

THE CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH

TECHNICAL ADVISORY COMMITTEE

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SUB-CONTRACTING OF RESEARCH TO NATIONAL INSTITUTIONS,
PARTICULARLY THOSE OF DEVELOPING COUNTRIES

TAC Secretariat Note

(Agenda Item 11)

TAC SECRETARIAT

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

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I. Introduction

1. At the 21st Meeting of the Committee a request was made that TAC address at its next meeting the subject of sub-contracting research to national institutions, particularly those of developing countries. In fact, this subject had already been touched upon by the Committee on various occasions:

- (i) when discussing basic research and the cooperation of IARCs with advanced research institutions, namely at its 11th and 12th meetings;
- (ii) when considering reports of quinquennial reviews of centres such as CIMMYT, CIP, WARDA and ICRISAT;
- (iii) when examining proposals for new initiatives for research on water buffalo, agro-forestry, tropical vegetables, and insect physiology and ecology.

2. The CGIAR also addressed this question or at least some aspects of it, through its Review Committee in 1976 and the task force on strengthening national agricultural research.

3. The purpose of this note by the Secretariat is to present a brief compilation of the views already expressed by TAC and CGIAR on this subject and provide a basis for further discussion.

II. Scope

4. Before pursuing the consideration of this subject, it is important to clarify what is meant by "sub-contracting research to national institutions, in particular those of developing countries". In the context of the CGIAR, it is understood that the institution which is "sub-contracting" is an institution of the CGIAR system, i.e. one of the ten IARCs 1/, or WARDA, IBPGR, ISNAR. It is also understood that the "research" which is sub-contracted is an integral part of the core-research programme of the CG institution concerned and, therefore, is addressing problems of general (international) interest. It follows that most of the present cooperative activities (outreach) of an IARC or other CG institutions with national programmes in developing countries would not be under consideration here.

1/ now including IFPRI.

5. The main focus of a discussion on this subject should, in the opinion of the Secretariat, be the criteria and procedures which may lead an institution of the CG to decide not to carry out a part of its core research programme with its own means, but rather to enter into a contractual agreement with a national institution which will carry out this research on its behalf. The concept of sub-contracting carries with it the notion of a defined task to be accomplished under specified conditions and for a determined duration. It also implies that some financial and/or other resources are provided by one of the contracting parties to the other for this purpose, with delegation of authority and responsibility.

III. Discussion of Comparative Advantages and Constraints

(1) General

6. There is a wide range of considerations which may induce an institution of the CG system to sub-contract its research to a national institution, in particular in a developing country.

7. The most simple case is when an IARC finds it necessary to undertake research in a field where it does not have nor wants to acquire the necessary expertise and facilities, because it does not see a continuing need for these within its programme and because it finds it more cost-effective to request an institution already having this expertise and facilities to carry out this task.

(2) Basic Research

8. Many IARCs have generally followed a policy of contracting out basic research activities which often require expertise and equipment which are different from those available in the international centre. There are exceptions, however, in particular as regards the oldest IARCs which now tend to carry out some basic research on their own campus. The reasons generally given by these centres for carrying out their own basic research are two-fold. First the IARCs can better ensure a closer interaction and integration of basic and applied research activities when both are carried out on its campus. Second, basic research is regarded as an increasing activity of the international centres on the long-term and as an area where they may have a comparative advantage over national research programmes in developing countries 1/. Another consideration which, sometimes, is important in deciding to carry out basic research at an IARC is that the advanced institutions which are competent to carry out this research are not located in an environment which is representative of the conditions in developing countries.

1/ This view is shared by a majority of national directors of agricultural research in developing countries (see the report of the Bellagio meeting held on this subject and the TAC priority paper, page 6, para. 21).

(3) Applied Research and Technology Development

9. The conditions under which an IARC would sub-contract applied research and technology development activities to a national institution, in particular in a developing country, are less clear and seem to have been so far much more limited. Several of the conditions set out above may also apply for certain areas such as post-harvest technology and farm mechanization which require expertise and equipment of a type and on a scale which are usually not available at the IARCs. These conditions are somewhat more vague when dealing with sub-contracts in those areas which constitute the central core research of an IARC for which, by definition, the Centre should be best equipped in terms of personnel and equipment. It seems important to consider four points in this case:

- (i) the main site of an IARC cannot be equally suitable and representative of the target areas for each of the components of the mandate of the Centre in terms of commodities and system research. The problem, therefore, arises whether the Centre should establish its own sub-centres or stations, or use existing facilities of a national institution. Usually, some additional capital expenditures are involved. Solutions which were adopted by the IARCs vary widely. In most cases, however, activities which a centre felt necessary to undertake outside its own campus as part of its central core programme have not been sub-contracted (i.e. leaving the main responsibility of execution of research to a national institution) 1/.
- (ii) On the contrary, besides the IARCs, other institutions supported by the CGIAR such as WARDA and IBPGR have found it feasible to entrust some national programmes with tasks of international interest. In these cases, however, TAC and CGIAR have often raised questions as to the share of technical assistance in these activities.
- (iii) Other international endeavours, such as the proposed programme on water buffalo research, ICRAF, the FAO/IAEA programme on applications of atomic energy to agricultural research, have also been conceived as mechanisms based on sub-contracting research to existing institutions in developing countries. These have not been so far supported by the CGIAR.
- (iv) A consideration which is becoming increasingly important in this context relates to the optimum size of the activities and facilities directly managed by the IARCs. TAC recommendations, which were endorsed by the CGIAR, invite the IARCs to set limits to their continuing growth. Sub-contracting research to national institutions,

1/ See also the progress report on the stripe analysis of off-campus activities, AGD/TAC:IAR/79/22.

in particular in developing countries, may be considered as a possibility of reducing personnel and capital expenditures, in particular for new activities. At the same time, it could contribute to the present trend whereby the CGIAR attaches increasing importance to strengthening national agricultural research, although only relatively developed research institutions in developing countries are likely to be involved by such sub-contracts. Concerted action could, however, be contemplated by an IARC whereby a bilateral donor helps to strengthen a national institution in a developing country while at the same time the IARC sub-contracts part of its core research to this institution.

(4) Constraints

10. Several problems could arise, however, when an IARC sub-contracts research to a national institution, in particular in a developing country. These problems have been briefly discussed by TAC when considering the recommendation of the quinquennial review of ICRISAT regarding the role which ICAR may play in the pigeon pea breeding programme of ICRISAT.

- (i) A first question is how the international character of a research programme will be maintained when sub-contracted by an IARC to a national programme. The national programme which is considered by the IARC as the most suitable for undertaking international research on its behalf, may not be willing to cooperate within the terms and conditions proposed by the IARC. A national programme may experience difficulties in carrying out research on the international scale required, which usually will go well beyond its own national requirements.
- (ii) The international programme, when sub-contracted to a national institution, may be unduly biased by national priorities. Other developing countries would wish to be assured of the same cooperation as that enjoyed from the centre itself, for example in the exchange of genetic material and in an equitable recognition of their research priorities and needs in their respective regions. In fact, several examples of technical cooperation between developing countries already seem to indicate that these obstacles are not insurmountable and can be overcome by adequate specifications in the contracts and in the governance and monitoring of the programme sub-contracted. The IARC may, if necessary, retain the responsibility for those aspects of international cooperation related to the research programme.

- (iii) Another question relates to the continuity of the research programme sub-contracted. Conditions in a developing country, socio-economic and political, may change rapidly and lead to drastic modifications in the national programmes and budgets. This may in turn affect an international programme which has been sub-contracted to a national institution. Experience has proved, however, that the work at the main station or sub-stations of a Centre may also be affected by changing conditions in the host country. Nevertheless, sub-contracted programmes may be more vulnerable.

- (iv) The adoption by the IARCs of a policy of sub-contracting research to national institutions in particular in developing countries is likely to raise similar difficulties as those experienced by IARCs in their cooperation with advanced research institutions. Most IARCs are reluctant to be considered as "grant giving" institutions and be submerged, as is already often the case with advanced institutions, by multiple offers of services. While sub-contracting may generate some savings (in terms of research equipment, construction of laboratories, etc.), these savings may be partly offset by an increasing workload on the management and administration side and therefore by an increase in the operational costs.

IV. Concluding Remarks

11. Besides the technical considerations which have been discussed above, it is obvious that sub-contracting IARC research to national institutions, in particular in developing countries, will be governed by political considerations by the donors and the beneficiaries concerned. The selection by an IARC of a contracting national institution, in particular in a developing country, will be more delicate when dealing with core funds rather than with special projects. Two major prerequisites seem essential in this context: a common political will on the part of the Consultative Group to further involve the national institutions of the developing countries on an equal partnership basis in the CGIAR system and a conviction on the part of the different components of the system that the present financial situation does not permit continuing to concentrate and further increase the "critical masses" of research means on the main campuses of the centres while at the same time expanding the number of regional programmes and sub-stations.

12. It seems, therefore, that the discussion of sub-contracting research to national institutions is closely linked with the ongoing stripe review of off-campus activities of the centres. It could either be made an integral part of this review or be undertaken as a follow-up.

13. To sum up, TAC may wish to pay particular attention to the following points in its discussion of this agenda item:

- (i) It may be substantially more cost effective to use national resources (and to pay them), to get a particular job done, than it would be to use an IARC's own resources.
- (ii) If contracts are let for a considerable period of time, five years or more for example, the IARC is giving a significant technical and economic assistance to the development of national institutions and their capabilities.
- (iii) Explicit concern for the national institutions, particularly those in the countries where they are operating, can result in more effective and productive long-term relationships between international and national research centres.
- (iv) Under the present conditions of financial stringency, IARCs may be requested to give stronger justifications for carrying out certain types of activities by themselves rather than contracting them out.