



Financial Statements

**As at and for the years ended
31 December 2022 and 2021**

International Center for Agricultural Research in the Dry Areas

Financial Statements

As at and for the years ended 31 December 2022 and 2021

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2022 Institutional Highlights Statement by the Chair of the Board of Trustees of ICARDA

In 2022 ICARDA continued to deliver innovation and capacity development for sustainable agri-food systems across the Central and West Asia and North Africa (CWANA) region in partnership with National Agricultural Research Systems (NARS) and donors.

One CGIAR integration

In July 2022, following a [System Board](#) decision, CGIAR's leadership structure evolved from being headed by an Executive Management Team comprised of three Managing Directors to an [apex structure](#) with Dr. Claudia Sadoff appointed as Executive Managing Director. This apex model is a natural progression from the two-year term-limited inaugural executive management structure and responds to CGIAR's critical need to connect global science with regional and local partners in an effective and innovative way.

For the better part of 2022, leaders across the CGIAR System engaged in the process to confirm and clarify the path to 'One CGIAR' and to pave the way for a united CGIAR to move forward with confidence and operate in a shared matrix structure. This led to the completion and subsequent approval of the new [Integration Framework Agreement](#) (IFA) by the boards of all 'One CGIAR' Centers^[1] in early 2023. We are already seeing a decisive shift in focus towards implementation of the IFA to operationalize how integrated teams will work together – ensuring that all Center staff are able to engage with and contribute to the Global and Regional Groups – and how we develop shared corporate services and systems.

In December 2022, ICARDA leadership was tasked with reviewing and updating ICARDA's current Strategic Plan to 2030, to ensure it is well aligned to One CGIAR. That review is expected to be completed in 2023. Also in December 2022, ICARDA's Board of Trustees tasked ICARDA's leadership team with the development of a draft One CGIAR drylands strategy for the CGIAR System Board to consider. This work is expected to be completed in 2023.

Research and Innovation

In January 2022, 31 new [CGIAR Initiatives](#) were launched to help radically realign food, land, and water systems. CGIAR's new Initiatives were designed by multidisciplinary teams of scientists from across the CGIAR System to make real, lasting, and positive impact across five Impact Areas: 1) Nutrition, Health, and Food Security; 2) Poverty Reduction, Livelihoods, and Jobs; 3) Gender Equality, Youth, and Social Inclusion; 4) Climate Adaptation and Mitigation; and 5) Environmental Health and Biodiversity. With CGIAR research and innovation providing a [10:1 return on investment](#), supporting the new Initiatives provided funders with a clear path to impact for people, climate, and

^[1] 'One CGIAR' Centers: AfricaRice, Alliance of Bioversity International and CIAT, CIMMYT, CIP, ICARDA, IFPRI, IITA, ILRI, IRRI, IWMI, and WorldFish.

nature. During 2022, ICARDA was involved in 17 of the Initiatives with a budget of \$US13.4 M. The CGIAR's new Initiatives cover the three science areas of genetic innovation, resilient agrifood systems and system transformation.

ICARDA's new genebank was officially opened in May 2022 in Rabat, Morocco. It is a state-of-the-art facility that stores one of the world's most unique and extensive collections of wheat, barley, chickpea, faba bean, lentil, and forage genetic material, providing the 'building blocks' that global researchers and breeding programs need to develop high-yielding, resilient, and climate-adapted crops and domestic alternatives to the widely imported staple crops under pressure today.

During 2022, through the CGIAR Breeding Initiative, ICARDA adopted the 1.5% genetic gain indicator for the Center's breeding programs, with the bread wheat breeding program reaching as high as 2.5%. ICARDA's speed breeding facility was finalized, which will contribute to an anticipated further increase of genetic gain in ICARDA's breeding programs. ICARDA continues to release varieties with local in-country partners; a total of 16 in 2022 which contributes to the 100 varieties planned to be released in ICARDA's countries of operations between now and 2030.

ICARDA's Deputy Director General-Research is leading the CGIAR Fragility to Resilience CWANA Initiative (F2R-CWANA). ICARDA also worked during 2022 with other CGIAR Centers (IMWI, CIMMYT, IFPRI, CIP, Alliance of Bioversity and CIAT, WorldFish) on various projects in the region. During 2022, National Agricultural Research and Extension Systems (NARES) representatives from fourteen countries in CWANA met with CGIAR to define their CWANA crop breeding priorities until 2030. A resulting co-signed Aide-Memoire will steer, between now and 2030, the breeding portfolio and variety release, promotion and dissemination strategies implemented by CGIAR Initiative F2R- CWANA, Accelerated Breeding and Seed Equal initiatives.

ICARDA worked with other CGIAR Center through the CGIAR Initiative Harnessing Gender and Social Equality for Resilience in Agrifood Systems (Her+), to develop a new strategy for gender in CWANA with a review was completed of the extent to which public policies can improve women's climate change resilience and facilitate their full and effective participation in climate change governance in the agrifood sector at macro, meso and micro scale.

In 2022 there was an increase in ICARDA peer-reviewed articles indexed in the Web of Science Core Collection (former ISI) that were published under open access conditions (82%), as compared to the period 2018 - 2021 (58% increasing to 73%).

Financial highlights

ICARDA's financial results for the year were positive, indicating a stable financial situation. The organization achieved total revenues of US\$28.0 million and expenses of US\$ 27.3 million, resulting in a surplus net result of US\$0.7 million, marking the second consecutive year of financial surplus, with an accumulated increase in reserves of \$1.1 million since 2021. This financial result indicates a stable financial situation, with ICARDA being well-prepared to handle unexpected expenses or revenue fluctuations. The organization's reserve days have significantly increased, rising from 86 days in 2021 and reaching 96 days in 2022, exceeding the recommended minimum of 75 days set by CGIAR. The Current Ratio reported for 2022 is 1.49, indicating that ICARDA has sufficient current assets to cover its current liabilities. Furthermore, the Cash Ratio has increased from 0.74 in 2021 to 0.96 in 2022, which indicates that ICARDA has sufficient cash or cash equivalents on hand to cover its short-term liabilities.

Overall, ICARDA has demonstrated stability, growth, and responsible financial management in the past year, resulting in positive financial results. The organization remains committed to maintaining a strong financial position to ensure its long-term sustainability and to continue supporting its mission.

People and Culture highlights

ICARDA invested substantially in the recruitment of capacity to ensure delivery of the Center's strategic agenda as well as the One CGIAR Initiatives. In 2022, 55 staff positions were filled to address this need. 2022 saw an unprecedented devaluation of currencies in a number of key ICARDA countries of operation, in addition to record inflation in some of these countries also. While ICARDA's budget is denominated in USD, local staff salaries and other payments generally occur in local currency. During 2022, ICARDA monitored devaluations closely and introduced measures to help ensure ICARDA staff purchasing power was reasonably maintained. Despite these important global and local financial challenges, ICARDA staff continue to demonstrate an enduring commitment to the institution.

ICARDA's funders and in-country partners

During 2022 there continued to be very significant commitment and support, including through the contribution of assets, made to the organization by ICARDA's in-country partners. These partners continue to be a cornerstone of ICARDA's work, without whom ICARDA could not readily achieve its mandate.

I acknowledge the exceptional support of all of ICARDA's funders, who have remained consistent in their support to the organization throughout ICARDA's transition to One CGIAR.



Dr Neal Gutterson

Chair, ICARDA Board of Trustees

12 June 2023



Board statement on risk management and internal control

The Board is responsible for ensuring that an appropriate risk management system is in place to identify, assess, manage and monitor significant risks faced by the Center in achieving its mandate. These include operational, financial, legal and reputational risks inherent in the Center’s activities and locations.

The Board adopted a formal risk management policy in 2018, which serves as a framework for risk management activities carried out by the Center. Also, a CGIAR-wide common Audit, Finance and Risk Committee was established in 2021, offering the first opportunity for a holistic view of CGIAR’s assurance environment and ensuring a collective view of risks and opportunities across the CGIAR.

The Board has received assurance from ICARDA Management that the Center’s risk management and internal control systems are operating adequately and effectively in all material aspects. The Board is committed to ICARDA having a robust control environment.

In 2022, while transitioning towards One CGIAR, ICARDA management actively monitored transition risks and performed 2 formal risk assessment through the management Risk Committee.

Based on the last risk assessment exercise carried out in October 2022, the Risk Committee met on 30 March 2023 and identified the following as the Center’s most critical risks.

<p>One CGIAR IFA Implementation</p>	<p>There is a risk of disruption to ICARDA operations due to the One CGIAR Integration Framework Agreement (IFA) implementation, i.e. structures, policies, procedures, staff, controls, systems, and stakeholders. This risk may occur due to gaps, delays or inadequate implementation of the One CGIAR IFA. The potential impact of this risk is to ICARDA’s ability to operate, maintain staff, manage stakeholders and relationships (e.g. host country and donors), implement research etc.</p>	<p>ICARDA is in a strong position within One CGIAR, the ICARDA Director General was appointed in 2021 as Regional Director for the CWANA Region and other members of the Senior Management Team and other staff are actively involved in the One CGIAR implementation process. ICARDA management is closely monitoring these risks to ensure corrective actions are implemented as needed during the implementation.</p>
<p>Funding</p>	<p>There is a risk to Pooled, Bilateral and Window 3 funding. This risk may occur for various reasons, including poor compliance with contracts, competition, and changing priorities of donors and/or CGIAR, as well as donors re-prioritizing funds from bilateral to CGIAR pooled. The impact of this risk may include the pause or lowering of funding and impacting</p>	<p>While CGIAR-pooled funds allocated to ICARDA have increased in 2022, the organization actively sources bilateral funds and manages overall costs. Further, the funding outlook for the bilateral grant pipeline is solid. ICARDA actively manages research, operational costs and has developed a cashflow process to monitor expected inflow and outflows over the short to medium term. ICARDA is actively hiring</p>

	ICARDA's operations and ability of ICARDA to adequately manage its expenditure.	more resources to support ICARDA's grant operations.
People and talent	There is a risk to people and talent. through inadequate succession plans of an ageing workforce and due to contract renewal uncertainty due to funding risks. Soaring inflation and currency devaluation in countries where ICARDA operates, mainly in Egypt, could affect staff morale and retention. The impact of this risk would be on resourcing, critical expertise and continued operations.	Contract renewal uncertainty due to funding risks is addressed with monthly meetings of the Contract Renewal Committee and continuous budget reviews to identify funding risks. Management are also looking for ways to assist staff against the unprecedented high currency devaluations by paying an interim volatility allowance while exploring long-term solutions.
Geopolitical and global financial disruption	There is an increased risk from global events such as sanctions in regions where ICARDA operates, conflict in Ukraine, inflation, and financial market instability. The potential impact of these risks is not limited to: the adverse effect of sanctions on operations, inflation (e.g. increase in the cost of fertilizer), supply shortages (e.g. lack of fertilizer), reprioritization of funds from funders for humanitarian reasons and the direct or indirect impact of unstable financial markets. Within ICARDA, this risk may impact staff health and safety, presence in offices, research stations, supply chains, costs, and funding from funders.	ICARDA management perform monthly country-specific meetings with all country managers, these meetings are focused on security and ICARDA having processes in place to rapidly respond to natural, political, social, and other disruptions in locations where ICARDA operates. All major global, regional or local events are monitored and assessed for any potential impact to ICARDA's operations.

ICARDA's risk mitigation strategies include implementing systems of internal controls designed to manage rather than eliminate risks by their nature. Essential practices employed in managing risks and opportunities include ensuring that policies and accountabilities are clear, using transaction approval frameworks, reviewing financial and management reports, implementing sound human resource management practices and monitoring results across a broad range of key performance areas.

The design and effectiveness of the risk management system are reviewed by the Center's Internal Audit Unit, which independently reports on the results of its audits to the Board through its Audit, Finance and Risk Committee.

The Board is of the view that the risk management and internal controls in place at ICARDA safeguard the interests of the Center.


Dr Neal Gutterson

ICARDA Board Chair
12 June 2023



Management statement of responsibilities for financial reporting

The accompanying financial statements of ICARDA for the years ended December 31, 2022 and 2021, are the responsibility of ICARDA Management. Management is also responsible for the substance and objectivity of the information contained therein.

Our financial reporting practices follow the International Financial Reporting Standards (IFRS), with guidance provided by the CGIAR IFRS Compliant Reporting Guidelines issued in 2017.

ICARDA maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, and transactions are properly executed and recorded in accordance with Board-approved policies, including the Delegation of Authority.

A system of reporting within ICARDA presents Management with an accurate view of the operations, enabling us to discern the risks to our assets or fluctuations in the economic environment of ICARDA at an early stage, while simultaneously providing a reliable basis for financial statements and management reports.

The Board of Trustees exercises its responsibility for these financial statements through the common [CGIAR Audit Finance and Risk Committee \(AFRC\)](#). The AFRC's focal point meets regularly with Management and representatives of the external and internal auditors to review matters relating to financial reporting, internal controls, and auditing.

Aly Abousabaa
Director General

Luis Felipe Mendes
Director of Finance

14 June 2023



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Independent Auditor's Report

To the Board of Trustees of
International Center for Agricultural Research in the Dry Areas

Opinion

We have audited the financial statements of International Center for Agricultural Research in the Dry Areas (the "Center" or "ICARDA"), which comprise the statement of financial position as at 31 December 2022, the statements of activities and other comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all materials respects, the financial position of the Center as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Center in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Lebanon and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Statement by the Chair of the Board of Trustees of ICARDA, the information included in the Board Statement on Risk Assessment and Internal Control, the information included in the Management Statement of Responsibilities for Financial Reporting and the supplementary information included in Appendix 1 to 6, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

To the Board of Trustees of
International Center for Agricultural Research in the Dry Areas (continued)

Responsibilities of Management and Those Charged with Governance of the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Center's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Center or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Center's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Center's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Center to cease to continue as a going concern.



Independent Auditor's Report

To the Board of Trustees of

International Center for Agricultural Research in the Dry Areas (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink, appearing to read 'KPMG'.

3 July 2023

Beirut, Lebanon

International Center for Agricultural Research in the Dry Areas (ICARDA)

Statement of financial position

As at 31 December 2022 and 2021

In US\$ (thousands)

	Notes	31 December 2022	31 December 2021
ASSETS			
Current Assets			
Cash and cash equivalents	3	16,438	11,734
Accounts Receivable			
<i>Donors</i>	4	7,008	9,072
<i>Employees</i>	5	86	46
<i>Others, net</i>	6	1,435	1,306
Advances and prepayments	7	474	382
Total current assets		25,441	22,540
Non-current assets			
Property and equipment	8	1,238	946
Intangible assets	9	30	37
Right-of-use Assets	10	719	108
Total non-current assets		1,987	1,091
TOTAL ASSETS		27,428	23,631
LIABILITIES			
Current liabilities			
Accounts payables			
<i>Deferred income from donors</i>	11	11,341	5,716
<i>Employees</i>	12	1,066	718
<i>Accruals</i>	13	1,111	1,379
<i>Others</i>	14	1,755	1,981
Lease Liabilities	15	166	51
Provisions	16	1,392	1,070
Funds in Trust	17	298	3,823
Total current liabilities		17,129	14,738
Non- Current liabilities			
Lease Liabilities	15	552	23
Provisions	16	3,018	2,811
Total non-current liabilities		3,570	2,834
TOTAL LIABILITIES		20,699	17,572
NET ASSETS			
Unrestricted Net assets			
<i>Undesignated</i>	19	1,641	1,867
<i>Designated Special Funds</i>	19	3,267	3,267
<i>Designated Property and Equipment</i>	19	1,821	916
<i>IFRS Adoption</i>	19	-	9
TOTAL NET ASSETS		6,729	6,059
TOTAL LIABILITIES AND NET ASSETS		27,428	23,631

Notes 1 to 25 form part of these financial statements



Luis Felipe Mendes
Director of Finance
14 June 2023

International Center for Agricultural Research in the Dry Areas (ICARDA)

Statement of activities and other comprehensive income

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	Notes	2022			2021		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Revenue							
Grant Revenue							
Window 1 & 2	App 4	-	10,782	10,782	-	11,815	11,815
Window 3	App 4	-	2,676	2,676	-	2,627	2,627
Bilateral	App 4	-	13,945	13,945	-	12,408	12,408
Total Grant Revenue		-	27,403	27,403	-	26,850	26,850
Other Revenue and Gains	Note 18	558	-	558	1,403	-	1,403
Total Revenue		558	27,403	27,961	1,403	26,850	28,253
Expenses and Losses							
Research Expenses		(789)	19,692	18,903	(89)	19,743	19,654
CGIAR Collaboration Costs		-	409	409	-	182	182
Other Collaboration Costs		-	3,862	3,862	-	3,714	3,714
General and Administration Expenses		(53)	3,440	3,387	123	3,211	3,334
Total Expenses and Losses		(842)	27,403	26,561	34	26,850	26,884
Operating Surplus		1,400	-	1,400	1,369	-	1,369
Non Operating							
Provision - Doubtful Donor Receivable		357	-	357	(357)	-	(357)
Provision - Doubtful Cash and cash equivalent		-	-	-	(78)	-	(78)
Internal Strategy Review Provision		(220)	-	(220)	-	-	-
Provision for Country Offices business development		(137)	-	(137)	-	-	-
IFRS Transition Adjustments		(9)	-	(9)	(78)	-	(78)
Gain on sale of asset(s)		-	-	-	3	-	3
Interest Expense of Right-of-Use Assets		(18)	-	(18)	(5)	-	(5)
Finance Income		5	-	5	3	-	3
(Finance Expenses)		(708)	-	(708)	(422)	-	(422)
SURPLUS FOR THE YEAR		670	-	670	435	-	435
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR		670	-	670	435	-	435

Notes 1 to 25 form part of these financial statements

International Center for Agricultural Research in the Dry Areas (ICARDA)

Expenses by natural classification

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

Expenses and Losses	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Personnel Costs	2,669	7,661	10,330	2,428	8,472	10,900
CGIAR Collaboration Costs	-	409	409	-	182	182
Non CGIAR Collaboration Costs	-	3,862	3,862	-	3,714	3,714
Supplies and Services	(677)	10,659	9,982	449	8,813	9,262
Travel	62	986	1,048	30	499	529
Depreciation/Amortization	543	118	661	337	1,728	2,065
Cost Sharing Percentage	1	268	269	-	232	232
Total Direct Costs	2,598	23,963	26,561	3,244	23,640	26,884
Indirect Costs	(3,440)	3,440	-	(3,210)	3,210	-
Total - All Costs	(842)	27,403	26,561	34	26,850	26,884

Notes 1 to 25 form part of these financial statements

International Center for Agricultural Research in the Dry Areas (ICARDA)

Statement of changes in net assets

Years ended 31 December 2021 and 2022

In US\$ (thousands)

	Undesignated General	Designated (Note 19)					IFRS Impact	TOTAL
		Special fund- general	Special fund- staff contributions	Property and Equipment	Reserve for Replacement of Property and Equipment	Sub-total Designated Property and Equipment		
Adjusted Balance at 1 January 2021	746	3,000	267	1,474	50	1,524	87	5,624
Surplus for the year	513	-	-	-	-	-	(78)	435
Reclassification of net assets	608	-	-	(608)	-	(608)	-	-
Balance at 31 December 2021	1,867	3,000	267	866	50	916	9	6,059
Surplus for the year	679	-	-	-	-	-	(9)	670
Reclassification Replacement of net asset	(905)	-	-	905	-	905	-	-
Balance at 31 December 2022	1,641	3,000	267	1,771	50	1,821	-	6,729

Notes 1 to 25 form part of these financial statements

International Center for Agricultural Research in the Dry Areas (ICARDA)

Statement of cash flows

Years ended 31 December 2022 and 2021

In US\$ (thousands)

	2022	2021
Cash flows from operating activities		
Surplus for the year	670	435
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	484	1,867
Right of use - Lease asset	162	184
Amortization	16	15
Asset disposal	(172)	(434)
Finance lease interest	18	5
Interest income	(3)	(3)
Unrealized foreign exchange Loss	708	422
Increase/(Decrease) in assets		
Accounts receivable		
Donors	2,064	(3,887)
Employees	(40)	88
Fund In Trust	-	-
Others, net	(129)	(121)
Advances and prepayments	(92)	268
Increase/(Decrease) in liabilities		
Accounts payable		
Deferred income from donors	5,625	(1,203)
Employees	348	(553)
Accruals	(268)	(72)
Others	(226)	(121)
Lease liabilities	644	(144)
Fund In Trust	(3,525)	423
Staff provisions	529	113
Net cash inflow/(outflow) from operating activities	6,813	(2,718)
Cash flows from investing activities		
Additions to property and equipment	(1,548)	(1,381)
Acquisition of intangible assets	(9)	-
Disposal of Assets	171	435
Finance lease interest	(18)	(5)
Interest received	3	3
Net cash outflow from investing activities	(1,401)	(948)
Net effect of foreign exchange	(708)	(422)
Net increase/(decrease) in cash and cash equivalents	4,704	(4,088)
Cash and cash equivalents at 1 January	11,734	15,822
Cash and cash equivalents at 31 December	16,438	11,734

Notes 1 to 25 form part of these financial statements

International Center for Agricultural Research in the Dry Areas (ICARDA)

Notes to financial statements

Years ended 31 December 2021 and 2020

In US\$ (thousands)

Note 1 – General information

1.1 Reporting entity - Background and strategy

ICARDA (or the Center) is an autonomous, not-for-profit international organization, governed by a Board of Trustees. It was established by the International Bank for Reconstruction and Development (IBRD), International Development Research Centre (IDRC), FAO, and United Nations Development Programme (UNDP). The Center's charter was executed in November 1975 and amended in June 1976, May 1990, June 1998, and September 2015.

ICARDA is one of the independent Centers that make up the CGIAR (formerly Consultative Group for International Agricultural Research). As the world's largest global agricultural innovation network, CGIAR is a global partnership for a food secure future, dedicated to reducing poverty, enhancing food and nutrition security, and improving natural resources. It provides evidence to policy makers, innovation to partners, and new tools to harness the economic, environmental, and nutritional power of agriculture.

In October 2017, the Board approved the Center's new Strategic Plan 2017-2026. According to this plan, the Center's mission is to enhance food, water, and nutritional security and environmental health in the face of global challenges, including climate change.

ICARDA's operations are conducted in accordance with the annual Program of Work and Budget, as approved by the Board yearly. The 2022 Program of Work and Budget and the 2023 Program of Work and Budget (the latter being approved in November 2022) reflect the prioritization of certain research delivery mechanisms to align ICARDA's research even more closely to the needs of its in-country stakeholders and National Agricultural Research Systems (NARS) partners – in light of the evolving research for development landscape. ICARDA's focus continued to move towards the integration and scaling of systemic solutions and increased capacity development, to support the modernization and optimization of its breeding practices, and to increase focus on agronomy and advisory services. Particularly since the end of 2018, ICARDA has been reviewing its current expansive footprint and has taken a range of actions to address the root causes of the financial deficit.

1.2 One CGIAR

In February 2021, the CGIAR System Council approved the One CGIAR operational structure, encompassing research delivery and impact, global engagement and innovation, and institutional strategy and systems. Managerial appointments for the functioning of this operational structure were made, with Global, Regional, and Science Group Directors appointed throughout the year. ICARDA's Director General was appointed Regional Director for the Central and West Asia and North Africa (CWANA) Region.

1.3 CGIAR research programs

In 2011, CGIAR introduced a new programmatic-based approach for conducting agricultural research through CGIAR Research Programs (CRPs). Each CRP is led by a designated CGIAR Center (Lead Center), which is responsible, through a Program Implementation Agreement (PIA), for overseeing the implementation of the CRP by program partners. Partners include other CGIAR Centers and institutions that are subcontracted by the Lead Center through a Program Participant Agreement (PPA) or other form of contracting agreements. The CRPs ended in 2021 opening space to a new CGIAR Research Portfolio.

CGIAR's current Research portfolio was set out in the System Board-recommended [2022-2024 Investment Prospectus](#), which was approved by the System Council in June 2021. The prospectus outlines 33 new Initiatives and platforms that will deliver the [CGIAR 2030 Research and Innovation Strategy](#). These Initiatives are a set of promising areas of investment that are aligned with CGIAR's Action Areas – systems transformation, resilient agrifood systems, and genetic innovation – which are set to address important nutrition, health, equality, climate, and environmental challenges.

1.4 Staffing

As of 31 December 2022, the Center employed 56 internationally-recruited staff and 168 nationally-recruited staff (2021 – 57 internationally-recruited staff and 152 nationally-recruited staff) in 14 countries. Women represent 37 percent of staff in 2022 (34 percent in 2021).

Note 2- Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

The principal accounting policies that were applied in the preparation of these financial statements are set out below. These have been applied consistently to all years presented, in dealing with items that are considered material in relation to the financial statements.

2.1.1. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The accompanying financial statements and supplementary schedules of the Center were approved and authorized for issue by the Board of Trustees on 12 June 2023.

2.1.2. Going concern assessment

ICARDA's financial results for the year were positive, indicating a stable financial situation. The organization achieved total revenues of US\$ 28.0 million and expenses of US\$ 27.3 million, resulting in a surplus net result of US\$ 0.7 million, marking the second consecutive year of financial surplus, with an accumulated increase in reserves of US\$ 1.1 million since 2021. This financial result indicates a stable financial situation, with ICARDA being well-prepared to handle unexpected expenses or revenue fluctuations.

The organization's reserve days have significantly increased, rising from 86 in 2021 and reaching 96 days in 2022, exceeding the recommended minimum of 75 days set by CGIAR. The Current Ratio reported for 2022 is 1.49, indicating that ICARDA has sufficient current assets to cover its current liabilities. Furthermore, the Cash Ratio has increased from 0.74 in 2021 to 0.96 in 2022, which indicates that ICARDA has sufficient cash or cash equivalents on hand to cover its short-term liabilities.

ICARDA remains in a strong position in One CGIAR with its Director General appointed Regional Director for the Central and West Asia and North Africa (CWANA) Region. ICARDA's Deputy Director General, Research was appointed as lead of the CWANA Regional Initiative, within the new CGIAR Research Portfolio and other staff members are actively involved in the One CGIAR activities.

ICARDA's active involvement in the One CGIAR transition, along with its strong research strategy, resulted in the increased allocation of pooled funds to the Center in 2022 with this trend continuing in 2023.

Window 3 and Bilateral grants portfolio has a robust standing, with active projects worth USD 16 million secured and an additional USD 4 million expected to be awarded early in 2023. Of the latter, USD 1.6 million is anticipated to be implemented in 2023, confirming the annual budget target.

Given these favorable conditions, Management confirms that ICARDA will be able to operate as a going concern in 2023 – thanks to the commitment and resourcefulness of its staff and the support of its donors, host governments, and partners. In particular, ICARDA has the capacity to continue raising a sufficient level of bilateral funding and increase its participation in the One CGIAR pooled funds portfolio to support its strategic and operational goals.

2.1.3. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the defined benefit, which was actuarially valued, and obligation recognized at fair value of plan assets, less the present value of the defined benefit obligation.

2.1.4. Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Center's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in:

- Note 10 and 15 - lease term: whether the Center is reasonably certain to exercise extension options.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 3: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate.
- Note 16: measurement of defined benefits obligations : Key actuarial assumptions.

2.1.5. Functional and presentation currency

These financial statements are presented in US\$ which is the Center's functional currency. All financial information presented in US\$ has been rounded to the nearest thousand.

2.1.6. Rounding

Differences between amounts presented in the financial statements and corresponding amounts in the notes result from rounding.

2.2 Changes in significant accounting policies

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, these standards do not have material effect on the Center's financial statements.

- Onerous Contracts -Cost of fulfilling a contract-Amendments to IAS 37.
- Annual Improvements to IFRS Standards 2018-2020.
- Property, Plant and Equipment: Proceeds before intended use -Amendments to IAS 16.
- Reference to the Conceptual Framework (Amendments. to IFRS 3)

Details of the changes in accounting policies are disclosed in section 2.3.

2.3 Summary of significant accounting policies

The center has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

2.3.1 Revenue recognition

Grants

Grants are recognized as revenue upon the substantial fulfillment of the conditions attached to them or when the donor has explicitly waived the conditions. Grants are classified according to the type of restrictions attached to them:

- Unrestricted grants are grants received which the Center may freely use for its mandated activities and are recognized in full in the period specified by the donor.
- Restricted grants are grants received in support of specified projects or activities which are mutually agreed upon between the Center and donors. Revenue is recognized to the extent of expenses actually incurred.

The excess of grants received over expenses, representing grants available to future periods, are shown as "Deferred income from donors" in the statements of financial position. Project expenses incurred but not yet paid for by donors are shown as "Accounts receivable – donors" in the statement of financial position. Restricted grants include both permanent and temporary restrictions.

Permanent restriction

This refers to donor-imposed restrictions which stipulate that assets (resources) be maintained permanently, but permits the Center to expend part or all of the income (or other economic benefits) derived from the donated assets.

Temporary restriction

This refers to donor-imposed restrictions that permit the Center to expend the grants as specified and are satisfied either by the passage of time or by the Center's actions.

Grants in kind are recorded at the fair value of the assets or services received, while cash grants are recorded at the US\$ equivalent.

Interest income

Interest income is recognized as earned. A proportionate share in interest income attributable to employee savings scheme funds are credited to individual employee's accounts as appropriate.

Finance income

Finance income consists of interest income and net gains on exchange rate differences.

Other income

Other income is recognized when earned through the fulfillment of the conditions of the contracts similar to grant revenue.

2.3.2 Expense recognition

Expenses are recognized when a decrease in future economic benefit – related to a decrease in an asset or an increase in a liability – has arisen that can be measured reliably. Expenses are recognized on the basis of a direct association between the costs incurred and the earning of specific items of revenue. In the case of restricted grants, this implies that expenses are recognized when the underlying delivery agreed with a donor is completed.

The Center presents on the face of the statements of activities an analysis of expenses using a classification based on the function and expenses by natural classification.

Research expenses are those incurred for activities that result in goods and services being distributed to beneficiaries, project partners, and other stakeholders, that fulfill the purpose of mission for which the Center exists.

General and administration expenses are net expenses incurred for activities of the Center other than research expenses.

Collaborators/partnership costs arise from the collaborative research undertaken by the Center and payments for direct research inputs made to collaborators and partners.

Other Collaborators/partnership costs arise from the collaborative research undertaken by the Center and payments for direct research inputs made to other collaborators and partners.

Finance expense

Finance expenses consist of net gains or losses on exchange rate differences.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Center at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

Finance income and finance costs

The Center's finance income and finance costs include interest income, interest expense, and foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognized using the effective interest method.

2.3.3 Cash and cash equivalents

Cash includes cash in hand and in banks. Cash equivalents are short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near to maturity date that they present insignificant risk of changes in value.

2.3.4 Accounts receivable

Accounts receivable are claims held against others for future receipt of money, goods, or services, and are carried at gross amount less an allowance for any uncollectible amounts.

Allowance for doubtful accounts is provided in an amount equal to the total receivables shown or reasonably estimated to be doubtful of collection.

(a) Donors

Accounts receivable from donors consist of grants which are due and receivable by a Center. It also pertains to claims from donors for grant expenses paid by the Center in excess of cash received.

(b) Employees

Accounts receivable from employees consist of advances made to officers and employees for travel, benefits, salary, loans, etc.

(c) Other CGIAR Centers

This includes advances made to other CGIAR Centers.

(d) Others

Accounts receivable from others consist of advance payments to suppliers, consultants, and other third parties.

2.3.5 Property and equipment

Property and equipment are stated at cost less depreciation.

The cost of an item of property and equipment comprises its purchase price and all other incidental costs in bringing the asset to its working condition for its intended use.

Depreciation of assets owned by the Center is computed using the straight-line method over the estimated useful life of the related asset.

Asset	Expected useful life (in years)
Building	20
Plant and equipment	10
Computers and software	5-10
Motor vehicle	5-10
Leasehold improvements	5-10

Depreciation is charged from the month an asset was placed in operation and is continued until the asset has been fully depreciated or its use is discontinued.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The carrying amount is the amount at which an asset is recognized in the statement of Financial Position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Property, plant, and equipment acquired through the use of grants restricted for a certain project are recorded as assets. Such assets are depreciated over the shorter of the assets' useful life or the duration of the grant.

2.3.6 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are recognized if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Center and the cost of the asset can be measured reliably. An intangible asset is measured initially at cost. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Amortization is calculated to write-off the cost of intangible assets, less their estimated residual values using the straight-line method over their estimated useful life of the related asset.

Intangible asset	Expected useful life (in years)
Software	5

The carrying amount is that at which an asset is recognized in the statement of Financial Position after deducting any accumulated amortization and accumulated impairment losses thereon.

Intangible assets acquired through the use of grants restricted for a certain project are recorded as assets. Such assets are amortized over the shorter of the assets' useful life or the duration of the grant.

2.3.7 Accounts payable

Account payable represents amounts due to donors, employees, and others for support, services, and materials received prior to year-end, but not paid for as at the date of Statement of Financial Position.

(a) Deferred income from donors

This consists of grants received from donors for which conditions are not yet met, and amounts payable to donors in respect to any unexpended funds received in advance for restricted grants.

(b) Employees

This includes unpaid salaries and bonuses, leave credits, and pension entitlements.

(c) Others

These include all other liabilities the Center has incurred and has been billed for, which remain unpaid as at the date of the Statement of Financial Position.

2.3.8 Other accounts payable and accruals

Other accounts payable and accruals represent obligations of the Center arising from past events, the settlement of which is expected to result in an outflow from the Center of resources embodying economic benefits.

A liability is classified as a current liability when it is (a) expected to be settled within the normal course of the Center's operating cycle; or (b) due to be settled within 12 months of the balance date. All other liabilities are classified as non-current.

2.3.9 Provisions

Provisions are recognized when the Center has: (a) a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources will be required to settle the obligation; and (c) a reliable estimate of the amount can be made of the amount of obligation. Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the obligation at each balance sheet date.

When there are a number of similar obligations, the likelihood that an outflow will be required in the settlement is determined by considering the class of obligations taken as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.3.10 Funds in Trust

Funds in Trust consist of funds entrusted to the Center by another entity under certain contractual terms and conditions agreed upon by both parties.

2.3.11 Leases

The Center recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date. It also includes any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method – from the commencement date to the end of the lease term – unless the lease transfers ownership of the underlying asset to the Center by the end of the lease term, or the cost of the right-of-use asset reflects that the Center will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property or equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasuring of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, then at the Center's incremental borrowing rate. Generally, the Center uses its incremental borrowing rate as the discount rate.

The Center determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when: there is a change in future lease payments arising from a change in an index or rate; if there is a change in the Center's estimate of the amount expected to be payable under a residual value guarantee; if the Center changes its assessment of whether it will exercise a purchase, extension, or termination option; or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases

The Center has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets (less than US\$5,000) and short-term leases. The Center recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.3.12 Government grants

Non-monetary grants, such as lands, research stations, and offices, are usually accounted for at fair value, although recording both the asset and the grant at a nominal amount is also permitted.

The Center opted to account for these non-monetary grants at nominal amount. Note 24 provides the details of those contributions from governments that are essential to ICARDA's ability to conduct research.

2.3.13 Foreign currency transactions and translations

Foreign currency denominated transactions are translated to US\$ for reporting purposes at standard bookkeeping rates, which approximate the exchange rates prevailing at the dates of the transactions. At each balance sheet date, foreign currency monetary items are reported at closing rates; non-monetary items denominated in foreign currency which are carried at historical cost are reported at historical rates, and those that are carried at fair values are reported at rates on valuation date.

2.3.14 Employee benefits

Post-employment benefits:

(a) Defined contribution plans

Eligible employees of the Center receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Center make monthly contributions to the provident fund equal to a specified percentage of the covered employee's salary. The employer contribution is charged to statement of activity.

With respect to the benefits for internationally-recruited staff, the Center's obligation is met by the contribution of the agreed amounts to the Association of International Agricultural Research Centers (AIARC), an autonomous body which provides payroll management services and pension fund management to ICARDA and other CGIAR Centers. Benefits are paid directly to the employee concerned by AIARC. The Center has no further obligation to the plan beyond its monthly contributions to the fund managed by AIARC; obligations for contributions to defined contribution plans are expensed as the related services are provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The cost of the defined benefit plans is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, withdrawal before normal retirement age, future salary increases etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Any changes in these assumptions will impact the carrying amount of the obligation. All assumptions are reviewed at each reporting date.

End of Service Benefit

Benefit obligations are estimated using the Projected Unit Credit method. Under this method each participant's benefits under the plan are attributed to years of service, taking into consideration future salary increases and the plan's benefit allocation formula. Thus, the estimated total benefit to which each participant is expected to become entitled at termination is broken down into units, each associated with a year of past or future credited service.

If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. A description of the calculation follows:

- An individual's estimated attributed benefit for valuation purposes related to a particular separation date (for example, expected date of retirement, leaving service or death) is the benefit described under the plan based on credited service as at the valuation date, but determined using the projected salary that would be used in the calculation estimate of the benefit on the expected separation date.
- The benefit attributed to an individual's service during a plan year is the excess of the attributed benefit for valuation purposes at the end of the plan year over the attributed benefit for valuation purposes at the beginning of the plan year. Both attributed benefits are estimated from the same projections to the various anticipated separation dates.
- An individual's estimated benefit obligation is the present value of the attributed benefit for valuation purposes at the beginning of the plan year, and the service cost is the present value of the benefit attributed to the year of service in the plan year. If multiple decrements are used, the benefit obligation and the service cost for an individual are the sum of the component benefit obligations and service costs associated with the various anticipated separation dates. Such benefit obligations and service costs reflect the estimated attributed benefits and the probability of the individual separating on those dates.

In all cases, the benefit obligation is the total present value of the individuals' attributed benefits for valuation purposes at the valuation date and the service cost is the total present value of the individuals' benefits attributable to service during the year. If multiple decrements are used, the present values take into account the probability of the individual leaving employment at the various anticipated separation dates.

Repatriation

The Center's present obligation, in respect of relocation expenses, is computed based on the estimated cost of relocating internationally-recruited staff and their families to their base location, as specified in their appointment letter. This is made up of travel costs and a fixed lump sum for shipping personal effects.

Leave encashment

The employees of the Center are entitled to leave encashment. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment.

The Center records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Center measures the expected cost of compensated absences as the additional

amount that the Center expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

2.3.15 Recovery of indirect costs

The definition of indirect costs at ICARDA follows CGIAR's Cost Principles and Indirect Cost Guidelines issued in April 2019. ICARDA, as per other CGIAR Centers, uses full cost accounting, and costs are classified as direct or indirect. Indirect costs are general management and administrative expenses that support the entire operations of a Center, are shared across the project portfolio, and cannot be directly allocated to an individual project in an economically feasible manner. These costs are usually recovered by charging a fixed percentage on direct project expenses. This "indirect cost rate" is a fair and convenient way to indicate in a consistent and equitable manner what proportion of indirect costs each project or research activity should bear.

Recovery of indirect costs is determined by provisions set out in donor agreements. Any difference between indirect costs, as per full cost accounting and indirect cost recovery, is funded by unrestricted resources.

2.3.16 Net assets

Net assets consist of undesignated and designated net assets:

- Undesignated net assets pertain to the accumulated balance of the surplus/shortfall from unrestricted activities net of amount transferred to designated net assets.
- Designated net assets pertain to funds specifically designated by the Board of Trustees for a specific purpose.

2.3.17 Financial instruments

Financial assets

The Center classifies its financial assets in the following categories, depending on their nature (i.e. their contractual cash flow characteristics) and how they are managed (i.e. the Center's business mode used for managing these financial assets):

Financial assets subsequently measured at amortized cost.

These financial assets are initially recognized at fair value plus directly attributable costs.

They are classified as subsequently measured at amortized cost if they meet both of the following criteria:

- The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on a specified date.

Amortized cost is determined using the effective interest method, less impairment.

The Center's financial assets classified at amortized cost are accounts and other receivables, cash and cash equivalents.

Financial assets subsequently measured at fair value through profit or loss

These financial assets are initially recognized at fair value excluding directly attributable costs that are immediately recognized in profit and loss.

These financial assets are classified and measured at fair value through profit or loss (FVTPL) if:

- The asset is held within a business model that does not correspond to the business model used to classify financial assets at amortized cost or at fair value through other comprehensive income; and
- The contractual terms of the financial asset give rise to cash flows that are not solely payments of principal and interest.

A financial asset is thus classified and measured at FVTPL if the financial asset is a held-for-trading financial asset. Changes in fair value are recognized in profit and loss as they arise.

Financial liabilities

Financial liabilities within the scope of IFRS 9 "Financial instruments" are classified as financial liabilities at amortized cost or fair value through profit or loss (when they are held for trading). The Center determines the classification of its financial liabilities at initial recognition. The Center's financial liabilities are measured at amortized cost.

Financial liabilities are recognized initially at fair value, less directly attributable costs in case of liabilities that are not measured at fair value through profit or loss. The Center's financial liabilities include account and other payables.

(a) Derecognition

Financial assets

The Center derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction – in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Center neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the financial asset.

Financial liabilities

The Center derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Center also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different; in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(b) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Center currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(c) Impairment

Financial instruments and contract assets

The Center recognizes loss allowances for estimated credit losses (ECLs) on financial assets measured at amortized cost.

The Center measures loss allowances for its accounts receivable and cash at banks at an amount equal to 12-month ECL – as the Center considers these to have low credit risk and their credit risk has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Center considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Center's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Center expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Center assesses whether the financial asset carried at amortized cost is credit impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future

cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract, such as a default;
- The restructuring of a loan or advance by the Center on terms that the Center would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for a security because of financial difficulties;

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Center has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Financial assets not classified at fair value, though profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Center on terms that the Center would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for a security because of financial difficulties;
- Observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

(d) Non- financial assets

At each reporting date, the Center reviews the carrying amounts of its non-financial assets, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

Reversal

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Note 3 - Cash and cash equivalents

ICARDA's cash management practices aim to minimize banking and foreign exchange risk, and to optimize the level of cash available at headquarters level, ensuring that country offices have sufficient cash balances to cater to short-term operational needs. The bank balance available at the time that ICARDA ended its operations in Iran in 2018 is fully provisioned. Large local currency balances held in India and Syria correspond to available balances on local currency grants. A total ban on transfers to or from Syria has been in effect since 2012.

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Cash on hand and in bank	16,639	11,935
Cash equivalents	-	-
	16,639	11,935
Less: Allowance for asset impairment	(201)	(201)
	16,438	11,734

The Center's exposure to credit and currency risks related to cash and cash equivalents and allowance for asset impairment are disclosed in Note 23.

The movements in allowance for asset impairment during the year are:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Balance at beginning of period	(201)	(122)
Provision	-	(79)
	(201)	(201)

Note 4 - Accounts receivable – donors

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
W1 & W2 (Including CRP)	948	2,803
Restricted W3	246	607
Restricted Bilateral	5,874	6,079
	7,068	9,489
Less: Allowance for Bad Debts	(60)	(417)
	7,008	9,072

The Center's exposure to credit and currency risks related to receivables and allowance for bad debts are disclosed in Note 23.

The movement in allowance for bad debts during the year were:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Balance at beginning of period	(417)	(65)
Provision	-	(357)
Write-off / Write-back	357	5
	(60)	(417)

Note 5 - Accounts receivable – employees

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Personal Account	86	46
	86	46

The Center's exposure to credit and currency risks related to receivables and allowance for bad debts are disclosed in Note 23.

Note 6 - Accounts receivable – others, net

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
AIARC	76	224
Advances to Collaborators	895	549
Others	464	533
	1,435	1,306

The Center's exposure to credit and currency risks related to receivables and allowance for bad debts are disclosed in Note 23.

Note 7 - Advances and prepayments

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Advances to suppliers	474	382
	474	382

Note 8 - Property and equipment

Details of property and equipment at 31 December 2022:

<i>In U.S. Dollars Thousands</i>	Unrestricted	Restricted	Total
Cost			
Balance, 01 Jan	12,677	22,230	34,907
Additions	297	478	775
Adjustments	(53)	(118)	(171)
Balance, 31 Dec	12,921	22,590	35,511
Accumulated depreciation			
Balance, 01 Jan	12,238	21,723	33,961
Charges	64	411	475
IFRS Depreciation changes	-	9	9
Adjustments	(54)	(118)	(172)
Balance, 31 Dec	12,248	22,025	34,273
Net book value	673	565	1,238

Details of property and equipment at 31 December 2021:

<i>In U.S. Dollars Thousands</i>	Unrestricted	Restricted	Total
Cost			
Balance, 01 Jan	12,884	21,153	34,037
Additions	7	1,298	1,305
Adjustments	(214)	(221)	(435)
Balance, 31 Dec	12,677	22,230	34,907
Accumulated depreciation			
Balance, 01 Jan	12,385	20,143	32,528
Charges	66	1,723	1,789
IFRS Depreciation changes	-	78	78
Adjustments	(213)	(221)	(434)
Balance, 31 Dec	12,238	21,723	33,961
Net book value	439	507	946

Note 9 - Intangible assets

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Cost		
Balance at beginning of period	1,655	1,655
Additions	9	-
Balance at end of period	1,664	1,655
Accumulated amortization		
Balance at beginning of period	1,618	1,603
Charges	16	15
Balance at end of period	1,634	1,618
Net book value	30	37

Note 10 - Right-of-use assets

Right-of-use assets refer to offices in Afghanistan, Egypt, India, Syria, and Uzbekistan, and a guest house in Afghanistan. The main addition this year was related to renewal contract of Egypt Maadi office for five years.

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Cost		
Balance at beginning of period	617	541
Additions / Adjustment	773	76
Balance at end of period	1,390	617
Accumulated amortization		
Balance at beginning of period	509	325
Charges	162	184
Balance at end of period	671	509
Net book value	719	108

Note 11 - Deferred income from donors

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
W1 & W2 (Including CRP)	1,455	160
Restricted W3	4,325	809
Restricted Bilateral	5,561	4,747
	11,341	5,716

Note 12 - Accounts payable – employees

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Personal accounts	1,066	718
	1,066	718

Note 13 - accruals

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Accrued expenses	1,111	1,379
	1,111	1,379

The movement in accrual during the year are:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Balance at beginning of period	1,379	1,451
(Utilization)/Addition	(268)	162
Write-back old Balances	-	(234)
	1,111	1,379

Note 14 - Accounts payable – others

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Suppliers	975	1,119
System Management Office	91	311
Collaborators	65	163
Others	624	388
	1,755	1,981

Note 15 – Lease liabilities – current and non-current

Lease liabilities refer to right-of-use assets.

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Balance at beginning of period	74	218
Addition / Adjustment	806	16
Lease payments	(180)	(165)
Finance charges	18	5
Balance at end of period	718	74

Lease liabilities consist of:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Current lease liabilities	166	51
Non Current lease liabilities	552	23
Net book value	718	74

Note 16 - Provisions – current and non-current

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Staff Provisions (a)	3,980	3,752
Operational expenses provision (b)	430	129
	4,410	3,881

(a) Staff provisions

Provisions consist of:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Staff-related provisions (merit , inflation...)	800	748
Taxes payable - employees	162	193
Non-Current portion of employee accrued benefits	3,018	2,811
	3,980	3,752

Non-current accrued benefits staff consist of:

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Vacation	564	498
End of service indemnity *	838	832
Repatriation provision	359	358
Pension scheme	1,257	1,123
	3,018	2,811

● EMPLOYEES' BENEFITS *

The latest valuation of employee benefit obligations under the projected unit credit method as of 31 December 2022.

	<u>2022</u>	<u>2021</u>
Balance as at 1 January	832	813
Current service cost	101	120
Interest expense	21	18
Payments	(31)	(96)
Remeasurement	(82)	(101)
Foreign currency translation differences	(3)	78
Balance as at 31 December	<u>838</u>	<u>832</u>

- *Amount recognised in the statement of activities.*

	<u>2022</u>	<u>2021</u>
Current service cost	101	120
Interest cost on defined benefit obligation	21	18
Amount recognised in statement of Activities	122	138

	<u>2022</u>	<u>2021</u>
Re-measurement		
Gain/(loss) due to change in experience adjustments	113	(60)
Loss due to change in financial assumptions	(195)	(41)
Amount recognised in statement of Activities	(82)	(101)

- *Key actuarial assumptions*

Significant assumptions used in determining the post-employment defined benefit obligation includes the following:

	<u>31-Dec-22</u>	<u>31-Dec-21</u>
Discount rate	5.20%	2.60%
Future salary increases	2.00%	2.00%

- *Sensitivity analysis for actuarial assumptions*

A quantitative sensitivity analysis for significant assumption on the defined benefit obligations are as follows.

Present Value of defined benefit obligation

	<u>31-Dec-22</u>	<u>31-Dec-21</u>
Discount rate - 50 basis points	879	857
Discount rate + 50 basis points	818	777
Salary increase rate - 50 basis points	817	777
Salary increase rate + 50 basis points	880	857

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied when calculating the employee benefit obligations.

- *Expected maturity analysis*

The weighted average duration of the defined benefit obligation in years as follows:

	<u>31-Dec-22</u>	<u>31-Dec-21</u>
Discount rate - 50 basis points	7.32	9.97
Discount rate + 50 basis points	7.04	9.62

The expected maturity analysis of undiscounted employees' benefit is as follows:

	<u>31-Dec-22</u>	<u>31-Dec-21</u>
Year 1	124	49
Year 2	117	62
Year 3	84	96
Year 4	62	63
Year 5	61	56
Beyond 5 years	480	399

(b) Operational expenses provision

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Country Office provision	206	125
Strategy Provision	220	-
Legal cases	4	4
	430	129

Note 17 - Accounts payable – Funds in Trust

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Funds in Trust	298	3,823
	298	3,823

Additional information on Funds-In-Trust is provided in Appendix 6.

Note 18 - Other revenue and gains

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Write-back of provisions and other unclaimed balances	-	594
Farm and livestock produce	168	183
Service and hosting fees	357	461
Other income	33	165
	558	1,403

Note 19 - Designated Funds – designations and releases

The Board of Trustees designates net assets from time-to-time for specific purposes. These designations are maintained until the intended project/activity for which the designation was made are completed, or the Board considers it no longer necessary, at which time the designations are released.

The Board has decided that, from 31 December 2019, designated funds consist of:

- a. Reserve – investment in property and equipment;
- b. IFRS Adoption Reserve – net remaining balance on the impact on net assets of the transition to IFRS;
- c. Special fund – amount set aside by the Board to make strategic investments and/or mitigate certain types of risks.

The change in the overall value of the net assets corresponds to the year result. The fund balances are adjusted at the end of each year for the following purposes:

- Adjusting the value of the fund designated for investment in property and equipment to the carrying value of fixed assets at the end of the year, supplemented by any potential new investment from unrestricted funds;
- Reflecting the year-end actual balance at year end of the IFRS Adoption Reserve;
- Showing the special designated funds separately;
- Allocating the remaining balance to the undesignated general fund balance.

Note 20 - Employee benefits expenses

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Salaries and wages	7,701	8,263
Retirement benefits costs	924	864
Other personnel costs	1,705	1,773
	10,330	10,900

Note 21 - Management compensation

<i>In U.S. Dollars Thousands</i>	31-Dec-22	31-Dec-21
Salaries and benefits	1,551	1,229
Honorarium	27	18
	1,578	1,247

Note 22 - Contingent liabilities

There are no contingent liabilities at the balance sheet date.

Note 23 - Financial instruments

23.1 Financial risk management

Overview

The Center has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk, including currency risk.

This note presents information about the Center's exposure to each of the above risks, the Center's objectives, policies and processes for measuring and managing risk, and the Center's management of funds.

Provisioning policy

At each reporting date, the Center assesses whether the financial assets carried at amortized cost are credit impaired. The center reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. Further, an impairment analysis is also performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses and credit risk.

Risk management framework

The Center's Board of Trustees has overall responsibility for the establishment and oversight of the Center's risk management framework. Management has established the risk management committee, which is responsible for

developing and monitoring the Center's risk management policies. The committee reports regularly to AFRC on its activities. The Center's risk management policies are established to identify and analyze the risks faced by the Center, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Center's activities. The Center, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit Risk

Credit risk is the risk of financial loss to the Center if a party to a financial instrument fails to meet its contractual obligations and arises principally from the Center's donor receivables.

Exposure to credit risk

The maximum exposure to credit risk at the end of the reporting period was as follows:

<i>in U.S. Dollars Thousands</i>	2022	2021
Cash and cash equivalents	16,529	11,859
Accounts receivable	8,529	10,424
Total	25,058	22,283

Allowances for impairment

Movements of the allowance for impairment for cash and cash equivalents and doubtful accounts during the year:

<i>in U.S. Dollars Thousands</i>	2022	2021
Balance at beginning of period	(201)	(122)
Impairment losses on cash and cash equivalents	-	(79)
Balance at end of period	(201)	(201)
Balance at beginning of period	(417)	(64)
Impairment losses on accounts receivable	-	(357)
Impaired accounts receivable written-off	357	4
Balance at end of period	(60)	(417)

Cash and Cash equivalent:

The center held cash and cash equivalent of USD 16,639 (2021: USD 11,935) out of which USD 16,529 (2021: USD 11,859) are current bank accounts and represents its maximum credit exposure on these assets.

Accounts receivable:

Accounts receivable consist mainly of donors, AIARC, collaborators, CGIAR centers, service agreements and other receivables.

The Center's exposure to credit risk is influenced mainly by the individual characteristics of each donor / receivable.

However, management also considers the factors that may influence the credit risk of its donor / receivable, including the macro-economic variables of the country in addition to the default risk associated with the industry and country in which donor operates. The probability of default which is the consideration of both current macro-economic factors and risk attributes of borrower is applied by the Center by considering country ratings, if they are available, credit agency information, industry information in order to apply the relevant government probability of default.

The Loss Given default which is a percentage of total exposure at the time of default. The Center calculates and applies the relevant LGD factoring historical recovery trend, nature of credit exposure of the secured collaterals, which is mainly with government.

The Center's main donors have been transacting with the Center since its incorporation, and none of these donors' balances have been written off or are credit-impaired at the reporting date. In monitoring donors credit risk, donors are grouped according to their characteristics, including their geographic location and existence.

(b) Liquidity risk

Liquidity risk is the risk that the Center will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Center's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Center's reputation. The Center aims to limit its liquidity risk with respect to debtors by monitoring outstanding receivables.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities:

i. Liquidity risk, 2022

<i>in U.S. Dollars Thousands</i>	Carrying amount	Contractual cash flows	1 year or less	More than 1 year
Accounts payables (Notes: 12, 13 and 14)	3,932	(3,932)	(3,932)	-
Funds in trust (liability) (Notes: 17)	298	(298)	(298)	-
Lease Liability (Note:15)	718	(718)	(166)	(552)
Total	4,948	(4,948)	(4,396)	(552)

ii. Liquidity risk year 2021

<i>in U.S. Dollars Thousands</i>	Carrying amount	Contractual cash flows	1 year or less	More than 1 year
Accounts payables (Notes: 12, 13 and 14)	4,078	(4,078)	(40)	(4,038)
Funds in trust (liability) (Notes: 17)	3,823	(3,823)	(309)	(3,514)
Lease Liability (Note:15)	74	(74)	(51)	(23)
Total	7,975	(7,975)	(400)	(7,575)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Center's income or the value of the holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Center is exposed to currency risks on grants and contracts for purchases of goods or services that are denominated in a currency other than the Center's functional currency. As most transactions are denominated in US\$, the exposure to currency risk is minimal.

No hedging is in place at the date of the financial statements to mitigate foreign exchange risk resulting from other currencies.

Exposure to currency risk

The summary quantitative data about the Center's exposure to currency risk is as follows:

Currency risk, 2022

		31 December 2022						
		USD	EGP	INR	LBP	MAD	Other currencies	Total
<i>in U.S. Dollars Thousands</i>								
Current Assets								
Cash and cash equivalents	3	11,601	24	809	54	12	3,938	16,438
Accounts Receivables:								
• Donors	4	7,008	-	-	-	-	-	7,008
• Employees	5	35	16	-	2	1	32	86
• Others, net	6	848	11	358	-	-	218	1,435
Advances and prepayments	7	253	2	1	-	118	100	474
Non-current assets								
Property and equipment	8	1,238	-	-	-	-	-	1,238
Intangible assets	9	30	-	-	-	-	-	30
Right-of-use Assets	10	719	-	-	-	-	-	719
Current liabilities								
Account payables:								
• Deferred income from donors	11	(11,341)	-	-	-	-	-	(11,341)
• Employees	12	(960)	(14)	(2)	(14)	(45)	(31)	(1,066)
• Accruals	13	(1,111)	-	-	-	-	-	(1,111)
• Others	14	(957)	(24)	(41)	-	(281)	(452)	(1,755)
Lease Liabilities	15	(166)	-	-	-	-	-	(166)
Provisions	16	(1,256)	(16)	-	(6)	(71)	(43)	(1,392)
Funds in Trust	17	(298)	-	-	-	-	-	(298)
Non-Current liabilities								
Lease Liabilities	15	(552)	-	-	-	-	-	(552)
Provisions	16	(2,082)	(292)	-	-	(296)	(348)	(3,018)
Net statement of financial position exposure		3,009	(293)	1,125	36	(562)	3,414	6,729

Currency risk, 2021

		31 December 2021						
		USD	EGP	INR	LBP	MAD	Other currencies	Total
<i>in U.S. Dollars Thousands</i>								
Current Assets								
Cash and cash equivalents	3	6,650	120	1,848	45	242	2,829	11,734
Accounts Receivables:								
• Donors	4	9,072	-	-	-	-	-	9,072
• Employees	5	33	7	-	2	3	1	46
• Others, net	6	935	2	170	-	1	198	1,306
Advances and prepayments	7	267	2	1	-	15	97	382
Non-current assets								
Property and equipment	8	946	-	-	-	-	-	946
Intangible assets	9	37	-	-	-	-	-	37
Right-of-use Assets	10	108	-	-	-	-	-	108
Current liabilities								
Account payables:								
• Deferred income from donors	11	(5,716)	-	-	-	-	-	(5,716)
• Employees	12	(619)	(13)	-	(20)	(57)	(9)	(718)
• Accruals	13	(1,379)	-	-	-	-	-	(1,379)
• Others	14	(936)	(50)	(86)	-	(601)	(308)	(1,981)
Lease Liabilities	15	(51)	-	-	-	-	-	(51)
Provisions	16	(947)	(13)	-	(6)	(82)	(22)	(1,070)
Funds in Trust	17	(3,823)	-	-	-	-	-	(3,823)
Non-Current liabilities								
Lease Liabilities	15	(23)	-	-	-	-	-	(23)
Provisions	16	(1,549)	(309)	(4)	(223)	(275)	(451)	(2,811)
Net statement of financial position exposure		3,005	(254)	1,929	(202)	(754)	2,335	6,059

Sensitivity analysis

The following significant exchange rates applied during the year and the spot rate applied on 31 Dec 2022:

Currencies	Average rate	
	2022	2021
EGP	0.053	0.064
INR	0.012	0.014
LBP	0.001	0.001
MAD	0.096	0.167

Currencies	Spot rate	
	2022	2021
EGP	0.040	0.064
INR	0.012	0.013
LBP	0.001	0.001
MAD	0.094	0.107

A 10 percent strengthening (weakening) of the US\$ against the above currencies on 31 December would have the measurement of financial instruments denominated in a foreign currency and increased (decreased) the statement of activities and other comprehensive income by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

The analysis is performed on the same basis for the previous year, although the reasonable possible foreign exchange rate variances were different.

Currencies	Profit or (loss)	
	2022	2021
EGP	29	25
INR	(113)	(193)
LBP	(4)	20
MAD	56	75
Others	(341)	(234)

Interest rate risk

The Center is not subject to significant interest rate risk. Prevailing market interest rates are applied on all relevant bank accounts.

24.2 Fair values

As at period end, the fair value of the Center's financial assets and liabilities approximate their carrying account.

Note 24 - Government grants

Several governments have generously given ICARDA the use of facilities for many years. ICARDA has chosen to record those assets and the associated donation at a negligible nominal value.

Country	Facility	Host organization	Agreement with host organization	Effective date of agreement	End date
Egypt	Biotechnology laboratory and greenhouses	Agricultural Research Corporation (ARC)	AGERI-ICARDA agreement giving access to ICARDA and responsibility to fund operational costs	Jan-14	None
India	Amlaha Research Platform	Indian Council of Agricultural Research (ICAR)	ICAR-ICARDA agreement on ICARDA establishing a research platform in Amlaha with satellite hubs in West Bengal and Rajasthan. ICAR to provide 71h in Amlaha, 15-20 in WB and 30 in Rajasthan. ICARDA allowed to upgrade or create new infrastructure. ICARDA to provide costs for renovation, furniture and operational expenses. Costs paid by ICARDA to be jointly agreed	Sep-17	None
India	Delhi office	Indian Council of Agricultural Research (ICAR)	General statement of intent in 1986 agreement between ICAR and ICARDA. Supplemental agreement on office space	10-Sep-07	30 years and extendable
Jordan	Amman office	National Center for Agricultural Research and Extension (NCARE)	Possibility described in Host Country Agreement of 27 October 1977. Letter from NARC offering current space on 11 June 2020. ICARDA confirmed occupying the space since 22 August 2020 and specified all administrative and financial arrangements in a letter signed 19 December 2020	11-Jun-20	None specified
Jordan	Mushaqar station	National Center for Agricultural Research and Extension (NCARE)	NCARE-ICARDA agreement on ICARDA establishing experimental research trials. NCARE to provide 40ha of land, office, and laboratory space. Right of ICARDA to access 4 other stations.	Sep-13	None
Lebanon	Terbol Research Platform and access to Kfardan Station	Lebanese Agricultural Research Institute (LARI)	Supplementary agreement between LARI and ICARDA	10-Oct-14	9-Oct-24
Morocco	Rabat office	National Institute for Agriculture Research (INRA)	Possibility described in MoU signed between INRA and ICARDA in October 2012. Specifics on the office in Rabat-Guich in agreement with Ministry of Agriculture and Marine Fishery signed 25 April 2014	25-Apr-14	May not be terminated for 10 years. Land and infrastructure to revert to Morocco on termination

Country	Facility	Host organization	Agreement with host organization	Effective date of agreement	End date
Morocco	Biotechnology Rabat	National Institute for Agriculture Research (INRA)	Agreement specifies the establishment of an INRA/ICARDA Biotechnology associated lab (BAL). ICARDA to provide chemicals and supplies	20-Mar-19	20-Mar-22
Morocco	Morocco Research Platform	National Institute for Agriculture Research (INRA)	Agreement between INRA and ICARDA establishing the ICARDA Morocco Research Platform. 100 ha to be provided at Merchouch, together with office space and space to build two hangars (at ICARDA's cost). Access to 5 other stations. Office and laboratory space in Rabat-Guich in an independent building and space for green houses	25-Nov-13	None
Oman	Muscat office	Ministry of Agriculture and Fisheries	No written agreement		
Pakistan	Islamabad office	Pakistan Agricultural Research Council (PARC)	Possibility described in MoU signed between PARC and ICARDA in 1989. Possibility confirmed in agreement with Ministry of Food, Agriculture, and Livestock signed in 2004	8-Nov-04	3 years and then 3-year extensions
Sudan	Khartoum Office	Agricultural Research Corporation (ARC)	Possibility described in MoU signed between Government of Sudan and ICARDA in 1978	21-Oct-78	3 years and then 3-year automatic extensions
Syria	Syria research platform – Tel Hadya and Breda	Syrian Government	Allocated by the Syrian government since 1977 with a minimal annual fee	1977	None
Tunisia	Tunis office	National Institute for Agriculture Research of Tunisia (INRAT)	Possibility described in MoU signed between Government of Tunisia and ICARDA in 1980.	11-Mar-80	Automatic 3-year extensions
Turkey	Ankara office	Ministry of Agriculture, Forestry and Rural Affairs	Possibility described in MoU signed between Ministry of Agriculture, Forestry, and Rural Affairs and ICARDA in 1980 and again in 2011	25-Mar-11	Not specified
Turkey	Rust Center	Ministry of Agriculture, Forestry and Rural Affairs	Agreement with General Directorate of Agricultural Research and Policies. The GD provides office space, laboratories, equipment and growth rooms, staff	18-Jul-17	None
UAE	Dubai office	Ministry of Agriculture and Fisheries	No written agreement		

Note 25 – Subsequent events.

On 30 May 2023, subsequent to the balance sheet date, the Italian Agency for International Cooperation (AICS) notified ICARDA of an ongoing discussion with the European Commission (EU) about the potential disqualification of costs amounting to EUR 618,524.00 associated with one of ICARDA's project partners in the project "Enhancing water productivity by improving on-farm irrigation management in Minya and Fayoum Egypt (ICARDA EU-JRDP)" with a total budget of EUR 1,483,000, sub-awarded to ICARDA by AICS. AICS based the information it received from the Residual Error Rate (RER) Study Auditor appointed by the EU Delegation in Cairo. The RER Auditor has claimed that ICARDA missed providing supporting documents for a selected sample of EUR 390,598.54 of the initial pre-financing payment of EUR 618,524.00. The RER Auditor has, in turn, deemed the total pre-financing payment ineligible. ICARDA reverted to the auditor with the receipts and supporting documents to further underpin the appropriate implementation of the grant within the operating context. The project underwent an expenditure verification audit by KPMG PCC in September 2020 and KPMG PCC's Expenditure Verification Report had no reportable factual findings to report. Their Expenditure Coverage Ratio was 94%, representing the total amount of expenditures they verified and expressed as a percentage of the total expenditure. This Expenditure Verification report has been shared with AICS. In response to the notification, and based on the facts outlined above, an appeal letter was submitted to the Italian Agency for International Cooperation (AICS) on June 6, 2023. ICARDA believes that it has fully complied with the requirements of the Grant Contract.

Appendix 1 - Schedule of property and equipment
For the years ended 31 December 2022 and 2021
In US\$ (thousands)

	UNRESTRICTED (Center Assets)					RESTRICTED (Project Assets)					Grand Total	
	Physical facilities	Infrastructure & leasehold improvements	Furnishings & equipment	Provision Aleppo	Total	Physical facilities	Infrastructure & leasehold improvements	Furnishings & equipment	Work in Progress	Provision Aleppo		Total
Year ended 31 December 2022												
Cost												
At start of the year	945	815	10,917	-	12,677	-	4,589	17,285	-	406	22,230	34,907
Additions	-	17	280	-	297	-	63	641	-	(226)	478	775
Disposals	-	-	(53)	-	(53)	-	-	(118)	-	-	(118)	(171)
At end of year	945	832	11,144	-	12,921	-	4,652	17,758	-	180	22,590	35,511
Accumulated Depreciation												
At start of the year	542	300	9,280	2,116	12,238	-	4,542	17,181	-	-	21,723	33,961
Charge for the year	34	2	28	-	64	-	64	347	-	-	411	475
IFRS Depreciation changes	-	-	-	-	-	-	-	9	-	-	9	9
Disposals	-	-	(49)	(5)	(54)	-	-	(118)	-	-	(118)	(172)
At end of year	576	302	9,259	2,111	12,248	-	4,606	17,419	-	-	22,025	34,273
Net book value at end of year	369	530	1,885	(2,111)	673	-	46	339	-	180	565	1,238
Year ended 31 December 2021												
Cost												
At start of the year	938	815	11,131	-	12,884	-	3,558	16,805	-	790	21,153	34,037
Additions	7	-	-	-	7	-	1,031	651	-	(384)	1,298	1,305
Disposals	-	-	(214)	-	(214)	-	-	(221)	-	-	(221)	(435)
At end of year	945	815	10,917	-	12,677	-	4,589	17,235	-	406	22,230	34,907
Accumulated Depreciation												
At start of the year	508	300	9,449	2,128	12,385	-	3,544	16,599	-	-	20,143	32,528
Charge for the year	34	-	32	-	66	-	998	725	-	-	1,723	1,789
IFRS Depreciation changes	-	-	-	-	-	-	-	78	-	-	78	78
Disposals	-	-	(201)	(12)	(213)	-	-	(221)	-	-	(221)	(434)
At end of year	542	300	9,280	2,116	12,238	-	4,542	17,181	-	-	21,723	33,961
Net book value at end of year	403	515	1,637	(2,116)	439	-	47	54	-	406	507	946

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 2 - Schedule of total ICARDA expenditure report

For the year ended 31 December 2022

In US\$ (thousands)

Expenses by Natural Classification	Windows 1 & 2	Window 3	Bilateral	Center Funds	Total
Personnel Costs	3,588	449	3,624	2,669	10,330
CGIAR Collaboration Costs	-	397	12	-	409
Non CGIAR Collaboration Costs	595	674	2,593	-	3,862
Supplies and Services	4,517	737	5,405	(677)	9,982
Travel	442	126	418	62	1,048
Depreciation/Amortization	20	9	89	543	661
Cost Sharing Percentage	-	28	240	1	269
Total Direct Costs	9,162	2,420	12,381	2,598	26,561
Indirect Costs	1,620	256	1,564	(3,440)	-
Total Costs	10,782	2,676	13,945	(842)	26,561
Deferred Depreciation	302	2	22	-	326
Grand Total - All Costs	11,084	2,678	13,967	(842)	26,887

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 3 - Indirect cost rate computation

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	2022	2021
General and Administration Expenses	3,387	3,334
Research Expenses+Non-CGIAR Collaboration costs	22,765	23,368
Indirect Cost rate	14.88%	14.27%

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 4 - Schedule of grant revenue

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2022	2021
Restricted					
Window 1&2					
CGIAR Trust Fund					
INIT-01 Accelerated Breeding	1,483	-	(1)	1,482	-
INIT-03 Genebanks	2,997	-	(676)	2,321	-
INIT-04 Breeding Resources	296	42	-	338	-
INIT-05 Market Intelligence	81	31	-	112	-
INIT-10 Fragility to Resilience in Central and West Asia and North Africa	1,472	96	-	1,568	-
INIT-11 Excellence in Agronomy	858	-	(268)	590	-
INIT-12 Nature-Positive Solutions	54	2	-	56	-
INIT-13 Plant Health	424	23	-	447	-
INIT-17 Sustainable Animal Productivity	1,174	205	-	1,379	-
INIT-19 Mixed Farming Systems	683	50	-	733	-
INIT-23 Climate Resilience	496	-	(223)	273	-
INIT-26 Gender Equality	80	27	-	107	-
INIT-27 National Policies and Strategies	36	-	(20)	16	-
INIT-28 NEXUS Gains	78	32	-	110	-
INIT-29 Rethinking Food Markets	75	7	-	82	-
INIT-31 Agroecology	373	10	-	383	-
INIT-34 Livestock and Climate	559	86	-	645	-
PLAT-01 Gender	51	10	-	61	-
Non-Portfolio	87	-	(31)	56	90
CGIAR Research Programs	-	-	-	-	-
CIAT-International Center for Tropical Agriculture	1	-	(1)	-	205
CIMMYT-International Maize and Wheat Improvement Center	12	30	(42)	-	3,692
GCDT-Global Crop Diversity Trust	105	-	(105)	-	3,067
ICRISAT-International Crops Research Institute for the Semi-Arid Tropics	(274)	297	-	23	989
IFPRI-International Food Policy Research Institute	-	-	-	-	251
ILRI-International Livestock Research Institute	88	-	(88)	-	3,396
IWMI-International Water Management Institute	-	-	-	-	125
Subtotal-Windows 1 & 2	11,289	948	(1,455)	10,782	11,815

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 4 - Schedule of grant revenue (continued)

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2022	2021
Restricted					
Window 3					
China-CAAS-Chinese Academy of Agricultural Sciences	251	-	(121)	130	164
IFAD-International Fund for Agricultural Development	1,052	246	(132)	1,166	937
India-ICAR-Indian Council of Agricultural Research	1,340	-	(766)	574	759
Iran	7	-	(7)	-	-
Morocco-INRA-Institut National de la Recherche Agronomique/National Institute for Agronomic Research	3,743	-	(3,067)	676	591
Sudan-Ministry of Agriculture and Forestry	1	-	(1)	-	17
Turkey	361	-	(231)	130	159
Subtotal-Window 3	6,755	246	(4,325)	2,676	2,627
Bilateral					
AFESD-Arab Fund for Economic and Social Development	1,551	714	(863)	1,402	2,563
Afghanistan-Ministry of Agriculture, Irrigation, and Livestock (MAIL)	(103)	130	-	27	432
Appropriate Agriculture International	18	-	-	18	-
Australia-Department of Primary Industries, State of New South Wales	-	-	-	-	38
Australia-GRDC-Grains Research and Development Corporation	484	-	(356)	128	222
Booz Allen Hamilton	9	-	(9)	-	24
CAREC-Regional Environmental Center for Central Asia	75	-	-	75	116
Caritas Jordan	(5)	5	-	-	-
Caritas Switzerland	34	21	-	55	51
Caussade Semences Group	(13)	23	-	10	7
CEVA SANTE ANIMALE S.A.	-	-	-	-	-
CGIAR Trust Fund	(1)	101	-	100	74
DCM - Shriram Ltd.	-	7	-	7	-
DT Global	-	18	-	18	-
EC-European Commission	1,031	135	(692)	474	350
Egypt-Agricultural Research Center	796	-	(623)	173	278
Ethiopia-MOA-Ministry of Agriculture	293	-	(197)	96	72
FAO-Food and Agriculture Organization	452	644	(83)	1,013	832
France -CIRAD	20	-	(14)	6	29
GCC-Gulf Cooperation Council	767	-	(352)	415	417
GCDT-Global Crop Diversity Trust	828	317	(38)	1,107	1,001

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 4 - Schedule of grant revenue (continued)

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2022	2021
Bilateral continued					
German Ministry of Foreign Affairs	205	-	(5)	200	217
Germany-BMU-Federal Ministry for the Environment, Nature Conservation and Nuclear Safety	311	269	-	580	536
Germany-GIZ-Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH	213	620	(24)	809	749
IHE Delft Institute for Water Education	-	-	-	-	80
India-State Government of Madhya Pradesh	565	-	(500)	65	-
India-State Government of Maharashtra	-	-	-	-	(15)
India-State Government of Odisha- Directorate of Agriculture and Food Production	1,315	919	-	2,234	1,257
Japan-JICA-Japan International Cooperation Agency	415	-	(266)	149	-
John Innes Centre	63	3	-	66	92
Kuwait Fund for Arab Economic Development	330	41	-	371	297
MIT-Massachusetts Institute of Technology	12	98	-	110	41
Nigeria-Federal Ministry of Agriculture and Rural Development	(76)	76	-	-	-
OCP Foundation	180	-	(86)	94	324
OFID-OPEC Fund for International Development	63	109	-	172	167
PRIMA Foundation	1,062	8	(810)	260	57
Société des Boissons du Maroc	(58)	58	-	-	-
SLU-Swedish University of Agricultural Sciences	103	4	(22)	85	61
Syria Arab Republic-Ministry of Agriculture	590	-	(124)	466	520
UNDP-United Nations Development Programme	19	-	(19)	-	-
UNEP-United Nations Environmental Programme	-	-	-	-	31
United Nations Economic and Social Commission for Western Asia - ESCWA	-	-	-	-	40
University of Bern, Centre for Development and Environment - CDE	79	12	-	91	-
University of Sydney	75	66	-	141	46
University of Western Australia	173	-	(108)	65	13
USDA-United States Department of Agriculture	271	38	(1)	308	466
World Bank	29	162	(11)	180	90
World Food Programme	-	722	-	1,326	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 4 - Schedule of grant revenue (continued)

For the years ended 31 December 2022 and 2021

In US\$ (thousands)

	Funds available US\$'000	Receivables from donors US\$'000	Deferred revenue US\$'000	Grants revenue US\$'000	
				2022	2021
Bilateral continued					
Other CGIAR Centers - Bilateral					
Bioversity International	89	8	(62)	35	-
CIAT-International Center for Tropical Agriculture	587	11	(134)	464	95
CIMMYT-International Maize and Wheat Improvement Center	231	50	(148)	133	103
ICRAF-World Agroforestry Centre	(157)	259	-	102	163
ICRISAT-International Crops Research Institute for the Semi-Arid Tropics	(50)	50	-	-	-
IFPRI-International Food Policy Research Institute	(55)	56	(1)	-	-
IITA-International Institute of Tropical Agriculture	124	20	(5)	139	184
ILRI-International Livestock Research Institute	76	78	-	154	133
IWM-International Water Management Institute	8	22	(8)	22	155
Subtotal-Bilateral	13,028	5,874	(5,561)	13,945	12,408
Total-Restricted	31,072	7,068	(11,341)	27,403	26,850

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Windows 1 & 2							
CGIAR Trust Fund							
INIT-01 Accelerated Breeding	1-Jan-22	31-Dec-24	1,496	-	1,482	1,482	14
INIT-03 Genebanks	1-Jan-22	31-Dec-24	3,014	-	2,321	2,321	164
INIT-04 Breeding Resources	1-Jan-22	31-Dec-24	388	-	338	338	-
INIT-05 Market Intelligence	1-Jan-22	31-Dec-24	116	-	112	112	-
INIT-10 Fragility to Resilience in Central and West Asia and North Africa	1-Jan-22	31-Dec-24	1,962	-	1,568	1,568	80
INIT-11 Excellence in Agronomy	1-Jan-22	31-Dec-24	1,062	-	590	590	29
INIT-12 Nature-Positive Solutions	1-Jan-22	31-Dec-24	64	-	56	56	-
INIT-13 Plant Health	1-Jan-22	31-Dec-24	512	-	447	447	15
INIT-17 Sustainable Animal Productivity	1-Jan-22	31-Dec-24	1,477	-	1,379	1,379	-
INIT-19 Mixed Farming Systems	1-Jan-22	31-Dec-24	840	-	733	733	-
INIT-23 Climate Resilience	1-Jan-22	31-Dec-24	577	-	273	273	-
INIT-26 Gender Equality	1-Jan-22	31-Dec-24	111	-	107	107	-
INIT-27 National Policies and Strategies	1-Jan-22	31-Dec-24	50	-	16	16	-
INIT-28 NEXUS Gains	1-Jan-22	31-Dec-24	125	-	110	110	-
INIT-29 Rethinking Food Markets	1-Jan-22	31-Dec-24	147	-	82	82	-
INIT-31 Agroecology	1-Jan-22	31-Dec-24	585	-	383	383	-
INIT-34 Livestock and Climate	1-Jan-22	31-Dec-24	777	-	645	645	-
PLAT-01 Gender	1-Jun-22	31-Dec-22	61	-	61	61	-
Advisory Services on Theory of change (TOC) Tool	1-Apr-21	28-Feb-22	71	15	56	71	-
Subtotal - CGIAR Trust Fund			13,435	15	10,759	10,774	302
ICRISAT-International Crops Research Institute for the Semi-Arid Tropics							
CRP 18 GLDC - Management Budget to support Crosscutting	1-Jan-22	30-Apr-22	23	-	23	23	-
Subtotal - ICRISAT			23	-	23	23	-
Total - Window 1 & 2			13,458	15	10,782	10,797	302
Window 3							
China - Ministry of Agriculture and Rural Affairs							
China Bilateral Program 2020 Implementation Funding	1-Jan-20	30-Sep-22	150	30	2	32	-
China Bilateral Program 2022 Implementation Funding			180	-	128	128	-
Subtotal - China			330	30	130	160	-
IFAD-International Fund for Agricultural Development							
Integrated Crop-Livestock under Conservation Agriculture Phase II	13-Apr-18	30-Jun-22	2,500	1,710	729	2,439	(5)
Strengthening Knowledge Management for Greater Development Effectiveness in the Near East, North Africa, Central Asia and Europe	8-Jun-18	31-Mar-23	1,800	1,166	437	1,603	-
Subtotal - IFAD			4,300	2,876	1,166	4,042	(5)

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Window 3							
India-ICAR-Indian Council of Agricultural Research							
India Collaborative Program for 2017/2020	1-Apr-17	31-Mar-22	2,355	1,926	9	1,935	-
India Collaborative Program for 2020/2021	1-Apr-20	30-Sep-22	788	419	51	470	-
India Collaborative Program for 2021/2022	1-Apr-21	31-Dec-22	803	287	486	773	-
India Collaborative Program 2022/2023 to 2026/2027	1-Apr-22	31-Mar-27	771	-	28	28	-
Subtotal - India			4,717	2,632	574	3,206	-
Morocco-INRA-National Institute for Agronomical Research							
Moroccan Collaborative Grants Program	20-Oct-04	31-Dec-23	615	556	16	572	-
Morocco Collaborative Grants Program (MCGP) Phase IV 2020 - 2024	1-Jan-20	31-Dec-24	3,167	799	660	1,459	7
Subtotal - Morocco-INRA			3,782	1,355	676	2,031	7
Turkey-GDAR-General Directorate of Agricultural Research and Policy							
Turkey Bilateral Program 2021	1-Jan-21	31-Dec-22	194	125	70	194	-
Turkey Bilateral Program 2022	1-Jan-22	31-Dec-23	303	-	60	60	-
Subtotal - Turkey			497	125	130	255	-
Total - Window 3			13,626	7,018	2,676	9,694	2
Bilateral							
AFESD-Arab Fund for Economic and Social Development							
Enhancing Agricultural Production Systems and Conserving Natural Resources in the Countries of the Arabian Peninsula (Fifth Phase)	1-Jul-18	30-Jun-24	1,965	1,111	237	1,348	-
Food Security project in Arab countries - Phase III	20-Sep-18	31-Dec-23	1,962	1,352	431	1,783	-
Modernization of Crop Breeding Programs in Arab Countries	1-Apr-20	31-Dec-23	3,258	1,576	533	2,109	(37)
Grant in Support of ICARDA Capacity Building Activities	1-Jan-20	31-May-22	1,667	1,466	201	1,667	-
Subtotal - AFESD			8,852	5,505	1,402	6,907	(37)
Afghanistan-Ministry of Agriculture, Irrigation, and Livestock (MAIL)							
Community Livestock and Agriculture Project (CLAP)	9-Feb-14	31-Dec-22	7,315	6,813	27	6,840	-
Subtotal - Afghanistan-MAIL			7,315	6,813	27	6,840	-
Appropriate Agriculture International - AAI Japan							
Training Collaboration Agreement - under the project for capacity development of agricultural extension services in Balochistan	28-Aug-22	30-Sep-22	19	-	18	18	-
Subtotal - AAI			19	-	18	18	-
Australia-GRDC-Grains Research and Development Corporation							
Towards Effective Genetic and Sustainable Management of Ascochyta Blight or Chickpea: Program 2	1-Jul-20	30-Jun-24	1,115	234	128	362	-
Subtotal - Australia-GRDC			1,115	234	128	362	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
CAREC-Regional Environmental Center for Central Asia							
Development of a Central Asia Regional Climate Information Platform	1-Apr-19	30-Jun-22	799	724	75	799	-
Subtotal - CAREC			799	724	75	799	-
Caritas - Switzerland							
Services Related to: From Reactive Response to Informed Management - Leveraging Weather, Water and Climate Services for Sustainable Rural Livelihoods and Well-being in Tajikistan	1-Aug-21	31-May-25	344	18	55	73	-
Subtotal - Caritas Switzerland			344	18	55	73	-
Caussade Semences Group							
CCG Genetic Material Research and Collaboration	13-Jun-19	12-Jun-24	38	20	10	30	-
Subtotal - CSG			38	20	10	30	-
CGIAR Trust Fund							
Performance Results Management System Year 2022	1-Jan-22	31-Dec-22	100	-	100	100	-
Subtotal - CGIAR			100	-	100	100	-
DCM - Shriram Ltd.							
Agreement with SFC for Wheat Germplasm	23-Jun-21	22-Jun-24	60	-	7	7	-
Subtotal - DCM			60	-	7	7	-
DT Global							
EU assistance for Uzbekistan Agri-Food Development Strategy 2020-2030 - Agriculture Support and Knowledge (ASK) facility	27-Sep-22	31-Mar-24	241	-	18	18	-
Subtotal - DT Global			241	-	18	18	-
EC-European Commission							
Development of Integrated Web-Based Land Decision Support System Aiming Towards the Implementation of Policies for Agriculture and Environment LANDSUPPORT	1-May-18	30-Apr-22	330	263	64	327	-
Next Generation Variety Testing for Improved Cropping on European Farmland (InnoVar)	1-Oct-19	31-Mar-24	596	185	193	378	-
Activated GEnebank NeTwork (AGENT)	1-May-20	30-Apr-25	574	87	92	179	-
Intelligent Collections of Food Legumes Genetic Resources for European Agrofood Systems - INCREASE	1-May-20	30-Apr-26	275	76	80	156	-
BarleyMicroBreed: Strategies for breeding climate change resilient barley, genetically equipped to optimized root-microbiome interactions	1-Nov-22	31-Oct-28	1,268	-	16	16	-
CARINA - CARinata and CamelINA to boost the sustainable diversification in EU farming systems	1-Nov-22	31-Oct-26	276	-	4	4	-
NATAE - Fostering agroecology transition in North Africa through multi-actor, evaluation, and networking	1-Dec-22	30-Nov-26	264	-	4	4	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
FARMS4CLIMATE- Smart Governance & Operational Models for Agroecological Carbon Farming	1-Apr-22	31-Mar-25	200	-	13	13	-
Root2Resilience: Root phenotyping and genetic improvement for rotational crops resilient to environmental change	1-Sep-22	31-Aug-27	380	-	8	8	-
Subtotal - EC			4,163	611	474	1,085	-
Egypt - Agricultural Research Center							
Egypt Bilateral Program 2020-2021 and 2021-2022 Seasons	1-Sep-21	31-Dec-25	750	33	173	206	-
Subtotal - Egypt-ARC			750	33	173	206	-
Ethiopia-MOA-Ministry of Agriculture							
Upscaling of Small Ruminant Community-Based Breeding Program in Ethiopia	1-Sep-19	28-Feb-24	556	211	96	307	-
Subtotal - Ethiopia MOA			556	211	96	307	-
FAO-Food and Agriculture Organization							
Strengthening National Capacities and Regional Integration for Efficient Conservation of Plant Genetic Resources in a Post-conflict Region	19-Nov-20	18-Nov-24	435	47	43	90	-
Research Activities Related to the Implementation of the FAO Inter-regional	8-Oct-20	15-Oct-22	44	20	24	44	-
Assessment of Water-harvesting Scaling-up Potential for the NENA Region	2-Jun-21	31-Oct-22	250	18	232	250	-
Testing and Out-scaling In-situ Water Harvesting Approaches in Palestine	9-Sep-21	31-Oct-22	99	24	75	99	(7)
Planning and Piloting Watershed Rehabilitation for Improved Water Productivity with Water-harvesting in Jordan	7-Oct-21	31-Oct-22	206	28	174	202	-
Strengthening Regional Collaboration and National Capacities for Surveillance and Management of Wheat Rust Diseases in Central Asia and Caucasus	1-Dec-21	1-Dec-23	250	-	68	68	-
Operating and Extending a Regional Network for Field Measurements of Actual Crop Water Consumption (Evapotranspiration) for Filling Critical Data, Information and Knowledge Gaps in the NENA Region	23-Dec-21	11-Dec-22	198	-	194	194	-
Capacity Development of Iraqi Agricultural Engineers and Farmers with Special Focus on Seed Production and Management Under Project OSRO/I/RQ/902/EC	16-Jan-22	30-Jun-22	106	-	89	89	-
Technical expertise in support of updating Egypt Date Development Strategy process	31-Aug-22	31-Dec-22	15	-	15	15	-
Developing early detection systems for the Red Palm Weevil (RPW) for field evaluation of remote sensing technology to locate palms and detect early RPW infestations and for conducting socio-economic ex-post impact assessment of RPW	27-Oct-21	30-Sep-23	121	-	18	18	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
Promoting the Visibility and Accessibility of Scientific Research and Technical Knowledge Related to Food and Agriculture through the Knowledge Programme AGRIS	1-Dec-21	1-Dec-22	80	-	81	81	-
Subtotal - FAO			1,804	137	1,013	1,150	(7)
France - CIRAD Centre de Cooperation Internationale en Recherche Agronomique pour le Developpment							
CDCMCT-Mapping Dairy Value Chain in Egypt	20-Apr-21	31-Jan-22	14	6	6	12	-
Subtotal - France-CIRAD			15	6	6	12	-
GCC-Gulf Cooperation Council							
Development of Sustainable Systems for Date Palm in the Countries of the GCC	1-May-18	31-Dec-23	2,000	1,233	415	1,648	-
Subtotal - GCC			2,000	1,233	415	1,648	-
GCDT-Global Crop Diversity Trust							
Providing Long-term Funding for Ex-situ Collections of Germplasm Held by ICARDA: 2008	1-Jan-08	31-Dec-22	8,263	7,808	396	8,204	-
Safeguarding Crop Diversity for Food Security: the Grasspea Component	1-Aug-19	31-Jul-22	620	283	337	620	-
Biodiversity for Opportunities, Livelihoods and Development -BOLD: DIVA-PR II Dissemination of BOLD: Augmenting and Upscaling CWR-derived Grasspea Elites for Climate Resilience in Farmers' Fields -AUGER	1-Jan-22	31-Dec-24	1,117	-	308	308	-
	1-Mar-22	31-Dec-24	682	-	66	66	-
Subtotal - GCDT			10,682	8,091	1,107	9,198	-
German Ministry of Foreign Affairs							
AI-Driven Climate-Smart Beekeeping (AID-CSB) Environmental Health for Human Rights	2-Feb-22	31-Dec-22	202	-	200	200	-
Subtotal - German MFA			202	-	200	200	-
Germany-BMU-Bundesministerium für Umwelt, Naturschutz, Bau und Reaktorsicherheit							
Conservation of Pollinator Diversity for Enhanced Climate Change Resilience - IKI	1-Jun-17	30-Nov-23	7,230	2,972	580	3,552	18
Subtotal - Germany BMU			7,230	2,972	580	3,552	18
Germany-Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH							
Innovative Agriculture for Small-Holder Resilience	1-Jan-20	31-Dec-23	1,313	631	299	930	-
Soil Protection and Rehabilitation of Degraded Soil for Food Security	10-Dec-20	31-Mar-23	409	100	148	248	1
Green Innovation Centres in the Agriculture and Food Sector: Scaling ICT 4 Smart Irrigation Scheduling and Water Use Efficiency (ICT4irrigation)	1-Dec-20	31-May-23	246	88	118	206	-
Promoting Climate-resilient Legume Value Chain Systems in Amhara and Oromia Regional States" in Ethiopia	1-Dec-20	30-Nov-23	324	65	76	141	-
Ecologically Oriented Regional Development of the Aral Sea Region	20-Jul-21	19-Jul-23	282	26	117	143	-
Agricultural Policy Advisory Fund – AI-Driven Climate-Smart Beekeeping for Women Advisory & Extension (AID-CSB Advisory & Extension)	1-Dec-21	30-Jun-22	56	-	51	51	-
Subtotal - Germany GIZ			2,630	910	809	1,719	1

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
India-State Government of Madhya Pradesh							
Use of Emerging Technology in Agriculture - Precision Farming & Ground Water Monitoring - Optimizing Inputs and Enhancing Smallholder Farmers Income in Madhya Pradesh	1-Nov-21	31-Oct-24	380	-	65	65	41
Subtotal - India Madhya Pradesh			380	-	65	65	41
India-State Government of Odisha-Directorate of Agriculture and Food Production							
Incentivizing Non-Paddy Crops and System Intensification with Kharif Pulses through Improved Production, Aggregation, Value addition, and Marketing of Arhar in Odisha OIIPCRA - Farmers Collectives Participatory Upscaling of Pulses Varieties, Technologies, and Seed-input-Market Systems to promote Climate Smart Crop Intensification in Tank Command Areas in Odisha	1-Apr-21	31-Mar-23	2,404	229	1,720	1,949	-
	30-Nov-21	29-Nov-25	2,431	-	514	514	-
Subtotal - India Odisha			4,835	229	2,234	2,463	-
Japan-JICA-Japan International Cooperation Agency							
Data Collection Survey on Efficient Agriculture Water Management	28-Mar-22	31-Mar-24	519	-	149	149	6
Subtotal - JICA			519	-	149	149	6
John Innes Centre							
Unlocking the Potential of Grasspea for Resilient Agriculture in Drought-prone Environments (UPGRADE) - GCRF	1-Jul-18	31-Dec-22	267	183	66	249	-
Subtotal - JIC			267	183	66	249	-
Kuwait Fund for Arab Economic Development							
Enhancing Food Security and Sustainable Management of Natural Resources through Fostering Integrated Agricultural Production Systems in the Arabian Peninsula (2018 – 2022)	1-Jan-19	31-Dec-23	2,000	870	371	1,241	-
Subtotal - KFAED			2,000	870	371	1,241	-
MIT-Massachusetts Institute of Technology							
Ultra-Low Energy Drip Irrigation for MENA Countries	20-Sep-16	31-Dec-22	797	607	110	717	-
Subtotal - MIT			797	607	110	717	-
OCP Foundation							
OCPF-ICARDA Bangladesh Project	1-Jul-18	31-Dec-22	885	715	94	809	-
Subtotal - OCP			885	715	94	809	-
OFID-OPEC Fund for International Development							
Support for Enhancement of Food Security in Arab Countries, Phase III	1-Oct-19	31-Mar-23	500	285	172	457	-
Subtotal - OFID			500	285	172	457	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
PRIMA Foundation							
Camelina: A Cash Cover Crop Enhancing Water and Soil Conservation in MEDiterranean Dry-farming Systems (4CE-MED)	1-May-20	31-Oct-23	217	102	60	162	-
Monitoring and Evaluation Tool	3-Dec-19	31-Dec-22	78	9	58	67	-
Mediterranean Diet with Improved Nutritional and Health Value (MEDWHEALTH)	1-Oct-21	30-Sep-24	450	-	50	50	-
Maintenance of PRIMA Monitoring & Evaluation Tool	1-Jan-22	31-Dec-22	26	-	25	25	-
MOUNTAINHER-Empowering Women Associations as Drivers for Agro-ecological Transformation to Generate Income for Mountain Farming Communities	1-Jun-22	31-May-25	572	-	55	55	-
WEFE4MED - Towards a Mediterranean WEFE Nexus Community of Practice	1-Oct-22	30-Sep-26	360	-	12	12	-
Subtotal - PRIMA			1,703	111	260	371	-
SLU-Swedish University of Agricultural Sciences							
Durum Wheat Genetic Resources Can Help Mitigate Negative Impact of Climate Change in Ethiopia, and Beyond, through Developing its Climate-Resilient Cultivars	1-Jan-21	31-Dec-23	43	12	1	13	-
Delivering Heat-tolerant Alleles to Raise Farm Income Along the Senegal River	28-Jan-22	31-Dec-24	250	-	84	84	-
Subtotal - SLU			293	12	85	97	-
Syria Arab Republic-Ministry of Agriculture							
Syrian 2022 Contribution for Joint Syria/ICARDA Collaborative Program	1-Jan-22	31-Dec-23	500	-	466	466	-
Subtotal - Syria			500	-	466	466	-
University of Bern, Centre for Development and Environment - CDE							
Services related to WOCAT 2020+ The Global Network for Sustainable Land Management	1-Jan-22	31-Dec-22	100	-	91	91	-
Subtotal - UB			100	-	91	91	-
University of Sydney							
Capturing Global Diversity and International Genetic Gains of Wheat and Barley - CAIGE Program	1-Sep-19	31-Dec-22	122	46	141	187	-
Subtotal - US			122	46	141	187	-
University of Western Australia							
Services related to ACIAR Project "Faba Bean in Ethiopia - Mitigating Disease Constraints to Improve Productivity and Sustainability"	1-Dec-18	30-Jun-23	232	135	7	142	-
Protecting Ethiopian lentil crops	1-Jul-21	30-Jun-26	249	-	58	58	-
Subtotal - UWA			481	135	65	200	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
USDA-United States Department of Agriculture							
Watershed Restoration in Badia Areas of Jordan	18-Sep-19	30-Dec-24	363	133	95	228	-
African Goat Improvement Network: Upscaling of Community-Based Breeding Program in Konso District, Ethiopia	1-Mar-20	30-Jun-22	167	155	11	166	-
Cotton Loss and Reduction in Pakistan	1-Sep-21	30-Nov-22	225	23	202	225	-
Subtotal - USDA			755	311	308	619	-
World Bank							
Preparation of a Climate Smart Agriculture Action Plan for Iraq	1-Feb-22	28-Feb-23	178	-	73	73	-
Support to the Integrated Deep Dive on Natural Capital (Agriculture, Water, Forestry) in Uzbekistan	25-Feb-22	31-Jan-23	107	-	107	107	-
Subtotal - World Bank			285	-	180	180	-
World Food Programme							
Strengthening Food Security & Resilience for Rural Households through Communal Assets, Rehabilitation and Support to Farmers	1-Mar-22	28-Feb-23	2,232	-	1,326	1,326	-
Subtotal - World Bank			2,232	-	1,326	1,326	-
Other CGIAR Centers							
Bioversity International							
Data Collection on the Historical Dissemination of Early-maturing Lentil Varieties in Bangladesh and India	15-Apr-20	30-Jun-22	17	10	7	17	-
Long-term socio-economic and environmental impacts of improved lentil cultivars in Bangladesh	1-May-22	31-Dec-23	180	-	28	28	-
Subtotal - Bioversity			197	10	35	45	-
CIAT-International Center for Tropical Agriculture							
Accelerating Impacts of CGIAR Climate Research for Africa	4-Feb-21	31-Dec-22	668	80	454	534	-
Lumpsum Funding Agreement on Technical Support to MARLO Platform	1-Jul-21	30-Nov-22	11	-	10	10	-
Subtotal - CIAT			679	80	464	544	-
CIMMYT-International Maize and Wheat Improvement Center							
Accelerating Genetic Gains for Maize and Wheat for Improved Livelihoods (AGG) - Disease Identification	31-Jul-20	30-Apr-23	319	78	91	169	-
ZAR3i (My wheat)	16-Oct-19	17-Apr-22	132	90	42	132	-
Subtotal - CIMMYT			451	168	133	301	-

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 5 - Schedule of restricted grant pledges and expenses (continued)

For the year ended 31 December 2022

In US\$ (thousands)

Donor and Program/ Project	Start Date	End Date	Total Grant Pledge	Expenditures Prior Years	Expenditure Current year	Total Expenditure	Deferred Depreciation
Bilateral							
Other CGIAR Centers							
ICRAF-World Agroforestry Centre							
Inter and intra-household impact of food legume production on technical efficiency, income and agroecological transformation in Ethiopia and Tunisia	1-Apr-22	31-Dec-22	140	-	102	102	-
Subtotal - ICRAF			140	-	102	102	-
IITA-International Institute of Tropical Agriculture							
Technologies for African Agriculture Transformation TAAT- Phase I	19-Feb-18	30-Jun-22	2,085	2,033	52	2,085	-
CGIAR Excellence in Agronomy 2030 - Incubation Phase	1-Aug-20	30-Apr-23	246	153	87	240	-
Subtotal - IITA			2,331	2,186	139	2,325	-
ILRI-International Livestock Research Institute							
Third Agreement for Africa – RISING (Research in Sustainable Intensification for the Next Generation)	1-Apr-17	30-Nov-22	665	514	148	662	-
An Analytical Background Paper for the Report on the Status of Rural Women in Agriculture: Gender Equality in Agriculture, Food Security and Nutrition	1-Feb-22	31-Aug-22	6	-	6	6	-
Subtotal - ILRI			671	514	154	668	-
IWMI-International Water Management Institute							
MENA drought – empowering and enhancing drought management systems in the Middle East North Africa (MENA)	25-Apr-22	31-Jul-22	25	-	22	22	-
Subtotal - IWMI			25	-	22	22	-
Total - Bilateral			70,062	33,980	13,945	47,925	22
Grand Total			97,146	41,013	27,403	68,416	326

International Center for Agricultural Research in the Dry Areas (ICARDA)

Appendix 6 - Schedule of Funds In Trust

For the year ended 31 December 2022

In US\$ (thousands)

A. Fund In Trust - Receivable

Funds in Trust - Total

Balance, 01 January	-
Receipts	-
Disbursements	-
Provision	-
Balance, 31 December	-

B. Fund In Trust - Payable

Funds in Trust - Total

Balance: January 1	(3,823)
Receipts	(451)
Disbursements	3,976
Balance, December 31	(298)

Funds in Trust - Details

FT1003 - The International Maize and Wheat Improvement Center -CIMMYT ,Pakistan

Balance: January 1	(29)
Receipts	0
Disbursements	0
Balance, December 31	(29)

FT1005 - The Association of Agricultural Research institution in the Near East and North Africa (AARINENA)

Balance: January 1	(213)
Receipts	(86)
Disbursements	82
Balance, December 31	(217)

FT1006 - Central Asia and the Caucasus Association of Agricultural research institutions CACAARI (PFU)

Balance: January 1	(4)
Receipts	(6)
Disbursements	9
Balance, December 31	(1)

FT1008 - Morocco

Balance: January 1	(3,594)
Receipts	0
Disbursements	3,594
Balance, December 31	0

FT1010 - Bioersivity Tashkent (PFU)

Balance: January 1	23
Receipts	(359)
Disbursements	291
Balance, December 31	(45)

FT3013 - Australia-Pakistan Agricultural Sector Linkages Program (ASLP) / HORT

Balance: January 1	(6)
Receipts	-
Disbursements	-
Balance, December 31	(6)