

**CONSORTIUM PERFORMANCE AGREEMENT
UNDER THE CGIAR FUND (MTO 069018)
FOR CRP 3.3 - Global Rice Science Partnership (GRiSP)**

This Consortium Performance Agreement (the “CPA”) is entered into by and between:

- the Fund Council of the CGIAR Fund (the “Fund Council”), represented by the International Bank for Reconstruction and Development (the “World Bank”), and
- the International Plant Genetic Resources Institute (operating under the name of Bioversity International, hereafter referred to as “Bioversity”), on behalf of the Consortium of International Agricultural Research Centers (the “Consortium”)

(the Consortium together with the Fund Council are collectively referred to as the “Parties”).

WHEREAS the Parties are entering into this CPA for the CGIAR Research Program (the “CRP”) entitled Global Rice Science Partnership (GRiSP) to be financed in whole or in part by the CGIAR Fund (MTO No. 069018) (the “CGIAR Fund”);

WHEREAS on October 28, 2010, the CGIAR Fund was established;

WHEREAS donors to the CGIAR Fund (each a “Fund Donor”) and the World Bank as trustee (the “Trustee”) have entered into Contribution Agreements and Contribution Arrangements for the purpose of contributing funds to the CGIAR Fund (the “Contribution Agreements and Arrangements” or the “Contribution Agreements or Arrangements,” as the case may be);

WHEREAS on April 15, 2011 the Parties entered into a Joint Agreement setting out certain terms and conditions governing the submission and approval of CRP proposals, the implementation and use of funds in resulting CRPs, including, with respect to the Consortium and Centers, the treatment of System Costs (the “Joint Agreement”);

WHEREAS, the World Bank is signing this CPA solely in its capacity as signatory for the Fund Council as the Fund Council does not have legal personality, and not in its capacity as Trustee, Fund Office or in any other role, except as otherwise provided herein;

WHEREAS, the Consortium is a contractual joint venture set up among the 15 International Agricultural Research Centers supported by the CGIAR under the Agreement establishing the Consortium of International Agricultural Research Centers signed on April 29, 2010 and governed by the rules of the Constitution annexed to that agreement;

WHEREAS, pending its formal establishment as an international organization and until it is ready to carry out its business in its own name (the “Interim Period”), the Consortium shall draw on the legal personality of Bioversity, a Center which has its international headquarters in Maccarese, Italy and an office in Montpellier, France, and which is authorized to enter into agreements and contract obligations on behalf of the Consortium under a Memorandum of Understanding between Bioversity and the Consortium Board on behalf of the Consortium dated February 23, 2011 (the “Bioversity MOU”); and

WHEREAS a proposal dated November 2010, which was submitted by the Consortium to the Fund Council and attached hereto as Exhibit 1 (the “CRP proposal”), was approved by the Fund Council on November 1, 2010 as recorded in agreed minutes of the Fund Council attached hereto as Exhibit 2 (the “Fund Council Approval”);

NOW THEREFORE, the Parties hereto agree as follows:

1. Based on the Fund Council Approval and as set forth in the CRP proposal, as modified in the Fund Council meeting of November 1, 2010 (see Section 2 below), the amount of funds from Window 1 and Window 2 of the CGIAR Fund that may be transferred to the Lead Center as part of this CRP is US\$382.69 million (or the equivalent thereof) (the Fund Council-Allocated Component); the Total Budget for this CRP is US\$ 593.39 million (or the equivalent thereof). The Consortium agrees, and shall require the Lead Center for each CRP and, through such Lead Center, any other Centers or Partners participating in such CRP to agree, that this amount and any income earned thereon (“Investment Income”) will be used only for the purposes described in the CRP proposal and will be governed by the terms and conditions of the Joint Agreement, which is incorporated by reference herein, and this CPA.

2. Following the Effective Date (as defined below), the Trustee shall disburse the Window 1 and Window 2 Funds (as defined in the Joint Agreement) to the Lead Center as follows in accordance with a proper Payment Request received by the Trustee from the Consortium prior to each such disbursement, at all times subject to the availability of funds:

Funding Source	2011	2012	2013	2014	2015	Total
Window 1 & 2	34.86	75.97	83.07	90.49	98.3	382.69
Window 3 & Bilateral Funding	63.96	32.67	35.21	37.95	40.91	210.7
Total	98.82	108.64	118.28	128.44	139.21	593.39

As recorded in the Fund Council Approval, the Fund Council approved, with the concurrence of the Consortium Observer to the Fund Council, an amended Total Budget for this CRP that was \$1.0 million less than that in the original CRP proposal. The Parties agree that this approved number prevails over and modifies the CRP proposal.

It is understood that the Trustee will transfer Window 3 Funds to Centers so designated by Fund Donors in Contribution Agreements and Arrangements pursuant to a W3 Transfer Agreement entered into by the Trustee and each such Center, and that a portion of such Window 3 Funds may constitute a portion of the Window 3 and Bilateral Component, as set out in the attached CRP proposal.

3. Following disbursement by the Trustee, (i) the Consortium shall have full fiduciary responsibility to the Fund Donors and the Fund Council for use of Window 1 and 2 Funds disbursed and the implementation of the CRP in accordance with the terms of the Contribution Agreements or Arrangements, the governing Fund Use Agreements to which the Consortium is a party, including the Joint Agreement, this Consortium Performance Arrangement and any relevant W3 Transfer Agreements, and (ii) the World Bank in any capacity will have no responsibility to the Fund Donors, the Fund Council or otherwise for the Consortium’s handling of the funds from the CGIAR Fund or the activities carried out with such funds. The Consortium shall have no responsibility to supervise or monitor use of Window 3 Funds, and Fund Donors shall have no specific rights of recourse with respect to Window 3 Funds under this Consortium Performance Agreement, except that in the event a Center implementing the CRP fails to use Window 3 Funds

for implementation of the SRF or in accordance with the Common Operational Framework, (i) the Consortium may take whatever corrective actions it considers appropriate and within its purview; and (ii) the Trustee, in its discretion or as instructed by Fund Council decisions, may withhold further disbursements from the CGIAR Fund to that Center. In the event questions of interpretation regarding the use of Window 3 Funds arise, (i) decisions about what constitutes activities for implementing the SRF shall be made by the Consortium in consultation with the Fund Council, and (ii) decisions about compliance with the Common Operational Framework shall be made jointly by the Consortium and the Fund Council. Nothing in this CPA shall preclude Fund Donors from entering into side agreements with individual Centers for use of Window 3 Funds financed by their Contributions.

4. The Consortium agrees to exercise its fiduciary duties over the use of Window 1 and Window 2 Funds.

5. The offices responsible for the Consortium, Fund Council, Fund Office and Trustee for coordination of all relevant matters related to the implementation of this CPA, including providing or being provided any notice, taking any action and executing any documents required or permitted pursuant to this CPA, are, except as may be notified in writing to the other Contact:

For the Consortium (the “Consortium Contact”):

Chief Executive Officer, Consortium
c/o Agropolis International
Avenue Agropolis
F-34394 Montpellier Cedex 5
France
Tel: +33 4 67 04 7575
Email: consortium@cgiar.org

For the Trustee (the “Trustee Contact”):

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

For the Fund Council (the “Fund Council Contact”)

Chair of the CGIAR Fund Council
Vice President, Sustainable Development Network
The World Bank
1818 H Street, NW
Washington, DC 20433, U.S.A.
Tel: + 1 202 458 7405
Fax: + 1 202 522 7122

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

Executive Secretary, CGIAR Fund Council and
Head, CGIAR Fund Office
The World Bank
1818 H Street, NW
Washington, DC 20433, USA
Tel: +1 202 473 8918
Fax: +1 202 473 8110

6. The offices responsible for each of the Fund Donors for coordination of any relevant matters related to implementation of this CPA, including providing or being provided any notice, taking any action or executing any documents required and permitted pursuant to this CPA, are as specified as the “Donor Contact” in the respective Contribution Agreements or Arrangements with the Trustee. The Fund Office agrees to notify (i) each of the then-current Fund Donors in the event the Consortium Contact changes, and (ii) the Consortium Contact in the event any Donor Contact changes or is added to the CGIAR Fund.

7. The Fund Council and the Consortium will be responsible only for performing their respective functions specifically set forth in the Joint Agreement and this CPA and will not be subject to any other duties or responsibilities, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Consortium Performance Agreement will be considered a waiver of any privileges or immunities of the Fund Council, the Fund Donors, the World Bank, the Consortium or Bioversity under their respective Articles of Agreement or equivalent documents and any applicable law, all of which are expressly reserved.

8. The Consortium consents to the disclosure of this CPA and related information in accordance with the World Bank’s policy on disclosure of information. This provision will continue in full force and effect following completion of all CGIAR Fund disbursements and termination of the Contribution Agreements and Arrangements.

9. This Consortium Performance Agreement may be terminated by either the Fund Council or the Consortium upon 180 days prior written notice. Additionally, in the event the Trustee exercises its right of suspension and/or termination under the Contribution Agreements and Arrangements, the Trustee shall consult with the Fund Council and the Consortium to determine the subsequent measures to be taken with respect to the CGIAR Fund (as provided in the Contribution Agreements and Arrangements), and the Consortium shall accordingly agree to suspend activities under or terminate, as the case may be, this CPA. In the event of any such termination, unless the Fund Council and the Consortium agree on another course of action, (i) any agreement entered into prior to the termination between the Consortium and any consultants and/or other third parties will remain in effect and be unaffected by the termination, and (ii) the Consortium will be entitled to continue to request disbursement of amounts from the Fund Council-Allocated Component in respect of such agreements to the extent contemplated in the Fund Council-Allocated Component and necessary to fulfill the Consortium’s obligations thereunder as if this CPA had not been terminated. The Consortium shall cause all other amounts from the Fund Council-Allocated Component remaining with the Lead Center or other Centers or Partners participating in the CRP after such termination, along with Investment Income thereon, to be returned to the Trustee for deposit into the CGIAR Fund (or returned to the Fund Donors *pro rata* to their respective contributions to the CGIAR Fund if the CGIAR Fund has been closed).

10. Except with respect to clauses that by their nature are meant to survive, this CPA shall terminate upon the completion of the CRP.

11. This CPA may be amended only by written statement between the Fund Council and the Consortium. In the event of conflict between this CPA and the Joint Agreement, the Joint Agreement shall prevail.

12. This Consortium Performance Agreement will come into operation on the date of the last duly authorized signature provided below (the "Effective Date").

13. Once the Consortium has been established with its own legal personality as an international organization and is ready to conduct operations in its own name, the Consortium may request approval from the Fund Council to transfer the rights and obligations contracted by Bioversity on behalf of the Consortium under this CPA to such international organization. If approved by the Fund Council, then such rights and obligations shall transfer to such international organization as of the date of such approval or as otherwise specified by the Fund Council, and the Interim Period shall end on that date. Until such date, Bioversity shall have the rights and obligations contracted on behalf of the Consortium under this CPA, and shall be responsible for any liabilities incurred on behalf of the Consortium under this CPA, notwithstanding any termination of the Bioversity MOU or any termination under Section 9 above. As provided in the Bioversity MOU, any such liability of the Consortium or (during the Interim Period) Bioversity shall be paid from the Funds of the Consortium, as such term is defined therein, subject to the consent of the Fund Council, and shared jointly and severally among all Centers concerned for any liabilities that are greater than the assets held by or on behalf of the Consortium.

THE FUND COUNCIL,
By the International Bank for Reconstruction and Development,

/s/ Inger Andersen
Inger Andersen
Vice President, Sustainable Development Network

Date: July 28, 2011

THE INTERNATIONAL PLANT GENETIC RESOURCES INSTITUTE,
on behalf of the Consortium

/s/ Emile Frison
Emile Frison
Director General

Date: July 29, 2011

EXHIBIT 1

APPROVED CRP 3.3 PROPOSAL:
GLOBAL RICE SCIENCE PARTNERSHIP (GRiSP)

EXHIBIT 2

MINUTES OF FUND COUNCIL MEETING ON NOVEMBER 1, 2010 (excerpt):

Agenda Item 4. Consideration of GRiSP CRP Proposal

The FC Chair provided a brief background on the process that has taken place with respect to GRiSP. Members were reminded that, at the last Fund Council meeting in July, they, along with the iISPC, made preliminary comments on the GRiSP. The Consortium/ proponents revised the proposal based on these comments and re-submitted it to the Fund Council.

The CB Chair introduced the proposal and summarized the development and assessment/review process that the GRiSP proposal has gone through since it was first conceptualized. He pointed out that GRiSP development went through a very creative process and has provided the stimulus and lessons for other CRP proponents to work hard in developing the rest of the CRP portfolio.

The iISPC Chair gave a summary of the iISPC's commentary, advising the FC that there is a compelling case for global collaboration in rice research. The iISPC recommended approval of the GRiSP for funding through the Fund.

Robert Zeigler, Director General of IRRI (the designated Lead Center for GRiSP) gave a presentation focusing on: 1) major changes to the proposal in response to feedback received from donors, partners, and iISPC, 2) on the financial needs of the proposed program in 2011, and 3) expectations on the part of the proponents.

Discussion:

Strong support for approval of the proposal was expressed by FC members. There were, however, some key points and suggestions made for the GRiSP program to consider:

- Concerns on the unintended consequences of GRiSP, e.g. the potential displacement of marginal farmers.
- Governance structure of IRRI and Africa Rice should be revisited given the size and composition of their Center Boards relative to the governance structure of GRiSP.
- Development interface should be given more attention and strengthened.
- The relationship between GRiSP and the CRP on Climate Change should be clarified as GRiSP progresses.
- Importance of developing monitoring & evaluation (M&E) framework and defining performance indicators was emphasized; Consortium was encouraged to look into the possibility of defining some indicators that are common across several CRPs.
- GRiSP should anticipate curiosity on what is working and what the lessons are through regular monitoring reports.
- In implementing the various components of the CRP, it was pointed out that Norway cannot use ODA funds to support activities that produce or promote genetically modified organisms (GMOs)
- Linkage should not be just with the National Agricultural Research and Extension System (NARES) but also with other actors on the development side.

- For 2011, GRiSP's total funding requirements (in million US dollars) under a growth scenario as proposed are broken down as follows:

CGIAR Fund (for existing activities)	27.90
CGIAR Fund (for new activities)	6.96
Subtotal (from Fund)	34.86
Current/Pipeline Bilateral Grants	63.96
Total GRiSP Budget	98.82

Conclusions and Decisions:

- *The GRiSP is a strong proposal setting a benchmark both in quality of content and in the process of development and assessment that it went through.*
- *The GRiSP proposal (program and total budget) was approved. The details of the process of fund disbursement from the CGIAR Fund will be discussed between the Consortium Office and the Fund Office. Fund donors would be able to disburse funds through Window 3 to GRiSP-implementing Centers. However, the Funders' Forum approval of the SRF and the signing of the Joint Agreement between the Consortium and the Fund Council are prerequisites for disbursement of funds from Windows 1 and 2.*
- *An M&E framework for GRiSP is to be developed by mid 2011, and should include clear and measurable performance indicators that will be developed together with the Consortium. The performance indicators will be incorporated into the GRiSP document which will become part of the performance agreement to be entered into by the Consortium and the Fund Council on the GRiSP program.*