Area 1 .....	15
Considerations for target setting and implementation.....	16
Action Area 2: Grow Emerging Markets .....	17
Definition of Action Area 2 funders .....	17
Current engagement, funding and growth potential from Action Area 2 .....	18
Considerations for target-setting and implementation.....	19

Action Area 3: Tap climate funds and finance .....	20
Definition of Action Area 3 funding .....	20
Current engagement, funding and growth potential from Action Area 3 .....	20
Considerations for target-setting and implementation.....	21
Action Area 4: Engage country partners and International Financial Institutions.....	22
Definition of Action Area 4 funders and funding .....	22
Current engagement, funding and growth potential from Action Area 4 .....	22
Considerations for target-setting and implementation.....	23
Action Area 5: Cultivate Innovative and Private Finance .....	25
Definition of Action Area 5 funding .....	25
Current engagement, funding and growth potential from Action Area 5 .....	25
Considerations for target setting and implementation .....	26
Making it Happen .....	27
Towards implementation .....	27
Next steps .....	27
Annex 1 Preliminary target-setting across the Action Areas toward \$2 billion annually by 2030 .....	29
Annex 2: OECD purpose codes according to degree of strategic fit with CGIAR .....	35

## Abbreviations and acronyms

<b>ADB</b>	Asia Development Bank
<b>AfDB</b>	African Development Bank
<b>BF</b>	Blended Finance
<b>BMGF</b>	Bill & Melinda Gates Foundation
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CAGR</b>	Compounded Annual Growth Rate
<b>CAS</b>	Climate Action Summit
<b>CFS</b>	Committee on Food Security
<b>CI</b>	Conservation International
<b>CIF</b>	CGIAR Investment Facility
<b>COP26</b>	UN Climate Change Conference 26
<b>CSR</b>	Corporate Social Responsibility
<b>DFI</b>	Development Finance Institutions
<b>FAO</b>	UN Food and Agriculture Organization
<b>GCA</b>	Global Commission on Adaptation
<b>GCCA</b>	Global Climate Change Alliance
<b>GCF</b>	Green Climate Fund
<b>GDP</b>	Gross Domestic Product
<b>GEP</b>	General Environment Protection
<b>HLPF</b>	High Level Political Forum of the UN
<b>HNWI</b>	High Net-Worth Individuals
<b>IFAD</b>	International Fund for Agriculture Development
<b>IFI</b>	International Financial Institution
<b>IIF</b>	Impact Investment Funds
<b>INGO</b>	International Non-Governmental Organizations
<b>LDC</b>	Least Developed Countries
<b>MENA</b>	Middle East and North Africa
<b>MDB</b>	Multilateral Development Banks
<b>MIC</b>	Middle Income Countries
<b>NARS</b>	National Agricultural Research Systems
<b>NARES</b>	National Agricultural Research and Extension Systems
<b>NGO</b>	Non-Governmental Organizations
<b>ODA</b>	Official Development Assistance
<b>OECD-DAC</b>	Organization for Economic Co-operation and Development's (OECD) Development Assistance Committee
<b>PEH</b>	Philanthropy Engagement Hub
<b>RBA</b>	Rome-based Agency
<b>RMCA</b>	Resource Mobilization, Communications and Advocacy Strategy
<b>RoI</b>	Return on Investment
<b>SC</b>	System Council
<b>SDG2</b>	Sustainable Development Goal 2 – Zero Hunger
<b>SRG</b>	CGIAR System Reference Group
<b>SSTC</b>	South-South Technical Cooperation
<b>SSCTF</b>	South-South Cooperation Trust Fund
<b>SVP</b>	Shared Value Partnership
<b>TAG</b>	Transition Advisory Group
<b>TCF</b>	Transition Consultation Forum
<b>TNC</b>	The Nature Conservancy
<b>UNFSS</b>	United Nations Food Systems Summit 2021
<b>WB</b>	World Bank
<b>WBCSD</b>	World Business Council on Sustainable Development
<b>WEF</b>	World Economic Forum
<b>WASH</b>	Water, Sanitation and Health
<b>WWF</b>	World Wide Fund for Nature
<b>YoY</b>	Year on Year

## Executive summary

### A guiding narrative for the One CGIAR RMCA strategy

1. Analysis shows there are funding sources to support a \$2 billion annual (pooled and bilateral) One CGIAR sustainable financial ambition by 2030 or earlier.
2. In addition to strong System Council commitment to advocate and invest, achieving this ambition demands collective communications, and a targeted, multi-channel fundraising approach – to be made up of five Action Areas, each targeting key sources and types of investments.
3. This requires a new way of working across CGIAR – even more coordinated, targeted and transparent – anchored by a System Council-supported, sustainable campaign approach.

Global food systems are fragile. Climate change continues to challenge producers, and the COVID-19 crisis is only exacerbating the situation. There is an urgent need for a coordinated global research response to develop equitable and resilient food, land and water systems to meet the UN Sustainable Development Goals (SDGs) by 2030.

Meeting the challenges ahead requires CGIAR to become an even more cohesive system of global significance. A unified CGIAR, with its collective expertise, experience and networks will be well placed to tackle the complex and interrelated challenges of the 21st century and reach a sustainable \$2 billion annual goal through a high-profile campaign.

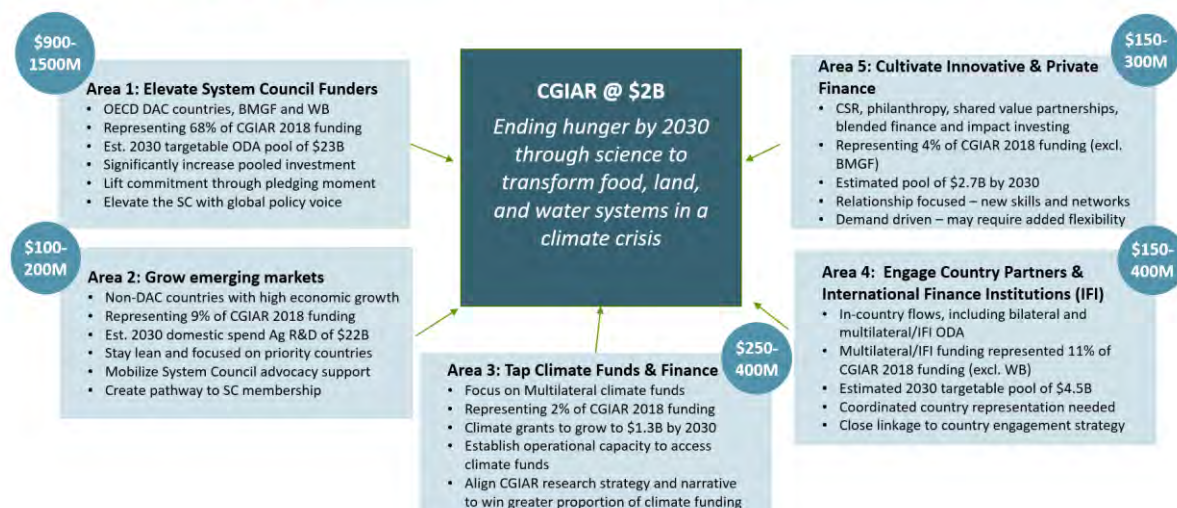
In order to realize the potential of One CGIAR, and to deliver development impact through a research agenda, there is a need to align, elevate and diversify the way CGIAR as a System approaches resource mobilization, communication and advocacy – as well as to maximize the efficacy of System capacity and reduce internal competition and duplication of effort.

A multi-channel approach was designed with a view to strengthening relations with existing funders, diversifying the portfolio of investors and expanding the use of innovative financing approaches. The proposed five ‘Action Areas’ approach closely aligns with funding sources for international research and development.

## Action Areas for multi-channel RMCA strategy



**Analysis shows funding sources are available to support a \$2 billion annual (pooled and bilateral) One CGIAR sustainable financial ambition by 2030 or earlier. It demands collective communications and a targeted, multi-channel fundraising approach.**



Analysis is based on historical and available data, and is intended to provide an informed basis for prioritization, as the impacts of COVID-19 on ODA are only beginning to emerge. This analysis – which indicates that substantial targetable funding is available across each Action Area – supports an ambition for a \$2 billion annual CGIAR research agenda. It is derived from current targetable sources of ODA, domestic agricultural research and development spending in emerging markets, multilateral climate funds, multilateral and IFI flows to key countries, and innovative and private finance. Growth scenarios toward 2030 have been assessed by applying an estimated compounded annual growth rate to the pools within each of the Action Areas. The nascent economic recession caused by the COVID-19 crisis and its impact on ODA funding levels is being monitored, and is reflected in the scenarios.

This new approach aims to enhance the relevance of CGIAR’s research and brand, de-risk the current narrow base of investments by expanding to a wider spectrum of funding sources, modalities and timeframes, and increase the value of agricultural research investments for all. This will help position CGIAR in growth segments and build System-wide resilience to financial fluctuations.

### Pathway to implementation

The One CGIAR RMCA strategy can only be realized under unified governance and a coordinated engagement approach.

Implementation requires a new approach in the way the One Common Board, Executive Management Team, System leadership, and Resource Mobilization and Communication staff conduct business. It also calls for shared services and policies, additional capacity, new skillsets, and dedicated resources to realize financial targets. These considerations will guide the development of the strategy Implementation Plan.

To realize the potential of this strategy, additional steps and analysis will be required as outlined below:



Increasing CGIAR funding to \$2 billion by 2030 is an achievable but challenging goal, requiring average annual growth of 7-8% starting from last year (2019). The longer it takes to transition to One CGIAR, mobilize funders and shift investments onto this new path, the higher the growth rate will need to be in each successive year between now and 2030.

This One CGIAR RMCA strategy, which aims to deliver on SRG Recommendation 5 – More, and Pooled, Funding – is an input to the workplan and deliberations of the Transition Advisory Group (TAG) 7 on Resource Mobilization, and a resource for both the System Management Board and the incoming Executive Management Team.

\*\*\*

## Aims of the Resource Mobilization, Communication and Advocacy strategy

CGIAR needs to increase its global significance, level of investment support, and demonstrated impact. Gaining the attention of funders is possible but will require an even higher degree of analysis, pre-planning, and coordination with close allies and potential competitors. CGIAR needs to move rapidly in this new environment to produce key positions as well as engagement and advocacy plans.

Meeting the challenges ahead requires that CGIAR becomes an even more cohesive system. Additionally, there is a need to align, elevate and diversify the way CGIAR as a System approaches resource mobilization, communications and advocacy. This will maximize the efficiency of System capacity and increase the value for money that funders derive from their investments.

Goal	<ul style="list-style-type: none"> <li>• Increase the scale and impact of CGIAR research.</li> <li>• Improve the way we work – in a targeted, coordinated and efficient way – leveraging System-wide capacities.</li> <li>• Implement an investment growth strategy to 2030 through a diversified, multi-channel approach.</li> </ul>
Targets	<ul style="list-style-type: none"> <li>• Raise \$2 billion on an annual and sustained basis.</li> <li>• Grow and incentivize pooled funding to 50% by 2022, 70% by 2024 (SRG recommendation).</li> </ul>
Sustainability	<ul style="list-style-type: none"> <li>• Implement a collective campaign model that mirrors the CGIAR three-year business plan to 2030.</li> <li>• Maximize pooled investments from System Council Funders and other sources, while recognizing importance of major bilateral funding efforts.</li> <li>• Diversify funding channels through targeted Action Areas to access underexploited funding sources, contributing to both pooled and bilateral investments.</li> <li>• Build in flexibility to respond to urgent or evolving issues (e.g. COVID-19).</li> </ul>
Action Areas	<ol style="list-style-type: none"> <li>1. Elevate System Council Funders</li> <li>2. Grow Emerging Markets</li> <li>3. Tap Climate Funds and Finance</li> <li>4. Engage Country Partners and International Finance Institutions</li> <li>5. Cultivate Innovative and Private Finance</li> </ol>

This framework for a Resource Mobilization, Communications and Advocacy (RMCA) strategy focuses on funding sources and funding potential through a multi-channel approach. Detailed analysis and target-setting, along with operational tactics, capacities, and resources will be subsequently outlined in implementation next steps. Additionally, specific country-level and Action Area engagement plans will be built into One CGIAR operations and country representation.

It is recognized that many aspects contribute to successful resource mobilization, such as communications and advocacy, an innovative and relevant research strategy, and partnerships. However, these elements require specific attention and plans, and are thus only introduced or referred to in this framework.

### Current context

#### Relevance and impact of CGIAR

Global food systems are fragile. Climate change continues to challenge producers, and the COVID-19 crisis is exacerbating the situation, which could push more than a quarter of a billion people to the brink of starvation. There is an urgent need for a coordinated global research response to develop



equitable and resilient food, land and water systems to meet the UN Sustainable Development Goals (SDGs).

Important evidence such as the 2019 EAT-Lancet report, the IPCC Report to the 2019 UN Climate Action Summit, key themes on food systems presented at the 2020 World Economic Forum, the 2020 Global Nutrition Report, and related planning discussions for the 2021 UN Food Systems Summit show strong evidence of global will for improved and sustainable food systems. A unified CGIAR, with its expertise, experience and network, is well placed to respond to the demand for innovative solutions.

The COVID-19 pandemic – itself likely originating from the food system – is affecting us all, and causing massive global disruptions to economies, livelihoods and individual and public health. The UN Secretary General and Rome-based Agencies have called for greater consideration of the impacts of the COVID-19 crisis on global food systems and accessibility of food for the poorest. This call has been translated into many funder countries' global COVID-19 responses and ODA funding prioritization. Nevertheless, the crisis has also led to economic recession in many funder countries and overall ODA levels may see a temporary decline.

The global demand for food is projected to grow by 70% from 2010 to 2050, at a time when climate change and extreme weather, high-input costs, destructive pests and conflict are making it more difficult to produce food. More than 800 million people are chronically undernourished, while 2 billion people suffer from micronutrient deficiencies.

With only 10 years left until the deadline for the SDGs in 2030, there is an urgent need for a coordinated global research strategy to transform food, land and water systems in low- and middle-income countries. Investment in CGIAR returns a benefit-cost ratio of 10:1 (forthcoming publication by SoAR, 2020 [*under embargo*]). Our research and innovation can make a real difference in the transition to resilient, equitable, sustainable and profitable agriculture and food systems, and more closely support investors' commitments to development assistance.

The \$2 billion RMCA strategy, which aims to deliver on SRG Recommendation 5 – More, and Pooled, Funding – is an input to the workplan and deliberations of the Transition Advisory Group (TAG) 7 on Resource Mobilization, and a resource document for both the System Management Board and the incoming One CGIAR Executive Management Team.

## System Reference Group recommendations and transition to One CGIAR

One CGIAR is a dynamic reformulation of CGIAR's partnerships, knowledge and physical assets, as set out in the [recommendations of the System Reference Group \(SRG\)](#) and [endorsed by the CGIAR System Council at its 9<sup>th</sup> meeting in November 2019](#). One CGIAR builds on an energized, interconnected, and diverse global talent pool. It aims to drive major progress in key areas where innovation is needed to deliver on the SDGs by 2030 – anchored in more unified governance, institutions, country engagement, and funding.



One of the ambitions of One CGIAR is to double overall investment, and substantially increase the proportion of pooled funding in CGIAR research, thus ensuring a critical mass for targeted and long-term projects, achieving the levels of partnership required to scale impact, retaining and attracting the best minds to encourage new, relevant innovation.

The Transition Consultation Forum (TCF) was established in January 2020 at the invitation of the Chair of the CGIAR System Council as a discussion and consultation platform to provide multi-stakeholder input on the transition to One CGIAR.

## CGIAR funding

### Highlights of CGIAR funding history

OECD-DAC countries and multilateral organizations, as well as international philanthropy, have been the pillars of CGIAR funding. Funding has, however, been fragmented and unpredictable since CGIAR's establishment in 1971<sup>1</sup>.

The CGIAR Fund (2011) and subsequent CGIAR Trust Fund (2016) offered new funding channels (W1, W2 and W3/bilateral). They were designed to harmonize funders' efforts and increase available funding by reducing or eliminating duplication of effort among the Centers and promoting greater financial stability.

In the early years of the CGIAR Fund, investments grew rapidly. By 2013/14, combined bilateral and Trust Fund revenue reached \$1 billion, where it stayed for two years before gradually declining year on year to \$832 million in 2018 (see Figure 1). This did not meet the objective of attracting the majority of CGIAR funding through pooled mechanisms (Windows 1 and 2), so Centers escalated bilateral fundraising, resulting in thousands of bilateral projects increasing programmatic and administrative requirements.

In 2016, the CGIAR System Organization and System Council were established, and the new CGIAR Trust Fund was set up. The year 2017 was the first of Phase 2 of the CRP portfolio, and although revenue for 2017 was below the peak revenue for 2013, pooled investments stabilized (see Figure 2 and Figure 3). Further, the adoption of the new CGIAR three-year business plan increased credibility in CGIAR's transparency, accountability, reporting and stewardship, helping restore funder confidence in the System. Significantly, in 2019, coordinated advocacy around CGIAR's climate agenda and

## SRG recommendations

The SRG recommendations were structured around five interconnected elements:

1. A compelling and aligned mission; 2. Unified governance;
3. Institutional convergence; 4. More and better funding; 5. A new way of organizing transformative research programs.

To enhance the focus, relevance, and impacts of our research, CGIAR will develop a 2030 Research Strategy anchored in revised mission statement and Impact Areas:

**One CGIAR mission:** Ending hunger by 2030 – through science to transform food, land and water systems in a climate crisis.

### Five Impact Areas:

- i. Nutrition & food security
- ii. Poverty reduction, livelihoods & jobs
- iii. Gender equality, youth & social inclusion
- iv. Climate adaptation & greenhouse gas reduction
- v. Environmental health & biodiversity

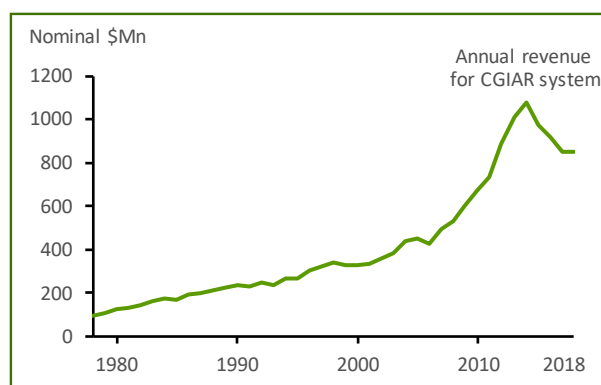
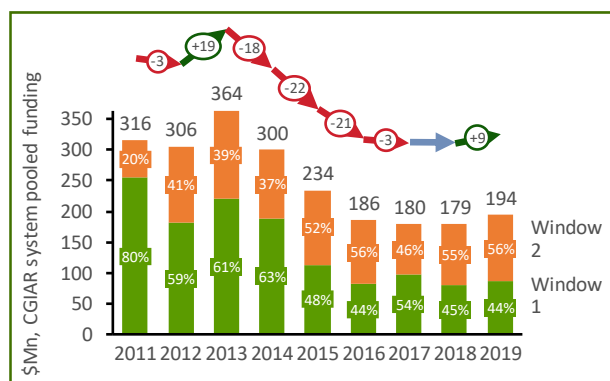


FIGURE 1: CGIAR REVENUES 1978-2018

Annual revenues for CGIAR system in nominal US\$ millions.

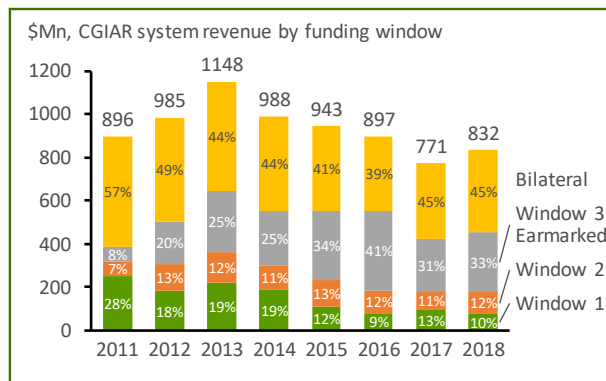
<sup>1</sup> Brief History of the [CGIAR Fund 2016 Discussion Paper](#)

momentum around One CGIAR generated the first – albeit moderate – increase in pooled funding since 2013.



**FIGURE 2: CGIAR YEAR ON YEAR POOLED FUNDING BY WINDOW, 2011-2019**

Total W1 and W2 funding to the CGIAR Trust Fund by Window, 2011-2019 in US\$ million. Window 3 funding is excluded as it is not considered pooled funding. Triangles indicate change.



**FIGURE 3: CGIAR ANNUAL FUNDING BY WINDOW, 2011-2018**

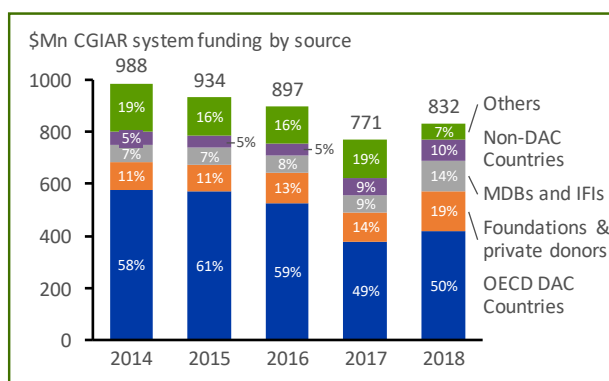
Total annual funding to the CGIAR in US\$ million, by Window. Bilateral funding does not flow through the Trust Fund but goes straight from the source to the CGIAR Center.

### Current sources of CGIAR funding

Financial flows to CGIAR during CRP phase 1 (2011 to 2018), based in part on the [CGIAR System Organization financial dashboards](#), were analyzed to provide a snapshot of current sources of CGIAR funding. CGIAR annual funding in 2018 was \$832 million (see Figure 3, above), of which 22% was pooled (Window 1 and 2) and another 33% routed through Window 3 of the Trust Fund. The rest was bilateral.

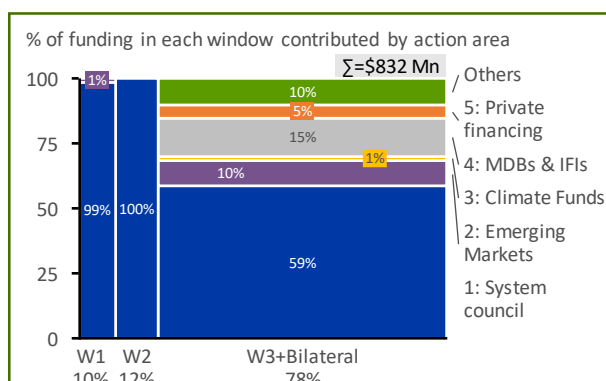
CGIAR has traditionally depended on ODA as its main source of funding, where more than 50% of the funding comes from OECD DAC countries. Other sources of funding include foundations and the private sector, MDBs and IFIs, and other non-DAC countries sources (see Figure 4).

System Council Funders (all sources) provide more than 70% of all funding to CGIAR (see Figure 5). Importantly, they also provide 99% of the pooled funding to the shared research agenda. All other sources of funding are contributed through Window 3 and bilateral.



**FIGURE 4: CGIAR FUNDING BY SOURCE, 2014-2018**

Source of funding to CGIAR by type of funding source, totals in US\$ million. ‘OECD-DAC’ refers to funding from OECD countries, ‘Other’ is funding principally from academic institutions.



**FIGURE 5: CGIAR FUNDING BY WINDOW AND ACTION AREA, 2018**

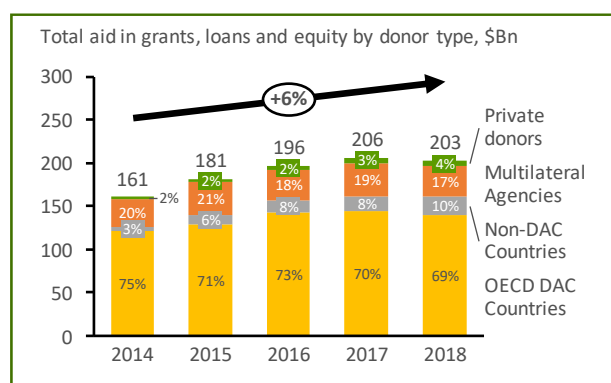
Sources of funding to CGIAR by window and by funding source as segmented by Action Areas. 2018 total funding amounted to US\$832 million. Note that BMGF and the WB are part of the System Council.

## Global funding context

### Sources and growth of potential funding

According to OECD data, development assistance worldwide grew at a compounded annual growth rate (CAGR) of 6% over the period 2014-2018 (see Figure 6). Growth was driven primarily by non-OECD-DAC countries and private funders, which included philanthropic foundations. As previously mentioned, the COVID-19 induced recession in many OECD-DAC countries may lead to temporarily lower ODA levels in the short term.

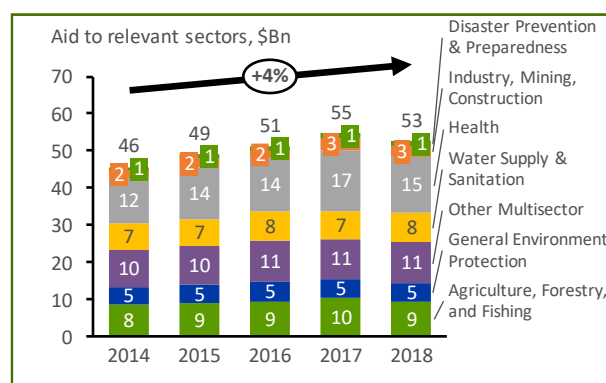
CGIAR receives half of its funding from DAC countries. Following OECD sector coding, more than 90% of that funding now derives from two ODA sectors: 1) Agriculture, Forestry and Fisheries; and 2) General Environment Protection. A smaller proportion of CGIAR funding comes from other sectors, and important subsectors therein, including WASH (Water Management subsector), Health (Nutrition subsector), Disaster Prevention (Response Preparedness subsector), Multisector (Rural Development subsector) and Industry (Livelihood and Jobs subsector). These OECD sectors align to a good extent with CGIAR's five impact areas<sup>2</sup>. Overall annual growth is about 4% (2014-2018) in these ODA sectors (see Figure 7), where growth is primarily driven by non-core sectors for CGIAR, such as Industry (12%) Health (6%) and WASH (4%). The growth rate in the Agriculture, Forestry and Fishing sector is 3%.



**FIGURE 6: GLOBAL ODA FLOWS, 2014-2018**

Aid flows from different funding sources in US\$ billion (constant 2017), for all sectors. Flows include only grants, loans and equity.

Source: OECD CRS database



**FIGURE 7: ODA TO CGIAR RELEVANT SECTORS, 2014-2018**

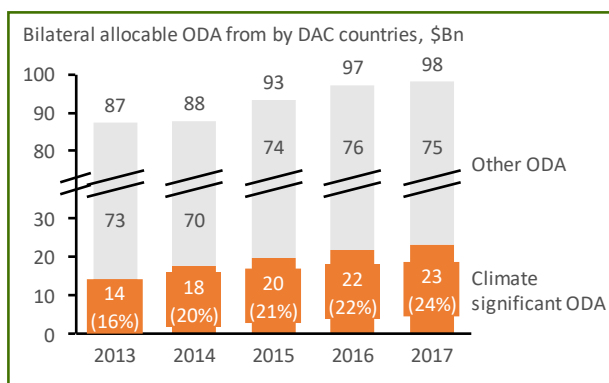
CGIAR's core sectors are Agriculture (green) and Environment (blue), the other sectors are non-core but are potential sources for future funding. Totals in US\$ billion.

Source: OECD CRS database

Climate adaptation and mitigation cut across all ODA sectors, so absolute values and growth rates for these are difficult to compare. OECD countries report to the OECD on climate action in their ODA projects as being principal or significant objectives, or not targeted<sup>3</sup>. As much as \$23 billion (24%) of all 2017 ODA by OECD-DAC countries is marked as contributing to climate objectives (see Figure 8). Across CGIAR core sectors, climate focus is twice as significant, accounting for up to 50% of all funding, ranging from 8% in Health to 79% in General Environment Protection (see Figure 9).

<sup>2</sup> Five Impact Areas: i. Nutrition & food security, ii. Poverty reduction, livelihoods & jobs, iii. Gender equality, youth & social inclusion, iv. Climate adaptation & greenhouse gas reduction, v. Environmental health & biodiversity.

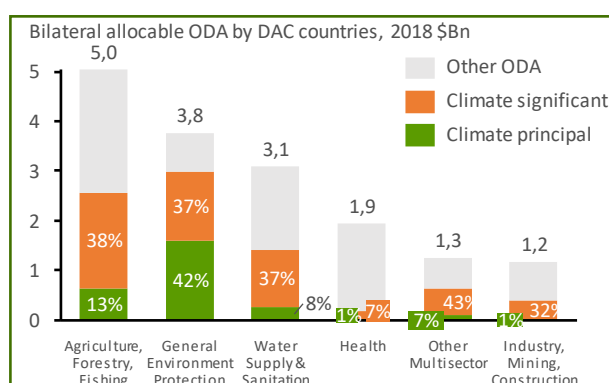
<sup>3</sup> Principal projects are those that would not have been undertaken or designed the way they are if not for the explicit objective of climate mitigation or adaptation, and significant projects are those which are not principally undertaken in pursuit of climate objectives, but which have been explicitly 'formulated or adjusted' in support of climate objectives.



**FIGURE 8: CLIMATE FOCUS IN ODA, 2013-2017**

Total bilateral allocable ODA in US\$ billion and share of which is marked as contributing to climate action (mitigation and/or adaptation) as a significant objective.

Source: OECD CRS database.



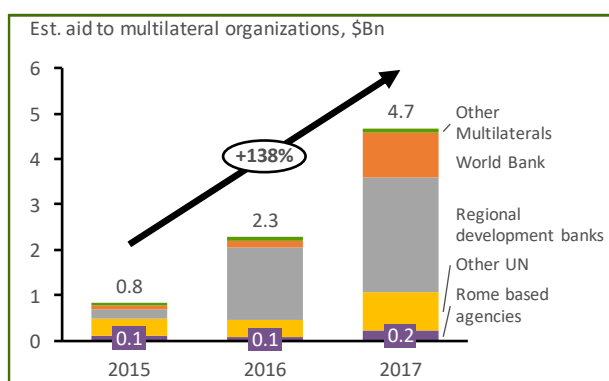
**FIGURE 9: CLIMATE FOCUS IN CGIAR CORE SECTORS, 2018**

Total bilateral allocable ODA in US\$ billion in CGIAR core sectors and share of which is marked as contributing to climate action as a principal (in green) or significant (in orange) objective.

Source: OECD CRS database

Beyond traditional OECD-DAC members, new funders are becoming increasingly important contributors to global development assistance. Non-DAC countries, including BRICS countries, have stepped up contributions to multilateral organizations and doubled funding for RBAs in the 2015-2017 period (see Figure 10).

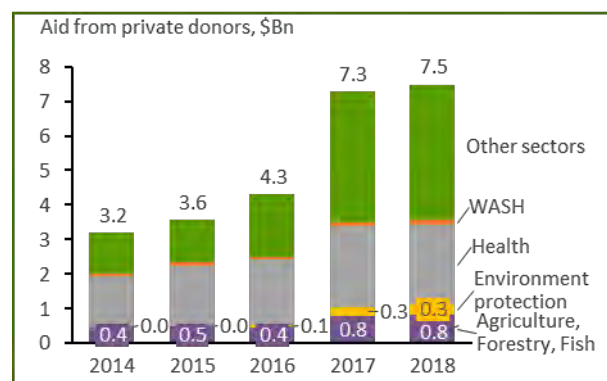
Additionally, large international private philanthropic foundations give about \$7.5 billion annually, according to OECD data. The Agriculture and Environment sectors benefited from \$1.1 billion in funding from this source in 2018 (see Figure 11). Other private sources of funding, such as commercial finance through public blending facilities, invest more than \$1 billion annually in areas related to Agricultural Development and Environment. The total impact investing portfolio in these sectors amounted to \$19.6 billion in assets under management.



**FIGURE 11: ESTIMATED AID FLOWS BY EMERGING MARKETS, 2015-17**

Sum of aid flows and contributions to multilateral organizations, in US\$ million, as estimated by the OECD for the following countries: Brazil, Chile, China, Colombia, India, Indonesia, Mexico, Qatar, South Africa.

Source: OECD (2015, 2016, 2017)



**FIGURE 10: INTERNATIONAL PHILANTHROPY BY SECTOR, 2014-2018**

Spending by 33 of the largest foundations working for international development, in US\$ million, by sector. The agriculture and environment sectors are CGIAR's core sectors.

Source: OECD CRS database

More information on the potential of each funding source is presented under the Action Area sections. A further understanding of competitors and funding flows for Food Systems R&D investment will help better position CGIAR research in the funding landscape – both for sources of finance as well as preferred partnerships.

The following preliminary observations can be made:

- Analysis is based on historical and available data and intended to provide an informed basis for prioritization, noting that the impacts of COVID-19 on ODA are now only emerging;
- Annual growth in sectors of interest to CGIAR has been around 4%, out-performing recent growth in CGIAR funding;
- Global ODA growth is driven by non-OECD-DAC countries and private finance and philanthropy;
- CGIAR's core ODA sectors (Agriculture, Forestry and Fishing, and General Environment Protection) remain a key area of growth potential;
- Climate focus is an integral part of most flows and is expected to increase in importance.

It is therefore recommended to take a multi-channel growth approach, focusing on traditional investments in Agriculture and General Environment Projection, as well as diversification into faster growing ODA sectors, (Health, WASH, Industry, and Disaster Prevention & Preparedness) and new sources of finance.

### COVID-19 risks and opportunities

OECD governments and multilateral funds have been the pillar of CGIAR funding. The COVID-19 pandemic, and resulting in global health and economic crises, has introduced several complex new variables to the funding environment, placing additional demand on financial resources of funders and financing mechanisms. We must prepare for a post-crisis world where core CGIAR issues will be more important than ever and One CGIAR must "build in" elements of flexibility and rapid response to its program design, as well as its financing mechanisms.

The CGIAR System Organization conducted a rapid assessment among ten key CGIAR funders on possible financial effects of COVID-19, and has drawn some immediate and medium-term conclusions:

- 2020 ODA flows in most countries are expected to be largely unaffected by domestic response to COVID-19;
- Across funders there is a short-term trend toward increased ODA spending on global health, global health research and development, and humanitarian assistance. This could also extend into support for economic recovery and debt relief, which could divert resources away from existing ODA programs;
- Of greater concern is the economic impact of COVID-19, with economies projected to shrink by 6-7% in 2020, with rising budget deficits across the board. According to IMF data, economies should begin to bounce back in 2021.
- The recession will nevertheless result in further declines in ODA from OECD-DAC countries going forward into 2021-22, resulting from a decline in GDP and reallocation to internal economic recovery packages;
- While unclear, a further impact on multilateral funding in favor of targeted bilateral funding could lead to a higher medium-term risk to CGIAR pooled funding.

However, opportunities are arising for CGIAR due to COVID-19 driving interest in food security challenges and a renewed focus on Least Developed Countries, especially in sub-Saharan Africa. In addition, a continued increase in allocations to climate adaptation funding were identified in almost half the funders analyzed.

CGIAR is engaging in an ongoing risk assessment and opportunity exercise on the effects of COVID-19 on ODA funding flows with a view to short-, medium- and long-term implications. Regular updates will be integrated into further analysis and Action Area prioritization.

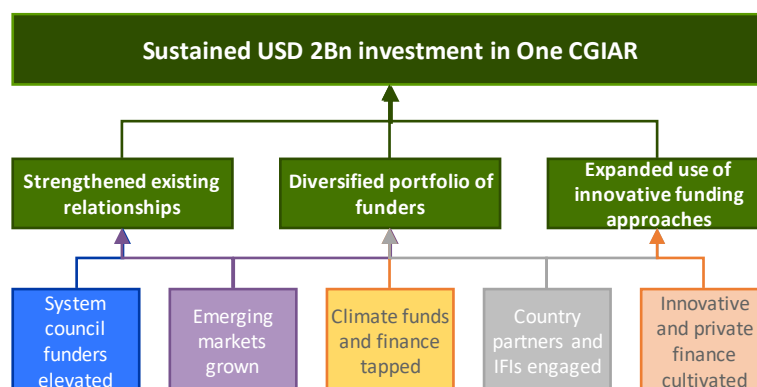
## Path to \$2 billion

### Multi-channel Action Area approach

In order to reach the ambitious funding targets (volume and pool) as outlined in the SRG recommendations and adopted by the System Council, it is vital for CGIAR to step up its resource mobilization efforts on multiple fronts – to grow current sources and access new channels of funding.

A new approach is therefore required to elevate the relevance of CGIAR’s research strategy and brand value, as well as to mobilize the needed resources from diversified sources. Five Action Areas (see Figure 12) have been identified which can contribute to strengthening relations with existing funders, diversifying the portfolio of funders and expanding the use of innovative funding approaches. The Action Areas align with the funding sources for international development as identified in the previous chapter:

1. Elevate System Council Funders
2. Grow Emerging Markets
3. Tap Climate Funds and Finance
4. Engage Country Partners and IFIs
5. Cultivate Innovative and Private Finance



**FIGURE 12: PATHWAYS TO THE RMCA STRATEGY OBJECTIVES**  
Five Action Areas contribute to the objectives of the One CGIAR RMCA strategy.

Developing segmented expertise and capacity to secure funding across the five Action Areas will increase diversification across available sources of investment, position CGIAR in key growth segments and build System-wide resilience to financial fluctuations.

### The sustainable campaign model

To determine the most appropriate fundraising model to deliver on the \$2 billion target, several approaches to resource mobilization were assessed, including replenishments, campaigns, innovative finance and philanthropy.

The *Sustainable Campaign Approach* is recommended as the most appropriate means for CGIAR to raise \$2 billion annually. It establishes credibility by: 1) Distilling multiple voices into an amplified, clear and consistent message to funders and partners; 2) Rallying Centers and funders around a single, measurable collective goal; 3) Creating the potential to grow both pooled and bilateral funding sources through a multi-channel approach for traditional and new investments; and 4) Building on a solid base of engaged System Council funders. Additionally, the global attention placed on food systems due to COVID-19 impacts on food and nutrition security, and the emerging agenda for the UN Food Systems Summit in 2021, coinciding with CGIAR@50 anniversary, have created the ideal platform for an ambitious pledging moment.

The following table presents a SWOT assessment of the sustainable campaign approach for the purpose of the One CGIAR RMCA strategy.

<b>Strengths (internal)</b>	<b>Weaknesses (internal)</b>
<ul style="list-style-type: none"> <li>• Alignment around a single, measurable collective goal</li> <li>• Grows both pooled and bilateral funding sources</li> <li>• Key funders already engaged through System Council</li> <li>• Clear diversification strategy for new investments</li> <li>• Diverse experience in resource mobilization and communications across themes and regions</li> </ul>	<ul style="list-style-type: none"> <li>• Requires aligned and transparent strategies across One CGIAR</li> <li>• Limited in-house capacity/experience to implement</li> <li>• Incentive system for collective RMCA missing</li> <li>• Campaign approach strongly matched to pooled investments – uncertain effect on bilateral funding</li> </ul>
<b>Opportunities (external)</b>	<b>Threats (external)</b>
<ul style="list-style-type: none"> <li>• Greater voice and visibility for CGIAR through amplified, clear and consistent messages to funders and partners</li> <li>• One CGIAR and CGIAR@50 offer ideal moment (2021) to launch a sustainable funding campaign</li> <li>• Many under-developed and untapped funding channels offer potential to significantly boost total funding</li> <li>• Food system crisis and 10 years to deliver on SDGs provide unique angle for CGIAR response</li> </ul>	<ul style="list-style-type: none"> <li>• COVID-19 crisis impact on total ODA sources and shift to health/emergency priorities</li> <li>• 2021 emerging as crowded pledging space</li> <li>• Stronger advocacy coordination by competitors drowns CGIAR</li> <li>• Slow/uncoordinated implementation misses investment opportunities</li> </ul>

## Cross-cutting components

Cross-cutting components will determine the success of this strategy and CGIAR’s overall funding ambition. These will be further detailed in a campaign implementation plan. For the purposes of this framework, the components consist of:

1. Coordinated and collective resource mobilization for both pooled and bilateral funding – a multi-channel approach targeting growth areas will build on the capacity and relationships across CGIAR and leverage current partnership and networks across the System.
2. Cohesive and broader visibility and engagement – enabling CGIAR to speak to a wide spectrum of stakeholders and make the appropriate case for investment. This is further introduced below and will be detailed in the Communications and Advocacy Plan which is now being developed.
3. Motivated champions – to articulate the case for support and secure new funders and investors. There will likely be a need to grow CGIAR’s roster of champions to ensure representation by geographic region and interest areas (i.e. climate change, gender equality, nutrition).
4. Research strategy and impact evidence – a coordinated and robust means to collect and collate evidence on research impacts and turn it into support cases, stories and testimonials for use in the campaign.

## Communications, advocacy and engagement

To achieve the \$2 billion campaign goal, System-wide communication, advocacy and engagement efforts must: 1) Broaden global awareness and commitment to investing in a sustainable food, land and water systems transformation; 2) Position CGIAR as the pre-eminent source of evidence-based agricultural knowledge and expertise for the developing world; 3) Inform global and national policy processes by engaging on “big-ticket” topics in global development; and 4) Support CGIAR stakeholders, champions and influencers with the right information, evidence and compelling narratives.



As the global call for a food system transformation rings louder, there are increasing levels of engagement in which CGIAR must participate – and even lead – in order to place itself at the center of this movement and reap the maximum benefits for its mission and its fundraising goal.

This will be a necessarily complex and robust effort with multiple moving parts over the timeframe of the resource mobilization campaign. While a more detailed plan for System-wide efforts will be developed co-operatively, the main elements are outlined below.

### Engagement strategies

With its extensive global network and local presence built over close to 50 years, one of CGIAR's strongest value propositions for engagement is its deep knowledge of customs and values and the long-standing relationships with national governments and partners in each of the countries in which CGIAR operates.

For the purposes of this strategy, key components of a System-wide communications and advocacy effort to support the targeted campaign will include: 1) Strategic communication; 2) Campaign communications; and (3) Global advocacy.

### Strategic communications

Focused on building CGIAR's brand, strategic communications will address multiple audiences, develop content that reflects the quality, diversity and breadth of CGIAR research (supported by knowledge management) and follow a "one-voice" approach for all communication channels. It will include media and social media relations, and events support. This two-way, inclusive engagement of key stakeholders will provide One CGIAR with a sounding board for the development of more targeted communications responses, and to adapt its approaches in response to feedback from country partners and other parts of the organization.

In 2019, a communications review was conducted for CGIAR that identified several areas in need of strengthening to ensure cohesion in the transition to One CGIAR, successful delivery of a \$2 billion campaign, and sustainable capacity to support resource mobilization efforts beyond 2021.

Recommendations emerging from the findings of the review include the need for:

1. A new name and brand for One CGIAR;
2. A brand communications strategy, including a possible name change, as well as a clear value proposition and sub-brands to provide clarity;
3. A coordinated approach to global/country communications, implementation and evaluation;
4. A common knowledge management framework to enable publishing research outcomes with development communities;
5. A public-facing focus on pressing issues, the System's collective solutions, and impact.

### Global advocacy

This element will focus strongly on increasing the global commitment to investing in agricultural research to achieve a sustainable transformation of food, land and water systems, and connecting this commitment to other globally relevant "big ticket" topics. Deliberations addressing climate change adaptation and mitigation, biodiversity, social equity and prosperity are all relevant, and offer CGIAR a much wider group of supporters to draw upon.

Efforts to engage on this common front with supporters will include developing a thought leadership platform for engaged System Council funders, working closely with CGIAR Centers to develop and promote policy briefs and position papers, and identifying aligned advocacy groups to present joint policy interventions, statements and recommendations at international and national fora – elevating CGIAR's recognized global significance. These and other initiatives will grow a base of influencers and supporters who can provide third-party validation of our cause and help position CGIAR in front of decision makers to make the case for increased investment in this sector.

## Campaign communications

A \$2 billion campaign will require a targeted communications effort to create excitement about CGIAR's investment potential, convert prospects into funders and investors, and steward them to their next investment. This will be achieved by working with CGIAR Centers to distill multiple voices into an amplified, clear and consistent message to funders and partners around a single measurable goal, using key messages, a coherent brand and visuals, campaign-focused digital outreach, social media and earned media. If feasible, in the wake of the COVID-19 pandemic restrictions, a calendar of events will leverage international fora such as COP, HLPF and others to further investor commitments. Of particular interest is the developing agenda for the UN Food Systems Summit in 2021, coinciding with the CGIAR@50 anniversary, which offers an ideal platform for an ambitious pledging moment.

Campaign communication efforts will support Action Areas with tailored approaches, messaging and products that tap into core motivations of target segments, for example, by engaging with national policy advocacy processes to advance Action Areas for Emerging Markets, Country Partners and IFIs. Further communications support through prospect analysis will assess and track funder positions on target issues, and recommend steps for appropriate stewardship of all funders to maintain and grow commitments.

## Speaking with one voice

One CGIAR will draw on the expertise embedded across CGIAR Centers. Collective efforts will create a cohesive approach and messaging for our strategic communications and advocacy efforts. A "campaign communications" effort will be dedicated to creating awareness of, and commitment to, the \$2 billion fund development goal among potential and current funders and investment mechanisms.

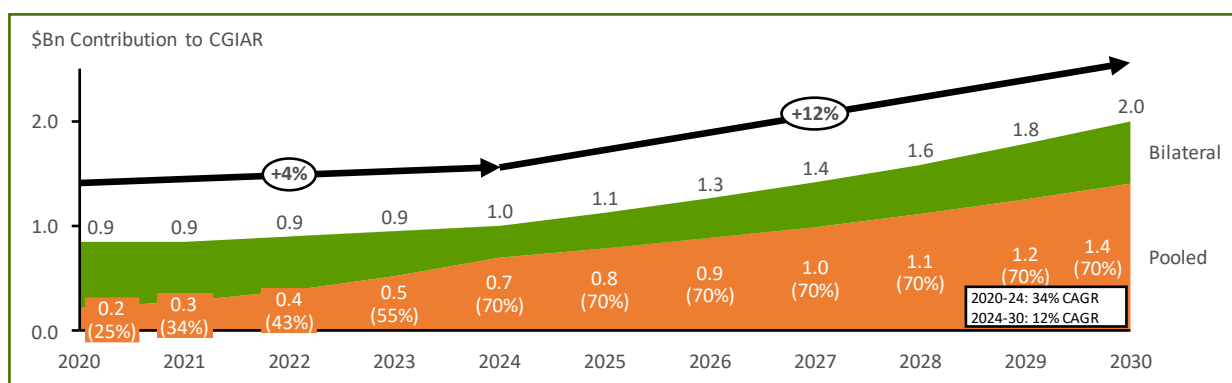
If harnessed appropriately, CGIAR's global presence and local relationships can spur the success of the campaign across all five Action Areas in a manner that is tailor-fit for each target funding source and also speaks to the broader purpose of agricultural research for a food, land and water system transformation.

The Implementation Plan will include detailed engagement and communication plans for each Action Area with targeted messaging and resourcing needs.

## Funding targets and scenarios

The principal target of this Resource Mobilization, Communication & Advocacy Strategy is to grow total funding to \$2 billion (2018 value) annually by 2030, with an intermediate target of reaching 70% of pooled funding by 2024 – with bilateral funding accounting for the remaining 30% of the total.

A possible model for reaching \$2 billion and 70% pooled target is shown below (see Figure 13). Further analysis and validation are required to understand and define possible tactics and targets for the specific Action Areas (see Next steps).



**FIGURE 13: MODEL FOR REACHING \$2 BILLION BY 2030**

Growth scenarios for pooled and bilateral funding, totals in US\$ billion. 2018 baseline is \$832 million. The year-on-year growth is modelled to 4% for the initial period of 2020-2024 and 12% for subsequent years.

## Details of the Action Areas

Early analysis of these Action Areas and initial targets for total funding and pooled funding indicates a pathway to growing and sustainable investments for CGIAR research activities (see Table 1). However, these targets and percentages require deeper analysis in order to be further refined and validated (see Next steps).

Table 1. Five Action Areas for a multi-channel strategy:

	2018 pool (\$Bn)	2018 CGIAR funding (\$M)	2018 % of pool	2030 Proj. Pool (\$Bn)	2030 CGIAR potential (\$M)	2030 CGIAR target (\$M)	2030 % of pool (target average)	Funding Pool CAGR	CGIAR Funding CAGR
<b>1-System Council</b>	19.5	562	2.9%	23.0	1,534	900-1500	5.2%	1.4%	4.0%
<b>2-Emerging Markets</b>	13.7	66	0.5%	22.4	311	100-200	0.7%	4.2%	3.5%
<b>3-Climate finance</b>	0.7	10	1.3%	1.3	328	250-400	25%	5.0%	36.4%
<b>4-MDBs and IFIs</b>	3.8	97	3.6%	4.5	326	150-400	6.1%	1.4%	12.5%
<b>5-Private donors</b>	0.7	33	4.8%	2.7	247	150-300	8.3%	12.2%	16.1%
<b>Others</b>		66							
<b>TOTAL</b>	<b>38.4</b>	<b>832</b>	<b>2.2%</b>	<b>53.8</b>	<b>2,845</b>	<b>2,000</b>	<b>3.7%</b>	<b>2.9%</b>	<b>7.6%</b>

\* Targets and percentages require deeper analysis to refine and validate

For each Action Area, the 2018 pool of available funding has been determined through analysis of publicly available data on ODA and spending on agricultural research and development. Growth projections toward 2030 are based on historic data and IMF projections of GDP growth (accounting for the COVID-19 induced recession). A bottom-up target for CGIAR for 2030 has been calculated based on estimated organic growth and estimated realistic percentage-share of available funding going to CGIAR in 2030. Based on this data, target ranges for the RMCA strategy have been defined. A more detailed analysis of preliminary targets across Action Areas is presented in Annex 1.

## Action Area 1: Elevate System Council funders

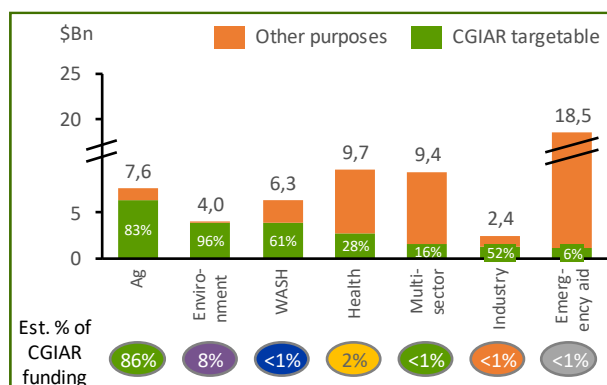
### Definition of the Action Area 1 funders

System Council refers to funders that are represented in CGIAR’s highest decision-making body, as well as other European OECD countries funders that are not (yet) members of the System Council. System Council members with a particular profile for significant future growth, such as Brazil, China and India, are part of the Emerging Markets Action Area, requiring a different engagement strategy.

### Current funding and growth potential from Action Area 1

CGIAR System Council funders provide approximately 70% of total funding to CGIAR. By funding window, this includes 99% of Window 1 and Window 2, and 59% of Window 3/bilateral. By all accounts, System Council funders represent the largest share of investment to CGIAR as well as the most significant area of potential growth in pooled funding.

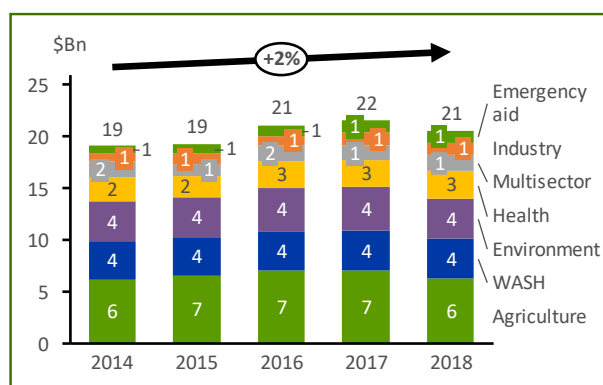
More than 90% of funding to CGIAR comes from the core sectors of Agriculture (86%) and General Environment Protection (8%). However, these two ODA sectors together only represent half of the funding that is potentially targetable for CGIAR (see Figure 14). Therefore, growth in this Action Area is envisioned from CGIAR core sectors as well as in related sectors, such as WASH and Health. To date, the System Council has been a relatively unexplored pathway to targetable funding sources beyond Agriculture, Forestry and Fishing, and General Environment Protection. In 2018, total targetable ODA from System Council funders relevant to the CGIAR portfolio was \$20.5 billion (see Figure 15). An estimated \$1 billion of these flows was administered through decentralized offices in recipient countries and accounted for under Action Area 4. CGIAR’s portfolio and investment case should be used to more clearly position these funds, through System Council channels, for investment across the diversity of targetable ODA sectors.



**FIGURE 14: TARGETABLE FUNDING FROM SYSTEM COUNCIL IN SELECTED ODA SECTORS, 2018**

ODA from System Council funders in 2018, in US\$ billion, to sectors relevant to CGIAR. In green: the % of that sector that is ‘targetable’ for CGIAR – by OECD purpose code analysis.

Source: OECD CRS database.

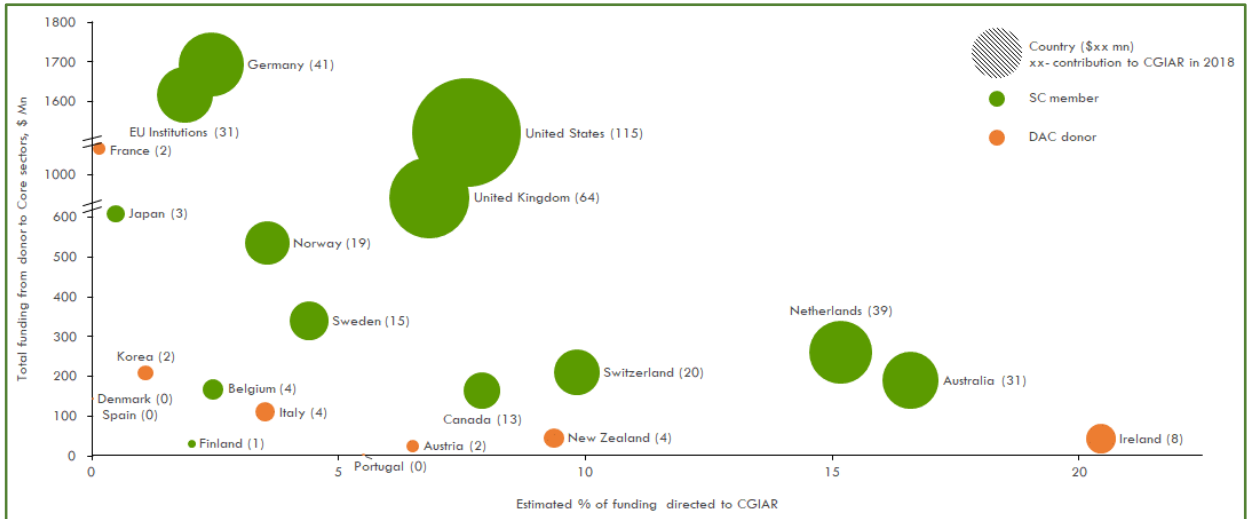


**FIGURE 15: TOTAL TARGETABLE ODA FUNDING FROM SYSTEM COUNCIL BY SECTOR, 2014-2018**

Total targetable ODA by System Council funders in US\$ billion, by sector and by year. In 2018, the potential pool of ODA relevant to the CGIAR was US\$20.5 billion. \$1 billion of these flows are accounted for under Action Area 4.

Source: OECD CRS database.

In terms of CGIAR core sectors, System Council funders contribute varying percentages of available ODA funding to CGIAR (see Figure 16). For example, Germany contributes approximately \$1.7 billion to Agriculture and General Environment Protection globally each year. Of that funding, approximately 2% or \$41 million is invested in CGIAR. Australia has a budget of approximately \$200 million for core sectors, and of that total, 17% or \$31 million supports CGIAR research.

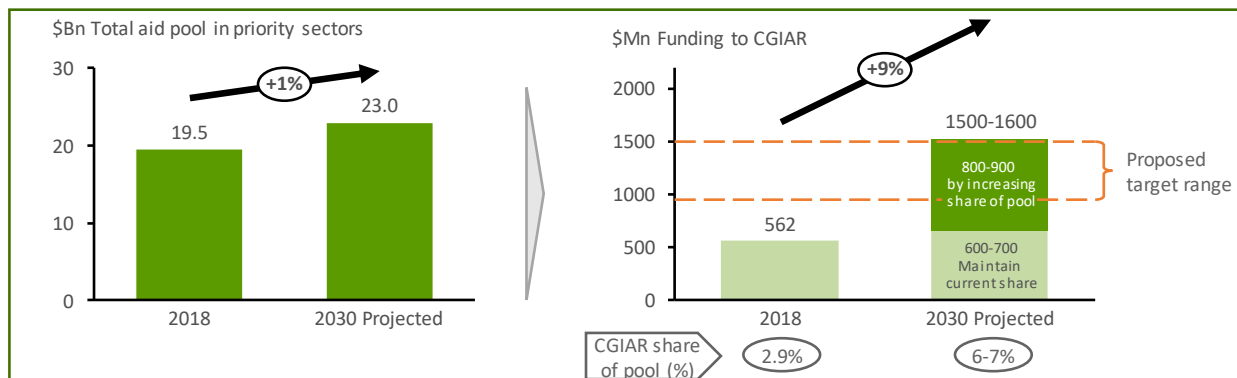


**FIGURE 16: POTENTIAL FOR GROWTH WITHIN SYSTEM COUNCIL FUNDERS**

Bubbles represent a selection of OECD-DAC funders. The size of the bubbles represents the relative size of contributions to CGIAR in 2018, in US\$ million. The vertical axis represents the “potential” of the funder, through its total 2018 ODA contributions to CGIAR’s core-sectors (Agriculture and Environment), in US\$ million. On the horizontal axis the % of the funder’s total ODA to core-sectors that goes to CGIAR. i.e., Switzerland contributed US\$20 million to CGIAR in 2018, which represents about 10% of their total funding to the sector (ca. US\$200 million).

### Considerations for target setting and implementation

Funding from System Council funders, as defined in this Action Area, amounted to \$568 million in 2018. Based on analysis of OECD data on development assistance flows, total ODA to sectors relevant for CGIAR is estimated to grow to roughly \$23 billion annually by 2030, from \$19.5 billion today. CGIAR could target between \$900-1500 million of that pool by 2030, representing a 3-4% share. Achieving this target would require CGIAR to grow its funding by 9% per year on average (see Figure 17).



**FIGURE 17: ACTION AREA 1 FUNDING TARGET FOR 2030**

On the left: initial funding targets are based on total available funding in the Action Area. The available funding is expected to grow with +1% per year to \$23 billion. On the right: a projection of how 2018 funding (\$562 million) could grow to \$1500 million by 2030, based on 1) annual growth in line with trend, 2) growing the proportion of available funding attracted by CGIAR. The dotted orange lines indicate the target as set in this RMCA strategy.

The CGIAR System Council is the highest governing and advocacy body in CGIAR. By virtue of their role, most System Council member organizations also have a strong voice in other larger global discussions and fora. There is an opportunity to engage System Council members and their collective voice as the cornerstone of this campaign to amplify CGIAR’s global significance. This includes advocating for the importance of global agricultural research and growing the total ODA investment in agriculture and agriculture-related sectors – resulting in an ultimate benefit to CGIAR and partners. Amplifying the

System Council voice will support growth for CGIAR funding as well as investment in domestic agricultural research and development and the important role of partners across the innovation value chain – National Research Systems, NGOs, civil society, and the private sector.

A short-term goal is to establish a pledging moment for the System Council, as part of a contribution to the UN Food Systems Summit in 2021, with a three-year total of [\$1-\$1.5 billion] for CGIAR research strategy. A public pledge of this magnitude from System Council funders will greatly elevate the relevance and recognition of One CGIAR as a major global institution. Additionally, the pledges will represent a moral commitment from System Council Funders to increase programmatic financial stability over the next CGIAR three-year business plan period, from 2022-2024.

Effective implementation of this strategy will rely heavily on the vested interests of the System Council to deliver on the transition to One CGIAR and the successful development, investment and launch of the new research strategy to 2030.

A specific Action Area 1 Engagement Plan will be developed as part of the Implementation Plan and based on further analysis, as part of the Next Steps.

## Action Area 2: Grow Emerging Markets

### Definition of Action Area 2 funders

Emerging Markets are, in general, funders who are relatively new to traditional ODA and Global North funder schemes but who have contributed to an increasingly strong South-South development cooperation paradigm (see Box 1). According to the [Morgan Stanley Capital International Emerging Market Index](#), more than 20 countries currently qualify as Emerging Markets, including Brazil, Chile, China, Colombia, the Czech Republic, Egypt, Greece, Hungary, India, Indonesia, South Korea, Malaysia, Mexico, Pakistan, Peru, the Philippines, Poland, Qatar, Russia, South Africa, Thailand, Turkey, and the United Arab Emirates.

Emerging Markets are transitioning away from typically pre-industrial economies toward industrial economies characterized by freer markets, greater transparency, increased regulations, more foreign direct investment, and a higher standard of living for citizens. This change has also spurred some of the more economically robust regions to contribute to South-South cooperation. Like traditional ODA from the Global North, South-South Cooperation is motivated by a desire to expand spheres of influence. In some instances, it is also motivated as a reaction to traditional ODA.

#### Box 1. Examples of South-South and Triangular Development Cooperation

##### *Alliances for Financing South-South Triangular Cooperation (SSTC)*

- The South-South Cooperation Trust Fund (SSCTF) is a partnership (formed in 2011) between Brazil and the African Development Bank that supports South-South partnerships and knowledge sharing among MICs and between MICs and LDCs in Africa.
- Since 2018, the Inter-American Development Bank, IDB Invest, and the New Development Bank have collaborated to contribute to sustainable infrastructure development in Latin America and the Caribbean.

##### *Examples of Emerging Market Contributions to South-South Development Cooperation*

- China agreed to invest US\$3 billion in South-South cooperation and continues to invest in Belt and Road initiatives in more than 68 countries worldwide.
- During the 2015 India-Africa Forum Summit (IAFS), India committed US\$10 billion concessional credit to Africa, in addition to US\$600 million in grant assistance and lines of credit – which included US\$100 million for the India-Africa development fund as well as 50,000 scholarships for African students to pursue studies in India.



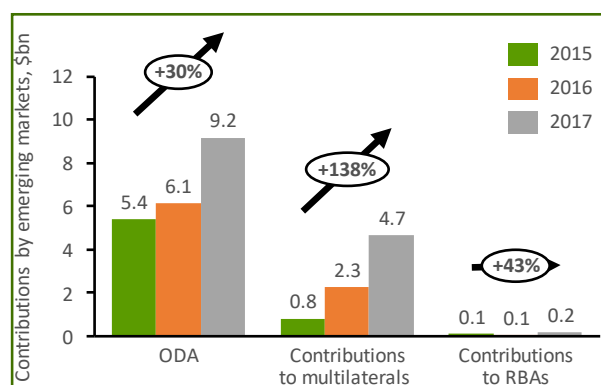
## Current engagement, funding and growth potential from Action Area 2

Emerging Market countries have been long-standing partners of CGIAR, mainly through in-country research collaboration. In 2020, the following countries were represented on the System Council: Brazil, China, Colombia, India, Indonesia, Mexico, Nigeria and Turkey. In addition, a number of these countries are host to CGIAR Centers, including, India for ICRISAT, Indonesia for CIFOR, Mexico for CIMMYT, Nigeria for ITTA, Peru for CIP, and the Philippines for IRRI. Currently, Emerging Market countries also represent almost 50 members of the governing boards of CGIAR Centers.

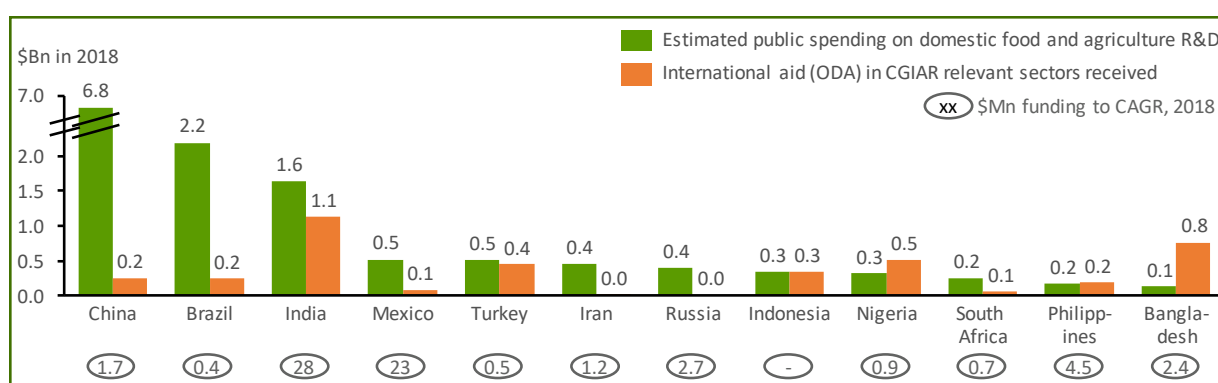
In terms of funding, Mexico, India and China are already important financial contributors. The largest investor has been Mexico, with total funding of \$190 million in the period 2011-2018, followed by India with \$127 million and China with \$43 million. The sum of funding from Emerging Markets in 2018 was \$66.5 million, of which less than \$1 million was pooled through the CGIAR Fund.

Looking at growth potential, OECD has estimated the aid flows from non-DAC members and their contributions to multilateral organizations (see Figure 18). Most compelling is the speed at which these flows have been growing. More specifically, contributions to the RBAs (IFAD, FAO and WFP) grew by more than 100% between 2015 and 2017, from \$100 million to \$200 million. Within the emerging markets group, China and India are by far the largest providers of development assistance with estimated combined disbursements of \$7.7 billion in 2017, followed by Qatar, Mexico and Brazil.

Another way of looking at the potential of Emerging Markets is through their domestic funding of agricultural research and development, which shows expenditure of almost \$14 billion in 2018, by 12 countries (Bangladesh, Brazil, China, India, Indonesia, Iran, Mexico, Nigeria, the Philippines, Russia, South Africa, Turkey) for which data was available (see Figure 19). ODA flows to these countries remain high in some cases, but it is assumed these will decrease with economic growth and rising living standards.



**FIGURE 18: ESTIMATED AID FLOWS BY EMERGING MARKETS, 2015-2017**  
Sum of aid flows and contributions to multilateral organizations, in US\$ million, as estimated by the OECD for the following countries: Brazil, Chile, China, Colombia, India, Indonesia, Mexico, Qatar, South Africa. Source: OECD (2015, 2016, 2017)



**FIGURE 19: PUBLIC SPENDING ON DOMESTIC AG R&D VS ODA RECEIVED BY EMERGING MARKETS**

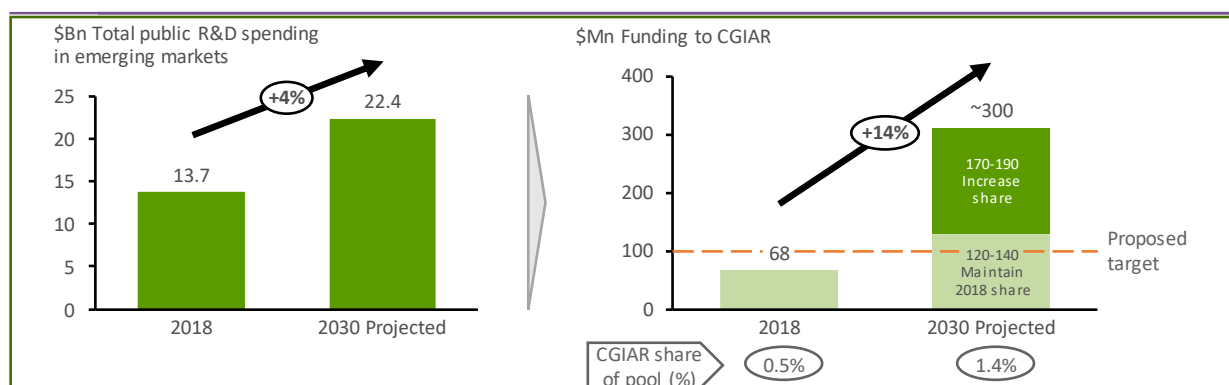
In green estimated domestic spending on food and agriculture R&D and, in orange, ODA flows to these countries for CGIAR relevant sectors. In some countries, Ag R&D largely outweighs ODA flows, while other countries still largely depend on these external flows. Literature assessing Food and Ag R&D flows in emerging markets and accounting for the sizes of agricultural production in these countries have shown rapid increases in investments compared to OECD countries.

Source: Compilation of InStePP and ASTI databases.



## Considerations for target-setting and implementation

Funding to CGIAR from Emerging Markets, as defined above, amounted to \$66.5 million in 2018. In the absence of more granular data on ODA flows from these countries, domestic expenditure on agricultural research and development has been used as a proxy to estimate a realistic target for CGIAR funding. These flows are estimated to reach \$22 billion by 2030, from almost \$14 billion in 2018. CGIAR could target between \$100-200 million of that pool, or a share of about 0.5-1%, with a primary aim of increasing pooled investments leading to enhanced engagement through the CGIAR System Council. This target will likely require a yearly 5-10% increase in Emerging Market contributions to CGIAR between 2020 and 2030 (Figure 20).



**FIGURE 20: ACTION AREA 2 FUNDING TARGET FOR 2030**

On the left: initial funding targets are based on total available funding in the action area. The available funding is expected to grow rapidly with +4% per year to \$22.4 billion. On the right: a projection of how 2018 funding (\$68 million) could grow to \$300 million by 2030, based on 1) annual growth in line with trend, 2) growing the proportion of available funding attracted by CGIAR. The dotted orange line indicates the \$100 million target as set in this RMCA strategy.

Strategies to grow investments from Emerging Markets will strongly align with, reinforce, and complement One CGIAR's engagement with country partners, taking into consideration the improved institutional foundation from the SRG recommendations supporting development of cohesive CGIAR country-level strategies and One CGIAR representations.

Growing investments from Emerging Markets will hinge on three critical pillars: 1) Deeper and more strategic engagement with Emerging Market policymakers, decision-makers, key stakeholders, and influencers; 2) Commitment to South-South development cooperation with clear links to trade and innovation sharing; and 3) Ownership by Emerging Markets, which includes greater representation within the CGIAR System at all levels and a willingness to champion CGIAR as a complement to national agricultural research.

A prioritization framework will help guide a selection of the initial target Emerging Markets, and consists of three fundamental criteria: 1) Links with CGIAR; 2) Interest in One CGIAR's mission and thematic/program areas; and 3) Ability to invest.

In terms of capacity and resources, it will be essential for CGIAR to invest in its engagement with Emerging Markets. This will require leveraging and strengthening, and expanding as needed, existing RMCA resources in selected Emerging Markets aligned with the country-level strategies. Strong linkages will need to be established with key advocacy partners active in target markets.

A specific Action Area 2 Engagement Plan will be developed as part of the Implementation Plan and based on further analysis, as part of the Next Steps.

## Action Area 3: Tap climate funds and finance

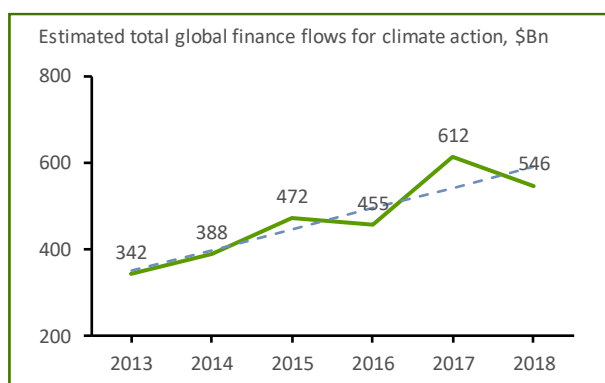
### Definition of Action Area 3 funding

Climate funds and finance are defined as international development instruments that have been specifically designed to support climate action, including both mitigation and adaptation to climate change. Multilateral mechanisms that account for high levels of grant funding through bilateral climate instruments are also a key part of the investment contribution.

### Current engagement, funding and growth potential from Action Area 3

CGIAR has yet to attract significant funding from dedicated climate finance instruments. In 2018, only 2% of the bilateral funding came from specifically climate-related finance sources. At the same time, CGIAR has been expanding its climate portfolio, most notably through its Climate Change, Agriculture and Food Security (CCAFS) research program, which received \$46.7 million in funding through Window 2 and Window 3 from 2017-2019 and another 18.5 million in bilateral funding in 2018 (Figures for 2019 are forthcoming). It is also recognized that other CRP and Center research programs have specific areas of climate mitigation and adaptation focus embedded within the research portfolios.

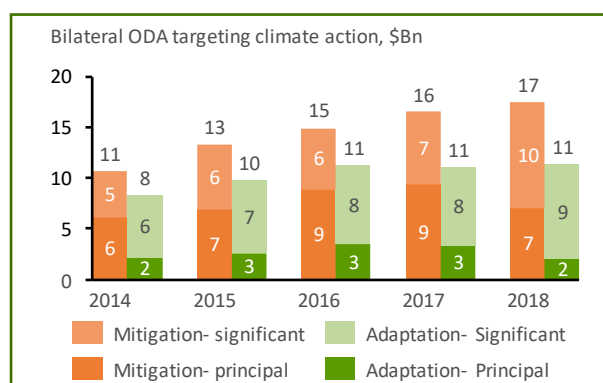
Globally, funding for climate change has reached record-high levels, and crossed the USD half-trillion mark for the first time in 2017 and 2018, representing a 25% (\$116 billion) increase from 2015/2016 (see Figure 21). While figures show an increase in funds for both mitigation<sup>4</sup> and adaptation<sup>5</sup> and a clear pathway toward low-carbon and climate-resilient development, adaptation projects are still relatively poorly funded (on average \$22 billion a year, compared with \$436 billion for mitigation activities such as infrastructure and energy). According to the Climate Policy Initiative, only \$9 billion went to agriculture, forest and land-related initiatives in 2017/2018.



**FIGURE 21: TOTAL GLOBAL CLIMATE FINANCE FLOWS, 2013-2018**

Estimation of total global finance flows for climate action in US\$ billion, from both public and private sources, including grants, debt and equity. Only \$9 billion of these flows went to agriculture, forest and land-related initiatives.

Source: Climate Policy Initiative (2019).



**FIGURE 22: CLIMATE MARKED ODA**

Levels of bilateral ODA, in US\$ billion, that have been marked as having climate change mitigation and/or adaptation as either significant or principal objective.

Source: OECD CRS (2019).

An increasing proportion of the flows are being marked as contributing to both mitigation and adaptation objectives. Climate adaptation and mitigation cut across all ODA sectors, so absolute values and growth rates are difficult to compare. Climate activities in OECD reports are designated as principal, significant or not targeted (as per OECD Rio marker definitions), and are further tagged for climate adaptation or climate mitigation, or both climate adaptation and mitigation (see Figure 22, above). Funders are increasingly focused on climate with a significant and growing proportion of investment in sectors and sub-sectors where CGIAR has strengths (see Figure 23). This trend is expected

<sup>4</sup> Climate change mitigation is achieved by limiting or preventing greenhouse gas emissions and by enhancing activities that remove these gases from the atmosphere

<sup>5</sup> Climate change adaptation is the process of adjustment to actual or expected climate and its effects

to increase as funders seek to achieve their targets under the Paris Agreement. There is also broad consensus on the need for a momentous shift beyond climate finance. Annual investment must increase many times over, and rapidly, to achieve globally agreed climate targets. For adaptation alone, the Global Commission on Adaptation (GCA 2019) estimates costs of USD 180 billion annually from 2020 to 2030.

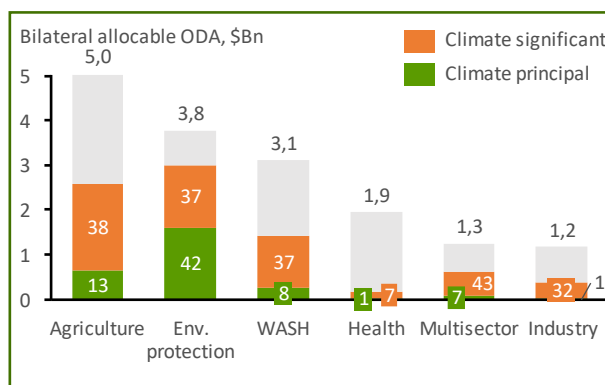
Another area for growth of climate financing is the Green Climate Fund (GCF). As the world’s largest global fund dedicated to supporting the efforts of developing countries in responding to the challenge of climate change, the GCF is of interest to CGIAR. Total commitments to GCF so far are \$7.24 billion and pledges for the next window (2019-2023) are growing to \$9.7 billion, with 48% of the current GCF portfolio disbursed through grants. There is thematic alignment with CGIAR areas of work – for example, in the areas of food, water and health; ecosystems; and forestry and land-use – with total funding to these areas standing at \$1.17 billion (with average project size of \$12 million). Japan is the biggest contributor to GCF, followed by the UK, Germany, France and Sweden.

There are a number of other multilateral funds with specific mandates for climate action that are well aligned with CGIAR objectives. From a preliminary assessment, these include: the Adaptation Fund (AF), Global Environment Facility (GEF), the Least Developed Countries Fund (LDCF), the Pilot Program for Climate Resilience (PPCR), the Special Climate Change Fund (SCCF), and the Forest Investment Program (FIP). Each of these funds invests considerably in agriculture, food systems and biodiversity as part of a climate action strategy. To illustrate this, the GCF disbursed \$1.17 billion in grants during its initial replenishment period for projects in food, water, health, forestry, and land use and ecosystems. This represented 22% of its total 2015-2019 portfolio. Very rough estimates regarding current and future grant disbursement to relevant CGIAR sectors by multilateral climate funds puts the mark of total annual available funding on \$700 million, with potential growth to \$1-1.3 billion by 2030 (see Figure 24).

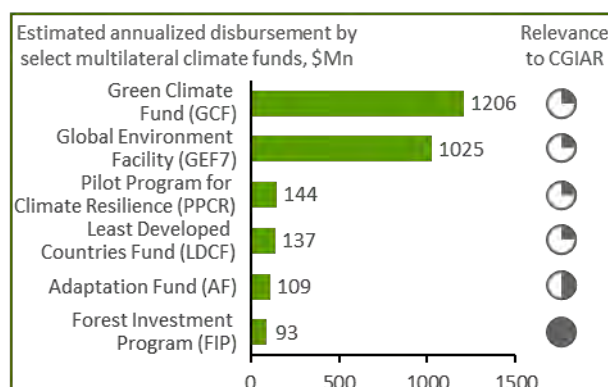
#### Considerations for target-setting and implementation

Funding from Multilateral Climate Funds to CGIAR was less than \$10 million in 2018. Based on the project portfolios of the largest Multilateral Climate Funds, total grant funding for CGIAR-relevant sectors is expected to grow to \$1.3 billion by 2030, from \$0.7 billion now, the majority of which will be public, multilateral funding mechanisms. Early projections indicate that CGIAR could target between \$250–400 million of that pool (see Figure 25). This target is enabled by CGIAR’s climate responsive portfolio, where at least 25% of CGIAR spending should explicitly address climate adaptation and mitigation.

CGIAR narrative, portfolio, and performance targets need to be aligned to climate goals to maximize climate investments in traditional CGIAR focus areas (e.g. Agriculture, Forestry, Fishing, and General

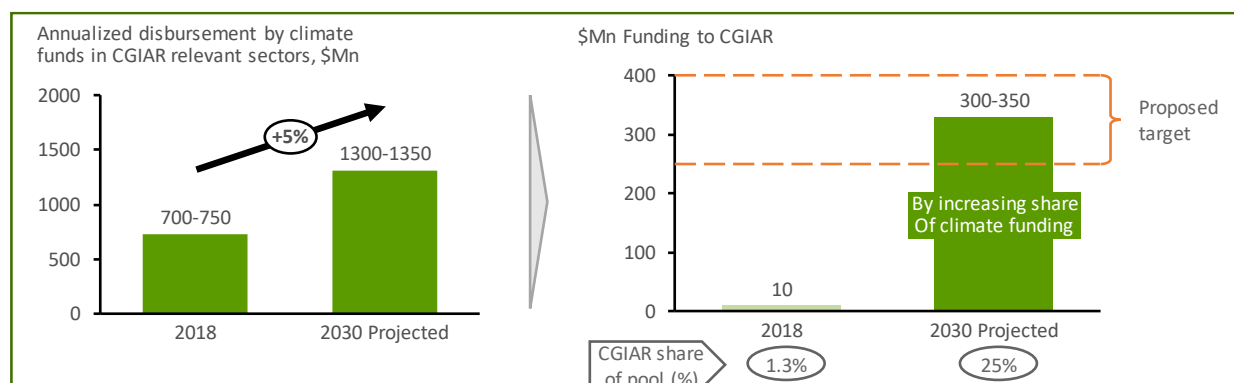


**FIGURE 23: CLIMATE FOCUS IN CGIAR SUB-SECTORS**  
ODA funding in US\$ billion to high and medium importance priority purpose codes relevant to CGIAR and shares of that funding that have climate action as either principal or significant objective. *Source: OECD CRS (2019)*



**FIGURE 24: MULTILATERAL CLIMATE FUNDING IN CGIAR SECTORS**  
Estimation of average annual disbursements by a selection of Multilateral Climate Funds, in US\$ million. The sector-relevance of disbursed funding has been assessed based on spending accounts.

Environment Protection). Additionally, reach will need to be expanded into fast-growing ODA sectors of relevance to CGIAR (e.g. Water Supply and Sanitation, Other Multisector – Rural Development).



**FIGURE 25: ACTION AREA 3 FUNDING TARGET FOR 2030**

On the left: initial funding targets are based on total available funding in the action area. The available funding is expected to grow rapidly with +5% per year to about \$1.3 billion. On the right: a projection of how 2018 funding to CGIAR (\$10 million) could grow to \$300 million by 2030, based on increasing the proportion of available funding attracted by CGIAR. The dotted orange line indicates the ambitious \$300-350 million target as set in this RMCA strategy.

In terms of capacity and resources, it will be necessary to establish operational capacity – with climate-specific skill sets on research, partnerships, business development and project design – to access major climate funding (e.g. from GCF, GEF). Positioning of CGIAR in partnerships with organizations embedded in successful climate financing will be necessary. Effective implementation is also contingent upon further successful advocacy for and recognition of CGIAR as a leader in the area of climate change, building on recognition of CGIAR’s current climate-relevant portfolio.

A specific Action Area 3 Engagement Plan will be developed as part of the Implementation plan and based on further analysis, as part of the Next Steps.

#### Action Area 4: Engage country partners and International Financial Institutions

##### Definition of Action Area 4 funders and funding

This Action Area examines potential funding sources that are influenced by engagement at recipient country level (as opposed to engagement with funder country capitals). It includes: 1) Flows from Multilateral organizations and IFIs with strong national ownership over priorities and allocation; 2) Funding from OECD-DAC sources managed and disbursed in-country by embassies or executing agencies and their decentralized missions; and 3) Funding disbursed by partner-country public entities. Target estimations later in this section only consider the first two flows.

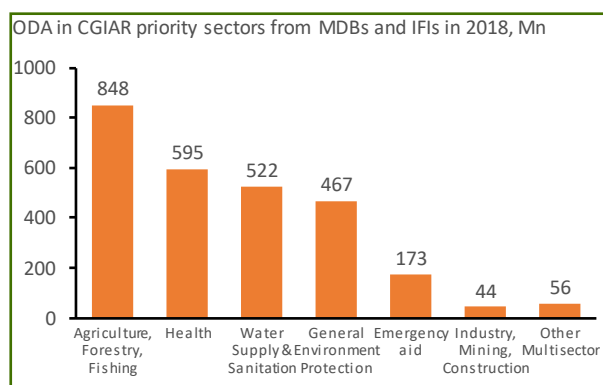
There are different types of IFIs, including multilateral development banks, sub-regional multilateral development banks, and multilateral financial institutions. IFIs play a key role in tackling some of the most pressing challenges at the global scale and many of their priorities are aligned with the CGIAR mandate. They support LMICs in the implementation of their national, social, environmental and economic development programs through technical assistance and advice. Funding may take the form of loans, credits and grants to national governments, usually tied to specific initiatives.

##### Current engagement, funding and growth potential from Action Area 4

In 2018, CGIAR received \$92 million in funding from Multilaterals and IFIs such as the World Bank (excluding World Bank W1 contribution), IFAD, AfDB, FAO, ADB, the Arab Fund, UNEP and UNDP. This represented 11% of CGIAR total funding in 2018, mainly through Window 3/Bilateral funding. In-country bilateral funding as received by CGIAR is difficult to separate from current System Council funding and is therefore accounted for under Action Area 1. According to OECD data, Multilaterals and

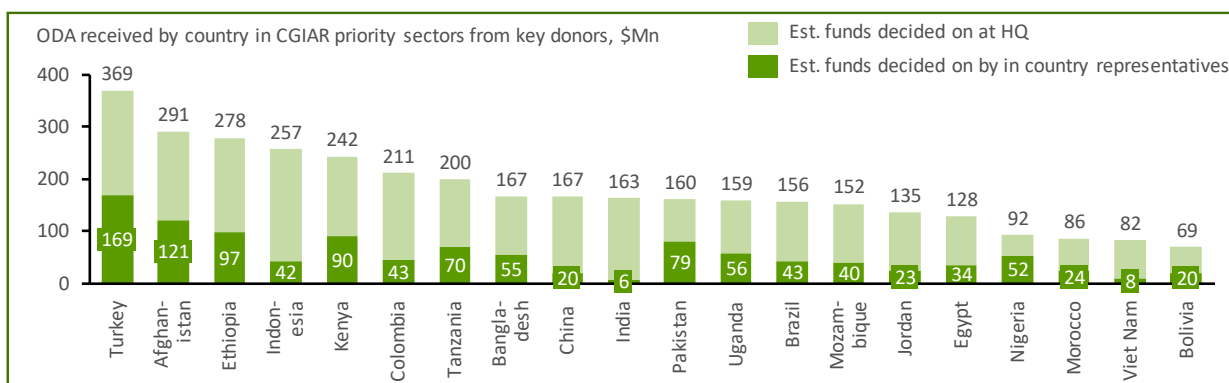
IFIs (excluding the World Bank) disbursed a total of \$2.7 billion in ODA in sectors relevant to CGIAR in 2018 (see Figure 26). IFIs produce country and regional strategies, and projects are identified jointly between the IFI and borrowing country based on the country’s development strategy and the IFI’s country or regional strategy.

A qualitative survey on the extent of decentralization of ODA funding decision-making in 10 of CGIAR’s top funders reveals that only a small proportion of OECD countries’ ODA allocation is decided upon in the recipient country – through, for example, country embassies or local offices of executing agencies. The pool of targetable in-country funding is estimated to be around \$1 billion (see Figure 27).



**FIGURE 26: TARGETABLE ODA BY MULTILATERAL ORGANIZATIONS AND IFI'S, BY SECTOR, 2018**

Total ODA in US\$ million as disbursed by multilateral organizations in 2018 to sectors relevant to CGIAR. WB flows are excluded here and accounted for under Action Area 1. Source: OECD CRS database



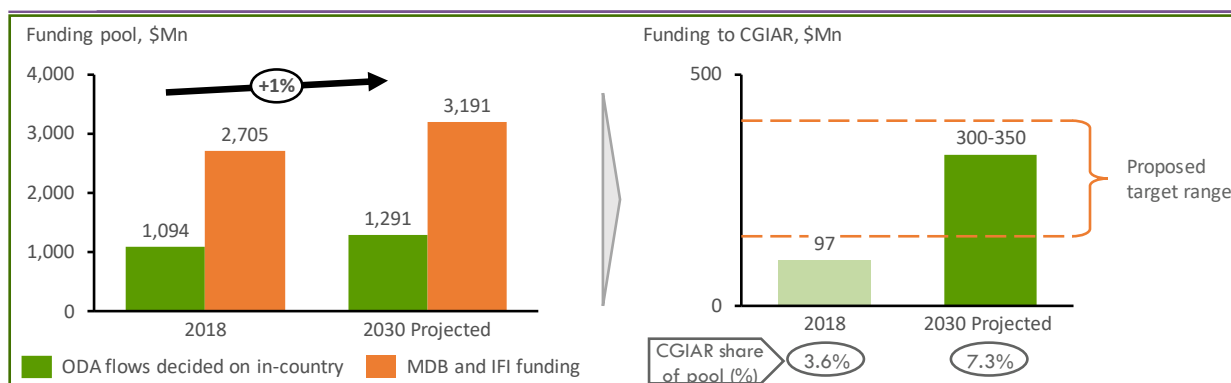
**FIGURE 27: ODA FROM KEY CGIAR FUNDERS TO SELECTED COUNTRIES AND SHARE ADMINISTERED IN RECIPIENT COUNTRIES, 2018**

In light green: Sum of bilateral ODA in US\$ million by CGIAR’s top-10 funders to the 20 largest aid recipients. In dark green: the estimated portion of these flows that are disbursed and managed by decentralized offices – decided by in-country representatives. Estimates are based on qualitative surveys of the extent of centralization of funding decision making in 10 of CGIAR’s top funders.

A significant potential growth area for CGIAR is to work closely with national governments to co-develop programs. These could then be funded through access to in-country investments from the decentralized offices of key OECD-DAC funders and regional representatives of multilateral organizations and IFIs, many of which have undergone extensive decentralization processes, as in the case of FAO and IFAD.

#### Considerations for target-setting and implementation

In-country funding sources in this Action Area are expected to grow at a similar rate to global ODA. Based on a qualitative and quantitative analysis of disbursements of bilateral and multilateral ODA flows in key recipient countries, it is estimated that the total could represent about \$4.5 billion by 2030, up from \$3.8 billion in 2018. Initial analysis suggests that CGIAR could potentially target between \$150-400 million of that pool (see Figure 28).



**FIGURE 28: ACTION AREA 4 FUNDING TARGET FOR 2030**

On the left: initial funding targets are based on total available funding in the action area. The available funding is expected to grow in line with global ODA at 1% per year to a combined \$ 4.5 billion. On the right: a projection of how 2018 funding to CGIAR (\$97 million) could grow to \$300-350 million by 2030, based on both 1) annual growth in line with trend and 2) increasing the proportion of available funding attracted by CGIAR. The orange lines indicate a \$150-400 million target for this RMCA strategy.

Efforts to increase investments from country partners and IFIs will focus on establishing new partnerships with selected IFIs, as well as building on existing priority country partnerships. These agreements will be reached through country and IFI engagement plans and associated communication and advocacy plans, in line with the Paris Declaration and Busan Partnerships principles. Responding to the needs of CGIAR’s partner governments and working with national agricultural research services (NARS/NARES) to co-develop research portfolios will be critical to ensuring alignment to national strategies, priorities and development models.

There are different modalities to access IFI funding. Some examples: becoming party to a funding agreement, providing specific services (technical assistance or capacity building), partnering in an IFI replenishment, project implementer or through assisting in developing country-level strategies.

CGIAR should enhance coordinated activities within Action Area 4 by entering into new partnerships with selected IFIs while also building on existing priority country partnerships. Country presence will need to build off TAG 5 country-level coordination or target other priority countries with significant resource mobilization potential. Increasing engagement with country partners and IFIs will also require an investment in in-country/region specialists with strong local/national experience and networks. Additionally, growing CGIAR presence in locations where some IFI headquarters are located, such as Washington D.C. and Rome, would be strategic in reaching these goals, if also supported and closely linked to decentralized capacity.

A prioritization framework will guide the selection of country partners and IFIs where CGIAR sees the potential for strengthened engagement and increased funding. A specific Action Area 4 Engagement Plan will be developed as part of the Implementation plan and based on further analysis, as part of the Next Steps.



## Action Area 5: Cultivate Innovative and Private Finance

### Definition of Action Area 5 funding

Innovative and private finance includes Corporate Social Responsibility (CSR)<sup>6</sup>, Philanthropy<sup>7</sup> (including Trusts, Foundations and High Net Worth Individuals, HNWI), Shared value partnerships<sup>8</sup>, Blended finance<sup>9</sup> and Impact investing<sup>10</sup>. Resulting from a lack of consistent data on these different sources of funding, targets in this section are based on OECD data on private philanthropy alone. The Bill & Melinda Gates Foundation is excluded from the data as it is part of Action Area 1 as a System Council member.

### Current engagement, funding and growth potential from Action Area 5

In 2018, CGIAR attracted a total of \$33.2 million from sources categorized as innovative and private finance. CGIAR experience with these funding models varies greatly across the System. Select examples are provided here:

**On CSR**, ICRISAT has built capacity over the last 6-7 years to facilitate and implement CSR programs in India resulting in a US\$15 million CSR portfolio with multinational and national corporations from the industrial, manufacturing, and food and beverage sectors.

**In philanthropy**, the Alliance of Bioversity & CIAT and IFPRI have 501(3)c status in the US and receive philanthropic donations, including from HNWI. This currently contributes only a minor proportion of total Center funding, but indicates opportunities for growth.

**A Shared Value Partnership** with the Novella Partnership involving ICRAF and Unilever developed a sustainable production and supply of oil produced by *Allanblackia* trees. The partnership has led to the upscaling of *Allanblackia* as a sustainable agricultural business model.

**In Blended Finance**, the Water and Energy for Food (WE4F) Innovation Hub utilizes bilateral funds to de-risk and catalyze private capital for agricultural related investments. Here, IWMI will provide technical assistance to help the development of a pipeline of investable enterprises and assess their impacts on natural resources (in particular water and energy). Other program partners are responsible for mobilizing investment capital using a mix of equity, debt and guarantee structures.

**On Impact Investment**, CIAT in partnership with USAID and Mirova Natural Capital, a global impact asset manager, launched the Althelia Biodiversity Fund Brazil (ABF). This US\$100-million investment fund, which includes \$15 million from USAID, provides flexible venture and growth finance for sustainable businesses that want to have a transformational, while also contributing a positive impact on Amazon biodiversity and local communities. The Tropical Landscape Finance Facility (TLFF) is another example involving ICRAF.

---

<sup>6</sup> **Corporate Social Responsibility (CSR)** is a self-regulating business model that helps a company be socially accountable—to itself, its stakeholders, and the public, and here specifically considering CSR funding of development activities, where donations and project initiatives typically reflect core business strategy or interests and can range from small marketing related contributions to large co-designed investments.

<sup>7</sup> **Philanthropy (including Trusts, Foundations and HNWI)** involves charitable giving from individuals, trusts, foundations or corporations, and is generally more established in countries which provide tax incentives (e.g. US and UK).

<sup>8</sup> **Shared Value Partnerships** focuses on identifying and expanding the connections between societal and economic progress, involving policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the socioeconomic conditions in the communities in which it operates.

<sup>9</sup> **Blended Finance** is a structure that allows for use of catalytic capital from public or philanthropic sources to increase private sector investment in sustainable development, allowing organizations with different interests to invest alongside each other while achieving their own objectives (financial return, social impact, or a blend of both). Blended finance creates investable opportunities in developing countries for development impact while helping to overcome investment barriers for private finance such as (i) high perceived and real risk and (ii) poor returns for the level of risk relative to comparable investments.

<sup>10</sup> **Impact investment** is an investment approach which aims to generate positive, measurable social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market to market rate, depending on the investors' strategic goals.



Looking at size and aspects of this funding pool, it is highlighted that US and UK companies in the Fortune Global 500 spend approx. \$15 billion per year on **CSR** activities. In India it is mandated by the national government that private sector companies spend 2% of their profit on CSR activities, resulting in an annual CSR spending of around \$2 billion, where around 20% (400 million USD) is spent on environment and rural development. For **Philanthropy**, the estimated value in the US in 2018 was \$427 billion, including \$75 billion by foundations and \$292 billion by individuals. Other countries with substantial spending by foundations are Germany (\$22.6 billion), the Netherlands (\$8.1 billion), the UK (\$6 billion), China (\$4.7 billion) and Mexico (\$1.4 billion). Recipient organizations typically require specific legal structures to receive funding, including tax and compliance. Philanthropy is a significant source of funding for INGOs, NGOs, universities and religious organizations. For **Blended Finance**, bilateral funders are increasingly considering this as a mechanism to leverage private finance to achieve SDGs, including a strong focus on LMICs and ensuring these countries are attractive for private investors. The most active public investors in blended finance include USAID, DFID, BMZ, while prominent philanthropic investors include the Bill & Melinda Gates Foundation, Omidyar Network, Shell Foundation, and Oikocredit. In 2016, 450 investors allocated US\$1.3 trillion to **Impact Investments** worldwide.

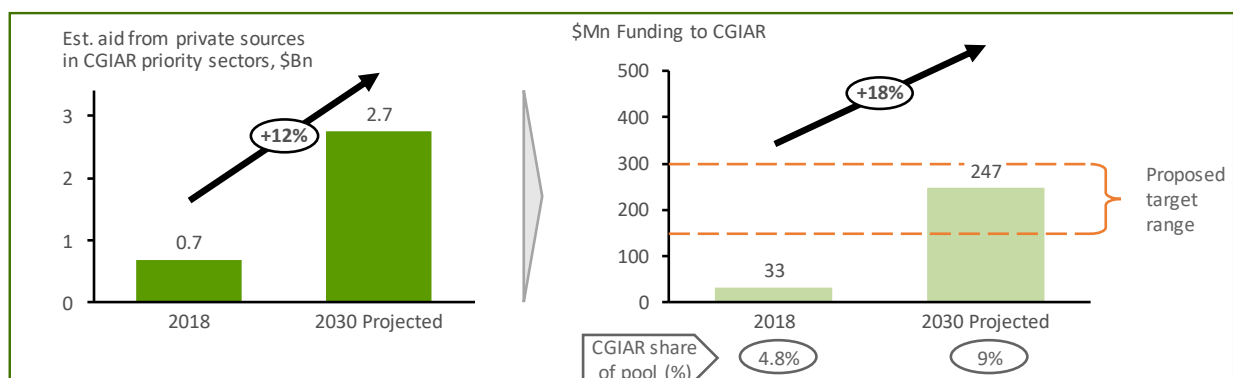
Looking at growth potential for this Action Area, it is recognized that with traditional ODA under pressure and the understanding that there is an estimated financing gap of US\$2.5 – 3 trillion per year to achieve the SDGs in developing countries, the call to leverage private capital is increasing.

In addition, recent successful campaigns by civil society groups to promote more sustainable production and value chains have resulted in new opportunities to collaborate with private sector organizations and investors. Many traditional funders and foundations are also engaging in opportunities to facilitate and stimulate sustainable investment through blended finance mechanisms. Concurrently, CGIAR needs to achieve impact and find appropriate partners to facilitate scaling of innovations and collaboration with development partners, private sector partners and investors is opening new avenues to scaling pathways.

There is a significant pool of funding from these sources each of which requires a closer examination in terms of alignment to CGIAR mandate, contribution to research and impact, as well as risk profile.

#### Considerations for target setting and implementation

In 2018, \$33 million invested in CGIAR originated from private sector sources (as defined above). Looking ahead, the potential pool of funding from this sector is estimated to reach \$2.7 billion by 2030, assuming a 10% annual growth rate – similar to past years. CGIAR could potentially target between \$150-300 million of that pool, recognizing that CSR flows and shared value partnerships have not been considered in the calculations (see Figure 29).



**FIGURE 29: ACTION AREA 5 FUNDING TARGET FOR 2030**

On the left: initial funding targets are based on total available funding in the action area. The available funding is expected to grow significantly with 12% per year to \$2.7 billion. On the right: a projection of how 2018 funding to CGIAR (\$33 million) could grow to about \$250 million by 2030, based on both 1) annual growth in line with trend and 2) increasing the proportion of available funding attracted by CGIAR. The orange lines indicate a \$150-300 Million target for this RMCA strategy.

To gain a more complete understanding of potential in this area, the following will be required: further analysis on funding landscape and case studies of success (TNC, WWF, CI), exploring (legal) mechanisms for One CGIAR structure (including legal entity to facilitate philanthropy) to receive private funds, and investigating ODA funders prioritizing blended finance. This will facilitate priority-setting on CGIAR opportunities (scaling up and out) for this Action Area.

Of all the Action Areas, this stream likely requires the greatest investment in new capacity and resources in order to effectively cultivate innovative and private finance investors and convert this into sustainable funding streams.

This includes: **Specialist capacity** (e.g. highly specialized finance and brokering experience, and building on current Center/CRP experience with the capacity to scale across the System for broader benefit, targeting the possibility to raise both pooled funds and supporting Centers pursuing innovative financing); **Board or Champions network** (One Common Board members, or past Center Board alumni) could bring expertise that supports an enabling engagement with innovative and private finance); **Partnerships with institutions that currently have effective channels, skills and networks and establishment of presence** (consider increasing CGIAR presence in the US – the largest philanthropic and private financing market in the world – for access to networks, partnerships and tax incentive arrangements).

A specific Action Area 5 Engagement Plan will be developed as part of the Implementation plan and based on further analysis, as part of the Next Steps.

## Making it Happen

### Towards implementation

This strategy does not exist in isolation and many parts must move forward together to deliver a One CGIAR \$2 billion goal. To move from the planning stage to rolling out the strategy we need to consider a range of areas, which will be set out in the Implementation Plan.

Moving ahead, the One CGIAR RMCA strategy can only be realized under unified governance, and a coordinated management and engagement approach, as endorsed in the SRG recommendations.

Implementation requires a new approach in the way the One Common Board, Executive Management Team, system leadership, and Resource Mobilization and Communication staff conduct business. It calls for shared services and policies, as well as additional capacity, new skillsets, and dedicated resources to realize financial targets, accompanied by operational changes in the way CGIAR leadership and staff engage with funding sources, communicate about research and impact, and appear on the global stage. These considerations will guide the development of the strategy Implementation Plan.

Increasing CGIAR funding to \$2 billion by 2030 is an achievable but challenging goal, requiring average annual growth of 7-8% starting from last year (2019). The longer it takes to transition to One CGIAR, mobilize funders, and shift investments onto this new path, the higher the growth rate will need to be in each successive year between now and 2030.

### Next steps

Critical to the success of the strategy is approval by the CGIAR SMB and broad support for the activities and subsequent Implementation Plan. This will signal the start of a new, coordinated and collective effort to increase financial support for CGIAR research towards a sustainable annual goal of \$2 billion.

To realize the potential of this strategy, additional analysis and steps will be required as outlined below:

1. June-July 2020: **SMB Endorsement** of a One CGIAR Resource Mobilization, Communications, and Advocacy strategy framework;
2. July 2020: **Deeper analysis**, prioritization and target setting in and across Action Areas;

3. August 2020: Development of **System-wide communications and advocacy plan**, supporting a \$2 billion sustainable campaign, connected to a 2021 major pledging moment;
4. September 2020: Production of an **investment case** supporting a One CGIAR \$2 billion campaign and 2021 pledging moment;
5. September 2020: **Implementation plan** for One CGIAR to deliver on campaign strategy and Action Area objectives;
6. October 2020: Launch of **campaign collateral**, website, and System-wide communication effort;
7. Q3/4 2021: **Pledging moment** for One CGIAR connected to UNFSS.

\*\*\*

## Annex 1 Preliminary target-setting across the Action Areas towards \$2 billion annually by 2030

### Summary of targetable pools of funding and targets

	<i>Million US\$</i>
Total estimated targetable funding pool 2018*	24,675
Total estimated targetable funding pool 2030*	31,488
Estimated CAGR targetable pool	2.1%
Current 2018 CGIAR funding	832
CGIAR share of 2018 pool	3.4%
2030 CGIAR bottom-up calculated target	2,650
CGIAR RMCA target	2,000
Potential CGIAR share of 2030 pool	6.4%
Annual growth rate CGIAR funding	7.6%

\* The total pool is a sum of the pools of Action Areas 1, 3, 4 and 5. Action Area 2 pool is not included because it is calculated based on domestic Ag R&D data instead of development assistance flows.

**NB:** All numbers are based on assumptions and are estimations only. Further analysis is required to refine the assumptions. The methodology for calculating the pool and targets is presented in detail in the next pages.

#### System Council

Definition: OECD DAC-countries, BMGF and WB.

Pool: Targetable ODA to sectors relevant to CGIAR amounted to \$19.4 billion in 2018 with estimated growth to **\$23 billion** by 2030.

Bottom-up target: \$1,467 million

RMCA Target: \$900-1,500 million.

#### Emerging Markets

Definition: Bangladesh, Brazil, China, India, Indonesia, Iran, Nigeria, Philippines, Russia, South Africa, Turkey, Mexico.

Pool: Funding for *domestic Ag R&D* is estimated to be around \$13.7 billion in 2018 with estimated growth to **\$22.4 billion** by 2030.

Bottom-up target: \$311 million

RMCA Target: \$100-200 million.

#### Climate finance

Definition: Multilateral Climate Funds.

Pool: Grant funding for CGIAR relevant sectors is estimated to be around \$730 million in 2018 with growth to **\$1.3 billion** by 2030.

Bottom-up target: \$300 million

RMCA Target: \$250-400 M.

#### Country partners and IFIs

Definition: Funding attracted through in-country RM: 1) Multilateral and IFI flows, 2) ODA from DAC-countries spent by decentralized offices, 3) In-country domestic resources.

Pool: Targetable funding to sectors relevant to CGIAR amounted to \$3.8 billion in 2018 with estimated growth to **\$4.5 billion** by 2030.

Bottom-up target: \$326 million

RMCA Target: \$150-400 million.

#### Innovative and private finance

Definition: Corporate Social Responsibility (CSR), Philanthropy (including Trusts, Foundations and HNWI), Shared value partnerships, blended finance and impact investing.

Pool: Funding by international foundations to sectors relevant to CGIAR amounted to \$690 million in 2018 with estimated growth to **\$2.7 billion** by 2030.

Bottom-up target: \$247 billion, RMCA Target: \$150-300 million.

## Action Area 1: Elevate System Council Funders

	<i>Million US\$</i>
Estimated targetable ODA pool 2018	19,456
Estimated CAGR targetable pool	1.4%
Estimated targetable ODA pool 2030	<b>22,952</b>
Current 2018 CGIAR funding	<b>568</b>
CGIAR share of 2018 pool	2.9%
2030 CGIAR bottom-up calculated target	<b>1,467</b>
CGIAR share of 2030 pool	6%
Annual growth rate CGIAR funding	8%
CGIAR RMCA-document targets	900-1500

### Definition of System Council

All OECD-DAC members except for Korea (part of Action Area 2)

Including BMGF and World Bank

Excluded: Mexico and India (part of Action Area 2), FAO, IFAD (part of Action Area 4)

### Methodology

Estimations on the total targetable pool of funding is based on OECD CRS data, in constant (2017) US\$ million, applying the following methodology:

1. The following filters have been applied: Funders: OECD DAC countries (incl. EU, excl. Korea) + WB + BMGF. All ODA flows (grants mostly [90%], but also some equity and debt), all ODA Types (Budget support, project funding, core-funding, etc.), ODA Recipients: all developing countries (incl. e.g. Eastern European countries, Turkey).

2. Only sectors, "purpose codes", relevant to CGIAR have been selected, based on coding of past CGIAR projects (see list at the bottom of this document).

- High strategic fit: 6 sub-codes from within sectors Agriculture and Gen Environment Protection

- Medium strategic fit: 6 sub-codes from within sectors Agriculture, Gen Environment Protection, and Health (Nutrition)

- Low strategic fit: 19 sub-codes from within sectors Agriculture, Gen Environment Protection, Health (Health policy), WASH, Industry (SME dev & Agro-industry), Multi-sector (Rural dev) and Disaster prevention

3. The average annual growth rate over the past five years of these sub-sectors is calculated and used for projections towards 2030.

4. The bottom-up target for CGIAR funding is calculated by applying a %-share per sub-sector. High fit: 20%, Medium fit: 8%, Low fit: 0.5%. The % is applied on estimated 2030 funding per sub-sector.

### **NB:**

- The filters applied under step 1 can be more strict, by targeting CGIAR focus countries and excluding ODA such as Loans and Budget support.

- The annual growth rate is a projection based on past growth but does not take into consideration, e.g. the impact of COVID.

- The Strategic-fit allocations are rather conservative and would benefit from additional consideration.

## Action Area 2: Grow Emerging Markets

	<i>Million US\$</i>
Estimated <u>domestic Ag R&amp;D</u> in 2018	13,694
Estimated CAGR domestic Ag R&D	4.2%
Estimated <u>domestic Ag R&amp;D</u> in 2030	<b>22,358</b>
Current 2018 CGIAR funding	<b>66</b>
CGIAR share of 2018 pool	0.5%
2030 CGIAR bottom-up calculated target	<b>311</b>
CGIAR share of 2030 pool	1.4%
Annual growth rate CGIAR funding	14%
CGIAR RMCA-document targets	100-200

### Definition of 'Emerging Market'

The definition in the RMCA-document is somewhat fluid and not final. The target estimations are based on the following selection of countries for which data was at hand: Bangladesh, Brazil, China, India, Indonesia, Iran, Nigeria, the Philippines, Russia, South Africa, Turkey, Mexico.

### Methodology

In the absence of consistent ODA data from these countries, estimations on the total targetable pool of funding is based on spending on domestic AG R&D. Data comes from the InStePP database of the University of Minnesota and from ASTI. All data are in current US\$ million, applying the following methodology:

1. Domestic Ag R&D spending per country is estimated based on available data from InStePP and ASTI and comparison between the two sources. Where data is absent, it is estimated by using domestic Ag outputs as a proxy.
2. The average annual growth rate towards 2030 is estimated per country as follows: 1) calculation of % Ag R&D in country GDP in year of latest data, 2) calculated Ag R&D by using projected GDP growth (WB source).
4. The bottom-up target for CGIAR funding is calculated as follows: 1) assessment of 2011 and 2018 funding to CGIAR per country and its % of the country's domestic Ag R&D; 2) countries are classified in 3 categories of size of Ag R&D going to CGIAR: Low 0.8%, Medium: 1%, High: 3% (exception: Mexico with 5%); 3) the % share is applied to the estimated 2030 Ag R&D.

### **NB:**

- The pool of 'funding' here is not based on ODA, but on domestic Ag R&D. As such, the pool cannot be compared to the pools under other action areas.
- ODA flows from a sub-selection of Emerging Markets and their contributions to multilateral organizations have been assessed in a different document. 2017 core-contributions to RBAs totaled \$208 million, a >100% increase compared to 2015 levels.
- Contributions to GEF and GCF by emerging markets have also been assessed, but these flows are too small to sustain the arguments used for the 2030 target.

### Action Area 3: Tap Climate Funds and Finance

	<i>Million US\$</i>
Estimated targetable ODA pool 2018	730
Estimated CAGR targetable pool	5.0%
Estimated targetable ODA pool 2030	<b>1,311</b>
Current 2018 CGIAR funding	<b>10</b>
CGIAR share of 2018 pool	1.3%
2030 CGIAR top-down target	<b>300</b>
CGIAR share of 2030 pool	22.9%
Annual growth rate CGIAR funding	33%
CGIAR RMCA-document targets	250-400

#### Definition of Climate Finance

The definition in the RMCA-document is somewhat fluid and not final. The target estimations are based on Multilateral Climate Funds only. National or bilateral climate instruments have not been considered.

#### Methodology

All data is in current US\$ million, applying the following methodology:

1. Identification of relevant multilateral climate funds through a quick-check. Indicators: grant-funding, match in terms of Environment/Ag/Food-sector focus, size of projects. The following funds have been selected: GCF, Adaptation Fund, GEF and related Least Developed Countries Fund and Special Climate Change Fund and two CIF funds: Pilot Program for Climate Resilience, Forest Investment Program. Less relevant but still considered in calculations: IFAD's Adaptation for Smallholder Agriculture Programme and the EU's Global Climate Change Alliance
2. Estimation of average annual grant disbursements based on different sources: real data from Fund when available, total funding disbursed over multi-annual period or total funding pledged, OECD data (GEF, CIF and Adaptation Fund only).
3. Estimation of share of grants going to CGIAR relevant sectors is based on similar sources as above. In case of no data, the average share of agriculture in total climate grants (21%) is used, based on estimation from CPI.
4. The annual growth rate towards 2030 is estimated based on past growth of funding available to GCF, GEF and FIP as well as growth in global international grants for agri-food sectors as estimated by CPI.

#### **NB:**

- The total pool being based only on Multilateral Climate Funds, it is rather conservative.
- The \$300 million has been set top-down, without bottom-up calculation. This leads to the high 2030 CGIAR share of the pool of funding required: 22.9%.
- The target has been compared to funding attracted by UNEP from the same sources (GEF and GCF) in the past five years, which have ranged between \$90-230 million.



## Action Area 4: Engage Country Partners and IFIs

	<i>Million US\$</i>
Estimated targetable ODA pool 2018	3,799
Estimated CAGR targetable pool	1.4%
Estimated targetable ODA pool 2030	4,482
Current 2018 CGIAR funding*	<b>92</b>
CGIAR share of 2018 pool	2.4%
2030 CGIAR bottom-up calculated target	326
CGIAR share of 2030 pool	7.3%
Annual growth rate CGIAR funding	n.a.
CGIAR RMCA-document targets	150-400

\* Current 2018 CGIAR funding only includes funding received from Multilaterals and IFIs. In-country bilateral funding received by CGIAR is accounted under Action Area 1.

### Definition of country partners

Country funding flows influenceable through engagement at a recipient country level, as opposed to through engagement with funder country capitals, including 1) flows from Multilateral organizations and IFI's with strong national ownership over priorities and allocation, 2) funding from OECD DAC countries managed and disbursed by embassies or executing agencies and their decentralized agencies, 3) funding disbursed by partner-country public entities. Target estimations only consider the first two flows.

### Methodology

Estimates are based on OECD CRS data, in constant (2018) prices US\$ million.

For Multilaterals and IFIs, a similar approach is used as for Action Area 1, filtering on Multilateral ODA by CGIAR sectors.

For bilateral country-flows, the following methodology was used:

1. Identify 2018 flows from 10 strategically important funders to top 20 recipient countries.
2. Within CGIAR-relevant sectors, filter only country-specific project funding (excluding regional allocated funding, budget support, etc.).
3. Assume these flows grow at a CAGR of 1.4% between 2018 and 2030.
4. Based on a qualitative assessment by funder country experts:
  - Identify recipient countries where funders have in-country decision making presence (i.e. through a country office or other in-country representation)
  - Stratify funders into three groups depending on how centralized their decision making in recipient countries is and make assumptions about the proportion of funding influenceable at a recipient country level (Heavily decentralized: 90%, somewhat decentralized: 50%, centralized: 10%).
4. Estimate funds flowing to top 20 recipient countries where funder decisions are being taken in country. This is our estimate of the total potential pool. \*This pool is system council funding that we think is better accessed through Action Area 4a than Action Area 1. Therefore, it must be subtracted from the Action Area 1 pool.
5. To estimate CGIAR target share of this pool, we stratify the top 20 recipient countries into two groups – CGIAR priority and non-priority countries – depending on CGIAR's anticipated in-country level of engagement. We assume that through increased on-the-ground engagement, CGIAR can target 20% of funds in priority countries and 5% in non-priority countries. \*\*Again, this target share has been subtracted from the Action Area 1 target share as it is SC funding that we intend to target in recipient countries.

## Action Area 5: Cultivate Innovative and Private Finance

	<i>Million US\$</i>
Estimated targetable ODA pool 2018	690
Estimated CAGR targetable pool	12.2%
Estimated targetable ODA pool 2030	<b>2,744</b>
Current 2018 CGIAR funding	<b>33</b>
CGIAR share of 2018 pool	4.8%
2030 CGIAR bottom-up target	<b>247</b>
CGIAR share of 2030 pool	9.0%
Annual growth rate CGIAR funding	18%
CGIAR RMCA-document targets	150-300

### Definition of innovative and private finance

The definition in the RMCA-document includes Corporate Social Responsibility (CSR), Philanthropy (including Trusts, Foundations and HNWI), Shared Value partnerships, blended finance and impact investing. Because of lack of consistent data on these different sources of funding, the target estimations are only based on OECD CRS data on private philanthropy. BMGF is excluded from the data as it is part of Action Area 1.

### Methodology

All data is in constant 2017 US\$ million, applying the following methodology:

1. The following filters have been applied: Donors: Private philanthropy (excl. BMGF). All ODA flows (grants mostly), all ODA Types (project funding, core-funding, etc.), ODA Recipients: all developing countries (incl. e.g. Eastern European countries, Turkey).
2. Only sectors relevant to CGIAR have been selected, similar to Action Area 1.
3. The average annual growth rate over the past five years for Agriculture and Environment Protection have been calculated and used for projections towards 2030. For the other sectors, an optimistic 10% general CAGR is used.
4. The bottom-up target for CGIAR funding is calculated by applying a 10% share for CGIAR core-sectors and 0.5% for non-core sectors. The percentage is applied on estimated 2030 funding per sector.

### **NB:**

- The annual growth rate might be overestimated since part of the historic growth is a result of increased reporting to the OECD.
- The total pool is much larger in reality, since many flows have not been captured in the calculation, including funding from HNWI, CSR and shared-value partnerships.

## Annex 2: OECD purpose codes according to degree of strategic fit with CGIAR

Sector	Purpose code	Sub-sector	Strategic fit for CGIAR
Health	12110	Health policy and administrative management	<i>Low</i>
Health	12240	Basic nutrition	<i>Medium</i>
WSH	14010	Water sector policy and administrative management	<i>Low</i>
WSH	14015	Water resources conservation (including data collection)	<i>Low</i>
WSH	14020	Water supply and sanitation — large systems	<i>Low</i>
WSH	14021	Water supply — large systems	<i>Low</i>
WSH	14040	River basins development	<i>Low</i>
Agriculture	31110	Agricultural policy and administrative management	<i>High</i>
Agriculture	31120	Agricultural development	<i>High</i>
Agriculture	31140	Agricultural water resources	<i>Low</i>
Agriculture	31161	Food crop production	<i>Medium</i>
Agriculture	31166	Agricultural extension	<i>Low</i>
Agriculture	31181	Agricultural education/training	<i>Low</i>
Agriculture	31182	Agricultural research	<i>High</i>
Agriculture	31191	Agricultural services	<i>Low</i>
Agriculture	31194	Agricultural co-operatives	<i>Low</i>
Agriculture	31210	Forestry policy and administrative management	<i>Low</i>
Agriculture	31220	Forestry development	<i>Low</i>
Agriculture	31282	Forestry research	<i>Medium</i>
Agriculture	31310	Fishing policy and administrative management	<i>Low</i>
Agriculture	31320	Fishery development	<i>Low</i>
Agriculture	31382	Fishery research	<i>Medium</i>
Agriculture	31192	Plant and post-harvest protection and pest control	<i>High</i>
Industry	32130	Small and medium-sized enterprises (SME) development	<i>Low</i>
Industry	32161	Agro-industries	<i>Low</i>
General Environment Protection	41010	Environmental policy and administrative management	<i>Medium</i>
General Environment Protection	41020	Biosphere protection	<i>Medium</i>
General Environment Protection	41030	Bio-diversity	<i>High</i>
General Environment Protection	41082	Environmental research	<i>High</i>
Multisector	43040	Rural development	<i>Low</i>
Disaster Prevention & Preparedness	74020	Multi-hazard response preparedness	<i>Low</i>