



Consultative Group on International Agricultural Research (CGIAR)

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Charting the CGIAR'S Future – Change Design and Management

Designing and Managing Change in the CGIAR
Report to the Mid-Term Meeting 2001

Attached is the report of the Change Design and Management Team (CDMT) that was established to carry forward the initiative for change launched at International Centers Week last year (CW2000). The report recommends a number of changes including:

- the development and implementation of Global Challenge Programs;
- the revitalization and redefinition of the role of TAC to become a Science Council;
- a determined fund-raising canvas of potential donors;
- reduction of the annual general meetings of the Group from two to one, coupled with the creation of an Executive Council representing shareholders;
- creation of a System Office with an integrated communication program, with Centers determining among themselves how they wish to improve the organization of services
- an evolutionary approach to restructuring of the Centers.

This item is for Information Discussion Decision

Proposed Action: Discussion of the CDMT report will be spread over all three days of the business meeting. Decisions will be reached by shareholders at closed meetings, and comments will be sought from other stakeholders during plenary sessions. Decisions will be required as well on the next steps to implement the decisions reached at MTM01.

Margaret Catley-Carlson

Friday, April 27, 2001

Ian Johnson
Chair CGIAR
The World Bank

Dear Ian,

I am pleased to transmit to you the report of the Change Design and Management Team for the Mid Term Meeting in South Africa. We believe that there are exciting possibilities for a repositioned CG System to contribute with even greater impact to the solutions of many of the world's major problems, and we submit to you this report as a road map for the repositioning.

It is a stimulating prospect. The System has extraordinary resources, a great history of accomplishment and continuing successes. It only needs to define itself in 21st Century mode – to see itself in terms of outputs, to seek alliances in order to extend the potential impact of its important work and address development problems, and to equip itself with internal management arrangements for better System decision making and real follow through. Most parts of the System use advanced communication technology in research work. The System as a whole could benefit from a similar update to the way top flight science strategists are pulled into the System to guide choices, and for the coordination of internal processes, the establishment of System wide arrangements, and the conduct of meetings and consultations. We hope we have set out fresh and enticing suggestions.

Although the contents of the report are of course the responsibility of the CDMT, the whole process of creating it has involved continuing interaction with a large number of stakeholders and shareholders. (Throughout this report, the 58 members of the CGIAR are referred to interchangeably as members, shareholders, investors, or donors. These plus all others in the wider CGIAR community are stakeholders.)

We have had three meetings with the Steering Group. We have received a steady flow of suggestions and comments from around the world - in response to the Web posting and from meetings convened by many to consider our proposals. This process has produced new ideas, and challenged and often changed our direction of thinking. The very real differences in the three interim papers bear witness to our response to this highly participatory process. We hope we have listened well, and we also hope that a good measure of ownership for these concepts has grown throughout the System as a result.

Those who have not taken part in the process may find this document rather stark. As was the case with previous versions of this paper, we have not given the history of these issues, nor repeated work done in earlier reform exercises and documents, nor pulled forward the arguments in earlier interim papers. These continue to be available to all in background papers and on the Web. For brevity, the existing Vision and policy statements are not

specifically referenced throughout the text but our concepts have been designed with these very much in mind. Indeed, the change design and management effort itself is the second step in a process in which the first step was the Group's adoption of the Vision and Strategy proposed by the Technical Advisory Committee (TAC).

We have set out a view of what the System should try to become, and have suggested how new parts of the System would relate to each other and how they would work together. These are encapsulated in seven recommendations. The proposed measures constitute a package. New programmatic ideas cannot be put in place without new decision making processes which require new structures. A piecemeal approach to the approval of the core elements of change would undoubtedly create many more long term difficulties than it might solve.

The exercise has revealed both apprehension about change, and excitement about potentially new ways of intervening to promote concerted and decisive interventions on crucial issues. Those who are apprehensive need to keep in mind the clear signals already given that failure to address the perceived deficiencies in the System will erode current levels of support. There are virtually no signs on the horizon of increased resource availability for the System as it currently functions. Those excited by the prospects should be encouraged – as we certainly have been - by the general System wide acceptance of the directions of change proposed in this report.

We very much look forward to the Mid Term Meeting and its consideration of these ideas.

Yours truly,

Margaret Catley-Carlson

CONSULTATIVE GROUP ON INTERNATIONAL
AGRICULTURAL RESEARCH

DESIGNING AND MANAGING CHANGE IN THE CGIAR

REPORT TO THE MID-TERM MEETING 2001



April 2001

CHANGE DESIGN AND MANAGEMENT TEAM

How the CDMT Worked

We have had three meetings with a Steering Group composed of investors, Center directors, board chairs and representatives of the wider stakeholder community. At the first meeting, the Steering Group elaborated the assignment which is set out in the Executive Summary section. Prior to the second meeting in The Hague, an Issues Paper, posted on the CGIAR website, posed focused questions to the Steering Group for guidance on a variety of structural and procedural issues needing to be addressed before changes could be proposed to meet the goals. The seven issues and groups of questions are also on the CG website. The direction given by the Steering Group to the team was set out in Ian Johnson's letter immediately after the The Hague meeting. The Steering Group guidance and System-wide input received were incorporated into two Interim Papers and widely disseminated on the website and to a number of stakeholder groups. This report incorporates the thoughts and guidance from the Steering Group meeting in April.

All of these papers presume that the reader will have broad knowledge of the System; other documents on the website will provide necessary background and precedents. No attempt is made in this paper to go over this previous ground.

Change Design and Management Team

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INITIATIVE FOR CHANGE

The CGIAR launched a change design and management initiative at International Centers Week (ICW2000) to reach three over-arching goals: to strengthen and improve the CGIAR's relevance and impact, to sharpen internal efficiency, and to stabilize long-term financing.

The initiative is one of several undertaken by the CGIAR over the years in continuing efforts at self-improvement. The current effort was preceded by a number of preparatory events including the formulation of a new vision by the Technical Advisory Committee (TAC), consultations among shareholders and stakeholders, proposals from Center directors and Center board chairs, and an open electronic discussion on the possible direction and form of change.

The new vision, goal, and mission adopted by the CGIAR at its 2000 Mid-Term Meeting are:

Vision: A food secure world for all.

Goal: To reduce poverty, hunger, and malnutrition by sustainably increasing the productivity of resources in agriculture, forestry, fisheries.

Mission: To achieve sustainable food security and reduce poverty in developing countries through scientific research and research-related activities in the fields of agriculture, forestry, fisheries, policy, and environment.

To move the change process forward following ICW2000, the CGIAR Chair set up a *Change Design and Management Team* (CDMT), guided by an ad hoc *Steering Group* (SG) of stakeholders. The Chair heads the Steering Group. The CDMT is chaired by Margaret Catley-Carlson, former President of CIDA.

The CDMT was asked to propose changes, based on the principles on which agreement was reached at ICW2000. In formulating its views and crafting recommendations for action, the CDMT has been guided by the SG, and has drawn on the many excellent studies done in the CGIAR System on research priorities, structural change, institutional roles, resource mobilization, etc.

Executive Summary and Introduction

I. Why change?

By common consent the international agricultural research Centers of the CGIAR have functioned for three decades both efficiently and effectively to make an inestimable contribution to feeding the world and expanding agricultural and resource management knowledge.

The felt need to change structure and governance reflects the concern that after several decades, updating is needed for the decision making and funding of the System which envelops these 16 independent Centers. In addition, the autonomous functioning of these 16 Centers means that output is more fragmented, and Centers are less likely to take on major issues collectively than would optimally be the case. There is disquiet regarding duplication and some Systemwide inefficiency. Some wish to orient more Center activity towards greater on-the-ground identified priorities, and others toward urgent development and poverty alleviation needs. Others believe that the work of the Centers should move more “upstream”, engaging a broader range of partners, particularly advanced research institutions. There is concern about the overhead caused by too frequent meetings of too many people, and perhaps too many Centers, and the less than optimal managerial system to implement decisions. The System has a confusing public persona which complicates improving public awareness beyond already existing circles.

II. How to change?

A brief view of how the repositioned System would function, achievable in 2-5 years:

The CG System focuses the major part of its efforts on large multi-institutional research programs which address specific problem areas using the expertise and competence of existing and new Center programs, and other partners. Most research programs are identified through a process which pulls in the suggestions of on-the-ground partners and potential new allies. The approach to problems is defined within an overarching vision of how the best science, together with other knowledge, can address the most urgent issues in a manner which will reduce poverty and promote development. The work of the Centers, whether in large Global Challenge Programs or in their regular programs, is well coordinated and is managed in a manner which provides for economy of scale, coherence of approach to systemic issues, and a comprehensible dynamic public image. A complex but effective system of decision making supports the work of the Centers, including their work in the global programs, and the investors and stakeholders. The CGIAR System can make decisions when they are needed, and has provisions for implementation and follow through and for organizing its work and planning processes. The CGIAR System has attracted new funding for its vital work.

The first order changes, essential to move now toward this view, are: the adoption of the programmatic approach, the revitalization and redefinition of the role of TAC to become a

Science Council, a determined fund-raising canvas of potential donors, the creation of an Executive Council, and of a System Office with Centers determining among themselves how they wish to improve the organization of services. Detailed descriptions of these changes, together with recommendations, are provided.

The report also provides an ancillary series of issues, and an annex describing how the decision making process will work in the new System and how the System parts relate to each other. These supplement the major first order recommendations. Second order decisions may be made in the future on such issues as the details of internal governance processes, mergers and clusters, the annual planning and programming process, the adoption of a single corporate identity, etc.

Several measures to promote immediate economy gains are proposed. The Mid Term Meeting, the Consultative Council and the Science Partnership Committee would be cancelled. The Executive Council would replace the Finance and Oversight Committees.

III. Will change respond to System needs?

The specific issues the Steering Group asked the Team to address are set out below together with an indication of the proposals which respond to these requests.

Strategic Opportunities

The Challenge:

...an urgent need for the CGIAR to "elevate the game" – to demonstrate the salience of its work in relation to key interests and concerns of the international community. System-wide synergies better harnessed and used to create a sum of activity which would be greater than the parts working separately if the System's research agenda is based on a programmatic concept. greater emphasis on strategic opportunities (e.g., climate change and sustainable agricultural development in Africa South of the Sahara and South Asia), while reducing its emphasis on providing services to individual clients

The Response:

- The Global Challenge Programs will harness System wide energy and encourage a broader range of external partnerships
- The Science Council would be composed of high level science policy strategists
- The aggregation of a major part of current research efforts into focused programs will promote synergy and eliminate duplication
- The new fundraising efforts will tap into a wider community of supporters
- The task is complicated by unresolved issues regarding the public persona of the System

The Challenge:

...a need to increase inclusiveness in agenda setting, at both the global and the regional level, particularly through strengthened regional priority setting

The Response:

- an open book approach should be used to establish priority areas for both global programs and Systemwide research efforts
- global challenge programs will be judged on the extent to which they focus on and incorporate on-the-ground resources and concepts
- transformation of the TAC into a Science Council assisted by an enlarged network of scientists

The Challenge:

New arrangements required to deal with patents and intellectual property rights, thus sustaining the role of CGIAR-funded Centers as producers of international public goods

The Response:

- Centers have established the Central Advisory Service which addresses Intellectual Property issues
- the existence of an Executive Council will allow sustained system wide dialogue on this issue

Partnerships

The Challenge:

The NARS-CGIAR relationship has to be differently managed to reflect the changes in NARS

Full advantage must be taken of institutional forms such as networks/partnerships over brick-and-mortar institutions, reinforced, in part, by the advances in information and communications technology (ICT)

The Response:

- Partnerships at the operating level will become increasingly more important with the adoption of a programmatic approach, including close liaison with GFAR and sub regional research organizations
- A new *modus operandi* is suggested for the Science Council, which would be composed of high level science policy strategists, together with the creation of virtual circles of excellence in the science areas needed by the System
- The design and implementation of most GCPs will strengthen the role and capabilities of NARS
- A proposed initiative with investors will consider how NARS can be strengthened globally
- The Global Challenge Programs will, by definition, use networking as a tool

The Challenge:

There is a need to increase inclusiveness in agenda setting, at both the global and the regional level... a need to interact effectively with GFAR, regional organizations and civil society institutions/NGOs

The Response:

- The emphasis on a bottom-up, regional process for planning and priority setting will facilitate the input of these groups into the research process

- An “open book” approach to the establishment of priority areas for Global Challenge Programs will increase the relevance and diversify the CGIAR research agenda
- The GCPs will necessitate the inclusion of a broader range of partners for the conduct and delivery of research. In addition, the proposed Steering Group for each GCP will expand the representation of key stakeholders in research oversight.

The Challenge:

There is a need to increase interaction with the private sector, so that new synergies might be created

The Response:

- The programmatic orientation of strategy and restructuring, as reflected by the Global Challenge Programs, should facilitate much better interaction with the private sector on a win-win basis
- The approaches and concepts recommended are in keeping with private sector discussions regarding the intersection of global public goods and proprietary technologies
- The proposed Science Council could draw on scientific expertise in the private sector

The Challenge:

The CGIAR should clarify its role in institution building and strengthening

The Response:

- New broader Center alliances will have the capacity to address more fully the challenges facing national and sub regional research Systems
- A specific initiative is suggested for the CG Chair and investors

Finance

The Challenge:

New ways must be found to appeal to traditional donors, given increased pressure on Official Development Assistance (ODA) and lower priority to agriculture and agricultural research. The System needs new donors

The Response:

- The Global Challenge Programs design process should attract new funding to the System by extending the relevance of CG research to communities beyond those which fund agriculture, forestry and fisheries research issues

Structure and Governance

The Challenge:

... a need to resolve difficulties experienced by components of the CGIAR System to come together and function as a System

The Response:

- the Global Challenge Programs and the programmatic approach will create alliances on a variety of issues
- the Executive Council will promote Systemwide cohesion in strategy, policy, budgeting, etc.
- the common communication office and provision of common services by Centers will both make an important input to this goal

The Challenge:

Solutions should be suggested for problems of internal inefficiency (overlap, transaction costs, etc.)

The Response:

Suggested efficiency gains include:

- One general meeting per year – no mid term meeting
- Oversight and Finance Committees will be eliminated with creation of the Executive Council
- Consultative Council cancelled
- Science Partnership Committee cancelled
- A single Communications unit will be created for the System

The Challenge:

Decision making processes must be specifically addressed

The Response:

- Executive Council established, and new decision making processes sketched out

The Challenge:

Alignment or congruence must be ensured among strategy, structure, financing, management systems, organizational culture, etc.

The Response:

- Executive Council is an instrument for alignment
- Establishment of a System Office will promote alignment.
- Elimination of overlaps will smoothen in decision making processes.

List of Recommendations

I. A MORE EFFECTIVE APPROACH TO GLOBAL PROBLEMS

Recommendation 1—Global Challenge Programs

The CDMT recommends that:

- a) Substantial elements of CGIAR work should shift decisively to a programmatic approach in defining, financing and managing research activities. As a start, CGIAR should formulate and implement a few (e.g., 2 to 4) Global Challenge Programs (GCPs) which are focused on specific outputs and are based on an inclusive approach to priority setting. GCPs should draw on the research competencies of the Centers and other partners. They should be funded significantly by additional resources. Subsequently, the CGIAR should move to have a substantial proportion (e.g., around half) of its research agenda delivered through GCPs by 2006.
- b) Each GCP team will be responsible for raising the funds it needs and GCPs should not be implemented until multiple year funding is in place.
- c) GCPs should be managed by a Program Leader with management oversight provided by a separate Steering Group made up of representatives of the participating institutions and invited experts. The GCPs business plans will set out arrangements with a lead institution to provide a legal entity for the receipt and disbursement of funds, the employment of the GCP leader, necessary fiduciary responsibility functions and other essential management elements.
- d) The business plan proposals will be subjected to rigorous peer review of both the science and management components.
- e) Overall oversight on behalf of the CGIAR will be provided by the Executive Council. In the initial stages, for the monitoring of the progress, quality and effectiveness of each GCP, the EC, with the advice of the Science Council, will appoint an expert individual (Visitor) who will prepare a periodic special report. Later, the usual evaluation procedures, coordinated by the EC, will apply. (In the future, if the number of GCPs grows, the EC may delegate part of its oversight functions to a Board.)

Recommendation 2 – Enhancing the National Agricultural Research Systems

The CDMT recommends that:

- a) GCPs should generally be designed and implemented in such a way that the capabilities of the NARS are fully mobilized.

- b) The CG Chair should spearhead an initiative with CGIAR investors, in consultation with GFAR, regional and sub regional forums, to promote support to NARS as a complement to the investments being made in the network of Centers and other components of the global research System. Such actions may include joint consultations for developing support mechanisms, coordination of bilateral assistance to NARS, special windows for lending/grants by development banks, and the promotion of more active partnerships for NARS in the GCPs.

Recommendation 3 – Enhancing the Science Output

The CDMT recommends that:

- a) TAC should be transformed into a **Science Council** advising the CGIAR on major science policy questions and ensuring that the quality and relevance of science practiced in the System meets world class scientific standards. It should serve as the hub of global and regional networks of scientific and development experts that could be mobilized to support the research conducted by CGIAR Centers and their partners.
- b) The Science Council would be composed of a Chair and a small number of members of the highest intellectual caliber, with strong background on science policy and strategy questions, and with broad vision on the major issues, including development concerns, impinging on the CGIAR. The Science Council would be accountable to the CGIAR through the Executive Council. It should be supported by a Secretariat based at FAO.
- c) The Executive Council should form a **task force** to review the current organization and working arrangements of TAC and its Secretariat and make recommendations on the size, composition, working modalities and backstopping arrangements for the future Science Council.

Recommendation 4—Longer-Term Finance

The CDMT recommends that:

- a) The CGIAR Chair should engage in a high-level dialogue with investors to expand multi-year funding.
- b) A renewed and strong effort should be made to expand developing country financial participation in CGIAR, by engaging their policy makers in a high level dialogue on their research needs and the role of the CG System in supporting these.
- c) As the CGIAR transforms its research agenda into Global Challenge Programs, the Executive Council should simultaneously explore alternative financing modalities. These could include attaching CGIAR financing to an existing replenishment instrument (e.g., GEF) or developing a separate replenishment instrument for the CGIAR.
- d) The Chair, the System Office and the Centers should continue exploring broad-based “campaign” financing possibilities aimed at private resources. The potential of in-kind contributions to provide the System with additional resources should also be explored.

- e) The Executive Council should ensure that resource mobilization efforts by all actors are broadly coordinated.
- f) The CGIAR should work towards a single corporate identity.

II. MORE EFFECTIVE DECISION MAKING

Recommendation 5—Governance Functions and Structures

The CDMT recommends that:

- a) **The Group** (i.e., the main body of investors), and other stakeholders, should meet once a year. An **Executive Council** (EC) should be appointed by the Group to carry out delegated functions and follow up actions arising out of the Group's annual meeting. EC would be a shareholders' committee but would include, as *ex-officio* members, chairs of CBC and CDC, and the Science Council Chair. Cosponsors should be members of the Executive Council.
- b) During the transition phase the EC could be composed of the members of the Finance and Oversight Committees, who will be the shareholders component of the EC, and the members listed in the preceding paragraph. The EC would, as a priority, propose to the general body the composition and nominating procedures for the EC thereafter.
- c) The CGIAR should continue to sponsor an annual meeting of the **NGO Committee** and the **Private Sector Committee** in conjunction with the CGIAR meeting. Between meetings, the Secretariat should serve as focal point for ensuring continuous dialogue with both communities. Given the proposed role for the Science Council, the **Science Partnership Committee** phases out.
- d) The **CGIAR Director** should serve as the Secretary of the Executive Council.

III. MORE EFFECTIVE STRUCTURE

Recommendation 6—System Office and Center Support

The CDMT recommends that:

- (a) A CGIAR System Office should be established, encompassing the CGIAR Secretariat's functions, and a single, integrated communications function.
 - the System Office, headed by the CGIAR Director, will serve the CGIAR Chair, members, committees and the System at large, as well as offer some services to the Centers;
 - the integrated communications function will regroup Future Harvest and the Secretariat's Communications unit; it will define and drive a new System communication vision and strategy in cooperation with the Centers' public awareness units, taking into account the need to adapt the communications strategy to many purposes and different regional contexts.

(b) The CBC/CDC are encouraged to pursue efficiencies through the common management and delivery of support services needed by the Centers. The CBC/CDC should determine what services should be centralized and/or coordinated, how they should be offered, whether a separate central service providing unit should be created and, if so, where it should be located. The cost of providing such services will be covered by the Centers.

(c) Should the CBC/CDC wish to place any such services at the System Office, they will determine with the CGIAR Director how best to organize the services to be provided.

Recommendation 7—Restructuring Issues: Mergers and Clusters

The CDMT recommends that:

- (a) The CGIAR adopts an evolutionary restructuring approach which will follow from the implementation of the change proposals.
- (b) The CGIAR should set aside funds to encourage voluntary restructuring, i.e., finance the costs associated with clusters/mergers.

I. A MORE EFFECTIVE APPROACH TO GLOBAL PROBLEMS

1. Global Challenge Programs

Background

The CGIAR research program is an aggregation of the research agendas of the sixteen Centers carried out with a broad range of partners. These Centers and their programs have served humanity well. But over and above what an individual Center can contribute, there should today be scope for more cross Center work to take on the complexity of reducing poverty and achieving sustainable food security. The System procedures need to be designed to bring in an even wider range of partnerships. New and increased funding from current and new donors is also needed. Investor-members are emphasizing output accountability. All of these—but particularly the need for the System as a whole to take on global challenges in cooperation with a wider range of partners—necessitate change in the strategic and operational planning of the CGIAR. These changes will establish linkages that would enable NARS, GFAR, and regional organizations to be fully engaged with CGIAR Centers in an united effort to meet common goals.

The impact, significance and visibility of the CGIAR research agenda could be substantially elevated and the CGIAR's own meetings could increasingly focus on higher-level strategic issues with the adoption of this approach.

The Steering Group reached broad agreement on the concept of Global Challenge Programs (GCP), which would:

- be derived from the existing CGIAR mission and goal statements;
- contribute directly to key developmental issues and engage stakeholders in problem definition and oversight;
- be defined in terms of outputs linked to an identified set of related problems and products provided to CGIAR clients;
- produce enhanced impacts on poverty alleviation, food security and environmental issues;
- require cooperative research, going beyond individual Center mandates;
- be cohesive, time bound, independently managed, and funded on a multi-year basis;
- be initially incremental to existing research but would build on Centers' core competencies.

Development Process

At ICW2000, the CGIAR adopted to experiment with a regional approach to research planning. This means that the regional priorities identified through the Global Forum for Agricultural Research (GFAR) and the regional/sub-regional forums of NARS will help guide strategic planning in the CGIAR by identifying priority needs for international agricultural research in each of the regions/sub-regions.

This approach will add significant value to the identification and development of the GCPs. It will ensure that the process is demand driven and bottom up, with the full participation of major CGIAR stakeholders including NARIs, CGIAR Centers, ARIs, universities, private sector, NGOs, and development agencies. Thus, the identification of research priorities will be combined with opportunities for strengthened partnerships.

GCPs can be global, regional or subregional in focus; the challenge should be global; the applications may well be very local. Idea generation for GCPs will involve a large number of stakeholders and a clearly articulated approval process is set out.

In a first stage a few (e.g., two to four) GCPs will be created (See box, page 11). As the CGIAR System gains more experience in the development and implementation of GCPs, additional programs will be defined over time and more of the current CGIAR research agenda will be organized into these programs. A deliberate restructuring of a majority (e.g., up to 50%) of the System's research agenda in GCPs will be undertaken in due course. The shareholders can choose the speed at which these changes will be implemented, taking into account the experience gained. The CDMT, however, feels that a reasonable target would be to have achieved a significant restructuring of the research agenda within a span of five years.

Legitimate concerns regarding GCPs have been expressed by the stakeholders. One concern is that GCPs might not be much different from current Systemwide programs which have had limited success. A well defined development process, clear characteristics and requirements for GCPs (e.g., size, identification, selection, partnerships, funding) and their

independent governance should make them substantially different from current System wide programs. There are preoccupations on how the GCPs relate to the current work and resources of the Centers. In this regard, additional resources must be sought for the initial GCPs and their design should explicitly draw on Center competencies, as well as the competencies provided by other key partners. As described above, around fifty percent of current Center research would be integrated into a programmatic approach over time. It would be expected that associated funding would also increase as a result.

Possible Global Challenge Programs

The development of GCPs should be a gradual process, ensuring solid shareholder and stakeholder backing for each initiative. In order to illustrate topics that CDMT thinks may be potential candidates for GCPs and for which the Centers have currently significant expertise that can carry projects or complement external expertise, the following list is offered:

- **Adaptation to and mitigation of effects of possible climate change on agriculture, forestry and fisheries of developing countries, with particular reference to impacts on the poor and the natural environments on which they rely for sustenance.** A GCP on this topic may include the development of crop and tree genetic materials for increased drought tolerance, wind speeds, temporary inundation, salinity and alkalinity tolerance; heat and cold tolerance in livestock, soil erosion control during high-intensity rainstorms, fisheries management methods in support of mangrove and coral reef protection, and fluctuating or increasing sea temperatures. Requirements for increased carbon sequestration may create economic opportunities for smallholder carbon farming or trading.
- **Farming adaptation to the impacts of the HIV/AIDS pandemic, and steps to be taken in agriculture, forestry and fisheries to contain the spread of the HIV virus.** A GCP on this topic may consider possible changes in farming systems to maintain production and nutrition in face of loss of agricultural labor and farm asset stripping (due to cost of treatment, welfare, funeral ceremonies), confusion on land ownership issues (including gender-sensitive aspects of tenurial rights), and the gaps developing in knowledge chains due to the demise of the parents' generation.
- **Improving poor peoples' food security, nutrition and health.** A GCP on this topic could include the targeting of genetic improvement on the nutritional value of staple foods, and changes in farming and fisheries practices to reduce the potentials for toxicities (including mycotoxins) and infectious diseases (including vector borne diseases, e.g., malaria, schistosomiasis, leishmaniasis), on post-harvest practices to reduce food loss and maintain quality, and on food preparation methods designed to enhance or maintain nutritional values.
- **Information and communication technology for capacity building and institution strengthening.** A GCP on this topic may include creating a distance training system for developing country scientists to efficiently tap into the knowledge sources of the CGIAR Centers (and others), and a support system to create a suitable learning environment with the support of CGIAR scientists (and others). An element may be support systems for strengthening institutional capacities in agricultural research institutions in developing countries. Innovative tools for improved connectivity in poorly electronically endowed regions may supplement such efforts.
- **Functional genomics for the poor.** A GCP on this topic may include: comparative genomics studies based on synteny of mandated crops to identify traits of particular relevance to the needs of resource-poor farmers (e.g., drought tolerance, pest and disease resistance, nutritional enhancements).
- **Improved water management practices for agriculture.** A GCP on this topic may include Systemwide efforts to develop and introduce water-saving practices for a wide variety of irrigated and rain fed crops, including water, soil and land cover management in major ecoregional zones.

Definitions and characteristics

GCPs will emphasize cooperative research that will contribute significantly to the solution of major global development challenges. They will:

- Contribute to CGIAR goals and serve CGIAR clients (as described in the CGIAR mission statement);
- Build on core competencies of the CGIAR and usually involve at least two CGIAR Centers;
- involve at least two other major research partners (from both North and South) that are not CGIAR Centers;
- be characterized by a multi sectoral research approach, and have clear mechanisms for the delivery and dissemination of research outputs;
- require significant levels of multi-year (up to five years) funding to achieve their objectives. It is expected that expenditure on each GCPs would be in the \$8-12 million range, if not more, per annum for the initial five years (including the in-kind contribution of partners);
- not be started unless such funding is at hand; and
- have clear lines of accountability and clear institutional arrangements spelling out roles, responsibilities, rules of operation and conflict resolution.

Nomination of proposed topics for GCPs

A significant aspect of GCPs is that they will help to 'open up' the CGIAR research agenda. Accordingly, it is proposed that the CGIAR members (collectively) initiate an 'open book' process to receive ideas from all stakeholders on proposed topics for GCPs. Regional fora and GFAR should play a significant role in this process, coordinating the input of other stakeholders. Centers and groups of Centers would of course be expected to put forward proposals. Only CGIAR Centers would be eligible to submit concept proposals.

Concept development

Centers will bring forward ideas and concepts to be developed into GCPs as a result of dialogue initiated through the 'open book' process, or on their own initiative. Early indications of donor interest will be an integral part of these ideas and concepts.

Two approval stages

There will be two approval stages. An early stage based on a brief concept paper will unlock some centrally held seed money and signal encouragement but not final approval on the basic concept. This early approval allows CGIAR members to assess whether proposed subject areas and approaches suggested by the Centers would be consistent with their priorities, and allows donors to indicate whether there is funding potential.

Evaluation of concepts to proceed to full proposals' would be based on an analysis of the above elements as well as an assessment of the likelihood of a successful outcome and impact potential.

Evaluation and Approval of Full Proposals

Full proposals will be subjected to rigorous peer review of both the science and management components. Based on the advice of the Science Council and other reviewers, the members—through the Executive Council—would approve the GCPs and their inclusion in the CGIAR research agenda, supported in some measure from the central funding mechanism. Members investing in the specific GCPs would have a key role in the approval process.

Management, Governance and Support

The general conduct of GCPs will provide a challenge of its own and it is essential that procedures be put in place to support their multi-partner nature, provide clear accountability for performance and for the delivery of outputs for each GCP. Taking this into consideration, the specific management structure to be adopted for each GCP should be flexible and adapt to the specific requirements. Consistent with the flexible approach the following general proposals may be considered:

Legal entity

In order to receive and manage funds GCPs will need a legal umbrella. This could be provided through a Center, a lead partner institution or through the System Office.

Full time leader and Steering Group

Each GCP would have a full time leader appointed on a fixed term basis (e.g., five years). His/her performance evaluation and remuneration should be based solely on personal and GCP progress. GCP leaders could come from Centers or be recruited from outside. A Steering Group will be set up for each GCP consisting of senior representatives from all participating Centers and partners. The functions of this Group will be to: [1] select the GCP manager, [2] supervise financial and budgetary matters, and [3] provide general support and oversight. The GCP leaders will usually be recruited from and based in the lead institution, most often a CGIAR Center. However, the work programs, performance, performance evaluation and remuneration would be determined by the Steering Group for each GCP.

Separate governance

The multi-institutional nature of the GCPs implies that no single Center board could provide the necessary overall fiduciary oversight function. It would be expected that in addition to the responsibilities of the lead institution the board of each participating institution would be accountable for that institution's share of the program and related resources. Each Steering Group will periodically inform the Executive Council on the progress of each GCP. In order to fulfill its responsibilities on behalf of the shareholders the EC will appoint in the initial stages, an individual expert (Visitor), to independently assess the progress, quality and relevance of the program.

Once the number of GCPs exceeds a specified threshold (five or six), it may be necessary for the EC to constitute a Board to provide the overall monitoring and oversight of all GCPs.

Program and administrative support

Program and administrative support will be essential for the conduct and success of GCPs and will be provided by the host institution. The Centers involved in these programs, the common service entity which may be proposed by Centers and the System Office will all provide some support in addition to that of the host institution.

Evaluation of Performance

In addition to the ongoing monitoring provided through its Steering Group, a formal external evaluation of progress will be necessary during the life of a GCP just as it is for Centers. Organization of such reviews should be in keeping with the review mechanisms of the CGIAR System. Consideration should also be given to a brief review after two years from commencement of GCPs mainly to evaluate the cooperative research arrangements rather than research progress per se.

Recommendation 1—Global Challenge Programs

The CDMT recommends that:

- a) Substantial elements of CGIAR work should shift decisively to a programmatic approach in defining, financing and managing research activities. As a start, CGIAR should formulate and implement a few (e.g., 2 to 4) Global Challenge Programs (GCPs) which are focused on specific outputs and are based on an inclusive approach to priority setting. GCPs should draw on the research competencies of the Centers and other partners. They should be funded significantly by additional resources. Subsequently, the CGIAR should move to have a substantial proportion (e.g., around half) of its research agenda delivered through GCPs by 2006.
- b) Each GCP team will be responsible for raising the funds it needs and GCPs should not be implemented until multiple year funding is in place.
- c) GCPs should be managed by a Program Leader with management oversight provided by a separate Steering Group made up of representatives of the participating institutions and invited experts. The GCPs business plans will set out arrangements with a lead institution to provide a legal entity for the receipt and disbursement of funds, the employment of the GCP leader, necessary fiduciary responsibility functions and other essential management elements.
- d) The business plan proposals will be subjected to rigorous peer review of both the science and management components.
- e) Overall oversight on behalf of the CGIAR will be provided by the Executive Council. In the initial stages, for the monitoring of the progress, quality and effectiveness of each GCP, the EC, with the advice of the Science Council, will

appoint an expert individual (Visitor) who will prepare a periodic special report. Later, the usual evaluation procedures, coordinated by the EC, will apply. (In the future, if the number of GCPs grows, the EC may delegate part of its oversight functions to a Board.)

2. Enhancing the National Agricultural Research Systems

The research capacities of national agricultural research systems (NARS, which include ministries of agriculture, forestry, fisheries and similar research institutions, universities, non-governmental organizations, private sector and farmers associations) in developing countries are still inadequate in most developing countries, and even declining in some. This is a very serious challenge to national governments and the international assistance community. For the global research system to be relevant for the poor in individual developing countries new investments must be made together with institutional innovations. Global public goods research must be applied at local level, and local needs must influence the global research agenda. As a provider of global public research goods the CGIAR shareholders and stakeholders have particular responsibilities in ensuring an unbroken chain of knowledge generation and knowledge uptake.

Developing country governments have invested substantially in the creation of the CGIAR Centers, through the provision of land, buildings and other in-kind contributions. They also contribute much through partnerships with individual CGIAR Center research projects. If stronger partnerships are to develop between NARS and the Centers, especially in relation to GCPs and the impacts expected of them, it will be necessary to develop a parallel track of support to the NARS that will ensure that adequate funds and institutional and scientific capabilities are available to them, beyond what Centers can offer them through their projects. In this context, special windows for lending or grants by the World Bank and the other co-sponsors of CGIAR, regional development banks and other donors could play a major role in strengthening developing country NARS to become effective partners with the Centers in addressing important global, regional and national challenges. Developing countries themselves could consider organizing regional or global funding mechanisms. There are current examples in FONTAGRO for Latin-America. Such initiatives are necessary to equip and motivate developing country research systems to participate as partners more fully and effectively in the new research programs of the System. Increased strength will also contribute to better task sharing between the partners.

Recommendation 2 – Enhancing the National Agricultural Research Systems

The CDMT recommends that:

- a) GCPs should generally be designed and implemented in such a way that the capabilities of NARS are fully mobilized.
- b) The CG Chair should spearhead an initiative with CGIAR investors, in consultation with GFAR, regional and sub regional forums, to promote support to NARS as a complement to the investments being made in the network of Centers and other components of the global research System. Such actions may include joint consultations for developing support mechanisms, coordination of bilateral assistance to NARS, special windows for lending/grants by development banks, and the promotion of more active partnerships for NARS in the GCPs.

3. Enhancing the Science Output

The System's science output could be enhanced by action in three areas: (1) attracting and retaining top scientists; (2) improving knowledge sharing; and (3) strengthening scientific guardianship.

Attracting and retaining top scientists

- Improving recruitment processes would help identify top scientists;
- Similarly, harmonized HR policies would make the CGIAR a more attractive employer for top scientists (e.g., with better career prospects);
- Flexible employment opportunities (e.g., job sharing) would attract scientists who are unable to make full-time commitments;
- GCPs would increase the attractiveness of CGIAR research as they would address current issues of global importance.

Improving knowledge sharing

- The Centers, collectively, possess unique scientific knowledge on the problems of tropical and sub-tropical agriculture. This could be tapped better for the benefit of all;
- Development of knowledge networks (or communities of practice) needs to be speeded up, involving not only Center scientists, but also scientists in partner institutions in the South and the North;
- Harmonizing information and communication Systems and developing new web-based platforms would facilitate knowledge sharing.

Strengthening scientific guardianship by transforming TAC into a Science Council

Currently, TAC carries out several key responsibilities in the CGIAR. It develops visions, priorities and strategies for the System. It also provides advice on strategic directions and the research agenda, comments on the medium-term (3-year) and annual program proposals of the Centers, coordinates the external reviews, and commissions stripe, inter-Center, and System wide program reviews. TAC serves as home to the Standing Panel on Impact Assessment (SPIA, formerly the Impact Assessment and Evaluation Group--IAEG) and gets engaged in other activities at the request of the CGIAR (e.g., facilitate a pilot regional priority setting process in partnership with GFAR.)

TAC is an independent committee composed of scientists from outside the CGIAR. As a committee, however, it is internal to the System. Although it is advisory and independent, over the years it has been asked to perform functions that would normally be carried out by line units in an organization (i.e., by management and board).

The CGIAR continues to need an independent, scientific panel for advice on major science strategy questions and on science quality and relevance, as well as an outside view on the scientific merits of strategy, policy, priority, program or other proposals. The need for new expertise is continually manifest: ethical issues and biosafety being but two examples.

It is proposed that TAC would be transformed into a Science Council. The Science Council would be composed of a small number of members of the highest intellectual caliber, with strong background on science policy and strategy questions and with broad vision on the major issues impinging on the CGIAR. The Council, with the support of a strong secretariat, would serve as the hub of global and regional networks of scientific and development experts that could be mobilized to provide topical and timely guidance and advice to the CGIAR and its Executive Council in the following areas:

1. Current and emerging major science and science policy questions that are important and relevant to the mandate and research agenda of the CGIAR;
2. Advice on and contributions to the process of agenda setting and identification of broad priority research areas;
3. Advice and comment on System strategy and priority and program plans and proposals under consideration by the CGIAR;
4. Ensure that the science practiced within the System is relevant to the needs of the poor, that it meets world class scientific standards, and that mechanisms are in place to assess regularly the impact of the CGIAR;
5. Ensure that cross-Center and System wide issues, such as biosafety and ethics, are properly addressed.

These would ensure that the CGIAR makes use of the best available and most relevant science as outlined in its new vision and strategy.

Suggested Reforms

The change in TAC's science advisory function has been described above. With the establishment of the Executive Council, the new Science Council would not carry responsibility for System management functions, such as resource allocation and budgets and development of strategic plans. Its role in evaluation would focus on the assessment of the quality and relevance of science, as well as on the System level impact of the CGIAR. The role of the Science Council in decision making processes is specified in Annex 1.

Accountability

The Science Council would report to the Executive Council, which would approve its program of work and budget, in close consultation with the Cosponsors. The Chair of the Science Council would be appointed by the members of the CGIAR at one of its annual meetings. Science Council and SPIA members would be appointed by the Executive Council. Cosponsors will function as a nominating sub-committee of the Executive Council for these appointments. The Science Council would be reviewed periodically as part of the System-wide reviews.

Institutional arrangements

The present arrangement by which TAC is supported by a Secretariat based in FAO has merits and should be continued for the Science Council. Opportunities should be explored for greater flexibility in the recruitment of staff, and also for drawing on other types of staff inputs through secondments and sabbaticals. Cosponsors will function as a nominating sub-committee of the Executive Council for the appointment of the Executive Secretary of the Science Council. The appointment will continue to be made by the Director-General, FAO.

Greater use should also be made of FAO's technical capacities, for example through contracting for specific programmatic analyses and development of policy options. The Science Council and the CGIAR secretariats should also seek ways to achieve greater synergies in using their staff resources for the benefit of the System as a whole. Both should report annually to the EC on their activities and achievements.

Review of TAC

The operations of TAC have not been reviewed in recent years and the CDMT has not conducted a detailed analysis of its composition, working modalities, staffing, and institutional support arrangements. These should be studied further (through a review commissioned by EC) in the light of the proposed transformation of TAC into a Science Council. It is expected that this transformation would be cost saving, or at most cost neutral.

Recommendation 3 – Enhancing the Science Output

The CDMT recommends that:

- a) TAC should be transformed into a **Science Council** advising the CGIAR on major science policy questions and ensuring that the quality and relevance of science practiced in the System meets world class scientific standards. It should serve as the hub of global and regional networks of scientific and development experts that could be mobilized to support the research conducted by CGIAR Centers and their partners.
- b) The Science Council would be composed of a Chair and a small number of members of the highest intellectual caliber, with strong background on science policy and strategy questions, and with broad vision on the major issues, including development concerns, impinging on the CGIAR. The Science Council would be accountable to the CGIAR through the Executive Council. It should be supported by a Secretariat based at FAO.
- c) The Executive Council should form a **task force** to review the current organization and working arrangements of TAC and its Secretariat and make recommendations on the size, composition, working modalities and backstopping arrangements for the future Science Council.

4. Longer Term Finance

Background

The CGIAR System needs to be underpinned by stable and predictable longer term financing arrangements.

- The replenishment model (including burden sharing and formal pledging) is not viewed to be realistic at this time;
- Expanded multi-year funding is potentially feasible in view of the existing practice of multi-year project financing (about half the CGIAR financing is of this nature);
- Global Challenge Programs could provide an opportunity for innovative ways of securing longer term financing;

- Continuing work is needed to increase developing country contributions;
- ‘Campaign’ financing with a more broad based and less formal arrangement aimed at private resources in addition to official funds might be appropriately used for certain defined purposes such as support for the gene banks;
- Existing work on fundraising and outreach provides an excellent blueprint and should be implemented;
- In kind contributions could well offer interesting potential to provide the System with additional resources.

Raising new money

On the basis of informal consultations with the donor community, there appears to be limited potential of generating new resources from *present donors* in the System. Such potential for additional money depends directly on the adoption of new attractive programming approaches.

For example, the World Bank’s contribution to the CGIAR, which comes from its Development Grant Facility, is annually US\$50 million out of the US\$120 million total annual resources of the Facility. The Bank’s contribution represents between one-quarter to one-third of the unrestricted funds of the System, and the Bank is the only unrestricted donor to the System as a whole as opposed to a Center.

A clear risk to the System exists in that the new programmatic approaches will be funded at least to some extent at the expense of current Center programs and institutions. Raising new money from *new donors* would be a primary focus of Global Challenge Program development activity. It is expected that one advantage of the GCPs will be their ability to attract larger amounts of funding from both new sources in existing donor institutions, and new donors. New donors would presumably include foundations, private sector and individuals. *Foundations* will be most interested in appeals wider than/differently conceptualized from agricultural research. The *private sector* is likely to be most interested in partnerships with the Centers when such partnerships contribute to an appreciation of the contribution that the private sector is making to the achievement of the objectives of the GCP. *Individuals* are likely to be most responsive to appeals through Future Harvest.

Increased availability of multiyear funding

Several donors already fund on an implicit or explicit multiyear basis, and there would seem to be some potential to increase this number. This would probably happen as a result of senior level contact.

Proposals for the establishment of an endowment fund to finance the CG gene banks should be further pursued.

Funding programs vs. funding the Centers

At present, an individual Center is the only responsible legal entity within the CGIAR accountable for use of the funds. Global Challenge Program funds, whether from new

outside donors or from System sources, would flow to the Centers for their activities identified as part of the program. As noted elsewhere, Global Challenge Program teams would be expected to discuss their program proposals with potential donors from the outset, and to present a statement on funding when seeking approval of their business plans.

GCPs might help generate more resources for the System, but not the level of resources which could relieve the current pressure on institutional and 'regular program' funding. However, there is no guarantee that the adoption of a programmatic approach will attenuate the present trend of dwindling unrestricted or institutional support, resulting in reduced managerial flexibility at the Center level. There is also a risk that the reverse may well be the case.

Finally, the history of development financing clearly indicates that new and more money will flow to exciting concepts targeted at current and relevant challenges. A real challenge for the CG System will be to find the projects to make this happen.

The Public Persona of the System

There is widespread agreement that for the world *outside* the CGIAR System, the name CGIAR and the many acronyms it uses create inadequate public identity or recognition. Those inside the System, on the other hand, are well versed in all of the above, and some are reluctant to see change.

The current financial underpinning of the System has several very weak links which point to the need for mobilizing a favorable public view of its output in order to influence new potential donors, the public in current donor countries, and—not least—the World Bank decision making processes.

The CBC/CDC has indicated that the efforts underway, based on the name Future Harvest, will continue and accelerate, and they hope that with time there will be a greater acceptability of the name. While the team strongly recommends that it would be preferable to rally behind a single corporate title, it is recognized that there is a need to get on with promoting the System to a wider audience and that the name used will depend on the audience that is the target of the appeal.

Recommendation 4—Longer-Term Finance

The CDMT recommends that:

- a) The CGIAR Chair should engage in a high-level dialogue with investors to expand multi-year funding.
- b) A renewed and strong effort should be made to expand developing country financial participation in CGIAR, by engaging their policy makers in a high level dialogue on their research needs and the role of the CG System in supporting these.
- c) As the CGIAR transforms its research agenda into Global Challenge Programs, the Executive Council should simultaneously explore alternative financing modalities. These

could include attaching CGIAR financing to an existing replenishment instrument (e.g., GEF) or developing a separate replenishment instrument for the CGIAR.

- d) The Chair, the System Office and the Centers should continue exploring broad-based “campaign” financing possibilities aimed at private resources. The potential of in-kind contributions to provide the System with additional resources should also be explored.
- e) The Executive Council should ensure that resource mobilization efforts by all actors are broadly coordinated.
- f) The CGIAR should work towards a single corporate identity.

II. MORE EFFECTIVE DECISION MAKING

5. Governance Functions and Structures

The informal small club of donors with common concern for agricultural research has evolved into large diverse assemblies which find it difficult to exercise selectivity between essential and procedural decisions. The expansion of the membership of the CGIAR, the consequent complexity and inefficiency of decision-making at large CGIAR meetings, and the proposal to eliminate the MTM, have made the delegation of certain functions by the general body to subordinate entities (or levels) unavoidable. At present, most decisions default to mechanisms (committees, TAC, and Secretariat) which either lack authority or comparative expertise. Multiple committees examine the same issues. Decisions are not strongly binding on either shareholders or the Centers and there is no mechanism for following up decisions taken and hence no clear accountability for success/failure.

For these reasons the CDMT proposes the concept of an Executive Council for which the rationale, operating mode, and changes in roles of other parts of the System are provided below in some detail.

Functions

The basic governance functions of the CGIAR System are fivefold: *First*, vision, goals and strategies need to be approved and articulated at the System level. *Second*, the broad programs of work and the proposed resource mobilization and allocation plans required to implement them must be endorsed at this level. *Third*, the progress of the System's work programs and other operations need to be monitored on a periodic basis. *Fourth*, the performance and impact of the research must be evaluated from a System-wide perspective. The results of such evaluation will be fed back into the goal and strategy setting process and will no doubt influence all other functions. *Fifth*, as a self-governing entity, the shareholders must attend to the way they function as a group, i.e., agree on rules of procedure, share responsibility among themselves, and make decisions on appointments to System positions.

Though the general body of investors and co-sponsors of the CGIAR System are responsible for these governance functions, it is clear that they will not be able to discharge them unaided. The expansion and complexity of the System and the knowledge and skills necessary to perform some of the tasks involved require that some functions or parts thereof be delegated or entrusted to other sub-Systems or specially created bodies. Thus TAC has

been providing the general body with advice on priorities, strategies, programmatic and science related matters and allocation of CGIAR resources. Other committees carry out certain functions assigned to them by the general body. The secretariat performs follow up actions arising from the decisions of these committees and the general body.

The overload and pressures on the current governance structure of the CGIAR System call for a moderation of the burden being placed on the general body and its Chair. A major burden is the lack of alignment of major factors that contribute to the System's performance (e.g., strategy, structure, programs, finance) for which no other System body has overview responsibility. Thus, a very basic managerial and structural issue is that there is no *executive body for the whole System*, i.e., an entity which has the authority to follow up on decisions, ensure alignment and congruence of recommendations, and act on decisions with a more urgent time frame than the next CGIAR meeting. This is a critical gap that needs to be removed at the earliest opportunity.

Structures

The Consultative Group (the general body)

The investor body, consisting of the shareholders and co-sponsors of the CGIAR System, after listening to and consulting with stakeholders, would be responsible for the formal process of decision making for the following functions:

Goal setting and strategic planning:

- approval of the vision, goals, strategic plans, priorities and the overall programs of the System as a whole.

Operational planning:

- approval of policies and decisions on resource mobilization and allocation plans;
- endorsement of the annual and medium term work programs and budgets of its sub-Systems, including its advisory and support units (if timing of annual meeting becomes an issue, on a no-objection basis of a recommendation from the EC).

Monitoring implementation:

- endorsement of actions recommended by the EC based on its monitoring activities (as needed).

Evaluation:

- approval of the external evaluation and audit reports on the System;
- approval of actions to be taken in the light of evaluations of the performance and impact of the Centers and Global Challenge Programs.

Self governance:

- decisions concerning membership of the System, admission of new Centers and recommendations concerning mergers or closures of existing Centers;
- endorsement of the appointment of the Chair, CGIAR Director, The Science Council Chair, and of policies and guidelines for the units working with them;

- delegation of powers to EC or other units, as required.

The general body will meet once a year to discharge some or all of the above functions. The Mid Term Meetings should be cancelled. Between meetings, subordinate bodies and committees would follow up on the general body's decisions and directives, based on delegated powers.

When the CGIAR meets as a stakeholder committee, having inputs from partners is necessary. These would better inform the decision-makers about options. But, when it is time to make formal decisions, these should be made exclusively by the shareholders. The meetings of the CGIAR should be organized to allow for this separation.

The Executive Council

The Executive Council (EC) would be a representative body appointed by the Consultative Group (the shareholders) to carry out certain delegated functions and follow up actions arising out of its annual meeting. The present standing committees of the CGIAR, Oversight and Finance, would be subsumed into the Council. EC would be a shareholders' committee and would include the Cosponsors and, as *ex-officio* members, chairs of CBC and CDC, and the Science Council Chair.

During the transition phase the EC could be composed of the members of the Finance and Oversight Committees, who will be the shareholders component of the EC, and the other members listed in the preceding paragraph. The EC would, as a priority, propose to the general body the composition and nominating procedures for the EC thereafter. The transitional EC will remain in office until no later than the CGIAR annual general meeting in October 2001. The EC, when reconstituted after the transition, should be small, and membership should be periodically rotated.

The EC would meet at least twice a year to transact its business. Meetings would be chaired by the CGIAR Chair. The CGIAR Director would serve as the Council's Secretary and support services would be provided by the CGIAR Secretariat. The EC will authorize the CGIAR Director to take follow up actions between its meetings. Meetings would be open, i.e., any member who wished to could attend.

By eliminating the Mid Term meeting and several committees, the way is open to organize the System's workload better, to ensure cost-efficiency, and reduce bureaucracy. In carrying out its responsibilities, the Executive Council will be backstopped by the Secretariat, and will be able to call on other components of the System, such as the Centers and the Science Council, for support. The Executive Council would hold short meetings (e.g., two days) and conduct them in a businesslike fashion. It will be responsible for the following functions:

Goal setting and strategic planning:

- coordination of the strategic planning process as directed by the general body, with the Centers (collectively) taking the lead in the preparation of a System strategic plan ;
- recommendations to the general body of the System's strategic plan and on the selection of GCPs based on inputs and advice from The Science Council and other stakeholders.

Operational planning:

- recommendation to the general body of policies and decisions on resource mobilization and allocation plans;
- recommendation to the general body of annual and medium term work programs and budgets for the System and its sub-Systems, including its advisory and support units;
- direction to the Science Council to provide scientific advice on programmatic and other System wide matters.

Monitoring implementation:

- supervision of the administrative actions arising out of the decisions of the General Body, including those pertaining to resource mobilization and allocation;
- monitoring of the progress of GCPs for reporting to the general body.

Evaluation:

- oversight of evaluation activities on behalf of the General Body, with support from Science Council and the secretariats;
- recommendations to the General Body on actions to be taken in the light of evaluations of the performance and impact of the Centers and Global Challenge Programs.

Self Governance:

- recommendation of key appointments to the general body; appointment of other System-wide posts (e.g., Science Council and SPIA members, CGIAR-nominees on Center boards);
- oversight of the work programs and performance of advisory and secretariat units;
- advice and counsel to the General Body on all other matters of System wide governance.

Cosponsors

The CGIAR System's international character stems, in part, from its co-sponsorship by FAO, UNDP and the World Bank. In addition to providing an international umbrella to the System, the Cosponsors provide technical backstopping to the operations of the Centers, jointly finance the CGIAR Secretariat and TAC/TAC Secretariat (thereby reducing the System overhead costs for other members), host the two secretariats, serve as search and selection committee for the CGIAR Director and TAC Chair, nominate TAC and SPIA members, and, in general, advise the CGIAR Chair on policy issues faced by the System. In the past the Cosponsors were also instrumental in establishing Centers.

The System benefits from having FAO, UNDP and World Bank as its Co-sponsors. In the new structure, Cosponsors will serve as members of the Executive Council, and will function as a nominating sub-committee of the Executive Council for some System wide appointments (see page 17, "Accountability" and "Institutional arrangements"). These nominating functions may need to be adjusted, over a period of time, taking into account the responsibilities of the Executive Council, the transformation of TAC into a Science Council, and the possibility of Centers being eventually involved in the selection of the CGIAR

Director (See page 25, CGIAR Director). Cosponsors will continue to serve as an advisory group to the CGIAR Chair.

Partnership Committees

Formed to help strengthen the CGIAR's dialogue with its stakeholders, the NGO Committee and Private Sector Committee have brought outside perspectives which are needed by the CGIAR. The System should continue to sponsor an annual meeting of each in conjunction with the Consultative Group meeting; between meetings the Secretariat should serve as a focal point for ensuring continuous dialogue. A critical need is to strengthen partnerships with NGOs, farmer organizations and private sector at the operational level (i.e., at the level of Centers and national institutions).

The new Science Council, serving as the hub of networks of scientists globally and regionally, will incorporate most of the functions of the Science Partnership Committee removing the rationale for this group.

Chair

The CGIAR is chaired by a Vice-President of the World Bank. This arrangement is considered by the CG membership to have been good for the System. Creating an Executive Council is not likely to reduce the demands on the CGIAR Chair. To reduce the load, the CGIAR Chair should be assisted by a Vice Chair for the annual meetings of the Group, elected at previous sessions. Similarly, the Executive Council may elect a Vice-Chair to assist the CGIAR Chair.

CGIAR Director

The CGIAR elevated its former Executive Secretary position to CGIAR Director, in part to transfer some responsibilities from the Chair. A major responsibility of the Director would be to serve the shareholders and the Centers to maintain effective relations with all relevant stakeholders. As head of the System Office, the Director would play a unifying role in bringing together diverse elements within the System. Cosponsors will function as a nominating sub-committee of the Executive Council for this appointment. The appointment will continue to be made by the World Bank, with the endorsement of the CGIAR. The nominating arrangement may need to be appropriately adjusted if the Center Directors Committee (CDC) and the Committee of Board Chairs (CBC) decide that some or all of the common services required by the Centers should be located at the CGIAR System Office (see page 29, Recommendation 6c).

The Director will:

- serve as Secretary to the Executive Council;
- coordinate follow-up actions arising out of CGIAR and EC meetings;
- represent the System in external forums--when needed, on behalf of the Chair.

Support functions in the CGIAR System

Three sets of support functions are needed by the CGIAR System: (1) support to shareholders; (2) support to Centers; (3) support to the Science Council. As noted above, support to The Science Council should continue to be provided through the FAO by an appropriate Secretariat. Specific aspects of the support should be identified through the recommended review of TAC. The support to shareholders and other parts of the System are discussed in detail in the following section.

Recommendation 5—Governance Functions and Structures

The CDMT recommends that:

- a) **The Group** (i.e., the main body of investors), and other stakeholders, should meet once a year. An **Executive Council** (EC) should be appointed by the Group to carry out delegated functions and follow up actions arising out of the Group's annual meeting. EC would be a shareholders' committee but would include, as *ex-officio* members, chairs of CBC and CDC, and the Science Council Chair. Cosponsors should be members of the Executive Council.
- b) During the transition phase the EC could be composed of the members of the Finance and Oversight Committees, who will be the shareholders component of the EC, and the members listed in the preceding paragraph. The EC would, as a priority, propose to the general body the composition and nominating procedures for the EC thereafter.
- c) The CGIAR should continue to sponsor an annual meeting of the **NGO Committee** and the **Private Sector Committee** in conjunction with the CGIAR meeting. Between meetings, the Secretariat should serve as focal point for ensuring continuous dialogue with both communities. Given the proposed role for the Science Council, the **Science Partnership Committee** phases out.
- d) The **CGIAR Director** should serve as the Secretary of the Executive Council.

III. MORE EFFECTIVE STRUCTURE

6. System Office and Center Support

Background

Throughout much of the CGIAR's history the CGIAR Secretariat has served both the shareholders and the Centers. Faced with a shortage of resources in the 1990s, coupled with increasing demands, the Secretariat has placed priority on maintaining full services to the CGIAR and the Chair, at the expense of the services it provides to the Centers.

The Secretariat's services to the CGIAR and the broader stakeholder community include:

- Organizing CGIAR meetings and backstopping the Chair, Cosponsors and CGIAR committees;
- Serving as a financial clearinghouse;
- Developing accountability standards and guidelines and co-managing the external review process (the latter with TAC);
- Developing and implementing a corporate communications program;
- Broadening the CGIAR membership and constituency;
- Representing the System and serving as focal point for CGIAR institutional knowledge.

In addition, the Secretariat has provided services to the Centers, including:

- *Center governance*: backstopping the CBC, orientation program for new board members, Candidate Information Service to identify board members;
- *Legal*: Assistance to Centers on legal status matters;
- *Finance*: Assistance in harmonization of financial policies across the Centers, (on demand) advice to Centers on financial matters, financial databases (including donor database);
- *Management*: Coordination of the CGIAR Management Development Program (since 1986), management consultancy to Centers (on demand);
- *Communications and IT*: Assistance in developing a CGIAR intranet, assistance in web hosting and exhibits, cooperation with and (on demand) assistance to Center-led communication and public awareness efforts.

The System Office Rationale

The establishment of an Executive Council and support needs that will emanate from the proposed changes to the System will impose new demands on the Secretariat who will serve as the principal executive arm of the CGIAR and its Council.

There is general agreement between the stakeholders on the importance of a vigorous communications and public awareness campaign that could project a unified corporate image. The integrated unit would define and drive the System's communication vision, strategy and policies in cooperation with Centers' public awareness units and taking into account the need to adapt the communication strategy to regional specificity.

These requirements could be met by:

- a System Office that will encompass the main functions of the CGIAR Secretariat and including a new integrated communication function. The System Office will be headed by the CGIAR Director;
- an integrated communications function that should include Future Harvest and the Secretariat's current communications unit.

Common services in support of the Centers

The need for greater efficiency and cohesion among Centers is fully endorsed within the CGIAR, particularly by the Centers themselves. Indeed, cooperation among Centers and the provision of common services already exist in several areas, e.g., some common services are provided by the Association of International Agricultural Research Centers (AIARC), an agency that implements financial transactions related to salaries, pensions, insurances, on behalf of the Centers. Further opportunities exist at the administrative, service and support levels, as well as at the governance, structural or programmatic levels of the CGIAR Centers. One such opportunity is the common management and delivery of support services needed both by the Centers and the Global Challenge Programs.

There is a wide agreement in the CGIAR community that the provision of such common services is the responsibility of the Centers themselves. They will have to decide what type of services would benefit from being centralized or coordinated, whether a central services unit should be created for that purpose and, if so, where such a unit should be located. If the CBC/CDC were to place such services in the System Office or to co-locate them with the System Office, they will determine with the CGIAR Director how best to organize the services to be provided.

The cost of the provision of such services will be covered by the Centers.

The CDMT agrees with the Centers' suggestions on the functions which could benefit from being centralized or coordinated. These are:

- in the area of common administrative services: human resources (e.g., coordination of personnel policies and corresponding manuals and databases); finance (e.g., coordination of financial policies with respect to audit, investments, risk management); general administrative services (e.g., development of procurement policies and guidelines); information and communication technology (e.g., coordination of Systems and software, creation and management of networks in the administrative areas);
- in the area of programmatic services: science advocacy (e.g., promotion of the contribution of science to food security, poverty alleviation and natural resources management); strategic partnerships (e.g., promotion of a common approach and standards for dealing with NARS); knowledge management (e.g., creation of networks within the System to achieve critical mass); intellectual property rights (e.g., negotiation of System wide IPR agreements and management of possible Center-owned IP revenues).

Recommendation 6—System Office and Center Support

The CDMT recommends that:

(a) A CGIAR System Office should be established, encompassing the CGIAR Secretariat's functions, and a single, integrated communications function.

- the System Office, headed by the CGIAR Director, will serve the CGIAR Chair, members, committees and the System at large, as well as offer some services to the Centers;
- the integrated communications function will regroup Future Harvest and the Secretariat's Communications unit; it will define and drive a new System communication vision and strategy in cooperation with the Centers' public awareness units, taking into account the need to adapt the communications strategy to many purposes and different regional contexts.

(b) The CBC/CDC are encouraged to pursue efficiencies through the common management and delivery of support services needed by the Centers. The CBC/CDC should determine what services should be centralized and/or coordinated, how they should be offered, whether a separate central service providing unit should be created and, if so, where it should be located. The cost of providing such services will be covered by the Centers.

(c) Should the CBC/CDC wish to place any such services at the System Office, they will determine with the CGIAR Director how best to organize the services to be provided.

7. Restructuring Issues: Clusters and Mergers

The number of Centers in the CGIAR has grown over the years, to include additional scientific challenges. A number of scientific institutions applying for inclusion the CGIAR System have not been admitted. There have also been two legal mergers. There is a widespread but not universal view that the mandate of CGIAR can be executed by fewer than 16 Centers, **creating better science**, with **easier interface to the national research Systems**, and with **simplified administration for donors**. As requested in the Terms of Reference, the CDMT has discussed extensively whether the CGIAR System is likely to be more effective with fewer entities. The Steering Group asked the CDMT not to make specific restructuring recommendations, but requested an identification of the principles that should guide restructuring, the locus of institutional responsibility for this issue and the next steps that should be followed.

Background

The pursuit of the concept of closures and mergers has proved elusive in the System, and there is no prior agreement on an optimal number. Closures and mergers both involve Centers ceasing to exist as legal entities or being absorbed in another existing or new entity. Experience from the two past mergers where two Centers formed one new entity (ILCA and ILRAD formed ILRI) or one was absorbed in another (INIBAP into IPGRI) is that

transaction and transition costs were high, but that stable new entities have been formed. The mandates and physical plant of the four units involved have also continued to exist but under unified management. Experience shows that closure action threatens to disrupt relations with host countries that view the Centers as manifestations of their valued participation in the international scientific community and as considerable contributions to national scientific challenges – they are in effect perceived as “national scientific assets.” Experience also shows that different donors act to protect the interests of the different Centers with which they have ties, creating tensions in the donor community.

Closures also raise the prospect of legal disputes with staff declared redundant, with lowering of morale among remaining Center staff. In its dialogue with Centers the CDMT concludes that, at present, the enthusiasm among Center management for restructuring in the form of closures and mergers is not high – some of this is rooted in past experience, and in the experience of similar legal moves in other agricultural research systems at national levels. The issue creates uncertainties for staff, and contributes to perceptions which increase the difficulty of attracting and retaining valuable, particularly scientific staff.

The case for reducing the numbers of Centers

In relation to **science**, the purpose of the System must be to provide ever more efficient means of delivering impact through high quality, relevant science necessitating:

- reduced overlaps in responsibilities and unattended gaps;
- lower administrative, overhead and transaction costs, leaving more funds for science;
- greater potential to act in scientific unison, as a System;
- sufficient critical mass in new areas of science;
- simplified science relations with NARS partners;
- increased likelihood of impact through consolidation of effort.

The CDMT concurs with these arguments.

Arguments related to easing the interface to developing country **national agricultural research systems** through lowering the number of CGIAR Centers are these:

- some national systems may not be able to handle relations with many strong international Centers;
- national research institutions become enmeshed in the “positioning efforts” of international Centers;
- national research institutions become lesser participants in joint research projects as their resources are stretched;
- national research institutions cannot significantly influence the research agendas of many Centers simultaneously.

The CDMT notes that some (but not all) national agricultural research systems have voiced these concerns, and appreciates their arguments, which are sometimes rooted in lowered national research capabilities.

The arguments for fewer Centers to ease **donor administration** are these:

- smaller donors face major administrative challenges following many Centers, with large per Center administration costs;
- with 16 Centers donors are encouraged to support fewer Centers thus increasing the funding vulnerability of Centers;
- there are difficulties in arriving at consolidated donor behavior;
- the quality of donor attention to Centers is often low.

The CDMT recognizes that these are real donor concerns -- which are more acute for smaller donors, particularly the donors from developing countries -- and that the CGIAR may create significant transaction costs for donors, i.e., diverting research funds to administration. Other donors are very satisfied with the current number of Centers. Most important, different donors support different Centers, often for different reasons.

Where do we go from here?

There is such a wide divergence of opinion among shareholders and stakeholders in the System on the rationale which should be used to effect closures and mergers that there is unlikely to be a consensus on major changes in the legal status of several or many Centers at the present time. But the issue represents for several stakeholders the talisman against which reform and change efforts are measured. The CDMT has therefore explored two alternatives, with the strong suggestion that shareholders and stakeholders *close the current debate* on closures and mergers for the time being *either* by the adoption of the evolutionary approach *or* by coming to a consensus that mergers and closures should be pursued now and with vigor. Here are the two alternatives:

- Adopting an evolutionary approach which focuses on the *needs* for which mergers are sought, i.e., an evolutionary approach which allows time for proposed systemic changes to respond to arguments for a simplified structure and to create forces within the System which will promote the coming together of Centers, both functionally and legally. It is suggested that these changes encourage a natural, evolutionary reduction in the numbers of Centers. But this does not reduce immediately the number of Centers;
- Adopting an action plan for a direct approach focused on reducing the number of Centers.

The CDMT favors the first approach which, in effect, proposes to reorganize research and let the structure follow these changes.

The Evolutionary approach - other ways to achieve the merger/closure goals?

It must first be appreciated that the existing Centers do not pursue unidirectional programs in isolation from external actors. There is an extensive and growing body of work shared within and outside the System through research alliances, collaborative programs, shared work programs, etc. These arrangements and their output involve not only scientific institutions but also farm groups, non governmental organizations, and development communities.

The collection of measures proposed in this report go some distance in meeting the substantive rationales generally brought forward by advocates of mergers and closures:

- Shifting to a programmatic approach will increase the capacity of the Centers to act as a System, will be designed to increase impact, and should address to some extent the issue of critical mass, overlaps, and gaps. The shift will, as well, offer investors the chance to underwrite larger chunks of System activity;
- Positive factor push: the Global Challenge Programs will have an impact on the System which may accelerate the reduction of the number of Centers. As GCPs evolve to cover a significant portion of the portfolio, this will create pressures on the Centers to realign themselves, depending on the demand for their services. Some may move to form clusters, a term which is used to connote a permanent change in autonomy (see below);
- Negative factor push: as is noted in many points in the report, the new approach will probably pull funding away from regular Center activities which together with the trend of reduced core resources, will hasten the rate of attrition of those Centers that are not part of programmatic approaches.

The Direct Approach: action directed at reducing the number of Centers

The first step is a discussion among shareholders and stakeholders as to whether the evolutionary approach, quite possibly including evolutionary mergers, will suffice; if not, a formal decision to proceed to restructuring should be confirmed. Whether mergers or clusters (see below) are advocated, restructuring in the sense of forcing a reduction now in the number of operating units can be approached when sufficient agreement exists at the policy level on the goals (over and above reducing the number of Centers) to be sought in the exercise. If interest in forcing the process is reconfirmed, stakeholders should each be asked for a brief statement of the criteria they believe most important to guide the merging/clustering process.

With an analysis of these responses, the Executive Council should propose to the Consultative Group the principles to be applied in mergers and clustering. Once these are accepted, a small group would work through their application within the System. To increase the possibility that the result be adopted, there could be agreement beforehand that the results will be accepted or rejected as a package, i.e., not negotiated.

An action plan for the direct approach to restructuring in order to reduce definitively the number of Centers in the near future would include the following elements:

- A commitment to the creation of a direct action plan for restructuring would be confirmed at the level of the Group;
- the shareholders (through the Executive Council) would individually and then collectively identify the rationale that will guide the merging/clustering;
- A small task force appointed by the Executive Council would then apply these in developing the detailed restructuring plan;
- Once the proposed restructuring plan is adopted by the CGIAR, the boards of the

- indicated Centers should be asked to take appropriate action to establish the new structures.

Clusters

Either as an evolutionary development, or as a recommended outcome of the direct action approach, one possible restructuring mechanism is that of two or more Centers grouping themselves into a “cluster,” possibly with a common supervisory board and ultimately with a CEO for the cluster, and each Center within the cluster having small “boards of management” reporting to the cluster board. Each Center would give up some of its autonomy to the cluster board. It is expected that a cluster could produce a joint medium term or business plan.

By forming clusters, Centers retain their legal persona and continue to benefit fully from existing headquarters and host country agreements related to immunities and privileges. These are important to facilitate the integrity of scientific endeavors, and the logistics of operations. Another advantage of clusters over mergers is that the Centers in a cluster would continue to maintain most of their own identity and culture, thus avoiding the cultural misfit problem many mergers cause. As intermediate step towards clusters, some Centers could form partially joint boards (i.e., with three or four common members).

Clusters could overcome most national and political reluctance, particularly in developing countries, to legally close down international establishments to which considerable status and national pride are attached. Ultimately, members of clusters may decide to go to legal mergers. These mergers will probably then be driven by programmatic considerations and arise naturally as responses to scientific efficiency considerations, rather than administrative convenience.

The CDMT can see a variety of arguments that could lead to the formation of specific, individual clusters. Some of these represent on-going negotiations or soundings between Centers, others arise from considerations of scientific and/or geographical affinities and proximities:

An illustrative list of clusters:

IFPRI, IPGRI, ISNAR and IWMI;
WARDA, IITA and ICRISAT-Africa;
CIFOR and ICRAF;
CIMMYT and IRRI;
ICARDA and ICRISAT-Asia.
CIAT and CIP

Other Centers, not named in the examples above, may form other clusters or join the above. Other constellations are entirely possible. The CDMT urges an open and realistic debate about clusters. The above is intended to forcing the pace of change, if the clustering route is chosen.

Mergers

The result of a merger is the absorption of one Center into another or the blending of two or more to form a new entity. Here, the entire issue is the criteria to be used in effecting these changes. Some are suggested in the box below.

Different and possible rationales for mergers

- Criteria based on goals to be sought; possible choices:
 - combine all crop groups, all resource management groups
 - form geographically focused units (as is suggested by FARA for Africa)
 - solve the problem of lack of critical mass, e.g., force alliances of the five smallest Centers in order to reduce those without critical mass for goal accomplishment
 - close all Centers not in developing countries
- Using the building of Center strength as the criteria for merger candidates:

Once all Centers are placed on an evaluative grid, those with the weakest showing in the following areas would become candidates for mergers or clusters.

 - Does the Center have a strong track record of performance in terms of impact and quality and relevance of output?
 - Does it have strong potential for future performance, based on the pipeline of research that is being conducted?
 - Does it have sufficient critical mass, in-house or through partnerships, in the core competence domains required by its mission?
 - Does the Center have a strong support base to make it financially viable over the medium-to-long term?

Recommendation 7—Restructuring Issues: Mergers and Clusters

The CDMT recommends that:

- (a) The CGIAR should adopt an evolutionary restructuring approach which will follow from the implementation of the change proposals,
- (b) The CGIAR should set aside funds to encourage voluntary restructuring, i.e., finance the costs associated with clusters/mergers.

Suggestions on the Decision Making Processes: How it all works

Realignment will be needed in four areas: goal setting and strategic planning, operational planning, monitoring implementation, and evaluation. The Executive Council should review these at its first meeting to establish *modus operandi* for these key processes:

Goal Setting and Strategic Planning:

Current Situation

The primary building block for this is the priorities and strategies (P&S) paper prepared by TAC every five years. The process could be improved in several ways:

- the CGIAR needs a short, pithy, easily understandable strategic plan that the whole System can use as a guide to action, rather than a detailed, quantitative statement of priority research areas;
- the need is for a more demand driven, bottom up and participatory effort in the identification of research priorities (e.g., through regional planning exercises);
- rapid changes in science and the science environment necessitate a more frequent and rapid review of priorities;
- the current exercise remains very input-oriented and in the future will need to become output-driven.

At ICW2000 the CGIAR adopted a regional approach to research planning. Once regional priorities are identified, these will need to be translated into concrete research opportunities for the CGIAR, in the light of criteria such as the CGIAR's core competencies, comparative advantage and chances of success. This new process will allow for a more demand-driven and bottom-up effort, ensuring full participation of stakeholders in the identification of research priorities.

Suggestions

The Executive Council (EC) should coordinate the process of strategy formulation for the System as a whole, with inputs from several quarters:

- As a lead technical input to strategy formulation, The Science Council would provide periodic assessments of global and regional trends, scientific challenges, and research priorities and opportunities to be kept in view by the System;
- GFAR and the regional forums would provide a synthesis of regional demands based on bottom-up priority setting exercises;
- The shareholders would provide signals on the financing potential of potential research areas;
- The Centers would prepare a strategic plan for the System, taking into account analyses by Science Council, GFAR, shareholders and others;
- Science Council would provide a critique of the proposed strategic plan for consideration by the CGIAR.

Operational Planning:

Current situation

Each year Centers prepare rolling three-year work programs described in terms of 6-15 log frame projects with budgetary, staffing and funding projections. The proposals are reviewed by TAC for their consistency with CG priorities and related resource allocation targets. The CGIAR endorses the plans at MTM. Subsequently Centers prepare annual financing plans, which are reviewed by TAC and the Finance Committee prior to their consideration by the CGIAR at ICW. The process has become somewhat mechanistic.

Suggestions

- The overall aim is to generate component (Center and GCP) plans that are consistent both with each other and with the System strategic plan, and are realistic in terms of their implementation potential;
- Centers and GCPs should prepare three-year business plans, in consultation with their partners, taking into account the outcome of regional planning exercises. There would be a major debate of these proposals every three years, perhaps on a staggered basis to generate a balanced load on the EC and Science Council;
- The CGIAR and Center log frames would continue to be used as the basic tool for describing planned projects. They should be modified as appropriate in the light of the System strategic plan and the adoption of a programmatic approach;
- Centers and GCPs would present their program and financing plans to the EC. The Science Council would provide a scientific assessment of the programs. Financing plans would be assessed separately. The revised plans would be submitted for approval to the CGIAR by the EC;
- Once approved, the plans would be updated annually and brought forward to EC for a decision only in case of substantial changes.

Monitoring Implementation:

Current Situation

The basic responsibility for monitoring the implementation of CGIAR-approved plans rests with the Boards. The rolling MTPs also serve as a monitoring device for TAC and the CGIAR. There is no comprehensive reporting to the CGIAR on plan implementation (other than accountability reports such as audited financial statements, annual reports, and an overall financial report for the CGIAR). There is much information prepared by the Centers (such as quarterly reports from the DGs) but these do not lend themselves to drawing a picture for the System as a whole.

Suggestions

A shift towards a programmatic approach will bring an added dimension to consider (in addition to the Center dimension) when monitoring the System's progress in implementing its research agenda. A simple, common management information System could help bring uniformity to monitoring progress along both the Center and program dimensions. This could be based on the log frame, focusing on generation of planned outputs and on use of resources. Other, traditional accountability reports from the Centers would continue as at present.

Evaluation:

Current Situation

The CGIAR has an elaborate evaluation System. This System has been reviewed frequently, with the latest assessments conducted by the System Review Panel (1998) and a special panel commissioned by the Oversight Committee (2000). There is also a current internal assessment being carried out by a TAC working group. There is broad agreement on the importance of evaluation and the need to streamline the existing processes.

Suggestions

System reviews should be a common feature of governance in the CGIAR, conducted regularly—not on an *ad hoc* basis. Centers (particularly their boards) should have external evaluations conducted of Center activities, and regular evaluations should be a common feature of GCPs. CGIAR-commissioned reviews of Centers should be increasingly based on peer reviews commissioned by the Centers.

The cornerstone of evaluation and impact assessment in the CGIAR should be strong in-house mechanisms and culture at the Center level. Responsibility for coordinating the evaluation function should be with the Executive Council. Science Council would have the leading role in commissioning and commenting on reviews on the quality and relevance of science in the CGIAR, such as scientific peer reviews needed for both the GCPs and the Centers and ex-ante peer reviews of projects. The Science Council would also assess Systematically the adequacy of Center in-house peer review and evaluation mechanisms. The Executive Council would commission other types of evaluations (such as governance or management audits or audits of ICT arrangements). The Council would also advise the CGIAR on System Reviews.

Responsibility for following up on the CGIAR decisions resulting from these evaluations would also reside with the Executive Council.

With respect to impact assessment, the CDMT considers that, in the light of the proposed new role and composition of Science Council, this function should continue to reside with Science Council.