

International Food Policy Research Institute

Medium-Term Plan 2010-12

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Table of Contents

MTP Overview	3
Introduction.....	3
Highlights of Project Portfolio	3
Center Financial Indicators.....	7
Project Portfolio	8
CapacityS_1: Capacity Strengthening for Policy and Research (GRP 35)	8
IFPRI-PolicyComm2: Policy Communications (PP20)	20
IFPRI-Subtheme 3.3: Strengthening Women's Control of Assets for Better Development Outcomes (GRP 42)	28
IFPRI-Subtheme 6.3: Urban-Rural Linkages and Nonfarm Rural Development (GRP 36).....	41
IFPRI-Subtheme 7.3: Institutions and Infrastructure for Market Development (formerly GRP 23)	49
IFPRI-Subtheme 8.2: Food and Water Safety Policies (formerly GRP 40)	66
PolicyComm1: 2020 Vision for Food, Agriculture, and the Environment Initiative (GRP 4).....	87
Subtheme 1.1: Global Food and Natural Resources: Strategies and Policies for Adapting to Global Change (GRP 38)	91
Subtheme 2.1: Globalization and Markets (GRP 2)	106
Subtheme 2.2: Participation in High-Value Agricultural Markets (GRP 27)	118
Subtheme 3.1: Water Resource Allocation: Productivity and Environmental Impacts (GRP 22)	126
Subtheme 3.2: Land Resource Management for Poverty Reduction (GRP 39)	137
Subtheme 4.1: HIV/AIDS and Food Security (GRP 33)	151
Subtheme 5.2: Governance and Related Policy Processes (GRP 37)	160
Subtheme 6.1: Priorities for Public Investment in Agriculture and Rural Areas (GRP 3)	170
Subtheme 6.2: Country Development Strategy Research (GRP 32)	180
Subtheme 7.1: Pathways from Poverty (GRP 26)	196
Subtheme 7.2: Large-Scale Interventions to Enhance Human Capital (GRP 28)	205
Subtheme 8.1: Diet Quality and Health of the Poor (GRP 24)	217
Subtheme 9.1: Genetic Resource Policies for the Poor (GRP 1).....	225
Subtheme 9.2: Agricultural Science, Technology and Innovation Policy (GRP 31)	233
Subtheme 9.3: Program on Biosafety Systems (GRP 34)	251
Subtheme 9.4: Institutional Change in Agricultural Innovation Systems (GRP 29).....	262
Subtheme 9.5: Organization and Management for Strengthening Agricultural Research (GRP 30)	271
Theme 3: Systemwide Program on Collective Action and Property Rights (CAPri)	283
Annexes	293
Activities That Fall Outside the CGIAR System Priorities	293
Implementation of EPMP/CPER Recommendations.....	295
IFPRI's Project Portfolio	296
Financing Plan	298

MTP Overview

Introduction

Background

Meeting the complex challenge of reducing poverty and ending hunger and malnutrition requires multifaceted economic, political, and technological approaches. These multifaceted approaches are particularly important given the current major global economic recession and the increased volatility in food prices. IFPRI's research has been and will continue to be used to develop effective and coherent policy recommendations for governments and others to help build a more resilient food and agricultural system. Food policy research has an essential role to play in providing research-based information to reduce hunger, malnutrition, and poverty in the short-, medium-, and long-terms.

Key IFPRI Features

IFPRI's Vision and Mission remain unchanged from last year's medium-term plan (MTP). IFPRI's Strategy, updated in 2007, is a living document and can be amended to address newly emerging food security issues. The Institute's priority-setting mechanisms remain the same. IFPRI's research portfolio, which is derived from the Strategy, will continue with its nine research themes along with the cross-cutting areas of Policy Communications and Capacity Strengthening. IFPRI's senior management and board will assess its strategy again in 2010 and make modifications, if needed.

Highlights of Project Portfolio

The following is a summary and explanation of the differences between the planned 2010-12 project portfolio and IFPRI's 2009-11 MTP. A complete project portfolio list may be found in Appendix B.

New Projects

The following projects recently underwent ex-ante reviews and were subsequently approved by the Senior Management Team. They are now officially part of IFPRI's MTP project portfolio:

Urban-Rural Linkages. Although rural and urban sections of an economy are interconnected economically, financially, and socially, there are many factors that prohibited these connections in many developing countries leading to a dual economic structure, i.e., a modern urban sector and a backward rural sector. This is one of the reasons why the majority of the poor are still concentrated in the rural sector. IFPRI's team on this project is conducting research on how governments can design strategies to promote strong links for growth and poverty reduction in both rural and urban areas.

Food and Water Safety. Food and water safety concerns directly affect the wellbeing of the poor both as food producers and consumers. Consumption of unsafe water continues to be one of the major causes of preventable death and disease. Food safety concerns have become particularly salient, as recent food scares stemming from animal-borne diseases (such as swine flu) have resulted in growing political awareness regarding the need to reduce the incidence of food hazards in agricultural commodities. IFPRI's team on this project is assessing the sources of food and water safety hazards and ways to mitigate them to improve water quality for poor consumers and to meet the production requirements of high-value export markets to improve rural livelihoods

and reduce their health risks.

Proposed New and Expanding Projects

Rebuilding after Emergencies and Crises. To support domestic and international efforts on post-emergency reconstruction, IFPRI is planning to launch a new research program that will focus on the following three research areas: (1) Providing social protection for poor and vulnerable population groups in a timely and cost-effective manner after emergencies and crises, (2) Rebuilding and strengthening the capacity in formulating national strategies, policies and programs to recover from emergencies, reduce poverty and promote economic growth in the long run, and (3) Strengthening the organization, management, and governance of agriculture and rural development actors, and rebuilding national agricultural innovation systems. This new initiative will undergo ex-ante review later in 2009.

Gender and Assets. The principal goal of this new global and regional program (GRP) is to contribute to poverty reduction through policies and interventions that strengthen women's control over critical assets. To meet the principal goal and research objectives, the GRP is organized along two complementary tracks. The first track focuses on developing and implementing analytical methods for identifying factors affecting control over assets and measuring the asset gap, as well as investigating the consequences of that gap, while the second track involves working directly with development practitioners and policymakers to evaluate the impact of interventions designed to increase women's control of assets. This GRP is expanding (in cooperation with CGIAR sister Centers).

In addition to these new projects, IFPRI will be placing more emphasis on the impacts of the economic crisis, climate change, and health on the world's poor.

Project Concluding

In 2010, the HIV/AIDS and Food Security Project (Sub-theme 4.1, GRP33) will conclude. The project has been instrumental in launching RENEWAL (Regional Network on AIDS, Livelihoods, and Food Security) in Sub-Saharan Africa and conducting research on the topic both within and outside the network. IFPRI will work to ensure that RENEWAL continues to run sustainably after 2010. A transition plan is being developed to enable the national networks to continue activities in the five hub countries. In 2010, research results on HIV/AIDS and food security will be synthesized in various publications designed to reach different audiences. Research on agriculture and health (including HIV/AIDS and multiple disease threats) and any remaining RENEWAL research will be continued under the framework of the Agriculture and Health Platform (involving CGIAR centers and numerous health organization partners), coordinated by IFPRI.

Progress toward Achieving MTP Output 2008 Targets

As part of the CGIAR's performance measurement indicators, IFPRI is asked to report on whether the Board has assessed the Center's performance based on the targets and strategic goals approved in the Medium Term Plan and/or the strategic plan, and act on significant deviations from projected results. IFPRI shared its report 2008 output targets achievements. The IFPRI Management and Board discussed significant deviations and responded as appropriate – based on the specific needs of the project.

Linkages between IFPRI's Themes and CGIAR System Priorities

Approximately 85 percent of IFPRI's research portfolio fits within the CGIAR System Priorities for 2010 – about the same proportion as in 2009 (see Table 1). The remaining 15 percent includes innovative research on emerging issues that are of an international public goods nature, some stand-alone training, and capacity strengthening that serves policy research in the future (see

Appendix A for details on IFPRI activities that fall outside the CGIAR System Priorities). The breakdown numbers in Table 1 are derived from a bottom-up process in which GRP/project managers were asked to estimate their research project's contribution to specific System Priorities. These estimates were also approved by division directors and the Director General. The narratives of each project, in the Operation Plan that follows, detail how IFPRI's planned research and capacity-strengthening activities for 2010–12 fit within the CGIAR's system priorities.

Table 1—Percentage breakdown of IFPRI portfolio within and outside CGIAR System Priorities (estimated percentage of 2010 budget allocation)

IFPRI Overarching Focus areas	CGIAR System Priorities					Non CGIAR System Priorities	Total ^a
	1. Sustaining Biodiversity	2. Producing More and Better Food	3. Agricultural Diversification	4. Sustainable Resource Management	5. Improving Policies and Facilitating Institutional Innovation		
A. Functioning of Agricultural Systems	0	2	5	7	11	1	26
B. Effective Strategies and Governance	0	0	4	1	21	6	32
C. Food and Agriculture Innovations	2	6	5	2	11	5	31
Policy Communications^{dt}	0	1	1	1	2	1	4
Capacity Strengthening^a	0	0	0	0	5	2	8
Total	2	9	14	11	50	15	100

Note: Column and row totals may differ due to rounding errors.

^aData only represent capacity strengthening and policy communications activities within this theme. Both of these activities occur across all IFPRI themes, so their institute-wide shares are significantly higher.

Implementation of EPMR Recommendations

IFPRI has completed addressing the 10 main recommendations in the fourth EPMR.

Center Financial Indicators

IFPRI's audited financial position as of December 31, 2008, was strong, with net assets of US\$ 13.7 million. A surplus of \$2 million was recorded for the year ending 31 December 2008. Grant and contract income increased from \$46 million in 2007 to \$50 million in 2008, reflecting the growing number of partnerships that have been formed to implement the objectives of the IFPRI Strategic Plan. The 2008 income was in line with projections made in the October 2008 MTP submission. Prudent fiscal management of reserves has helped mitigate shocks and ensure that research activities and initiatives have proceeded in accordance with strategic and MTP horizons.

IFPRI is in full compliance with the CGIAR's recommended financial performance indicators. IFPRI's short-term liquidity indicator was 114 days as of December 2008 and the long-term financial solvency indicator was 94 days. IFPRI will continue to operate within the financial performance parameters defined by the CGIAR. The external auditors issued an unqualified opinion on IFPRI's 2008 financial statements.

Unrestricted donor support in 2010 is projected to be in line with 2009, at approximately \$13 million. IFPRI is budgeting total expenditure of \$60 million in 2010 of which 20 percent will be funded by unrestricted funding sources. The funding gap submitted in the MTP is estimated to be \$8 million, or 13% percent of the budget. IFPRI is reasonably confident that proposals under discussion with donors will result in this gap being filled in the coming months.

During 2008, IFPRI's management continued its integrated risk management process, which encompasses risk and opportunities across all the institute's activities. The CGIAR Internal Audit Group reviewed IFPRI's risk management system in 2008 and concluded that IFPRI had properly identified and documented risks in key areas of operation. Monitoring risk is a continuous effort. IFPRI's research requires innovation; innovation brings change; and change brings risk.

The Audit Committee of IFPRI' Board of Trustees plays an active role in monitoring the Institute's risk management strategy, not only from a financial and fiduciary perspective, but also from a substantive research perspective.

Comments on Significant Financial Variations by Theme 2009 /2010

There are no significant financial variations between 2009 estimates and 2010 estimates/Plan. IFPRI's financial tables are prepared using its nine Research Themes and the cross-cutting areas of policy communications and capacity strengthening.