



International Centre of Insect Physiology and Ecology

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REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2017



An FAO Reference Centre



OIE Collaborating Centre for
Bee Health in Africa



A Stockholm Convention Regional Centre

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Governing Council members who served during the year:

Dr Lukas Bertschinger (Switzerland)
(Chair - *icipe* GC)

Delegate for National and International Research Cooperation

Federal Department of Economic Affairs Education and Research EAER

Agroscope

Corporate Strategy Agroscope CSA

Schloss 1, P.O. Box, 8820 Wädenswil

SWITZERLAND

Dr Bertschinger is an agronomist and the Research Director, Agroscope Institute of Plant Production Sciences (IPS), as well as a delegate of International Research Cooperations (Corporate Research Agroscope). He has assumed various positions for the Swiss agricultural research system. As a scientist at Agroscope, he provides sustainable solutions based on the principles of plant physiology and nutrition, plant pathology and genetics, and food science. As a research manager, he leads departments and interdisciplinary research divisions addressing fruit production, crop sciences, and quality and post-harvest research.

He has served on various committees, working groups, councils and boards, including the European Plant Science Organization (EPSO) and the International Society of Horticultural Science (ISHS).

Dr Bertschinger has been a Board Member of the *icipe* Governing Council since August 2010. He has been instrumental in: (i) developing an impact-oriented research approach with new participatory research and development (R&D) procedures; (ii) expanding into food safety and health research; (iii) introducing the programmatic research concept; (iv) developing an interdisciplinary research methodology, and (v) promoting innovation.

Prof. Dr. Bill S Hansson (Sweden)
(Vice Chair – *icipe* GC)

Director

Max Planck Institute for Chemical Ecology

Department of Evolutionary Neuroethology

Hans-Knoell-Strasse 8

D-07745 Jena

GERMANY

Prof. Hansson is a neuroethologist based at the Max Planck Institute for Chemical Ecology, Jena, Germany. He began a six-year term as Vice-President of the Max Planck Society at the Max Planck headquarters in Munich, Germany in 2014. As Vice-President, he is responsible for the 27 Max Planck institutes that focus on biology and medicine in Germany and Florida (United States of America). He also coordinates the international work of the Max Planck institutes with partner organisations in Shanghai (China) and Buenos Aires (Argentina), and 15 Max Planck Centres around the world. He has also led the Swedish Linnaeus Project, Insect Chemical Ecology, Ethology and Evolution (IC-E3), and has worked at universities and research institutions in Germany, Sweden, Japan, Kenya, the United Kingdom and the United States.

Prof. Hansson worked at *icipe* in the early 1990s, on locust and stem borer chemical communication. He has been a member of the Governing Council of *icipe* since 2006.

Mr Nicholas P. Retsinas (United States)
(Chairman, Audit and Finance Committee)

Director Emeritus
Harvard University Joint Centre for Housing Studies
344 Taber Avenue providence, RI 029006
USA

Nicholas P. Retsinas is Director Emeritus of Harvard University's Joint Center for Housing Studies, a collaborative venture of the Graduate School of Design and the Harvard Kennedy School. The Centre conducts research to examine and address the most critical housing and community development issues in America. Mr Retsinas is also a Senior Lecturer in Real Estate at the Harvard Business School where he teaches courses in housing finance and real estate in frontier markets.

Mr Retsinas served as Assistant Secretary for Housing–Federal Housing Commissioner at the United States Department of Housing and Urban Development and as a Director of the Office of Thrift Supervision. Retsinas also served the State of Rhode Island as the Executive Director of the Rhode Island Housing and Mortgage Finance Corporation from 1987 to 1993. He has served on the Board of the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, and the Neighbourhood Reinvestment Corporation.

Mr Retsinas serves on the Board of Trustees for the National Housing Endowment and Enterprise Community Partners, and is on the Board of Directors of Shore Bank, Freddie Mac, Community Development Trust Inc., and the Center for Responsible Lending. He is the immediate past Chairperson of the Board of Directors of Habitat for Humanity International.

Mr Retsinas is in the National Housing Hall of Fame, and was named one of the most influential people, in real estate (by the National Association of Realtors), in home building (by *Builder Magazine*), and in multifamily housing (by *Multi-Housing News*). He has lectured and written extensively on housing, community development, and banking. He is a Fellow at the National Academy for Public Administration and the Urban Land Institute.

Mr Donald Kaniaru (Kenya)
Member

Environmental Lawyer and Manager
Kaniaru and Kaniaru Advocates
PO Box 1038
Sarit Centre – 00606
NAIROBI

Mr Kaniaru is the Managing Partner, Kaniaru & Kaniaru Advocates. An environmental lawyer by profession, he has wide experience and expertise in environmental law and diplomacy, having worked with Kenya's Ministry of Foreign Affairs from 1969 and with the United Nations Development Programme (UNEP) from 1975 to 2003. He was the Director of the Division of Environmental Implementation (responsible for capacity building, environmental emergencies, implementation and enforcement of environmental laws), the Global Programme of Action for the Protection of Marine Environment from Land-based Activities, the UNEP-World Conservation Monitoring Centre, the Dams and Development Project, and Director of the Division of Environmental Conventions (with responsibility for promoting and enhancing linkages and synergies among multilateral environmental agreements and related legal instruments and programmes). He also served as special senior legal advisor to the Executive Director of UNEP.

His recent appointments include Chairman of the National Environment Tribunal of Kenya, Trustee of the Centre for International Environmental Law, and member of the Board of the Institute for Governance and Sustainable Development. He is Regional Governor, International Council of Environmental Law, and the Council's representative to the United Nations in Nairobi.

Mr Kaniaru has a law degree from the University of East Africa, Dar-es-Salaam. He is interested in public international and environmental law, oceans and natural resources management law, and environmental law in general.

Dr Carlos Lascano (Colombia)

Member

Emeritus Scientist,
International Center for Tropical Agriculture (CIAT)
Carrera 7B No. 135-27, Apt. 803
Bogotá,
COLOMBIA

Dr Lascano is a ruminant nutritionist, and Emeritus Scientist, at the International Center for Tropical Agriculture (CIAT). For close to three decades at CIAT, he worked on the development and utilisation of multipurpose tropical forages, as well as on forage quality and animal nutrition.

Through the 1990s, Dr Lascano maintained a diverse research portfolio. He established a dairy research facility in Quilichao, Colombia, to evaluate forage quality for dairy cows. Through his MSc and PhD students, he investigated anti-nutritional factors in various legumes, including the positive and negative effects of condensed tannins in legumes, and how these are affected by environmental factors. He led the Tropical Forages project at CIAT, an international, multidisciplinary initiative to develop improved forages for tropical agricultural ecosystems. The project focused on identifying suitable forage for production niches, particularly those where there was need and interest from producers to adopt new technologies. He also developed strong research linkages with national research programmes and public and private sector partners. He contributed to institutional development through the Red Internacional de Evaluación de Pasturas Tropicales (RIEPT) (International Network for Tropical Pastures Evaluation), and the Tropileche Consortium.

Dr Florence Chenoweth (Liberia)

Member

477 S. Segoe Rd.
Madison, W 53711
USA

Dr Chenoweth was Distinguished International Visitor at University of Wisconsin-Madison and Managing Director of the Wisconsin Human Rights Initiative. Prior to that, she was Director of the Food and Agriculture Organization (FAO) of the United Nations Liaison Office in New York (LON) and Representative to the UN. She has worked in the Ministries of Planning, Finance and Agriculture within the Government of Liberia. Dr Chenoweth became Liberia's (and Africa's) first female Minister of Agriculture at the age of 32, serving from 1977 to 1979. She earned her doctorate in Land Resources at University of Wisconsin, Madison, which awarded her an Honorary Doctor of Philosophy in Humane Letters.

Dr Chenoweth is an influential global agriculture development and human rights expert, with more than 35 years of experience in developing policies and programmes, agricultural education and rural development. Dr Chenoweth has been collaborating across political organisations at the local, state and international levels.

Dr Chenoweth retired from the Governing Council at its 33rd Annual General Meeting held on 22nd November 2017 after serving her two terms.

A/Prof Elske Fliert (The Netherlands)
Chair Nominating Committee

Associate Professor and Director
Centre for Communication and Social Change, School of Communication and Arts,
The University of Queensland (Bldg # 37),
St Lucia, Brisbane QLD 4072, Australia.
AUSTRALIA

Prof van de Fliert is a social scientist, and coordinates and teaches the Master of Communication degree programme in the Centre for Communication for Social Change, School of Journalism and Communication, University of Queensland, Australia. She is involved in several research projects in Indonesia, East Timor and Mongolia. She has a PhD in Communication and Innovation Studies from Wageningen University, The Netherlands, and an MSc and BSc (Ecology) from Utrecht University, The Netherlands.

Dr Ylva Hillbur (Sweden)
Member

Pro Vice-Chancellor, International relations
Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences,
PO Box 7070, SE-750 07,
Uppsala
Visiting address: Fakultetskansliet, Sundsvägen 5, Alnarp
SWEDEN

Dr Hillbur is Pro vice-chancellor with responsibility for international relations, at the Swedish University of Agricultural Sciences (SLU) since 2017. From 2012 to 2017 she held the position as Deputy Director General, research for development, at the International Institute of Tropical Agriculture (IITA). IITA is one of the CGIAR institutes, it has its headquarters in Nigeria and implements its research for development agenda through stations in 18 countries across sub-Saharan Africa. Prior to joining IITA, Hillbur worked for almost 20 years at SLU, where her research on insect chemical ecology primarily focused on applications in environmentally sustainable plant protection.

During 2006–2012 she was heading the Department of Plant protection biology at SLU. She obtained her PhD at SLU in 2001 and was appointed associate professor in 2012. Dr Hillbur has also been appointed adjunct associate professor at Addis Ababa University, Ethiopia.

Dr Bernard E. Vaissière (France)
Chair Programme Committee

Research Leader,
National Institute for Agricultural Research (INRA)
UR406 Abeilles & Environment (Research Unit 406 Bees and the Environment),
Laboratoire de Pollinisation & Ecologie des Abeilles (laboratory of Pollination and Bee Ecology)
Charge de Recherche France.
FRANCE

Dr Vaissière received a PhD in Entomology from Texas A&M University in 1991, where he researched on the potential of the honeybee, *Apis mellifera* L. (Hymenoptera: Apidae), as pollinator of upland cotton, *Gossypium hirsutum* L. (Malvaceae), to produce hybrid seed. He also holds an MSc in Agronomy from Institut National Agronomique Paris Grignon. His thesis was entitled "Management and economics of beekeeping units in the Parisian Basin" (translated from French).

Dr Vaissière has been a pollination agronomist at INRA since September 1989. In 2000, he was appointed research leader of the Pollination and Bee Ecology team, conducting research under the Agroecology of Pollination in Entomophilous Crops programme. His research focuses on mechanisms of effective pollen transfer and dispersal in entomophilous species, incidence of colony management in social bees on their pollinating activity, and valuation of insect pollination in agriculture in agronomic and economic terms.

Prof. James H.P. Kahindi (Kenya)

Member

Deputy Vice Chancellor,
Academic and Student Affairs,
Pwani University
PO Box 195-80108
KILIFI, KENYA

Prof. Kahindi has vast research experience in microbial control of pests and vector insects, and in microbial biotechnology (specifically biological nitrogen fixation). His other areas of expertise include: sustainable environmental management and conservation; natural resource management encompassing environmental audits and environmental impact assessments; water sanitation and environment; strategies for environmental development; sustainable consumption and production; renewable energy solutions; geothermal energy management and the environment; and sustainable energy development.

Prof. Kahindi has held various top-level administrative positions in academia and in the public sector (making significant contributions to education, research, science, technology and innovation), and in environment and capacity building initiatives in Kenya.

Dr. Barbara Frei Haller

Member

Lecturer in Ethnopharmacy, ETH Zurich, Switzerland
Fed. dipl. Pharmacist, PhD (Dr. sc. nat. ETH ZH)
Board Member BioVision, Foundation for Ecological Development
Bröl dadaint 14
CH-7546 Ardez
SWITZERLAND

Dr. Barbara Frei Haller is a Swiss scientist with an interdisciplinary background in pharmaceutical sciences. She is affiliated to the Institute of Pharmaceutical Sciences IPW at the Swiss Federal Institute of Technology ETH Zurich as a lecturer in ethnopharmacy. She holds a PhD in phytochemistry, ethnobotany, ethnomedicine, and a MSc and BSc in pharmaceutical sciences all from ETH Zürich, Switzerland. Her main research interests cover natural product chemistry regarding prevention and treatment of malaria, ethnobiology and its general leverage for parasitic diseases, and transdisciplinary approaches in development cooperation. Her research led her to longer stays among Mexican indigenous healers and to a long-standing collaboration with *icipe* HQ in Nairobi, its field stations and project sites.

Barbara is a Board Member of Biovision Foundation for Ecological Development (www.biovision.ch), a Swiss nongovernmental organisation focussing on food security and sustainable agriculture by contributing to the implementation of Agenda 2030 with a strong focus on SDG 2 “Zero Hunger”. Barbara chairs the program committee which is responsible for the preliminary selection of new and innovating projects and the monitoring and impact assessment of on-going projects and capacity building.

Through Barbara’s further positions in a public pharmacy and as an advising clinical pharmacist, as well as a member of the Swiss Academy of Pharmaceutical Sciences SAPHs she is involved in the ongoing discussions and development in all areas of the pharmaceutical and public health care sector nationally and globally.

Barbara Frei Haller joined the *icipe* Governing Council in 2017 and is looking forward to supporting further development of *icipe*, especially in the human health and pharmaceutical field as well as in sustainable capacity building.

Prof. Rickard Ignell
Member

Head of Department of Plant Protection Biology,
Professor, Division of Chemical Ecology
PO Box 102 Sundsvägen 14 SLU 230 53 Alnarp
SWEDEN

Rickard Ignell is the Head of Department of Plant Protection Biology at the Swedish University of Agricultural Sciences (SLU), a position he has held since 2012.

His scientific research focus is on the chemical ecology of disease vectors, particularly mosquitoes. Using a multi-pronged approach, he is interested in how odour-mediated behaviours of mosquitoes have evolved and are regulated.

His work on malaria mosquitoes has allowed him to establish a collaborative network across Africa, where he has a long-standing collaboration with Addis Ababa University. His connection with *icipe* started in the late 1990s when he collaborated with the Centre on locust chemical ecology

Dr. Takashi Okuda
Member

Anhydrobiosis Research Group,
Biological Function Development Unit,
National Institute of Agrobiological Sciences,
1-2 Ohwashi, Tsukuba, Ibaraki, 305-8634
JAPAN

Dr Takashi Okuda has joined the National Institute of Agrobiological Sciences, Japan in 1998, and established the Anhydrobiosis Research Group in 2000 as a leader of the Biological Function Development Unit until his retirement in 2017.

Throughout his career, Dr. Okuda has been fascinated by insect dormancy in the tropics, i.e., how insects reduce their metabolism at high ambient temperatures. He emphasizes the importance of African insects as useful biological resources. In this regard, between 1987 and 1988, as a JSPS Visiting Research Fellow at *icipe*, he elucidated diapause induction and termination factors in the African stemborer, *Busseola fusca*.

Dr Okuda's current research is on anhydrobiosis (unique dormancy with zero metabolism) of the Sleeping Midge, which can remain in complete desiccation for more than 17 years and revive within an hour after rehydration. Knowledge regarding this African insect is expected to contribute to many fields of research, e.g. cell biology, radiation biology, space biology, aquaculture and others.

Dr Okuda obtained a PhD in Entomology and Physiology from the Czechoslovak Academy of Sciences, Praha, Czech Republic, in 1984, and an MSc from Gifu University, Department of Agriculture, Japan in 1981. Between 1985 and 1986, he was a Postdoctoral Fellow at the Medical School of Mie University, Japan.

He is a member of the Japan Society of Molecular Biology, Japan Ecology Society, Chironomid Research Society of Japan, Entomological Society of Japan; reviewer for Journal of Experimental Biology, Astrobiology, Zoological Sciences, International Journal of Radiation Research, Journal of Experimental Zoology, PNAS, FEBS letter, JBC. Since 2010, he is also Member on the JAXA Panel, Roadmap for Fundamental Biology in Space and "KIBO" module utilization.

Dr Segenet Kelemu (Ethiopia)

Director General & Governing Council Ex-officio Member

Director General & CEO

International Centre of Insect Physiology and Ecology (*icipe*)

PO Box 30772 – 00100 GPO

NAIROBI

Dr Kelemu is the fourth Director General of the International Centre of Insect Physiology and Ecology (*icipe*) in Nairobi, Kenya, and the first woman to lead the Centre.

She has a PhD in plant pathology and her research work has been in molecular plant pathology with emphasis on elucidation of molecular determinants of host–pathogen interactions, development of novel plant disease control strategies including genetic engineering, biopesticides, pathogen population genetics and dynamics, and endophytic microbes and their role in plant development.

Prior to becoming Director General of *icipe*, she was Vice President for Programmes at the Alliance for a Green Revolution in Africa (AGRA). Before that, she had worked as Director of the Biosciences eastern and central Africa (BecA) hub, a regional research facility at the International Livestock Research Institute (ILRI) in Nairobi, Kenya.

Management

Segenet Kelemu, Ph.D. - Director General

Dr. Sunday Ekesi, Ph.D. - Director of Research and Partnerships

Gatigwa Kimana – Director of Finance and Administration

Bankers

Citibank, NA

PO Box 30711 – 00100

Nairobi

Commercial Bank of Africa Limited

Wabera Street

PO Box 30437 – 00100

Nairobi

Equity Bank

Mbita Branch

PO Box 101 – 40305

Mbita

Kenya

Standard Chartered Bank (Kenya) Limited

Harambee Avenue

PO Box 20063 – 00100

Nairobi

Dahabshil Bank International

PO Box 2022

Place du 27 Juin

Djibouti

Wegagen Bank S.C

PO Box 1018

ILRI Campus

Bole Sub - Branch

Addis Ababa

Ethiopia

Auditors

KPMG Kenya

Certified Public Accountants

8th Floor, ABC Towers, Waiyaki Way

PO Box 40612 – 00100

Nairobi

Lawyers

Ndungu Njoroge & Kwach Advocates

International Life House

PO Box 41546 – 00100

Nairobi

Walker Kontos

Hakika House, Bishops Road

PO Box 60680 – 00200

Nairobi

The Governing Council presents its report for the year ended 31 December 2017 which shows the state of the Centre's affairs.

1. Principal Activities

The Centre helps to alleviate poverty, ensure food security and improve the overall health status of peoples of the tropics, by developing and extending management tools and strategies for harmful and useful arthropods, while preserving the natural resource base through research and capacity building.

2. Operating Results

During the year, *icipe* grants income amounted to US\$ 19,860,749 (2016: US\$ 22,861,252). The grant income, together with other income, totaled US\$ 22,349,008 (2016 – US\$ 24,437,665). Expenditure for the year was US\$ 21,919,695 (2016 – US\$ 24,384,903), resulting in a surplus of US\$ 429,313 (2016 – surplus US\$ 52,762).

3. Financial Statements

At the date of this report, the Governing Council is not aware of any circumstances, which would have rendered the values attributed to the assets and liabilities in the financial statements of the Centre misleading.

4. *icipe's* Environmental Friendly Initiatives Towards Life and General Environmental Sustainability

Policy statement

icipe is committed to managing its environmental impact as an integral part of its operations. *icipe's* policy is to assure the environmental integrity of its processes and facilities at all times. *icipe's* is commitment to adoption of green energy operations aimed at minimizing the institution's impact on the environment. *icipe's* further is commitment to reduce and where possible eliminate environmental risks to health through integration of reasonable practices in its work.

Projects initiatives

icipe's projects have environmental sustainability and, increasingly, climate change as a policy priority, and several of *icipe's* current projects are having an impact on global policy debates, for example its work on counter measures against the disastrous effects of the introduction of alien invasive species to Africa and their adverse impact on agricultural productivity and intra- and inter-continental trade, or the Centre's research and lobbying efforts for integrated and environmental friendly vector management as a key intervention strategy for disease control in Africa and as an effective alternative to the use of pesticides for vector control; *icipe* is pursuing the latter objective as part of its mandate as a regional centre of the UN's Stockholm Convention.

icipe principles of conserving natural variety and maintaining environmental integrity by promoting alternatives to synthetic pesticides shall continue to promote the use of environmental friendly pest control strategies.

icipe is also engaged in key areas of environmental sustainability by addressing management of fragile ecosystems and maintenance of their bio-diversity through research and development work that support natural resource-based community enterprises. This work is designed to achieve a paradigm shift in the thinking of communities and authorities towards conservation and utilization of natural resources and biodiversity on which rural livelihoods most often depend. *icipe* identifies the key entry points, in partnership with essential stakeholders that have potential for scaling up its research and development projects by:

4. ***icipe's* Environmental Friendly Initiatives Towards Life and General Environmental Sustainability (Continued)**

Projects initiatives (continued)

- Providing science based working models of community enterprises that have potential to contribute to livelihood security and to change community and local authority approaches towards the management of fragile and threatened ecosystems.
- Increasing institutional, human resource and technological capacities in science and biodiversity to plan and implement policies, programmes and activities that contribute to environmental sustainability. This point to the need to increase joint programmes with key partners with a potential to leverage widespread change.

Providing informed positions on the impact, opportunities and threats of climate change to communities in fragile and threatened ecosystems that the Centre's programs are working with.

Institution initiative

As a research Centre, *icipe's* main environmental impact arise from waste generation, water use and energy consumption. In line with its policy, *icipe* has taken and implemented a number of projects that are aimed at impacting positively on the environment while reducing its carbon footprint. These are summarized below:

Installation of energy efficient laboratory equipment - In 2016 *icipe* upgraded the water distillation equipment with a modern system that does not use clean water for cooling, but rather uses the reverse osmosis technology to produce laboratory grade water. This new system will lead to water savings of approximately 40 cubic metres of water per month and energy savings of up to 384kWh. A similar system was acquired for Mbita and will be installed in 2018. In addition, *icipe* replaces old fridge/freezers with energy efficient Fridge/freezers that are eco-friendly and use less power. *icipe* will continue to replace all refrigeration equipment with modern and more efficient equipment that are eco-friendly and that use ozone friendly refrigeration gases.

Installation of LED bulbs - As at November 2017, approximately 6,000 new LED lighting systems had been installed in both Duduville and Mbita campuses. In comparison to the old light fittings, the new LED systems have an energy savings of 50-55%.

Installation of Solar PV panels - In 2016, *icipe* installed a total of 3,460 panels in Duduville and 744 on its ITOC campus in Mbita. In addition, a total of 144 solar charged batteries were installed, which are expected to provide power to the Mbita campus for at least 4-5 hours each day. Duduville plants were commissioned in December 2016 and power generation has been on-going since then. Prior to solar generation the average grid power usage monthly was 141,284kWh. Present data generation indicate that the average monthly usage has decreased to an average of 78,418kWh which translates to a 37% reduction attributed to the solar contribution. Carbon savings based on use of solar power have been recorded to be a total of 213,307kgCO₂e which translates to about 30% savings from total carbon emission of 690,866kgCO₂e before commissioning of the solar plant at the Duduville campus.

Reduction in Diesel consumption - In August 2016, *icipe* decommissioned one out of five generators in Duduville that had average monthly diesel usage of 131 litres, translating to a reduction of 341 kgCO₂e carbon emission monthly. In 2018, *icipe* plans to decommission the Carrol Wilson generator and more savings are expected to be achieved. Meanwhile, two old generators were decommissioned in Mbita and replaced with new more efficient generator thereby reducing the amount of diesel consumed. In the energy consumption matrix, in 2016, generators contributed 10% of total power consumed while in 2017 this dropped to an average 5%.

4. ***icipe's* Environmental Friendly Initiatives Towards Life and General Environmental Sustainability (Continued)**

Institution initiative (continued)

Rain water harvesting - A total of 18 water tanks have been installed within *icipe* Duduville Campus, each with a capacity of 24 cubic metres translating to a total capacity of 432 cubic metres. The harvested water is being used for lawns irrigation, car wash and moats cleaning purposes. This continues to supplement the city's utility water supply. Three (3) similar capacity tanks have been installed in Mbita to improve the water distribution systems on the campus. Traditionally Mbita has relied on water from the lake being pumped directly for irrigating the experimental farm plots and screen houses. The new tanks serve as reservoirs enabling individual plots to be irrigated independently and on need basis thereby reducing water wastage as well as reducing power consumption and fuel usage.

Installation of automatic sensor taps in washrooms

Since 2016, *icipe* has installed a total of 121 Infra-red (IR) electronic controlled basin taps and 40 infra-red controlled urinals in selected washrooms across Duduville campus. These are aimed at enhancing water conservation by minimizing wastage. *icipe* plans to roll out the same exercise in other areas of the campus as well as in Mbita.

Tree planting - Since 2015 *icipe* has planted about 544 trees and 11,541 assorted plants within Duduville campus, around the perimeter fence and on open lawns. *icipe's* vision is to partner with international and local companies and firms that are interested in carbon trading for planting of trees in the field stations at the Coast and Western part of Kenya where *icipe* has land holdings.

Green purchasing - *icipe* ensures that goods procured, especially equipment like refrigerators and freezers are Chlorofluorocarbons (CFC) free. The printing and photocopying paper used at *icipe* originates from the Green Range family (Mondi Rotatrim) and consists entirely of Forest Stewardship Council (FSC) registered certified paper from well-managed forests, Totally Chlorine Free (TCF) as it is 100% recycled. The waste paper is later collected by a contracted firm for safe disposal through recycling. In addition, to optimize use of paper, most of *icipe's* printing and photocopying is done from centralized machines that ensures controlled usage with a default setting of back to back printing.

Most of the funding for the above initiatives has been provided by the Swiss Agency for Development and Cooperation (SDC) through its funding of the "greening of *icipe*" project.

Staff sensitization on energy use - Staff sensitization has been through electronic circular communication through e-mails to all staff on need to conserve energy and verbal updates in meetings.

Waste handling recycling & disposal

- a) **Paper Waste** - Since 2016 to date, a total of 9,130 Kgs (net weight) of waste paper has been collected for recycling.
- b) **Used engine oil** - Since 2016 to date, a total of 2,400 litres of used engine oil was collected for safe disposal. The oil is used as fuel in manufacture of blow glass and other glass made decorative objects that are produced for commercial purposes.
- c) **E-waste disposal** - Obsolete and scrap equipment is disposed through a contracted organization that recycles E-waste in an environmentally sound manner that is protective of public health and in accordance with all local and international environment standards and all applicable rules and regulations. Since 2016 electronic equipment and parts weighing 12,430 kgs has been so disposed through a National Environment Management Authority (NEMA) registered organization.

4. *icipe's* Environmental Friendly Initiatives Towards Life and General Environmental Sustainability (Continued)

Waste handling recycling & disposal (continued)

Composting - The Centre has also adopted alternative uses for organic waste from the kitchen and gardens by composting it as green manure for use in the green houses and experimental plots and for research purposes (e.g. rearing of insects for food and feed).

Relevant legislation

icipe is committed to compliance with all applicable local and international environmental regulations and other environmental related requirements through the continual improvement of its environmental management system and the prevention of pollution.

icipe has an Occupational Health and Safety Committee and an Environment Management Committee both of which are responsible for overseeing the management of risk to the environment and staff.

5. Governing council

The membership of the Governing Council during the year is detailed on pages 1-7.

6. Auditors

KPMG Kenya served as auditors during the year.

By order of the Governing Council



Dr. Lukas Bertschinger
Chair

Date: 9/4/18

Management are responsible for the preparation and presentation of the financial statements of International Centre of Insect Physiology and Ecology (*icipe* or the Centre) set out on pages 16 to 28 which comprise statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in reserves and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

Management responsibilities include: determining that the basis of accounting described in Note 2 is an acceptable basis for preparing and presenting the financial statements in the circumstances, preparation and presentation of financial statements in accordance with Centre's accounting policies and for such internal controls as the Governing Council determine are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the basis of accounting described in Note 2. Management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Centre and of its results of activities and cash flows. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Governing Council exercises its responsibility for these financial statements through its Audit and Finance Committee. The Committee meets with Management, Internal Auditor and External Auditors to review matters relating to financial planning, financial reporting, risk management, internal control and auditing.

Management have made an assessment of the Centre's ability to continue as a going concern and have no reason to believe the Centre will not be a going concern for at least the next twelve months from the date of this statement.

Signed on behalf of Management by: .



Segenet Kelemu, Ph.D.
Director General

Date: 09 April, 2018



Gatigwa Kimana
Director Finance & Administration

Date: 9 April 2018



KPMG Kenya
Certified Public Accountants
8th Floor, ABC Towers
Waiyaki Way
PO Box 40612 00100 GPO
Nairobi, Kenya

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**REPORT OF THE INDEPENDENT AUDITOR TO THE GOVERNING COUNCIL OF
INTERNATIONAL CENTRE OF INSECT PHYSIOLOGY AND ECOLOGY
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

Opinion

We have audited the accompanying financial statements of the International Centre of Insect Physiology and Ecology (*icipe* or the Centre), set out on pages 16 to 27 which comprise statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in reserves and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of International Centre of Insect Physiology and Ecology as at 31 December 2017, and the financial performance and cash flows for the year then ended in accordance with accounting policies set out in Note 2.

Basis of 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 *icipe* in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our 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.

Emphasis of matter - basis of accounting

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statements are prepared to solely comply with the financial reporting provisions of the Centre. Our opinion is not modified in respect of this matter

Other information

The Governing Council is responsible for the other information. Other information comprises the information included in the *Report of the Governing Council and financial statements* 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.

Responsibilities of management and those charged with governance for the financial statements

As stated on page 14, management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies set out in Note 2 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

KPMG Kenya is registered partnership and a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Partners
(British*)

EE Aholi
BC D'Souza
JM Gathecha
JI Kariuki
PI Kinuthia

AM Mbai
JL Mwaura
JM Nguny
AW Pringle*



Report of the independent auditors (continued)

Responsibilities of management and those charged with governance for the financial statements

In preparing the financial statements, management is responsible for assessing the organization'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 organization or cease operations, or has no realistic alternative but to do so.

The Governing council is responsible for overseeing the organization's financial reporting process.

Auditors' responsibility

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 auditors' 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 the 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 judgment and maintain professional scepticism 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 centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- 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.

The Engagement Partner responsible for the audit resulting in this independent auditor report is CPA John Ndunyu - P/2100.

K. Paul Keny

Date:


9 APRIL 2018

The International Centre of Insect Physiology and Ecology (*icipe*)
Statement of Financial Position
For the Year Ended 31 December 2017

Description	Note	2017 US\$	2016 US\$
<u>Non-current assets</u>			
Property and equipment (unrestricted)	4(a)	706,679	833,071
Property and equipment (restricted)	4(b)	<u>10,141,528</u>	<u>9,208,643</u>
Sub-total non-current assets		<u>10,848,207</u>	<u>10,041,714</u>
<u>Current assets</u>			
Consumable stores		30,953	19,706
Grants receivable	5	1,180,252	1,978,313
Receivables and prepayments	6	2,567,177	2,160,674
Bank and cash balances	7	<u>35,598,126</u>	<u>30,432,157</u>
Sub-total current assets		<u>39,376,508</u>	<u>34,590,850</u>
Total assets		<u>50,224,715</u>	<u>44,632,564</u>
<u>Current liabilities</u>			
Payables and accruals	8	3,321,253	5,006,270
Unexpended operating grants	18	<u>22,444,340</u>	<u>18,580,514</u>
Sub-total current liabilities		<u>25,765,593</u>	<u>23,586,784</u>
<u>Long term liabilities</u>			
Provision for staff repatriation	9	314,275	315,545
Total liabilities		<u>26,079,868</u>	<u>23,902,329</u>
Total assets less total liabilities		<u>24,144,847</u>	<u>20,730,235</u>
<u>Financed by:</u>			
General reserves		11,950,905	11,521,592
Currency revaluation reserves		2,052,414	-
Restricted assets capital fund	4(b)	<u>10,141,528</u>	<u>9,208,643</u>
Total capital fund & reserves		<u>24,144,847</u>	<u>20,730,235</u>

The financial statements were approved and authorised for issue by the Governing Council on 9 April 2018 and signed on its behalf by:


.....
Dr. Lukas Bertschinger
Chair of the Governing Council


.....
Dr. Segenet Kelemu, Ph.D.
Director General

The notes set out on pages 20 to 27 form an integral part of these financial statements.

The International Centre of Insect Physiology and Ecology (*icipe*)
Statement of Comprehensive Income
For the Year Ended 31 December 2017

Description	Note	2017 US\$	2016 US\$
<u>Income</u>			
Unrestricted core grants	17	4,238,298	4,382,567
Restricted projects grants	17	15,622,451	18,478,685
Miscellaneous income	11	1,927,473	1,576,413
Currency translation gain		<u>560,786</u>	<u>-</u>
Total income		<u>22,349,008</u>	<u>24,437,665</u>
<u>Expenditure</u>			
Research costs			
Research		15,884,155	19,517,751
Scientific equipment		600,558	297,303
Office equipment and furniture		2,963	1,460
Computer equipment		78,853	41,881
Vehicles		65,948	387,027
Research facilities		<u>1,569,901</u>	<u>15,265</u>
Sub-total research costs		<u>18,202,378</u>	<u>20,260,687</u>
Institutional costs			
Centre management		1,508,426	1,348,347
Administration and finance		1,116,828	1,073,724
Corporate		143,482	745,390
Facilities and maintenance		1,061,497	1,023,965
Field stations		878,244	874,195
Service units		134,669	80,315
Overhead recovery		<u>(1,125,829)</u>	<u>(1,021,720)</u>
Sub- total institutional costs		<u>3,717,317</u>	<u>4,124,216</u>
Total expenditure		<u>21,919,695</u>	<u>24,384,903</u>
Surplus for the year		<u>429,313</u>	<u>52,762</u>

The notes set out on pages 20 to 27 form an integral part of these financial statements.

The International Centre of Insect Physiology and Ecology (*icipe*)
Statement of Changes in Reserves
For the Year Ended 31 December 2017

Note	Accumulated surplus	General reserve	Currency revaluation reserve	Restricted assets capital fund	Total reserves
	US\$	US\$		US\$	US\$
Year ended 31 December 2016					
At 1 January	-	11,468,830	-	9,778,158	21,246,988
Surplus	52,762	-	-	-	52,762
Restricted fixed assets acquisitions	-	-	-	742,936	742,936
Net book value of disposed restricted assets	-	-	-	(12,100)	(12,100)
Restricted fixed assets depreciation	-	-	-	(1,300,351)	(1,300,351)
Currency revaluation gain	-	-	-	-	-
Transfer to general reserve	(52,762)	52,762	-	-	-
At 31 December 2016	-	11,521,592	-	9,208,643	20,730,235
Year ended 31 December 2017					
At 1 January	-	11,521,592	-	9,208,643	20,730,235
Surplus	429,313	-	-	-	429,313
Restricted fixed assets acquisitions	-	-	-	2,318,222	2,318,222
Net book value of disposed restricted assets	-	-	-	(411)	(411)
Restricted fixed assets depreciation	-	-	-	(1,384,926)	(1,384,926)
Currency revaluation gain	-	-	2,052,414	-	2,052,414
Transfer to general reserve	(429,313)	429,313	-	-	-
At 31 December 2017	-	11,950,905	2,052,414	10,141,528	24,144,847

The notes set out on pages 20 to 27 form an integral part of these financial statements.

The International Centre of Insect Physiology and Ecology (*icipe*)
Statement of Cash Flows
For the Year Ended 31 December 2017

	Note	2017 US\$	2016 US\$
Operating Activities:			
Net surplus for the year		429,313	52,762
Adjustments for:			
Depreciation		275,625	286,872
Currency revaluation		2,052,414	-
Gain on disposal of assets		(113,978)	(30,758)
Operating surplus before working capital changes		2,643,374	308,876
Consumable stores		(11,248)	(1,732)
Grants receivable		798,061	1,932,263
Receivables and prepayments		(406,503)	1,187,739
Payables and accruals		(1,685,017)	1,511,871
Unexpended operating grants		3,863,826	(3,196,990)
Provision for staff repatriation	9	40,703	57,689
Staff repatriation payments	9	(41,973)	(61,706)
Net cash flows from operating activities		<u>5,201,223</u>	<u>1,738,010</u>
Investing activities:			
Purchase of unrestricted property and equipment		(149,232)	(168,101)
Proceeds from disposal of assets		<u>113,978</u>	<u>32,157</u>
Net cash flows used in investing activities		<u>(35,254)</u>	<u>(135,944)</u>
Financing activities:			
Net movement in cash and cash equivalents		5,165,969	1,602,066
Cash and cash equivalents at the beginning of the year		<u>30,432,157</u>	<u>28,830,091</u>
Cash and cash equivalents at the end of the year	7	<u>35,598,126</u>	<u>30,432,157</u>

The notes set out on pages 20 to 27 form an integral part of these financial statements.

1. Organisation and nature of activities

The International Centre of Insect Physiology and Ecology (*icipe*), based in Nairobi, Kenya, is a unique international research organisation involved in developing technologies to alleviate world poverty and to ensure food security and good health for the peoples of the tropics through management of both harmful and useful arthropods. The Centre's current activities are focused around improving and promoting the 4Hs – Human, Animal, Plant and Environmental Health. Both Scientists and Integrated Pest Management practitioners benefit from the Centre's educational and training facilities and opportunities.

icipe collaborates with many local and international institutions in delivering and testing its improved scientific management techniques.

2. Significant accounting policies

The principal accounting policies set out below have been applied consistently to all periods presented in these financial statements:

(a) Revenue recognition

- (i) Restricted funds primarily include restricted purpose grants and cost reimbursement contracts for which the Centre has fiscal responsibility. Restricted funds income is recognised when funds are expended irrespective of whether funds have been received from the donors.

Restricted funds received during the year are recorded as unexpended operating grants until they are expended. Any unexpended restricted funds at the end of the year are carried forward to the next financial year as current liabilities.

- (ii) Unrestricted funds (core support) refer to donations received to fund the operations of the Centre, and for providing support, primarily for research and training activities. Unrestricted funds are recognised as income in the year they are received. However, if a donor has committed to provide unrestricted funds to *icipe* in a financial year and these funds are not received in the year, income relating to the financial year is accrued.
- (iii) Grant advances received during one year against the following year's commitments are treated as unexpended grant liabilities in the year of receipt and as income in the year of expenditure.
- (iv) Other income is recognised when earned.

(b) Expenditure

Expenditure is accounted for on an accruals basis.

(c) Property and equipment

Assets purchased either fully or partially from restricted funds are charged to the statement of comprehensive income in the year of purchase. These are then capitalised in the statement of financial position through the capital fund. Annual depreciation on these assets is recorded through this fund.

Assets purchased using *icipe* own funds are capitalised in the year of purchase.

Assets capitalised in the year of purchase have been depreciated at annual rates estimated to write-off the assets over their expected useful life. The annual rates used are:

2. Significant accounting policies (Continued)

(c) Property and equipment (continued)

Type of asset	%
Land and buildings	2.5
Scientific equipment	12.5
Furniture and office equipment	12.5
Motor vehicles	25.0
Computer equipment	25.0
Other Assets	12.5

(d) Translation of foreign currencies

Transactions during the year are converted to US\$ at the monthly average rates. Balances denominated in foreign currencies at the year-end are translated into US dollars at the average commercial banks rate ruling at the year-end. Unrealized gains and losses are transferred to currency revaluation reserve.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts.

(f) Pension fund contributions

The Centre makes pension contributions for Professional staff to an offshore Pension fund, channelled through AIARC (the Association of International Agricultural Research Centres) for investment by Generali, the Pension fund managers. Support Staff pension contributions are made to local private individual pension plans.

(g) Consumable stores

The Centre has adopted the just in time purchasing system, and does not hold any consumable stock, except for fuel which is stated at the lower of cost and net realisable value.

(h) Doubtful debts

Allowances are made for doubtful debts in specific cases based on their lack of recoverability. In addition, a 10% provision is also recorded on the remainder of grants receivable and on Collaborating organisations balances.

(i) Comparatives

Comparative figures where necessary conform to changes in presentation in the current year.

(j) Land donated by the Government

The Government of Kenya donated five pieces of land where the Centre has permanent structures, and which facilitate the Centre's research activities. These are Kasarani-Duduville Campus, Mbita-*icipe* Thomas Odhiambo Campus, Kwale-Muhaka field station, Nairobi-Riverside and Nairobi Arboretum Land. The land was donated at nil consideration.

3. Financial risk management

The Centre's operations expose it to a variety of financial risks, including credit risk and the effects of foreign exchange risk. The Centre's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out under policies approved by the Governing Council. Finance Unit identifies, evaluates and manages financial risks according to these policies. The policies lay down principles for overall risk management, as well as those covering specific areas such as foreign exchange risk and investing excess liquidity.

Market risk

(a) Foreign exchange risk

The Centre operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, Swiss Franc, Sterling Pound, Swedish Krona and Kenya Shilling. Foreign exchange risk arises from future transactions and recognised assets and liabilities.

The Centre manages foreign exchange risk by converting its foreign currency collections into spending currency on an ongoing basis to cater for its operational requirements. As a result, the Centre does not hold large amounts in currency deposits other than in the recipient and spending currencies.

Sensitivity considerations with respect to the movement in the foreign exchange movement indicate volatility leading to uncertainty on the exchange rates that may prevail, and this may have significant effect on the future results of the Centre owing to the multiplicity of currency amounts the Centre holds.

The Centre, as a matter of practice transacts in the currency most favoured by the stability in exchange rates among the basket of currencies that it holds.

(b) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities due to the dynamic nature of the underlying businesses. Management monitors rolling forecasts of the Centre's liquidity reserve based on expected cash flow.

4. Property and equipment

(a) Unrestricted assets

	<u>Riverside house</u>	<u>Arboretum land</u>	<u>Arboretum house</u>	<u>Dudu guest house</u>	<u>Scientific equipment</u>	<u>Computer equipment</u>	<u>Furniture & office equipment</u>	<u>Motor vehicles</u>	<u>Totals</u>
	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$
Cost									
At 01 January 2017	310,949	3,077	164,067	2,333	1,178,136	1,290,667	252,265	576,267	3,777,761
Additions	-	-	-	-	41,548	61,319	1,665	44,700	149,232
Disposals	-	-	-	-	(36,741)	(58,176)	(48,001)	(86,923)	(229,841)
At 31 December 2017	<u>310,949</u>	<u>3,077</u>	<u>164,067</u>	<u>2,333</u>	<u>1,182,943</u>	<u>1,293,810</u>	<u>205,929</u>	<u>534,044</u>	<u>3,697,152</u>
Depreciation									
At 01 January 2017	228,868	3,077	95,572	1,076	810,631	1,077,225	223,055	505,186	2,944,690
Disposals	-	-	-	-	(36,741)	(58,176)	(48,001)	(86,923)	(229,841)
Charge for the year	<u>9,120</u>	<u>-</u>	<u>4,103</u>	<u>57</u>	<u>93,588</u>	<u>119,239</u>	<u>9,856</u>	<u>39,661</u>	<u>275,624</u>
At 31 December 2017	<u>237,988</u>	<u>3,077</u>	<u>99,675</u>	<u>1,133</u>	<u>867,478</u>	<u>1,138,288</u>	<u>184,910</u>	<u>457,924</u>	<u>2,990,473</u>
Net book value									
At 31 December 2017	<u>72,961</u>	<u>-</u>	<u>64,392</u>	<u>1,200</u>	<u>315,465</u>	<u>155,522</u>	<u>21,019</u>	<u>76,120</u>	<u>706,679</u>
At 31 December 2016	<u>82,081</u>	<u>-</u>	<u>68,495</u>	<u>1,257</u>	<u>367,505</u>	<u>213,442</u>	<u>29,210</u>	<u>71,081</u>	<u>833,071</u>

4. Property and equipment (continued)

(b) Restricted assets

Property and equipment, purchased from restricted funds are written off to the statement of comprehensive income in the year of purchase and shown in the statement of financial position through a capital fund.

Cost	Land & buildings US \$	Scientific equipment US \$	Computer equipment US \$	Office equipment & furniture US \$	Motor vehicles US \$	Others US \$	Totals US \$
At 1 January 2017	8,011,966	6,507,776	745,472	380,788	2,199,724	115,972	17,961,698
Additions	1,569,901	600,558	78,852	2,963	65,948	-	2,318,222
Disposals	-	(137,467)	(88,040)	(146,117)	(328,913)	(47,916)	(748,453)
At 31 December	<u>9,581,867</u>	<u>6,970,867</u>	<u>736,284</u>	<u>237,634</u>	<u>1,936,759</u>	<u>68,056</u>	<u>19,531,467</u>
Depreciation							
At 1 January 2017	2,957,185	3,094,256	605,194	284,077	1,696,371	115,972	8,753,055
Disposals		(137,466)	(87,631)	(146,116)	(328,913)	(47,916)	(748,042)
Charge for the year	<u>239,502</u>	<u>801,878</u>	<u>88,987</u>	<u>26,396</u>	<u>228,163</u>	<u>-</u>	<u>1,384,926</u>
At 31st December	<u>3,196,687</u>	<u>3,758,668</u>	<u>606,550</u>	<u>164,357</u>	<u>1,595,621</u>	<u>68,056</u>	<u>9,389,939</u>
Net book value							
At 31 December 2017	<u>6,385,180</u>	<u>3,212,199</u>	<u>129,734</u>	<u>73,277</u>	<u>341,138</u>	<u>-</u>	<u>10,141,528</u>
At 31 December 2016	<u>5,054,781</u>	<u>3,413,520</u>	<u>140,278</u>	<u>96,711</u>	<u>503,353</u>	<u>-</u>	<u>9,208,643</u>

5. Grants receivable

Description	2017 US\$	2016 US\$
Grants receivables	1,374,116	2,272,506
Allowance for bad debts	(193,864)	(294,193)
Total	<u>1,180,252</u>	<u>1,978,313</u>

6. Receivables and prepayments

Staff debtors and accountable advances	218,718	249,287
Other debtors and prepayments	1,084,133	795,497
Collaborating organisations	<u>1,264,326</u>	<u>1,115,890</u>
Total	<u>2,567,177</u>	<u>2,160,674</u>

7. Bank and cash balances

Cash at bank	35,596,553	30,431,142
Cash in hand	<u>1,573</u>	<u>1,015</u>
Total	<u>35,598,126</u>	<u>30,432,157</u>

8. Payables and accruals

Leave liability	222,726	269,889
Other payables	1,631,910	1,917,086
Accruals and commitments	<u>1,466,617</u>	<u>2,819,295</u>
Total	<u>3,321,253</u>	<u>5,006,270</u>

9. Provisions for staff repatriation

Balance at 1 January	315,545	319,562
Provision for the year	40,703	57,689
Payments in the year	(41,973)	(61,706)
Total	<u>314,275</u>	<u>315,545</u>

10. Transfer from general reserves

In December 2017, US\$ 429,313 has been transferred to the General Reserves. The target is to maintain a reserve level of four to six months of operational needs in line with the Governing Council recommendation.

11. Miscellaneous income

Description	2017 US\$	2016 US\$
Recharge for space - collaborators	1,108,184	1,130,326
Gain on disposal of unrestricted assets	113,978	30,760
Interest on bank deposits	82,681	105,620
Screen house recharge - projects	16,660	32,200
Other income	5,990	45,867
Recharge for office & lab space - projects	467,004	231,640
Research support service	32,950	-
Research coordination	<u>100,026</u>	<u>-</u>
Total	<u>1,927,473</u>	<u>1,576,413</u>

12. Personnel costs

Personnel costs for the year amounted to US\$ 11,156,690 (2016 – US\$ 11,974,935), including the salaries and benefits of the Centre's full-time employees. The total pension fund contributions added in 2017 were US\$ 798,581 (2016 – US\$ 781,936). There was a total of 431 (2016 – 450) personnel on payroll at year end. The total amount of statutory deductions was US\$ 1,598,901 (2016 – US\$ 1,694,065) during the year.

The key management compensation for the year amounted to US\$ 941,750 (2016 – US\$ 864,759).

13. Taxation

Under the terms of the Headquarters Agreement with the Government of Kenya, the Centre is exempt from taxation.

icipe has also been granted exemption from taxation by the United States of America Internal Revenue Service.

14. Currency

These financial statements are presented in United States of America dollars (US\$).

15. In kind contributions

In 2017, the French Government through IRD and CIRAD stationed four Scientists at *icipe* solidifying and expanding our research and development capacities. Similarly, CIM, the German Centre for International Migration and Development, subsidized four scientists which also helped alleviate the financial responsibilities of *icipe*.

16. Overhead rate

	2017 Net cost US\$ 000	2016 Net cost US\$ 000
R&D Costs	17,475	21,069
Overhead Costs	5,103	5,111
Overhead rate (%)	29%	24%

17. Grant income balances

Donor	Balance b/f	Receipts/ transfers during the Year	Balance c/f	Income for the Year	Income for the Year
	1.1.2017	2017	2017	2017	2016
	US \$	US \$	US \$	US \$	US \$
Unrestricted income	2,221,694	2,505,603	489,000	(4,238,298)	(4,382,567)
Restricted income	14,086,314	22,117,362	20,581,224	(15,622,451)	(18,478,685)
Totals	16,308,008	24,622,965	21,070,224	(19,860,749)	(22,861,252)

18. Unexpended operating grants

Donor	Balance b/f	Balance c/f
	1.1.2017	31.12.2017
	US \$	US \$
Unrestricted	2,221,694	489,000
Restricted	16,358,820	21,955,340
Totals	18,580,514	22,444,340

Appendix 1: Schedule of grants

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
CORE FUNDS					
DEPARTMENT FOR INTERNAL DEVELOPMENT (DFID)	644,000	1,472,000	489,000	(1,627,000)	(1,323,773)
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION (SIDA)	-	1,789,016	-	(1,789,016)	(1,693,185)
SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)	1,568,000	-	-	(1,568,000)	(1,814,040)
GOVERNMENT OF KENYA	9,694	-	-	(9,694)	(9,500)
AID FOR AFRICA	-	470	-	(470)	-
EARMARKED FUNDS	-	(755,883)	-	755,883	700,825
FEDERAL MINISTRY FOR ECONOMIC COOPERATION AND DEVELOPMENT (GIZ/BMZ)	-	-	-	-	(242,894)
Sub - Total – Core	2,221,694	2,505,603	489,000	(4,238,297)	(4,382,567)
AFRICAN UNION (AU/EU)					
Validation and dissemination of bio intensive eco-friendly management strategies for thrips - a critical constraint to cowpea production in Africa	36,119	(32,743)	18,404	15,028	(190,221)
AGRIBUSINESS SYSTEMS INTERNATIONAL					
LGB Proof Testing Services, AgResults Kenya On-Farm Storage Pilot	47,697	-	(1,025)	(48,722)	(85,731)
AWARD					
A joint research attachment to support Ms. Hannah Karuris research on the identification of root knot nematodes from Kenyan sweet potato fields	(956)	2,122	1,166	-	(7,593)
Joint research attachment to support Ms. Juliana Amaka Ugwu's research on: "Molecular characterization of Iroko gall bug, (<i>Phytolyma lata</i>) from different regions and identification of entomopathogenic fungi in ICIPE through fingerprinting methods"	13,431	-	(1,166)	(14,597)	(8,776)

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
BAYER AG					
Integrating stingless bees for horticulture and plantation crop pollination to sustain livelihood among smallholder Agriculture farmers in Africa	-	90,344	72,644	(17,700)	-
BIODIVERSITY FOUNDATION					
Integrative pollinator-plant interaction assessment of ecosystem service diversity in Sub-Saharan Africa	-	62,000	62,000	-	-
BIOVISION FOUNDATION FOR ECOLOGICAL DEVELOPMENT	-	-	-	-	-
Improving delivery and uptake of push-pull technology in eastern Africa through innovative and integrated dissemination pathways and partnership platforms	(45,790)	345,000	(40,000)	(339,210)	(166,701)
Up-scaling of the dissemination of Fruit Fly IPM Technologies among smallholder growers in Kenya	-	-	-	-	(16,153)
Fruit fly IPM technology up scaling and dissemination among smallholder fruit growers in East Africa	68,069	90,000	66,000	(92,069)	(41,931)
Assessment of the viability of the Push Pull Technology in Tolay, Ethiopia	35,687	-	35,687	-	-
Scaling Push-Pull technology for enhanced food security and adaptive capacity of smallholder farmers in Ethiopia-Phase III	(22,913)	80,457	4,242	(53,302)	(67,676)
Multi-Intervention Impact Assessment	2,815	-	(6,511)	(9,326)	(57,185)
Push Pull Sub-Saharan Africa	297,615	-	(164,297)	(461,912)	(27,385)
Rift Valley Fever Monitoring and Response	42,674	-	42,674	-	-
Up-scaling, dissemination and capacity building efforts through community participatory-based strategy for prevention of Rift Valley Fever (RVF) disease in North Eastern Kenya	15,540	50,000	(13,028)	(78,568)	(64,517)
Integrated Vector Management (IVM) for Sustainable Malaria Control in East Africa -	-	-	-	-	(76,701)

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Integrated Vector Management (IVM) to improve health and livelihoods of communities in malaria affected areas of Kenya and Ethiopia	97,493	512,000	163,623	(445,870)	(407,507)
Marketing strategy development and backstopping of the Beekeeping Union for the improvement of livelihoods of Tolay Community, Ethiopia II	13,430	30,000	17,044	(26,386)	(66,658)
Enhancing the sustainability of community-based insecticidal and medicinal plant enterprises, biomonitoring of environmental health and youth sensitization in Kenya and Tanzania for livelihood improvement and biodiversity conservation.	27,057	140,000	5,667	(161,390)	(178,119)
TOF vernacular radio Ukambani - (TOF V- Radio -Ukambani)	-	-	-	-	(194)
Camel Bees and Silk CaBeSi West Pokot	-	-	(20)	(20)	-
BIOVISION AFRICA TRUST(BvAT)					
Biovision Farmer Communication Programs printing and distribution of The Organic Farmer Magazine (TOF) and Mkulima Mbunifu (MkM) Magazine and production of TOF radio programs.	14,238	116,000	30,017	(100,221)	(55,762)
FEDERAL MINISTRY FOR ECONOMIC COOPERATION AND DEVELOPMENT (GIZ/BMZ)	-	-	-	-	-
Implementation of integrated Thrips and Tospovirus Management strategies in smallholder vegetable cropping systems of Eastern Africa- (Thrips Phase II)	868	-	868	-	(38,853)
Development and implementation of a sustainable IPM and surveillance program for the invasive tomato leaf miner, <i>Tuta absoluta</i> (Meyrick), in North and Sub-Saharan Africa - (<i>Tuta absoluta</i> N & Sub-Sahara)	156,293	139,026	(2)	(295,321)	(350,947)

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Towards the development of Penside Diagnostic Assays for napier grass stunt disease to enhance livestock fodder supply and pest control in East Africa - (Penside Diagnostic Assays)	(3,843)	-	-	3,843	(3,845)
Acoustic early warning system for insects and rodents control in storage (RELOAD Phase1)	22,010	(21,983)	(3,877)	(3,904)	(113,609)
Reduction of Post-Harvest Losses and Value Addition in East Africa Food Value Chains (RELOAD Phase 11)	56,853	181,139	102,588	(135,404)	(36,190)
Development of integrated pest management strategies to produce important vegetable crops in Kenya (HORTINLEA Phase 1)	(21,351)	18,112	(2,128)	1,111	(110,611)
Introducing complex innovations: Creating strategic linkages for increased production and wider application of Push Pull Technology on East Africa (BiomassWeb Phase 1)	-	5,215	5,215	-	(56,334)
Improving food security in Africa through increased system productivity of biomass-based value web (Biomassweb Phase 11)	14,254	87,840	21,028	(81,066)	(29,941)
Enhancing the livelihood opportunities of smallholder African Indigenous Vegetable (AIV) producers through the development and implementation of IPM Measures for Arthropod and Nematode Pests - (AIV- IPM)	348,489	-	25,715	(322,774)	(355,375)
Better implementation of crop season breaks for management of Maize Lethal Necrosis Virus in East Africa – can remote sensing be an option? - (Maize Lethal Necrosis Virus)	(3,099)	3,219	120	-	(26,543)
Strengthening Citrus Production Systems through the introduction of Integrated Pest Management (IPM) measures for pests and diseases in Kenya and Tanzania (SCIPM) - (Citrus IPM)	535,819	227,800	394,818	(368,801)	(236,862)
Development and implementation of insect-based products to enhance food and nutritional security in sub-Saharan Africa (EntoNUTRI)	319,327	225,800	288,923	(256,204)	(124,833)

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Diversifying food systems: Horticultural Innovations and Learning for Improved Nutrition and Livelihood in East Africa (HORTINLEA Phase 11)	7,699	87,840	42,060	(53,479)	(42,260)
African nightshade for capturing nematodes – using dead end crop trap technology for tackling a new pest in East African potato production	-	53,650	21,400	(32,250)	-
Establishment of pilot commercial processing plant for food bait production for the management of Fruit Flies in Kenya - (ITAACC - BAIT PLANT)	137,484	(65,083)	(50)	(72,451)	(179,606)
CHARITY GERMAN DOCTORS					
Tungiasis pilot project - (Tungiasis pilot project)	10,247	-	9,517	(730)	(4,097)
CIRAD					
Coffee assesment CIRAD	(4,754)	70,776	23,116	(42,906)	(8,217)
"Netting Technology for Small-scale Vegetable Growers in Sub-Saharan Africa"	-	8,114	2,046	(6,068)	-
"Exploiting semiochemical compounds combined with physical control to design an ecologically intensive farming system"	-	12,965	4,499	(8,466)	-
CNHR/WELCOME TRUST					
Community of Excellence for Research in Neglected Vector Borne Zoonotic Diseases (CERNVec)	(23,120)	-	(23,120)	-	-
Community of Excellence for Research in Neglected Vector Borne and Zoonotic Diseases - (CERNVec Zoonotic Diseases) SGR/2014/03	(1,456)	-	(1,456)	-	-
Surveillance of enzootic yellow fever virus, dengue virus and malaria parasites circulating in non-human primates habituating within Kenyan urban centres - (CERNVec PostDoc)	7,056	(7,440)	(384)	-	-
Surveillance of Enzootic Yellow Fever Virus, Dengue Virus and Malaria Parasites in Non-Human Primates - (CERNVec POSTDOC II) RCDG/2014/041	(1,796)	-	(1,796)	-	-

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
DAAD					
Deutscher Akademischer Austausch Dienst In-Region scholarships for International Centre of Insect Physiology and Ecology (ICIPE) - (DAAD ARPPIS SCHOLARSHIPS)	389,242	604,285	508,836	(484,691)	(385,683)
Postdoctoral fellowships in Sub-Saharan Africa - Agreement on DAAD staff development programme and icipe - (DAAD staff development program)	5,399	7,214	(8,853)	(21,466)	3,937
DFID MILESTONES & DELIVERABLES					
Reduced tick's infestation levels for cattles owned by 4,500 pastoralist households in Kenya, Tanzania, Burkina Faso and Cameroon through novel biopesticide formulations and attractants/repellents for integrated tick management [3].	211,880	16,201	95,686	(132,395)	(197,119)
Increased staple cereal and livestock productivity, improved food safety and sufficiency and cropping system resilience reaching 225,000 smallholder farmers in six countries in eastern and southern Africa through further development and uptake of <i>icipe's</i> push-pull technology, with new knowledge on mycotoxin control and carbon sequestration for climate change mitigation.	259,118	108,738	81,536	(286,320)	(502,485)
Enhanced productivity of healthy vegetables for at least 19,200 vegetable farm households in Kenya and Tanzania through development, commercialisation and availability of at least 2 new biopesticides as alternative to chemical pesticides for management of key pests of vegetables [2].	-	30,529	-	(30,529)	-
EARMARKED CORE					
Core earmarked activities	3,477,442	648,758	3,730,269	(395,931)	(508,660)
ETH ZURICH DEPARTMENT HEALTHH					
Scent of disease: diagnostic for malaria infection in humans	73,553	(721)	(9,194)	(82,026)	(11,983)
EUROPEAN UNION - EU					
Integrated Biological Control Applied Research Programme (IBCARP)	351,146	4,617,980	2,446,649	(2,522,477)	(2,248,043)

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Sustainable Peri-Urban Milk Value Chain Development in Somaliland - (Peri-Urban Milk Chain)	426,136	310,152	23,792	(712,496)	(1,654,683)
Adaptation and Dissemination of the Push Pull Technology (ADOPT): A conservation agriculture approach for smallholder cereal-livestock Production in drier change areas to withstand climate	(183,769)	-	(183,769)	-	-
Microbial uptakes for sustainable management of major banana pests and diseases — MUSA	-	115,844	105,859	(9,985)	-
African Reference Laboratory (with satellite stations) for the Management of Pollinator Bee Diseases and Pests for Food Security	(1,404,544)	2,001,171	1,232,796	636,169	(1,502,202)
RESEARCH FOR ORGANIC AGRICULTURE (FIBL)					
Long-term Farming Systems Comparisons in Kenya and Participatory on-farm research of Locally Adapted Technologies for Organic Agriculture - (LTE &PTD)	(52,394)	58,094	51	(5,649)	(221,026)
Long-term Farming Systems Comparisons in Kenya- What is the Contribution of Organic Farming to Sustainable Development? And Participatory Development of Locally Adapted Technologies for Organic Agriculture.	(62,917)	66,354	-	(3,437)	-
Long-term Farming Systems Comparisons in Kenya and Participatory on-farm research of Locally Adapted Technologies for Organic Agriculture Project	-	132,364	(30,027)	(162,391)	-
Long-term Farming Systems Comparisons in Kenya and Participatory on-farm research of Locally Adapted Technologies for Organic Agriculture Project	-	72,475	(2,322)	(74,797)	-
External Evaluation by the Kenya Syscom Team	-	-	(15,114)	(15,114)	-
Productivity and Profitability of Organic and Conventional Farming Systems (ProEcoOrganicAfrica): A Comparative Analysis in Sub-Saharan Africa	2,388	18,301	11,044	(9,645)	(12,128)

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
FININISH GOVERNMENT (FINIDA)					
Climate Change Impacts on Ecosystem Services and Food Security in Eastern Africa - CHIESA	190,231	-	190,231	-	(355,100)
Adaptation for Ecosystem Resilience in Africa - AFERIA	412,234	545,053	449,764	(507,523)	(156,530)
FOOD AND AGRICULTURAL ORGANIZATION (FAO)					
Development of animal health packages for the rural poor - (Animal Health Packages FAO)	(193)	-	(193)	-	(58,839)
Technical backstopping and supervision of the project entitled - Management of the Asian Fruit Fly, <i>Bactrocera Invadens</i> (Diptera: Tephritidae) in the Southern African Community (SADC)	-	-	-	-	(73,094)
Training of 20 Government technicians and determination of Potato Cyst Nematode (PCN) status of 1,200 soil samples	47,965	33,089	-	(81,054)	(15,995)
IITA/GATES FOUNDATION					
Achieving sustainable striga control for poor farmers in Africa	(2,549)	-	(2,549)	-	-
GEIGY FOUNDATION					
Endosymbiotic Bacteria and Vector Competence: The Effects of Harboring <i>Spiroplasma</i> on the Biology of Mosquitos	1,607	-	-	(1,607)	(14,022)
GERMAN RESEARCH FOUNDATION					
Freshwater pollution and the links to the distribution of <i>Schistosoma</i> host snails in Western Kenya	-	12,346	(7,796)	(20,142)	-
Freshwater pollution and the links to the distribution of <i>Schistosoma</i> host snails in Western Kenya 2	-	16,570	(4,045)	(20,615)	-
Antibody Clearance as Virulence Factor in African Sleeping Sickness Phase 1	17,517	23,241	(32,870)	(73,628)	(100,710)
GOOGLE.ORG FOUNDATION					
An Intergrated Response System for Emerging Infectious Diseases in East Africa	240	-	240	-	-

The International Centre of Insect Physiology and Ecology (*icipe*)
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Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
GOVERNMENT OF NETHERLANDS					
Developing an Institutional Programme for Collaborative Organisational Capacity Development (OCD) in Africa	-	528	528	-	-
GRAND CHALLENGES CANADA					
Multi-Diseases Grand Challenge - (Multi - Disease Diagnostics)	913	-	913	-	-
ICWC - WORLD FEDERATION OF SCIENTISTS					
Masters Training World Laboratory - (Icsc World Laboratory)	2,541	-	1,985	(556)	(18,590)
INTERNATIONAL DEVELOPMENT RESEARCH CENTRE (IDRC)					
Postharvest Losses in Africa: Analytical Review and Synthesis	9,264	-	9,264	-	(13)
Insect Feed for Poultry and Fish Production in Kenya and Uganda (CultiAF)	33,286	214,401	(13,428)	(261,115)	(761,014)
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)					
Scaling up Biological Control of Diamondback Moth on Crucifers in East Africa to other African Countries - (DBM Crucifers in East Africa)	(25,916)	25,916	-	-	(166,840)
Scaling up bee keeping and other livelihood options to strengthen farming systems in the Near East and North Africa (NENA), and East Africa project - (Scaling up Bee-keeping)	(1,274)	-	(1,274)	-	(138)
Alternative Livelihoods for Food and Income Security in Four Indian Ocean Island Nations and in Zanzibar, United Republic of Tanzania	569,267	-	(37,262)	(606,529)	(615,132)
INTERNATIONAL INSTITUTE OF TROPICAL AGRICULTURE (IITA/CGIAR)					
Humidtropics, CGIAR Research Program	(42,649)	20,416	(36,353)	(14,120)	(151,702)
IMPERIAL COLLEGE LONDON					
Controlling the Mosquito Vectors of Malaria with Engineered Endonucleases - (Mosquito Control - HEG)	286,284	(64,956)	14,585	(206,743)	14,395

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
IN2CARE BV COMPANY					
Semi-field evaluation of eave tubes with electrostatic netting treated with mosquito control agents - (icipe-In2Care Mosquito Project)	175	-	163	(12)	(7,810)
INSTITUTE OF INTERNATIONAL EDUCATION					
Post Doctorial Training Grant for BabaDoye	457	-	457	-	(4,879)
INTERNATIONAL ATOMIC ENERGY					
Fruit fly AFFI-International Atomic Energy Agency	65,878	11,999	64,775	(13,102)	(22,522)
INTERNATIONAL LIVESTOCK RES. INSTITUTE					
BecANet training Pauline Nana	9	-	9	-	-
KENYA BIOLOGICS LIMITED					
Establishing Nematology at <i>icipe</i>	1,908	-	1,908	-	(1,835)
KENYA ORGANIC AGRICULTURAL NTW (169)					
IC Pillar-SDC	34,432	(34,432)	-	-	-
KUNGLIGA TEKNISKA HOSKOLAN					
Identification of novel oviposition attractants for malaria mosquitos	-	-	(2,356)	(2,356)	-
LONDON SCHOOL OF HYGIENE AND TROPICAL MEDICINE (LSHTM/BMGF)					
Assessment of the Infectious Reservoir of Malaria - (Reservoir Malaria (AFIRM))	-	-	-	-	(316)
LONDON SCHOOL OF HYGIENE AND TROPICAL MEDICINE (LSHTM/NIH)					
Studying the Oviposition Behaviour of <i>Anopheles gambiae</i> : The Development of Novel Tools for the Surveillance and Control of this Major Malaria Vector - (Malaria LSHTM)	-	-	-	-	394
LSU AGRICULTURAL CENTRE/BMGF					
Novel Attract and Kill Strategies for Malaria Control	(5,903)	17,000	457	(10,640)	(13,903)
MASTERCARD FOUNDATION					
Promote knowledge and technology-based entrepreneurship through training in beekeeping and silk farming for youth employment in Ethiopia	2,439,216	2,978,397	3,530,215	(1,887,398)	(703,065)

Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
McKNIGHT FOUNDATION					
Developing an Integrated Management Approach for Napier Stunt Disease in East Africa - (Napier Stunt Disease McKnight)	(77)	77	-	-	-
Saving the Smallholder Dairy Industry in East Africa: Validation and Implementation of Integrated Management Approach for Napier Stunt Disease - (McKnight Napier Stunt II)	47,396	(77)	5,141	(42,178)	(120,417)
NATIONAL ACADEMY OF SCIENCES					
End of the Road for of Illegal Bushmeat Trade in East Africa: Establishing Transboundary Surveillance by High Resolution Melting Analysis of Vertebrate Molecular Barcodes - (Bushmeat Trade in East Africa)	154,413	119,950	167,697	(106,666)	(80,318)
NATIONAL GEOGRAPHIC					
Landscape Setup and Honeybee Colony Integrity	-	7,440	7,440	-	-
NATIONAL INSTITUTE OF HEALTH (NIH)					
Epidemiological assessment of risk of Yellow Fever and Dengue outbreaks in Kenya - (Yellow Fever and Dengue)	71,962	134,307	96,287	(109,982)	(185,829)
Eastern Africa Network for Bioinformatics Training - (EANBIT)	-	101,655	99,569	(2,086)	-
ODUM SCHOOL OF ECOLOGY					
Role of chemical attractants in shaping tick and tick-borne diseases infection patterns of Grants gazelle	5,304	-	398	(4,906)	(22,365)
PENNSYLVANIA STATE UNIVERSITY/NIH					
Scent of Disease: Diagnostic for Malaria Infection in Humans - (Scent of Disease-Malaria)	721	721	1,443	-	(58,412)
PROGRAM FOR APPROPRIATE TECHNOLOGY IN HEALTH (PATH)					

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Leveraging mosquito feed assay capacity in endemic site to understand intra and inter lab assay variability and bridge Standard Membrane Feeding Assay (SMFA) and Direct Membrane Feeding Assay (DMFA)	9,945	-	9,945	-	-
PURDUE UNIVERSITY					
PICS2 Purdue Cowpea Storage (PICS) for Alternative Uses	20,396	-	20,396	-	(2,865)
ROTHAMSTED RESEARCH /BBRSC					
Smart Cereals for Management of Stemborer Pests in Staple Cereals in Africa (SCRIPD Project) - (SCRIPD Project (Rothamsted))	-	-	-	-	(110,721)
ROYAL MUSEUM-C. AFRICA/ JRS					
Pollinator Information Network for Afrotropical Diptera (PIN-DIP)	-	17,325	911	(16,414)	-
ROYAL TROPICAL INSTITUTE (KIT)					
PAAL Study Clinical Trials - (PAAL Study Clinical Trials)	10,571	7,969	572	(17,968)	(14,361)
RUSSEL IPM LTD					
Demonstration and Commercialization of a Biorational Pheromone-based Male and Female Attract and kill System for the Successful Control of Fruit Flies in Asia and Africa	(3,648)	-	(3,648)	-	(4,507)
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION (Sida)					
Sida- <i>icipe</i> Innovation Workshop	-	13,476	33	(13,443)	-
Bio-Innovate Phase II Program - Recruitment of two senior positions and office space at <i>icipe</i> - (BIO-Innovate Phase I Program)	-	-	-	-	(35,234)
Bio-resources Innovations Network for Eastern Africa Development (Bio-Innovate Phase II) Program Phase II - (BIO-INNOVATE PHASE II)	856,276	4,383,331	4,716,800	(522,807)	(34,124)

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
SIDA/UMEA					
Prediction and preparedness against outbreaks with Devastating Economic Impact Collaborative Agreement between Umea University and <i>icipe</i> Financed by Sida - (SIDA/UMEA-Arbovirus project)	884	-	884	-	(25,821)
KTH ROYAL INSTITUTE OF TECHNOLOGY					
Identification of semiochemicals affecting the oviposition behaviour of the malaria mosquito <i>Anopheles gambiae</i> - (Semiochemicals KTH)	11,582	-	11,582	-	(689)
SMITHONIAN INSTITUTE					
MPALA COLLABORATION FUNDING	793	-	793	-	-
SUNDRY GRANTS					
Other Sundry Grants	257,227	35,836	185,011	(108,052)	(327,034)
SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)					
Greening of <i>icipe</i>	1,487,179	997,848	1,792,976	(692,051)	(2,404,258)
Tackling Invasive species in Africa – workshop	-	-	(382)	(382)	-
SWITCH AFRICA GREEN/EU-UNEP-UNDP					
Up-scaling Sustainable Commercial Production of Medicinal Plants by Community-based Conservation Groups at Kakamega Forest in Kenya	60,720	75,178	74,739	(61,159)	(57,728)
THE FRENCH GOVERNMENT					
IRD-Noctuid Stem Borer Biodiversity	16,459	17,383	10,017	(23,825)	(19,263)
THE WORLD VEGETABLE CENTER/GIZ					
Attraction in Action: Using pheromones and other safe and sustainable management strategies to reduce losses from insect pests and plant diseases on vegetables legumes and leafy brassicas in Southeast Asia	47,041	83,424	23,931	(106,534)	(20,871)
Agreement to conduct experiment to screen 10 wild tomato accessions for resistance to Western flower thrips, tomato thrips and onion thrips, red spider mite and South American - (Tomato germplasm screening)	-	-	-	-	(8,000)

The International Centre of Insect Physiology and Ecology (*icipe*)
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Project name	Balance brought forward	Receipts/transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
Design/adapt management options to control <i>Tuta absoluta</i> on tomato	-	21,340	20,766	(574)	-
UNITED NATIONS ENVIRONMENTAL PROGRAM (UNEP)					
Organization and conduct of a regional preparatory meeting for the 2015 meetings of the conferences of the parties to the Basel, Rotterdam and Stockholm conventions for the African region and a workshop to support the ratification and early implementation of the Minamata Convention on Mercury to be held in Nairobi, Kenya - (SSFA-UNEP)	-	-	-	-	246
THE SMALL-SCALE FUNDING AGREEMENT (SSFA)					
Regional Workshop on Sound Life-cycle Management of DDT under the Stockholm Convention in Nairobi, Kenya	363	-	363	-	(26,005)
UNIVERSITY OF CALIFORNIA					
Cerambycid Trapping Study	395	-	395	-	(3,233)
UNIVERSITY OF CAPE TOWN/NIH					
H3ABioNet: A Sustainable African Bioinformatics Network for H3Africa Phase I	(36,512)	79,071	(37)	(42,596)	-
H3ABioNet: informatics solutions for H3Africa Phase II	-	-	(1,954)	(1,954)	(63,405)
UNIVERSITY OF COPENHAGEN/DANIDA					
GREEiNSECT – Insects for Green Economy Project	30,032	21,451	-	(51,483)	(29,794)
UNIVERSITY OF FLORIDA/USDA					
Natural enemies Congo grass	278	-	-	(278)	(10,260)
UNIVERSITY OF GLASGOW/WELLCOME TRUST					
Microbe-based malaria transmission blocking in <i>Anopheles</i> mosquitoes	-	-	(23,384)	(23,384)	-
Dr Jeremy Keith Herren Fellowship with University of Glasgow	-	14,495	(16,241)	(30,736)	-

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
UNIVERSITY OF HANNOVER/VOLKSWAGEN FOUNDATION					
Senior Fellowship for Dr. Henri Tonnang "Improved application strategies for entomopathogenic fungi (EPF) as biological control agents in integrated pest management (IPM) of agricultural pests" - (Dr. Henri Tonnang Fellowship)	3,642	-	3,642	-	3,642
UNIVERSITY OF KEELE					
Developing a pherome alternative to insecticides for control of Thrips on legumes in Kenya	-	99,342	99,289	(53)	-
UNIVERSITY OF LIVERPOOL/WELLCOME TRUST					
Bee Health-Development of microbe-based strategies for improved bee health	-	850	(25,870)	(26,720)	-
UNIVERSITY OF PRETORIA					
Malaria Decision Analysis S. T	803	-	803	-	-
UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)					
Collection, Rearing, and Shipment of the Candidate Guineagrass Biological Control Agent <i>Buakea kaueae</i> from Kenya	14,179	14,975	24,117	(5,037)	(771)
Development of Semiochemical Based Monitoring and Control Programs for Invasive Pests of the Apiculture Industry	33,375	47,475	57,606	(23,244)	(17,372)
USDA-Mosquito surveillance for Rift Valley Fever	15,719	-	4,029	(11,690)	(9,256)
Identification of Melon fly pheromones that can be exploited in management programs for the Citrus industry	10,884	-	1,414	(9,470)	(14,091)
VIRGINIA POLYTECHNIC/USAID					
IPM for Rice, Maize and Chickpea in East Africa	(127,205)	304,263	(407,583)	(584,641)	(258,186)
WAGENINGEN UNIVERSITY (WUR)					
Chemical signaling of malaria parasites - (Chemical signaling)	-	-	-	-	(362)

The International Centre of Insect Physiology and Ecology (*icipe*)
Notes to the Financial Statements
For the Year Ended 31 December 2017

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
A Push - Pull system for control of outdoor Malaria Vectors	4,913	-	(123)	(5,036)	(43,639)
IVCC - Evaluating effectiveness of the push-pull strategy for control of outdoor-biting malaria vectors	(24,250)	80,669	(40,429)	(96,848)	(24,250)
WELLCOME TRUST					
Expression Profiling of African Trypanosomes in Human and Primate Hosts: Identification of Biomarkers for Diagnosis, Drug Target Identification and Dissection of Virulence Pathways	(15,726)	38,747	(27,968)	(50,989)	(90,141)
Tracking the Mothers: Applying Microsatellite Genetic Markers to Guide Strategies for Controlling Anopheles Mosquito Larvae - (Tracking the Mothers)	-	-	-	-	(45,005)
To isolate naturally occurring microbes found in Anopheles mosquitoes in Kenya that could be used to block the transmission of Plasmodium - (<i>Anopheles Mosquitoes</i> Microbes)	-	-	-	-	(58,935)
Expression Profiling of African Trypanosomes in Human and Primate Hosts: Identification of Biomarkers for Diagnosis, Drug Target Identification and Dissection of Virulence Pathways	(10,245)	32,767	(38,765)	(61,287)	-
Training Fellowship in Public Health and Tropical Medicine, "Understanding the risks and benefits of newly developed irrigation schemes in Western Kenya in the Context of Malaria elimination"	-	55,997	39,596	(16,401)	-
Masters Fellowship in Public Health and Tropical Medicine, To isolate naturally occurring microbes found in Anopheles mosquitoes in Kenya that could be used to block the transmission of Plasmodium	(17,052)	23,543	(20,188)	(26,679)	-
Epidemiological factors associated with cutaneous leishmaniasis transmission in Gilgil, Nakuru County, Kenya	-	-	(50,692)	(50,692)	-
Visceral Leishmaniasis: proof of principle to reduce vectors and human-sandfly contact'	-	-	(3,920)	(3,920)	-

The International Centre of Insect Physiology and Ecology (*icipe*)
Notes to the Financial Statements
For the Year Ended 31 December 2017

Project name	Balance brought forward	Receipts/ transfers	Balance carried forward	Income for the year	Income for the year
Amount (US\$)	01.01.2017	2017	31.12.2017	2017	2016
MAKERERE UNIVERSITY/WELCOME TRUST					
Training Health Researchers in vocational excellency	132,494	47,042	36,166	(143,370)	(6,012)
Identification and development of new attractants that can improve the performance of bait technology to control <i>Glossina fuscipes</i> the main vector of African Human Trypanosomiasis - Thrive Genome Sequence	-	-	-	-	(1,588)
The role of biting flies (genus <i>hipobosca</i> in transmission of camel trypanasomiasis in northern Kenya	-	28,733	1,989	(26,744)	
Thrive II Internship and Msc Students Training	-	53,807	11,840	(41,967)	(21,333)
WORLD HEALTH ORGANISATION					
Regional training workshop in integrated vector management at the International Centre of Insect Physiology and Ecology in Nairobi, 26 June - 8 July 2016	7,419	-	7,549	130	(46,703)
AFRO-II - Evaluating the feasibility and impact on malaria transmission of winter larviciding or house screening as additional vector control tools in southern African countries committed to malaria elimination	-	37,475	25,987	(11,488)	-
WOTRO SCIENCE FOR GLOBAL DEVELOPMENT					
Improving livelihood by increasing livestock production in Africa: An agribusiness model to commercially produce high quality insect-based protein ingredients for chicken, fish and pig industries	134,860	-	(4,744)	(139,604)	(67,175)
WORLD TRADE ORGANIZATION/ UNITED NATIONS OFFICE OF PROJECTS SERVICES (WTO/UNOPS)					
Improving Honey Productivity and Quality in Shabwah and Al-Hudaydah Governorates in Yemen - (Honey Productivity-Quality WTO)	581,635	-	427,846	(153,789)	(116,126)
Centre for Bee Disease and Pest Management	564,363	-	(59,638)	(624,001)	(291,846)
Subtotal restricted projects	14,086,314	22,117,362	20,581,224	(15,622,453)	(18,478,685)
Grand Total	16,308,008	24,622,965	21,070,224	(19,860,750)	(22,861,252)