

**LEARNING PARTNERSHIPS:
A REVIEW OF
IDRC SECRETARIATS
VOLUME 1**

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LEARNING PARTNERSHIPS: A REVIEW OF IDRC SECRETARIATS

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 - Summary of Survey Results
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LIST OF ACRONYMS

AAU	Association of African Universities
Acacia	The Acacia Initiative
ACBF	African Capacity Building Foundation
ADEA	Association for the Development of Education in Africa
AERC	African Economic Research Consortium
ATPS	African Technology Policy Secretariat
Bellanet	Global Electronic Forum
BISC	Bellanet International Steering Committee
BRACO	Bureau régional d’Afrique centrale et occidentale
CEDRES	Centre d’études de la documentation et de recherches économiques et sociales
CFO	Chief Financial Officer
CGIAR	Consultative Group on International Agricultural Research
CIDA	Canadian International Development Agency
CIRES	Centre ivoirien de recherches économiques et sociales
CODESRIA	Council for the Development of Social Science Research in Africa
CREA	Centre de recherches économiques appliquées
DANIDA	Danish International Development Agency
DFAIT	Department of Foreign Affairs and International Trade
DGIS	Ministry of Foreign Affairs / Directorate General for International Cooperation, Netherlands
ED	Executive Director
EPPSEA	Environmental Economics Program for Southeast Asia
FAO	Food and Agriculture Organization of the United Nations
FDDC	Fisheries Development Donor Consortium
FoodLinks	Linking Food Chains
GEF	Global Environment Facility of the World Bank
ICCIDD	International Centre for the Control of Intestinal and Diarrheal Diseases
ICLARM	International Center for Living Aquatic Resources Management
ICTS	Information and Communication Technologies
IDRC	International Development Research Centre
IISD	International Institute for Sustainable Development
IMFN	International Model Forest Network
INBAR	International Network for Bamboo and Rattan
InfoDev	Information for Development Program of the World Bank
ITI	International Tobacco Initiative (now RITC – Research for International Tobacco Control)
LACRO	IDRC Regional Office for Latin America and the Caribbean
MERCOSUR	Mercado Común del Cono Sur
MI	Micronutrient Initiative
NORAD	Norwegian Agency for Development Cooperation

NRCan-CFS	Natural Resources Canada – Canadian Forest Service
OCEEI	Office for Central and Eastern Europe
PATH	Program for Appropriate Technology Health
PI	Program Initiative
PICTA	Program for ICTs in Africa
PTCI	Programme de troisième cycle inter-universitaire
R&D	Research and Development
SAREC	Swedish Agency for Research Cooperation with Developing Countries
SCN	UN Subcommittee on Nutrition
SEMARNAP	Secretaria de Medio Ambiente Recursos Naturales y Pesca
Sida	Swedish International Development Agency
SIFR	Strategies for International Fisheries Research
SISERA	Secretariat for Institutional Support for Economic Research in Africa
SMC	Senior Management Committee
UK	United Kingdom
USAID	United States Agency for International Development
UN	United Nations
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Program
UNICEF	United Nations Children’s Fund
VP	Vice-President
WB	World Bank
WETV	The Global Access Television Network
WHO	World Health Organization

READERS' NOTES

This study was requested by the President and senior management of the International Development Research Centre, based on a recommendation in the study, *Secretariats Housed at IDRC*. It was managed by the Evaluation Unit of IDRC in collaboration with Internal Audit. The process was guided by an internal Review Committee drawn from across the Centre. Members of the Review Committee were Louise Brouzes, Brian Davy, Chantall Fortin, Sharon Messerschmidt, Terry Smutylo and Fred Carden (Convenor) assisted by Edith Ofwona. A senior Advisory Committee oversaw the Review, composed of the President, Maureen O'Neil; Vice Presidents Ray Audet, Pierre Beemans, and Caroline Pestieau; and Antoine Hawara, Director of Internal Audit.

The study was undertaken and the report has been prepared by independent consultants, Dr. Jim Armstrong and Dr. Anne Whyte with contributions from Henry McCandless. The financial data and statistics used have been provided and verified by Internal Audit. A draft report and recommendations were reviewed by the Review Committee, the Senior Management Committee and Secretariat Executive Directors and staff, together with a number of IDRC staff who participated in a series of workshops held as part of the research and reporting back process. The workshops benefited from the assistance of Sarah Earl. In addition, input was received from Secretariats and IDRC staff based in the Regional Offices.

The case studies in Part 2 have been researched and written from a strategic perspective with an eye to abstracting managerial lessons that would be helpful for reviewing Secretariats as a program implementation modality within IDRC. Therefore the case studies are not an assessment of the Secretariat scientific or technical programs, which was not part of the mandate of this Review. Each Executive Director or responsible official was given an opportunity to discuss the case studies and to correct inaccuracies. However, the views expressed and the conclusions drawn in both the case studies and the final report are those of the authors.

We would like to thank the many people in the Secretariats and IDRC and those on the Secretariat Steering Committees representing IDRC's external partners, who so generously provided their time and energy in sharing information and insights with us. Without the considerable effort on the part of the Evaluation Unit, the Review Committee, the managers and staff of the Secretariats and IDRC, this study would not have been possible.

Dr. Jim Armstrong
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November 19, 1998

**LEARNING PARTNERSHIPS:
A REVIEW OF IDRC SECRETARIATS**

VOLUME 1

**PART 1
REPORT AND RECOMMENDATIONS**

NOVEMBER 1998

LEARNING PARTNERSHIPS: A REVIEW OF IDRC SECRETARIATS

EXECUTIVE SUMMARY

The Secretariat modality provides an innovative and flexible organizational mechanism to address many complex development needs. IDRC has experimented widely with the Secretariat modality, developing considerable, valuable, and unique organizational expertise. The Secretariat modality has been used for about 20 select IDRC activities during the past six years. While a small number of Secretariats have been disappointments, most have achieved some success and others have been very successful. In spite of widespread application of the modality and the overall success of Secretariats at IDRC, several questions remained unanswered about the utility of Secretariats.

This Review addresses these questions. It came to three major conclusions. First, Secretariats work. They help IDRC achieve its mission and meet its objectives, and have resulted in numerous tangible benefits. Second, they are a cost-effective means of leveraging scarce funds and provide good value-for-money. Third, to maximize Secretariat performance, the environment in which they operate needs to be improved starting with a corporate strategic framework for Secretariats.

PERFORMANCE OF SECRETARIATS AS A MODALITY

Prior to this Review, donors had never been systematically surveyed to determine the degree to which their needs were being met. Of 18 donor representatives interviewed, only two rated the

performance of the Secretariat that they sponsor negatively. Five were completely satisfied, eight quite satisfied and three satisfied with performance. When asked to compare the Secretariat's performance with other donor-funded activities with which they are familiar, 75% rated it above or far above average. All respondents had positive comments on network-building, one of the principal functions of Secretariats. Donors' views of IDRC as an organization have unquestionably improved through their experiences with Secretariats.

IDRC staff were also positive. Three out of four felt that Secretariats had a positive impact on international development. Senior management and governors indicated that their expectation of Secretariats had been largely met, with only one in 20 providing a negative answer. This group was very clear about the benefits of Secretariats for IDRC, including better visibility, presence, prestige, profile, international status, recognition, ability to tap new opportunities, and possibilities of working collaboratively with donors. The main area of concern identified by this group was the quality and appropriateness of the performance information that they receive.

The review of collective performance concluded that Secretariats contribute positively to IDRC as an organization and to its corporate mission, and constitute an effective means of collaborating with other agencies. The ten Secretariats reviewed attracted over \$88 million in external funding between 1992 and 1998. During this same period, IDRC invested \$20 million in these Secretariats. The proportion of total external funds being received by IDRC for its Secretariats has increased from 43% in 1992 to an average of 80% in the last two years.

The ten Secretariats examined account for \$3.3 million in direct annual expenditure by IDRC. Against the backdrop of the long lists of activities and accomplishments of Secretariats provided in the report, it is concluded that Secretariats do provide good value-for-money.

RECOMMENDATION 1 – BUSINESS PLANNING

In other jurisdictions, the first step in moving toward an alternative service delivery mechanism is the development of a business plan. For the first five years of creating Secretariats in IDRC, this step was missed. The answers to the questions emerging from an examination of lessons learned go a long way toward the development of a business plan.

A business plan outline for Secretariats that reflects lessons learned and IDRC's unique mandate should be developed and applied.

PERFORMANCE MANAGEMENT

While overall performance of Secretariats has been satisfactory, some issues about performance management remain. First, as indicated by the need for a strategic framework, performance standards and expectations for Secretariats as a whole are not clearly defined and need to be developed as part of the corporate strategy. Second, it was observed that performance indicators for individual Secretariats are, in many cases, underdeveloped. Finally, serious concern was

expressed about the quality and reliability of performance reporting to senior management and the Board. While almost all interviewees were comfortable with performance levels, many expressed unease with the fact that their comfort was based largely on anecdotal evidence. The lack of concrete performance measures and accurate, careful reporting were frequently mentioned as problems in this area. Sixteen of 19 Senior Management or Board members who answered the question expressed serious concerns about the quality and appropriateness of the performance information they receive.

RECOMMENDATION 2 – PERFORMANCE MANAGEMENT

Board members have indicated the need for clear and concise information that is less narrative and more focused on assessing performance against approved targets and milestones, so that the Board can make judgements on the basis of information provided to them. IDRC and key Secretariat staff should assist the Board in determining the type, quality and timing of the information needed.

- a) Performance targets and measurement criteria should be developed to provide feedback to the Secretariats, donor partners, IDRC staff, management, and the Board.***
- b) IDRC should assist the Board in determining the information they need on Secretariat performance so that due diligence can be exercised.***
- c) Mechanisms should be established to share information with partners.***

The Review concluded that more information sharing is needed between the IDRC Board and management and the donor partners contributing to the Secretariats. A number of Board members indicated that they need more direct information from donors about how their needs are being met. Currently, the main information channel is the Executive Director of the Secretariat. While this will remain the most important channel, it needs to be complemented with mechanisms for direct consultations between IDRC senior management and the Board, and donor partners. These mechanisms could include a series of short reports, a survey, or meetings arranged around the time of the IDRC Board meeting to which key donors are invited.

RECOMMENDATION 3 – ACCOUNTABILITY

As in other public sector jurisdictions using alternative service delivery models, establishing clear and rigorous accountability frameworks is perhaps the single most important task. *Who is responsible for what?* and *Who should answer to whom, for what?* are critical questions that have not yet been answered. When collaborative partnerships are involved, the issue of accountability becomes even more complex and critical.

The focus in achieving the goal of financial accountability (ensuring that expenditures are made in accordance with authorities conferred by Parliament) should not be a complex set of rules that

limits flexibility in service delivery or achieves important organizational objectives. Rather, the focus should be on transparency and on readily accessible, clear and concise information about finances and collaborative partnership arrangements. Following are accountability self-assessment questions that the Board of Governors should ask itself:

- Is the Board of Governors satisfied that the arrangements in place will achieve the goals of the legislation under which it operates?
- Is the Board satisfied that the persons who will carry out the tasks under the accountability arrangement are properly qualified and trained to do so?
- Is there a need for, and in the affirmative, does the arrangement contain, proper provision for the monitoring, control, etc. of IDRC's work?
- Are proper means in place to receive reports on the carrying out of the tasks and to deal with problems as they arise?
- Does the accountability system clearly spell out the responsibilities of each party to the arrangement, the objectives pursued, and the information that will be collected and provided to monitor the carrying out of the arrangement?
- Does the arrangement achieve the goals of other federal legislation and policies that are relevant?
- Will information on the arrangement, financial, and other, be readily available?

While this framework is no guarantee against any or all accusations, it should assist governors in taking the necessary steps to ensure that, when arrangements are put in place, the Board can account properly for the decisions they have taken and defend them effectively.

Government has focused on expanding the role of audit toward a more comprehensive approach as part of its efforts to achieve accountability in government. By combining the results of these audits, one is provided with a holistic view of the organization. This is the basis of the comprehensive audit.

- a) IDRC Senior Management Committee should work with the Board of Governors to develop an accountability framework for Secretariats.***
- b) Within this Board approved accountability framework, each Secretariat Steering Committee should adopt its own accountability framework, which is approved by SMC.***
- c) IDRC should continue moving toward a more comprehensive approach in its audits of Secretariats including financial audit, operational audits, management audits, value-for-money audits and performance audits in addition to the traditional compliance audit approach.***

Following the approach developed in this Review, it is suggested that IDRC avoid using someone from outside the organization to develop an accountability framework. This needs to be

developed by SMC and key Secretariat staff in collaboration with the Board, and receive Board approval. This framework would cover:

- The respective powers, responsibilities and accountabilities of the Steering Committee and Executive Director
- The Secretariat's intended achievement and performance standards
- The types of learning to be gained and shared
- Reporting of performance results and learning
- Reporting on compliance with administrative policy and donor agreements.

RECOMMENDATION 4 – STRATEGIC FRAMEWORK FOR SECRETARIATS

Interviews indicated a broad consensus about the lack of a strategic framework for Secretariats. Everyone, including Senior Management and Governors, was unanimous that a strategic framework for Secretariats was essential and missing. The need for a framework establishing a conducive environment in which Secretariats can flourish was seen as urgent. Interestingly, while almost all respondents saw value in Secretariats, few, if any, could identify where IDRC intended to go with the modality, or what criteria were used in making decisions about Secretariats.

A strategic framework for Secretariats should be developed under the leadership of the President. The five interrelated elements of this framework are: strategic direction, business planning, performance management, accountability, and operations and structure. The strategic framework should:

- ***Ensure the full utilization of the capabilities inherent in the total organization***
- ***Integrate all components for the organization to ensure unity in action and purpose for the entire organization, and***
- ***Identify future related activities that define the direction of Secretariats within the organization.***

LEARNING FROM EXPERIENCE

The lessons drawn from the detailed case histories of Secretariats examined for this Review fall into three main categories: capacity, focus, and relationships. When contemplating starting a Secretariat, one of the first and most important questions that must be explored is whether or not the financial and personnel capacity are in place to carry out the new activity effectively. Of the problems emerging from the use of Secretariats at IDRC, the capacity issue emerged with the most frequency and posed the most serious problems. Examples of critical questions to be asked about financial capacity include: Have the proposed activities been properly costed and realistically assessed? What secured funds have been committed from outside partners now and in the future? What are the financial contingency plans?

Critical questions to be asked about personnel capacity include: Have required staff resource levels been assessed in terms of the work plan proposed? Have the core competencies been identified for the staff who will be required to carry out the work described in the work plan? What characteristics, competencies and expertise would the leader of the new Secretariat require to ensure international credibility and partner support?

Lessons about the need to have a precise focus include the need for realistic objectives and time frames. By design, Secretariats are small organizational units focused very precisely on a specific development issue. Questions that need to be posed about focus include: Are the mission and objectives focused sharply enough to reflect a degree of realism? Is the mission achievable? Do the mission and objectives appeal to existing and potential partners including IDRC? Are they easily understood and conceptualized?

Many lessons about relationships emerged, including organizational and human relationships. At the highest level of relationships, it appears that Secretariats with missions in harmony with broader Canadian public policy objectives have the most chances of receiving sustained support. At another level of relationships, success seems to require strong interpersonal relations with IDRC staff, Steering Committee members, and network constituents. Critical questions to be addressed about relationships include: Are IDRC's knowledge and expertise adequate to support, guide and oversee the activity under consideration? Does the activity fit within IDRC's broader strategic framework?

RECOMMENDATION 5 – OPERATIONS AND STRUCTURE

Operational and structural changes alone are not expected to significantly improve Secretariat operation and governance. More important is the overall corporate strategic framework which encompasses business planning practices, performance management, and accountability mechanisms as well as operational and structural matters. Structural changes without a strategic framework would be of minimal benefit. Further, the reviewers maintain that, until a corporate strategic framework is developed and approved, it would be premature to initiate costly organizational changes, or attempt to resolve a number of outstanding administrative issues in isolation from a strategic framework.

Reflecting the capacity issue discussed earlier, one of the main conclusions of this and other reviews is the fact that the skills, abilities, and competencies of the Executive Director are critical to the success of any Secretariat. However, the Review found that little attention was given to the competencies required by new Secretariats prior to staffing decisions. While in many cases there was a happy coincidence in that required skills were available and suitably assigned, this was not always the case.

- a) Core individual and team competencies should be determined for each Secretariat before staffing actions are taken.***

- b) An external senior person reporting to the President should be engaged to work with a dedicated task force to develop the strategic framework required for Secretariats.***

The terms of reference for the Secretariat Task Force would be to help IDRC develop a strategic management and accountability framework for the Secretariats with the aim of sorting out most, if not all, of the many issues raised in this Review. This exercise should be tightly managed and involve all SMC members together with input from the Secretariats. It should have a definitive six month maximum time line from initiation to Board approval. The terms of reference for this Review do not allow for the development of the strategic management framework that is the necessary first step before contemplating either major structural changes in IDRC or the establishment of new Secretariats. More important however is the need to involve key IDRC staff, SMC and the Board in the process of developing a corporate strategy. Detailed recommendations by external consultants and corporate strategies developed outside an organization are likely to sit on the shelf unimplemented because they are not internalized by the very people who must make them work.

REVIEW MANDATE

The mandate for this first comprehensive Review of the IDRC Secretariat modality was to identify ways in which IDRC and the Secretariats could better help each other fulfil their respective objectives. An assessment of the performance of Secretariats as a modality was carried out in order to determine how best to operate and govern them. The mandate was not to review individual Secretariats.

The following questions are central to the Review:

- How well do Secretariats fulfill their intended roles?
- What are the outcomes of the work of Secretariats?
- What factors within the Secretariats themselves and within IDRC as the host organization determine the performance of Secretariats?
- What impact do Secretariats have on the achievement of IDRC's mission and objectives?
- Are appropriate accountability and management mechanisms in place to allow IDRC to effectively discharge responsibility and fulfill the Centre's obligations to other donors and to the IDRC Board?
- Can these mechanisms be improved, by what means, and who is responsible?

WHAT ARE SECRETARIATS?

IDRC, like public sector organizations the world over, has been experimenting with various forms of alternative service delivery. These experiments have led to the creation of semi-autonomous,

mission-focused organizations and various forms of partnerships with external bodies. The belief is that flexibility in the design and delivery of programs and autonomy from restrictive bureaucratic policies and practices are required to maximize performance. Further, the complex policy and development issues facing the public sector can only be dealt with effectively through collaborative efforts as they typically cut across national, institutional, and disciplinary boundaries.

Secretariats constitute a unique approach to collaboration and partnerships on specific development issues. They facilitate donor co-ordination and reduce fragmentation by channeling funds and pooling effort into a specific priority activity. They foster innovation, as they enable IDRC and its partners to limit the risk associated with new, untried ventures by focusing efforts, limiting scope and long term commitment, sharing costs, and allowing rapid start-up, mid-course adjustments, and exit. By housing the Secretariats in IDRC physically and organizationally, the need to build new institutions and infrastructure is minimized. All donors benefit from a more cost-effective arrangement.

A Secretariat has many of the following characteristics:

- It is an operation supported by IDRC but, because it requires a special identifiable focus, it is kept separate from the rest of the Centre
- It is active in a field relevant to IDRC's competence and programming
- It is funded by one or more donors, in addition to IDRC
- Its programming is governed by a Steering Committee that often comprises representatives of the sponsoring organizations and experts in the field
- It carries out the program of work approved by the Steering Committee
- Its work is likely to be conducted over a fixed period of time (*Guidelines for Secretariats Housed at IDRC*).

ABOUT THIS REVIEW

Much important information for this Review came from case studies on ten Secretariats selected because they cover the full range of Secretariats in terms of research emphasis and donor involvement (Part 2).

IDRC SECRETARIATS CASE STUDIES

SECRETARIAT	CREATED
MI (Micronutrient Initiative)	1992
SIFR (Secretariat for International Fisheries Research)	1992
WETV (The Global Access Television Network)	1993
EEPSEA (Economy and Environment Program for Southeast Asia)	1993
ITI (International Tobacco Initiative)	1993
Bellonet (Global Electronic Forum)	1994
IMFN (International Model Forest Network)	1995

ATPS (African Technology Policy Secretariat)	1997
SISERA (Sec. for Institutional Support for Economic Research in Africa)	1997
FoodLinks (Linking Food Chains)	1997

Data for the Review came primarily from detailed interviews carried out with 93 key informants including IDRC staff, Secretariat staff, donors, IDRC Senior Management Committee members, and Governors (Volume 3). It also came from a series of workshops held with IDRC and Secretariat staff and with senior management (Volume 3). In addition, a detailed Literature Review was carried out (Volume 2) – The extensive Literature Review carried out with the assistance of the IDRC Library staff revealed that hardly any research has been published that directly relates to the Secretariat modality or to collaborative partnerships. However, there was a considerable amount of literature on creating more autonomous agencies and building organizations to foster innovation and creativity. Other sources of information included a review of existing documents, studies, evaluations, audits, and management reports and extensive comments on the draft report that was widely circulated.

The approach to the Review was designed to:

- Involve and engage as many staff and other key informants as possible
- Take a strategic rather than technical, prescriptive approach
- Identify a few key recommendations that would result in significant improvement
- Ensure that IDRC officials were involved in the refinement and implementation of the recommendations.

CHAPTER 1

SECRETARIATS AND IDRC

INTRODUCTION

Empowerment through knowledge. Such is IDRC's mission. In pursuing this mission over many years in development research, IDRC has refined its own approach:

- *Knowledge is the key:* Sustainable improvements in human well-being depend on knowledge – its production, distribution, ownership, and wise application
- *Research is the means:* Research done in and by a country is vitally important for the production of knowledge needed for its development
- *People are the vehicle:* Development takes place when men, women, and their communities develop the ability to identify and solve their own problems
- *Sustainable and equitable development is the goal:* IDRC is pledged to the generation and use of knowledge in ways that alleviate poverty and improve people's lives.

IDRC's mission and approach have led it to define its programs around specific development issues. This holistic, focused way of dealing with increasingly complex and serious problems related to global poverty has resulted in the implementation of new and evolving organizational forms.

IDRC has taken a leadership role on the cutting edge of many new areas of research and in the application of innovative organizational mechanisms. International Secretariats are one of these program delivery mechanisms. They are intended to achieve greater impact on program priorities through careful and specific targeting of resources and formal collaboration with partners external to IDRC. Secretariats are created and administered in accordance with special guidelines

approved by IDRC's Board of Governors. While each of them is unique, Secretariats share a number of fundamental characteristics. They generally have a focused mandate and a distinctive governance and organizational structure. They are usually funded by a consortium of donors including IDRC. Although they enjoy a higher level of autonomy and often visibility, legally, they are still part of IDRC.

In experimenting with forms of alternative service delivery, IDRC has been part of a broad movement within the public sector. Perhaps the two most important defining tendencies of this movement are semi-autonomous agencies and collaborative partnerships.

Recent experiments with semi-autonomous agencies, both in Canada and abroad, have been driven, to a large extent, by a desire for more flexibility in the design and delivery of programs. This is achieved by changing the relationship between service providers within a line department and the central agencies that manage them. Agencies are seen as a way of improving service and performance by separating policy from operations and then locating the latter in new structures outside of the existing bureaucracy. This independence allows the agency to establish new rules and procedures that make its operations more flexible, cost effective, responsible, and responsive. At the same time, it must continue to operate within the policy framework set by government. Examples abound: Canada's Food Inspection Agency, Special Operating Agencies, Executive Agencies in the UK, State-owned Enterprises in New Zealand, and Business Enterprises in Australia.

Many of the major issues facing governments, including health, security, environment, employment and competitiveness, involve multiple jurisdictions and sectors. Effective strategies for dealing with them therefore require collaboration and partnering, often at a number of levels. This holds just as true for issues in international development. Recent examples highlighting this trend toward partnerships include: *Community Health Services* in New Brunswick, Prince Edward Island, Saskatchewan, and British Columbia; *Partners in Innovation* to develop new technologies in road construction between Nova Scotia and its universities; *Knowledge Economy Partnership* between Prince Edward Island, Industry Canada, educational institutions, and the private sector; Human Resource Development Canada's Labour Market Development Agreements, which re-establish an entire policy field as a collaborative enterprise; and IDRC Secretariats that collaborate with other international development organizations to focus on specific development issues.

In at least one important way, IDRC's Secretariats go beyond this public management trend in that, for the most part, they attempt to establish an international leadership role in a specifically defined area. Typically, the other applications aim at improved service and reduced costs and do not have ambitions as lofty as IDRC's Secretariats.

WHY SECRETARIATS?

As this Review will show, not only were the Secretariats in IDRC part of a broader movement within the Canadian public sector to experiment with alternative forms of program delivery, but there was a specific organizational and historical context within IDRC which led to some of the early initiatives to establish Secretariats. Some of the reasons expounded at that time related to IDRC's own survival and to the preservation of its programs, staff and budget. This historic context should not detract from the benefits that Secretariats have since demonstrated as a program delivery mechanism and which are more relevant to answering the question now: why Secretariats?

The benefits of the Secretariat mechanism include:

- Facilitating donor co-ordination and collaboration, thereby avoiding duplication, competition and fragmentation of effort
- Channelling funds and efforts into a specific priority program
- Extending the capacity of existing IDRC infrastructures through the creation of arms-length organizations that can be started
- Enabling IDRC and its partners to limit risk in new, untried ventures
- Facilitating selective use of special program delivery approaches that might be problematic if pursued through normal institutional means – advocacy work, joint ventures, technical assistance, and the provision of research grants are examples
- Providing revenue diversification for IDRC
- Providing more effective identity and profile to help mobilize new resources
- Providing an attractive and effective mechanism for involvement and engagement of collaborators.

This Review will show that the Secretariat mechanism can provide, and has provided, all of these benefits to IDRC, even if individual Secretariats have not scored highly in all areas. The Review will also show that there are common threads to the ways in which the Secretariat mechanism can be further strengthened as IDRC looks towards the future. Secretariats *do* successfully carry out their program mandates. They attract more partners and more external funding than other program mechanisms in IDRC. However, they have not always achieved their own goals for funding and partnership within the time anticipated, nor have they always been as successful as they might have been. Some of the reasons for this lie within IDRC's own corporate culture and policies, both of which can be adjusted to be even more supportive to Secretariats and thus underwrite IDRC's successful innovation in program implementation and inter-agency collaboration.

There has been a pattern in the past of establishing small Secretariats trying to carry out large mandates with minimal resources (both financial and human resources), of banking on optimistic scenarios and shying away from hard decisions, of IDRC becoming the donor of last resort and other donors not living up to earlier expectations. All these lessons can be incorporated into an improved framework for Secretariats, by clarifying the conditions necessary for them to be

established, the agreements negotiated with partners, the resources provided to carry out the mandate, and a clear exit strategy.

The general reply to the question *why Secretariats?* has to be a clear endorsement that they are a successful modality for IDRC to deliver certain programs, that they complement IDRC's other modalities, bring increased credibility and stature to IDRC, and can be made even more effective.

While a small number of Secretariats have been disappointments, most have achieved some success and others have been very successful. In spite of wide spread application of the modality, the use of several similar alternative service delivery mechanisms in public services the world over, and the overall success of Secretariats at IDRC, there is still an undercurrent of doubt about IDRC's commitment to the Secretariat modality. It provides an innovative and flexible organizational mechanism to address many complex development needs. IDRC has experimented widely with the Secretariat modality, developing considerable, valuable, and unique organizational expertise. The Centre may wish to consider further the criteria for establishing a Secretariat, both in differentiating Secretariats from other program modalities, and in defining IDRC's expectations for its performance. The current criteria, identified in the *Guidelines for Secretariats Housed at IDRC*, do not adequately distinguish between Secretariats and other program activities and do not fit IDRC's existing Secretariats.

PREVIOUS STUDIES ON IDRC NETWORKS AND SECRETARIATS

While IDRC has not been alone in experimenting with new organizational mechanisms, it has been at it longer than most. To date, IDRC has used this approach in about 20 different applications. Secretariats have been employed and refined since 1992. There have also been a number of studies and examinations of the use of networks and of Secretariats housed at IDRC, including:

- R. Schwass, *Partner Satisfaction with IDRC's Management and Administration of Co-funded Projects*, 1996
- Phillip English, *The Governance of Networks: The Experience of IDRC's Social Sciences Division in sub-Saharan Africa*, 1995
- IDRC, *Some Experiences with "Secretariats"*, 1994
- Working Group, *Secretariats Housed at IDRC—Guidelines for Secretariats Housed at IDRC*, 1996 (revised 1998), approved in 1996 by IDRC's Board of Governors.

The most noteworthy observation about these and other related studies is the fact that much good work has been done with scant impact. There has been little uptake on the learning contained in these studies. For example, the Working Group Report, *Secretariats Housed at IDRC*, contains 26 administrative recommendations as well as the *Guidelines for Secretariats Housed at IDRC*. Further, the interviews carried out for this Review revealed that, while many people involved with Secretariats may know about the existence of these *Guidelines*, surprisingly few are aware of their contents.

While findings of earlier reports were not based on a generic examination of the Secretariat mechanism but on studies of subsets of Secretariats, many are reaffirmed and will appear once again in this Review. Examples of the earlier findings include:

- The *internationality* of Secretariats is an issue since most of the funding is Canadian, and practically all of it comes from CIDA. (Schwass)
- The goal of Secretariats should be to encourage local and regional organizations to take full responsibility for the networks as soon as their capacities will permit the transfer and IDRC should not expect a long-term role as convenor of such networks. In this and other respects, IDRC tends to hang on for too long. (Schwass)
- *Several Secretariats have faltered because roles/objectives have been set too widely or have not been defined precisely. Secretariats must be crystal clear on what they can do that individual agencies cannot do... [When they attempt] to address all problems simultaneously...they end up accomplishing very few things well or completely. (Some Experiences with "Secretariats")*
- The more successful Secretariats target specific countries or regions as an initial entry point. (*Some Experiences with "Secretariats"*)
- Secretariats should set clear and realistic boundaries on what can be realistically achieved within the time frame of available guaranteed and committed funding. (*Some Experiences with "Secretariats"*)
- *A common problem with many Secretariats has been that they adopt a broad mandate but neglect to provide adequate staffing and recruit staff that are not well suited to the job at hand...there is often a mismatch between the work that must be done and the skills that staff possess. (Some Experiences with "Secretariats")*
- Several networks suffered most from the decision not to have a full-time Executive Director. (English)
- *One should hire the strongest [Executive Director] possible and be prepared to pay the competitive price. The position is a very demanding one and the success of the network depends more than anything else on this individual. (English)*
- The host organization needs to spend a lot of time nurturing without obstructing. A significant degree of autonomy is needed to foster the collaborator involvement and local ownership that underpin most capacity-building enterprises (English).

Some of these findings seem to have been lost on IDRC and the lessons not adequately internalized. Problems may include: too many recommendations, the fact that many of them deal with relatively low level administrative matters, no *entry point* or responsibility centre for

Secretariats, the lack of identification of someone responsible for taking action on the recommendations, and the absence of a consultative process.

HISTORY OF SECRETARIATS AT IDRC

FORERUNNERS TO THE SECRETARIATS

Prior to 1992, IDRC had worked with other donors on collaborative program delivery mechanisms similar in broad outline and objectives to Secretariats and had been a key player, in 1987, in developing AERC (African Economic Research Consortium), which was initially hosted by the Rockefeller Foundation with IDRC chairing the Steering Committee. This initiative, regarded as a model for several of the later Secretariats, had in fact a very different history from that which was to unfold for the IDRC International Secretariats.

Although AERC emerged from previous IDRC supported research networks, it was established at the outset as an independent legal entity by the donors. Its first Executive Director and inspiration was a former IDRC Program Officer. It was first located in the Rockefeller Foundation head office in New York, and then in IDRC's Regional Office in Nairobi. Despite its close links with IDRC, AERC was therefore very different from the IDRC Secretariats of the 1990's. It was clearly accountable to its Steering Committee of donors for overall policy and finance, and to its Regional Advisory Committee for its programs. Other than paying for specific services such as accounting and office space, it had no special accountability relationship with its host institutions.

1992: THE FIRST INTERNATIONAL SECRETARIATS IN IDRC

The present concept of an international Secretariat *to be housed in IDRC* was first introduced in January 1992 with the approval of the establishment of the Micronutrients Initiative (MI) Secretariat by the IDRC Board of Governors. The idea of such a Secretariat had been proposed by the World Bank in December 1990, and had the support of a number of key agencies in the nutrition field as well as some bilateral donors. In 1991, during discussions about where such an initiative should be located, IDRC offered to host the Secretariat. The negotiations were led by the then incoming President of IDRC and concluded successfully with the donors by the end of 1991.

From the other agencies' point of view, IDRC was a neutral venue outside the UN system (which itself was subject to restrictions on professional positions). The Centre had a good track record in supporting interdisciplinary activities and in donor collaboration. CIDA was also seen as a leading bilateral donor and a Canadian location for the Secretariat seemed appropriate. From IDRC's point of view, MI represented an opportunity for corporate visibility, for high development impact

and for attracting external donor funds, through an initiative which already had a defined mission and clear multi-donor support.

Thus, the first IDRC International Secretariat was a multi-agency initiative looking for a home. The second International Secretariat, SIFR, had also been under development by a multi-agency collaborative process including IDRC, and was looking for a suitable host institution. SIFR was originally destined to be located within FAO in Rome and then within the World Bank in Washington, DC, but for various reasons the donors could not agree on these as host institutions. Late in 1991, negotiations began with IDRC as the host institution and agreement was reached in time for the proposal to be approved by the IDRC Board in March 1992.

1993-94: INTERNAL MOVES TO CREATE SECRETARIATS

After the establishment in 1992 of the first two Secretariats (MI and SIFR), which were international in conception and development, there followed a series of initiatives driven from within IDRC. These included WETV (March 1993), EEPSEA (March 1993), ATPS (March 1993), and ITI (August 1994). These initiatives, not all of which were formally approved by the IDRC Board as Secretariats but were special projects treated as Secretariats, arose from specific Program Initiatives championed from within the organization.

EEPSEA, located in Singapore, and ATPS, located in Nairobi, were closely linked to IDRC's mandate in research and research capacity building. WETV was seen as a corporate initiative which was not linked to any specific IDRC research program. ITI was an inter-divisional initiative within IDRC, led by the Health Sciences Division, and was also seen as an opportunity for external funding from Canadian government funds to be allocated for international tobacco control.

1994-95: BELLANET AND IMFN

The next two Secretariats to be established, Bellanet (October 1994) and IMFN (November 1995), were developed outside IDRC. Conceived by a number of external donors, Bellanet was established by consensus at IDRC after two years of meetings and consultations. The IMFN was a Canadian initiative involving three government departments and agencies (Natural Resources Canada, DFAIT, and CIDA). Although the negotiations were not as lengthy as for Bellanet, there was a formal process of examining suitable host organizations on the part of the IMFN donors before IDRC was approached and an agreement was reached to place the initiative within IDRC.

1997: THE LATEST SECRETARIATS

The most recent Secretariat to be established (other than FoodLinks which was started in October 1997 and terminated in March 1998) is SISERA (March 1997). This was an internal initiative, designed to bring together two major projects already being managed out of IDRC's Regional Office in Dakar, and to build on IDRC's previous institutional strengthening grants in West Africa. SISERA was conceived as a complementary activity to AERC and it was hoped that it would attract donor funds targeted at economic research support in Africa. FoodLinks operated as a special project for about two years before it was eventually established as a Secretariat, led by the same IDRC staff member who had already undertaken some important and visible activities.

EVOLUTION OF POLICY AND INSTITUTIONAL CONTEXT

When presented with the proposal to host the first international Secretariat, the IDRC Board specified a number of conditions for the relationship of the Secretariat to the Centre:

- The Secretariat's operations would be generally subject to the Centre's administrative policies and practices
- All administrative costs would be reimbursed by donor contributions to IDRC
- Objectives were to be closely linked to IDRC's existing programs.

There was no explicit strategic framework developed at the outset for international Secretariats at IDRC, nor was there, initially, any policy beyond IDRC's openness to such opportunities, each of which would be looked at on its merits, and would receive funding from external donor whilst remaining within IDRC administrative policies. In May 1993, a year after the first Secretariats were established, a liaison function was established in the office of the Director General for Resources to deal with Secretariat policy development and troubleshooting. The pressing issue was that of the authority of the Executive Directors, who were consultants to IDRC and therefore fell outside the structure for delegated authority from the IDRC Board.

The then new President promoted the housing of Secretariats within IDRC programming units as they would be more administratively flexible, responsive to changing priorities, and directly supported by other donors. These units were meant to generate revenue or at least achieve cost-recovery for their operations. They were seen as a cost-effective means of pooling ever-scarcer donor resources, including those of IDRC itself. The general approach of senior management was to accept the most optimistic scenario as each Secretariat was considered. There was little or no discussion of an exit strategy if outside funding did not materialize and IDRC found itself in the situation of being the donor of last resort, whose own credibility became inextricably linked to that of the Secretariat.

At the outset, the IDRC Board was concerned that the Secretariats would be linked to IDRC's existing programs. However, 1992 was a time of dramatic restructuring at IDRC and both the nutrition and fisheries programs were eliminated at the same time the MI and SIFR were

established. The feasibility study which led to the establishment of WETV was underway at the same time as the Communications Division was significantly reduced. Inevitably, the Secretariats became associated with the restructuring and downsizing of IDRC. The new Secretariats did provide an opportunity to preserve some important IDRC program activities. However, from the start, they were associated with internal transfers of staff and were seen inside and outside IDRC as a means of solving some of IDRC's human resource management issues.

The establishment of the ten IDRC Secretariats examined in this Review spans the period of office of the former IDRC President. Although they are very different from each other in program focus, in genesis, and in how international they really are, the Secretariats shared their origin in his concept of an innovative knowledge organization (IDRC) and a flexible programming mechanism (the Secretariats). They each owe their establishment to this vision and to his personal support. They also owe their emphasis on the *best case* scenario and their accountability framework to his leadership style, and to the context of budget reduction, downsizing, and restructuring that prevailed in 1992-97, all of this against a background of concerns about the organizational survival of IDRC. While it is true that some Secretariats were seen as sources of revenue for IDRC, the Secretariat mechanism was proposed as an instrument for transforming IDRC itself into a flexible, creative, and visible organization. They were to show the way.

TYPES OF IDRC SECRETARIATS

In practice, although this Review focuses on ten Secretariats, some twenty Program Initiatives were established or promoted under the rubric of *IDRC International Secretariat* in the period 1992-1997. They were generally administered under the Board-approved policy guidelines which were developed for Secretariats between 1993 and 1996, and last updated in May 1998. These twenty *Secretariats* are shown in Table 1. As the table shows, some of these *Secretariats* had a global mandate and some a regional, or even a country one. Nine of them were located in Ottawa and eight in IDRC Regional Offices. Three were located in separate project offices in Bangkok, Cape Town, and Dar es Salaam. Two were formally approved by the IDRC Board as *quasi-Secretariats* based in Ottawa: the OCEEI (Office for Central and Eastern European Initiative) and IWOKRAMA (Iwokrama International Rainforest Programme).

Only eight *Secretariats* were formally approved by the Board as International Secretariats: MI, WETV, ATPS, Bellanet, IMFN, INBAR, SISERA, and FoodLinks. This Review includes all of them except INBAR which is now established (since November 1997) as an independent organization in China. The other *Secretariats* were approved as special projects by the IDRC Board. This brings into question how Secretariats are different from other IDRC program activities and what the defining characteristics of an IDRC Secretariat are.

Following the Guidelines for International Secretariats at IDRC, Internal Audit uses six characteristics to define a Secretariat:

- Their operations are supported by IDRC, but are a distinct entity within the Centre

- They are active in a field relevant to IDRC's competence and programming
- They are funded by one or more donors, in addition to IDRC funds
- They are governed, as to programming, by a Steering Committee that is often comprised of representatives of the sponsoring organizations and experts in the field
- They carry out the program of work approved by the Committee
- They conduct their work over a fixed period of time.

TABLE 1 – ALL IDRC INITIATIVES REFERRED TO AS SECRETARIATS – 1992-97
(*Bold types denotes Secretariats included in the Review*)

YEAR		FULL NAME	LOCATION
1992	MI	Micronutrient Initiative	Ottawa/Delhi
	SIFR	Strategy for International Fisheries Research	Ottawa
1993	WETV	Global Access Television Network	Ottawa
	EEPSEA	Economy and Environment Program for South-East Asia	Singapore
	ATPS	African Technology Policy Secretariat	Nairobi
	OCEEI	Office for Central and Eastern Europe Initiative	Ottawa
	VISED	Vietnam-Indochina Sustainable Development Program	Bangkok
	NEPED	Environmental Protection and Economic Develop. (Nagaland)	Delhi
1994	BELLANET	Bellanet Initiative (Global electronic forum)	Ottawa
	ITI	International Tobacco Initiative	Ottawa
	IWOKRAMA	Iwokrama International Rainforest Programme	Ottawa
	EHIP	Essential Health Interventions Project	Dar es Salaam
1995	IMFN	International Model Forest Network	Ottawa
	CONNEPP	National Environment Policy Transition Project	Johannesburg
	INBAR	International Network for Bamboo and Rattan	Delhi
	EMS	Environmental Management Secretariat	Montevideo
1996	TIPS	Trade and Industry Secretariat	Cape Town
	ADRF	Asia Development Research Forum	Singapore
1997	SISERA	Sec. for Institutional Support for Economic Research in Africa	Dakar
	FOODLINKS	FoodLinks	Ottawa

Each of the 20 *Secretariats* shown in Table 1 was reviewed according to selected administrative, program, and financial characteristics in order to identify what patterns of attributes might be useful for developing a typology and for selecting a sample for more detailed review.

Administrative characteristics include:

- Board-approved status
- Establishment and termination dates
- Location of Secretariat headquarters
- Number of approved staffing positions.

The program characteristics include:

- Geographic scope of the program mandate
- Program sector
- Main program activities.

The financial characteristics include:

- Number of different donors
- Size of the total budget since establishment
- Percentage of the total budget coming from IDRC, CIDA, other Canadian public funds, and international and private sector sources.

The results have led to the identification of six dimensions which seem to best describe Secretariats in terms of their origin, outputs, characteristics, and *fit* with IDRC's own mandate and criteria for Secretariats. These dimensions are:

- Degree of focus on *development research (a qualitative assessment)*
- Genesis of Secretariat (*within IDRC; within Canada; from international initiatives*)
- Number and type of external donors (*Canadian or international*)
- Geographic mandate (*national, regional, global*)
- Main outputs (*project results, trained personnel, policy formulation, information sharing and networking, institutional strengthening and creation*)
- Conformity with IDRC criteria for Secretariats.

Even within the limited population of Secretariat initiatives (only 20), several possible typologies can be developed, based on the Secretariats' administrative, financial and program characteristics. Simple approaches would include dividing the Secretariats by program sector or by geographic location. The preferred approach for this Review was to focus on a typology which reflected the degree of international collaboration in the Secretariat, and the emphasis on development *research* in the Secretariat's mission and program activities, as these seemed particularly relevant to the Secretariat mechanism as a program modality for IDRC and as a mechanism for collaboration with other development agencies and partners.

Table 2 presents an initial typology of the Secretariats reviewed, which is based on two indicators:

- A qualitative assessment of the degree of emphasis on research in the Secretariat’s mandate and outputs
- The type and level of external donor involvement in the start-up phase and in current funding of the Secretariat.

This typology also has the advantage of an even distribution of the Secretariats across the matrix. It also reveals that none of the Secretariats appears to be characterized by a high research focus and high international donor involvement in both its genesis and funding. Among the reasons for this could be that:

- Relatively few international donors fund research so the potential pool of collaborating partners is small
- International collaboration on research activities is not seen by donors as requiring a Secretariat mechanism but can be achieved at the level of project funding
- It is simply the result of the law of small numbers.

AERC (African Economic Research Consortium) is not an IDRC Secretariat but an independent international Secretariat serving a program which developed from IDRC research networks. IDRC helped to establish AERC and still plays a key role in the organization. It is an example of a pre-1992 IDRC program mechanism which falls into the *high research-high international donor involvement* category and which merits some comparative review, particularly as several of the Secretariats used AERC as a model.

TABLE 2 – TYPES OF SECRETARIATS IN TERMS OF RESEARCH EMPHASIS AND DONOR INVOLVEMENT

<i>Emphasis on Research</i>	<i>External Donor Involvement in Start-up and Funding</i>		
	Mostly internal to IDRC	Mostly Canadian partners	High involvement of international agencies outside Canada
High research emphasis	ATPS	EEPSEA	<i>(AERC: not an IDRC Secretariat)</i>
Medium research emphasis	FoodLinks	IMFN ITI	SIFR
Less emphasis on research	SISERA WETV	MI	Bellanet

SECRETARIATS COMPARED TO OTHER PROGRAM MODALITIES

In practice, not all the Secretariats comply with all these criteria, and a good number of other program modalities such as Program Initiatives and Special Projects, could also fit within the six characteristics that *define* Secretariats. Some Special Projects, such as Acacia, have larger budgets than some of the Secretariats and have also hired an Executive Director from outside the Centre. PIs and Special Projects can also have external advisory committees, technical advisory groups and co-funding from external donors.

At the beginning, Secretariats were seen as having greater flexibility in budget management by being able to allocate program funds for program delivery (that is, for salaries, travel and equipment etc.). In a time of cutbacks in staff positions and program budgets, this was seen, particularly by IDRC staff, as a major advantage of the Secretariat mechanism over other program modalities. However, allocations are made to operational expenses from program funds in Special Projects. Thus, the dividing line between PIs, Special Projects, and Secretariats is not a clear one, neither in terms of program objectives nor of finances.

Indeed, within IDRC, it was considered a desirable evolutionary path that PIs or groups of projects could transform themselves at some point into a Secretariat. This occurred with some of the internally led Secretariats such as ATPS, INBAR, and FoodLinks. Once Secretariat status had been achieved, it was felt that the program activity would have greater visibility, focus, flexibility, and be more results oriented. Certainly, *image* is one way in which the Secretariat mechanism is different from other program modalities in IDRC. As one member of IDRC staff put it:

Secretariats are seen as quasi-institutions which have acquired an international character. They can do a brokerage function and act as a repository of ideas. People come to a Secretariat for this more than to a PI. Secretariats have a sharper focus.

Another important difference between Secretariats and PIs is their management style. PIs have adopted a team management approach whereas Secretariats, although most are small highly participatory organizational units, have a more traditional management structure. Secretariats have a defined *boss*: the Executive Director, and a defined policy body: the *Steering Committee* whereas PIs are led by Team Leaders who are selected by the Team Members. Team Members and even Team Leaders are usually members of more than one Team.

PIs must prepare three year plans or *prospecti* which define the future work plan and general budget allocations. Once a prospectus is approved by the Board, Team Leaders are able to authorize project activities, and have signing authority up to \$500,000. The main constraints on them are that the annual budget for the PI is uncertain from year to year, and that the Team Leader is *exercising authority on behalf of the team*, so that he/she must work to develop consensus within the Team. In practice, the information sharing and consensus building process is reported to be very time consuming and may even weed out the most innovative, high risk ideas which are unlikely to receive wide support within the Team.

Another difference that IDRC staff sees between the implementation of the Secretariat modality and PIs is that the roles of team members and leaders for each of the PIs are shared among relatively few person years so that people feel pulled in too many directions. Some envy the dedicated person years enjoyed by the Secretariats, where the work may be no less demanding but is more focused on a particular mission. PIs have less control over the selection of their human resources than do Secretariats and are reported by both IDRC and Secretariat staff to be slower and less flexible in making decisions than Secretariats. These challenges are not uncommon in organizational attempts to increase interdisciplinarity and develop the team management style that characterize the Program Initiatives.

ABOUT THIS REVIEW

This Review results from a desire to consolidate the learning about the application of the Secretariat mechanism. The Review has one principal purpose: to assess the performance of Secretariats in order to identify ways in which IDRC and the Secretariats could better help each other fulfill their respective mandates and objectives. The Review is of this unique mechanism as a delivery modality for IDRC and is intended to help determine how best to operate and govern the Secretariats. It is not an evaluation of individual Secretariats. The complete Terms of Reference are found in Volume 3, Appendices, available from the IDRC Evaluation Unit.

Having too many tedious recommendations at the administrative level, not identifying responsibility centers, and lacking a consultative process are problems this Review sought to avoid. First, the number of recommendations is limited to critical areas that will make the most difference. Second, the approach taken is from the managerial and accountability framework point of view rather than a technical, administrative one. Third, the concluding section of this report identifies what each part of IDRC will have to do if the recommendations made in this report are approved and implemented.

Fourth, the process followed in the preparation of this Review (summarized below) has been as consultative as possible. Ninety-three interviews were conducted. The survey questionnaires, a list of interviewees, and a summary of survey findings appear in Volume 3. Staff were invited to participate in workshops to help interpret data synthesized from these interviews. The survey questionnaires, a list of interviewees, and a summary of survey findings appear in Appendix 2 (Volume 3). At the first series of staff workshops, participants were invited to comment on the review process and methodology. At the second series, they helped interpret the raw survey data and identify critical issues. During the third series, and after having reviewed the literature review and case studies, as well as the survey findings, participants were involved in critiquing the recommendations and Review findings.. The material presented and discussed at each of these workshops was simultaneously circulated to Regional Offices for comments. An additional working session was held with IDRC Senior Management Committee, including all Regional Directors. Summaries of these Staff Workshops are also found in Volume 3. In addition, Executive Directors of the respective Secretariats were given the opportunity to verify facts and

comment on the case studies prior to their dissemination. Finally, the review process was overseen by a Secretariat Review Committee with active participation from all IDRC branches.

OUTLINE OF THIS REPORT

The issues arising from the use of alternative service delivery mechanisms in the broader public sector and those arising from IDRC's experience with Secretariats are identical. They include: learning from experience, emphasis on results, accountability, strategy and policy tools, human resource management issues, and organizational culture and structure.

SECRETARIAT REVIEW PROCESSES

Evaluation design	June 30
Data collection	July/August
Interview synthesis and analysis	August 21
Staff workshops	September 16
Case studies	September 31
Management audit	September 31
Literature review	September 31
Preliminary draft report	October 16
SMC Work Session	October 28
IDRC staff workshops	Oct/November
Final report	November 23
Senior Management Committee Decision	December 2
Board of Governors Presentation	January 21/22

As a result of these innovations, organizational learning has become more important than ever. For most experiments with alternative service delivery, including Secretariats, there are no precedents. Rapid learning from our own experience and the experience of others has become critical to ensuring effective stewardship of public programs and funds. Of the twenty Secretariats established by IDRC between 1992-98, ten were selected for more detailed case studies. Some lessons are presented in Chapter 2. The complete cases are found in Part 2.

Performance over process has become the hallmark of virtually all contemporary public sector improvements just as results-based management has become the mantra for renewed public services around the world. Secretariats are designed specifically to focus on results and performance rather than internal processes. A review of how Secretariats have performed and actions necessary to improve performance management are found in Chapter 3.

The use of various forms of organization, like Secretariats, at arms-length from traditional public service institutions, and the utilization of various forms of partnership and horizontal collaboration are specifically intended to enable a better focus on outputs and results. However, this can only come about through an increased level of organizational autonomy and freedom to make operational decisions. These arrangements tend to blur traditional lines of accountability. Clear lines of accountability must be identified and preserved, or new accountability frameworks put in place. More than ever before, public institutions are accountable to citizens for the legitimate use of public funds. This accountability includes the important element of ensuring that decision makers and governors have adequate information upon which to base their decisions. Chapter 4 deals with the critical accountability and governance issues arising from the use of Secretariats. It also examines the findings through the audit objectives established for this Review. Finally it suggests a more comprehensive approach to audit to improve accountability for results.

Global changes, including information and communication technology processes, have rendered many of our old approaches to public management obsolete. For example, the public service is no longer shrouded in secrecy and policy is no longer the domain of a small number of policy elite providing advice to decision makers. Further, citizens and constituents demand more involvement and engagement in policy decisions and program implementation. With the democratization of information has come a new demand for transparency and the need to demonstrate the rationale for service decisions affecting public policy and programs. This has placed new demands on institutions to demonstrate coherent and comprehensive strategies. To some extent, the public service has had to reinvent strategic planning processes and techniques to engage stakeholders and those affected by government policy and programs. Chapter 5 deals with the strategic framework required for the optimal functioning of Secretariats in IDRC.

As with other such alternative mechanisms, there are a number of operational and structural issues arising from the use of Secretariats. Key among them are human resource management and leadership issues. New approaches and organizational forms force public sector managers to re-examine and, in many cases, alter traditional approaches to human resource management. For example, recruitment and promotion systems built around the notion of generic skills may not be relevant when it comes to staffing a highly specialized Secretariat. Also, many public sector jurisdictions find themselves looking for more entrepreneurial and task-specific skills. In addition, housing and nurturing arms-length organizations such as Secretariats often requires host organizations to undergo profound cultural change as more traditional, hierarchical, risk-adverse, command-and-control approaches become less appropriate for innovative, knowledge-based, results-focused organizations. Traditional bureaucratic cultures inhibit and often kill these new forms of organizations. Just as new cultures need to be forged, to accommodate these types of changes, new structures and improved approaches to central control functions need to be developed. Chapter 6 examines these important issues.

Finally, if the recommendations made in this report are accepted, there are implications at all levels of IDRC. Chapter 7 discusses the responsibilities which should be taken on by the Board of Governors, Senior Management, IDRC staff and Secretariat staff in the implementation of the recommendations.

CHAPTER 2

LEARNING FROM EXPERIENCE

Detailed case histories of 10 IDRC Secretariats are presented in Part 2. Each case ends with lessons drawn from that particular experience. While each Secretariat is unique, collectively these lessons fall into three main categories: capacity, focus, and relationships. Two distinct sub-groups were identified under capacity: financial and human resources including leadership. Lessons about the need to have a precise focus stress the importance of having realistic objectives and time frames. Many lessons about relationships emerged, including organizational and human relationships. Other less universally observable, but perhaps more significant, lessons about accountability, roles and responsibilities, and a strategic framework also emerged. These will be outlined throughout the subsequent three chapters on Accountability, Strategic Framework, and Operations and Structure.

CAPACITY

When contemplating a new venture such as starting a Secretariat, one of the first and most important questions that must be explored is whether or not the host organization has the financial and personnel capacity to carry out the new activity effectively. Second, if the capacity is unavailable, how could it be obtained and at what price. Of the problems emerging from the use of Secretariats at IDRC, the capacity issue arose with the most frequency and posed the most serious problems. For example, securing appropriate funding is, and in some cases was, a critical issue for SISERA, SIFR, ITI, IMFN, FoodLinks, and WETV. Personnel and leadership capacity loomed large as issues for ITI, SIFR, ATPS, and SISERA.

FUNDING CAPACITY

Financial resource problems were evident in many of the cases examined for this Review. SIFR, for example, expended too much energy on securing adequate funding (including the considerable effort involved in attempting to get some of the donors to live up to their commitments) and not enough on results. Further, IDRC invested more funding than originally intended. Even if the money earmarked for the Sustainable Oceans Development (\$320,500) is subtracted, it was never intended that IDRC would fund more than 50%—certainly not the 80% that it did contribute. This put IDRC in the position of being *the donor of last resort*, not something bargained for at the outset. As one donor observed:

If you're offered \$100,000, it's hard to say no but that is exactly what you should do if there is not the funding assured to support an activity for the long term at an adequate level. That's what happened with SIFR; it was built on promises of funds that never came. SIFR has been on a shoestring for a long time.

ATPS is another example. The funds provided did not match the amplitude of the task at hand. The Secretariat's large geographic mandate (15 countries) and the number of different activities involved in achieving its mission – to create an active network, to effectively influence policy, and to create the necessary presence – required resource levels beyond those identified. As it was, ATPS was established with only two thirds of the meagre resources originally identified in hand. Bridge funding was needed from IDRC, *the donor of last resort*.

ITI is a third example of a would-be Secretariat that has had extremely soft funding from the beginning. It was approved based on a commitment of \$2 million from CIDA. Almost five years later, it appears to still be waiting and continues to face serious financial viability issues. SISERA, established just over a year ago, is yet another example. Its budget for the first two years is \$3.27 million, including \$1 million from IDRC and \$2 million rolled over from two earlier projects. The hope is that external funds will be attracted to this venture but there are already signs that it will be difficult to obtain the new funds necessary to ensure SISERA's longer term financial viability.

The list of examples goes on and includes IMFN which, while having relatively solid funding through to April 2000, has set a *do or die* internationalization goal of attracting funds from outside Canada; FoodLinks, which, it was concluded, has little chance of attracting the funds it needed; and WETV which has been plagued by the same problems from the start.

Funding capacity includes several factors and requires rigorous financial analysis. The following questions should be considered and answered:

- What amount of money is required for the proposed Secretariat to have the desired impact?
- Have the proposed activities been properly costed and realistically assessed?
- What is the amount of IDRC's financial contribution required now and over what time frame into the future?

- What trade-offs come with making this commitment? That is, are the funds coming from another program area, efficiencies, or what?
- What secured funds have been committed by outside partners, now and in the future?
- What would it take to secure more external funding?
- What evidence is there that this external funding will be forthcoming?
- What financial risk is IDRC undertaking? What are the worst case, likely case, and best case scenarios?
- What are the financial performance measures? Warning signs? Indicators that it is time to bail out?
- What are the financial contingency plans?

Based on a thorough examination of background documents and interviews, it seems as though not enough consideration was given to these sorts of questions.

PERSONNEL AND LEADERSHIP CAPACITY

STAFFING CAPACITY Some of the most vivid lessons from experience arise from the very weak link between the volume and level of work described and the amount of effort required to carry out that work in the work plan included in the original proposal for a Secretariat. SIFR is a prime example. The human resources supplied were not adequate for the job. Although ample attention was given to work planning and activity listing, little effort was invested into the assessment of the time it would take to carry out the complex tasks so carefully identified. As a result, the staff supplied was not appropriate for the work to be undertaken.

KNOWLEDGE CAPACITY More important than the level of human resources is the quality and appropriateness of resources required. The knowledge, expertise, and experience required to achieve the mission are often overlooked. In many Secretariat experiences, through a happy coincidence, the capacity was available. Unfortunately, in others, that was not the case. Reports abound of staff being assigned to newly created Secretariats who lacked the necessary expertise.

Although it was not ill considered, ITI faltered in these areas. The project was embarked upon with considerable naivete and a lack of knowledge, expertise and experience in the area. IDRC misjudged the extent of the power of the tobacco lobby—on both sides of the issue. After a rocky and slow start, some key informants believe that ITI has gone through the necessary learning curve and is now poised to implement its strategy.

LEADERSHIP CAPACITY Similarly, leadership looms as a large capacity issue. If the mission of a new Secretariat is to establish an international network of experts and become the focal point for a specific activity attracting and maintaining the interest of international organizations with similar interests, a very strong leadership capacity is essential. Often this requires going beyond the resources at hand. If one thing has been demonstrated and re-demonstrated it is that a part-time leader or Executive Director does not maximize success and almost always forewarns failure. As Peter Drucker so often observes: *If a job is worth doing, it is worth dedicating resources to.*

ITI is a vivid illustration of a Secretariat's need for the full time effort and dedication of an effective collaborative leader. To think that much more than marginal progress could be achieved with part-time leadership spending 70% of their time on other demanding tasks, as is the case with ITI, is fanciful. For some key informants, this situation reflects badly on IDRC. They report that, while the initiative is conceptually very attractive, IDRC has until recently shown little interest in fully supporting ITI. Existing and potential donors are being asked to make a continuing leap of faith and believe that, someday, IDRC will back the project. This of course is the *catch-22* in which ITI and IDRC find themselves. Naturally, more donor funding would enable more aggressive staffing levels.

It is one thing to recognize a leadership vacuum, as IDRC did with the tobacco issue. It is quite another thing to be able to fill the vacuum. This requires building a constituency of committed collaborators, which, as we have seen from other cases such as SIFR, is not always easy—particularly in areas that impinge on the influence of other institutions and interest groups.

The strength of Secretariats is seen by many as deriving from their relative autonomy from IDRC—the arm's length distance. This has two advantages. First, it helps them focus all efforts on the single issue they are dealing with. Second, it enables donors to become more actively involved in the collaborative effort. As we have seen throughout the course of this Review, donors are happy with IDRC's stewardship, but also insist on exercising fully their partnership role. Once again, this signals the need for a full-time Executive Director who is perceived as loyal and dedicated to the Secretariat's mission. Such was not the case with ITI and SIFR where the Executive Director was most often carrying responsibility for other IDRC initiatives. The lack of a full time Executive Director may also limit what SISERA can achieve in the two year mandate it has been given.

While stature and expertise, energy, and subject area expertise are also important, the ability to work effectively with other people both in the host organization and with donors, is paramount. The cases of very successful Secretariats—EEPSEA, IMFN, and Bellanet—clearly demonstrate the necessity of strong human interaction skills and relentless attention to relationship building and maintenance.

The main success factor in the case of EEPSEA is its ability to work well with others. It illustrates the point made by Warren Bennis in *Organizing Genius: The Secrets of Creative Collaboration* (1997): *Great Groups* require a highly flexible kind of leadership that has more to do with facilitating than with asserting control. *People in effective collaborative groups*, Bennis continues, *feel liberated from the trivial and the arbitrary... People are in them, not for money, not even for glory, but because they love the work, they love the project.* He further points out that they are staffed with talented people who can work together. Certain tasks can only be performed collaboratively, and it is madness to recruit people, however gifted, who are incapable of working side by side toward a common goal.

Like funding capacity, personnel and leadership capacity have many dimensions. Following are some personnel and leadership capacity questions that need to be asked about Secretariats:

- Have required staff resource levels been assessed in terms of the work plan proposed?
- Have the core competencies been identified for the staff who will be required to carry out the work described in the work plan?

- Beyond the individuals required to do the work, what are the characteristics of the team that would optimize success?
- What characteristics, competencies and expertise would the leader of the new Secretariat require to ensure international credibility and partner support?
- What are the minimal relationship and collaborative skills required to function well with IDRC, Secretariat staff, and partners?
- Are these resources (staff and leader) available in IDRC? If not, where can they be obtained?
- What is the cost of staffing the Secretariat adequately?
- Can IDRC ensure an ongoing environment in which this team can function? What technical and administrative support will they need? What ongoing leadership and management oversight is required? Who will be responsible for seeing that these host organization's responsibilities are carried out effectively?

FOCUS

By design, Secretariats housed at IDRC are small organizational units focused very precisely on a specific development issue. Many interviewees pointed out the importance of having a concise mission, goals, and objectives. They, and previous evaluators, have identified this factor as being an essential foundation for Secretariat success. Sometimes this precision is attained by delimiting a subject area. IMFN is an example of a Secretariat addressing a very broad range of economic, agricultural, forestry, water, conservation, indigenous peoples, environmental, and sustainable development issues that span the globe, but focusing them on a single manifestation — model forests. Other Secretariats like EEPSEA focus their attention on a limited geographical region. More precise than this geographic limitation is its intense focus on the method and approach. Sometimes criticized for this narrow focus, EEPSEA understands that its success would be threatened by attempting to be more things to more people.

MI is another example of a clearly defined focus. Its mission is clear and compelling: the amelioration of the problem of micronutrient disorders arising from iodine, iron, and vitamin A deficiency. This mission will be achieved through focus on advocacy and alliance building, development and application of technologies, building national and regional capacities, and resolution of key logistical issues.

FoodLinks exemplifies the difficulties associated with too broad a focus. The mission of this Secretariat was to create partnerships among food producers, processors, and marketers in developing countries and Canada through the provision of commercial liaison and project management services, in order to increase capacity, employment, and incomes for developing country communities in a sustainable and equitable manner. The task was colossal in scope and difficulty, echoing the sort of mission statements you would expect to find in business development and agriculture departments in countries the world over.

ITI provides another example of an insufficiently focused mission and approach. While the central idea of ITI is appealing, it seldom seems to be expressed in concise and simple terms. Certainly this is not to

say that the problem at hand is a simple one. However, when we look at the plethora of strategies, objectives, activities, and desired outcomes originally presented, we are awestruck at the level of resources required to achieve them. Happily, ITI is in the process of defining very sharply focused and delimited goals and objectives, which will greatly enhance its chances of success.

A UN sponsored evaluation of SIFR identified a similar lack of focus. No matter where and how SIFR is constituted in the future it should, under no circumstances, be designed to pursue more than a three objectives at a time, contrary to its original mandate to pursue several complex objectives at various levels of policy, research and donor interest, and to do so nationally, regionally, and internationally. It could be maintained that the institutional interests of IDRC inhibited SIFR's chances of success as pursuing IDRC's goals, such as the Sustainable Oceans Development initiatives, may have detracted from the required single-minded focus. It certainly did dilute the already very scarce amount of time and energy of the one-man operation. As the SIFR Steering Committee members interviewed for this Review observed, it was not always possible to see where SIFR's agenda started and IDRC's agenda ended... and this made people very nervous.

Questions that need to be posed about focus include:

- If we had the best leadership and an adequate level of staff support within the limited resources offered by the Secretariat modality, would the mission be achievable? The belief that the impossible can be done has been identified by Warren Bennis (see Literature Review) as a characteristics of all *Great Groups* and collaborative partnerships. However, it must be ensured that the mission and objectives are focused sharply enough to reflect a degree of realism.
- Are the objectives and corresponding activities focused enough to ensure acceptable results in specifically identified areas?
- Will achieving results and having an impact in the specifically defined area make a substantial difference?
- What are the other ways available to achieve the same ends?
- Do the mission and objectives have appeal to existing and potential partners including IDRC? Are they easily understood and conceptualized?

RELATIONSHIPS

The importance of two types of relationship issues, each multilayered, became evident during the Review process. The first type, organizational relationships, deals with the fit with IDRC culture, mandate and mission. It also covers the fit with broader public policy objectives on the national level. The second, interpersonal relationships, deals with relationships between Secretariats and IDRC, partners, and staff.

ORGANIZATIONAL RELATIONSHIPS

At the highest level, it seems as though Secretariats with missions in harmony with broader Canadian public policy objectives have the most chances of receiving sustained strong support. IMFN is a prime illustration. It is clear that the IMFN idea would not have got off the ground, nor proceeded very far, without national backing. As it is advancing the government's public policy objectives, it has the active support of most of the relevant government departments.

This linkage to a public policy purpose reflects a general trend in public administration—highlighted in Canada by the recent budget review methodology—toward abandoning activities that have no direct public policy purpose. It also demonstrates, to IDRC's credit, the development of a mechanism that can quickly respond to emerging international issues and circumstances that other institutions cannot respond to because of jurisdictional and national boundaries. Rather than being problematic, this may be a key advantage of Secretariats that has yet to be explored. Indeed, one of IDRC's strengths is its innovativeness and responsiveness of which Secretariats are a manifestation.

However, this issue raises another difficult question. Internationally, the perception that IDRC is independent from the politics of the day is a source of strength and creates a positive image for the Centre. It could for example be argued that IMFN's difficulty in attracting international sponsors is, in large part, attributable to this link with Canada's advancement of its own public policy agenda.

MI can also demonstrate direct links to national and international initiatives by way of resolutions passed at the 1990 World Summit for Children which endorsed the goals for the elimination or significant reduction of micronutrient deficiencies by the year 2000. These goals were further endorsed in 1992 by the International Conference on Nutrition. Similarly, EEPSEA was one of the first projects launched after the 1992 Earth Summit.

By contrast, Secretariats not enjoying this level of support appear to have more difficulty achieving the same degree of success. SIFR, for example, offers an idea as compelling as IMFN, but lacked the official backing of Canada's Department of Fisheries.

At another level of organizational relationships, the issue of IDRC's suitability as a host for a particular collaborative partnership, needs to be addressed. A lesson learned is that there must be an organizational, ideological, and methodological fit between IDRC and the Secretariat it is going to host.

In general, IMFN demonstrates that IDRC is an excellent host capable of providing a highly conducive environment for collaborative partnerships. The Centre was able to receive existing functions from other Canadian departments, and quickly establish a credible international model forest network. The transition was extremely smooth and the arrangement proved to be productive. Contributing departments and donors are very satisfied with the transition and oversight provided by IDRC. These contributors each noted that their view of IDRC improved significantly after IMFN was transferred. This positive perception is echoed by the Executive Director who has experience in several other Canadian government departments: *Having worked in lots of different organizations and*

organizational cultures, IDRC is a treat—it is very conducive to accomplishing some real achievements. It is a very positive environment with a high level of professionalism.

It was clear in all the documents prepared for the approval of FoodLinks that the Secretariat was *designed specifically to attract the participation of private sector companies [and] result in the establishment of business ventures with developing country partners.* Although it would receive funding from donors and IDRC, it was always envisioned that the Secretariat would become a business enterprise generating revenue from fees for service and royalties. This initiative would clearly move IDRC from its research, knowledge, and information brokerage role to a business brokerage role, as indicated in the Secretariat's mission statement: *FoodLinks will create partnerships among food producers, processors and marketers...through the provision of commercial brokering and project management services...* This, it is to be observed, seems a long way from IDRC's mission: *empowerment through knowledge.*

FoodLinks brochures clearly indicated that the initiative went “*steps beyond the Centre's traditional research partners to include private enterprise*”. In a “*mangoes for sale...new juice...and better bananas*” approach, FoodLinks marketed the idea with slogans such as: *Building profitable partnerships, Let's do Business, and Canada's IDRC is Open for Business!*, echoes of the political rhetoric of several newly elected governments in the 1980s and 1990s. The approach needed to make FoodLinks work seemed too divergent from IDRC's approach to make for a successful partnership.

Yet another relationship issue is the technical and subject area support that IDRC can provide a Secretariat. This fit with current program and personnel expertise is seen as critical by many of the people interviewed in the course of this Review. Where there is no relationship with IDRC's current programs and expertise, Secretariats seem to be at a disadvantage. One of the central problems with SIFR is perceived to have arisen from the fact that IDRC abandoned that program area. Similar arguments have been advanced with respect to FoodLinks and MI. However, it must be observed that many Secretariats, including ITI, WETV, and IMFN, have no strong program links.

The experience of MI raises the issue of Secretariats' need for close links and synergy with IDRC Programs. One of the characteristics specified for Secretariats in IDRC, which is used by Internal Audit to assess them, is that they are active in a field relevant to IDRC's competence and programming. In interviews with IDRC and MI staff, the issue of poor links to IDRC programs was often mentioned. It was also raised by external donors who felt that one of the reasons why IDRC was seen as a suitable host institution for the new Secretariat was that it had an ongoing nutrition program. When the MI was established, the IDRC nutrition program closed and the program link with IDRC effectively withered from that time.

One of the disadvantages that MI has suffered in not having close program links, beside missing the intellectual interaction and stimulus that an active group of nutrition specialists in IDRC could have brought, is that it has lacked a champion within the Programs Branch of IDRC. Similarly, MI has worked essentially separately from IDRC Programs, and its professional expertise has not been effectively linked to the Programs Branch. The MI team has demonstrated success in forging partnerships with national governments and the food industry, and in supporting innovations in

technology and health interventions. There would appear to be more potential for synergy than is perhaps recognised by either side.

However, the lesson may be that a Secretariat does not need to have close program links with IDRC to be successful and to bring visibility and credit to the Centre, and to Canada. For MI, it is not IDRC's programs that makes it an attractive host institution today. Rather it is IDRC's overall reputation as a good, flexible, relatively neutral development agency with a strong presence in developing regions through its regional offices. The issue of how MI is linked to Programs Branch would appear to be more a matter of concern for IDRC Programs than for the MI Secretariat or its donors. In other cases, such as Bellanet, EEPSEA, and IMFN, the Secretariats have become the resource and knowledge pool from which IDRC draws, rather than the other way round.

INTERPERSONAL RELATIONSHIPS

By and large, Secretariats are about building knowledge networks and leading communities of like interest in defined domains. As such, they are about relationships. While they can act with some autonomy, they are ever dependent upon the partners that support them and upon the supportive environment found within the host organization. It is therefore not surprising that the Executive Directors of the most successful Secretariats see building, nurturing, and maintaining relationships as their main job. Technical expertise clearly seems to be secondary.

Warren Bennis observes that *every successful collaborative group is an island—but an island with a bridge to the mainland*. While they may tend to be physically removed, they are able to tap a wide range of resources. This notion describes what is perhaps the strongest characteristic of EEPSEA and its leadership: its ability to stay so focused, and yet, to build and maintain such strong links to IDRC, the host organisation, as well as to sponsors and Steering Committee members, is remarkable. *EEPSEA*, noted one partner, *excels in networking and forging links*.

IMFN's Executive Director pointed out that time spent building strong and mutually supportive relationships is a high-return investment in terms of the smoothness of operations, and the ability to focus on outputs and the mission at hand. His approach is to solve relationship issues before they become problems. This is particularly important because there is no single point of entry between Secretariats and the rest of IDRC—that is, no single responsibility centre to steward, or speak for Secretariats. For this very reason, to be successful, Secretariats must carefully nurture a variety of relationships within IDRC. Further, this relationship cannot be treated as static, IDRC itself is constantly adapting and evolving.

These strong relationships have been established on four levels: between IMFN and IDRC, between the Executive Director and IMFN staff, between IMFN and Steering Committee members, and between IMFN and its network members. About 30% of the Executive Director's time is spent on nurturing relationships between IDRC and IMFN. The result is that IDRC staff view IMFN very positively and are happy to assist them in any way they can. About another 30% is spent with his staff, who, according to interviews, are highly motivated and positively engaged in their work. They are also

extremely supportive of the host organization. Relationships with the Steering Committee are very strong: frequent informal communications occur between meetings and communication with the Chair of the Steering Committee occurs on a monthly basis. Based on published Workshop reports, members of the international network view the work of IMFN as valuable and very professional.

Critical questions to be asked about relationships include:

- Is the public policy purpose in harmony with that of the broader arena in which IDRC works?
- Is IDRC an appropriate host for the particular Secretariat activity being considered?
- Is the IDRC knowledge and expertise adequate to support, guide and oversee the activity under consideration?
- Is this knowledge and expertise at a level that ensures informed decision making?
- Is there a fit between the values, approach, methodology and desired outcomes of IDRC and the proposed Secretariat?
- Does the activity fit within IDRC's broader strategic framework?
- Are conditions such that strong relations can be forged between the Secretariat and IDRC, staff, partners and network?

RECOMMENDATION 1 — BUSINESS PLANNING

In all jurisdictions, the first step in moving toward an alternative service delivery mechanism is the development of a business plan. Perhaps because IDRC was off the blocks early, this step was missed. The answers to the questions emerging from an examination of lessons learned and outlined above go a long way toward the development of a business plan.

A business plan outline for Secretariats that reflects lessons learned and IDRC's unique mandate should be developed and applied.

It is important that the business plan outline be developed within IDRC and in consultation with individuals having considerable experience with Secretariats, including Executive Directors. Care should be taken to limit the business planning process to areas that are of specific concern to IDRC and will be reflective of the uniqueness of both individual Secretariats and the development and research networking role of IDRC.

The proposed business plan outline and the business planning process itself should incorporate other recommendations to be found later in the report. At the risk of being overly prescriptive, it is suggested that, at minimum, the business plan outline include the following elements:

- Answers to the financial and personnel capacity questions arising in this chapter
- Clarification of focus
- Costing of action plans and planned activity
- Matching of human resources to the plan, including identification of core competencies, staffing levels, and level of effort required
- Description of relationships in terms of roles and responsibilities
- One year and longer term performance goals and measurement criteria
- Marketing strategy for meeting external funding targets
- Contingency plans for funding short falls.

CHAPTER 3

PERFORMANCE AND RESULTS

One of the main purposes of this Review is to answer the question: How have Secretariats performed? A number of factors make this question complex. First, in some cases, Secretariats are real-time organization and development experiments. As such, there is seldom clarity about where the experiment might lead. If that were known, the experiment may not have been necessary. Examples of Secretariats that fall into this category include: IMFN, that is a bold experiment whose performance is yet to be proved; Bellanet, which is still evolving; FoodLinks, which was quickly seen to be impractical; and WETV, which soon achieved independent status as a business.

The second factor that adds to the complexity of examining Secretariats' performance is that capacity building is difficult to measure. However, we can have relatively dependable indicators and can use normative comparisons. For example, EEPSEA has monitored its performance through careful documentation of impacts, formal recognition it gets through the media, effect of its work on policy making in the targeted countries, and careful evaluation of its programs. Comparisons can also be made with other Secretariats and/or program areas and various initiatives might be ranked in terms of the degree of success achieved in meeting objectives.

A third factor emerges from the temerity of attempting any meaningful cost-benefit analysis directed at the utility of the Secretariat modality as a whole. To do so would require starting with clear objectives of what the modality was intended to do — its strategic mission within IDRC. This is one area where all interviewees agreed: there was and is no strategic framework for Secretariats. The closest we could come to determining the original overarching purpose for Secretariats was to collect various ideas from people who were in positions to drive the concept at the beginning. The more prominent of these ideas include:

- Providing a mechanism to house employees displaced by downsizing
- Offering a way to broaden IDRC's revenue base
- Helping to move away from research processes to more measurable and demonstrable contributions to development
- Providing a mechanism for collaboration and partnering.

Just as some Secretariats have evolved over time, so has IDRC. Having left the downsizing and restructuring process far behind it, the Centre's first prominent objective seems to have little more merit than an interesting historical bit of information. Little value would be achieved in exploring it now, except to say that Secretariats need to be put on a more businesslike strategic footing than they have been to date.

The objective of broadening IDRC's revenue base can be checked easily enough. For example, since inception, Secretariats have attracted 55% of IDRC's external funding over a six year period or \$88.3 million. As attractive as this appears, it should be noted that 75% of this amount is from Canadian government departments — with CIDA contributing 10 times more than other departments combined. Furthermore, 75% of this external funding goes to one Secretariat, MI. When MI is taken out of the equation, the picture looks quite different, but not altogether unfavorable.

If expanding the revenue base of IDRC were a legitimate objective, we would have to conclude that it is somewhat met. However, revenue expansion is not defensible as a serious objective in light of IDRC's mission: *empowerment through knowledge*. The more appropriate question is whether or not Secretariats are contributing to this mission which has little to do directly with revenue expansion.

Turning to the notion that Secretariats have the objective of moving IDRC away from its pure research process role can be seen as a response to a number of external pressures and evolutions in public policy. It is clear that Canada is not the only nation to have expressed serious concerns about how science and research is managed and about the need for more demanding performance measures. Of course this is no place to continue the debate that surrounds this issue. The point to be made is that pressure for change in this area has been considerable.

Added to this is the penchant of governments to eliminate programs that do not have a public policy objective. This was one of the Program Review Tests adopted recently by the Canadian government. Further, adding to the pressure to move in a programmatic direction is the fact that the line between pure research and application is becoming blurred, as reflected by the practices and research funding mechanisms of higher learning institutions.

At IDRC, the view is that traditional programs are on the research side of the continuum and Secretariats on the application side. While there may be a modicum of truth to this perception, it is not defensible under close examination. Indeed, the line between research and application is blurred in many activities undertaken by IDRC. It could be maintained that IDRC is subject to the same pressures as other research institutions and, like them, is evolving. However, we are left here with a higher order strategic policy issue that rests outside the scope of this Review. In terms of the Review, it can be

concluded that, if moving toward the application side of research were an objective of Secretariats, it has been successful, as demonstrated most clearly by MI and IMFN.

The objective of developing a mechanism for collaboration and partnering with other donors is an intriguing one. It is also consistent with a new thrust in public sector management toward more horizontal, integrated approaches to service delivery and policy development. The Literature Review (Volume 2: available from the IDRC Evaluation Unit) found considerable support for this emerging trend. Indeed, if establishing Secretariats as a modality for collaborative partnerships at IDRC were an objective, we can conclude that it has been largely met. For example, EEPSEA, IMFN, Bellanet, and MI have active and vibrant collaborative partnerships.

However, what is problematic about this as a performance indicator is that collaborative partnerships are not unique or specific to Secretariats. Other program areas can and do get involved in active networking and collaboration in several areas. The Acacia Initiative, Cities Feeding People, and PAN Networking are examples of Program Initiatives involved in partnerships and formal networking. The differentiating feature is the degree of formalization involved with the governance structure of a Secretariat. Indeed, other program areas receive external funds from partners and collaborators, and may exert influence on program expenditure but they do so in an informal rather than a formal way.

To come back to the point of conducting a cost benefit analysis of Secretariats as a modality, we have seen that there are some surmountable problems, but we are left with some doubt about the utility of this sort of exercise. For example, part of the data collection for this Review included asking IDRC staff and management how much time they spend on Secretariats. In general, staff dealing with Secretariats perceived that they spend an average of 25% of their time on Secretariat activities. The average for management was perceived to be 10%. A word of caution is required since it has been long established that the amount of time people think they spend on work tasks and the amount they actually spend can differ widely. At first sight, however, this seems to indicate a sizable input into the costs of housing Secretariats at IDRC — or does it? One has to assume that if Secretariats did not exist, at least IDRC's portion of the funding would be applied to other program areas requiring a proportional amount of administrative, program, and managerial support. The question then becomes one of whether or not the external funding provided to IDRC through Secretariats is worth the effort.

Excluding MI as a somewhat special case (as it dramatically distorts the figures), the amount of this external contribution for the Secretariats included in this study totals \$22 million over the past six years. In addition to this, IDRC has contributed \$17 million. On an annual basis, external contributions average \$3.7 million, which, when added to IDRC's \$3 million, results in a total operating budget of \$6.6 million. This budget covers the operations of the nine Secretariats in the Review, excluding MI. The significant question is whether or not the Secretariat modality enhances or hinders the performance level and if it in fact offers any kind of leverage in terms of increased benefit over other organizational approaches. To do this, we must acknowledge the fact that, by and large, Secretariats are individual and unique entities and therefore need to be examined individually in terms of the investment made and results obtained. Once we have done this, we can return to have a look at how they have performed collectively.

PERCEIVED PERFORMANCE OF SECRETARIATS AS A MODALITY

Assessing performance of individual Secretariats is not part of the mandate of this Review. Since there are no clearly identifiable collective performance measures for Secretariats, the task of assessing performance must be somewhat indirect. We will look at perceived performance from the points of view of those accountable for Secretariat operations (Secretariat staff, donors, IDRC staff, Senior Management Committee, and Board Members). The perceived level of performance of Secretariats is high. Next, we will highlight the operations and activities carried out by the 10 Secretariats in the Review to demonstrate that the level of output is very high relative to the small amount of money invested in Secretariats. In this section, we will also look at Secretariats from the point of view of four performance criteria: objectives, program accomplishments, control and accountability, and help to IDRC. Finally, we will examine aspects of collective performance which lead again to the conclusion that Secretariats show a beneficial return on investment.

The detailed interview process revealed a lot of information about perceived performance. Of 18 donors who responded to the question, 13 rated their satisfaction with performance level as *quite well* (8) or *completely satisfied* (5). Only two donors rated the performance of a Secretariat negatively: one *not at all satisfied* and one *little*. When asked to compare the Secretariat's performance with other donor funded activities, 75% rated it either *above*, or *far above average*. With regard to network-building, the principal work of Secretariats, all respondents were positive.

Overall, the use of Secretariats has unquestionably improved donors' views of IDRC. One donor commented: *I have been dealing with development research for 12 years and am very impressed with IDRC. Even with hard times and reduced budgets, it has managed to take on new initiatives. Without IDRC, the World Bank would dominate and that would not be good.* Another donor stated: *IDRC has been good — light on its feet — [giving Secretariats] autonomy and support.*

IDRC staff were also positive. Three out of four believe that Secretariats had a positive impact on international development. Several interviewees were not sure, and only one said that they did not have a positive impact on international development. Seventy per cent of those interviewed believe that Secretariats contribute to achieving IDRC's corporate and program objectives. More than 80% of Secretariat staff believe that Secretariats contribute positively to IDRC's corporate and program objectives. In both groups, there were a significant number of people who did not know what IDRC's corporate and program objectives are. Most interviewees in both groups were able to provide numerous examples of how Secretariat activities had a high level of visibility and enhanced IDRC's image.

Senior management and Governors indicated that their expectations of Secretariats had been largely met. Only one respondent provided a negative answer. This group was very clear about the benefits brought to IDRC by Secretariats, including better visibility, presence, prestige, profile, international status, recognition, ability to tap new opportunities, as well as opportunities to work collaboratively with donors. Again, a significant minority of respondents were unclear about the contributions Secretariats make to IDRC's corporate and program objectives. Governors were the most unclear on this point.

While this group of people with the highest level of accountability for Secretariats generally estimated that performance was satisfactory or above, they were uncomfortable with the fact that most of their perceptions were based on anecdotal evidence. The lack of performance measures and accurate/careful reporting were frequently mentioned as problems in this area. One Governor stated:

Generally, Board Members rely on management for information and timeliness...but it is difficult to judge...we are left with the impression that they are all outstanding performers but we don't get much hard data...only subjective reports from those involved... We do not have objective indicators. This problem is not specific to Secretariats but to all program activities.

Another Governor said: *My concern is that no one knows what is going on with Secretariats.* It was striking that, with the exception of three interviewees, this group of 19 expressed serious or very serious concerns about the quality and appropriateness of the information they receive.

INDIVIDUAL SECRETARIAT PERFORMANCE

Each one of the 10 case studies in Part 2 outlines the accomplishments and highlights the activities of the Secretariats included in this Review. Collectively, these accomplishments and highlights are impressive, a point to which we will return later. In this section, we will provide a general assessment of the performance of each Secretariat using four criteria. Since individual evaluations of Secretariats were not undertaken as part of this Review, these criteria are applied as general indicators only. They are:

- **OBJECTIVES**
 - Does the Secretariat have clear program achievement objectives and critical success factors?
- **PROGRAM ACCOMPLISHMENT**
 - Does the Secretariat build global awareness of importance of issue(s)?
 - Does it strengthen networking/collaboration, research/learning/application of learning?
 - Are publications and technology/learning aids produced?
 - Is there evidence of Southern capacity being raised?
- **CONTROL AND ACCOUNTABILITY**
 - Does the Secretariat have good management control?
 - Does it comply with IDRC/donors administrative policies?
 - Does it adequately account for performance to stakeholders?
- **HELP TO IDRC**
 - Does the Secretariat build IDRC stature/credibility?
 - Does it achieve a satisfactory level of funding level from outside IDRC?

ATPS — AFRICA TECHNOLOGY POLICY SECRETARIAT

OBJECTIVES ATPS has developed multiple objectives and has a plan for better connections with country policy-makers. One of its key aims is policy dialogue with users in government and in the private sector. ATPS has been less successful in bringing policy makers and policy implementation institutions into its orbit than it has been in reaching IDRC's traditional partners in academic and research institutions. Some activities were launched in 1996 to begin policy dialogue at the national level.

CONTROL AND ACCOUNTABILITY ATPS has improved the quality of research undertaken. Its projects have a high probability of being completed on time. Based on a recent evaluation, the cost-effectiveness is deemed reasonable. There are no significant observations on performance reporting

PROGRAM ACCOMPLISHMENT ATPS has developed, monitored and administered three dozen research proposals from 300 submitted and facilitates comparative theme-based research across Africa. There is evidence of good researcher networking for learning dissemination and quality publications. ATPS still lacks success in county government/private sector policy network, national visibility, in part from funding limitations and from reliance on traditional academic processes.

Research activities are ATPS' strength. By 1997, 300 research proposals had been received and reviewed, 35 small individual projects had been funded, of which 13 had been completed and six had been a subject of dissemination workshops. ATPS research is higher quality and likely to be completed on time — two of the goals of combining the two regional networks and creating ATPS with a full time Executive Director. ATPS also facilitates comparative research and networking across African countries. Dissemination activities by ATPS have been organized through annual workshops and national dissemination seminars. By 1997, ten research reports were published in the ATPS Working Paper series, as well as a newsletter.

National workshops will help give ATPS visibility at the national level, another perceived weakness in the first few years. The question of visibility relates to critical mass: only in a few countries such as Nigeria did ATPS support enough researchers to create a critical mass to share ideas and make an impact at the national level. This is a function of the overall resources available to ATPS to fund researchers and workshops and its dispersion over 15 countries.

HELP TO IDRC Work is reasonably well respected. While there is a satisfactory external funding ratio, ATPS seems underfunded for the task at hand. IDRC has contributed 29% of the total funding of \$3.6 million.

BELLANET — GLOBAL ELECTRONIC FORUM

OBJECTIVES Bellanet's objective is to be a lead change agent for greater collaboration in the development community, in pursuit of increased efficiency and effectiveness. It is a source of expertise

for incorporating information and communication technologies (ICTs) in this process. In the pursuit of those objectives and based on lessons learned, Bellanet uses a strategy of partnering with collaborative initiatives, directly assisting development agencies, partners and recipients who are already working together on a specific focus or common goal, and who are interested in using ICTs more effectively in support of their common mission. This gives Bellanet more scope for transforming the ways in which donor and executing agencies work. Bellanet provides guidance and support for the use of ICTs in collaborative planning and implementation, as requested by funding partners, other development agencies, or project leaders. Bellanet also initiates in-house projects and collaborations linking ICTs to opportunities and challenges facing the development community. It has played an important catalytic role in many of IDRC's own initiatives by providing ICT policy advice and technical support.

CONTROL AND ACCOUNTABILITY Interviewees consider Bellanet a well managed Secretariat with good leadership and staff. There are no significant observations on performance reporting.

PROGRAM ACCOMPLISHMENT Bellanet has achieved capacity in conceptual and technical matters as they relate to using ICTs for collaborative work, and its international development knowledge makes it a natural leader in applying ICTs in support of development community partnerships. This will become increasingly relevant as ICTs become integral to organizational and program structures. Bellanet provides ongoing technical and process support for the exchange of information concerning programs, projects and plans among a variety of partnerships (for example, the Global Knowledge Activity Information Management System [GKAIMS] on behalf of the Global Knowledge Partnership). The Secretariat has supported collaboration among web-to-email gateway providers, and promoted Southern organizations' use of email access to websites. It is now championing (through GK-AIMS and similar efforts) the use of ICTs to share planning information and lessons learned in the application of ICTs to capacity-building in developing countries.

In helping to create PICTA (Partnership for ICTs in Africa), which is an informal group of agencies, and providing it with the ICT tools for sharing information and collaborative planning, Bellanet has demonstrated that it can fulfill its initial objective of helping donor agencies to better work together for development. Bellanet also created the infoDev Forum which is a record of the proposals, activities, results and lessons learned from infoDev activities. Donors can use the infoDev Forum to monitor activities, collaborate on policy, and seek out interesting proposals and partners.

Interviewees attest to the excellent reputation that Bellanet now enjoys for its research and technical capability and its ability to deliver best practice and policy advice. Bellanet is seen as able to deliver in an increasingly competitive ICT world. However, it has had less success in having any concrete influence with some of its funding members and has had marginal impact in increasing collaboration among them. Bellanet discovered early on that it was going to be difficult to directly influence donors or the way they incorporate ICTs into the pursuit of their missions. Working through Collaborative Initiatives was the strategy response to lessons learned here. This approach directly empowers consortia which indirectly, and in some cases directly, help the participating donors and others understand and incorporate approaches to greater collaboration, with the appropriate uses of ICTs.

HELP TO IDRC Bellanet's main constituencies include funded development consortia and funding agencies. Some obtain its services through Collaborative Initiatives and others through contracts for services. The partnerships which Bellanet assists appear to be satisfied. Bellanet attempts to work with partnerships that include two or more of its seven first phase funders (some of whom questioned the achievability of the original objective of creating more collaborative behaviour among funding agencies). Outside funding has thus far been satisfactory. Forty-six per cent of its funding of \$2.2 million in the first phase has come from IDRC. Bellanet appears to be an asset to IDRC (and its donors) in the conceptual and technical application of ICTs for development.

EEPSEA — THE ENVIRONMENTAL ECONOMICS PROGRAM FOR SOUTHEAST ASIA

OBJECTIVES EEPSEA's sharply focused objectives aim at enhancing local capacity to undertake research on the economics of environmental management. EEPSEA supports research and training activities in environmental economics. It supports research in the areas of: forests and wetlands management, policy instruments for control of urban pollution, resource pricing, as well as economy-wide issues, with the latter receiving the most emphasis. From its inception to the end of 1997, EEPSEA has approved 58 research projects. In addition, EEPSEA offers a number of high-quality training programs and workshops. Its biannual workshops bring together all active researchers, along with resource persons, eminent speakers, the Advisory Committee, and, once a year, the Sponsors Groups. This event includes consultations between researchers and their advisors.

CONTROL AND ACCOUNTABILITY EEPSEA conducts evaluations of its work and is regarded as having good administrative efficiency (see below) and high commitment to performance, an area which is systematically and carefully reported on.

PROGRAM ACCOMPLISHMENT For research, EEPSEA has created a system of providing resource people as methodology advisers to researchers, and northern academics as teachers and academic advisers. It has also supported the creation of associations of environmental economists in member countries. EEPSEA's publications track record is noteworthy, and it has achieved a good reputation as an international clearinghouse in environmental economics and as an authoritative resource. The 1994 evaluation survey commissioned by the Sponsors Group found high satisfaction among researchers, resource persons, and others with respect to EEPSEA's contributions to improved research and interdisciplinary skills, with the usefulness of workshops, and EEPSEA's administrative efficiency.

In 1996, the Sponsors Group commissioned a comprehensive evaluation of EEPSEA's first three years of operations. The report included results of a survey of researchers, resource persons, and others. The evaluation was highly favorable, finding that the program met or exceeded most of the evaluation criteria; the participation of women is high, and the Secretariat's performance was perceived as good in improving research skills, interdisciplinary skills, providing useful workshops, and in terms of its administrative efficiency.

EEPSEA enjoys strong support from IDRC and its staff. Its goals, mission, and objectives are widely understood, and its performance well known. The extremely thorough evaluation carried out in 1996

helped to build both internal and external support for and confidence in the work carried out by EEPSEA. Donors and partners included in the survey indicated that their expectations of the Secretariat have been completely met.

HELP TO IDRC EEPSEA is viewed as a credit to IDRC because of its usefulness to researchers, media, and governments and is seen as cost-effective and well run. EEPSEA's cumulative \$8.6 million total funding has been 68% external.

FOODLINKS — LINKING FOOD CHAINS

OBJECTIVES The objectives of FoodLinks were to improve the access of small agricultural producers in developing countries to markets and value-added activities through private sector partnerships and the support of donors. FoodLinks built upon the work of IDRC in supporting agricultural research, particularly in post-harvest technologies, over nearly three decades. Through its support, IDRC had developed wide contacts with small agricultural producers around the world, and had linked them to some of the innovations in genetic improvement, farming systems, and post-harvest production. It seemed a logical next step to try to increase the direct benefit to these small producers by providing them with access to consumers in the North. This has been tried by a few other organizations with some success but it required an operating style IDRC was not used to.

CONTROL AND ACCOUNTABILITY In October 1997, a report went to the Board outlining plans for FoodLinks as a Program Initiative. At that meeting, the Board suggested and then established FoodLinks as a Secretariat. At the next SMC meeting, responsibility for the Secretariat was transferred to a President's Designate outside the Programs Branch which, up until that point, had responsibility for FoodLinks. Under the new arrangement, plans and forecasts were reviewed and a determination made that there was little chance of FoodLinks achieving its program or funding objectives within the time frame agreed to by the Board. Therefore, the decision to move forward with FoodLinks as a Secretariat was, in consultation with the Chair of the Board, reversed by SMC in March 1998.

PROGRAM ACCOMPLISHMENT This Secretariat existed for such a brief period that a performance assessment cannot be completed.

HELP TO IDRC Not possible to assess program achievement and effect on IDRC stature, as partners have not been surveyed.

IMFN — THE INTERNATIONAL MODEL FOREST NETWORK

OBJECTIVES IMFN is perceived to have met its short-term objectives. The Secretariat enjoys a very positive reputation, both inside IDRC and externally. Its major accomplishments include having showcased Canada as a leader in forest management, being largely responsible for any current credibility Canada has in forestry management, and being solely responsible for keeping the idea of models forests alive internationally. There is little doubt that IMFN is respected, but there has been

little progress in efforts to internationalize the Secretariat and in attracting sponsors from other countries.

Its key donors are DFAIT and CIDA who have commented that IMFN has led to positive perceptions about IDRC. One sponsor commented that: *IDRC can be congratulated for its dedication and commitment. [They] were very attentive in giving IMFN the profile that it needs. IDRC is doing the necessary and then some.* Another said: *I have a better sense now than before of how IDRC operates. They have been light on their feet. [The Executive Director] seems to have the autonomy and the support that he needs and I can't think of anywhere else in Ottawa where that particular balance could be achieved as well.*

CONTROL AND ACCOUNTABILITY IMFN is perceived to be well-managed, with high autonomy and support from IDRC. The only significant observation on performance reporting is that stakeholders generally perceive performance levels as high.

PROGRAM ACCOMPLISHMENT IMFN has achieved a high profile, is often cited, and is credited with keeping up Canada's image in the field of forest management and keeping the idea of model forests alive internationally. It is a focal point for multi-disciplinary interest and is seen to have influenced the creation of Japan's first model forests.

At this point in time, the model forest idea has been found to be attractive in theory, but unproven in practice. It is simply too early to determine if they make a difference in real terms regarding the way forests are managed. Model forests are a national program in Canada that started as an experiment six years ago. Following the first five years of operation, an extension was granted for another five because the time was considered too short to carry out a meaningful evaluation. Therefore, it has not yet been determined whether it has been successful or resulted in any concrete positive impact. Towards the end of the second five year period, a comprehensive evaluation will be made. Similarly, international networking about model forests is a theoretically sound idea and has shown some value added effects. However, the idea has not had time to be assessed in practice and the impacts have not yet been determined. The networking experiment will be evaluated in parallel with the evaluation of the national program.

HELP TO IDRC IMFN's international reputation is good, leading to positive perceptions of IDRC. It has good Secretariat-IDRC relations. Attention to model forests helps IDRC get credit for the positive side of Canada's image in forest practices.

ITI — INTERNATIONAL TOBACCO INITIATIVE (*NOW RITC*—RESEARCH FOR INTERNATIONAL TOBACCO CONTROL)

OBJECTIVES Strategies, objectives, and activity aims in IDRC 1994 launch memo appear too extensive for realistic funding expectations. However, these original objectives are gradually being refined. Program activities include research projects and a series of regional planning meetings for developing tobacco control strategies, and some capacity building initiatives.

CONTROL AND ACCOUNTABILITY Performance standards were set for the four main goals, and a commitment was made to improve ITI's efficiency and effectiveness and to have ongoing evaluation of its progress and impact. These commitments do not appear to have been met. No corrective measures seem to have been applied following each of the three years of low-levels of performance and missed program delivery.

PROGRAM ACCOMPLISHMENT Achievement is hard to assess since annual activity funding has been low for research, capacity-building, country activities, and information dissemination. The first three and a half years of ITI's existence were marked by weak and sporadic leadership and a commitment by IDRC that appeared questionable to existing and potential partners. However, as mentioned elsewhere in the report, since February 1998 when a qualified Executive Director was appointed to dedicate part of his time to ITI, and qualified staff was hired, improvements have been noteworthy.

HELP TO IDRC ITI has had few tangible benefits for IDRC's stature. Funding of \$3 million over four years included 30% from an external source, namely Health Canada. However, ITI has recently attracted additional funding in the amount of \$465,000 from Sida, Sweden. Once again, improvements can be observed since February 1998. For example, ITI/RITC is recognized as a contributor to tobacco control policy and legislation in several countries including Turkey and South Africa, and two ITI/RITC projects will be featured in an upcoming World Bank publication.

MI — MICRONUTRIENT INITIATIVE

OBJECTIVES Mission and objectives are clear. MI is recognized internationally as a key player in the war against micronutrient deficiencies and has helped to raise awareness of the importance of the problem and the availability of cost-effective solutions.

CONTROL AND ACCOUNTABILITY No significant observations.

PROGRAM ACCOMPLISHMENT MI has achieved a high visibility and a very good reputation among international agencies and countries involved in micronutrient deficiencies. Indeed, several external sources attested that, after UNICEF, MI is one of the best known and best regarded initiatives in the field. It appears to have positioned itself well and has a clear focus, mission, and achievements.

It has been active on the policy front with intergovernmental processes and within the UN system, and has helped to promote inter-agency partnerships, including bringing together government and food industry representatives. It is also a highly regarded source of information with its technical reports and the MN-NET website on micronutrients.

MI has successfully supported research such as the development of a salt fortified with both iron and iodine, and investigations on iodine stability in salt from developing countries to evaluate different packaging and environmental conditions. MI has demonstrated success in field testing a technology to fortify rice with vitamin A in Indonesia and shown that the product is acceptable to consumers. MI is

providing support for national Vitamin A programs in more than 30 countries through UNICEF field offices and is supporting 15 NGOs in 12 countries to implement programs aimed at increasing coverage and improving monitoring interventions.

HELP TO IDRC MI adds greatly to IDRC stature. It has achieved a high level of funding — past 6 years funding: \$69.5 million — 4% from IDRC and 96% external.

SIFR — STRATEGIES FOR INTERNATIONAL FISHERIES RESEARCH

OBJECTIVES The program intention of developing a mechanism for improving the fit of donor fisheries aid and research priorities on one hand, and with the priorities of developing countries on the other hand has been hard to honour. SIFR's objectives were too numerous and too complex for the available human and financial resources.

The role of SIFR (to develop mechanisms for matching the research priorities of developing countries with the interests of donors) was more difficult in practice than in theory. SIFR's role of promoter, endorser, screener, collaborator, and co-ordinator was fine in theory, but it seems that it could not be carried out without impinging on the autonomy of the various players involved. SIFR was transferred from IDRC to FAO in Rome on September 1, 1998.

CONTROL AND ACCOUNTABILITY No significant observations apart from perceived communications difficulties with donors.

PROGRAM ACCOMPLISHMENT SIFR has had a problem getting donors to go along with its aims for influence in a context of varying and conflicting interests operating within the Steering Committee and the FAO asserting that the needs of the developing countries were its mandate. A UNDP managed evaluation, after two years of operation, showed a perceived lack of progress in improving the effectiveness of donor assistance to fisheries research for the benefit of developing countries.

In 1995, following the initial two-year operation of SIFR, an evaluation of its achievements in meeting its objectives was carried out, which was seen as an opportunity to break what was viewed by the Steering Committee as a logjam caused by divisiveness within the Committee and a perceived lack of progress on the part of SIFR. Results of the evaluation were less than encouraging. Inter alia:

- SIFR had not contributed in any significant way to the overall objective of improving the effectiveness of donor assistance to fisheries research for the benefit of developing countries
- The objectives to increase awareness of needs and priorities among donors and recipients and to increase effective co-ordination among implementing agencies had not been met.

People interviewed for this Review and case study observed that there were no real impacts and few outcomes flowing from SIFR. Reasons offered included the lack of staff and funds, Steering Committee divisiveness, and the lack of collaboration, focus, and communication with donors.

HELP TO IDRC No significant impacts and few outcomes from the needs-matching objective were cited by IDRC or Secretariat interviewees in this 1998 Review. Cumulative external funding did not rise above 20% of the total funding of \$1.7 million.

SISERA — SECRETARIAT FOR INSTITUTIONAL SUPPORT FOR ECONOMIC RESEARCH IN AFRICA

OBJECTIVES SISERA's primary objective is *to reinforce the institutional framework for the pursuit of economic research in Africa*. Objectives appear to be too wide-reaching for the resources assigned or available. One hundred per cent of SISERA's \$ 1 million funding comes from IDRC, although there are some \$2.27 million folded into SISERA from two earlier projects funded by USAID which SISERA is now managing. The current focus of the Secretariat is start-up activity.

Since SISERA is very new, having been approved by IDRC Governors in March 1997, it has been primarily focused on start-up. Therefore, little can be concluded about performance at this early date. Planned Secretariat activities are organized around six modalities to achieve its objectives:

- Core institutional grants
- Collaborative thematic research
- Managerial capacity building
- Support for sabbaticals and internships
- Electronic connectivity
- Dissemination, publication and outreach.

CONTROL AND ACCOUNTABILITY No significant observations.

PROGRAM ACCOMPLISHMENT Too soon to assess program achievement.

HELP TO IDRC Too soon to assess impact on IDRC stature.

WETV — THE GLOBAL ACCESS TELEVISION NETWORK

OBJECTIVES WETV's objectives were not based on realistic funding estimates and realistic assessment of its financial management competence. Its September 1995 launch in Beijing was successful and it managed to get enough funding partners involved. The broadcaster still has funding difficulties that substantially limit its services. WETV is a venture in both innovative programming and in public-private sector partnership in broadcasting. In terms of program goals and having a successful launch of the service in Beijing, it achieved its targets. It broadcasted from the UN Conference on Women via satellite to 34 broadcasting networks or stations covering 50 countries. WETV also achieved its goals with respect to incorporation and private-public sector partnership. The WETV network is made up of for-profit and not-for-profit entities working in partnership. WETV was

selected to be the official carrier of the UN Habitat Conference in Istanbul in June 1996 and launched regular programming of a few hours daily in October 1996.

CONTROL AND ACCOUNTABILITY WETV was not operating under an effective financial management and control system. There were not effective financial controls nor adequate and timely reporting to the Board. However, the Board took steps to avert a repetition. There are no significant observations on performance reporting.

PROGRAM ACCOMPLISHMENT WETV achieved prominence through its carrier activity and its new partnership sponsoring its WETV network broadcasts now extend to 30 countries. It has demonstrated the ability to help developing countries by, for example, facilitating, through a webcast, interactive access to the Habitat II Conference for people who would otherwise have been unable to participate — in this case by establishing experimental interaction sites in Montevideo and Mexico City

Today, the WETV broadcast signal is transmitted to 38 affiliates in 30 countries. WETV is using independent producers from around the world, including many developing countries, as initially envisaged. The continuing difficulty with funding means that programming is still limited to a few hours a week. Broadcasters also need time to develop confidence in WETV and to open a WETV time slot in their program schedule. Each affiliate has a tailor-made contract which ensures that an inability to pay fees for programming does not stand in the way of participating in the network. Affiliates can participate by purchasing programming, providing in-kind programming, sharing programming fees, or by providing a small fee for the service.

HELP TO IDRC WETV has been a mixed blessing: its innovativeness has been saluted and IDRC's loss of financial control has been a useful lesson, but the learning could have been gained at a lesser financial cost to IDRC.

COLLECTIVE PERFORMANCE

Although this Review was supposed to focus on the Secretariat mechanism as a whole, and not on the performance of individual Secretariats, this proved to be difficult because there are no strategic framework or performance targets set for the Secretariat mechanism. For much the same reason, we found that there were little data available on Secretariats as a whole prior to this Review. Our interviews with IDRC senior management and staff and review of IDRC documents showed that, during the 1992-97 period, Secretariats were seen and promoted as a mechanism for enabling IDRC to follow its corporate mission while also helping to keep IDRC intact. The main goals described for Secretariats are:

- **Contribution to corporate mission**
 - To increase collaboration with other partners, particularly international development agencies, and with new partners in the private sector, which had not traditionally worked with IDRC in the past

- To establish donor consortia which could pool dwindling aid resources to provide critical masses of resources, and would work more collaboratively
 - To provide more funds for programs of particular importance to IDRC.
- **Contribution to IDRC as an organization**
 - To save jobs of IDRC staff during a period of budget restriction and downsizing
 - To bring additional revenue to help cover administrative costs, including office space rental, and thus keep the ratio of administrative to program costs within acceptable limits
 - To provide additional flexibility to the use of IDRC funds allocated to program activities, so that a portion of these could be applied to operational costs like staff salaries and travel.
- **Collaboration with other agencies — A number of questions need to be asked about Secretariat performance with respect to the goal of increasing partnerships with other agencies:**
 - Did IDRC gain new partners through the establishment of the Secretariats?
 - Did IDRC develop donor consortia around the Secretariats?
 - Were partnerships made with the private sector?
 - Would any of the partnerships have happened without the Secretariat mechanism in place?

The data show that only three Secretariats attracted more than four key external donors: Bellanet, EEPSEA and WETV. Only WETV proved attractive to the private sector, and even for WETV, private sector funding has proven the most difficult. These three Secretariats were also the most successful in attracting new donors to join the initiative *after* it was established by its founding members. Most Secretariats have been established by IDRC with two or three partners and have not had a mechanism for others to join despite the valiant efforts of many of their Executive Directors.

Therefore, Secretariats have only been somewhat effective in developing donor consortia and ineffective in bringing in private sector partners. Indeed, the partners that they have gathered around their tables are generally the partners with which IDRC has been working since the 1970's. It cannot be known if these partners would have joined IDRC in funding the activities if the Secretariat mechanism had not been in place. Certainly, many of these same agencies have collaborated with IDRC in funding projects and long-running research networks before the Secretariats were established. They are, for the most part, IDRC's traditional *like-minded* international development partners among the Foundations, the UN agencies, and bilateral aid agencies from Canada, the Nordic countries and the Netherlands.

IDRC's most frequent partner in the Secretariats is CIDA, which has also funded program activities through IDRC outside the Secretariat mechanism and has a general agreement in place with the Centre for handling its contributions. In at least one case, CIDA had hoped that the establishment of an

international Secretariat at IDRC would attract other bilateral aid agencies to contribute, but this has not happened.

Thus, while the Secretariats have collectively attracted the contributions of some twenty organizations over the period 1992-98, these have tended to be IDRC's *old* partners, and once Secretariats are established, new partners are generally hard to attract.

PROVISION OF ADDITIONAL FUNDS FOR PROGRAM ACTIVITIES

The Secretariats have been more successful in attracting funds to IDRC than in promoting collaboration between partners. They have brought in a total of over \$88 million in external funding between 1992 and 1998. This represents 55% of all external funding received for a total investment by IDRC in the Secretariats of \$20 million (or 18% of total funding). In comparison, IDRC's budget for its PIs in 1992-98 was \$ 356 million, with about \$35 million in external co-funding, representing some 22% of the total external funds received (or 9% of total funding).

Furthermore, the proportion of the total external funds received by IDRC for its Secretariats has increased from 1992 to 1998, rising from about 43% in 1992-93 to between 75-86% in the last two years (1996-98). The other significant source of external program funding is projects managed for other agencies by IDRC under contract for a fee (Research Management). These amounted to nearly \$38 million in 1992-98, or 23% of the total external revenue.

Thus, if attracting additional money for programs in IDRC from external sources is a criterion of performance, the Secretariats have been successful, assuming that if they had operated as PIs, their performance might have been broadly similar to that of other PIs, or considerably less than what they did achieve.

FINANCIAL CONTRIBUTION TO IDRC AS AN ORGANIZATION

It can be argued that, whether one takes the 20 *Secretariats* or the 10 reviewed here, a number of IDRC staff owe the extension of their employment with IDRC to the Secretariat mechanism. In that sense, IDRC retained expertise that it would otherwise have lost, or lost earlier.

The Secretariats also helped bring additional revenue to IDRC to cover both its fixed costs such as office space rental and operational costs. For example, some administrative positions were retained within the Centre because they were supporting both downsized IDRC programs *and* the Secretariats. Exactly how these arrangements translated into cost and benefits for both sides is difficult to determine.

Certainly, no one argues that IDRC *made money* on the 10% overhead that it charged on external contributions to Secretariats. In practice, it was just over 6% for the ten Secretariats reviewed (not including the *flow-through* money from CIDA to MI on which little or no overhead was charged and which brings the total overhead to just under 4%). The total additional money generated by the ten

Secretariats through overhead charges was \$2.8 million for 1992-98. However, Secretariats are also charged a number of direct costs which are not included in the overhead, most notably office rent, furniture, and equipment. IDRC specified what the salary levels and benefits of Secretariat employees must be. This situation reduced the budget flexibility of the Secretariats: staff were transferred from IDRC positions, their starting salaries were not at the bottom of the scale; and office rental space in IDRC is high quality. Taken in combination, these charges meant that a considerable portion of the Secretariats' budgets was consumed in costs paid back to IDRC.

Another reason for the internal popularity of the Secretariat mechanism between 1992-97 was that it enabled some of IDRC program funds to be used for operational costs. These operational resources were seen as critical to implementing programs at a time when the operational budgets proper did not provide adequate resources for personnel, especially for research assistance and travel. At the macro-level, the ratios of operational to program budgets were preserved, but at the micro-level, there was increased room to manoeuvre, and, in practice, the Secretariats did increase the operational costs of delivering programs compared to the other IDRC program modalities.

IS IDRC GETTING VALUE FOR MONEY FROM THE SECRETARIATS?

This is an important, although difficult, question to answer. As shown above, IDRC has received considerable financial benefit through the Secretariat mechanism, both for its programs and for its own operations. It has also enhanced its reputation internationally through the work done by the Secretariats and has gained more influence than it would otherwise likely have. Members of other donor organizations who sit on the Secretariat Steering Committees have generally improved their opinion of IDRC through the experience. IDRC has long prided itself on sitting around many more tables and having more influence than its actual financial contributions would suggest, and this has happened also through the Secretariats. The negative publicity attached to the Secretariat mechanism in the early years among donors who felt that IDRC was simply trying to generate revenues for itself, has now largely disappeared and the mechanism is viewed positively.

IDRC is now expected to have a more Canadian federal agency image than it has had in the past. The Secretariats can certainly contribute to this promotion of Canadian public policy, especially those whose mandates arise from Canadian public policy initiatives, such as model forests, tobacco control, combating malnutrition, and Canadian leadership in information and communication technologies and networking.

When looking at the long lists of activities and accomplishments of Secretariats, and given the fact that the ten reviewed here account for \$2.8 million in annual expenditure of IDRC funds, the conclusion is relatively compelling. Secretariats do provide good value for money.

WHAT ARE SOME OF THE RISKS?

IDRC also faces some risks in its current deployment of the Secretariat mechanism. The first is that many of the Secretariats have faced severe budget limitations. Most have not met their anticipated contributions from other donors and, when the cash crunch comes, IDRC has often had to play the donor of last resort. The amount of potential exposure IDRC has in these situations was most clearly demonstrated in the WETV experience, but it has a more general application. These supplementary funds come *off the top* of other program funds and essentially limit what is available to other program modalities.

IDRC has also not generally had an exit strategy for most Secretariats. Time frames and future evolutions to independent status or another host organization are either left vague in the initial proposals to establish a Secretariat, or if specified, are generally not acted upon. IDRC finds it hard to close its Secretariats, even when they do not meet their targets financially or programmatically. This problem and the associated risks are exacerbated by the lack of an overall strategic management framework for the Secretariats and regular review of their collective performance.

Another problem that the Secretariats demonstrate is that IDRC has generally established Secretariats with funds that are minimal or even below critical mass to do the job they are intended to do. This reflects the missionary zeal that makes IDRC such an innovative and effective organization, but it also means that the operational to program ratios are often quite poor and do not compare well to possible benchmarks such as some donor agencies or public charities. For most of the Secretariats (excluding MI) the average ratio of operational costs is 40%. This is on top of whatever costs IDRC incurs to host the Secretariats, even though these may be hidden rather than charged. It should be emphasized that, for many Secretariats, *operations* are their program *raison d'être* and therefore the distinction between operations and expenditures used by IDRC may not be particularly useful for assessing cost-effectiveness.

Operational costs are influenced by the type of program activity the Secretariat carries out, but the ratios are significantly improved as the total budget increases. This is seen most dramatically in the case of MI which has operational expenditures of only 10% of its total expenditures since inception of over \$44 million (although large parts of these expenditures did not impact significantly the internal Secretariat costs so it is hard to compare MI to the other Secretariats). Even so, a similar trend can be seen for the other Secretariats: as overall budget increases, the ratio of management and operational costs declines. While the data are only indicative, they suggest that a Secretariat needs a minimum of \$1 million per year (or commitments of at least \$5 million for 1992-98) to achieve a ratio of operational costs of under 40% and probably at least \$2 million a year to get below 20% operational costs. This cursory conclusion must be interpreted with caution because many Secretariats are focused on network building rather than program delivery and hence are extremely labour intensive.

Thus, most of the Secretariats established by IDRC have been less than cost-effective as a program modality, if one assumes that they should achieve program delivery of 80% of their budget. In effect, IDRC has risked cost-effectiveness by establishing so many small Secretariats and a better strategy might have been to allocate resources for the Secretariat mechanism to fewer and larger Secretariats.

This is perhaps most vividly demonstrated in Africa, where IDRC has played a key role in establishing first AERC (1987), then ATPS (1993), and SISERA (1997), all of which have related mandates to strengthen research in economic and science and technology policy in Africa, and overlapping constituencies.

EVALUATION OF PERFORMANCE

Secretariats are generally accountable to several donors and this has been cited as one reason for the relative clarity of their objectives and workplans when compared to other program modalities in IDRC. The same does not seem to hold true for evaluation of their performance. While some Secretariats, notably EEPSEA, have undertaken evaluations of their programs and tried to assess their impact, others have not yet undertaken evaluations much beyond surveys of stakeholder opinions. Some Secretariats are too new to expect much in the way of evaluation, but interestingly, evaluation of Secretariats' performance was rarely mentioned during the interviews with Steering Committee members, Secretariat staff or IDRC. It would seem that greater attention to evaluation of the scientific program implementation of Secretariats as well as the quality of the Secretariat performance itself should be more firmly on the agenda during the next few years, and here IDRC has an important role to play to provide a framework for evaluation and some common criteria and indicators.

RECOMMENDATION 2 — PERFORMANCE MANAGEMENT

While the overall performance of Secretariats has been positive, some issues about performance management remain. First, as indicated by the need for a strategic framework, performance standards and expectations for Secretariats as a whole are not clearly defined and need to be developed as part of the corporate strategy. Second, it was observed that performance indicators for individual Secretariats are in many cases underdeveloped. Finally, serious concern was expressed about the quality and reliability of performance reporting to senior management and the Board. While almost all interviewees were generally comfortable with performance levels, many expressed discomfort with the fact that this belief was based largely on anecdotal evidence. The lack of concrete performance measures and accurate, careful reporting were frequently mentioned as problems in this area. Sixteen of 19 Senior Management or Board members who answered the question expressed serious concerns about the quality and appropriateness of the performance information they receive.

As part of the strategic management framework and business planning process recommended elsewhere in this Review,

RECOMMENDATION 2 — PERFORMANCE MANAGEMENT

- a) Performance targets and measurement criteria should be developed to provide feedback to the Secretariats, donor partners, IDRC staff, management, and the Board.***

This is necessary not only to provide feedback to the Secretariats and to donor partners but also to IDRC staff, management and the Board.

b) IDRC should assist the Board in determining the information they need on Secretariat performance so that due diligence can be exercised.

Board members have indicated the need for clear and concise information that is less narrative and more focused on assessing performance against approved targets and milestones, so that the Board can make judgements on the basis of information provided to them. IDRC and key Secretariat staff should assist the Board in determining the type, quality and timing of the information needed.

c) Mechanisms should be established to share information with partners.

The Review concluded that more information sharing is needed between the IDRC Board and management and the donor partners contributing to the Secretariats. A number of Board members indicated that they need more direct information from donors about how their needs are being met. Currently, the main information channel is the Executive Director of the Secretariat. While this will remain the most important channel, it needs to be complemented with mechanisms for direct consultations between IDRC senior management and the Board, and donor partners. These mechanisms could include a series of short reports, a survey, or meetings arranged around the time of the IDRC Board meeting to which key donors are invited.

CHAPTER 4

ACCOUNTABILITY AND PERFORMANCE AUDIT

As public institutions like IDRC move toward more autonomous organizations involving collaborative partnerships, accountability inevitably becomes a more important issue. Being precise about *Who is responsible for what?* and *Who should answer to whom, for what?* is a challenge for organizations using innovative structures and modalities involving an array of international partners.

This challenge is compounded by the need for public institutions to account for results as well as compliance, as their focus changes from process to results (as it has in most public organizations). The emphasis on results, however, is only meaningful if those being held to account have sufficient autonomy to bring about desired results. Finding a balance between autonomy and compliance is an important issue faced by IDRC in its stewardship of Secretariats. As compliance requirements are removed, thereby increasing autonomy and the potential for achieving results, there is a simultaneous increase in the risk of imprudence and impropriety. Hence the need for a clear and practicable accountability framework.

Recent changes in approaches to audit reflect these trends. Traditionally, the audit function dealt mainly with compliance issues. With the movement toward more autonomous structures and the shift of attention to management for results, audit has evolved well beyond compliance—a more comprehensive approach to audit has become the norm. It involves a combination of audits:

- **Financial audit** — provides a picture of the fiscal risk an organization takes
- **Operational audit** — examines the operation system, including hiring, purchasing, job classification, and often involves survey techniques whereby employees views can be considered

- **Management audit** — designed to determine how well management is meeting its strategic goals in the planning and controlling of the corporation. It attempts to determine whether or not the managers are actually doing their job and if they are achieving the goals and objectives agreed upon
- **Value-for-money audit** — used in questioning whether or not the organization is achieving its goals at the lowest possible cost and if resources are being allocated in the most efficient and effective manner possible
- **Compliance audit** — looks to see if the organization is following the rules and regulations it has set for itself.

This chapter first deals with a number of comprehensive audit questions that have been asked about Secretariats in general, even though audits of individual Secretariats have been done. Second, the chapter examines the accountability issues raised by Secretariats and makes some recommendations for improving accountability.

AUDIT ISSUES AND FINDINGS

As noted, part of the Review design was to include a performance and accountability audit of the Secretariat as a management mechanism. The objectives of this audit were to:

- Assess whether the appropriate management and administrative mechanisms and structures are in place to allow the Secretariats to achieve their desired program objectives
- Assess whether the accountability framework of the Secretariats mechanisms allows IDRC to effectively discharge responsibility and fulfill its obligation to donors to achieve the intended performance targets
- Assess whether the reporting processes provide Secretariat management with effective (accurate, timely and relevant) information to discharge their responsibilities
- Determine if there are adequate processes in place to monitor Secretariat performance and the environment in which they operate to allow management to learn from Secretariat processes and adapt them as necessary
- Review the costs and benefits of the Secretariat mechanism and the deployment of resources, including IDRC's contribution, to Secretariat activities
- Based on the results of the above assessments, identify ways to improve the accountability and performance reporting frameworks and make recommendations on changes to management mechanisms and structures to increase the effectiveness of Secretariats.

A large part of the effort of this Review was directed toward these audit objectives. For example, the interviews included questions designed to gather information about these issues. The following brief examination of these objectives offers another helpful lens through which to view findings.

APPROPRIATE MANAGEMENT AND ADMINISTRATIVE MECHANISMS AND STRUCTURES

A number of problems were found regarding the appropriateness of management and administrative mechanisms and structures. Most notable was the fact that the work plans of some Secretariats often reflected a very weak link between the volume and level of work described and the amount of effort required to carry out that work. The human resources supplied were not always appropriate for the work identified. Further, relatively little attention seemed to have been given to the types and amount of knowledge, expertise, and experience required to achieve the mission identified for the Secretariat. Further, much attention was given to the fact that the leadership capacity of a Secretariat is critical. As mentioned elsewhere in this report, this capacity includes both time and expertise. One thing that has been demonstrated and re-demonstrated is that a part-time Executive Director does not maximize success and almost always forewarns failure. In addition, if the mission is to establish an international network of experts and become the focal point for a specific activity, very strong leadership and intellectual capacity is essential. Application of business planning rigour and determining the core capacities required to carry out the work of a Secretariat will resolve many of these problems.

APPROPRIATE ACCOUNTABILITY FRAMEWORK

As will be shown in some detail in the second part of this chapter, accountability problems need to be resolved quickly. While considerable attempts have been made to clarify these issues, confusion remains. As recommended in this chapter, the accountability framework has to be established from the top, at the Board level, and in doing so, must involve those affected. Once this framework is in place at the Board level, other key players including the Secretariat Steering Committees and Executive Directors, will need to clarify and post their own accountability frameworks. It is also clear that the Senior Management Committee will need to clarify its role and responsibilities in connection with the creation of an environment within which Secretariats can best achieve desired objectives.

ACCURATE, TIMELY, AND RELEVANT REPORTING

As discussed earlier in the report, serious concerns were expressed about the quality and appropriateness of information received by Centre executive and governors. Similarly, concerns were expressed about the timeliness of financial management reporting that does not enable Executive Directors to keep track of income and expenditures and to know their current financial status as effectively as they feel they need to. A recommendation has been made to improve reporting to the Board and Senior Management, starting with an identification of the types of information required upon which to base informed decisions. Once again, business planning rigour will go some way toward improving this area of concern. With respect to timely and accurate financial reporting, at time of writing, a new financial management system is being put in place that is intended to better meet the needs of Secretariats. In the meantime, Secretariats will have to continue keeping shadow books.

PROCESSES TO MONITOR PERFORMANCE

Many interviewees expressed discomfort with the fact that most of their perceptions about performance were based on anecdotal evidence. The lack of performance measures and accurate/careful reporting were frequently mentioned as problems. The Review also concluded that the performance criteria and key result areas for individual Secretariats were often ill-defined. Further, there were no agreed upon critical success factors for Secretariats as a management mechanism. Exactly what is expected from Secretariats both collectively and individually has to be revisited and clarified. This point is underscored by the current lack of clear and agreed upon objectives for Secretariats as a modality and by the difficulty of measuring performance of any one Secretariat beyond providing a list, albeit impressive, of accomplishments and activities. In the cases where this was not a problem, careful evaluations had been conducted and widely circulated. These evaluations included data from partners and program participants. Developing a clear focus and manageable objectives, business planning, and implementing recommendations on performance management will improve this problem area greatly.

COSTS AND BENEFITS OF THE SECRETARIAT MECHANISM

Many difficulties were examined in this area. Financial resource problems were evident in many of the cases examined for this Review. The problem of IDRC as the donor of last resort was seen in many forms. Indeed, not enough consideration was given to questions dealing with funding capacity. However, it was concluded that Secretariats offer excellent value for money when their accomplishments are measured against the relatively small amount of funding provided to the ten Secretariats included in the Review. As indicated in other parts of the Review, one of the issues emerging from Secretariats is under-resourcing and perhaps funding too many separate activities.

WAYS TO IMPROVE ACCOUNTABILITY AND PERFORMANCE REPORTING

The recommendations made in this report are aimed at improving performance and accountability. The establishment of performance targets and measurements for Secretariats is recommended as are regular assessments to measure individual and collective performance. It is also recommended that the Board be assisted in determining the information needed on performance in order to exercise due diligence with respect to decisions taken about Secretariats. Several aspects of this information need improvement. It must be clear and concise. It should also be less of a narrative and more focused on assessing performance against approved targets and milestones, so that the Board can make judgements on the basis of information provided to them. Moreover, it should come from external as well as internal sources, so that a more balanced picture is provided to the Board on the views and experiences of all stakeholders. In addition to these recommended actions, the development of the recommended corporate strategic framework (including performance management and accountability frameworks) for Secretariats will go a long way toward improving accountability and performance reporting.

ACCOUNTABILITY

The *IDRC Act* intends and authorizes the Centre to undertake a broad range of initiatives fostering scientific, technical and social research and its dissemination, and to actually make a difference in development in the South. Parliament has given IDRC a high degree of statutory autonomy for its work, Secretariats being one result of this. From its inception, IDRC has received high recognition and praise for its independent support of agencies and groups working in the South to improve equity and people's lives. Within this context, people with responsibilities have the obligation to inform themselves adequately to do their jobs, and to answer to others when the discharge of their responsibilities affects those others in important ways. *Due diligence* therefore includes, at all levels of the organization, the obligation of informing oneself and answering for one's responsibilities.

Learning is one aspect of accountability which is particularly relevant to IDRC. IDRC's mandate in research and knowledge dissemination makes learning a central theme of all of its activities and processes. IDRC itself has a learning responsibility. Learning from its efforts and activities needs to be reported and its application monitored. The learning gained and applied completes the accountability loop and informs the next round of intentions. As accountability expert Henry McCandless observes: *Given that public servants are now expected to innovate rather than simply follow rules, top management's obligation to account for the quality of organizational learning would help those in the organization working for achievement in learning.* This is particularly important to IDRC, statutorily charged to be innovative in identifying and sharing learning from developmental research.

One of Senior Management Committee's main purposes for undertaking this Review was to ensure that an appropriate accountability framework is put in place. An analysis of the data collected during the interviews signalled confusion about accountability for Secretariats within IDRC. For example, each Secretariat has attached to it a President's Designate who, according to IDRC Secretariat Guidelines, is responsible for ensuring that the reporting, administrative, and other responsibilities with regard to the Centre and other donors are being fulfilled. Interviews of President's Designates revealed that this responsibility was not generally well understood and that views varied considerably on what the designation meant. Accountability of the President becomes an issue under this arrangement because there have been up to 20 organizations referred to as Secretariats or Quasi-Secretariats with President's Designates. Therefore it is critical that accountability arrangements be clear, well understood, and carefully carried out.

Similarly a clear conception of the role and responsibility of Secretariat Executive Directors was lacking. Some believed that they embodied the ultimate accountability for anything that happens within a Secretariat, while others observed that sometimes they do not have signing authority for many routine management functions, including financial reports, financial commitments, and sometimes staffing decisions. The *Secretariats Housed at IDRC* document describes the role of the Executive Director (ED) as follows:

The legal relationship between the enterprise and the ED lies through a contract between the ED and the IDRC. Thus, IDRC is the sole supervisory body able to ensure that EDs carry out their duties. In addition, a Steering Committee typically exists which exercises program

responsibility. Therefore, in the program area, EDs are de facto responsible to the Steering Committee, with IDRC's role restricted to ensuring that there is compliance with the Steering Committee's wishes concerning the program.... With respect to all day-to-day operations — financial, legal, administrative, etc. — since IDRC is responsible to the Steering Committee for the integrity and soundness of Secretariat operations, EDs should be subject to IDRC management oversight and IDRC policies in these areas.

The Guidelines section, which could be expected to be more specific on the Executive Director's responsibilities and accountabilities, says only that *The Executive Director will have a dual reporting relationship to the President (or his or her Designate) and to the Steering Committee of the Secretariat.*

The Executive Director's responsibility for complying with IDRC policies in *financial, administrative, personnel, legal and ethical matters* is covered by the standard Letters of Agreement between newly-appointed Executive Directors and the President of IDRC which points the Executive Director to IDRC's Management Policy Manual. But neither the Guidelines nor the Letters of Agreement deal with standards for the Executive Director's reporting on intended and actual Secretariat performance.

Secretariat financial statements are prepared and produced by IDRC staff, in IDRC format. There appears to be no accountability by IDRC to the Secretariats for these statements. The usefulness to Steering Committees for their own decision-making is questionable in terms of the form and timing of information and other things they may need to know such as financial impacts of alternatives. Evidence suggests that the Secretariats have to develop their own financial information tailored to their own needs.

CLARIFYING ACCOUNTABILITIES IN SECRETARIAT-IDRC RELATIONSHIPS

The IDRC Secretariat guidance documents and the case studies developed as part of the Review process show that work needs to be done to answer the question *Who is accountable to whom, for what?* for Secretariat operations. A robust accountability framework for Secretariats involves five key players: Board of Governors, President, President's Designate, Secretariat Steering Committee, and Secretariat Executive Director. Each can be held to account and has answering obligations. What follows are suggestions to be considered when developing the required accountability framework for Secretariats.

BOARD OF GOVERNORS

Roger Tassé, former Canadian Deputy Minister of Justice, was commissioned by the Deputy Minister's Task Force on Service Delivery Models (1996) to examine ways of ensuring accountability in government organizations, including those operating at arms-length. Because significant public sector improvement was deemed impossible without finding ways of using collaborative partnerships to increase the effectiveness of services provided to citizens, new approaches to accountability needed to

be found. Emerging horizontal, collaborative arrangements demanded special attention to accountability.

Beginning with financial administration, Tassé notes that most administrative impediments to collaborative partnerships are found in the regulations and guidelines issued for the application of an Act, rather than in the Act itself. In other words, they are self-imposed and can therefore easily be changed. The focus in pursuing the goal of financial accountability (ensuring that expenditures are made in accordance with authorities conferred by Parliament) should not be a complex set of rules that limits flexibility in service delivery or achieves important organizational objectives. Rather, the focus should be on transparency and readily accessible clear and concise information about finances and about the collaborative partnership arrangements, their objects, monitoring, and evaluation processes, and governance framework.

Tassé points out that the existing frameworks for accountability badly lack a systematic dimension, adding that it is difficult to get information about existing accountability arrangements and that there are no clear rules regarding ministerial or administrative accountability. Monitoring mechanisms, he observes, where they exist, are uneven. Adding to the already imperfect situation is the necessity to add even more complex horizontal and collaborative partnership arrangements. In response to this challenge, Tassé developed an Accountability Checklist which affords many helpful suggestions for clarifying IDRC's accountability arrangements with Secretariats and partners.

- Is the Board of Governors satisfied that the arrangement will achieve the goals of the legislation under which it operates?
 - Is the Board satisfied that the persons who will carry out the tasks under the arrangement are properly qualified and trained to do so?
 - Is there a proper provision for the monitoring, control, etc. of the work of Secretariats?
 - Are proper means in place to receive reports on the carrying out of the tasks and to deal with problems as they arise?
- Does the arrangement clearly spell out the responsibilities of each party to the arrangement, the objectives pursued, and the information that will be collected and provided to monitor the carrying out of the arrangement?
- Does the arrangement achieve the goals of other federal legislation and policies that are relevant?
- Will information on the arrangement, financial and other, be readily available?
 - More particularly, was there adequate consultation with affected publics before the arrangement was put in place?
 - Is there transparency in the arrangement: is the arrangement itself and essential facts concerning its operation on the public record in a way that is easily accessible to the Board, partners, and the public?

Generally speaking, if the responsible Minister and the Board are satisfied with the answer to the foregoing generic questions, then, when called to account to Parliament (or the media, the public, or partners) for the arrangement and what has taken place under it, the Minister and the Board should be able to state credibly that what was done has been both prudent and reasonable. While this framework is no guarantee against any or all accusations, it should assist Governors in taking the necessary steps to ensure that, when arrangements are put in place, they can account properly for the decisions they have taken and defend them effectively.

DECISIONS ON SECRETARIATS In authorizing a proposal for a Secretariat, the Board should require, in addition to statements of financial viability, a clarification of who would benefit from the Secretariat in the short and longer term; how, and why they should; and who would bear what costs and risks, and why. With the Board's involvement and approval, the business planning process recommended elsewhere in the report will help resolve this issue.

REPORTING The Board should require rigorous and timely updating from senior management on the Secretariat's critical success factors. Depending on the Board's agendas, this may be a management-by-exception review from regular reporting, with the President proposing to deal in priority with the problems senior management thinks the Board should know about. Funding delivery failure by donors would be one such type of problem. The Board's understanding of issues it can do something about should be helped by the recently implemented practice of Executive Directors periodically meeting with the Board.

PRESIDENT

MANAGEMENT CONTROL As the person who, under the *IDRC Act*, has *supervision over and direction of the work of the Centre*, the President should:

- Be well-informed on the Secretariat's achievement objectives, critical success factors, and program effectiveness, including the dissemination of its learning
- Know the management control system for the Secretariat and its compliance with IDRC administrative policy, and whether its reporting to its stakeholders is adequate
- Ensure that IDRC's senior managers (and donors, to the extent IDRC can influence them) act usefully on performance and external constraints reported by the Secretariats.

ACCOUNTABILITY TO THE BOARD The President should report to the Board whether the IDRC's support of a Secretariat is within IDRC's mandate and, through regular reporting to the Board, whether the Secretariat is achieving the aims for which it was created and is cost-effective, and whether it is complying with IDRC's administrative policy.

PRESIDENT'S DESIGNATE ON THE SECRETARIAT STEERING COMMITTEE

MANAGEMENT CONTROL The Presidents' Designate should have expert knowledge of the Secretariat's objectives, critical success factors, and the management control system within which the

Secretariat strives to achieve its objectives. The Designate should know how the control system should adapt to funding shortfalls and the extent to which the Executive Director can deal with external constraints. The Designate should know, through the Secretariat's control and reporting system and personal observation, whether the Secretariat is meeting the Steering Committee's program achievement expectations, and whether the Executive Director is following IDRC's financial, personnel, legal, ethical and administrative policies and the terms of donor agreements. Under IDRC authority, the Designate is responsible for taking timely corrective action if Secretariat matters require it. The Designate should point out useful connections to IDRC and other program resources that could help the Secretariat achieve its objectives.

ACCOUNTABILITY TO THE PRESIDENT The Designate's reporting should provide the President with what she should know about the Secretariat's aims, operations and funding and its relations with IDRC, donors and other stakeholders. This includes obstacles facing the Secretariat such that the President can fairly allocate, or approve the priority allocation of limited IDRC resources in helping all the Secretariats.

ACCOUNTABILITY TO THE SECRETARIAT EXECUTIVE DIRECTOR The President's Designate should fully discuss with the Executive Director:

- The views of IDRC Senior Management and Board with respect to the Secretariat's authorized program objectives (which can be in the Letter of Agreement) and compliance with IDRC administrative policy
- IDRC's funding commitment and what IDRC will do about problems in Secretariat funding from others
- Steps IDRC is taking to remove barriers in the way of the Secretariat achieving its objectives.

It should be noted that carrying out the responsibilities of a President's Designate is more than a casual arrangement requiring little more than showing up at meetings. Commitment of time and energy is demanded, a fact that some feel is overlooked by IDRC managers when assigning responsibilities.

INTERNATIONAL SECRETARIAT STEERING COMMITTEE

ACHIEVEMENT OBJECTIVES Within the funding guidelines and achievement expectations agreed upon with the Secretariat's sponsors, the Steering Committee should establish:

- The intended program accomplishment of the Secretariat, the proposed program outcomes, the question of who would benefit from the program and why they should benefit, and who would bear what risks and costs
- The identification, dissemination, and application of the learning gained from the Secretariat's work
- The working division of powers among the Committee, the Executive Director, and IDRC with respect to adhering to IDRC administrative practices

- The means by which the views of donors other than IDRC are incorporated in decision-making
- The feasibility, resource allocation, and programming of programs to be delivered
- How the objective(s) will be met, including administrative and other compliance requirements.

MANAGEMENT CONTROL The Steering Committee should:

- Formally establish standards for informing itself, and for acting on reports it receives
- Establish the critical success factors and performance standards for the Secretariat program(s) and how program achievement is to be evidenced (measured) and shared
- Identify a realistic budget for the program(s) and the standards for cost-effectiveness
- Keep itself up-to-date on program achievement and finances, based on timely reports by the Executive Director
- Identify barriers in the way of staff achieving the program objectives and seek to remove the barriers.

The Committee should also determine whether the Secretariat operations are complying with the agreed financial plan and donor agreements and, through the President's designate, know whether IDRC's administrative policies are being met. Finally, subject to the donor agreements, the Steering Committee should explain to IDRC and to other donors and major stakeholders the achievement objectives and progress on performance expectations, giving reasons for changes in objectives and explanations of variances between planned and actual performance.

SECRETARIAT EXECUTIVE DIRECTOR

MANAGEMENT CONTROL The Executive Director is responsible for:

- Achieving common agreement with the Steering Committee on the Secretariat's achievement objectives and understanding IDRC's administrative policies
- Agreeing with the Steering Committee on the critical success factors for achieving the Committee's program objectives, the management control system for ensuring that these sub-objectives are met, and the program performance standards
- Ensuring the effectiveness of the control system, within the Executive Director's power to do so
- Complying with donor agreements and IDRC fundamental rules
- Giving alerts to the Steering Committee and President's Designate on emerging developmental issues affecting the Secretariat's achievement.

ACCOUNTABILITY The Executive Director should account on a timely basis to the Steering Committee, President's Designate and donors, and assist the Steering Committee in reporting to other stakeholders.

The Executive Director should report to the Steering Committee on:

- Performance against program and financial plans, variance explanations, and corrective action being taken by staff
- Barriers standing in the way of staff doing their jobs which the Executive Director cannot remove, and how the Executive Director and staff are coping with these external constraints
- The effectiveness and cost-effectiveness of the program(s)
- The learning gained from the program effort and how it has been shared in the development community and applied in the Secretariat's own work
- The extent of compliance with budget, donor agreements, and IDRC administrative policy.

The ED should report to the President, through the President's Designate, beyond the reporting to the members of the Steering Committee on:

- The extent of compliance with key IDRC administrative policies for the Secretariat and the reasoning for requested waivers of particular IDRC policies
- Obstacles to program achievement that IDRC is positioned to help overcome
- Any problems of financial statements prepared by IDRC for the Secretariat in terms of usefulness or timeliness for Steering Committee decision-making.

RECOMMENDATION 3 – ACCOUNTABILITY

- a) IDRC Senior Management Committee should work with the Board of Governors to develop an accountability framework for Secretariats.*
- b) Within this Board approved accountability framework, each Secretariat Steering Committee should adopt its own accountability framework, which is approved by SMC.*
- c) IDRC should continue moving toward a more comprehensive approach in its audits of Secretariats including financial audit, operational audits, management audits, value-for-money audits and performance audits in addition to the traditional compliance audit approach.*

CHAPTER 5

STRATEGIC FRAMEWORK

A strategic management framework establishing a conducive environment in which Secretariats can flourish is urgently needed. The term *strategic management framework* is carefully chosen and should not be confused with a policy framework. Typically, when faced with the need for a policy framework, organizations assign the task of developing it to an individual or group of individuals. The problem with this approach is that it is all too easy for the senior management team to approve such frameworks without becoming engaged and internalizing the new policy framework. The development of a strategic management framework requires much more engagement and therefore commitment by senior managers thus setting the stage for improved corporate management and leadership.

The 93 interviews carried out during the Review process resulted in a variety of views and perceptions on all but one point. Everyone, including Senior Management and Governors, was unanimous that a strategic framework for Secretariats was essential and missing.

While this suggests that immediate action is called for, it is not an indication of management's blameworthiness for not having undertaken the development of a Strategic Framework earlier. It seems clear that the movement toward Secretariats at IDRC was not a deliberate management strategy but rather something that happened spontaneously and progressively. As the interviews revealed, everyone has their own particular notion as to why this movement occurred.

STRATEGIC MANAGEMENT FRAMEWORK

The reasons matter little now. The fact is that IDRC has launched into a new collaborative partnership modality, has experimented with several forms and learned many lessons. The global conclusion is that the approach has merit. Successes have been accompanied by failures. However, as stated by a number of experts in innovative organizational forms and organizations with a mandate for collaborative

innovation (Bennis, Hirshberg, et al), the greatest success rate that can be expected is 70%. In this regard, IDRC has performed relatively well with only one or two clear disappointments among the 10 Secretariats examined. For the remainder, there are a number of extremely successful Secretariats and others that could be improved by implementing the recommendations made here. This Review is very timely since only now has a reasonable length of time passed and enough experience been gained to draw generic conclusions. The time is right for IDRC to take strong strategic leadership on the question of Secretariats.

The strategic management framework that seems to be missing can be conceptualized in many ways. The model that seems most suitable for IDRC is adapted from general systems theory and provides the direction and integration required for a complex research organization. It suggests that, in similar sophisticated and well functioning organizations, there are three levels of activity: business unit, corporate integrating channels, and corporate management.

LEVEL 1 — BUSINESS UNIT A business unit has three characteristics: a distinct set of operations, a distinct market or region, and a distinct management. It is a system in its own right, but also a component of a larger corporate system. Although it tends to preserve and assert its individuality and is quasi-autonomous, it also needs to function as an integrated part of a larger whole. If denied the autonomy, creativeness, innovativeness, and commitment that it needs to be highly productive, a business unit will falter and the whole system will suffer. On the other hand, if integration is non-existent or weak, synergetic potential is lost and the business unit will drift. Business units are linked to corporate management by two main channels: direct personal relationships, the importance of which we have seen in Chapter 2 — Lessons from Experience, and through corporate integrating channels (Level 2). A well functioning business unit could quite likely survive on its own in some other form or with another host organization. This describes Secretariats and their milieu.

LEVEL 2 — INTEGRATING CHANNELS In order to utilize the potential for synergy that only a larger system can provide, an integrating channel is necessary that provides a linkage between organizational levels. An integrating channel level unifies, integrates and regulates the total organization. It includes:

- Routinized information flow, reports to SMC and the Board, and financial data
- A set of key performance indicators
- Guidelines on corporate requirements and parameters for business units
- Identified shared corporate services.

As seen in Chapter 3 — Performance and Results, key indicators are a critical element of this integrating mechanism. They must balance financial and non-financial measures as well as internally and externally oriented measures. Corporate parameters are also important to know and follow. Rather than a voluminous and oppressive set of operational policies and procedures, they are the constants that all members of the organization must observe — accounting procedures, planning cycles, rules of probity, corporate ethical values are examples. Corporate integrating channel also include corporate business management functions: financial services, Chief Financial Officer, evaluation, audit, performance management systems, and human resource management.

LEVEL 3 — CORPORATE MANAGEMENT Corporate management is responsible for direction and integration. As noted by Henry Mintzberg in a recent *Globe and Mail* interview (October 12, 1998), *Strategy is about venturing, championing, and integrating*. Corporate management has three basic functions:

- Ensuring the full utilization of the capabilities inherent in the total organization
- Integrating all components for the organization to ensure unity in action and purpose for the entire organization
- Preparing for future-related activities consistent with the orientation and strategy of the organization.

This level encompasses several corporate and strategic planning functions that cannot be delegated to a lower level. Financial and personnel planning, overall resource allocation, forecasting, in short, future-related activities that define the direction of the organization. For leadership to occur, the top team must be intimately engaged in these future-related activities and communicate them to the rest of the organization and the outside world. The challenge for corporate management is to direct and integrate the organization as a whole so that it becomes more than the sum of its parts.

There are several unique characteristics of corporate management that are can only be found in the total organization. In this sense, they create the framework in which Secretariats can function and flourish. These characteristics include:

- Overall financial strength that none of the business units have alone
- Ability to set priorities and corporate standards, and to plan on a larger global scale to ensure that efforts are made where the needs are highest
- Capacity to know what's going on, monitor and appraise performance, and internalize learning, together with enough flexibility to take corrective actions when required
- Agility to enter or exit new areas without major disruption and to shift resources among functions and units as required by the situation
- Individual business units able to draw on resources, name, credibility, and organization of the entire corporation to perform transactions.

These are the types of overall capabilities that corporate management needs to exercise and foster. Coupled with the three main functions of corporate management, they provide the strategic framework within which Secretariats can thrive. Together with vision and commitment, they spell leadership.

Weaknesses most often found in organizations examined using this model include:

- A lack of understanding of the overall purpose which is not always clearly articulated
- Unanticipated or harmful results of decisions being made in one part of the system without an understanding of the consequences for other systems or the whole system
- Overly bureaucratic management that overloads the integrating channels
- Poorly understood or performed corporate management functions
- Poorly or inappropriately defined business unit boundaries

- Excessive involvement of corporate management with business units activities, and weak or ineffective integrating channels
- Future-related activities neglected by corporate management
- Poorly thought out performance measures and key indicators
- Inability to learn from experience, adapt, and continuously improve.

A corporate management framework, which can create the environment for success and high performance or the opposite, demands that several simultaneous functions be carried out effectively. Following are seven such functional areas:

- **Designing and developing the enterprise:** designing operating units, infrastructure, management processes, corporate and unit performance indicators; maintaining an ongoing effort to adapt the organization for effectiveness, survival and growth; maximizing the synergetic capabilities inherent only in the total organization
- **Corporate culture and values:** developing and communicating corporate ethics and values
- **Leadership and management:** establishing and maintaining a management team ensuring full participation and engagement, effective leadership of the various parts of the organization, particular functional expertise complementary to the team; developing and maintaining a corporate management system; ensuring that each member of the top management team is accountable for providing corporate oversight for at least one dimension of the total operation that applies throughout the organization
- **Human resources:** identifying and developing the corporate competencies upon which the organization builds its success; personnel appointments, promotions, succession planning, training and development; incentive and reward systems
- **Finance and administration:** risk management, accounting, budget processes and overall resource allocations
- **Information flow and monitoring:** informing the Board of Governors about the state of the corporation and the implementation of its decisions — no surprises; identifying key corporate indicators and ensuring adequate routinized data flow centered around these indicators; monitoring ongoing business to learn about issues in order to deal with them before they become problems
- **Representation and Promotion:** representing and promoting the organization to the outside world; entering into contractual obligations on behalf of the total organization.

Within this corporate management environment, a strategic framework for IDRC Secretariats needs to be developed. Elements of this framework would include notions of where IDRC would like to go with Secretariats as a modality. One of these directions could be to encourage Secretariats as relatively low-

risk, cost-shared ventures into new and innovative areas. In fact, Secretariats could be utilized as carefully controlled learning experiments designed to keep IDRC on the leading edge of collaborative partnerships in development research.

In this regard, IMFN highlights one of the hitherto unmentioned advantages of Secretariats: they constitute a relatively low cost way of experimenting with new and innovative approaches in an environment where risks are relatively controlled. By diversifying funding sources, it is possible to somewhat reduce the risk. In addition, Secretariats can be quickly started and stopped. Relatively bold experiments can occur without precluding what the results might be. Here we are reminded of Dror's belief that many of our traditional approaches to public management are ineffective in dealing with the new and most often unique problems created by technology and globalization. Governments, he argues, should be spending some of their resources, even small amounts, on bold new ways of addressing emerging issues that transcend all borders. Indeed, as exemplified by IMFN, one of the key advantages of Secretariats is that it makes it possible to do just that.

At the other end of the spectrum from these types of innovative piloted learning opportunities is the need for IDRC to further develop a framework for Secretariats that includes parameters, and reporting and information requirements. This would be a continuation of the ongoing effort to improve and refine the *Guidelines for Secretariats Housed at IDRC*. However, without elements of the strategic corporate management framework described above, these sorts of guidelines fall well short of what is required in at least three respects:

- **Official endorsement of the Secretariat modality.** While there has been considerable discussion about the merits of the modality, at no time has the corporate centre removed some of the ambiguity surrounding their existence. Five years of experience and the current Review has set the stage for this to happen
- **Directional leadership.** Where does IDRC want to go with Secretariats in the medium and longer-term future?
- **Performance requirements.** These have to be more clearly established. Exactly what is expected from Secretariats both collectively and individually has to be revisited and clarified. This point is underscored by the current lack of clear and agreed upon objectives for Secretariats as a modality, and by the difficulty of measuring the performance of any one Secretariat beyond providing a list, albeit impressive, of accomplishments and activities.

RECOMMENDATION 4 – STRATEGIC FRAMEWORK FOR SECRETARIATS

Interviews indicated a broad consensus about the lack of a strategic framework for Secretariats. Everyone, including Senior Management and Governors, was unanimous that a strategic framework for Secretariats was essential and missing. The need for a framework establishing a conducive environment in which Secretariats can flourish was seen as urgent. Interestingly, while almost all

respondents saw value in Secretariats, few, if any, could identify where IDRC intended to go with the modality, or what criteria were used in making decisions about Secretariats.

A strategic framework for Secretariats should be developed under the leadership of the President. The five interrelated elements of this framework are: strategic direction, business planning, performance management, accountability, and operations and structure. The strategic framework should:

- ***Ensure the full utilization of the capabilities inherent in the total organization***
- ***Integrate all components for the organization to ensure unity in action and purpose for the entire organization, and***
- ***Identify future related activities that define the direction of Secretariats within the organization.***

The systems thinking approach to management assumes a strong element of organizational learning. If effective frameworks for performance, accountability, and strategic management are in place, and the organization has open and well functioning feedback systems, individual units and the organization as a whole will be self-controlled. Hence, command-and-control systems or rigid hierarchies are detrimental and not needed. The strategic framework for Secretariats should include elements of other recommendations made in this report, namely: business planning, performance management, accountability, and operations and structure.

CHAPTER 6

OPERATIONAL AND STRUCTURAL FRAMEWORK

ADMINISTRATION OF SECRETARIATS

The administration of Secretariats at IDRC has evolved from a set of *ad hoc* arrangements that were put in place for the first Secretariats in 1992-93, to a well developed set of administrative guidelines which have been elaborated between 1993 and 1998. These administrative arrangements cover the following general areas:

- Definition of, and rationale for a Secretariat
- Requirements for establishing a Secretariat
- Legal status of Secretariats
- Relationship to *IDRC Programs and Corporate Program Framework*
- Performance monitoring of Secretariats
- Accountability for overseeing financial operations
- Applicability of IDRC administrative policies
- Core and additional services provided by IDRC
- Co-ordination of supporting services by Client Services Group
- Allocation of overhead received from Secretariats to IDRC units
- Staffing policies and status of Secretariat personnel
- Reporting relationships and principal responsibilities
- Signing authority within Secretariats.

The challenge for IDRC in all these administrative areas has been to maximize the mutual benefits of the relationship for the Centre and for the Secretariats, and to minimize the costs and, where necessary, the ambiguities. The starting point for IDRC administrative policies towards Secretariats is that they are legally part of IDRC. The Centre is therefore responsible for them and for the funds invested in them by other donors. IDRC management is accountable to the Board for its management of the Secretariats, to other donors individually for the management of the funds that they contribute, and to

donors collectively for the performance of the Secretariat with respect to its work plan and budget. In addition to its formal responsibilities and accountability to other donors, IDRC has a role in seeking and taking account of their views and needs as its partners.

The following are some administrative issues arising from this Review of Secretariats that are not dealt with in detail in other chapters.

RELATIONSHIP WITH IDRC PROGRAMS One of the defining characteristics of Secretariats is that they are related to IDRC program activities. However, many of them are now related to them at only the most general level, primarily as a result of the fact that IDRC programs have become focused and a number of areas such as fisheries, forestry, and nutrition have been eliminated since the Secretariats were created. It is clear that the degree of intellectual exchange between Secretariat staff and IDRC program staff is relatively limited in most cases and that the level of more formal collaboration, such as funding project activities, is also low. Most Secretariat staff and Executive Directors have more contact with the Resources Branch than with the Programs Branch.

There have been various administrative stratagems to fix this problem, including the designation of a Program Officer in Programs Branch to act as liaison with each Secretariat, and to define specific linkages between Secretariats and certain Program Initiatives (PIs). A senior manager has been appointed within the Programs Branch who is specifically responsible for Secretariats on a part-time basis and provides a link to the VP Programs. A special fund has been established to support collaboration between PIs and Secretariats. While each of these initiatives may help, the general view within IDRC is that Secretariats are not likely to have much greater linkage with PIs than they presently do, and that another approach is needed which is not based on trying to increase the Secretariats' fit within the structure of Programs Branch.

FIT WITH IDRC CORPORATE PROGRAM FRAMEWORK While Secretariats are generally not seen as having a close relationship with the other program modalities of IDRC such as PIs, they are viewed as having a major contribution to make to IDRC's corporate program framework and objectives. They are the main mechanism for establishing collaborative partnerships with other development agencies and for making certain Canadian foreign policy initiatives more visible internationally. Moreover, they have significantly contributed to IDRC's resource expansion, making other donors' funds available for objectives and activities dear to IDRC.

However, most people in IDRC think that the administrative arrangements presently in place for Secretariats mitigate against their having an effective input in program or corporate policy development. There is no collective mechanism for Secretariats to have an input in policy development at the senior management level or at the Board level. Nor are there mechanisms in place for other donors who are brought around the separate Secretariat tables to contribute to IDRC's policy planning process. These donors to the Secretariats are IDRC's key partners, but IDRC does not have a mechanism to receive their views on the Centre's own strategy with respect to their joint enterprises.

As a result of this lack of integration in corporate planning and strategy, Secretariats have been viewed more as a collection of separate and unique entities rather than as integral parts of IDRC's corporate

strategy. They have been described to us as unique and marginal to IDRC's main business. This view reduces the power that the Secretariat mechanism can provide to IDRC. From a strategic point of view, some interesting questions emerge about the role of Secretariats. For example, are Canadian public policy on the one hand and a move towards increased collaboration with international development agencies on the other among the forces that influence IDRC corporate strategy? If these two forces are considered together, it is clear that some Secretariats, such as MI, IMFN, and ITI, are closely identified with Canadian public policy and have so far attracted relatively little *international* resources.

At least two Secretariats, Bellanet and SIFR, were established through wide consultation and agreement among international donors and have global mandates. Yet both have experienced difficulties attracting other new donors or implementing their mandates as initially envisaged or within the time frame initially set out. They have survived through changing their strategies. This may tell us something about some of the bottom lines IDRC should impose before agreeing to respond to requests to host Secretariats.

In Africa, IDRC has three Secretariats with mandates to strengthen capacity in closely related policies (economic, trade and industry, science and technology policy), in addition to its ongoing support to AERC, originally established by the Centre to focus donor resources on economic policy in Africa. It would seem that the need for three related initiatives should be reconsidered strategically in relation to IDRC's broader goals for programs in Africa and in relation to the cost-effectiveness of supporting four separate units. There is a clear regional strategic planning context in which ATPS, SISERA, and TIPS need to be considered as their individual performance and contribution is examined. Among the questions to be asked are: How do the objectives of each Secretariat contribute to IDRC's regional objectives for Africa? How do the Secretariats relate to Canadian policy for Africa? Who are IDRC's main international and regional partners in Africa and how do the Secretariats relate to their interests and the common interests that they share with IDRC? What are the Secretariats in Africa doing that could not be done more cost-effectively by AERC where IDRC already has donor partners, and which has more resources and a good track-record?

FINANCIAL MANAGEMENT The financial management reporting system used in IDRC does not enable Executive Directors to keep track of income and expenditures and to know their current financial status as effectively as they feel they need to. Several have reported that they have set up their own budget tracking systems to help them manage their finances. Those that have not done so appear to have the greatest difficulty keeping well informed about the financial status of the Secretariat. It has been reported to us that a new financial reporting system will soon be available for the Secretariats which will alleviate this problem.

A somewhat different issue in financial management is that, now that IDRC Financial Services must prepare and sign off all financial statements and reports from the Secretariats, there is a concomitant accountability on the part of IDRC Financial Services and the VP Resources for the financial management of the Secretariats. This recommendation was made by an Ad Hoc Committee of the Board for WETV, following advice from the Independent Investigator appointed by the Board for

WETV. It ensures balance and integrity in financial reporting. Although justified at the time, it has the effect of truncating the Secretariat as a responsibility and accountability centre.

RELATIONSHIP OF SECRETARIATS WITH IDRC SUPPORT UNITS One of the most detailed aspects of administration in the *Policy Guidelines for Secretariats* deals with the provision of support services to Secretariats, such as administrative, financial, human resources management, information management, and legal services. The Client Services Group within the Resources Branch has been charged to provide overall assistance and co-ordination of support services to Secretariats. In a Regional Office, this service is performed by the Regional Controller.

Two problems have emerged with the current arrangements. The first is that maintaining relationships with all the units in IDRC that provide support services is very time consuming for the Executive Directors. One estimated that 30% of his time was absorbed in dealing with IDRC as a service provider. Another complained that there is no *one stop shopping* in IDRC and that getting services from the Centre was as complex as buying services outside the organization. On the other hand, it is clearly necessary for Secretariats to have direct access to the expertise in the different support units. Moreover, the Client Services Group cannot perform a surrogate role for providing that expertise. These seem to be problems that can be solved with further discussion between the parties, and it is clear that the will is there to improve the situation.

A second problem, which is easier to deal with, is that not all service providers are well informed about the Administrative Policies relating to Secretariats, and Executive Directors and other Secretariat staff must spend more time informing them and negotiating with them.

As a result of the downsizing that took place at IDRC, support units are often severely stretched in their resources. This means that the support that they can provide to Secretariats is perhaps less than adequate from a corporate point of view. For example, Secretariats have tended to publish reports without the professional resources that are available in IDRC Books in terms of review, editing and designing a common format. This is already being addressed but is nonetheless something that IDRC should consider in developing its strategic management framework.

STAFFING POLICIES AND STATUS OF SECRETARIAT PERSONNEL IDRC policy requires that Secretariat staff are recruited and treated according to IDRC personnel policies. In the past, this has raised a number of issues. The first is that, since Secretariats are legally part of IDRC, they are part of the same organizational pool of jobs as IDRC. Thus, as IDRC downsizes, IDRC staff must be offered the first opportunity for any position in the Secretariats. In practice, this appears to have meant some pressure on Secretariats to take redundant IDRC staff rather than hire from outside. Two concerns have been raised: the Secretariats may not always have been able to select the best qualified people and they have been seen by some as excessively dominated by former IDRC staff.

Another problem faced by IDRC in hosting Secretariats is that current IDRC professional salary scales have often made it difficult to recruit internationally, particularly for the position of Executive Director. This has been an issue for some of the donor partners who naturally want the best leadership possible for the Secretariats and do not always understand why a competitive international salary cannot be

paid, especially when they are contributing to the operational costs of the Secretariats. The reality is that IDRC, as a Canadian Crown Corporation, must comply with federal legislation such as Pay Equity, the Canadian Labour Code, and the Official Languages legislation, legislation that applies to all the Secretariats based in Canada. Therefore, Secretariats, even when they are also funded by other donors, cannot have a separate pay structure, nor can they avoid publishing in both of the official languages of Canada. These limitations, that have not been adequately discussed with other donor partners in the past, should be part of the negotiations that take place *before* any agreement about being host institution is reached.

On rare occasions in the past, Executive Directors and professionals have been engaged as consultants with remunerations set outside IDRC scales, but this then means that, strictly speaking, they are advisors to IDRC without specific authority to sign contracts or to supervise IDRC staff. It also exposes IDRC to certain risks under Canadian legislation as full-time, long term consultants working in IDRC offices might be deemed to be employees. In these situations, the accountability waters become muddy as someone else must countersign on behalf of IDRC as well as the Executive Director. One approach to staffing which has not been used often is secondment from another organization, particularly from donor partner organizations. A secondment does not fall within IDRC's reporting requirements under Canadian legislation and can be remunerated at a higher salary. It can also mean that another donor could be more involved and knowledgeable about the work of the Secretariat.

COMPLIANCE WITH THE CANADIAN GOVERNMENT FEDERAL IDENTITY PROGRAM An administrative issue which has recently developed is how the Secretariats, which are legally part of IDRC, can conform to Canadian legislation and still be effective as international Secretariats serving international partnerships. IDRC is presently in discussions about the decision by Treasury Board to require IDRC, along with other federal agencies, to include the Canadian wordmark on all their corporate materials. Some donors to Secretariats have been uncomfortable in the past with the fact that IDRC's visibility in joint enterprise far exceeded theirs. If enforced, the wordmark requirement would affect Secretariats differently. Some, such as IMFN, MI and ITI, are clearly Canadian-led initiatives. Others, such as Bellanet and ATPS, are less so. It is likely that all could compromise their international funding if the directive were enacted, and this may be an opportune time for IDRC to examine possible future scenarios for the Secretariats. Could they become more explicitly Canadian and survive? Is this the time to change their legal status and/or host institution?

REPORTING RELATIONSHIPS

The Policy Guidelines for Secretariats pay particular attention to the responsibilities of the various bodies and roles in IDRC with respect to Secretariats. What emerges is a very complex set of reporting relationships and some confusion about who is responsible for what. What appears to be missing is any effective mechanism for getting information and advice from the Secretariats and their Steering Committees to IDRC senior management and the IDRC Board. One simple mechanism is to deposit all reports from Secretariats in one electronic site within IDRC so that they can be accessed by everyone who requires them. This is a fail-safe mechanism to put in place in addition to specific reporting lines.

EXECUTIVE DIRECTOR The Executive Director of a Secretariat has the most challenging set of reporting relationships. He or she is required to report to the Steering Committee on the performance of the Secretariat, the implementation of the work plan and budget, and on future plans. He/she must also deal with each donor and partner represented on the Steering Committee individually, and ensure that their separate requirements for technical reporting are met.

The Executive Director is also required to report to the President of IDRC (usually through the President's Designate) on the operations and work of the Secretariat, and also to the Board at regular intervals, or as requested by Governors. In practice, the President usually designates a senior manager to represent her on the Steering Committee and the Executive Director reports to this person regularly on Secretariat operations. However, the Vice President Resources (and CFO) is responsible for overseeing the financial operations of each Secretariat and the Director of the Resources Services Group is responsible for preparing the financial reports, so that the Executive Director must also consult with these people.

The reporting relationship with the Vice President Programs is less clearly laid out in the Guidelines but certainly, the Executive Director is expected to consult with the program liaison person designated for the Secretariat, and with the senior manager in Programs Branch responsible for Secretariats. If the Secretariat is located in a Regional Office, the Executive Director will also have to report to the Regional Director on administrative matters within the Regional Office.

PRESIDENT'S DESIGNATE Interviews with the President's Designates for the Secretariats indicated that they had different views of their roles and responsibilities. Some saw themselves as *champions* or *cheerleaders* for the Secretariat within IDRC, some as technical experts, others as providing a channel to the President and the Board, and still others as representing IDRC's interests of donors on the Steering Committee. Few seemed to take the role as it is formally defined by the IDRC Board: *that the President's Designate should be accountable for ensuring that the Centre's responsibilities are fulfilled*. Taken literally, this puts heavy responsibilities on the President's Designate. Fulfilling this role would probably take more time than is currently allocated to them. It also calls into question some of the reporting relationships of the Executive Director to various parts of the Centre. The responsibilities of the President's Designate needs more elaboration and clarity.

STRUCTURE

One point of broad consensus within the Secretariats and IDRC was that the mechanisms for getting input from the Secretariats to IDRC policy development, both program and administrative, were weak or non-existent. Secretariats are part of IDRC yet they are kept somewhat apart. They are usually physically and electronically separated from other parts of IDRC. Significantly, they have no voice representing their interests around the senior management table. Many people see this situation as not good for the Secretariats and less than ideal for IDRC. There are some attempts underway to create a forum in which Secretariats can discuss common problems and share strategies and lessons. The larger question remains about how Secretariats are to be better integrated into the IDRC management and

accountability structure, as well as its corporate planning processes. Further, this must all be done without weakening Secretariat's ability to maintain a single focus.

Discussed below are some of the options for the structural integration of the Secretariats into IDRC's corporate identity and strategy. For reasons explained in the last section, we do not recommend any of these structural options at this time. Our overall view is that IDRC should focus first on getting its accountability and strategic management frameworks in place before turning to the option of changing the structure. At the outset of this Review, we set out the need for organizations that develop innovative mechanisms, which the Secretariats are, to also adapt and innovate in their own organizational cultures and systems. *This should be IDRC's first task.*

STATUS QUO One option is to keep the present arrangement with all Secretariats reporting to the President, with a better understanding by the President's Designates of their roles as approved by the Board. This has some advantages in that it involves minimal disruption but it does not answer the important issue of Secretariats' representation at the senior management level, since the President must represent more than the interests and views of one program modality: the Secretariats. The *status quo* solution also does not provide a mechanism for Secretariats to be involved in corporate planning and strategy, although they are key players internationally in terms of the perception and implementation of that corporate strategy. Thus Secretariats have both a stake, and relevant expertise in corporate strategy development that are not being used under the *status quo* situation.

CREATION OF SPECIAL UNIT OR TASK FORCE Another option is to keep the present structure and to create a transverse special unit or task force responsible for providing liaison and co-ordination between the Secretariats and other parts of the Centre. This unit could also be made responsible for the flow of certain information between the Secretariats and IDRC and could act as the *Secretariat for the Secretariats* in ensuring their participation in IDRC planning and policy activities. It would be important for the unit to directly engage the experience of the Secretariats and to involve them in the development of its terms of reference and competencies. The unit should be part of the President's Office, reporting directly to the President and providing liaison with other central groups such as Policy and Planning, Internal Audit, Legal Services, and Evaluation. The functional dividing line between such a special unit and other co-ordinating units such as Client Services Group would need to be worked out but, in general, the special unit should focus on supporting the integration of Secretariats in IDRC's policy, strategy and planning processes rather than dealing with Secretariat operational issues.

CREATION OF BRANCH FOR SECRETARIATS One option which arose in discussions with both governors and senior managers was the creation of a new *International Secretariat Branch* in IDRC, with a Vice President for Secretariats. This has the biggest implications for IDRC in terms of structural change and would clarify current roles and responsibilities which presently cut across the Centre. It would probably also improve the oversight of Secretariats and streamline the systems in place for managing and administering them.

Opinions are more divided on whether a structural option like this would give Secretariats a sense of being part of the mainstream of the Centre, or would further marginalize them. One of the concerns expressed in creating a separate Branch for Secretariats is that it would give structural recognition to

the view that the intellectual and program implementation links between the Secretariats and other program activities in Programs Branch are such that they can be just as effective if they are separated in two different branches in the Centre. An alternative view is that the Programs Branch is already too large and complex to add on all the Secretariats. Further, some Executive Directors indicated that this idea was sub-optimal because it could in effect, and in the eyes of donors, remove Secretariats at least one step away from the corporate centre.

SECRETARIAT DONORS FORUM One link which does not exist today is that between the Board and IDRC's external partners in the Secretariats. Some Governors have commented that all the information they receive on the performance and relevance of the Secretariats comes from the Secretariats and from IDRC, and they have no other information against which to balance this internal view. While this may be appropriate for Program Initiatives and projects, it may not be for the Secretariats which are joint ventures, even if IDRC is the controlling shareholder. It has been suggested that the reports to the IDRC Board from the Secretariats should come from the Secretariat Steering Committees and be signed off by them so that there is a direct link between the IDRC Board and its partners in the Secretariats. Such a report should not have to be approved by SMC but SMC could comment on it.

Another initiative might be a mechanism such as a *Secretariat Donors Forum* which could be surveyed, or meet from time to time to discuss generic issues related to the Secretariats and which might also meet occasionally with the IDRC Governors. It could help create a greater sense of participation and ownership in the Secretariats on the part of external donors, whilst also providing the views and experience of external partners to the IDRC Board on the performance and value of Secretariats.

RECOMMENDATION 5 — OPERATIONS AND STRUCTURE

We do not recommend adoption of any of these options immediately, except perhaps to put in place the donor forum. As a cautionary footnote here, it should be said that no structure, however seemingly perfect, will work if the people in the organization don't want it to work, and the mechanisms to make it work are not also in place. Rather than immediate structural changes, it is recommended to invest first in improving the strategic and accountability frameworks, training people to better understand and carry out their responsibilities, changing the corporate culture where necessary, and providing the resources and mechanisms to achieve both. These improvements can begin immediately. We are also very aware that, once in place, structures are hard to take down.

On the issue of the possible structural changes or new units to improve the performance of the Secretariats and IDRC's support to them, our recommendation is to proceed with caution. We would suggest that a senior person, from outside IDRC, be asked to work with a small internal task force which would *facilitate* input from all Branches and Secretariats, without becoming too large and unwieldy itself. A senior person seconded from another donor agency familiar with IDRC and the Secretariats would be appropriate and *perceived as independent*. One of the difficulties we see is that,

at present, the views within IDRC are somewhat polarized and some senior managers are perceived as supporting one or another structural option.

The terms of reference would be to help IDRC to develop a strategic management and accountability framework for the Secretariats, with the aim of sorting out most, if not all, of the many issues raised in this Review. The group would be asked to undertake further consultations with donors, with Executive Directors, and with IDRC senior managers. They would work within a five to six month time frame.

We believe that it is urgent to do something and that the *status quo* is not a good option. The terms of reference for this present Review do not allow us to develop the strategic management and accountability framework that is the necessary first step before contemplating either major structural changes in IDRC or establishing new Secretariats. We also believe that when, as part of that framework, targets are established to measure performance, and cost-effectiveness issues are examined, there may be further rationalization of the current Secretariats.

RECOMMENDATION 5 — OPERATIONS AND STRUCTURE

- a) Core individual and team competencies should be determined for each Secretariat before staffing actions are taken.***
- b) An external senior person reporting to the President should be engaged to work with a dedicated task force to develop the strategic framework required for Secretariats.***

CHAPTER 7

CONCLUSIONS

This Review concludes on a positive note for IDRC. The Secretariat modality is working well and has the support of IDRC and its funding partners. The overwhelming evidence from the survey and from the case studies is that the mechanism is viewed positively, that it is on the right track, and that, where problems are encountered, there is a will to put them right. There are notes of caution however. The lessons of the case studies underscore that IDRC has been lucky: even though not all the necessary systems for accountability, sharing information, resource allocation, and contingencies were in place, there have been few failures. The case studies point to specific instances of IDRC's unnecessary exposure to risk and to avoidable misunderstandings with its funding partners. Most of the problems caused by Secretariats are attributable to the lack of a coherent strategic framework leading to some confusion and to misplaced and misdirected effort. Nevertheless, the Centre has been able to capitalize on the opportunities presented by the Secretariats.

Partly because the Secretariats were established at a time and some for reasons which cause IDRC staff to have some mixed feelings about them, they have never really been part of the central strategic thinking of the organization. Secretariats have been marginal: neither separate nor a part of IDRC. Occasionally they have been seen as having a detrimental effect on conventional programming. This sense of being neither fish nor fowl was particularly evident in the early years when administrative policy for Secretariats was poorly articulated, and as new Secretariats came on stream which did not fit within the Guidelines being developed. However, the situation has been improving year by year.

Five years on, the Centre needs to make some decisions about what the Secretariats collectively mean to its mission and how they fit into its corporate strategy. From this will flow decisions about individual Secretariats. This Review of the Secretariats as a program delivery modality has been a part of the Centre's planning process aimed at the next five year Corporate Program Framework. It has arrived at a number of key recommendations for improving both the performance of the Secretariats and the oversight and leadership role that IDRC should play with respect to them. This chapter reviews the recommendations and tasks ahead and suggests who should take responsibility for implementing them

or for seeing that they are acted upon. The key responsibilities for action lie with the Board of IDRC, the President and Senior Management, the staff of IDRC and with the Secretariats themselves — their Steering Committees, Executive Directors, and staff. The recommendations therefore do not appear consecutively in this chapter but are ordered by who should be responsible for acting upon them.

WHAT THE BOARD OF GOVERNORS NEEDS TO DO

The IDRC Board of Governors is responsible for IDRC achieving its objectives. With respect to the Secretariats, the Board has a responsibility to ensure that it has adequate information on which to base its own decisions and on which to accept that appropriate oversight, management, and accounting systems are in place within IDRC in the name of the Board. The evidence of the interviews with Governors themselves and the lessons from the case studies point to a number of weaknesses in the present systems for providing information to the Board and for assuring Governors that appropriate oversight systems are in place.

The Board needs to discuss these issues and to work with the President and senior management to set out what information it needs in order to carry out its own duties under the *IDRC Act*. It can be anticipated that the information required is of several types:

- Information relating to the proposal to establish, significantly change, or terminate a Secretariat
- Information on the ongoing performance of each Secretariat
- Information from IDRC's donor partners on their perspective on the collaboration through the Secretariat
- Information on the strategic objectives of IDRC in adopting the Secretariat modality and how those objectives are being reached.

The Board needs to be clear about the information it requires when considering proposals to establish, modify or terminate a Secretariat and *when* in the planning process it wishes to be either informed or involved. In the past, the Board has approved major funding for Secretariats with little more than a concept paper before it. It should spell out the questions that it wants addressed in any Secretariat proposal or business plan that comes before it in order to make its decisions. Some of these questions are discussed in the report and are summarized under the other sections in this chapter.

A related task is for the Board to provide its views to the President about the accountability system that it would like to see in place for the Secretariats. As discussed below, there is still uncertainty within IDRC and the Secretariats about who is responsible for what, and this uncertainty has, in the past, led to problems in IDRC's oversight of the Secretariats. The Board should approve the final accountability framework that is agreed upon with IDRC, with the Secretariats, and with the other donors who are IDRC's partners.

Following its consideration of this report, the Board should consider and approve a new working definition of an IDRC Secretariat. The current *criteria* for Secretariats need revision as they do not

adequately describe the existing Secretariats, nor do they distinguish between Secretariats and other program modalities of IDRC. Further, only eight of the 20 entities referred to as Secretariats have actually been approved as such by the Board. Senior management should work with the Board to clear up these ambiguities.

WHAT THE PRESIDENT AND SENIOR MANAGEMENT NEED TO DO

The President exercises overall supervision and direction over the work of the Centre. She should therefore be well informed about the Secretariats and confident that there are adequate management and accountability systems in place, both for compliance with IDRC policy and for discharging IDRC's obligations to the funding partners in the Secretariats. Senior managers assist the President in these tasks and also represent the President on Secretariat Steering Committees. When a senior manager acts as a President's Designate, the Board has charged him/her with specific responsibility for ensuring that IDRC obligations are met.

One of the most important findings of this Review is that IDRC does not have a strategic framework for its international Secretariats. This is seen as urgently needed by the Board, senior management, and the staff of IDRC and the Secretariats. It should be a key responsibility of the President and senior management to lead the process to develop a strategic framework which can be submitted to the Board for its consideration and formal approval. This strategic framework for the Secretariats as a whole clearly needs to be articulated with the overall corporate program framework on the one hand, and will itself frame individual Secretariat strategies on the other.

RECOMMENDATION 4 — A strategic framework for Secretariats should be developed under the leadership of the President. The five interrelated elements of this framework are: strategic direction, business planning, performance management, accountability, and operations and structure. The strategic framework should:

- ***Ensure the full utilization of the capabilities inherent in the total organization***
- ***Integrate all components for the organization to ensure unity in action and purpose for the entire organization, and***
- ***Identify future related activities that define the direction of Secretariats within the organization.***

A related task requiring leadership from the President and senior management is the development, in collaboration with the Board, of a comprehensive accountability framework for Secretariats. For various reasons, relating to the history of the Secretariats, and the changes within IDRC over the past five years, accountabilities are less clear to all concerned than they should be. President's Designates have very different views about their responsibilities. Executive Directors have *front-line* accountabilities to their Steering Committees, to IDRC, and to their staff, which can be *shadowed* by a parallel set of accountabilities within the delegated authority system of IDRC. Secretariat Steering Committee members are not clear where the responsibility and authority of the Steering Committee ends and that of IDRC begins. Part-time Executive Directors have their loyalties and time split between

their IDRC role and their position leading the Secretariat. Program Officers who are asked to travel for a Secretariat or represent it do not know when they should be charging the Secretariat for their services. All of these add up to a considerable lack of clarity about accountabilities.

RECOMMENDATION 3 (a) — IDRC Senior Management Committee should work with the Board of Governors to develop an accountability framework for Secretariats.

Given the time frame for the new Corporate Program Framework that has to be ready in 1999, a strategic planning process for the Secretariats needs to be launched very soon. While this should be participatory and include input from different parts of IDRC, including the Regional Offices, as well as the Secretariats and the other donors, it needs to be a streamlined process, led by the President and senior management and developed with the support of a small internal task force. Leadership in this process should clearly rest with senior management. The attachment of a senior outside person to work with the task force is recommended to ensure that the work is completed within six months and to provide a neutral role unattached to any Branch or Regional Office.

RECOMMENDATION 5 (b) — An external senior person reporting to the President should be engaged to work with a dedicated task force to develop the strategic framework required for Secretariats.

WHAT IDRC STAFF NEED TO DO

IDRC administrative staff have already taken the initiative to develop administrative guidelines and practices which provide better support to the Secretariats. What is needed now is a comprehensive approach to business planning for the Secretariat modality as a whole, in conjunction with the business plans which should be developed by each Executive Director for their own Secretariat. These business plans should focus on the key issues which arise from IDRC's experience with Secretariats so far: financial and human capacity; mandate and focus (particularly in relation to resources available); and organizational and interpersonal relationships.

The business plan for the Secretariats should address the short term and longer term commitments of financial and human resources to Secretariats, the contingency plans in place if anticipated funds from outside are not received, or are received late, the opportunity costs of the Secretariats for IDRC's other program activities, the desirability of delimiting the budget line for IDRC funding to Secretariats so that Secretariats essentially compete with one another for resources, as PIs do, and the staff resources in the Secretariats in terms of their overall impact on IDRC core competencies now and for future initiative.

While individual Secretariat plans will be developed by their Executive Directors and Steering Committees, IDRC must consider how the missions and objectives of the Secretariats fit into its own strategic framework. This must particularly involve Programs Branch which has historically had less interaction and direct contact with the Secretariats and has sometimes appeared to be in competition and even conflict with some of them. Do Secretariats create a patchwork of programs rather than a

coherent program focus and related core competencies? Does IDRC support to its Secretariats enhance or weaken the Centre's effectiveness in implementing its other programs? Is IDRC's strategy regarding Secretariats understood inside and outside the house?

These are the types of important questions which IDRC must now address as it considers the Secretariats as a mainstream modality for Centre program delivery, and not as unique separate initiatives. The Centre's corporate strategy for the Secretariat modality will have to grapple with the thorny questions of resource allocation between different program modalities including Secretariats; which Secretariats should IDRC continue to host; what new Secretariats might be established; and if so, under what partnership agreement and arrangements with other donors. IDRC's business plan for partnerships will be based on a more realistic assessment of external resources and firmer negotiation with potential donors, if the Centre learns the lessons of its past experience.

RECOMMENDATION 1 — A business plan outline for Secretariats that reflects lessons learned and IDRC's unique mandate should be developed and applied.

IDRC will also have to work closely with the Executive Directors of Secretariats to develop performance targets and measurement criteria. Although each Executive Director will be concerned with a particular Secretariat, IDRC must be concerned with the overall performance of Secretariats.

RECOMMENDATION 2 (a) — Performance targets and measurement criteria should be developed to provide feedback to the Secretariats, donor partners, IDRC staff, management, and the Board.

One of the general findings of the Review is that communication can be improved. The Board of IDRC expressed concern about the quality and timeliness of the information they receive on which they must base their decisions. IDRC staff can clearly help the Board identify what information would be most useful for them to exercise due diligence with respect to Secretariats, and then ensure that the information agreed upon is submitted on a regular basis. The Board might also wish to share some information directly with the donors which support the Secretariats and IDRC should develop some alternative mechanisms for achieving this to present to the Board.

RECOMMENDATION 2 (b) — IDRC should assist the Board in determining the information they need on Secretariat performance so that due diligence can be exercised.

RECOMMENDATION 2 (c) — Mechanisms should be established to share information with partners.

IDRC staff have an important role to play in developing a comprehensive approach to audit for the Secretariat modality and for individual Secretariats, once the decision has been taken by the President and the Board to put in place a comprehensive accountability framework for Secretariats.

RECOMMENDATION 3 (c) — IDRC should continue moving toward a more comprehensive approach in its audits of Secretariats including financial audit, operational audits, management audits, value-for-money audits and performance audits in addition to the traditional compliance audit approach.

WHAT SECRETARIATS NEED TO DO

Secretariat Executive Directors and the Steering Committees will be asked by IDRC to engage in a number of strategic planning activities within a common framework which IDRC will develop. These will include the establishment of performance targets and measurement criteria for assessing the performance of Secretariats and the adoption of an accountability framework compatible with that approved by IDRC for Secretariats as a whole. There will be a need for specific studies within common IDRC planning frameworks, such as of core competencies, and future funding scenarios. Some Secretariats will already have undertaken these or similar studies and may be asked to modify them to fit in with a standard approach.

The major exercise in strategic framework development which is recommended in this Review will require the involvement of Executive Directors, Steering Committee members, and Secretariat staff, if it is to be successful.

RECOMMENDATION 2 (a) — Performance targets and measurement criteria should be developed to provide feedback to the Secretariats, donor partners, IDRC staff, management, and the Board.

RECOMMENDATION 5 (a) — Core individual and team competencies should be determined for each Secretariat before staffing actions are taken.

RECOMMENDATION 3 (b) — Within this Board approved accountability framework, each Secretariat Steering Committee should adopt its own accountability framework, which is approved by SMC.

While this chapter has focused on *who should do what*, it is clear that the different parts of IDRC and the Secretariats need to work together, particularly in the intensive planning processes envisaged for the next six months. The signs are good that this will be achieved, as communication and co-operation between IDRC and its Secretariats seems to be on a more positive note than in the early years. The enthusiasm of donor partners and their appreciation of IDRC's performance in hosting the Secretariats is also a positive indicator that they can be engaged in the process. Finally, it is on the leadership of the President, the Governors and senior management that the success of the strategic planning process will rest, and with it the outlook for Secretariats as a key program modality for international collaboration and program delivery for IDRC.

**LEARNING PARTNERSHIPS:
A REVIEW OF IDRC SECRETARIATS**

VOLUME 1

**PART 2
CASE STUDIES**

NOVEMBER 1998

AFRICAN TECHNOLOGY POLICY SECRETARIAT (ATPS)

CASE STUDY

1. GENESIS

ATPS developed as a direct outcome of two IDRC research networks, the East and West African Technology Policy Studies Networks (EATPS and WATPS) which IDRC had been supporting since 1982 and 1984, respectively. The two former networks had operated in 15 countries and been successful in building a multi-disciplinary network of academic researchers, for the main part, who produced a large number of research studies (80) and related publications. The decade of IDRC experience with the regional networks had identified three critical weaknesses:

- The research studies tended to be isolated case studies which lacked a critical mass of results to influence policy
- There was insufficient visibility at either national or regional levels and links with policy makers had not been made
- The administrative procedures were too cumbersome.

ATPS was created to respond to these problems. It was designed to put a greater emphasis on research utilization and policy relevance; to ensure greater research comparability by focusing research effort on a few themes; to streamline administrative procedures; and to improve on the quality of individual research projects. The proposal was prepared by the coordinators of the two networks, based at IDS at the University of Dar es Salaam, Tanzania, and NISER at the University of Ibadan, Nigeria and was funded by IDRC and the Carnegie Corporation in 1993. In recommending that the Board approve ATPS, it was foreseen that ATPS would be supported by a consortium of three to four donors providing funds to be managed by IDRC. The project was approved in March 1993 for a two-year first phase with only two thirds of the project budget assured from the IDRC and Carnegie funding.

2. CONTEXT

Science and technology (S&T) policy research in Africa first emerged as a development theme in the 1970's. The Ministers of African member states responsible for the application of science and technology to development underlined the importance of S&T to Africa in the recommendations of the CASTAFRICA I (1974) and III (1984) Conferences. A number of key organizations for S&T were established during this period: the African Regional Centre for Technology (ARCT), the African Academy of Sciences (AAS), the Pan-African Documentation and Information Centre (PADIS) and the Regional Office for Science and Technology in Africa (ROSTA) of UNESCO. IDRC was at the forefront of initiatives to provide support to S&T policy research in Sub-Saharan Africa, together with UNCSTD and UNESCO. The Centre supported a series of training workshops in West and East and Southern Africa between 1979 and 1983 and it was this experience that led to the establishment of the two regional networks (EATPS and WATPS) which were the forerunners of ATPS.

Until recently, the main focus was on building the capacity of individuals in science and technology policy but it is now also realized that Africa lacks effective institutions and inter-institutional structures that can undertake and apply S&T policy analysis. In the 1980's African governments began to establish national institutions such as Ministries and Councils for Science and Technology which were potential users of IDRC-supported research. By the 1990's, there was a greater move to coordination of S&T policy with other macro-economic development and national planning policies. Coordinating units have been set up in Presidents' offices and across national ministries. The S&T Councils, whose function is to undertake policy *formulation*, have become distanced from the S&T ministries which are responsible for policy *implementation*.

A third trend in the African S&T policy context is that major reforms of civil services and public enterprises are underway, with an eye to improved cost-effectiveness and quality. In most of the 15 countries in which ATPS operates, research and development institutions are required to be more needs-oriented, to undertake contract research, and to engage in needs assessment. The objective is to develop a new performance culture based on quality and therefore on capacity for monitoring, feedback and innovation. National S&T programs are required to facilitate the acquisition, growth and utilization of technology for development and that demands a better understanding of both human resource development and institutional assessment.

This is the development context out of which ATPS itself developed and the new policy realities to which it must successfully respond.

3. VISION, MISSION AND OBJECTIVES

VISION The vision of ATPS is to become a Centre of Excellence for technology policy in Sub-Saharan Africa; to be a brokerage body between researchers and policy makers; and to be a Reference Centre for people addressing key technology policy issues in the region.

MISSION The mission is to improve human and institutional capacity for technology policy formulation, implementation, research, analysis, assessment, monitoring, evaluation, and dialogue.

OBJECTIVES ATPS has four objectives:

- To build and improve human and institutional capacity for technology policy implementation and research
- To generate a critical mass of knowledge on technology policy issues
- To foster networking and collaborative research
- To disseminate research results widely by different means, with the aim of fostering links among researchers and between researchers and users in the productive and policy sectors.

The mission and objectives of ATPS have stayed the same since its establishment in 1993. The vision of ATPS as a Centre of Excellence, a Reference Centre, and its explicit brokerage functions were more fully articulated in 1997 in its Strategic Framework for the Next Decade (October 1997).

4. FUNDING AND FINANCIAL VIABILITY

By the time ATPS was established, IDRC had provided \$1.7 million to the EATPS and WATPS Networks over the 1982-1993 period and the Carnegie Corporation had contributed an additional US\$1 million bringing the total to nearly US\$2.5 million. In the initial project phase for ATPS, the global budget was US\$1,595,050 (\$2,041,664 CAD). The actual budget provided by the three contributing donors (IDRC, Carnegie Corporation, and Rockefeller Foundation) was only 70% of that required.

Funding to ATPS 1993-1998

Donor	1993-94	1994-95	1995-96	1996-97	1997-98	Total	%
Carnegie	561528	38246	691938		710250	2001962	56%
IDRC	550000		150000		340000	1040000	29%
Rockefeller	263240		208725		56820	528785	15%
Total	1374768	38246	1050663		1107070	3570747	100%

In 1996, the Dutch government agreed to provide core funding of US\$250,000 to ATPS on the assumption that it would be independent of IDRC, and to provide partial funding of US\$100,000 for a regional research project called *Technological Capabilities in the Context of a Changing Policy Environment*. The core funds were transferred to a newly created ATPS Ltd. and the project funds to IDRC. Following a major crisis in governance, both sets of funds were returned to the Dutch government in April 1997. IDRC delayed its second grant because of the crisis. This meant that ATPS was severely short of funds to continue operations.

An amended budget was presented by IDRC to the ATPS Interim Board in May 1997 which showed that ATPS had an outstanding balance of CAD\$192,000 to cover commitments of CAD\$702,000 (these included 29 approved research proposals and the Annual Workshop and Board meetings planned for October 1997). The Interim Board decided to fund some of the proposals and hold a scaled-down Workshop. IDRC provided a bridging grant of \$150,000 to allow Secretariat operations to continue.

5. GOVERNANCE AND MANAGEMENT

The crisis that led to severe restrictions in funding, the withdrawal of one donor, and the threatened withdrawal of others, was a crisis in governance and management, with conflicting views on where decision-making authority laid. The antecedents to the misunderstanding and conflict that occurred in 1996-97 appear to date from the earliest days of ATPS in 1992-93 when the governance structure was laid out.

In the original project document which was approved by the IDRC Board in March 1993, the governance of ATPS was presented as:

- *Steering Committee at the top of the structure*, composed of representatives of each of the sponsors [donors]; five eminent scholars; three representatives of the Network (to be chosen at the annual meeting) and, *ex officio*, the Coordinator (who also serves as the secretary to the SC)
- *Coordinator* who is appointed by the Steering Committee to serve *as a full time employee of the Network*
- *National Focal Points* who will be appointed by the Network and be directed by the Coordinator. These individuals were to replace the national committees that coordinated the WATPS and EATPS activities at the national level.

The document did not fully address the relationships between the Steering Committee, the Coordinator, and IDRC but at the time this governance structure was outlined, these relationships were not seen as crucial, or as structured by existing IDRC accountability structures as they are now. In the initial ATPS document, the Steering Committee was described as having the following responsibilities:

It will make all the major decisions regarding the policies and practices of the Network. It will approve the timing, location and program of annual meetings; it will approve requests for research grants; it will approve a work program for the Network's ancillary activities (publications, training, policy round-tables etc.); and it will recruit the Network coordinator (Project Summary for ATPS, approved March 17, 1993).

The former IDRC Deputy Director for the East African Office in Nairobi was appointed as the first Chair of the Steering Committee.

From the outset, it was envisaged that ATPS would be housed in the Nairobi office of IDRC during the initial two year start-up period only. A search for a suitable African host institution in the development of the project had not been successful but a central element in the first two years was to identify alternative longer term institutional alternatives to IDRC.

Thus, ATPS began with a multi-donor stakeholder group, a mandate that explicitly gave overarching powers to the Steering Committee (which contradicted IDRC's own delegation of authority, although this was not pointed out to ATPS at the outset), and the task to find alternatives to IDRC as host institution within two years.

The specific mechanisms for IDRC oversight were not described in the project document approved by the Board but, in practice, they were several. On the Steering Committee, IDRC had a representative who was a program staff member currently based in EARO. A former Deputy Regional Director of IDRC/EARO was the Chair of the Committee and a former IDRC/EARO Regional Director sat as an independent member. IDRC/EARO was responsible for administering and housing ATPS under the authority of the IDRC Regional Director, who was appointed as the President's Designate. There were thus four current or former IDRC officials on the ATPS Steering Committee. The IDRC Controller in Nairobi and the responsible Program Officer kept close oversight over the financial management of ATPS. The Secretariat itself consists of a Coordinator, a graduate assistant and a secretary.

THE CRISIS The crisis in governance (and consequently also in funding) took place October 1996-February 1997. The Steering Committee of ATPS (by then called the Interim Board) decided, on the advice of the Coordinator, to establish ATPS as an independent legal entity, ATPS Ltd., which was registered in Mauritius in October 1996. The then Chair of the ATPS Interim Board, together with other Board members became Directors of the new corporation. The rationale provided for taking this step was that the search led by the Coordinator for an alternative host organization for ATPS in Africa which was acceptable to the donors had proved fruitless, and this was frustrating for the ATPS Board. At their meetings in May and October 1996, the ATPS Board had apparently discussed (and approved?) the proposal to formally incorporate ATPS as an independent legal entity.

Secondly, the Dutch government had promised core funding to ATPS, and reportedly had made this conditional on ATPS being independent of IDRC. Certainly, in their letter of March 27, 1997 requesting the return of their funds to ATPS and IDRC, the Dutch government expressed disappointment at the absence of a shared vision among the ATPS Board members and outlined a preferred governance structure in which the various African stakeholders would *form the apex* and there would be no donors on the Board. They proposed that the donor group should meet with the ATPS Board once a year.

IDRC and Carnegie Corporation strongly opposed the actions of the Coordinator and the Board in establishing a new ATPS corporate entity in Mauritius, and threatened to withdraw their support for ATPS. The ATPS Board itself became split on the matter, with some supporting the Coordinator and

others supporting the views of the two main donor members. At an emergency ATPS Board meeting on February 27, 1997, the Coordinator was dismissed by a majority vote of one and it was agreed to appoint an Acting Coordinator.

The money provided by the Dutch government to ATPS Ltd. (US\$250,000) and to IDRC for ATPS (US\$100,000) was returned, ATPS Ltd. was wound up by a resolution of the Board on May 2, 1997, and a committee was established to propose a new governance structure for ATPS and to identify a new home for the Secretariat. The Chair of the ATPS Interim Board resigned at the end of the February 27, 1997 meeting and all but two of the other Board members would step down at the end of their terms in October 1997.

AFTER THE CRISIS At the May 1997 meetings of the Interim Board and National Focal Points, the three donors—IDRC, Carnegie Corporation and the Rockefeller Foundation—reiterated their vision of having an independent ATPS hosted in an African institution and urged that the move should take place by January 1998. They outlined that future relations between the donors and ATPS would be less *hands-on* in that there would be less involvement of donor representatives in the program and governance of ATPS and that future funding would depend on a competitive proposal from ATPS being successful. The loss of funding from the Dutch government meant that the 1997 Annual Workshop was scaled down and very few research grant proposals could be funded.

An Acting Coordinator was appointed for six months, beginning June 1, 1997. The Interim Board formed a small Committee (composed of the Acting Coordinator, a Board member, and one National Focal Point) to *Articulate the Way Forward* and to prepare a report by September 1997. The terms of reference were to:

- Examine the options and recommend an institutional base for ATPS
- Examine and recommend the form, structure and decision-making processes for ATPS, given its new home and the commitment of the Interim Board to an international decision-making organ
- Examine the questions around the legal personality of ATPS and how that might affect the relationship with the new host, as well as examine the possibility of an independent ATPS including a time-frame (if necessary) required to attain this status
- Negotiate the text of an agreement between ATPS and the chosen institutional base
- Prepare a project document reaffirming ATPS's mission and objectives and outlining its achievements and gaps so far, and the strategy for the next phase of its development.

The Committee delivered its report in October 1997. It had investigated possible host institutions, reviewed other IDRC Secretariats and successful networks, and examined the legal options for ATPS as an independent organization in Africa. The Committee recommended that the best eventual governance option was to establish ATPS as an independent non-profit company registered in one of the fifteen ATPS member countries which could apply for exemption from tax. However, as it would take up to three years to achieve independent status, it was recommended that ATPS remain in IDRC as a Secretariat until it could move.

At its meeting on October 28-29, 1997, the Board of ATPS decided to change the structure of the Board over the next year with a Donor Board responsible for policy and administration, and a Technical Advisory Committee responsible for the program direction, work plan and outputs. IDRC was requested to continue to support ATPS as one of its Secretariats for another three years. The Carnegie Corporation offered to lead the establishment of a Donor Consortium and Board. Beginning January 1, 1998, the Acting Coordinator was appointed as Coordinator by IDRC after an international search.

RECENT DEVELOPMENTS A new Steering Committee met on June 5-6, 1998 and discussed the governance of ATPS and their own role in the light of the *IDRC Guidelines for Secretariats*. The Steering Committee still included representatives of IDRC and the Carnegie Corporation. The role and performance of the National Focal Points were also reviewed and decisions were taken to relieve four of them of their duties and place two others on probation for one year. Again, there was a lengthy discussion of future governance options for ATPS and another sub-committee was established to report back by October 1998 on the future of ATPS and provide a time frame for it to become autonomous.

The second Coordinator resigned suddenly in September 1998 to return to his university appointment from which he had been on leave-of-absence; and the runner-up in the international search conducted in October 1997 was immediately appointed by IDRC to be the third Coordinator.

6. PERFORMANCE

ATPS set for itself a number of objectives relating to building capacity, generating knowledge, fostering networking and collaborative research, disseminating results, and fostering links between researchers and policy users. These are the outputs by which its performance will eventually be judged in the light of its available resources and benchmarks provided by other initiatives. Within the scope of this case study, performance cannot be properly assessed but some indication of strengths and weaknesses as seen by the stakeholders and reflected in the evaluation report can be given.

RESEARCH ACTIVITIES The research activities are seen as a strength of ATPS. By 1997, 300 research proposals had been received and reviewed, 35 small individual projects had been funded, of which 13 had been completed and six had been a subject of dissemination workshops. Twenty nine additional projects had been approved in 1996 just before the crisis occurred. This is an impressive number of projects for a small unit to develop, monitor and administer. Compared to the research supported in the EATPS and WATPS networks, the ATPS research is higher quality and more likely to be completed on time—two of the goals of combining the two regional networks and creating ATPS with a full time Coordinator. The Secretariat also reports that it is more cost-effective than the earlier two networks.

It was also seen as desirable that ATPS should facilitate comparative research across African countries. While performance was seen as weak in the first years, it was improved in two ways: by clustering projects around themes and basing them on exchanges between researchers; and by designing an ATPS

network project covering six countries (Ghana, Kenya, Nigeria, Tanzania, Uganda, and Zimbabwe). There is concern that comparability is achieved by being too *top-down* but some direction to achieve international collaboration is almost always required.

NETWORKING AND DISSEMINATION Networking among researchers is seen by everyone as a great strength of ATPS. The quality and effectiveness of the meetings are high; peer review processes have been strengthened and they are a major benefit for African researchers. Dissemination activities by ATPS have been organized through annual workshops and national dissemination seminars. Between 1994 and 1997, dissemination workshops have been organized in association with national S&T bodies in Kenya, Lesotho, Nigeria, Swaziland, Uganda and Zambia and have attracted both policy makers and researchers.

Publications have been quite successful also. By 1997, ten research reports were published in the ATPS Working Paper series and a newsletter, the *ATPS News*, was launched in 1994. Some stakeholders feel it is necessary to improve the output of publications now that there are a good number of completed research projects.

POLICY DIALOGUE AND UTILIZATION OF RESULTS One of the key aims of ATPS, also a key one given the policy context for S&T in Africa, is policy dialogue with users in government and in the private sector. ATPS has been less successful in bringing policy makers and policy implementation institutions into its orbit than it has been in reaching IDRC's traditional partners in academic and research institutions. It is an area seen within ATPS as needing strengthening in the future and the national dissemination workshops are a move in the right direction. Some activities were launched in 1996 to begin policy dialogue at the national level.

The national workshops will help to give ATPS visibility at the national level, which was seen as another weakness in the first few years. The question of visibility relates to critical mass: in only a few countries such as Nigeria did ATPS support enough researchers to create a critical mass to share ideas and make an impact at the national level. This is a function of the overall resources available to ATPS to fund researchers and workshops, and disperse results over 15 countries.

Given the experience of the earlier EATPS and WATPS networks in not adequately reaching policy makers, and a better understanding within IDRC and elsewhere that policy uptake requires decision makers to participate early in the research process, it is surprising that ATPS followed a traditional (and demonstrably ineffective) research strategy in which academics wrote proposals, undertook research projects, produced reports and then disseminated the results to the policy community. This weakness in the strategy of the first few years has been clearly recognized in the *Strategic Framework for ATPS in the Next Decade* (October 1997) where proposals are put forward for policy dialogue involving decision-makers and better training for researchers to make their results more relevant to the needs of policy formulation and implementation.

INTERNAL AND EXTERNAL REPUTATION ATPS' internal reputation within IDRC has been clouded by the substantial problems it has had with its management and governance, but, among professional experts in S&T policy, it has a good reputation for the quality of its research activities and

its administration of research grants and research outputs. This view is echoed by the external review which found that ATPS generally had a good reputation for research quality among its African stakeholders. Partner organizations among donors and the UN also underscored the quality of ATPS's work and that the fact that there was no other comparable organization for S&T policy research in Africa. ATPS has defined an important niche and is beginning to achieve visibility and a reputation for quality.

7. LESSONS

ATPS has identified a number of lessons for itself in terms of program strategy, which are indicated above. For the purposes of the Review of IDRC Secretariats, the main lessons from the experience of ATPS lie in the areas of governance, accountability, and communications. There is also a lesson in the appropriate level of resources for the mandate of the Secretariat.

GOVERNANCE Unlike many Secretariats in IDRC, ATPS was charged with finding a new organizational home and structure in its founding documents. It was probably premature and unrealistic to expect that a new unit could get up and running with program activities in 15 African countries at the same time as finding a new organizational home for itself. This is particularly true given that donors had not been able to find a satisfactory host institution in Africa before they decided to house ATPS in IDRC/EARO. Clearly the task was going to be difficult and the time-frame of two years made it more so. The Steering Committee and the Coordinator spent much of their time on this issue from the outset.

The 1993 project document clearly mandated the Steering Committee to be the decision making body for ATPS. This document was approved by the IDRC Board without discussion of the governance issues that it raised. The ATPS Board discussions and the actions of the first Coordinator show that they did not understand their roles in the same way that IDRC saw them. The goal of ATPS being independent from IDRC in a short time frame also encouraged the ATPS Board and Coordinator to believe that they were in charge and that IDRC's role was to provide administrative support and services.

COMMUNICATIONS Linked to ATPS's governance is a major communications problem between IDRC and the Board of ATPS. The Board of ATPS did not understand that the Secretariat was subject to IDRC policies and guidelines for Secretariats even after the crisis that occurred in 1996-97. At their meeting in October 1997, a governance structure for ATPS was agreed upon which was still incompatible with IDRC policy. It was not until 1998 that the Guidelines for IDRC Secretariats were properly communicated to the ATPS Board at their meeting and discussions on governance. Given that IDRC had representatives on the ATPS Board, this continued misunderstanding is difficult to understand. One problem may be that board meetings were not always attended by the same IDRC staff and a consistent message was not given or received by IDRC. The lack of communication between the ATPS Board and IDRC was also surprising given that two of the key African players on the ATPS Board were former IDRC/EARO directors who knew personally the IDRC managers in Nairobi and Ottawa.

A formal written agreement between the ATPS Board and IDRC would have helped clarify roles and ensure that communications were instituted at least on a formal level. Although the President's Designate on the ATPS Steering Committee kept senior management informed on all major developments, the IDRC Board was informed of the problems of ATPS only after the crisis erupted. This, together with similar experiences with information on other Secretariats, has contributed to the IDRC Governors' feeling that they have not always received the quality of information that they needed to carry out their responsibilities as a Board *vis a vis* the Secretariats.

ACCOUNTABILITY Related to the problem of poor communications between IDRC and ATPS is a diffusion of responsibility within IDRC. No one seemed to take responsibility for seeing the crisis looming in ATPS and for dealing with it before it burst with all its attendant embarrassment and acrimony. The proposal to establish ATPS as an independent entity had been discussed and recorded in the ATPS Board for months before it happened, the donor whose views precipitated the crisis was known to IDRC and could have been consulted directly, the workload and frustrations faced by the two Coordinators who have since left were not hidden by them, and members of the ATPS Board and IDRC managers and staff knew one another personally. As one participant said *there was no 'suivi' on the part of IDRC.*

There is an obvious lesson for making roles within IDRC clearer and for putting adequate support and systems in place to support those roles. The accountability and role of the President's Designate was not made clear, although, since the March 1996, the IDRC Board has determined that the President's Designate is accountable to the Board for IDRC's responsibility with respect to a Secretariat. In the *Guidelines for Secretariats Housed at IDRC*, the President's Designate is described as having overall supervision of the Executive Director and is required to ensure that the responsibilities of the Secretariat to IDRC and to other donors, including reporting, are fulfilled. These constitute major responsibilities and a considerable time commitment, but this does not seem to be sufficiently recognized within the Centre.

The President's Designate for ATPS was not able to attend ATPS Board meetings on a regular basis because of conflicting duties as Regional Director, and the Program Officer found himself in the difficult situation of having to represent IDRC's view when it conflicted with that of the ATPS Board and to provide oversight to a Coordinator who was older and more senior. In Ottawa, when the IDRC Board initially approved the establishment of the ATPS Secretariat, there was insufficient recognition that ATPS was subject to the control of IDRC in a way that went far beyond the language of Secretariat autonomy that was being spoken at the time. When problems arose with other Secretariats with respect to their autonomy and the IDRC Policy Guidelines for Secretariats were put in place, no one ensured that the ATPS Board understood and stayed within the realities of their limited decision-making powers.

In short, the early warning system that should have been in place between the ATPS Board, the ATPS Coordinator, the President's Designate, IDRC Senior Management, and the IDRC Board did not operate effectively, despite the fact that many of those involved knew one another personally. As one person put it, *No one in IDRC picked up the phone and found out what was going on.*

APPROPRIATE LEVEL OF RESOURCES One of the questions that ATPS raises is the appropriateness of the level of human and financial resources for the mandate given to the Secretariat. IDRC/EARO provided substantial and effective administrative, financial and technical support to ATPS, including ongoing back-up in terms of accounting and professional project review. The Program Officer and the President's Designate were in frequent and regular contact with the Coordinators. Despite this significant support, the ATPS Secretariat consisted essentially of one professional, with the support of a graduate assistant and secretary who was responsible for running a small grants program in 15 countries across Africa, supervising 15 national focal points, organizing meetings and workshops, as well as publications, and at the same time trying to secure additional funding and find a new organizational home.

The two Coordinators, who were both recognized for the quality of their work, felt over-burdened with work, so that they could not adequately fulfill all tasks. They also saw themselves as unfairly treated. The first Coordinator was a consultant to IDRC and, as such, did not receive the same overseas benefits as IDRC staff based in Regional Offices. The second was an IDRC employee but felt he was asked to do IDRC program work for which neither he nor ATPS were given sufficient credit. The employment status of Coordinators or Executive Directors for Secretariats based in Regional Offices may need to be considered differently from those based in Ottawa because of the important aspect of overseas benefits for IDRC staff.

The larger question remains of the appropriateness of the size of the Secretariat staff in relation to the program and geographic mandate of the ATPS Network. A related question is whether the spread of ATPS financial resources over 15 countries and different activities can produce the critical mass of activity in any one country that is necessary for ATPS to effectively influence policy.

ATPS was established with only two-thirds of its needed resources in hand, in the hope that other donors would take up the slack. That did not happen until 1996 and the crisis meant that the money had to be returned. Activities were drastically curtailed and bridging funding needed on an emergency basis. Funding has always been a problem for ATPS and a restraint on its ability to perform and to achieve its goals. On the other hand, IDRC moved into the resource expansion mode without knowing very clearly what it wanted and this created unnecessary tensions and misunderstandings with other donors, with Secretariat employees and with recipients at a time when IDRC's own operating procedures were changing.

8. SOURCES

- ATPS Annual Reports for 1996 and 1997
- ATPS Board Meeting Minutes, October 1996, May 1997, Oct 1997, June 1998
- ATPS Report of the Committee to Articulate the Way, October 1997
- ATPS Strategic Framework for the Next Decade, October 1997
- Evaluation of the African Technology Policy Studies Network, August 1996
- IDRC project summary for ATPS, March 17 1993
- IDRC Internal Audit of ATPS, November 1997

- Interviews with members of the ATPS Steering Committee, the Secretariat staff and the President's Designate.

BELLANET INTERNATIONAL SECRETARIAT (BELLANET)

CASE STUDY

1. GENESIS

The idea for Bellanet was first discussed in July 1992, immediately after the UN Conference on Environment and Development, at a National Academy of Sciences and National Research Council session in Washington DC. Six months later, in January 1993, at an informal consultative meeting on donor concerns and funding strategies in furthering scientific and engineering contributions to *Agenda 21*, also in Washington DC, the idea took shape. The donor agencies participating in these meetings agreed on the merits of a wider consultation among donors involved in supporting research and research capacity building in developing countries. An *ad hoc* steering group was struck, consisting of the World Bank, the MacArthur Foundation, the Swedish Agency for Research Cooperation with Developing Countries (SAREC), and IDRC. The Rockefeller Foundation offered to host the next meeting. IDRC was asked to chair the steering group and IDRC and SAREC agreed to provide support for the preparation of background papers.

Considerable effort was put in the preparation of the proposal that would go to a wider group of research donors. A consultant visited each of them to identify their priorities, experience, organizational capacity and willingness to collaborate with other donors, resulting in a paper laying out different models for cooperation among donors. A second consultant reviewed existing donor approaches to capacity building for research. Two themes emerged from these consultations: donors wanted a mechanism to facilitate collaboration *across* the major groupings of donors (multilateral, bilateral, foundations, and others) where there were no effective collaborative structures; and they wanted to use information and communication technologies (ICTs) to facilitate rapid and cost-effective information exchange.

The proposal was discussed by a group of 13 donors at the Rockefeller Foundation Study and Conference Center at Bellagio in November 1993 and again in September 1994. At the second meeting the participating donors agreed that *Bellanet* (then called *DonorNet*) should consist of:

- High level *dialogue* between donor organizations

- *Multi-level dialogue* within member organizations
- *Capacity-development* for the use of computer mediated communication (CMC) in member organizations
- *Research* into the role of CMC in collaboration and organizational change
- *Knowledge brokerage* for exchange of lessons learned and dissemination of ideas.

Although some donors had wanted Bellanet to include collaborating organizations, particularly research institutions and NGOs working on *Agenda 21* in developing countries, at the outset, the donors agreed to collaborate in a three year pilot project to start and test the concept, focusing first on working with the donor agencies themselves. A Steering Committee was struck at Bellagio consisting of SAREC (Sweden), DGIS (Netherlands), the Rockefeller Foundation, the World Bank/GEF, IDRC, and UNDP. IDRC was asked to host the Bellanet Secretariat which would manage and serve the initiative, because of its long track record in information sciences and because it had led the Bellanet initiative to that point.

The IDRC Board approved \$1 million for *Bellanet: A Global Forum for Sustainable Development Research and Capacity Development* and the establishment of an international Secretariat at IDRC in October 1994. The other founding donors included the Rockefeller Foundation, the MacArthur Foundation, SAREC (now SIDA), the Netherlands Ministry of Foreign Affairs, UNDP, and CIDA.

2. MISSION, OBJECTIVES, AND IMPLEMENTATION

MISSION Bellanet's mission is to increase the impact of development programming by supporting broader collaboration through more effective use of ICTs. Emphasis is placed on increasing interagency information sharing and knowledge diffusion, transparency and stakeholder participation, and learning throughout the development community.

OBJECTIVES Bellanet has four specific objectives in pursuit of its mission:

- To build organizational capacity (organizational change) in the use of ICTs for collaboration
- To identify and solve problems hindering effective collaboration
- To build relevant capacity in developing country institutions and partnerships
- To identify, share, and apply lessons learned and best practices.

These objectives have not changed since the early discussions among donors leading up to Bellanet although they are more crisply stated. The third objective of building capacity in developing country institutions was always part of the original vision of Bellanet but was not seen as a priority for Phase I. As Bellanet enters Phase II, more emphasis will be given to this objective.

IMPLEMENTATION Bellanet's activities fall within four program areas that correspond to its four objectives:

- ICT Policy Advice and Technical Assistance
- Research and Development
- Strategic Outreach Assistance Program
- Learning for Development in the Information Age.

3. CAPACITY

STRATEGIC LEADERSHIP

Once the Secretariat for Bellanet was established in 1994, the leadership for achieving its objectives rested at two levels: the Executive Director of the Secretariat and the members of the Bellanet International Steering Committee (BISC). The leadership role of the members of the BISC was particularly relevant for Bellanet because they were to be champions for the inter-donor collaboration and intra-organizational change that Bellanet was established to facilitate.

WITHIN IDRC The current Executive Director has been leading the Bellanet Secretariat since it was started. His appointment as Executive Director was formally agreed to by the BISC in 1995 and he moved from his IDRC program officer position to take up the appointment. In addition to being highly and almost uniquely qualified to lead the Bellanet initiative, he had the advantage of knowing IDRC well. His leadership of the Secretariat staff (now numbering five program officers, three technical specialists, and two support staff) is well regarded both inside and outside the Secretariat. The Executive Director has secured the necessary resources that the Bellanet Secretariat needs to operate and has maintained very good relations with the program and administrative branches of IDRC.

WITHIN OTHER DONOR AGENCIES One of the important characteristics of the Bellanet initiative is that the members of its Steering Committee have roles to play, not only in the governance of the Secretariat but also in implementing its mission with respect to their own organizations. The mission of Bellanet is that it will help to transform the way donors and others collaborate and share information within and between their organizations. To achieve what is essentially a change in organizational culture, Bellanet needs a champion within each participating organization. The Mid-Term Review conducted for Bellanet as well as interviews undertaken in the course of this study identified that this *strategic* leadership was not effective. Members of the Steering Committee did not have the time, nor sometimes the role or opportunity, to act as change agents within their own organizations. This meant that Bellanet was not strategically positioned within the donors that are one of its key targets for achieving organizational change. Bellanet is now trying to identify *operational contacts* in each donor organization partner whose job it is to facilitate networking and inter-agency collaboration.

GOVERNANCE

Bellanet is legally a Secretariat within IDRC, subject to the general policies and practices governing IDRC international Secretariats. Unlike some other Secretariats, its genesis was genuinely international with a three year gestation process involving several international meetings and many donors. The

current Steering Committee (BISC) has evolved naturally from the initial group of donors which came together to take the lead in establishing a facility to support collaborative action between them.

Early on in the history of Bellanet there were discussions about whether donors which had not contributed to the funding could sit around the governance table. It was decided that while Bellanet could provide some advice and facilities to donors before they actually contributed, the governance structure should consist of contributing donors. Unlike many Steering Committees, this one did not invite experts to sit on the Steering Committee in their personal capacities. It has therefore remained a donors group. All funding members are represented on the Steering Committee and will be until they number 10. At that point, a representative group would be identified and approved by representatives to represent the interests of all donors.

The Steering Committee sets overall policy for Bellanet, reviews the work plan and budget, identifies priorities as well as benchmarks and performance indicators, and monitors Bellanet's progress and cost-effectiveness. It also invites other donors to join the initiative. Since one of the Secretariat's activities is providing services directly to the donors, the Steering Committee has taken a greater interest in the budget than has been the case for some other Secretariats and it has played a genuine oversight role, especially at the beginning when the fiscal message to the Executive Director was to be *prudent* with resources. The Steering Committee meets annually face-to-face and also through computer facilitated meetings but, interestingly, its members prefer the face-to-face meetings to get their business done.

There has been an effective rotation of the Chair, which was held initially by IDRC, then by Swedish SIDA and now by the representative from UNDP. Some members have changed in the Steering Committee but the general level of information and commitment has remained high. The current Steering Committee understand their role in the governance of the Bellanet Secretariat *vis a vis* that of IDRC, since the IDRC policy regarding Secretariats has been made clearer. In the first year, however, there was some concern among the donors that IDRC was controlling Bellanet and putting too much of an IDRC *stamp* on it. This concern now seems to have abated.

MANAGEMENT

Over the first three years, the staff of the Secretariat slowly grew to five persons, including the Executive Director. This slower than anticipated growth in human resources enabled the project to be extended over four years with the same funding base but restricted the work that the Secretariat could take on. The decision not to expand Bellanet too rapidly was in part a function of needing to create and nurture a demand for its services in the participating organizations and to undertake a broader assessment of where the Secretariat should be strategically positioned within the overall development community. The Executive Director was keenly aware that Bellanet had to develop credibility in the international arena and to build up confidence that it could deliver high quality services. However, it is a decision which has some critics, both within IDRC and among other donors, for it meant that Bellanet a reduced presence, and perhaps a reduced impact in other international agencies and fora due to its limited human resources.

The Internal Audit of the Bellanet Secretariat conducted by IDRC in December 1997 pointed out that the Secretariat had significantly under-spent its program budget for that year and recommended that the budget be revised to reflect major departures from planned activities. However, IDRC Financial Services discouraged revision of budget plans and the International Steering Committee continued to urge slow growth.

The current staff includes an Executive Director, Senior Program Specialist, three Program Officers, an Internet Communications Specialist, an Administrative/Information Officer and an Administrative Secretary. Another Program Officer position and a second Technical Officer position are funded by contract services provided by Bellanet.

The Bellanet Secretariat has a good track record for being well managed and for working well within IDRC administrative and financial systems. It is committed to a transparent operating style and posts documents, including its mid-term evaluation and discussions on future strategic directions, on its website, inviting comments and consultations and providing a full-text searchable document repository. Bellanet has been a source of innovation and best practice in the use of ICTs in IDRC and is increasingly well appreciated in Programs Branch for its support to the activities of the Program Initiatives and special projects.

FUNDING

During Phase I, Bellanet has been funded by CIDA, DGIS (Netherlands), the MacArthur Foundation, the Rockefeller Foundation, SIDA (Sweden), and UNDP, in addition to IDRC which has provided 46% of its budget. It is anticipated that most of these donors will continue to support Bellanet in Phase II and there are plans to expand the membership and number of funding partners. The core group of Bellanet Funding Members contribute unrestricted funds which provide Bellanet with important flexibility in developing its activities. In addition, Bellanet has received restricted funds directed to the provision of specific services from the World Bank for InfoDev and from the Department of Foreign Affairs, Canada. IDRC activities, including the Acacia Initiative, GAIT, and the Micronutrient Initiative Secretariat have also paid for services from Bellanet.

For Phase II (April 1, 1999 - March 31, 2003) Bellanet is requesting a contribution of \$965,000 from IDRC and plans to raise about \$1.9 million from other core donors (Members contributing approximately \$250,000 each); a further \$2.6 million in restricted contributions; and \$2 million in contract services. This will allow the Secretariat to expand its staff and allow its programs to include greater outreach to partners in developing countries.

FUNDING TO BELLANET SECRETARIAT PHASE I (1994-1998)

Donor	1994-95	1995-96	1996-97	1997-98	Total	%
IDRC	1,000,000			28,075	1,028,075	46%
DGIS		210,251			210,251	9%
RF	210,000				210,000	9%
MacArthur		206,960			206,960	9%
UNDP		68,725	137,000		205,725	9%
CIDA			160,000		160,000	7%
SIDA		142,859			142,859	6%
WB			36,518	31,400	67,918	3%
DFAIT				5,000	5,000	< 1%
Total	1,210,000	628,795	333,518	64,475	2,236,788	

4. PERFORMANCE

RELEVANCE

By almost any measure, Bellanet is a highly relevant initiative for IDRC and for its partner organizations. When Bellanet was first mooted in 1992, e-mail and interactive electronic conferencing were not common in most institutions and especially not in the donor agencies. IDRC was ahead of most other donors in using computer assisted communications and was recognized as a leader. Some of the donor organizations sitting around the table at Bellagio in 1994 could not even have direct access from one desk officer to another in a different organization without having communications pass through a visa system of supervision and control. There was a recognition that their methods of working and collaborating needed to change and a hope that Bellanet could promote and facilitate that transformation. In the years following UNCED, when foreign aid budgets were declining, donor agencies also felt keenly that they needed to enter collaborative partnerships to provide a critical mass of funds to development activities.

Times have changed. In some respects, the overall climate and the rapid spread of ICTs into the office arsenals of institutions around the world have overtaken part of the initial vision of Bellanet as a promoter of organizational change towards greater collaboration using computer assisted communications. But the growth of the Internet has made Bellanet even more relevant today, as ICT technology outpaces the human and organizational capacity to adapt to the potential that they bring for changing the ways people work together. Bellanet never saw its mission as a technical support facility but as a networking process to help transform the ways in which development and other agencies work. In this, it remains highly relevant today and into the next century.

ACTIVITIES

COLLABORATIVE INITIATIVES At the beginning of Phase I, Bellanet focused on building its credibility as a neutral source of expertise, and developing the capacity to respond to the increasing demand for its services. It saw its role more as a catalyst for the use of ICTs in development partnerships and the transformation of the way in which agencies work. A major part of its effort has been invested in *Collaborative Initiatives* which consist of partnerships of development agencies and recipients working together on a specific focus. Bellanet provides support to their use of ICTs in collaborative planning and implementation, at the request of funding partners, other development agencies, or project leaders.

A summary of *Collaborative Initiatives* is given in Appendix 1 (taken from Bellanet's Proposal for Phase II). One example is the support that Bellanet has given to the Association for the Development of Education in Africa (ADEA) which was established in 1988 to foster collaboration between development agencies that support education programs in Africa, especially between Ministers of Education and funding agencies. Bellanet developed and hosted ADEA's website and provided electronic mailing list facilities that offer a discussion forum for government ministers and development agencies, and continues to provide ongoing technical assistance to the group.

PROJECTS Bellanet also undertakes projects to find technical solutions to problems impeding effective collaboration and provides strategic help to organizations wanting to develop new ways to use ICTs. One such project was the creation of an online data base mechanism that enables users themselves to update and retrieve data using the Internet, thus making it easier to share information in a dynamic way. Bellanet first applied this new tool to the African ICT-Activity Information System for PICTA (Partnership for ICTs in Africa). Since then, it has been asked by the Global Knowledge Partnership, which includes most of Bellanet's funding agencies, to construct a globally oriented online information facility. This is a good example of Bellanet developing *best practices*. A list of Bellanet projects is given in Appendix 2 (taken from Bellanet's Proposal for Phase II).

COLLABORATION WITH IDRC In addition to collaborating with international agencies, Bellanet has worked closely with CIDA and other Canadian government departments on the major conference *Global Knowledge 97*. It has also played an important catalytic role in many of IDRC's own initiatives by providing policy advice and technical support. These include Acacia, PAN Networking, Peace-building and Reconstruction, and Sustainable Use of Biodiversity. Specific inputs to these PI's include facilitating electronic consultations, design and implementation of a web-based pipeline management mechanisms and a web-based mechanism for capturing and sharing lessons learned.

More generally, Bellanet has been a source of innovation for IDRC in its use of ICTs. It has promoted the use of dynamic web-based databases by the Centre and has partnered a web-to-email gateway. IDRC is both the largest funder of Bellanet and its main client for services and advice. One of the foreseen dynamics in Phase II will focus on how to meet IDRC's demand and also that of the other partner organizations, which is now increasing.

OUTPUTS

In addition to the activities underway, Bellanet has already achieved some important results relating to its objectives. It played a key role in the creation of PICTA (Partnership for ICTs in Africa), an informal group of donors and executing agencies committed to improving information exchange and collaboration based on ICTs in Africa. Bellanet manages the main PICTA website and discussion group as well as its database resources to promote and support dialogue among PICTA's partner organizations. As part of PICTA, Bellanet created a set of online information management tools for collaboration between agencies. These include agency profiles and programs, a project/activity database, a public and private online document repository, and a listing of upcoming events that PICTA members update themselves. In helping to create PICTA and providing it with the tools for sharing information and collaborative planning, Bellanet has demonstrated that it can fulfill its initial objective of helping donor agencies to better work together for development.

Another Bellanet output supporting interagency collaboration is its role in the Information for Development Program (infoDev) of the World Bank. This is a global multi-donor program to support projects related to the use of information technology in development. The World Bank contracted Bellanet to provide web, database, and group-communication support, and ICT policy advice to the program. Bellanet created the *infoDev Forum* which is a record of the proposals, activities, and results from infoDev activities. Donors can use the *infoDev Forum* to monitor activities, to collaborate on policy, and to seek out interesting proposals and partners. The inclusion of proposals in the online database, which Bellanet advocated in its design work, is a first. Proposals have never been so openly shared between donors before.

Bellanet recognized that many organizations in the South can only access Internet by email alone and this led to its work in promoting web-to-email gateways which allow those with only email access to retrieve information from the Internet. Bellanet created, and continues to host, an electronic mailing list for developers of web-to-email gateway software. In collaboration with IDRC's Unganisha project, a web-to-email gateway was created and tested. The test was very successful and an ongoing gateway is maintained by IDRC.

Bellanet was closely involved in the planning and follow-up for *Global Knowledge 97*, which was held in Toronto, and had a significant presence at the event. This has led to its involvement in a number of partnerships using electronic communications to coordinate activities at the international, regional, and national levels. One such partnership facilitated by Bellanet focused on donor coordination in Ethiopia and again was regarded at the time as a breakthrough in interagency collaboration for development planning.

IMPACT

Bellanet is clearly beginning to have a significant impact on interagency collaborative initiatives, both within Canada and internationally. It perhaps has had greatest impact in donor activities in Africa, where the information gap is considered greatest. It is also increasingly having impact within IDRC. Bellanet has the greatest impact where there is a readiness and existing agency capacity for absorbing

its services and for using ICTs. Its cutting edge technical capability, together with its familiarity with international development, has made it the Secretariat of choice to play a lead role in the development of ICT-based collaborative mechanisms between development agencies. It has been said that, if Bellanet did not exist today, it would have to be invented.

Where Bellanet has had less impact is within some of its own member organizations which, as early as 1992, had identified a need for improved collaboration among themselves. Member organizations which appear to be less advanced in their use of ICTs in their work, especially mechanisms beyond email, have used Bellanet's services the least. Other organizations have stepped in and contracted Bellanet to work with them. This problem is recognized not only in the Bellanet Secretariat but also among the member organizations.

It is now better recognized that organizations need to transform themselves internally before they are able to fundamentally change the way they interact with external agencies. An external Secretariat like Bellanet cannot be effective in achieving internal organizational transformation by itself. Bellanet has to be requested by the agency to help them change their culture towards greater collaboration using ICTs. Bellanet's role must be to make agencies aware of its services and to be able to respond effectively to requests for help. Thus, part of the early vision for Bellanet among its founding members is changing in the light of experience.

INTERNAL-EXTERNAL REPUTATION

Interviews with IDRC staff and management as well as with external agency representatives attest to the excellent reputation that Bellanet now enjoys for its expertise and its ability to deliver best practice and policy advice. Bellanet is seen as able to deliver in an increasingly competitive ICT world. This reputation did not come quickly. For the first three years, it grew slowly, sometimes more slowly than had been expected. Within IDRC, and even more so in other agencies, Bellanet was unknown it was often asked *What does Bellanet do?*.

Today, within IDRC, it is regarded as a well-managed Secretariat with good leadership and staff. It has extended its reach to a number of program activities which has increased its reputation. Bellanet staff are also seen as having a helpful and positive attitude to their clients. Bellanet fits in with IDRC and tries hard to be a good neighbour. In general, Bellanet also feels that the Secretariat mechanism and the support it receives from IDRC both work extremely well, and that *Bellanet could not have worked successfully in any other way*.

Bellanet's external reputation falls into two camps: the agencies involved with Bellanet in its projects and Collaborative Initiatives rate Bellanet highly for its expertise, its technical competence, and its achievements in best practice. Some of these agencies are not core members of Bellanet. They either contract its services or are beneficiaries in developing countries. The representatives of the agencies providing core funding to Bellanet which are not as involved in these contractual activities are more circumspect in their praise and present a very real challenge to Bellanet in Phase II. In some cases, their organizations are not involved at all in collaboration through Bellanet; in other cases, they are, but the

members of the Steering Committee are not aware of the extent of the collaboration that Bellanet is mediating for them.

According to the mid-term evaluation of Bellanet, some of its funders feel poorly informed about its activities and even question if there is a continuing role for Bellanet because of the rapid spread of ICT use within the donor community. Indeed, Bellanet was judged as having been unsuccessful in having any real influence within its funding partners and has had only marginal impact in increasing collaboration between them. Clearly, Bellanet's promotion of best practice has not influenced its own inner circle, a problem which is further discussed under *Lessons*.

FINANCIAL VIABILITY

Bellanet has attracted more than 50% of its funding from outside IDRC and would appear to be on an upward trend in terms of contract services. It currently has seven core donors and plans to enlarge this group in Phase II. It plans to expand its *Strategic Outreach Assistance Program* in which it uses targeted donor funds to support capacity-building in developing countries in the use of ICTs for collaboration. This was one of the early objectives of Bellanet but it was agreed by the donors that it would be implemented only in Phase II. Bellanet will be able to attract increasing funds for its services on a contractual basis as it becomes better known. It could almost certainly be financially viable in the medium term on contract funding.

However, this would raise questions about its program flexibility and its capacity to provide support to institutions which could benefit from its help but which could not pay, particularly institutions in developing countries. The main question facing Bellanet about its longer term financial viability is whether the member agencies which currently provide its core support for the Secretariat and unrestricted funding for its programs, will maintain their contributions in the future and even increase them. If they do not, the mix of funding will shift towards more restricted contract funding and an inevitable decrease in the flexibility with which Bellanet can operate.

5. LESSONS

LESSONS RELATING TO ICT-BASED COLLABORATION

The Bellanet Proposal for Phase II sets out a number of technical lessons which have been learned in Phase I relating to the way they carry out their programs:

- Web-sites which are well designed and accessible to those with indirect Internet connections can be important tools for collaboration
- Increased interagency collaboration depends on better common databases which include agency profiles and programs, and *information on what they plan to do* and which are also secure and can enable agencies themselves to post and maintain updated information

- Effective partnerships do not grow out of shared interests alone but require sustained efforts through information sharing and electronic dialogues. Internet use by organizations is largely limited to the sending and receiving of email
- Technical assistance in ICTs needs to be accompanied by advocacy and face-to-face contact to help organizations transform into a culture including electronic collaboration.

THE NEED FOR REALISTIC OBJECTIVES AND TIME FRAMES

Bellonet is an innovative concept, seeking to change decades of donor agency tradition using advanced technology and tools that, in some cases, did not exist until Bellonet developed them. The donors which conceived Bellonet and became, in part, its founding partners, did not understand the speed at which ICTs would spread around the world and permeate their working lives. Neither did they appreciate the sometimes extreme slowness with which organizational cultures change. The initial three year period envisaged for the pilot project was too short to adequately achieve and assess the objectives set at the beginning, and perhaps gave an inflated expectation of how soon Bellonet would make its mark.

The core donor group also anticipated that more *like-minded* donors would join Bellonet within the first year before any results could be expected. This did not happen and, despite presentations and several visits by the Executive Director, some donors that had already worked together with IDRC on numerous projects, were reluctant to fund Bellonet. Part of this reluctance was related to some negative views in the donor community about IDRC's revenue generating strategy and the perceived use of the Secretariats to place surplus staff, as IDRC's reduced budget meant it had to downsize. But the reluctance probably also related to the specific mission of Bellonet, which posed some internal challenges in a number of agencies. The difficulty of understanding organizational change and the role of ICTs was also underestimated and posed real challenges in communicating the message.

ROLE OF THE STEERING COMMITTEE AS *CHAMPIONS* FOR BELLANET

The Bellonet Secretariat is dedicated to information sharing and for the transparency of its activities. More than many initiatives, it posts information on its website and sends information to its partners. Yet several of the members of its Steering Committee do not feel well informed about what Bellonet does or has achieved. Even more significantly, Bellonet has almost no visibility in some of its member organizations and therefore probably lacks both impact and relevance for them. How has this situation arisen?

One important lesson for Bellonet and its funders is that the donor representatives on its Steering Committee cannot also be champions for promoting Bellonet within the donor agencies. They are too busy, generally they are neither organizational change nor ICT experts, and most of them have no role within their organizations to lead a transformation in changing culture and modes of operation. It is for this reason that Bellonet is now seeking to create linkages with a second group of *operational contacts* in the partner organizations.

The first group of people who came together to champion the idea of Bellanet had a common program focus on environment and development and created Bellanet to support collaboration in fields related to environmental issues. This program focus did not emerge in the early activities of Bellanet, although the Secretariat sought to promote it. The weakening of the link with environmental issues reduced the role of the initial champions within the core group to promote Bellanet's programs within their own organizations. Bellanet began to be seen more as an ICT-based collaborative support capability than as one with sector specific program links and this changed its image and access within donor agencies structured along those program lines. Bellanet is now working to change this view among some of its members.

It remains to be seen if this change in focus in Phase I will reduce Bellanet's support in those agencies. In the short term, it will be important for Bellanet to work with its Steering Committee members to ensure that the Secretariat understands the needs and aspirations for ICT-supported collaboration of its core donors, and that Bellanet is known to the key decision-makers in those donor agencies.

HIGH SCIENTIFIC QUALITY AND FIT WITH IDRC

Bellanet is an audacious concept with a far-reaching mission. Its founding group was both over-optimistic and probably somewhat naive about how difficult the objectives were to achieve. That Bellanet has demonstrated success and achieved a number of significant outputs testifies to the leadership of its Executive Director and the technical quality of the Secretariat. It also attests to the *fit* of the Secretariat with IDRC's own culture. IDRC has provided a supportive environment that is probably unique, and has championed Bellanet within the larger donor community. Despite not having specific program links, Bellanet has proved to be a valued resource across IDRC programs and projects. There are many signs of a successful partnership and a compatibility of cultures between the Secretariat and its host organization.

6. SOURCES

- DonorNet: A Global Electronic Forum for Development Research and Capacity Building, IDRC July 1994
- Project Summary: Bellanet: a Global Forum for Sustainable Development Research and Capacity Development (94-0604), Approved by IDRC Board, Oct 20, 1994
- Bellanet: a Mid-term Review, Michael Graham, November 1997
- Bellanet International Secretariat: Internal Audit, December 1997
- Minutes and Reports from Bellanet International Steering Committee Meetings 1994-1997
- Bellanet Secretariat Financial Reports
- Bellanet: Proposal for Phase II, September 1998
- Bellanet website: www.bellanet.org
- Interviews with Bellanet Steering Committee members, Bellanet Secretariat staff, IDRC staff, senior management, and IDRC Governors.

APPENDIX 1: BELLANET COLLABORATIVE INITIATIVES (FROM PHASE II PROPOSAL)

Collaborative Initiative	Associated Bellanet Outputs and Projects	Partners and Donors	Status
<i>Partnership for ICTs in Africa (PICTA)</i>	Responsible for the development of PICTA and its website. Hosts PICTA-CL. Developed and manages AI-AIMS to support PICTA. Provides advice on coordination of PICTA.	Members of African Networking Initiative (ANI), Africa Internet Forum (AIF), and AISI	Active, ongoing
<i>Association for the Development of Education in Africa (ADEA)</i>	Developed and hosts ADEA website. Training (internship). Communication support for ADEA Steering Committee (ADEA-SC-CL).	World Bank, UNESCO, African Ministries of Education, DFID, USAID, UNICEF, CIDA, IDRC, SIDA, Rockefeller Foundation, Commonwealth Secretariat, French Ministry of Cooperation, Swiss Agency for Development and Cooperation, Club du Sahel (OECD)	Active, ongoing
<i>infoDev</i>	Managed infoDev Forum website, including online database development and maintenance (proposal information included). Also supports group communication.	World Bank, infoDev donors (numerous agencies including SDC, SIDA, DGIS, DFID, other bilaterals, as well as some corporate sponsors)	Active, ongoing
<i>Learning for Development in the Information Age (LDIA)</i>	Development of conceptual framework. Website. Hosted Internet impact listserv (INET-IMPACT-L).	CIDA, IDRC, Bellanet	Active, ongoing
<i>MicroFinance Network (MFN)</i>	Developed and implemented strategy to place MFN online and facilitates discussions via website and listserv.	CIDA, UNDP, DGIS, USAID, Calmeadow, DFID, and many others	Active, ongoing
<i>Global Knowledge Partnership (GKP)</i>	Designed, managed, and facilitated a set of on-line databases focused on knowledge and IT related development information. The system is called GK-AIMS.	Over 50 partners, including the World Bank, UNDP, Bellanet, Carnegie Corporation, WHO, CIDA, DFAIT, SDC, SIDA, DGIS, USAID, British Council, IDRC, ILO, etc., and various corporate sponsors	Active, ongoing
<i>African Information Society Initiative / Harnessing IT for Development (AIS/HITD)</i>	Developed and hosts AISI website. Training (internship). Advice about online database, etc. Facilitates 4 listservs (AIS-HITD-CL; NLCI4A-CL; NLCITECH-CL; ATAC-CL). Work on AI-AIMS, supports AISI.	UN System (e.g., UNECA, UNCTAD, UNIDO); development agencies interested in ICTs for development in Africa (including ITU, IDRC)	Active, ongoing
<i>Women Leaders' Network (WLN)</i>	Developed strategy to place WLN online and facilitated discussions via website and listserv.	Asia-Pacific Economic Cooperation (APEC) Economies	Completed
<i>Strategic Initiative for Fisheries Research (SIFR)</i>	Website. Advice on website design and on Fisheries Projects Information System (FIPIS).	SIDA, DGIS, UNDP, IDRC, CIDA, World Bank, FAO, Commission of European Communities, Norwegian Agency for Development Cooperation (NORAD)	Status under review
<i>Indigenous Knowledge Program (IKP)</i>	IKP website	IDRC, UNDP, SDC	On hold until further direction from IKP Steering Committee

<i>Iwokrama</i>	Iwokrama website. Connectivity advice	UNDP/GEF, IDRC, Government of Guyana, Commonwealth Secretariat, DFID, USAID, University of West Indies Centre for Environment and Development; numerous other research partners	Ended
<i>African Networking Initiative (ANI)</i>	ANI online donor database (led to AI-AIMS). INDIX ICT Subset.	UNECA, IDRC, ITU, UNESCO, <i>Bellanet</i> , and others	Completed 1997; evolved into wider PICTA initiative
<i>Global Water Partnership (GWP)</i>	Electronic dialogue support	SIDA, World Bank, and many other donor agencies	Support provided

APPENDIX 2 BELLANET PROJECTS (FROM PHASE II PROPOSAL)

<i>Bellanet Project</i>	<i>Associated Bellanet Outputs</i>	<i>Partners, Donors, and Main CI</i>	<i>Status</i>
<i>Connectivity Study</i>	Matrix that provides guidelines for sending email and attachments via the Internet	Bellanet Funding Members (CIDA, DGIS, IDRC, MacArthur Foundation, Rockefeller Foundation, SIDA, UNDP)	Superseded by development of Internet access
<i>Email Directory</i>	Directory of funding members' staff	Initially, Bellanet Funding Members (later, the broader development community)	Explored, superseded by developments
<i>INDIX ICT Subset</i>	Online database of information on current and completed projects that involve ICTs	International Network for Development Information Exchange (INDIX), Coordinating Unit (housed at IDRC), which is supported by over 150 NGOs and more than 300 developing country organizations	Active, ongoing
<i>Program Mapping Initiative</i>	Prototype database using Common Exchange Format for Development Activity (CEFDA) information about donor programs/priorities	Bellanet Funding Members	Evolved into a wider effort (see <i>Pipeline</i> below)
<i>Pipeline/Program Information Management</i>	On hold, but listserv (PPWG-CL) was developed to discuss. PMI has led to formation of PPWG — representatives from organisations contributing to INDIX-DAI database	International Network for Development Information Exchange (INDIX)	On hold due to limitations of participating organisations
<i>Development of Connectivity Information Services</i>	Listserv (NLCI4A-CL) to discuss ways for ISPs to input and maintain their own data remotely — led to development of online database prototype	IDRC, UN System-wide Initiative on Africa partners, UNECA	Active, ongoing
<i>Web-to-Email Gateway</i>	Collaborated with Uganisha (IDRC project) to launch GetWeb server. Informal survey of users. WMAIL-DEV -CL listserv for developers	IDRC, UNDP, SatelLife	Active, ongoing
<i>Dynamic Database Development</i>	Investigated technical issues and developing prototypes (e.g., GK-AIMS, AI-AIMS, Acacia customized database)	Various CI partners, such as PICTA (with the AI-AIMS database) and GKP (GK-AIMS)	Active, ongoing Evolved into core Bellanet service to CIs
<i>Extensible Markup Language (XML) Development Markup Language (DML)</i>	Initiated Donor consultation of existing activities/solicited participation. Online dialogues, website for information exchange.	IDRC, INDIX, Bellanet, CIDA	Ongoing, exploring further opportunities

ECONOMY AND ENVIRONMENT PROGRAM FOR SOUTHEAST ASIA (EEPSEA) CASE STUDY

1. GENESIS

The Economy and Environment Program for Southeast Asia (EEPSEA) was established in May 1993 to support training and research in environmental and resource economics. It was based on the idea that understanding the relationship between economic behaviour and environmental preservation is essential to the achievement of sustainable development. The policy and analytical tools to deal with this issue were underdeveloped and very few people were trained and experienced in their use.

In addition, understanding the relationship between the economy and the environment became one of the most critical areas for research in the post-UNCED period. Maurice Strong, the former Secretary General of UNCED, observed that, while UNCED was initially presumed to be about the environment, in practice, it was about economics. He urged IDRC to make understanding this relationship a central component of its program and to establish it as the Centre's principal niche among development agencies.

The proposed EEPSEA fitted well with IDRC's existing strategic theme of *integrating environmental, social, and economic policies*, encompassing all four dimensions of research, planning tools, capacity building, and the policy making process. Through attention to technology transfer and the effects of green technologies on employment, EEPSEA also fitted with the strategic theme of *technology and the environment*.

The program began with a commitment of resources from IDRC, with the hope that other donors would eventually join the Centre as partners. It was maintained that IDRC had to make a commitment before serious negotiations with other donors could proceed. The proposal was prepared by David Glover who was to become, and still is, the Executive Director (ED) of EEPSEA.

EEPSEA was approved by IDRC's Board of Governors in March 1993 and was established in Singapore in May of the same year. Member countries are: Thailand, Malaysia, the Philippines, Papua New Guinea, Vietnam, Cambodia, Lao PDR, China, and Sri Lanka.

2. CONTEXT

The work initiated by EEPSEA was seen as the first step in a process that might spread to all regions in the developing world. The choice to begin this work in SE Asia was made for several reasons:

- It was considered to be the region where the relationship between economic growth and environmental protection was the most obvious and critical, as large populations in several countries were enjoying relatively rapid rates of growth
- Economic management and performance in many countries was relatively good, making it possible to focus on longer-term environmental issues
- Research capacity, while variable across SE Asia, was, in many countries, sufficient to produce some useful results in the short and medium terms
- Many SE Asia countries were rapidly undergoing the structural transformation from agriculture to industry to services. The opportunity to study the environmental effects of this phenomenon and to draw lessons from it for other developing countries was extremely valuable
- Policy makers in these countries had been particularly quick to recognize the importance of environmental issues.

There was also a precedence for EEPSEA—the Nairobi-based African Economic Research Consortium (AERC) was seen as a remarkable success. Launched in 1988, it had held workshops involving researchers and policy experts from 15 countries. It provided a model for EEPSEA in the realm of consortium and network building, as well as approach. The AERC had adopted an approach that involved both strengthening local research institutions by developing their staff and involving senior government policy makers. While the consortium grew out of an IDRC venture initiated in 1984, by 1988, it involved a number of donors and was administered by the Rockefeller Foundation. In 1989, the World Bank maintained that AERC was so successful that it ought to be replicated in other disciplines and in other parts of the world. Against this backdrop, EEPSEA was very much modeled after AERC.

At the present time, EEPSEA is faced with the challenge of adapting to the rapidly changing regional environment in South East Asia. Their work must take into account the following key features:

- The region is changing at an extremely rapid rate. Economic growth has been high but volatile recently and regional integration (for instance between ASEAN and Mekong countries) is proceeding quickly
- Research capacity varies widely across countries
- Environmental economics is a fairly new and difficult branch of economics, requiring not only a solid grasp of conventional theories and techniques but also their application to non-

marketed goods and services, externalities, irreversibility, the very long run, and so on. It is a highly applied field, not easily learned through classroom teaching alone

- Economy-wide issues, such as the effects of macroeconomic and sectoral policies on the environment, although increasingly recognized as important, are particularly difficult to address.

A growing level of experience and increased resources are helping EEPSEA address these issues through expanded research and training.

3. GOALS, MISSION, AND OBJECTIVES

Unlike some other Secretariats, EEPSEA's mission is somewhat modest, if not understated. In fact, the words *vision* or *mission* are not even used in the documentation. Rather, the mission is referred to as a general objective. Also, unlike those of some other Secretariats, this general objective or mission is extremely focused. It states:

The general objective of EEPSEA is to establish an integrated program of research and capacity building on economy and environment in Southeast Asia, by providing participants with opportunities to share information and experiences with peers, while making use of a range of support services.

The specific objectives of the program are:

- To **finance research** projects on economy and environment, focusing on the internalization of external costs
- To **provide support** for researchers through the provision of literature, resource persons, peer review, attendance at network meetings, a newsletter, and other such facilities
- To **provide training** to current and prospective network members to increase their capacity as researchers, teachers and policy analysts
- To **disseminate results** of EEPSEA research projects to policy makers in local, national, and regional fora.

4. FUNDING AND FINANCIAL VIABILITY

IDRC funded the start up of EEPSEA with a grant of \$985,000 in 1992. The involvement of other donors came gradually. In 1993, two others made modest contributions. The following year, three more did and four other donors came on board in the subsequent two years. Not counting IDRC, EEPSEA has attracted funds from 10 donors. Since the beginning, IDRC has contributed 32% of the funding and CIDA 21%.

EEPSEA SOURCE OF FUNDS

Donor	92/93	93/94	94/95	95/96	96/97	97/98	Total	%
IDRC	985,000			935,000		830,000	2,750,000	32%
CIDA				1,768,000			1,768,000	21%
DANIDA		131,889	138,230	147,125	150,150	152,350	719,744	8%
MFA			442,050		272,300		714,350	8%
MacArthur					699,000		699,000	8%
SIDA			122,220	140,261		350,541	613,022	7%
ODA				415,540	25,110		440,650	5%
NORAD					418,000		418,000	5%
SAREC		162,714	6,661		103,100		272,475	3%
UNDP			131,318				131,318	2%
Norsk Hydro					40,800		40,800	1%
Total	985,000	294,603	840,479	3,405,926	1,708,460	1,332,891	8,567,359	100%
% Year	11%	3%	10%	40%	20%	16%	100%	

EEPSEA shows a relatively low unpaid pledge rate of 9%, or \$212,925 of the \$2,422,008 pledged. The Secretariat keeps a healthy cash balance—\$462,318 at 30 June 1998 year end.

For the period ending 30 June 1998, EEPSEA appears to have a well-balanced expenditure pattern. The total expenditure of \$1,746,765 was broken down as follows:

Research Projects	\$467,140	27%
Training/Courses	\$382,184	23%
Regional Meetings/Workshops	\$260,983	15%
Consultants	\$ 86,465	5%
Publications/Subscriptions	\$ 15,715	1%
Personnel Costs	\$353,477	20%
Administration	\$180,801	10%

Considering the labor intensive work carried out by EEPSEA and its relatively high administrative costs (including travel), it is a remarkable 70% of a relatively modest budget that are expended on mission-critical activities in the region.

5. GOVERNANCE AND MANAGEMENT

EEPSEA's structure consists of three groups:

- Sponsors Group — all donors contributing at least \$100,000USD per year. This group provides financial support, sets policy and approves the annual program of work and budget
- Program Committee — senior scholars and policy makers from the region and international resource persons. This Committee sets the priorities for research and training and recommends to the Sponsors Groups the annual program of work
- EEPSEA Secretariat — it administers the program and provides technical support to researchers. Its staff consists of a director and program assistant in Singapore (full-time); a secretary in Singapore (20% time); and a Deputy Director (60% time) in the Philippines.

Essentially, the Advisory Committee recommends and the Sponsors Group approves. The Secretariat is administratively supported by the regional office in Singapore and IDRC headquarters in Ottawa. Also, a President's Designate and Program Officer are assigned to EEPSEA, as with other Secretariats.

The three formal bodies interact through a four stage annual planning and approval cycle:

- **An Annual Report** on the fiscal year just completed and an audited Financial Statement for the previous fiscal year are submitted by the Secretariat to the Sponsors Group (September)
- **A Draft Program of Work and Budget** for the next fiscal year is prepared by the Secretariat and discussed with the Advisory Committee (November)
- **A Program of Work and Budget** for the next fiscal year is submitted to the Sponsors Group (March)
- **The Program of Work and Budget** is approved at the annual Sponsors Group meeting (May).

6. PERFORMANCE

ACTIVITY AND IMPACT

Many of EEPSEA's activities blur the line between research and training, since they aim to produce both research products and research skills. However, these two activities are seen as mutually complementary. Research is carried out in the areas of: management of forests and wetlands, policy instruments for control of urban pollution, resource pricing, and economy-wide issues, with the latter receiving the most emphasis. From inception to the end of 1997, EEPSEA has approved 58 research projects. They are listed in Appendix 1.

EEPSEA offers a number of high-quality training programs and workshops. The focal points of EEPSEA's program are the biannual workshops. They bring together all active researchers, including Ph.D. thesis students and authors of new proposals, along with resource persons, eminent speakers, the Advisory Committee, and once a year, the Sponsors Group. This event includes consultations between researchers and their advisors. Research findings are also presented. Meetings are held in Singapore in May and November of each year and involve around 65 participants.

Five-week intensive regional short courses for 25 participants from EEPSEA member countries are held on an annual basis. Topics include economics of natural resources, pollution control and extended cost-benefit analysis, valuation techniques, economy-wide issues, and proposal preparation. EEPSEA also offers a number of awards such as: Masters Degree Awards, Postdoctoral Awards, Dissertation Fieldwork Awards, and Apprenticeships (In-country Small Grants Programs). Introductory seminars on basic concepts of environmental economics are offered to specific countries or government agencies.

In 1996, EEPSEA began to use a system of advisors, in which researchers were assigned a resource person who visited them once between biannual meetings to provide more detailed advice about research design, methodology, and write-up. In 1998, EEPSEA initiated grants to national associations for the purpose of starting associations of environmental and resource economists in member countries.

Various means of broadening EEPSEA's reach are under consideration. A short course in environmental science for economists is proposed. In addition, EEPSEA has discussed curriculum development support for several universities and plans to hold a curriculum development workshop to review teaching materials, methods, degree requirements, and other practical matters. As a low-cost way of publicizing EEPSEA and environmental economics, EEPSEA is proposing to offer Chairs in economics sub-fields. The Chair would provide some prestige and a payment of between \$1,000 and \$2,000. Recipients would have to deliver a paper at the end of the year.

EEPSEA gets involved in special topical issues. For example, between October 1997 and May 1998, EEPSEA collaborated with the World Wide Fund for Nature on a study of the economic impact of the 1997 fires & haze in Indonesia. Results were presented at a 1998 meeting of ASEAN Environment Ministers, as input to the formulation of a regional haze action plan. The findings were also discussed as the first agenda item in a Meeting of the UN General Assembly Committee on Humanitarian & Social Affairs chaired by the Undersecretary General of the UN on June 2, 1998. Close to 100 media citations have been recorded, including Financial Times, BBC, CNN, Globe & Mail, Washington Post, and International Herald Tribune. After the report was submitted at the ASEAN Environment Ministers Meeting in February, Singapore's Minister was asked how much help in dealing with Indonesia's 1998 fires Singapore could provide, given the tight budget. He remarked: *Even with a tight budget, we have to prioritize because if we do not help them, the economic losses to us and the entire region are tremendous... Whatever we can spend to help will be money well spent.* (Straits Times, February 26/98).

The resulting interviews and inquiries from the media had the secondary benefit of enormously expanding EEPSEA's contacts with the media. They are now part of their roster of experts, frequently

called on to comment on fires and other environmental issues. The final report is scheduled for publication as a book in early 1999. A summary of the study can be viewed on the EEPSEA Website.

Work undertaken by EEPSEA is disseminated through publications in several formats:

- Research reports — peer reviewed and edited
- Special reports — commissioned papers
- Policy briefs — summaries of research reports
- Local language publications
- Books — compilations of reports, case studies, etc.
- Special issues — dealing with health valuation, pesticides, forests, contingent valuation, and so forth.

Combined, these many activities position EEPSEA well for its networking and collaboration function. The Secretariat plays a role as an information clearinghouse and resource base for the region through its extensive Website and mailing list. Most related organizations are linked through EEPSEA's Website, facilitating collaboration with other organizations active in environmental economics.

As illustrated by the research on the economic impact of the forest fires in Indonesia, work undertaken by EEPSEA has been influential, resulting in considerable increased awareness and positive impact on economic and environmental policy in the region. While not always as newsworthy as in this example, interventions in other areas have been positive as well. In 1996, the Sponsors Group commissioned the former Chief of the Environment Division at the World Bank to carry out a comprehensive evaluation of EEPSEA's first three years of operations. The report included results of a survey of researchers, resource persons, and others. The evaluation was highly favorable, finding that:

- The program met or exceeded most of the evaluation criteria
- The participation rate of women is remarkably high — over 50%
- % of respondents rated performance *good to very good* (4 or 5 on a 1-5 scale):
 - Improved research skills 76%
 - Improved interdisciplinary skills 76%
 - Usefulness of workshops 98%
 - Administrative efficiency 88%.

INTERNAL AND EXTERNAL REPUTATION

EEPSEA enjoys strong support from IDRC and its staff. Its goals, mission, and objectives are widely understood, and its performance well known. The extremely thorough evaluation carried out in 1996 helped to build both internal and external support for and confidence in the work carried out by EEPSEA. The evaluator noted that:

Overall, EEPSEA has met or exceeded most of the evaluation criteria and objectives set out [...]. The program has also performed well relative to other relevant international capacity building initiatives [...]. Furthermore, while the program has largely kept to its original

objectives, sensible adjustments have been made along the way in the spirit of learning by doing. As a result, there is a strong consensus that the program has improved over time.

In his concluding remarks, the evaluator wrote: *EEPSEA has achieved its major initial objective most successfully, in the sense that the program has contributed very significantly to the considerable increase in expertise on environmental economics in the region.*

The Executive Director takes great care to keep IDRC's Senior Management Committee and other stakeholders informed about EEPSEA activities and performance. The table below illustrates the approach taken. It should also be noted that the material and information provided is of relatively high quality, concise, clear, and usually accompanied by visual illustrations. With this relentless attention to effective communication, it is not surprising that many of the people interviewed for this Review mentioned EEPSEA when questioned about Secretariats' contribution to achieving IDRC's corporate and program objectives, or about the positive impacts of Secretariats. When asked if Secretariats positively influence development policies and the status and visibility of IDRC, one respondent replied: *EEPSEA does and everyone knows it!* EEPSEA too was the example most often used to support responses of *quite well* or *completely* to questions on the degree to which expectations of Secretariats have been met. Similarly, survey results showed that there was a relatively high level of belief that EEPSEA donors and constituents were getting what they need or want, and that there is evidence for this belief.

EEPSEA'S ANNUAL REPORTING SCHEDULE

The following reports are provided annually to all donors:

1.	September	Annual Report
2.	September	Annual Financial Report
3.	December	Minutes of November Advisory Committee Meeting
4.	January	Newsletter
5.	April	Draft Program of Work & Budget
6.	April	Results-Based Management Report (to CIDA only)
7.	May	Interim Annual Report
8.	May	Annual Sponsors Group Meeting
9.	May	Advisory Committee Meeting
10.	June	Minutes of Sponsors Group Meeting
11.	June	Minutes of May Advisory Committee Meeting
12.	June	Final Program of Work
13.	July	Newsletter
14.	Continuously	Update of Website (announcements & publications)
15.	Continuously	EEPSEA Research Reports & Policy Briefs, as published
16.	Every two years in October:	Report to Board of Governors (to IDRC only)
	Every 3-4 years, the following additional documents are submitted:	
17.	October	External Evaluation of EEPSEA
18.	November	Advisory Committee's Response to Evaluation

The benefits of good communication spring from more than frequent quality reporting. Personal values and relentless dedication have a great deal to do with it. All donors, Advisory Committee members, and IDRC's Senior Management Committee members conveyed that they were well informed about EEPSEA activities, as illustrated by some of the supporting comments provided below:

- *EEPSEA's role and impact in the region grew as it built confidence in itself, among its constituency, and in the importance of environmental economics*
- *EEPSEA established its credibility and reputation for high standards very quickly so that I now believe that EEPSEA should expand its activities as quickly as possible*
- Interview Question: *Do you find that the communications between yourself and EEPSEA are two-way and supply timely, relevant, reliable information? Could communications be improved?*
 - Donor Response A: *Yes. They just couldn't be any better*
 - Donor Response B: *Yes. Communication is direct and succinct and very effective*
 - Donor Response C: *Yes. The Secretariat is very responsive. We have intense interaction with frequent e-mail exchanges. They give forwarding e-mail addresses when they go on travel and they understand when we have time pressures and deadlines and they respond to those by getting the information to us on time. The financial information is excellent and on time*
- EEPSEA donors and partners included in the survey indicated that their expectations of the Secretariat have been completely met. When asked how they rated the benefit related to costs or investments with other donor funded activities, respondents rated EEPSEA *Far Above Average* (five on a five point scale). One donor responded: *EEPSEA is far above average. It outstrips every other approach. They use researchers from other countries in the region, from the South, who have immediate access to researchers from the North (via e-mail). This working method is effective and has a high cost-benefit ratio*
- *I am familiar with many development initiatives around the world and EEPSEA is one of the best*
- *EEPSEA is one of the best initiatives of IDRC. The Centre sets the framework and allow the Executive Director a lot of autonomy to get the job done*
- Question: *Is EEPSEA responding to the changing needs of your organization?*
 - Donor Response A: *Yes it is*
 - Donor Response B: *Yes. They are ahead of us. We are learning from EEPSEA. They are building capacity in environmental economics both in the South and here in the North*

- Donor Response C: Yes. *They monitor our needs very closely and visit us on a regular, timely basis. They are very open to our suggestions.*
- *Donors want careful evaluations of Secretariats. EEPSEA has made good use of evaluations, which both attracts donors and ensures that they are getting benefit for their investment. EEPSEA is a model in this regard. We know that donors get what they need and want, and there is evidence for it*
- *EEPSEA is very focused and results-oriented. They have a clear focus on a single issue and a structure set up to deliver specific activities related to their mission. There is a high performance commitment.*

EEPSEA's external reputation is also positive. In addition to the wide coverage received by its research on the economic impact of the forest fires in Indonesia, EEPSEA has been called upon to testify before the British House of Commons Committee on Trade and Environment. Other examples of external influence include:

- EEPSEA attracts private sector funding from a Norwegian multinational corporation
- An EEPSEA research paper influences the formation of government policy in the mining sector in Sri Lanka
- Several projects in Vietnam and the Philippines, undertaken at the behest of local governments, provide advice on pollution charges, environmental legislation and damage compensation
- The Cambodian Minister of Environment endorsed the findings of an EEPSEA study and called for a moratorium on logging in the study area
- EEPSEA sponsored projects in Manila are used to help draft the contracts for the privatization of Manila's water supply services
- The Government of the Philippines provides co-funding for EEPSEA training courses
- EEPSEA has developed many partnerships with regional institutions, including the University of Agriculture and Forestry in Vietnam, the Philippine Institute for Development Studies, the Thailand Development Research Institute, China's Center for Economic Research, the Department of Agricultural Economics of the University of Peradeniya in Sri Lanka, and others.

7. LESSONS

There is little doubt that, by any measure, EEPSEA is one of the more successful Secretariats housed at IDRC. Lessons drawn from this case focus on elements of success that are transferable.

BUILDING ON STRENGTH

In organization design as in architecture or technology, the more innovative the approach the more risk is involved. Compared to WETV and FoodLinks, for example, EEPSEA was a relatively low risk venture. The point to be made is not that IDRC should avoid innovation and experimentation, but that there should be a clear cognition of the risks involved in pushing forward the frontiers of development methodologies and modalities.

The model for EEPSEA was adapted from an already successfully implemented experiment in Africa called AERC — African Economic Research Consortium. The similarities in program and organization structure are no coincidence. David Glover, the Executive Director of EEPSEA played a leading role in setting up AERC. The two organizations exhibit a number of similarities in approach, methodology, development philosophy, start-up, program, and mission, but are quite different in governance. Two different sources (the World Bank's *sub-Saharan African: From Crisis to Sustainable Growth* and English's *The Governance of Networks: the Experience of IDRC's Social Sciences Division in sub-Saharan Africa*) draw attention to the similarities and to the benefits of building on a proven model. These sources are quoted in Appendix 2.

LEADERSHIP

A high level of dedication and scientific leadership have been enjoyed by EEPSEA. However, EEPSEA's main success factor is its ability to work well with others. This case reminds us of Warren Bennis' *Organizing Genius: The Secrets of Creative Collaboration*, (1997) in which he points out that the ability to work with others is critical to successful collaboration. According to him, *great groups* require a more flexible kind of leadership that has more to do with facilitating than with asserting control. People in effective collaborative groups, Bennis continues, *feel liberated from the trivial and the arbitrary... People are in them, not for money, not even for glory, but because they love the work, they love the project*. He further points out that they are staffed with talented people who can work together. *Certain tasks can only be performed collaboratively, and it is madness to recruit people, however gifted, who are incapable of working side by side toward a common goal*.

In a more profound insight, Bennis observes that every successful collaborative group is an island — but an island with a bridge to the mainland. While they may tend to be physically removed, they are able to tap a wide range of resources. This notion describes what is perhaps the strongest characteristic of EEPSEA and its leadership: its ability to stay so focused, and yet to build and maintain such strong links to IDRC, the host organisation, as well as to sponsors and Steering Committee members, is remarkable.

As the Executive Director pointed out during the interview, his full-time job is building relationships. Donors have made the following statements: *He excels in networking and forging links* and, when asked which area of the Secretariat's performance met with the most satisfaction: *Networking and the Executive Director's leadership. He works tirelessly and has the ability to pick winners — those who succeed and benefit from the program*.

Leaders of successful collaborations, Bennis points out, love talent and know where to find it. They also know that the quality of the group often reflects the network of its leader. This is certainly true of EEPSEA's Director and Deputy Director, as pointed out by another donor:

The advisory committee plays a very important technical role in identifying new knowledge and skills. David is smart enough to know when he doesn't have the knowledge in environmental economics and he gets it from outside. His choice of his deputy — Herminia — is good because she complements his knowledge and skill set.

STRONG, FOCUSED MISSION

EEPSEA's mission is both strong and focused. More importantly, it is elegant in its simplicity. It is easy for everyone — IDRC staff, donors, and regional stakeholders — to understand and remember. Some stakeholders who are very pleased with the success of the Secretariat would like to see it expand as quickly as possible and, more dramatically, move into new areas. Based largely on the criticism that EEPSEA is overly academic, directing too much of its activity at the academic elite, these new areas include more grass-roots involvement at the level of municipalities and industry. However, should this move be taken, it should be done with the utmost caution, as covering too much territory and significantly broadening the mission could weaken one of EEPSEA's primary strengths which is its very sharp focus.

GOOD FIT WITH IDRC STRATEGY AND POLICY

The expertise in EEPSEA fits well with IDRC's expertise and interests. They can draw upon each other's resources and networks and both benefit greatly from their strong links. With the links as strong as they are, both parties benefit greatly.

ATTRACTIVENESS TO DONORS EEPSEA has been relatively successful in attracting broad-based donor support. In its October 1996 *Report to IDRC's Board of Governors*, EEPSEA attributed its success in fund raising to the following factors:

- The topic is timely
- Donors participate as equal partners
- Committee and sponsor are committed
- EEPSEA is a genuinely multinational effort
- Resource persons are contracted on the basis of merit
- The Secretariat is a small lean operation with low overheads, relying largely on part-time staff and consultants
- Adequate resources exist to pursue fund raising vigorously
- IDRC has made a substantial long term financial commitment that increases the confidence of other donors
- IDRC is highly visible as the initiator and administrator of the program.

ADVISORY COMMITTEE AND SPONSOR COMMITMENT AND INVOLVEMENT

EEPSEA's structure is different from most Secretariats in that two bodies supplement the operational Secretariat in Singapore—a Sponsors Groups and an Advisory Committee—where most Secretariats have a single Steering Committee. Having two bodies keeps each to a manageable size, allowing more frequent interaction with the Secretariat. The Advisory Committee enables recipient countries and scientific expertise to play a stronger role in setting priorities than the more traditional Secretariat composition.

8. SOURCES

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- EEPSEA Annual Financial Statement, July 1, 1997 – June 30, 1998
- EEPSEA Annual Financial Statements ending 1994, 1995, 1996, 1997
- EEPSEA Program of Work and Budget, July 1, 1998 – June 30, 1999
- EEPSEA Advisory Committee Meeting Minutes
- EEPSEA Reports to IDRC's Board of Governors
- Five-year Report on EEPSEA, October 1998
- Interviews of Executive Director, Advisory Board Members, IDRC Staff, Board of Governors, and Senior Management Committee
- EEPSEA Newsletters
- EEPSEA Website
- Munasinghe, Mohan, *Evaluation of the Economy and Environment Program for SE Asia*, October 1996.

APPENDIX 1

RESEARCH PROJECTS APPROVED JANUARY 1994 - DECEMBER 1997

- *The Cost Effectiveness of Alternative Policy Instruments for Water Pollution Control in the Meycauayan Tanning Industry, Philippines*, Maria Nimfa Mendoza, University of the Philippines
- *Overfishing in the Philippines Marine Fisheries Sector — A Disaggregated Analysis, Philippines*, Danilo Israel, Philippines Institute of Development Studies
- *Economic Appraisal of Environmental Impacts of Biogas Plants in Livestock Farming in China*, Gu Shuhua et al, Tsinghua University
- *An Environmental Bond for Clay Mining in Sri Lanka*. Malik, Ranasinghe, University of Moratuwa
- *Integrated Pest Management*, Indonesia, Bunasor, Bogor Agricultural University
- *Evaluation of Rural Sanitation Options in the Mekong Delta, Vietnam*, Do Van Xe/Phan Thi Giac Tam, University of Cantho/University of Agriculture and Forestry
- *Water Pricing for Nanjing, China*, Zhu Xiaolin, Jiangsu Academy of Social Sciences
- *Natural Resource Accounting for Forests, China*, Liu Xuelin, University College, London
- *Regional Capability to Finance Irrigation Systems, Indonesia*, Dibyo Prabowo, Gadjahmada University.
- *Cost-Benefit Analysis for Recycling Suburban Livestock Waste, China*, Jiang Xuemin, Huazhong Agricultural University
- *Impact of Pollution Charges on the Textile Industry in Indonesia*, Maria Ratnaningsih, Thammasat University, Thailand
- *Willingness to Pay for Improved Water Quality in East Lake, Wuhan, China*, Du Yaping, Hubei Academy of Social Sciences
- *Economic Value of a Non-timber Forest Product (Parkia Speciosa), Malaysia*, Woon Weng Chuen et al, Forest Research Institute of Malaysia
- *Resettlement Program of the Three Gorges Dam, China*, Jiahua Pan, Institute of World Economics and Politics
- *Poverty and Deforestation, Northern Vietnam*, Tran Thi Que, Socio-Economic Development Centre (SEDEC)
- *Valuation of Health Effects of Air Pollution, Bangkok*, Dirgha Tiwari, Asian Institute of Technology
- *Household Demand for Water in Metro Manila, Philippines*, Cristina David/Arlene Inocencio, Philippines Institute for Development Studies
- *Pricing of Industrial Groundwater in Metro Manila, Philippines*, Maria C. Ebarvia, University of the Philippines
- *Water Pricing and Welfare Improvement: Case Study from Semi-Urban Communities, Thailand*, Direk Patmasiriwat/Areeya Boon-Long, Thailand Development Research Institute

- *Household Water Pricing in Jakarta, Indonesia*, Budhi Sayoko, Centre for Economic and Environmental Studies
- *The Economic Benefits of Watershed Protection and Trade-offs with Timber Production, Malaysia*, Mohd. Shahwahid Haji Othman et al, Universiti Pertanian Malaysia
- *Environmental Impacts of the Makban Geothermal Plant, Laguna, Philippines*, Nicomedes Briones et al, University of the Philippines at Los Banos
- *Valuing the Health Costs of Air Pollution: the Cement Industry in South Sulawesi*, Rusdian Lubis et al, Center for Environmental Studies, Hasanuddin University, Indonesia
- *The Pollution Charge System in China: an Economic Incentive?* Yun Ping, Institute of Environmental Economics, Renmin University
- *Damage Schedules for Thai Coastal Areas: An Alternative to Economic Valuation*, Rattana Chuenpagdee, University of British Columbia (PhD thesis award)
- *Economic Valuation and Conservation Policies for Tropical Forests in Sri Lanka*, Cyril Bogawhatte, University of Paradeniya
- *Economic Valuation of Mangroves and the Roles of Local Communities in their Conservation, Thailand*, Suthawan Sathirathai, Chulalongkorn University
- *Marginal Cost Pricing for Coal Fired Electricity in Coastal Cities of China*, Susan Zhang, Peking University
- *Optimal Allocation of Water to Competing Uses in Taiyuan, China*, Jing Xu, Ministry of Water Resources
- *Economic and Health Consequences of Pesticide Use in Paddy Production in the Mekong Delta of Vietnam*, Nguyen Huu Dung, National University, Ho Chi Minh 1-7, Environmental Policy Issues in Vietnam (7 sub-projects by various institutes)
- *Marginal Opportunity Cost Pricing for Wastewater Disposal: A Case Study of Wuxi, China*, Fan Zhang, China Centre for Economic Research
- *Surrogate Pricing for Water. The Case of Mini-hydro Cooperatives in Northern Thailand*, Siriporn Kiratikarnkul and Sitanon Jesdapipat, Thailand Environment Institute
- *Estimation of the External Costs of Mining, Philippines*, Eugenia Bennagen, Resources, Environment and Economics Centre for Studies
- *Valuing Environmental Benefits: An Entrance Fee System for Thailand's National Parks*, Adis Israngkura
- *A Comparative Assessment of Natural Resource Accounting in Four ASEAN Countries*, ASEAN Working Group on Environmental Economics
- *Tradeable Permits for Water Pollution, China*, Wendong Tao et al, Yunnan Institute of Environmental Sciences
- *Cost Effectiveness of Control Measures for Automotive Pollution in Colombo, Sri Lanka*, Sunil Chandrasiri, University of Colombo
- *Air Pollution Tax for Controlling Emissions from the Manufacturing Sector in Manila*, Catherine Corpuz, University of the Philippines
- *Sustaining the Commons: The Role of Liquidity Constraints in Upland Households, Philippines*, Asa Sajise, University of California at Berkeley (PhD thesis award)
- *Econometric Analysis of Factors Affecting Deforestation in Papua New Guinea*, Trevor Gumoi, University of New England, Australia (PhD thesis award)

- *China's Paper Industry — Growth and Environmental Impacts Under Economic Reform*, Jintao Xu (PhD thesis)
- *Farm Chemicals, Rice Production and the Environment in China*, Jikun Huang, China Centre for Agricultural Policy
- *Causes of Deforestation in China*, Yaoqi Zhang (PhD thesis)
- *Economic Analysis of Groundwater Extraction in Jakarta*, Yusman Syaukat (PhD thesis)
- *Environmental Costs of Artisanal Gold Mining in the Philippines*, Danilo Israel, Philippines Institute of Development Studies
- *Impact of Trade Liberalization on the Environment — The Case of Tariff Reduction for Potato in Sri Lanka*, Jeevika Weerahewa, University of Peradeniya, Sri Lanka
- *Water Quality Improvements: A Contingent Valuation Study of the Chao Phraya River*, Churai Tapvong, Sukhothai Thammathirat Open University, Thailand
- *Economic Analysis of Salinity Problems in the Mahaweli - H Irrigation Project in Sri Lanka*, Selliah Thirucheivam, University of Peradeniya, Sri Lanka
- *The Distributional Impacts of Climate Change Mitigation Policies in Indonesia*, Agus Sari, University of California at Berkeley, USA (PhD thesis award)
- *Electricity Pricing for North Vietnam*, Nguyen Van Song, Hanoi Agricultural University 1
- *Comparative Analysis of Alternative Forest Management Systems in the Mekong Delta, Vietnam*, Mai Van Nam and Nguyen Tri Khiem, Cantho University.

APPENDIX 2

AERC

**THE WORLD BANK: SUB-SAHARAN AFRICAN: FROM CRISIS TO SUSTAINABLE GROWTH,
WASHINGTON D.C., OCTOBER 1989**

The African Economic Research Consortium (AERC) is a remarkable example of a successful regional capacity-building program. Twice each year, 35 to 50 African economic researchers, often from the universities, governments, and research institutes of more than 15 countries, gather to discuss and evaluate their ongoing research.

Launched in 1988, the Consortium provides funding and technical support to networks of researchers. The initiative is two-pronged: to promote macroeconomic research and to strengthen local research institutions by developing their staff. It also seeks to make senior policy-makers and politicians more aware of applied research and its potential contribution to the decision making process. The consortium is currently supported by several donors and administered by the Rockefeller Foundation. Based in Nairobi, its current annual budget of \$1.4 million supports some 20 teams, each with four or five researchers.

In the early 1980s, newly trained African economists were challenged to contribute to the far-reaching reviews of domestic policy being undertaken by their governments. At that time, owing to the dearth of experienced local economists and the weakness of African research institutions, most economic policy analysis was conducted by expatriate consultants or staff from multilateral financial institutions; as a result, policy analysis was often poorly internalized and lacking in continuity.

The consortium grew out of a venture initiated in 1984 by the Canadian International Development Research Centre (IDRC) that provided funding to overcome the hurdles to quality research within the local institutions of Eastern and Southern Africa: lack of equipment, facilities, and library resources; bureaucratic bottlenecks that delayed the transfer of grants made in foreign exchange from central offices to the research teams; and the intellectual isolation of analysts from both academic peers in the region and senior officials.

Leading African researchers and policy makers on the Consortium's Advisory Committee chose the research topics. National teams have so far been concentrating on the issues of balance of payments and domestic financial management, but the advisory committee is now considering adding external debt management, medium-term adjustment, and taxation policy to the research agenda. The common program facilitates comparison and discussion on a regional basis. For example, Tanzanian researchers have directly contributed to recent public debates on structural adjustment in that country. The consortium provides a venue for sharing experiences and assessing their applicability to other nations. The network creates opportunities for international exchanges of ideas and findings, as members of the networks travel and work abroad from time to time; scholars in Europe, North America, and other regions participate through meetings, joint or cooperative research, and as seconded personnel in other African institutions. National meetings to publicize and discuss research findings and their implications for policy also link senior technocrats and politicians so that the latter may better appreciate the

economic implications of political decisions. In addition, the consortium supports a scholarly journal, the *Eastern Africa Economic Review*, which publishes research emanating from the network.

The consortium's success is largely due to its flexible, pluralistic approach, which tailors programs to the needs of individual groups. By enabling well-trained Africans to remain in contact with colleagues in Africa and overseas, it is helping them to stay at the frontier of their profession. Moreover, as it breaks down the traditional barriers between governments and universities, it is helping policymakers appreciate the potential of local academic resources. It is a model that merits replication in other disciplines.

PHILIP ENGLISH, *THE GOVERNANCE OF NETWORKS: THE EXPERIENCE OF IDRC'S SOCIAL SCIENCES DIVISION IN SUBSAHARAN AFRICA, IDRC, 1995*

The most successful network under review here is the AERC. Having begun in 1984 as an IDRC program run in-house, it is now an international NGO located in Nairobi with some 20 staff handling an annual budget of close to CAD 10 mil. contributed by 15 different donors. Spanning all of Sub-Saharan Africa, anglophone and francophone, it has become a model of capacity building and the example to which other economics networks in the region inevitably refer to at one time or another.

The AERC has had a long and fairly smooth history. The turning point came in 1988 when a group of donors was attracted to set up a Consortium and the Rockefeller Foundation took over as executing agency until the new Consortium could become legally independent. It is incorporated in the US and registered in Kenya. A small grants competition, carefully monitored through semi-annual meetings, has always been the backbone of the AERC. In the early 1990s, however, a collaborative MA training program was launched in cooperation with most anglophone Departments of Economics.

At the top of the governance structure is the Board of Directors composed of donor representatives. As its size grew, a budget and finance committee (now called the Executive Committee) was set up which could meet more regularly. AERC is headed by an Executive Director who reports directly to the Board. He is assisted by a Research Coordinator and, since 1992, by a Training Coordinator as well. On scientific matters, the Executive Director has received guidance from an Advisory Committee. It consists of some 15 members, fairly evenly divided between African scholars, African policymakers, and international resource persons, plus the Executive Director and the Research Coordinator. In 1995, the AERC presented an image of maturity and stability.

LINKING FOOD CHAINS (FOODLINKS)

CASE STUDY

1. GENESIS

FoodLinks has a number of features which distinguish it from other Secretariats, notably: it was the most recent of Secretariats considered by IDRC; it experienced one of the shortest lives of any Secretariat — six months — and, it was novel in that it was to derive funding from business ventures and royalties, rather than from other funding agencies alone.

FoodLinks was based on the idea that 25-40% of the world's food production is lost due to spoilage and mishandling because of the lack of value-added processing. The application of better process, storage, and handling technologies, it was argued, would have a positive impact on poverty alleviation. Further, northern distributors are always looking for new and innovative foods to serve an ever more culturally diverse, sophisticated, and adventuresome clientele and the South is growing ever more interesting and, in some cases, higher-quality crops. However, limited access, coupled with inadequate food processing and handling, makes it almost impossible to take advantage of this large, untapped export market.

The key, it was argued, is to link small producers to the markets that are demanding the products that are already being produced or that could potentially be produced. Identifying and capitalizing on strategies allowing small producers to access potential markets for their products within a sustainable and equitable development framework will not only prove a market niche, but also contribute to discussions surrounding issues of environmentally-sustainable agriculture and gender equity.

In many ways, FoodLinks was like other IDRC-housed Secretariats, in that it began as a number of projects and was therefore based on sound research and a considerable track record that went back to the beginnings of IDRC. The projects that FoodLinks sought to translate into marketing and value-added ventures for small producers built on sometimes 20 years of research support by IDRC and its partners in genetic improvement of crops and animals, better farming systems and improved post-harvest technologies. This long term developmental research included the Goldfinger banana which was to be a feature in FoodLinks' early efforts.

The products which FoodLinks wished to include in its brokering activities were many. In addition to the Goldfinger bananas in South America, there were: organic coffee in Laos, Amazonian products, ecosystem products, mangoes in Guatemala, fruits and vegetables in Vietnam, cashew apples in El Salvador, and northern areas apricots. Considerable experience was also gleaned from IDRC's long term relationship with PRODAR (Program for the Development of Rural Agroindustry), an international network in Latin America and the Caribbean. FoodLinks thus grew out of IDRC's research and research networks, and IDRC provided the principal source of funding. It was the result of IDRC's attempt to move the Centre into another form of partnership and enterprise, with its stock of products mostly developed through earlier IDRC investments in research. This is how it could boast of extensive experience with over 1,400 food-related projects in the developing world.

FoodLinks operated somewhat as a Program Initiative for some years before the Board officially gave it Secretariat status. It had an advisory Steering Committee for over six years. First as a project in 1994 and then as a Program Initiative, FoodLinks experimented with business partnerships before the Secretariat was established. First was the collaboration with Lassonde, which led to a linkage with CECI using cashew apple in fruit juices. A second collaboration was established between the Loblaw's supermarket chain and Ecos del Agro producers in Latin America to market *Mona Lisa* bananas as environmentally friendly products on an experimental basis in Canada.

This latter experiment led to a concern on the part of IDRC that the challenges faced by FoodLinks in maintaining these partnerships and in getting the products into highly competitive retail food markets was more daunting than was at first realized. Retailers in North America require large quantities of any product, delivered on time and with a consistent quality. These were the very requirements that have largely kept small producers out of these markets in the first place and FoodLinks did not have the capacity to ensure that they would be met. Loblaw's decided not to continue with the banana experiment before FoodLinks was approved as a Secretariat.

However, getting the FoodLinks-brokered banana into Loblaw's even on an experimental basis was a considerable success and FoodLinks moved to establish an External Advisory Group of six senior Canadian food industry executives, whose purpose was to provide advice on issues such as fund raising and suitable commercial arrangements. An Organics Advisory Group was also established to assist the initiative by assessing the marketability of food products proposals received by FoodLinks.

In October 1997, a prospectus on FoodLinks went to the Board of Governors. At that meeting, the Board suggested, and then approved, that FoodLinks become a Secretariat and granted it \$2.5 million. Up until that point, it had been a Program Initiative under the responsibility of the Programs Branch. At a subsequent Senior Management meeting in December 1997, a President's Designate from outside the Programs Branch was appointed. The new President's Designate examined the plans and funding expectations with the Executive Director who was in the process of being appointed. Upon scrutiny, it was quickly concluded that the new Secretariat had little chance of achieving its program or external funding objectives. In consultation with the Board Chair, it was decided to abolish the Secretariat.

2. CONTEXT

FoodLinks represented a departure from the usual way IDRC does business. In addition to promoting equity and sustainability through research, it was intended to act as a catalyst for building partnerships through the provision of commercial brokering and project management services. The intent was to link southern food suppliers to northern business partners. FoodLinks was to offer northern food firms access to unique and high quality food products from around the world:

The FoodLinks Initiative, will focus on the commercialization and marketing of rural community products...the increased attention to the value-added and market aspects of rural development, poverty alleviation and food security are increasingly being recognized by other donors.

FoodLinks was intended to pioneer new ground in private-public partnerships by exploring various partnership models for the agri-food industry. Perhaps foreshadowing the inherent weakness in the idea, the original proposal for FoodLinks stated:

Experiences in partnership development and revenue generation have taught us that, although much enthusiasm exists across the Canadian food industry for FoodLinks activities and objectives, it has been difficult to convince private sector companies of the reality of the FoodLinks venture without pre-existing private and public co-funding.

3. VISION, MISSION, AND OBJECTIVES

The mission of FoodLinks was to create partnerships among food producers, processors and marketers in developing countries and Canada through the provision of commercial liaison and project management services, leading to increased capacity, employment, and incomes for developing country communities in a sustainable and equitable manner. The four objectives were to:

- Support research and training by testing a range of market-oriented strategies and interventions and improving capacity for using markets to support sustainable development
- Improve the well-being and capacity of small producers in developing countries by facilitating greater market access and value-added activities through private sector partnerships
- Promote the use of information and communication networks to disseminate methodology, results, and lessons
- Expand the resources of FoodLinks through collaboration with other donors and partners, and develop its capacity and strength as a commercial entity within a Secretariat model.

It was believed by some that moving this idea to a Secretariat Modality would take it from the research stage to the implementation stage, and would provide FoodLinks with a more entrepreneurial image and greater opportunities for expanding resources.

4. THE END OF FOODLINKS

The approval of FoodLinks by IDRC's Board of Governors in October 1997, and the overturning of the decision by IDRC's Senior Management Committee in March 1998 cannot go unnoticed. The decision to stop the implementation of the Secretariat was based on a memorandum from the Executive Director dated March 30 1998. It listed a number of original assumptions on which the Secretariat was based that were not working out. These difficulties were described as follows:

- Projects need much more intensive attention from FoodLinks and other IDRC staff than was anticipated, causing heavy workloads and stress, due to demands for rapid decision making and excessive document preparation
- Dealing with the private sector requires specific skills, not all of which are available at the Centre, and our capacity to ensure fast and efficient delivery is limited
- The process of attracting private companies to FoodLinks projects needs persistence and much longer time frames than originally assumed
- Revenue streams are difficult to negotiate and do not occur until well into the future in most cases
- Fewer donors than expected are interested in co-funding and their time lines for collaboration are long.

The memorandum concluded with the assessment that the probability of the FoodLinks Secretariat achieving its goals were much lower than anticipated.

Three days following this memorandum, the IDRC Vice President, who was the President's Designate to FoodLinks, wrote to the Chairman of the IDRC Board of Governors informing him of the Senior Management Committee's concerns and of their decision:

In fact, I am even firmer [than the Executive Director] in my own conclusions. Based on FoodLinks' limited progress to date in laying the groundwork and on what I consider management deficiencies, if IDRC were to continue the Secretariat it would be committing itself to:

- *Investing the balance of FoodLinks \$2.5 million budget in a series of activities that would not add up to an acceptable success level for the Secretariat as a whole*
- *Becoming the 'banker of last resort', when anticipated co-funding from other donors does not materialize*
- *Hiring two new senior staff (one of whom would be a Peruvian national relocated to Ottawa with family) with a high probability of having to lay them off within a year*

- *Running the risk that the Executive Director might resign if his strong interest in working overseas were to materialize in a job offer from another employer.*

There was, of course, some anxiety among Governors about why these concerns had not been raised at the Board of Governors meeting earlier in the month. The reason given was the lack of definitiveness on the part of the Executive Director and the lack of a clear management critique of FoodLinks as a Secretariat.

Three days after the VP's letter, the Chairman of the Board informed other Board members of the decision and his concurrence with it. He explained that IDRC senior management had become concerned about the slow rate at which FoodLinks was making progress. They in turn requested an assessment by the Executive Director who provided an objective and frank opinion confirming management's concerns. Factors related to the timing of this decision were described as follows:

- *The Secretariat was on the point of making job offers to two senior persons, externally recruited, both of whom would have had to relocate to Ottawa (one from Peru). Both the Centre and the individuals would have been prejudiced if the hiring had gone ahead and then the Secretariat were closed*
- *Delaying a decision past the end of this fiscal year, without a firm conviction that the Secretariat would continue, would have prejudiced the chance of any of the three affected FoodLinks employees to apply for the early departure benefits available to public sector employees.*

The Chairman of the Board concluded with a request for a full briefing and lessons to be drawn from the experience and presented to Governors at the upcoming June meeting on the closure of FoodLinks. In response to this, the Board was assured in a subsequent memorandum that steps were being taken to ensure that the lessons to be learned from this experience were not overlooked.

A critical look at the FoodLinks idea revealed two fatal flaws: divergence from IDRC's integral organizational identity, and financial and funding issues. The lack of a clear management critique of FoodLinks as a Secretariat was obvious.

DIVERGENCE FROM IDRC'S INTEGRAL ORGANIZATIONAL IDENTITY From the beginning, the foundations of IDRC, its organizational DNA, have been clear — *the cornerstone of the Centre's foundation is a commitment to improve people's lives through the generation and use of knowledge.* Its objectives have remained unchanged since the *IDRC Act* was passed by Parliament in 1970:

The objects of the Centre are to initiate, encourage, support and conduct research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to those regions, and, in carrying out those objects:

- *To enlist the talents of natural and social scientists and technologists of Canada and other countries*
- *To assist the developing regions to build up the research capabilities, the innovative skills, and the institutions required to solve their problems*
- *To encourage generally the coordination of international development research*
- *To foster cooperation in research on development problems between the developed and developing regions for their mutual benefit.*

It was clear in all the documents prepared for approval of FoodLinks that the Secretariat was *designed specifically to attract the participation of private sector companies [and] result in the establishment of business ventures with developing country partners*. Although it would receive funding from donors and IDRC, it was always envisioned that the Secretariat would become a business enterprise generating revenue from fees for service and royalties. This initiative would clearly move IDRC from its research, knowledge, and information brokerage role to a business brokerage role, as indicated in the Secretariat's mission statement: *FoodLinks will create partnerships among food producers, processors and marketers...through the provision of commercial brokering and project management services...* This, it is to be observed, is a long way from IDRC's mission: *empowerment through knowledge*.

FoodLinks brochures clearly indicated that the initiative went *steps beyond the Centre's traditional research partners to include private enterprise*. In a *mangoes for sale...new juice...and better bananas* approach, FoodLinks marketed the idea with slogans such as: *Building profitable partnerships, Let's do Business, and Canada's IDRC is Open for Business!*, copies of the political rhetoric of several newly elected governments.

The approach needed to make FoodLinks successful was simply too divergent from the IDRC approach to result in a healthy relationship. FoodLinks would have led, in part, to the corporatization of IDRC, which would require adherence to different core values — values of private, rather than public interest. In this sense, the corporatization of FoodLinks went beyond IDRC's food security theme of providing research and knowledge on policies and frameworks to link commodity chains from production to marketing, in that it would become the actual broker and business agent for the process.

FINANCIAL AND FUNDING ISSUES

Without a doubt, the figures reported in various reports about FoodLinks were confusing for decision makers. For example, the draft proposal to establish the Secretariat, which was very widely circulated to IDRC officials, to several SMC members, and to Advisory Committee members, in July 1997, projected a 10 year revenue of \$28 million, of which \$11 million would come from IDRC. The bulk of the balance was to come from commissions (\$7.5 million) and *other grants* (\$6.5 million). These projections were based on a Business Plan appended to the draft. However, there was a paucity of information about how these revenues would be developed.

When the report went to SMC and the Board of Governors, discussion about potential revenues was of a general nature only: *Revenue generation will take a number of forms: contract services royalty schemes, co-funding program grants, and so on...The FoodLinks initiative has been well received by*

private industry...Efforts will continue to seek co-funding. The budget appended to the report made scant mention of revenues. Showing expenditures of \$1.4 million for the first six months operation and \$2 million for the first full year operation, a note is added stating: *IDRC will cover \$1,200,000 in Year 1 and \$1.3 million dollars in Year 2. The balance will be covered from revenue generated.*

Given the fact that IDRC had closed its Agricultural Division, it was easy for some Board members to suspect that the initiative was motivated more by the supply of experts than the demand for the activity. One did not need to scratch very far beneath the surface to realize that, in spite of great revenue generating plans, FoodLinks continued to be 100% IDRC funded.

5. LESSONS

The FoodLinks experiment raises a number of significant issues, including the governance framework and managerial oversight necessary to embark on a highly innovative venture. Highly experimental ventures need relatively close monitoring, which appears to have been missing in the case of FoodLinks. One Board member noted that *[Secretariats'] independence is supposed to be an advantage but experience shows that they need close supervision.*

It could be argued that the upcoming end to the government's Early Departure Initiative program played a very large role in the decision to close the Secretariat and in the sudden clarity of vision about future chances of success. However, this factor played a part only in the timing of the decision since the decision to close FoodLinks had already been taken. Given the failure of Loblaws to continue with the banana before the Secretariat was approved in October 1997, the reasons given by SMC for the decision should have been known earlier. In other words, if it were not for the Early Departure Initiative program, IDRC might have found itself in a very unattractive financial situation similar to that of WETV. One Board member viewed the FoodLinks experiment as an exercise in career enhancement and management that never had any possibility of attracting additional funds.

Out of this controversial experience, two compelling lessons emerge: the need for a fit with the organizational mission, and the need for objective, clear and concise information.

ORGANIZATIONAL MISSION FIT

As Peter Drucker has pointed out, with all organizations, *missions come first.* Organizations must focus on doing better what they already do well. The following critical questions must be asked:

- Does the opportunity or identified need fit us? Does it match our strengths?
- Are we likely to do a decent job?
- Are we competent and experienced in the area?

Moving outside the realm of core mission can, and often does, lead to a breakdown of the organization and should be avoided. In the case of FoodLinks, IDRC was asked to bankroll an initiative that would

make most venture capital providers cringe. When asked to identify areas where Secretariats could improve significantly, one Board member responded that *the funding mechanism should be looked at. In many cases, IDRC put money up front in the expectation that other funds would come, but they never materialized. A case of IDRC rushing where angels fear to tread.* Clearly the expertise and capacity necessary for this kind of high risk entrepreneurial venture were not part of IDRC's stock and trade.

OBJECTIVE, CLEAR, AND CONCISE INFORMATION

Effective governance cannot be achieved if decision makers are not provided with clear and concise information. Certainly, in areas of innovation and experimentation, room must be made for some uncertainty. However, these areas of uncertainty should receive as much clinical precision as possible. The documentation provided to decision makers fell short of the standards necessary for informed decision making. First, the documentation was too long and too general to be meaningful to decision makers. At least two of these decision makers referred to it as *techno-babble* having the effect of obfuscating rather than informing. Another Board member commented:

The termination of FoodLinks came as a complete surprise soon after the Board had approved its establishment. A letter from the Chair just arrived between Board meetings saying he had approved the management decision on the Board's behalf. But I can't recall any prior discussion of any possible concerns with the Board about FoodLinks. So it makes you wonder a bit about whether we really are receiving all the information we might and what might happen next.

Whether this is intentional or not is an irrelevant discussion. It is easy to see how people can become caught-up in their work and slightly over-enthused about an idea. The point is that there is no substitute for precise and concise information when it comes to good decision making.

6. SOURCES

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- FoodLinks Project Summary to Senior Management Committee, July 1996
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- Interviews with former Executive Director, IDRC Governors, senior management and staff.

INTERNATIONAL MODEL FOREST NETWORK (IMFN)

CASE STUDY

1. GENESIS

Unlike most other Secretariats, IMFN began outside of IDRC. In the late eighties and early nineties, countries around the world became more and more aware of the present generation's responsibilities regarding the Earth's forests and related resources. The need to manage them in a sustainable manner and to find new approaches to put sustainable management into actual practices became more and more obvious.

The Model Forest concept itself emerged in Canada in 1991, at which time 10 model forests were established in major forest ecoregions of the country. The establishment of these forests was based on grass roots partnerships and the development of consensus and innovative approaches. A year later, at the 1992 Earth Summit, the Canadian government announced an initiative to develop this concept internationally and the International Model Forest Program was created. This International Model Forest Program was funded under the Green Plan and given a term of three years.

Initial participation included Canada, Mexico, Russia and Malaysia, with 20 other countries expressing interest in joining the IMFN. The initial work was spearheaded by the Department of Foreign Affairs and International Trade (DFAIT) and Natural Resources Canada, and managed out of the Global Issues Bureau in DFAIT. By 1995, there were 16 Model Forests in Canada, Mexico, Russia, and the U.S.A.

After exploring several options, early in 1995, DFAIT and Natural Resources Canada asked IDRC to house the IMFN as a Secretariat. It was concluded that the goals of IMFN fitted well with IDRC's mandate and that there were a number of links with ongoing work supported by the Centre within the Biodiversity, Food Systems Under Stress, and Technology and Environment Themes. In addition, IDRC had a proven track record of expertise in sustainable forestry, as well as experience in research and capacity building in developing countries. However, it was IDRC's familiarity with international donors, the Secretariat model that it had been experimenting with, and the Centre's position as a

Canadian agency at arm's length from government that made it an ideal environment in which IMFN could thrive.

At this time, IMFN was entering a more international and multi-donor phase of operation—one where common research and evaluation protocols and international networking experience were needed. It was concluded that the existing institutional structure did not provide an optimal mechanism for effective development and management of the network. Development of model forests in other interested countries and building of the network was constrained due to the fact that the international initiative remained essentially a Canadian government program. While this was a Canadian initiative, it was clear that, in the future, it would be better if Model Forests were perceived as relatively independent from the Canadian government and if it were to attract new participants and support from outside of Canada. Further, the \$12.5 million budget for the three year program was the responsibility of DFAIT, and these funds would terminate on March 31, 1997. More efficient administration would be facilitated by bringing these projects under a single Secretariat and the framework would be in place to advance development of the IMFN and to secure the support of other governments and the donor community.

On March 24, 1995, the IDRC Board of Governors, agreeing with this reasoning, passed a resolution authorizing the Centre to enter into negotiations and to conclude an agreement to house the IMFN Secretariat at IDRC. This agreement would enjoy the support of four Canadian partners: IDRC, NRCan-CFS, CIDA, and DFAIT.

What is a Model Forest?

- *A working scale forest encompassing a landscape that includes the full range of values associated with forests*
- *A partnership of people who are prepared to work together to help develop forests that are sustainable for future generations*
- *A grass roots approach in decision making that leads to collective and constructive activities and policies in the management of forests .*

2. CONTEXT

The thinking behind moving IMFN to IDRC proved to be sound. The administrative and legal framework provided to Secretariats housed in IDRC appears to be ideal for both the Secretariat and the Centre. The legal framework provides IMFN with the organizational stability, visibility, and prestige required to progress effectively with its work. The administrative framework has two main benefits. First, it enables Secretariat staff to get on with their very focused work with a minimum of organizational complications or interference. However, it should be noted that the Executive Director spends a considerable amount of time ensuring that the appropriate people in IDRC know what IMFN

is doing and why. These exchanges are most often initiated by requests for administrative assistance or information about administrative matters. Second, the donors are pleased with the arrangement because they are assured that funds are managed in a responsible manner.

The Secretariat receives broader program support from IDRC. It also enjoys a high level of political support that spans government agendas, because of the broad public appeal of the program and the high visibility and success it has enjoyed. There is a clear historical and ongoing link with the government's environmental policy and its international strategy and mandate with respect to forestry. IMFN is an important player since it deals with a key international sustainability issue with so many governments at a variety of levels. Further, the Secretariat enjoys public support due to growing awareness of the importance of retaining and maintaining world forests over the last two decades or so. In short, the values reflected in the Secretariat's mandate, vision, and activities are in accord with those of the public, as well as with broader government policy, and, as demonstrated by the involvement of many other that are seeking to promote and demonstrate sustainable forest management.

Not mentioned in the rationale to move IMFN to IDRC was the well established technological infrastructure available through the Centre. Established technologic networks, coupled with IDRC's eight strategically located international field offices, considerably enhanced the Secretariat's performance ability. It also contributed to the involvement and building of stakeholder support in other countries and governments, adding to the already strong support from partners and donors. The strong relationship, based on common goals, developed with LACRO is an example.

3. THE FUTURE OF IMFN

Early in 1997 a decision was taken by the Steering Committee — IMFN's Canadian sponsors (IDRC, CIDA, DFAIT, and the Canadian Forest Service) — that they would continue supporting the Secretariat, but at a reduced level of funding until March 31, 2000. In the meantime, funding for new model forests will have to come from sources outside Canada. The future beyond March 2000 will be defined by the support obtained from other countries. In other words, if IMFN is to play a global role in forestry, global sponsors have to be found.

To advance this policy decision, IMFN established an international consultation process. Canadian partners and IMFN have been working diligently to promote the model forest concept, assist in the development of model forests, and to internationalize the Network. The consultation process is aimed at advancing the dialogue on the future development of the IMFN and the formalization of its organizational arrangements with interested countries familiar with the model forest concept, or at various stages of pursuing their interest. A number of regional workshops were held to discuss the following issues:

- Refining the definition of a Model Forest
 - Determining the interests and needs of individual countries
 - Determining networking needs at national and international levels

- Defining organizational structures, governance and coordination for the International Network
- Defining obligations in support of the International Network.

Records of two of these 1998 consultation sessions (Tokyo and Oregon) have been published. Two other sets of consultations (Russia and the Southern Cone of South America) have been held. While the latter two workshop proceedings had not yet been published, based on the verbal summaries they received, evaluators concluded that these additional consultations produced results similar to those of the already published proceedings. These intensive consultations seem to indicate a very strong support for IMFN. The Oregon Report, based on workshops involving 74 international experts, concludes:

The Network's focus on people, technologies and research, and on sustainable development, positions it well to address the broad range of issues associated with the rapidly changing interface between people and forests. The model forest concept can provide a link to understanding the interactions between societal values, benefits and forest management practices. Model forests represent an application at the local or field-level that can demonstrate this understanding and positively influence our natural resource management decisions and practices....

The advice from the working group deliberations focused on elements of the potential role for the Network as well as a coordinating body such as the IMFN Secretariat. The consensus of workshop participants was that networking in support of model forest initiatives needs to occur at local, regional, national and international levels and for networking to be effective and efficient it must be resourced and given structure and coordination. At the international level, there was seen to be a need for coordination and facilitation and the preferred mechanism was through an IMFN Secretariat which could focus efforts in a number of areas or on elements including the following:

- *Capacity building*
- *Communications*
- *Funding*
- *Indigenous peoples*
- *Networking and strategic alliances*
- *Leadership and principles*
- *Monitoring and evaluation.*

The conclusion drawn from the four consultations is that there is strong conceptual support for IMFN. Japan and the USA have also made substantial commitments to the process by way of funding international meetings and workshops. However, no solid financial commitments to the direct operating costs of IMFN have been made by interested nations. Should this continue to be the case, it is likely that IMFN will redefine its role beginning April 1, 2000. As one interviewee put it, *IMFN must either fly [internationally] or fold.* Another donor stated that the future of IMFN *depends on external financing and interest in the network and particularly the core funding to run the Secretariat. The*

collective funds from Canada are not going to be increased nor even maintained at current levels. All people interviewed about IMFN were concerned about being able to internationalize the network.

Formal discussions are underway with 12 countries. As the Executive Director pointed out, if real support in terms of sponsorships is not forthcoming, Canadian sponsors will reassess their commitments. It was also pointed out that this support can come in many forms, including direct sponsorship of activities rather than grants to IMFN through IDRC. Many countries do not have mechanisms to flow funds to other governments. Therefore, the internationalization of IMFN may necessitate evolving into an international organization outside of IDRC.

4. VISION, MISSION, AND OBJECTIVES

The IMFN is built upon the belief that the sustainable management of forests is context-specific: social, cultural, economic, and ecological characteristics will influence forest management practices. The IMFN also believes that forests can be managed to meet environmental, and economic goals. The Network provides practitioners around the world with access to the best knowledge available on sustainable forest management and enables them to adapt and adopt that knowledge in keeping with their local conditions. A variety of working models of sustainable forest management can provide useful lessons to all nations struggling with policy and land-use planning conflicts. As the IMFN expands, the prospect for improving forest management on a global level increases. The IMFN vision is:

To foster cooperation and collaboration in the advancement of management, conservation, and sustainable development of forest resources, through a world-wide network of working model forests.

IMFN has carefully defined and limited itself to three critical objectives:

- To foster international cooperation and the exchange of ideas relating to the working concept of sustainable forestry
- To support international cooperation in critical aspects of forest science and social science that underlie the search for new models of forest management
- To support ongoing international discussions on the criteria and principles of sustainable development.

Unlike most other Secretariats, IMFN has a truly global reach, encompassing both northern and southern countries. There are, for example, several model forests in countries that fall outside of IDRC's mandate. Perhaps because the idea is so compelling and so closely linked to the theme of sustainable development, this fact has not emerged as a policy issue in any of the interviews or other discussions about IMFN.

5. FUNDING AND FINANCIAL VIABILITY

Sponsors can contribute in two ways: directly and indirectly. Indirect contributions play an important part in IMFN. In 1997/98, the USA and Japan sponsored IMFN international workshops and conferences, and this, along with contributions from other countries provided support to IMFN activities at an estimated value of \$500,000. In addition, Japan has earmarked funds contributed to FAO to be used in model forest development in the Asia region. The table below summarizes IMFN's sources of direct contributions. IMFN has committed funding until March 2000. Funds shown as contributed in 97/98 are intended to cover all IMFN costs until March 2000. Hence, the annual expenditure budget has decreased significantly. The sources of funding, in millions of dollars, are as follows: IDRC \$1.3M; CIDA; \$2.0M; DFAIT \$4.3M; Canadian Forest Service \$0.9; and SEMARNAP \$1.2M.

Of the total amount expended to date, 50% has gone to the direct support of model forests in Russia, Malaysia, and Mexico. The other 50% is taken up by operational costs, publications and other core expenses.

IMFN SOURCE OF FUNDS

Donor	95/96	96/97	97/98/99/00 (3 fiscal years)	Total	%
DFAIT	2,968,000	1,300,000		4,268,000	44%
CIDA	250,000	48,979	1,745,500	2,044,479	21%
IDRC	290,000	500,000	500,000	1,290,000	13%
SEMARNAP			1,200,000	1,200,000	12%
CFS	317,500		600,000	917,500	9%
Total	3,825,500	1,848,979	4,045,500	9,719,979	100%
% Year	39%	19%	42%	100%	

6. GOVERNANCE AND MANAGEMENT

STRATEGIC LEADERSHIP

Interviews with IDRC and IMFN staff and Advisory Committee members confirmed that much of the Secretariat's success emanates from solid strategic leadership. While it is clear who is in charge, the staff, donors, and IDRC officials are consulted widely on practices, administrative matters, and decisions to be taken. A great deal of effort is expended building and maintaining external relationships within the host organization, experts in the field, donors, and interested countries. There is a high level of respect for the leadership, a clear understanding of the mission, a concern about getting significant activities done well, and an openness to new ideas from all sources. This is particularly evident in the way in which staff are involved in work planning and strategy setting. For example, the annual budget and work planning processes include all Secretariat staff. The result is that all staff have an intimate

knowledge of objectives, processes and direction. A strong participatory philosophy — driven by the belief that, if people are to be fully engaged and perform to their maximum level, they need to understand how what they do fits with the whole operation — is at work in IMFN.

GOVERNANCE AND MANAGEMENT

Housed at IDRC, IMFN is subject to the rules and regulations governing Secretariats. IMFN is headed by an Executive Director who is supported by four staff members. It receives policy direction from a Steering Committee of donors and IDRC representatives, the Chair and the President's Designate. Formally, the Steering Committee meets twice a year, but it is in frequent contact with the Executive Director between meetings. The President's Designate is a member of IDRC's Senior Management Committee (SMC). He provides close liaison between the Secretariat and SMC. In addition, an IDRC Vice President chairs the Steering Committee and provides ongoing support and advice to the Executive Director.

The Executive Director and his staff provide day-to-day coordination for the Network. IMFN is continuously engaged in fostering the interchange of information and experience within the Network. It serves as a channel for the introduction of new ideas and technologies, the use of the results of scientific research in improving the performance and output of Model Forests, and the planning and organization of workshops, seminars and discussions. The Secretariat's tasks include promotion, coordination, administration, fund-raising, technical advice and guidance, and public relations. The IMFN Secretariat is involved in a variety of activities designed to strengthen and expand the Network and its impact on improving the management of the world's forests on a sustainable and environmentally-friendly basis. These activities include: network development, communications, services to Model Forests, assistance for new Model Forests, contacts, and public relations.

7. ACTIVITIES AND PERFORMANCE

IMFN's performance can be measured in four ways:

- Number of Model Forests
- Internal and external reputation
- Amount of activity generated and its impact
- Financial viability.

NUMBER OF MODEL FORESTS

Since the IMFN moved to IDRC, four new Model Forests have been established, namely: one additional one in Mexico, one in Chile, and two new ones in Japan. Further, because of IMFN's work, Japan has taken the initiative to earmark FAO funds for a model forest in Asia.

INTERNAL AND EXTERNAL REPUTATION

Like EEPSEA, IMFN enjoys a very positive reputation, both inside IDRC and outside. When ranking the degree to which Secretariats have met their expectations on a five point scale (from 1 — *not at all*, to 5 — *completely*), interviewees frequently used IMFN as an example of a five. IMFN is often used as an example of excellent Secretariat-IDRC relations. Further, it is almost always used as one of three examples of well-functioning Secretariats, the other two being EEPSEA and Bellanet. Relations between IDRC and IMFN are strong. Secretariat staff observe that they receive from IDRC all the support that they ask for. Much of this positive relationship is due to the attitude of the Executive Director who believes that good relationships are essential for getting things done quickly and smoothly.

Externally, IMFN enjoys a high level of recognition, both in Canada and abroad. Model forests are an important part of a national strategic interest for Canada to demonstrate its commitment to sustainable forest management. Some believe that Canada's interest in Model Forests is an important way to respond to criticisms about clear cutting in Canada emanating from Greenpeace and some European countries.

Nevertheless, IMFN is seen to have strong links to Canadian foreign policy. One interviewee identified IMFN's major accomplishment as having show-cased Canada as a leader in forest management and indicated that it is largely responsible for any credibility Canada currently has in forestry management. He added that Canada is solely responsible for keeping the idea of model forests alive internationally.

The model forest idea is very attractive — people need very little convincing about why it is important.

Donors commented that IMFN has led to positive perceptions of IDRC. One sponsor commented that: *IDRC can be congratulated for its dedication and commitment. [They] were very attentive in giving IMFN the profile that it needs. IDRC is doing the necessary and then some. Another noted: I have a better sense now than before of how IDRC operates. They have been light on their feet. [The Executive Director] seems to have the autonomy and the support that he needs and I can't think of anywhere else in Ottawa where that particular balance could be achieved as well.*

Internationally, there is little doubt that IMFN is respected, but efforts to internationalize the Secretariate by attracting sponsors from other countries have not been very successful so far. Frequent references are made internationally to IMFN and its work, including in FAO reports and in the work of the World Commission of Sustainable Forestry and others.

ACTIVITY GENERATED

Since moving to IDRC, IMFN has, in addition to making numerous presentations at international conferences, successfully undertaken a number of major activities:

- February 1996 — IMFN led two missions to South America to explore expanding the Network to Chile and Ecuador. Following the mission, Chile signed an agreement with IMFN to proceed with the development of a Model Forest
- April 1996 — A discussion paper on the way ahead, entitled *Structures and Strategies*, was prepared and tabled with Network members (approximately 600)
- May 1996 — A workshop was held in Cordoba (Argentina), providing an overview of the diverse conditions and problems relating to forestry in Argentina. Argentina committed, in an agreement with IMFN, to proceed with developing Model Forests, and an Argentinian selection committee was created to set up a process to review proposals
- May 1996 — A mission to Vietnam and Japan offered the opportunity to explore Model Forest possibilities in these countries
- May 1996 — An agreement was signed by IMFN and the IDRC Latin America and Caribbean Regional Office to join efforts to expand the Network in Latin America
- June 1996 — Discussions with German and British officials were held in Germany on Network activities
- July 1996 — Discussions on expanding Model Forests in Mexico resulted in a third Mexican Model Forest encompassing Monarch butterfly reserves
- September 1996 — Information sessions and tours to Vietnam, Japan, USA, South Africa, and Indonesia were organized to explore Model Forest partnerships
- September 1996 — North American Regional Public Hearing of the World Commission of Forests and Sustainable Development were held in Winnipeg and featured the Model Forest concept. Mexico, USA and Canada reported on their experiences. A tour of the Manitoba Model Forest was offered
- October 1996 — Missions from Chile, Argentina, and Japan were hosted by IMFN and Canadian Model Forests
- October 1996 — The first IMFN Forum was held in Mexico and attracted more than 250 participants
- November 1996 — An international workshop highlighting Model Forests was held in Kochi Japan, following which discussion were held about two proposed Model Forests in Japan
- January 1997 — The Canadian government approved financing for a three-year transition period (March 1997-March 2000) to support the establishment of the IMFN as a truly international institution through, among other things, forming alliances and internationalizing the Network's financing and governance
- March 1997 — A Model Forest workshop was held in Malawi
- May 1997 — The *People Growing with Forests* conference showcased Canada's Model Forest program in Manitoba
- May 1997 — A Commonwealth Forestry Conference was held in Zimbabwe
- September 1997 — An International Conference on Sustainable Forest Management was held in Prince George, B.C.
- October 1997 — The XIth World Forestry Congress was held in Antalya (Turkey), following which a consultation process to determine the future of the IMFN was agreed upon. Member countries reported on their positive experiences with IMFN and described plans to increase the number of Model Forests within their countries. Benefits of

membership in the Network were positively assessed. China, Australia, United Kingdom, and South Africa discussed the possibility of joining IMFN. All countries present agreed to engage in a collective dialogue and to participate in meetings over the next 18 months to provide perspectives on their needs and expectations from the Network. The consultation process in brief would allow members to:

- Refine the definition of a Model Forest
- Determine the interests and needs of individual countries
- Determine networking needs at national and international levels
- Define organizational structures, governance, and coordination for the International Network
- Define obligations in support of the International Network.
- March 1998 — Consultations were held in Japan and Chile
- March 1998 — An Assembly of Model Forests was held in Portland, Oregon
- April 1998 — Consultations were held in Russia, following a Model Forest Workshop.

IMPACT

At this point in time, although often found attractive in theory, the model forest idea remains unproven in practice. It is simply too early to determine if model forests do make a real difference in the way forests are managed. Started in Canada as an experiment six years ago, Model Forests are a national program. After first five years of operation, an extension was granted for another five because more time was considered necessary for them to demonstrate positive impact. Therefore, it has not yet been determined whether Model Forests have been successful in the sense of demonstrating positive impact. A comprehensive evaluation will be made towards the end of the second five year period.

Similarly, international networking about model forests remains a theoretically sound idea and has already shown some value added effects. However, the idea has not been assessed in practice and the impacts have not been determined yet. Consequently, countries considering supporting the network financially are reluctant to institutionalize the idea. IMFN is clearly in the middle of a developmental phase with little knowledge of where the experiment will lead. Since most of the experience with model forests resides in Canada, the international networking experiment will likely be evaluated in parallel with the evaluation of the national program.

As we have seen, however, IMFN has already had considerable impact. It has facilitated the creation of new model forests, provided a focal point for multi-disciplinary interest in the topic, and offered a new approach to dealing with a global environmental and sustainable development issue. Moreover, there is considerable evidence that the activity of the Secretariat is recognized, nationally and internationally, as significant work. For example, the 1997 Annual Report of Japan's Forestry Agency describes the first two Japanese model forests as part of Japan's contribution to international sustainable forest management. Attention is drawn in this report to the cooperation links with model forests in other countries and to the support provided through the network. Similarly, the Report of the Working Group on Community Involvement in Forest Management to the UN Intergovernmental Panel on Forestry, entitled *Communities and Forest Management in Canada and the United States*, highlights Canada's exceptional international leadership in this area. In yet another example, IMFN is referenced

on page 4, as an important part of Canada's National Forest Strategy and contribution internationally. Under the framework for action:

[Canada] will maintain, enhance and demonstrate the contribution that forest ecosystems make to the health of the planet... By cooperating with countries and with regional and international organizations on research and forest policy development through initiatives such as the International Model Forest Network...

8. LESSONS

Key lessons gleaned from the IMFN experience encompass lessons on environments conducive to the good performance of Secretariats, the importance of building strong and supportive relationships, the ability to experiment with innovative approaches to deal with an uncertain future, and the importance of having national backing, and the fit with national policy.

CONDUCTIVE ENVIRONMENT

IDRC has proved to be an excellent host for IMFN. It was able to receive existing functions from other Canadian departments and quickly establish a credible Secretariat. The transition was extremely smooth and the arrangement proved to be productive. Contributing departments and donors are very satisfied with the transition and oversight provided by IDRC. Contributors all noted that their view of IDRC improved significantly after IMFN was transferred. This positive perception is echoed by the Executive Director who has experience in several other Canadian government departments:

Having worked in lots of different organizations and organizational cultures, IDRC is a treat — it is very conducive to accomplishing some real achievements. It is a very positive environment with a high level of professionalism.

These positive observations are a strong indicator that IDRC is able to host highly innovative organizations in a way that fosters creativity. In this sense, IDRC has reached what so many other organizations find extremely difficult to find — a balance between accountability and autonomy. Attesting to this fact is the consistency of the views of interviewees and the ability of IMFN to operate relatively autonomously and very effectively at an international level. Also attesting to this finding is the 1998 Internal Audit of IMFN which found nothing of substance to criticize about its operation, compliance with rules, procedures, probity, and so forth. This ability to be flexible and relatively autonomous is particularly critical to IMFN's sphere of influence because model forests cut across many jurisdictions, (levels of government and sectors) and disciplines (water, agriculture, forestry, indigenous people, environmental protection, etc.).

BUILDING STRONG AND SUPPORTIVE RELATIONSHIPS

Very much interrelated to the first lesson is the finding that time spent building strong and mutually supportive relationships is a high-return investment in terms of the smoothness of operations and the ability to focus on outputs and on the mission at hand. The Executive Director's approach is to solve issues before they become problems. This approach is particularly important in the IDRC Secretariat, mainly because there is no single point of entry between Secretariats and the rest of IDRC — that is, no single responsibility centre to steward, or speak for Secretariats. This fact alone demands that, to be successful, Secretariats must carefully nurture a variety of relationships within IDRC at all levels.

Although the Executive Director was recruited from outside IDRC, he took the time to learn the culture and to develop a clear understanding of what his role, responsibilities, and functions and those of IDRC were. Further, he has not treated the relationship as a static one, understanding that IDRC is an organization constantly evolving to address issues in a changing Canadian climate and in a dynamic global environment.

These strong relationships have been established on four levels: between IMFN and IDRC, between the Executive Director and staff, between IMFN and Steering Committee members, and between IMFN and its network members. About 30% of the Executive Director's time is spent on nurturing relationships between IDRC and IMFN. The result is that IDRC staff view IMFN very positively and are happy to assist them in any way they can. About another 30% is spent with his staff, who, according to interviews, are highly motivated and positively engaged in their work. They are also highly supportive of the host organization. Relationships with the Steering Committee are very strong. Frequent informal communications occur between meetings. Communication with the Chair of the Steering Committee occurs on a monthly basis. Based on Workshop reports, members of the international network view the work of IMFN as valuable and very professional.

EXPERIMENTATION, PLANNING, AND UNCERTAINTY

IMFN is unique in that it is actively taking charge of its own future. One of its key objective is to internationalize and is prepared to radically restructure, metamorphose into an international institution if necessary, and even close if this objective is not met. Other Secretariats have not shown this level of organizational maturity, in that they seem unable to visualize in any meaningful way the fact that the job they set out to do may be either over, finished, or not worth pursuing. The trajectory set by IMFN is bold and involves a great deal of organizational risk.

However, there is a more important and more subtle lesson to be learned from the IMFN experiment which highlights one of the hitherto unmentioned advantages of Secretariats. They constitute a relatively low cost way of experimenting with new and innovative approaches in an environment where risks are relatively controlled. By spreading funding, it is possible to somewhat reduce the risk. In addition, Secretariats can be started and just as quickly stopped. Relatively bold experiments can occur without precluding what the results might be. Here we are reminded of Dror's belief that many of our traditional approaches to public management are ineffective in dealing with new and most often unique problems created by globalization. Governments, he argues, should be spending even small amounts of

their resources on bold new ways of addressing emerging issues that transcend all borders. Indeed, one of the key advantages of Secretariats is that they make it possible to do just that — IMFN is a perfect example.

NATIONAL BACKING AND POLICY FIT

It is clear that the IMFN idea would not have been started, nor proceeded very far, without national backing. As it is advancing the government's public policy objectives, it has the active support of most of the relevant government departments. It seems that Secretariats that are in harmony with other related policy initiatives can generate the kind of support enjoyed by IMFN. By contrast, Secretariats not enjoying this support have a great deal more difficulty achieving any degree of success. SIFR, for example, offers an equally compelling idea but lacks the official backing of Canada's Department of Fisheries.

This observation may be troublesome to some who believe that IDRC, with its pure research role, is independent of the policies of the government of the day but others would argue that IDRC is becoming more responsive to public policy. Examples include involvement in Eastern Europe and advice to the South African government on organization and governance issues. An important observation is that IDRC is not static. It is an evolving organization responding to a rapidly changing environment.

Needless to say, it is beyond the scope of this Review to address this issue. However, even though there is some tension between IDRC's policy framework and some of the activities it is involved with outside this framework, two observations should be made. First, the general trend in public administration—highlighted in Canada by the recent budget review methodology — is toward abandoning activities that have no direct public policy purpose. Second, it is to IDRC's credit that it has a mechanism like Secretariats that can quickly and holistically respond to emerging international issues and circumstances that other departments cannot respond to because of jurisdictional and national boundaries. Rather than being problematic, this may be a key advantage of Secretariats that has yet to be explored. Indeed, one of IDRC's strengths is its innovativeness of which Secretariats are a manifestation.

9. SOURCES

- IMFN Newsletters
- IMFN Annual Reports
- IMFN Internal Audit, June 1998
- IMFN Structures and Strategies Draft Discussion Paper, April 1996
- IMFN Publications (Model Forest Program in Russia, Mexico, etc.)
- IMFN Proposals (Chihuahua, Calakmul, etc.)
- IMFN Web-site
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- *IMFN International Workshop: Record of Workshop Discussions*, 1998
- *Annual Report on Trends of Forestry, Forestry Agency, Ministry of Agriculture, Forestry and Fisheries*, Japan, 1997
- *Communities and Forest Management in Canada and the United States*, Working Group on Community Involvement in Forest Management, 1998
- *National Forest Strategy — 1998-2003*
- Interviews with Executive Director, Steering Committee, IDRC Governors, senior management and staff and Secretariat staff.

INTERNATIONAL TOBACCO INITIATIVE (ITI) (NOW *RITC: RESEARCH FOR INTERNATIONAL TOBACCO CONTROL*)

CASE STUDY

1. GENESIS

Globally, tobacco-related diseases are the most important preventable health problem with a cumulative mortality exceeding rates for AIDS, tuberculosis, and complications of childbirth combined. The World Health Organization (WHO) estimates that tobacco use kills three million people each year, and that deaths related to tobacco will rise to ten million each year by 2020 — 70% of the deaths will be in developing countries. In developing countries, with little or no regulation of the industry, consumption is growing rapidly, stimulated by the few multinationals that control most of the world's tobacco industry.

In low-income countries, tobacco production threatens sustainable environments while tobacco consumption threatens sustainable and equitable development. Until recently, this threat has not been seen as a development issue. However, due to success in the North, led by Canada, in arresting and reversing the smoking epidemic, the focus of the tobacco industry is increasingly centered on populations in developing economies. The experience of Canada and other industrialized countries demonstrates that successful measures to reduce tobacco consumption depend upon comprehensive and consistent public policy, underpinned by substantial multi-disciplinary research. Canada and other industrialized countries have valuable tobacco control experience to share with developing countries.

Over a one-year period, an IDRC working group compiled a catalogue of the resources and issues surrounding tobacco and international development. They concluded that there is an inter-disciplinary leadership vacuum and an urgent need for a coordinated and enhanced effort to support policy-relevant research directed at minimizing the negative developmental effects of tobacco production and consumption. Consequently, in 1994, IDRC initiated a project called the International Tobacco Initiative (ITI), to deal with this issue which was reviewed by SMC in August 1994 and approved by the Board of IDRC on October 20, 1994.

2. CONTEXT

The economic, social and environmental implications of tobacco are extensive. For example, directly related medical expenses and loss of productivity due to tobacco use total more than \$100 billion US per year. The World Bank estimates the cost to be \$208 billion US. However, despite these high costs, tobacco is an alluring business. In addition to being a cash crop growing in soils which will support few other crops, it offers huge export opportunities, and a ready source of tax revenue.

A number of serious environmental problems are also associated with tobacco including: deforestation to grow crops, wood burning curing systems, and the fact that, in tropical soils, tobacco depletes soil nutrients faster than any other crop. Social problems abound. Overall health care costs of tobacco-related diseases, effects on the health of infants of smoking mothers, and the fact that in many poor countries families spend up to 5% of their income on tobacco products are examples. These factors create complex development issues. It is critical that efforts to decrease demand for tobacco are complemented by the development of lucrative alternative crops and enterprises for those individuals and governments which have grown to rely upon tobacco's profits.

Combating tobacco's negative effects is one thing, dealing objectively with the economic realities and practical public policy constraints is another. Bringing them together provided what seemed to be an ideal niche for IDRC. Before ITI, there was no comprehensive approach or substantial multi-disciplinary research to deal with this development problem.

3. MISSION, OBJECTIVES AND GOALS

ITI's mission is to provide a strong funding, research, analysis, and knowledge base for the development of policies that would minimize the threat posed by tobacco production and consumption to sustainable and equitable development in the developing world. The initiative has as its overall goals to support the strategic research and partnerships required for the development of effective tobacco control policies and programs and to support an investment in southern capacity to sustain such programs. There were four sub-goals: strategizing, capacity building, research, and information dissemination. These were spelled out in considerable detail in the Formation Memorandum to IDRC Senior Management Committee and are repeated here because one of the central lessons to be learned from ITI is the need to have a very sharp focus, narrow enough to apply limited resources and achieve noticeable results. Each of these sub-goals had specific objectives and identified outputs or performance standards that are summarized below.

STRATEGY 1: ESTABLISHMENT OF ITI

Objective 1: to promote multi-donor participation in the development of ITI's program

- Announcement by IDRC and other committed donors at the *1st World Conference on Tobacco and Health* in Paris, 1994
- Donor meeting on the agenda of the *LXth World Conference* to be hosted by IDRC
- Through working on the planning committee, the placement of tobacco's implications for women on the agenda of *The United Nations IVth World Conference on Women*, Beijing, 1995
- Launch of an electronic donor network discussion.

Performance Standard

- IDRC's leadership established in a coordinated multi-agency effort
- Assured funding base provided by national and international donors
- Elevated profile of tobacco production and consumption as a threat to sustainable and equitable development.

Objective 2: To establish the Steering Committee, Staff ITI, and build relationships

- Gather a group of financially committed donors, participants from southern organizations, and subject area experts for the Steering Committee
- Appoint a high profile individual with a successful track record as program coordinator.

Performance Standard

- Effective and mutually supportive relationships between Centre Programs, SMC, the Centre as a sponsoring agent, the Steering Committee and the organizations they represent, ITI, and the benefactors.

Objective 3: To prepare ITI's goals, objectives and work plan

- Building upon work already completed at IDRC, prepare an assessment of needs in basic and applied research to support tobacco policy development in the developing world.

Performance Standards

- Focused and attainable goals and objectives
- Multi-disciplinary research strategy
- Harmonized relationship between ITI and others already active in the field.

STRATEGY 2: CAPACITY BUILDING

Objective 1: to promote and support contact between experienced tobacco control advocates and researchers from the developing world

- Conduct guided research activities to capitalize upon the existing expertise in tobacco control and to facilitate linkages between experts
- Prepare a roster of international human and organizational resources in tobacco control
- Support participation in conferences and workshops.

Performance Standard

- A resource network in the South with expertise in research and action for developing effective tobacco control legislation.

Objective 2: To develop education/training systems and tools to promote the expertise required to develop tobacco control policy

- Support specialized expertise programs for training in the fields of information sciences and systems, epidemiology, health promotion, health economics, agriculture and environmental science, social policy, and legislation making, as related to tobacco control.

Performance Standard

- The creation of a pool of knowledgeable people throughout the South with the capacity to gather, analyze and act upon data concerning the consequences of tobacco production, use and control.

Objective 3: To mobilize both beneficiaries and potential losers of tobacco control efforts

- As a part of each activity, the impact upon stakeholders will be analyzed. All activities must occur with an awareness of who the potential beneficiaries and losers of tobacco control activities.

Performance Standard

- Minimized harmful impact upon those gaining their livelihood from tobacco production, manufacturing or marketing.

STRATEGY 3: STRATEGIC RESEARCH

Objective 1: to provide technical, material and financial support for tobacco research in the realms of economics, health, informatics, the environment, agriculture and social sciences

- Research agenda responding to the demands of the South and reflecting priorities of social development, economic management, and a sustainable use of the environment.

Performance Standards

- Applied research which is credible, action oriented, and country specific upon which to base comprehensive and appropriate policies to control tobacco
- Intensive and effective local tobacco control activities with potential spin-offs for other countries.

STRATEGY 4: INFORMATION DISSEMINATION—INFORMATION, COMMUNICATION, EDUCATION SYSTEMS THROUGHOUT THE DEVELOPING WORLD

Objective 1: To promote attention to tobacco issues amongst donor organizations

- An electronic donor network discussion has already been launched, bringing the issues of tobacco to the attention of donor groups.

Performance Standard

- The promotion of inter-agency links in tobacco-related activities and the development of innovative activities.

Objective 2: To maximize impact upon policy makers regarding the priority of concerns of tobacco consumption and production

- Prepare a review of best practices in tobacco control in health promotion, taxation and legislation, advocacy, and regulation of the tobacco industry
- Support systematic surveillance information systems to survey, analyze and report data on tobacco-related disease incidence, knowledge, attitudes and behaviors surrounding tobacco use, effects of tobacco production on agricultural systems and the environment, and effects of tobacco production, use and manufacturing on the economy of specific nations
- Develop an electronic atlas of tobacco control for developing countries in which data, research findings, and successful strategies relevant to policy formulation could be accumulated and accessed for legislation development.

Performance Standards

- Increased knowledge of successes and failures in tobacco control
- Increased access to country-specific data on research findings to support policy development.

Objective 3: To disseminate awareness of the implications of tobacco use to the public

- Provide support for activities on the implications of tobacco use, through formal medical, public health and educational venues, and through informal venues reaching a wide audience.

Performance Standard

- Increased public awareness of the implications of smoking.

4. FUNDING AND FINANCIAL VIABILITY

All funding for ITI came from Canadian sources. For the first three years of operation, IDRC promised \$1.25M, Health Canada \$850,000 and CIDA \$2M. At the outset, ITI envisioned that it would leverage funds by receiving donations from many other agencies including: WHO, International Union Against Cancer, Canadian Society for International Health, International Agency for Research on Cancer, Canadian Cancer Society, American Cancer Society, International Union of Health Education, International Union Against Tuberculosis, World Bank, USAID, The Carter Center, The Rockefeller Foundation, the Edna McConnell Clark Foundation, SAREC, DANIDA, and NORAD. However, the initial expectations that the Initiative would mobilize funding from additional donors and partners over and above the \$4.15M pledged was never realized.

As it turned out, IDRC and Health Canada were to be the only contributors until very recently. As of January 1998, only Health Canada has contributed \$.85M of the \$2.9M anticipated from outside sources. The lack of follow through on CIDA's part is attributable to a combination of reasons. First,

when ITI was proposed, and CIDA was enthusiastically supportive, IDRC had an active Health Sciences division that was eliminated during reorganization. Many people outside IDRC were upset about this move, viewing it as the end of health research at IDRC. Second, as we will see further on, IDRC was very slow in adequately staffing ITI, a second signal raising questions for prospective partners.

However, in ITI's March 1998 Financial Statement, it is indicated that a contribution agreement of \$465,000 from the Swedish International Development Cooperation Agency is in the final stages of negotiation. This has since materialized. In addition, CIDA's interest has been rekindled — a point to which we will return.

ITI SOURCES OF FUNDS

Donor	94/95	95/96	96/97	97/98	Total	%
IDRC	1,250,000			1,000,000	2,250,000	73%
Health Canada	250,000	200,000	200,000	200,000	850,000	27%
Total	1,500,000	200,000	200,000	1,200,000	3,100,000	100%
% Year	48%	6%	6%	39%	100%	

Of the \$3,100,000 actual contributions to date, ITI has expended \$1,161,585 during its three and a half years of operation. At March 1998 fiscal year end, ITI showed a current fund balance of \$2,377,896 made up of the \$1,200,000 contribution for the current year and an unexpended balance of \$1,177,896.

For the fiscal year ending March 31, 1997, ITI expended \$204,001 on program activities and \$235,481 on management and administration, spending \$439,482 of the planned expenditure of \$1,177,896 for the year. The picture for year ending March 1998 was almost identical: \$248,098 of a budgeted \$1,056,097 were expended on program activities; \$218,432 of \$311,838 were expended on management and administration. With the appointment of the new Executive Director and two new full time professional staff members in 1998, these ratios have dramatically improved. As of 30 September 1998, program expenditures have reached 60% of total expenditures.

According to ITI, this lower than planned level of activity in 1997/98 is attributable to the fact that it was a transitional year. The transition entailed augmenting the staff from one project coordination position to two and appointing a part time Executive Director to devote 30% of his time to ITI. No explanation for this variance was given in the 1997 year-end report.

5. GOVERNANCE AND MANAGEMENT

In August 1994, ITI was approved by the Board of Governors as a Project and not as a Secretariat. In doing so, the Board agreed the IDRC could administer \$2.9 million provided by CIDA and Health Canada. However, the CIDA money was never forthcoming.

ITI has a Steering Committee that meets annually. It also has a President's Designate and Program Contact with IDRC. Unlike most other Secretariats, ITI does not have a full time Executive Director. Perhaps because of the funding difficulties with CIDA, financial problems prevented this essential step from happening.

Two years after the establishment of ITI, internal correspondence indicates that IDRC managers were still very uncertain about what to do. In March 1996, the ITI Coordinator (on a one day a week contract filling in for someone on maternity leave) raised concerns about ITI's status and reporting relationships. She wondered whether ITI could be designated a Secretariat, and questioned the appointment of a new coordinator, who had little background in tobacco issues, and to whom she would report. The Acting Coordinator raised other concerns about an internal advisory committee that met sporadically and rotated the chair to various people including the Acting Coordinator.

In management's response, ITI was described as *still finding its feet* and consideration was said to be given to linking ITI to the Healthy Public Policies Program Initiative. This was seen as advantageous in that it strengthened linkages between programs. It was concluded that if ITI *evolves into something more visible, perhaps seeking additional funding and perhaps being led by an international figure*, the reporting relationship to a Program Officer might be reviewed. In conclusion, it was suggested that the link with another Program Initiative was most attractive and, as such, ITI could report to two people for *administrative purposes*.

If the lack of follow through on funding commitments by CIDA can perhaps be blamed for the lack of initiative in appointing an Executive Director, it was clear to everyone that little progress was being made. Sadly, this situation was to continue for another two years. The next management decision was to supply ITI with an external Executive Director who was hired as a consultant on a 1-2 day a week basis and rarely spent time in the ITI office. Several interviewees pointed out that the two people involved during the first four year period lacked the core competencies to do the job. They were characterized as lacking substantive expertise, not having international experience, not understanding research, and having no development expertise or experience. Further, interviewees were told that office politics caused ongoing problems during this period and the individuals assigned either part or full time struggled for control of the fledgling organization. For most of its life, then, ITI has, in effect, gone without an Executive Director.

In December 1997, as the term of the part-time external Executive Director ended, the Chair of the Steering Committee wrote to the President of IDRC saying that ITI had developed a new program and funding strategy and believed that it could expand its donor group. The new program depended on a dramatic increase in staff positions: a full time Executive Director, two program officers and administrative assistance. It also needed more financial support from IDRC. A further \$1 million was

requested for a two year period beginning in January 1998. If IDRC was unwilling to provide the necessary resources, the Steering Committee proposed that the Secretariat be closed. There was an idea that it could be transferred outside IDRC to another host institution.

IDRC's response was to provide the additional \$1 million and to assign a senior qualified IDRC program officer as Executive Director on a part-time basis (30%). It remains to be seen if this will be enough of his time. ITI has recruited two qualified Program Officers within the last few months. With support staff, they now seem to have a critical mass with which to move forward. The new team has already begun to make a difference having refocused their objectives, secured funding from Sweden, and have rekindled CIDA's interest. IDRC is beginning to look more committed to the International Tobacco Initiative.

6. ACTIVITIES AND PERFORMANCE

The 1994 Project Summary Memorandum establishing ITI was approved by IDRC Senior Management Committee, but was not forwarded to the Board of Governors. This document contains an extensive list of suggested activities and performance standards related to each of the four goals. These activities are summarized in Section 3 above.

Needless to say, the expectations raised by these strategies, objectives, and activities are colossal. The resources required to meet most of the performance standards would be enormous. Within the parameters of this Review, it is difficult to ascertain with any precision the degree to which some of the objectives have been met. Until very recently, annual expenditures on programs — including research, capacity building, country activities, and information dissemination — have been relatively low. Annual expenditure for these programs has been around \$180,000 for the past three years.

Some of the main program activities are research projects or grants including:

- Program for Appropriate Technology Health (PATH Canada) — \$31,000.
- Smoking Behaviour and Attitudes (Turkey) — \$51,410
- Comprehensive Tobacco Control Research Program for South Africa — (\$300,000)
- Economics of Shifting from Tobacco: a micro-level study and action project (India) — \$242,560
- Six other small grants averaging \$20,000 to various research organizations and conference organizers.

Under these grants, the following projects have been completed: Political Mapping for Tobacco Control (Vietnam), Smoking Behaviour and Attitudes (Turkey), and two components of the Comprehensive Tobacco Control Research Program for South Africa. Active projects include: Economics of Shifting from Tobacco: A Micro-Level Study and Action Project (India), Tobacco Control Strategies Phase II (Turkey), and Cigarette Consumption, Production and Taxation Policy (China).

ITI has also been working with other organizations to help develop national strategies for tobacco control within regional settings. Regional meetings are organized for Latin America and the Caribbean (August 1998), Asia (November 1998), and Africa (January 1999). There is also a collaborative project between ITI and the Ecosystem Health Program Initiative on *Tobacco Growing and Ecosystem Effects* being funded by the Special Program Funds of Programs Branch.

ITI has had some important early successes. The first was at the meeting in Bellagio, Italy, which was organized by ITI in June 1995. It brought tobacco control experts and activists together with agencies which had already a stake in the international tobacco control scene and those who were not yet convinced that it was a serious *development* issue. ITI successfully brought all groups to share a common framework which resulted in the influential *Bellagio Statement on Tobacco Control and Sustainable Development*. This statement has been reprinted many times and affirms the importance of tobacco consumption as a development priority which cuts across the fields of health but also social and economic development and environmental sustainability. IDRC was asked to lead a round-table process among agencies to develop a global partnership for tobacco control. This meeting put ITI and IDRC on the international tobacco control map. More recently, the very stringent tobacco control legislation in South Africa certainly owes something to the ITI funded project and to the related ITI-supported conference on *Towards an Optimal Policy Mix for Tobacco Control in South Africa*, held early in 1998, which the Minister for Health attended.

Unfortunately, through the early years, there was ineffective follow-up by ITI, which is only now being turned around. The first three and a half years of ITI's existence were marked by weak and sporadic leadership and a commitment by IDRC that appeared questionable to existing and potential partners. When asked the reasons for this seeming lack of action or attention on the part of IDRC, one respondent answered that there were really a multitude of problems: the changes and reductions at IDRC that occupied much attention and energy; IDRC's change in mandate that jeopardized funding; internal administrative problems; office politics; lack of an empowered, capable Executive Director; lack of capacity to deliver on program objectives; lack of intellectual or knowledge capacity in the subject area to a point where existing staff, as sparse as they were, could not implement programs they knew little about. The respondent continued:

And besides, most people at IDRC are overworked. We've lost lots of competent staff. This caused turmoil and a tendency to be overly inward looking. In the end, nothing gets attended to until a crisis occurs. It is a reactive rather than a pro-active organization.

The inattention to the monitoring and evaluation of this initiative appears all too obvious. In the Inception Memorandum, a commitment was made to ensure ongoing evaluation of the progress and impact of the Secretariat. An evaluation strategy and performance indicators were to be incorporated into the design of the projects in order to provide information to:

- Monitor and report on ITI's progress towards its objectives
- Improve the efficiency and effectiveness of ITI's activities
- Document ITI's impact.

The Review team was unable to find any evidence of this commitment having been met. Further, key informants reported that they have little or no information about ITI's activities, that the sporadic annual reports offer little help, and that it is sometimes hard to get information because no one is at the other end of the phone.

7. LESSONS LEARNED

ITI offers three very clear lessons about capacity, focus, and leadership.

CAPACITY The capacity within IDRC to deliver on objectives set out by new Secretariats is an issue that emerged on several occasions during interviews conducted for the Review. Relatively little attention was given to what exactly was to be delivered, whether it could be delivered, or whether IDRC had the knowledge, expertise, and experience to deliver.

It is in this regard that ITI faltered. ITI was not ill considered, the ideas behind it are sound. However, the project was embarked upon with considerable naivety reflecting a lack of knowledge, expertise and experience in the area. IDRC misjudged the power of the tobacco lobby — on both sides of the issue. Upon entering the unfamiliar arena, a hornets' nest of problems was found. Not only was the pro-tobacco lobby strong and effective, but the anti-tobacco institutions were just as determined to protect their own interests, influence, and leadership roles and were quite prepared to thwart the efforts of upstarts.

After its rocky and slow start, some key informants believe that ITI has gone through the necessary learning curve and is now poised to implement its strategy. However, it seems clear that more attention must be paid to capacity issues before embarking on a new enterprise. In the case of ITI, little, if any, attention was given to the amount of work entailed in the objectives and activities described. The level of human and financial resources, the knowledge, influence, and leadership required to deliver on the proposed programs were woefully underestimated.

FOCUS The central idea of ITI is appealing and lends itself to building support. However, it seldom seems to be expressed in concise and relatively simple terms. Certainly this is not to say that the problem is a simple one. It is far from that. However, when we look at the plethora of strategies, objectives, activities, and desired outcomes presented, we are awestruck at the level of resources required to achieve them. This again reflects a level of naivety about this undertaking. The chances of success of a Secretariat are enhanced by having very sharply focused delimited goals and objectives.

Many interviewees pointed out the importance of having precise and concise missions, goals, and objectives as a foundation for Secretariat success.

LEADERSHIP As Peter Drucker so often observes: *If a job is worth doing, it is worth dedicating resources to.* For all of its life, ITI has been assigned a part-time Executive Director, and for the first three and a half years, the concentration of effort was a mere one day a week. This was hardly enough to get the initiative off the ground or to signal that IDRC was serious about it. The challenges faced by ITI require the full-time effort and dedication of an effective leader. To think that any more

than marginal progress is likely to be made with part-time leadership, with 70% of their time dedicated to other demanding tasks, is fanciful.

However, it is instructional and encouraging to note that the dedicated effort of the new and highly qualified part-time Executive Director has resulted in considerable progress. In just a few months from his appointment, additional funding has been secured from SIDA (Sweden), CIDA is *back at the table*, qualified full time staff have been selected and appointed, and the mission and objectives are being better focused. The future now looks more promising for RITC.

For some key informants, the initial period of relative inactivity reflects badly on IDRC. They report that, while the initiative is salable, IDRC has shown little interest in fully supporting ITI. What is being asked of existing and potential donors is that they make a continuing leap of faith and believe that, someday, IDRC will back the project. This of course is the *catch-22* ITI and IDRC find themselves in. Naturally, more donor funding would enable more aggressive staffing levels.

Similarly, the strength of Secretariats is seen by many to be based on their relative autonomy from IDRC — *the arm's length distance*. This has two advantages. First, it helps them focus all efforts on the single issue with which they are tasked. Second, it enables donors to become more actively involved in the collaborative effort. As we have seen throughout the course of this Review, donors are happy with IDRC's stewardship, but also insist on exercising fully their partnership role.

Finally, it is one thing to recognize a leadership vacuum, as IDRC did with the tobacco issue. It is quite another thing to be able to fill the vacuum. This requires building a constituency of committed collaborators, which, as we have seen from other cases such as SIFR, is not always easy — particularly in areas that impinge on the influence of other institutions and interest groups.

8. SOURCES

- Interviews
- ITI Annual Reports
- ITI Financial Statements
- Project Summary, (founding Memorandum), 1994
- Program of Work and Budget
- Internal correspondence
- ITI Website.

MICRONUTRIENT INITIATIVE (MI)

CASE STUDY

1. GENESIS

In September 1990, the World Summit for Children endorsed goals for the elimination or significant reduction of micronutrient deficiencies by the year 2000. These goals were further endorsed in 1992 at the International Conference on Nutrition. By this time, it was recognized that micronutrient deficiencies are a major obstacle to the health of a significant proportion of the world's population *and* that the deficiencies can be eliminated by existing cost-effective solutions. What was needed was a significant multi-sectoral effort involving policy makers, communities, the food industry, scientists and technicians, and donor agencies. The Micronutrient Initiative (MI) was established in 1992 in response to this call with a mandate to catalyze the international and multi-sectoral process through advocacy, and broker technical and financial support.

Originally, the proposal to have a small international Secretariat that could stimulate and coordinate the effort was made in December 1990 by the World Bank, with the idea that it would be affiliated with the UN Administrative Coordinating Committee's Sub-Committee on Nutrition (SCN). The Secretariat would be guided by an Executive Board consisting of UNICEF, WHO, FAO, UNDP, and the World Bank, together with four bilateral donors, three scientific experts, and the chair of the SCN.

At the same time, the Canadian government was taking a lead in fighting micronutrient deficiency and hosted a meeting of Health Ministers called *Ending Hidden Hunger* in Montreal in 1991. During the process of a series of meetings and discussions on the Secretariat, IDRC offered to host it. The IDRC proposal, made by the President, was that the Secretariat would have a lifetime of 10 years, after which its functions would be transferred to an international organization. It would have its own governing structure with an Executive Board on which would sit CIDA, the World Bank, UNDP, and IDRC.

The rationale offered by IDRC for why it should host the MI Secretariat was that:

- IDRC had an active nutrition program which focused on operational research, community assessment, social marketing, and linking policy and action

- IDRC was interdisciplinary, with health and agricultural sciences expertise
- IDRC had helped to create donor consortia and international organizations like ICRAF and INIBAP
- IDRC was a neutral venue outside the UN system.

The IDRC proposal was accepted by the other donors and was then presented to the IDRC Governors at their Executive Committee meeting in January 1992. The IDRC Board resolution authorized the Centre to house the MI Secretariat in IDRC in Ottawa, on the understanding that the Secretariat's operations would be subject to the Centre's administrative policies and practices. All administrative costs, including office space, would be reimbursed to IDRC.

The MI began operations on April 1, 1992 as IDRC's first international Secretariat.

2. MISSION, FOCUS, AND STRATEGY

MISSION

The mission of the Micronutrient Initiative is to catalyze the sustainable control of micronutrient malnutrition by the year 2000, in keeping with the goals of the World Summit for Children:

- *Virtual elimination of iodine deficiency disorders*
- *Virtual elimination of vitamin A deficiency and its consequences, including blindness*
- *Reduction of iron deficiency anemia in women by one third of the 1990 levels and sustaining it thereafter.*

At the latest meeting of the Steering Committee, there was a decision on extending the mandate of MI beyond 2000 and to review the mission with the possibility to include a wider range of nutrition issues for consideration and approval by the Steering Committee.

FOCUS AREAS

The MI's program of work is designed to address five strategic issues that are common to all micronutrient deficiencies and are considered critical for their elimination. These are:

- Advocacy and alliance building
- Development and application of technologies
- National and regional initiatives
- Capacity building
- Resolution of key operational issues.

STRATEGIC APPROACH

The cornerstones of MI's strategy are:

- Responding rapidly to *shifting* priorities and needs
- Supporting *sustainable* interventions
- Making limited, timely investments strategically targeted at critical gaps and niches
- Working with other partners and through existing institutions and mechanisms
- Assisting in national strategy development where the problem is most urgent
- Supporting target countries and regions where micronutrient deficiencies are greatest and affect the largest numbers of people
- Increasing the coverage of supplementation programs
- Focusing on food fortification to alleviate micronutrient deficiencies
- Leveraging additional financial support and donor involvement.

3. ENVIRONMENT

The MI grew out of an increasing awareness of the problem of micronutrient malnutrition globally and the relatively easy ways in which it could be solved, if national governments, international donors, and the food industry worked together with communities and with scientists to eradicate it. The target of *virtual eradication* by the year 2000 was a huge challenge but was possible to achieve.

The visibility brought by the two international conferences in 1990 and 1992 had placed micronutrient deficiency, *the hidden hunger*, on high-level policy action agendas around the world. Since 1990, most national governments have committed themselves to eliminating micronutrient deficiencies and have adopted specific plans of action to do so. The food industry, especially the producers of staple foods such as salt, sugar, flour, dairy products and oils, as well as the processed food industry producing noodles, condiments, and snack foods have begun to recognize their role in reducing hidden hunger by adding micronutrients in the food refining and production process. The policy environment was therefore ready for a greater commitment, additional investment, and leadership in international and multisectoral coordination.

The three micronutrients that account for a major part of *hidden hunger* are iodine, iron, and vitamin A. Thirty percent of the world's population is affected by one or more of these deficiencies. They suffer learning disabilities, impaired work capacity, and increased risks of illness and death. Children are especially at risk.

There is already demonstrated success in reducing and eliminating micronutrient deficiencies. Iodization of salt has reached coverages of 80% and higher in many countries. Iron intakes can be improved by providing both tablets and syrups to target groups such as women and children and by fortifying staple foods such as flour which reach the general population. Vitamin A supplements can quickly reduce the deficiency to be followed up by food fortification programs adding vitamin A to

sugar, oils and milk. All of these approaches can be complemented with better nutrition education and programs to improve diets generally. These solutions are cost-effective. It is estimated that 5% of the gross domestic product of some countries is lost to micronutrient deficiencies. Solving the problem would cost less than 0.3% of GDP in those same countries.

It is now generally recognized that the elimination of micronutrient deficiencies presents the best opportunity to improve the lives of the world's population at a low cost and in a short time. The advantages of reducing micronutrient deficiencies are so obvious and well known that the question is *why has more not already been done to eliminate hidden hunger from the world*. The MI operates in a supportive environment in which national governments, international agencies and the Canadian government through CIDA are dedicated to achieve the goals of the World Summit for Children. Its main challenge is not to develop a receptive environment but to position itself strategically within it.

4. CAPACITY

STRATEGIC LEADERSHIP

The early leadership for the MI came from the President of IDRC. He was very involved in the negotiations to bring the Secretariat to IDRC and chaired the founding meeting of the MI Board in April 1992. At that meeting, he was appointed as Chair of the Board for the next two years and was also appointed as interim Executive Director. The search for an Executive Director came from the President's Office and the job description indicated that the Executive Director would report to the MI Steering Committee and would be offered a salary that was considerably higher than IDRC salary scales. The tone was set that MI was different from IDRC.

Before an Executive Director was appointed, in April 1993, IDRC had downsized and eliminated its own nutrition program. The IDRC President, acting as interim Executive Director, had transferred two IDRC program staff into the two professional positions in the new Secretariat without consulting the MI Board members or waiting for the ED to be appointed. This decision caused concern among the other donors and led to discussions about governance between them and IDRC.

The first Executive Director was a former employee of both IDRC and CIDA and was therefore familiar with the institutional setting in which he was operating. However, he stayed in the position for only one year. After an international search, the second, and current, Executive Director was appointed in April 1994 for a three-year term as a consultant to IDRC. In 1996, his contract was renewed for a further three years to September 1999. The present Executive Director was new to IDRC and came from a food industry background with extensive experience in Canada and overseas. It is largely to his leadership that MI owes its present achievements and international recognition.

GOVERNANCE

At the first meeting of the MI Steering Committee (then called an *Executive Board*) on April 27, 1992, it was agreed that the Executive Director would report to the MI Steering Committee and that they

would be responsible for setting policies and programs for MI. At their second meeting, on May 18-19, 1993, the MI Steering Committee approved a signing authority of up to \$50,000 for the Executive Director (who, as a consultant, could not authorize expenditures without an authorized IDRC co-signatory). The MI donors were told that the MI staff would not be bound by the IDRC salary scales. There was agreement that it would be worthwhile to eventually incorporate the MI, and IDRC agreed to seek legal counsel on the matter. The MI Steering Committee thus began with a very different understanding of the relationship between MI, IDRC and the other donors, from that held by the IDRC Board of Governors. It also understood that MI was not bound by IDRC administrative policies, including signing authority and salaries, and that exceptions would be made as appropriate. This set the stage for some genuine misunderstandings in the nature of the governance of MI.

STEERING COMMITTEE

The Steering Committee of MI consists of representatives of CIDA, the World Bank, UNDP, UNICEF, USAID, and IDRC. The Steering Committee meets at least once a year and discusses the work plan and budget. Members of the Steering Committee have expertise in micronutrients and can give technical advice to the Executive Director.

The early misunderstandings that developed between the Steering Committee and IDRC continued to create some friction in the relationship between them for several years, and probably affected the working relationships between the staff of MI and support functions in IDRC. In 1997, the Steering Committee commissioned a study to review governance options for the MI Secretariat and to examine the relationship with IDRC. This study identified a number of misunderstandings between the Steering Committee and IDRC, and suggested that MI re-negotiate its working relationships with IDRC, while retaining the same governance arrangement and overall policy regime, at least in the short term. The Steering Committee adopted this approach, while keeping open the possibility that MI would become independent in a few years. Since late 1997, the liaison between MI and IDRC has significantly improved and there have been few exceptions to IDRC policies. All parties agreed to the need for the MI to work within IDRC policies and for exceptions to be considered on a case by case basis. This includes the salaries paid to MI staff, almost all of which now fall within IDRC salary scales.

MANAGEMENT

The MI is managed by an Executive Director within the overall administrative structure and support of IDRC. Between 1992 and the end of 1996, the MI core staffing structure did not change significantly. The Executive Director was supported by two program officers, an administrative coordinator, and an administrative assistant. In the first quarter of 1997, three new full-time staff were appointed: a senior program officer, an information officer, and a Director, South Asia Programs. Except for this Director, who is stationed at IDRC's Regional Office in Delhi, all the other MI staff are based in Ottawa at IDRC headquarters.

A study conducted by a management consultant in January 1998 found that the present staff are knowledgeable about MI's mission and the international development and policy context in which they work. They showed a high level of enthusiasm and commitment to their work and were able to

communicate with one another. A major concern was that the Executive Director had too large a span of control and could not provide the direction and supervision required to all of the staff who reported to him. Another problem in the management of such a small and flat organization as MI was, at the time, that the opportunities for career progression and development were limited and unclear.

A major increase in financial resources and in the work to be accomplished in 1997-98 meant that the staff of the MI Secretariat had to be increased quickly and significantly. The management consultants identified a number of specific problems in the existing management structure of MI. These included:

- Inadequate total staff resources to implement the existing work plan
- A need for more support to the Executive Director, especially from a senior management team
- Some key skills were missing in the staff complement
- Too much reliance on external consultants
- Staff concerns on clarity of their own job descriptions.

Recommendations included that the total staff complement, including three new senior managers, be appointed and that new appointments have key missing skills such as food science, communications, information resource management, program management, database management and financial management. It was proposed that the existing 12 full-time equivalents be increased to 20.5 in 1998-99 to reach 26-30 full-time equivalents by 2000.

The expansion and restructuring of human resources in accordance with this plan are well underway. While it is likely to cause some upheaval and growing pains in the MI Secretariat, it is urgently needed to ensure that the work plan can be carried out effectively. Earlier problems, such as frequent *last minute* requests to IDRC administrative support units and its inability to maintain communications with its stakeholders (both a result of inadequate staff resources) have already been overcome.

The restructured management of MI includes four Directorates under the Executive Director:

FINANCE AND ADMINISTRATION Responsible for planning, coordination, and delivery of all internal finance and administrative support functions; and liaison with IDRC including financial and administrative accounting, reporting and accountability

INFORMATION AND COMMUNICATIONS Responsible for planning, coordination, and delivery of internal information, communications and related research support services, database management, the design and delivery of dissemination programs, and the design and delivery of communications materials and activities;

PROGRAMS Responsible for overall planning, implementation, coordination, and delivery of programs and projects, including strategic planning, business development, and partner development

TECHNOLOGY DEVELOPMENT AND RESEARCH Responsible for planning, implementation, coordination, and sharing of applied research and technology development for application in MI's

programs and projects, including the identification of research and technology development needs and synthesis of results.

The Directors to lead these functions are under recruitment: three have recently been appointed and one (Programs) is currently searched for. Other positions are also being filled and new office space is being made available by IDRC. Thus MI will soon have a full complement of staff and will represent a major focus of expertise within IDRC. It will also be well positioned to transform itself into a more independent organization as it increases its internal human resources to carry out the full array of administrative, communication, financial, and program functions required.

FUNDING

Unlike many Secretariats in IDRC, MI's programs have not been limited by overall funding difficulties for most of its history. At its first meeting in April 1992, the Steering Committee (*Executive Board*) of MI agreed that one role of the Secretariat would be to act as a channel for funds to *pass through* to other organizations and also agreed that the earmarking of funds to MI by donors would be accepted.

These two decisions have helped to shape the MI to what it is today. They have also contributed to some strain in the relationship and *fit* with IDRC because major funding has, in fact, passed through the MI, particularly from CIDA to UNICEF. This has caused some concern to IDRC management, as it has some implications for IDRC's own compliance with Treasury Board regulations. It has also meant that most of the funds to MI have been restricted and earmarked for specific activities. The operations and salaries of the Secretariat itself are being met out of core contributions from CIDA, the World Bank, IDRC, and UNICEF.

From April 1992 until March 1998, the MI has received \$69.5 million, of which 86% has come from CIDA. IDRC's contribution of just over \$3 million for the same period represents only 4% of the total MI budget and other donors contributed significantly to operational costs, both directly and through the overhead levied by IDRC. The Centre's contribution was, however, critical to the operational survival of MI since, when commitments had to be made beyond the operational funds on hand, IDRC had to, in effect, guarantee projected deficits in the Secretariat operations until other funds were received.

One of the specific problems raised by the Steering Committee in relation to funding was that MI should have its own bank account and interest on the balance should accrue to MI rather than to IDRC. This was a long-standing irritant for other donors which was responded to only recently by IDRC management, although the Independent Investigator to WETV had recommended in 1995 that separate bank accounts be established for Secretariats with sufficient funding and financial transactions to warrant it. At the January 20, 1998 meeting of the MI Steering Committee, it was agreed that interest earned on MI's funds would be credited to their projects and that this could be implemented without a separate bank account being established.

FUNDING CONTRIBUTED TO THE MICRONUTRIENT INITIATIVE APRIL 1992 - MARCH 1998

Donor	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	Total	%
CIDA	4000000	12000000		14280000	11,350,000	18350000	59980000	86
WB	301483	647475	805000	1084000	1285169	1394350	5517377	8
IDRC	1527566			500000	500000	500000	3027566	4
UNICEF	128250			68750	203250	245200	645450	1
Other				70413		291110	361523	1
Total	5957299	12647475	805000	16003163	13338419	20780560	69531916	100

5. PERFORMANCE

RELEVANCE

As will be clear from the discussion of the development context and international policy environment in which MI is operating, the mission and strategy of the Secretariat is seen as extremely relevant. The goal is to reach certain targets for the elimination of micronutrient deficiencies by 2000 and the Canadian government has taken a lead in the international effort. The location of the MI Secretariat in a Canadian venue is acceptable to the UN donors and the timing of its programs leading to the year 2000 thus fit in with this context.

What is less clear is how the MI fits in the current IDRC context. It includes research activities but is largely involved in operations — both operational planning and implementation. Now that nutrition has all but disappeared from IDRC's own programs, there are questions raised internally in IDRC about how relevant MI is to the mission and *program* niche of IDRC, although it is evident that the MI mission fits well with IDRC's corporate mission in international development. Underlying these questions is the issue of size; the projected financial and human resources for MI begin to rival that of IDRC's Program Branch, and the need for a large and visible MI to be seen to be relevant to IDRC's corporate program strategy becomes more explicit.

ACTIVITIES

The MI Secretariat works in an operational mode geared to implementation and outputs. Its activities are structured into five areas, which together make for a coherent and strategic work plan designed to well position MI as a catalytic player, which can coordinate inputs and provide technical solutions to the major implementing agencies like UNICEF:

- Advocacy and alliance building
- Development and application of technologies
- Regional and national initiatives

- Capacity building
- Key operational issues.

ADVOCACY AND ALLIANCE BUILDING The focus here is to play a key role in the international and regional fora in which micronutrient deficiencies are discussed, to ensure that micronutrient deficiencies are kept on the political agendas and in the priorities of donors, to build partnerships with the food industry, and to provide the information needed by all these stakeholders.

DEVELOPMENT AND APPLICATION OF TECHNOLOGIES Some of the technologies needed to achieve the goals of the World Summit for Children are not yet developed and in others, others are available but are not applied. The main focus is in the area of food fortification technology, at both large and small scales, of food production. For example, one major activity is the refinement of the process to doubly fortify salt with both iodine and iron. Another is demonstrating the feasibility of fortifying rice with vitamin A.

REGIONAL AND NATIONAL INITIATIVES MI is developing special programs for countries where the severity of the deficiencies is greatest, where large populations are affected, or where special opportunities for intervention exist. These include fortification of soybean sauce with iron in China and flour fortification in Latin America.

INFORMATION MANAGEMENT AND CAPACITY BUILDING MI acts as a Resource Centre and clearinghouse for information about micronutrient malnutrition and produces and disseminates information through publications and the Internet, including electronic databases on micronutrients (MI and MN-NET). It also holds courses for food fortification consultants who can provide technical assistance to food producers, develops capacity for quality assurance programs, and develops education kits for primary schools.

OPERATIONAL ISSUES The MI is uniquely positioned to be able to identify where controversies or bottlenecks are blocking progress towards eliminating micronutrient deficiencies at national, regional or international levels. Key operational issues being addressed include the resolution of controversies on anemia interventions and the correct dosages in a range of fortified foods.

OUTPUTS AND IMPACTS

The MI has considerable accomplishments for its first four years of operation. It is recognized internationally as a key player in the war against micronutrient deficiencies and has helped to raise awareness of the importance of the problem, and the availability of cost-effective solutions. This combination has attracted major funding into the MI, and into programs generally, to combat *hidden hunger*.

MI has been active on the policy front and recently provided input for a resolution to eliminate micronutrient deficiencies approved by the Heads of State of the MERCOSUR countries. It also helped to organise a large international dialogue meeting, the Ottawa Forum, to promote interagency

partnerships. MI also co-sponsored a series of regional and national meetings bringing together government and food industry representatives.

The MI was selected as the focal point to collect all available information resources on micronutrient malnutrition and has developed the MN-NET website to provide a database available to all. It has also published technical documents and videos as well as awareness building posters and pamphlets. Among its most important publications are: *Monitoring of Universal Salt Iodization Programs (1995)*; and *Micronutrient Fortification of Foods: Current Practices, Research and Opportunities (1996)*.

In terms of technical innovations, the MI has successfully supported the development of a salt fortified with both iron and iodine which is stable for at least one year under conditions of high humidity and temperature, and which allows good absorption of both elements on consumption. The MI also supported important investigations on iodine stability in salt from developing countries to evaluate different packaging and environmental conditions. These studies resulted in the development of recommendations by WHO/UNICEF/ICCIDD for improving iodization programs. MI has demonstrated success in field testing a technology to fortify rice with vitamin A in Indonesia and shown that the product is acceptable to consumers.

MI is providing support for national Vitamin A programs in more than 30 countries through UNICEF field offices and is supporting 15 NGOs in 12 countries to implement programs to increase coverage and to improve monitoring of interventions. Linked to these field programs, MI has increased national capacities to monitor Vitamin A delivery systems and increase coverage and community involvement.

INTERNAL/EXTERNAL REPUTATION

MI has achieved a high visibility and a very good reputation among international agencies and countries involved in micronutrient deficiencies. Indeed, several external sources attested that after UNICEF, the MI was one of the best known and most well regarded initiatives in the field. It appears to have positioned itself well and has a clear focus, mission and achievements.

Within IDRC, MI's reputation is more mixed. The concern is not with the mission or technical competence of the staff, both of which are well regarded. The issue is more that MI does not *fit* with IDRC's own mandate to support research for development, and is now growing so large that it is no longer a small operation on the side, but a major activity, neither in nor out of IDRC. As has been discussed, contributory factors in this unease as expressed within the Centre are that MI is partly a *flow through* operation; that it is mainly funded by one donor — CIDA; that MI does not always conform to IDRC standard operating procedures; and that it doesn't give IDRC adequate recognition. What is not always recognized is that, even where funds are passed to UNICEF for implementation, MI must exercise technical quality control and financial oversight for CIDA funds.

The very success of MI in having evolved in four years from its initial small start-up phase to its current position as an internationally recognized Secretariat which can bring partners together and attract funding, seems to have contributed to some of the strains that are felt today within IDRC.

FINANCIAL VIABILITY

Given the continuing support of major donors such as CIDA and the World Bank, the future financial viability of the MI looks secure, at least until 2000. The issue of restricted versus unrestricted funding may continue to be a problem, together with the challenges brought by year to year funding rather than multi-year commitments. In response to this problem, CIDA has agreed to increase its share of core funding towards the operations of the MI and is looking to ways of providing multi-year funding. With the grant agreements for both 1998-99 and for 1999-2000, CIDA has provided and committed more funds for operations. This is important as the major increase in the cost of running the Secretariat means that more of the future funding must be able to be allocated to Secretariat operations. Another funding difficulty faced by MI in the past has been the rapid response required to accept funds at the end of the fiscal year which need to be expended within short time horizons.

6. LESSONS

COMMUNICATIONS BETWEEN IDRC AND OTHER DONORS

The early history of MI saw a number of important misconceptions arise between the donors on the MI Steering Committee and IDRC staff and management. The Board of IDRC, in approving the establishment of the MI Secretariat, had specified that it would be subject to IDRC's normal policies and practices, and IDRC staff and management generally followed this in dealing with MI. However, in its discussions with IDRC, the Steering Committee of MI understood that it had authority to set policies and make decisions on appointments and salaries for MI staff. Their understanding was that, where MI needed an adjustment to IDRC's normal administrative procedures, this would be forthcoming. The result was some tension between IDRC staff and the MI Executive Director and staff, as well as with the donors on the Steering Committee over a number of administrative issues, some of which could have been avoided if there had been better communication at the outset and more direct regular contact between IDRC and the donors on the MI Steering Committee. This situation has improved during 1998 following the consultant's report pointing out the problems.

The Board of IDRC did not have direct information from the Steering Committee of MI and only heard about some of the administrative concerns about MI when Internal Audit reported to them in June 1997. At this time the Board wondered if other Secretariats were having similar problems. It was noted that the new Guidelines for Secretariats should clarify some of the issues. In interviews with Governors, direct discussions between Governors and donors funding IDRC Secretariats was suggested by some as a way to improve both understanding of their point of view and the quality of the information received by the Board.

SYNERGY WITH IDRC PROGRAMS

The experience of MI raises the issue of how far Secretariats should, or need to have close links and synergy with IDRC Programs. One of the characteristics specified for Secretariats in IDRC and which

is used by Internal Audit to assess them is that they are active in a field relevant to IDRC's competence and programming. In interviews with IDRC staff and MI staff, the issue of poor links to IDRC programs was often mentioned. It was also raised by external donors who felt that one of the reasons why IDRC was seen as a suitable host institution for the new Secretariat was that it had an ongoing nutrition program. When the MI was established, the IDRC nutrition program closed and the program link with IDRC effectively withered from that time.

In addition to the intellectual interaction and stimulus that an active group of nutrition specialists in IDRC could have brought to MI, one of the disadvantages that MI has suffered in not having close program links, is that it has lacked a champion within the Program Branch of IDRC. Similarly, MI has worked essentially separately from IDRC Programs, and its professional expertise has not been effectively linked to Programs Branch. The MI team has demonstrated success in forging partnerships with national governments and the food industry, and in supporting innovations in technology and health interventions. There would appear to be more potential for synergy than is perhaps recognized by either side.

The lesson may be that a Secretariat does not need to have close program links with IDRC to be successful and to bring visibility and credit to IDRC, and to Canada. For MI, it is not IDRC's programs that make it an attractive host institution today. Rather, it is IDRC's overall reputation as a good, flexible, relatively neutral development agency with a strong presence in developing regions through its regional offices. The issue of how MI is linked to Programs Branch would appear to be more a matter of concern for IDRC Programs than for the MI Secretariat or its donors.

A NATURAL PROGRESSION...? The arrangement between MI and IDRC has been a supportive one for MI and has allowed it to grow more rapidly than probably any other IDRC Secretariat in reputation, resources, staff and activities. In the last year, MI donors have been giving serious consideration to changing the status of MI from a Secretariat within IDRC to an independent organization. Thus MI may represent a lesson in achieving what was always foreseen as a natural progression for IDRC Secretariats; that IDRC would act as an innovator, a catalyst and an incubator for new initiatives which would one day—when they had reached a level of maturity and financial sustainability—become independent organizations. Whether MI remains a Secretariat within IDRC or eventually becomes established with its own legal identity, the future outlook is extremely positive.

7. SOURCES

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- MI Job descriptions and Organizational Chart, September 1998
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STRATEGY FOR INTERNATIONAL FISHERIES RESEARCH (SIFR)

CASE STUDY

1. GENESIS

The Strategy for International Fisheries Research (SIFR) originated from donor demand and was based on extensive, well-founded research. The management of oceans and freshwater resources had become a recognized global problem and the lack of research was identified as one of the key problems contributing to the limited success of many development projects in this sector. The Fisheries Development Donors Consortium (FDDC), a group of 30-40 people representing many of the key public and private donors, first met to explore these issues in Paris in 1986. There was consensus that the lack of coordination of research, information, and the provision of aid to fisheries represented major constraints to development in this area.

The first initiative of FDDC was to commission the Study of International Fisheries Research. Involving over 100 scientists, fisheries administrators, and experts, the study was considered to be the most comprehensive ever attempted on fisheries research. It took two years to complete and costed over \$860,000 US.

The major conclusion of the study was that the strengthening of national research institutions, with focused development and management-oriented research programs, could contribute significantly to the development of national economies. The establishment of appropriate means to facilitate donor coordination was strongly recommended.

Based on the study, completed in 1991, the donors agreed to establish and fund SIFR. Originally, it seemed as though the most suitable candidate to house the Secretariat was FAO. Other Steering Committee members, however, were adamantly opposed to this idea. The second attempt to house SIFR, this time at the World Bank, also failed because the activity and arrangement were outside the Bank's mandate and policy framework. It was then that the Committee turned to IDRC to house it at

the Centre. Approved by IDRC's Board of Governors in October 1992, the Strategy for International Fisheries Research, (SIFR) was one of IDRC's first three Secretariats.

2. CONTEXT

Fisheries provide the main source of animal protein for more than one billion people and employ 100 million, mostly poor people. Fisheries exploitation has major social, economic, and environmental repercussions. The need for an integrated resource-management approach based on socio-economic and sustainability principles is critical to the preservation of living aquatic resources.

By helping countries in their efforts to strengthen their national fishery research capacity, donors will help them create new development opportunities, redress current development problems, and remove many of the constraints to effective development research. Among these constraints are:

- The lack of sufficient operating funds
- Inadequate access to scientific information
- Inadequate national sector policies
- Few research programs that concentrate on broad development and management issues
- The lack of integration between research disciplines and national institutes.

SIFR was established to develop mechanisms for matching the research priorities of developing countries with the interests of donors. It is guided by a Steering Committee which reports to the FDCC and is composed of representatives of the World Bank, UNDP, FAO, Commission of European Communities, IDRC, and NORAD.

3. GOALS, MISSION, AND OBJECTIVES

SIFR seeks to encourage the coordination of fisheries research for the sustainable development of living aquatic resources. High priority is given to strengthening the capacity of research institutions in developing countries to conduct applied research at the local and regional level. In addition SIFR seeks to encourage support for strategic research through the CGIAR (Consultative Group on International Agricultural Research) centers involved in living aquatic resource management.

SIFR presented an ideal fit with IDRC's objectives and strategy. As indicated in the IDRC strategy document, *Empowerment Through Knowledge*, research coordination and network building were high priorities for the Centre. Conceptually, IDRC was instrumental in creating SIFR along with representatives of other donors and national programs. In keeping with IDRC's philosophy, the strategy was global in concept with most of the dissemination taking place through regional and national workshops with southern countries. Early on, it was recognized that the success of SIFR was largely dependent upon the involvement of national governments. These need to give a higher priority to the sector by involving their planners and allocating greater support to fisheries research.

The SIFR Plan for Action focused on the provision of support to fisheries research and on helping countries develop their fisheries policies and programs. It called for donors to support:

- National institutions linked to regional or wider networks according to specific selection criteria
- Exchange of scientific information supporting regional initiatives
- Transfer and adaptation of technology resulting from research
- Research conducted by universities and advanced scientific institutes
- Exchange of information about fisheries research activities.

These initiatives required direct staff work to promote donor coordination. In addition, technical and scientific work was required, including:

- Preparing national research strategies and plans
- Monitoring progress and consultation with donors and recipients
- Supporting regional research networks
- Providing an active interface between research results and development programs through the rapid transfer of technology
- Bringing the results of strategic research to developing countries.

The five main objectives of SIFR are:

- To improve the effectiveness of donor assistance to fisheries research for the benefit of developing countries
- To disseminate the SIFR report and stimulate developing country reaction to it
- To increase donors and recipients' awareness of needs and priorities with relation to the Indicative Plan, and to increase effective coordination
- To improve coordination among implementing agencies
- To provide support to the Steering Committee in updating the Indicative Plan for submission to the Third Fisheries Donor Consultation in 1993.

Given the strategic fit with IDRC, the involvement of a large number of donors in the diagnosis and recommendation stages, the broad base of donor commitment, and the sound basis upon which the rationale was built (a large number of missions, workshops, and the major World Bank study previously mentioned), SIFR is perhaps the best example of a conceptually well grounded Secretariat.

4. FUNDING AND FINANCIAL VIABILITY

Originally, SIFR envisioned obtaining funding from a wide array of donors. IDRC funds were requested to cover some of the local costs of the Secretariat and for the dissemination aspect of the strategy. IDRC was confident that other donors would provide further support and that much of the specific project support would be directed to developing countries.

The financial plan or the approved budget for SIFR for the first two years of operation was \$861,000, of which, originally, 33% were to come from IDRC and 66% from other donors. 46% ended up coming from IDRC and 54% from other donors, primarily UNDP and the World Bank.

Of the \$1.7 million used by SIFR during the six years since its inception, approximately \$1.4 million, or 80%, was provided by IDRC. Of this amount, \$320,500 were earmarked for *Sustainable Oceans Development*, a specifically IDRC/Canadian initiative. The UNDP, the next largest contributor, provided approximately 15% of the funding. Five other donors provided around 1% each. Given the initial expressions of interest by other donors, contributions to SIFR had fallen far below expectations.

SIFR SOURCE OF FUNDS (THROUGH IDRC*)									
Donor	91/92	92/93	93/94	94/95	95/96	96/97	97/98	Total	%
IDRC	49,511	372,610		320,500	639,989			1,382,610	80%
UNDP				225,500		28,856		254,356	15%
Other	25,000				19,301	49,485	1,256	95,042	5%
Total	74,511	372,610	0	546,000	659,290	78,341	1,256	1,732,008	
% Year	4%	22%	0%	32%	38%	5%	0%	100%	100%

* Note that some other money not identified here was held by the UNDP (including funds for evaluation and for the salary of the first Executive Director). In addition, project funding controlled by other donors is not shown.

Of the approximately \$1.7 million expended by SIFR during the period from its inception to August 1998, 31% went to program activities. These activities included workshops, studies, and publications. The remaining 69% were expended on salaries (39%) and overhead costs (30%). At first sight, these ratios appear to compare unfavorably with other Secretariats. However, the principal role of SIFR demanded a very labor-intensive set of activities associated with collaboration and coordination, and participating donors insisted that project funds pass through existing bilateral and multilateral channels, not through the SIFR Secretariat office.

While SIFR had a potentially broad base of donors — more than 40 representatives participated in the FDCC — actual contributions were small (between \$1,256 and \$38,286). In the end, IDRC and UNDP/World Bank provided 95% of the funding. Surprisingly, other than the \$463,000 pledged by the UNDP and \$25,000 from ICOD, no other donor support either pledged or anticipated is mentioned in the 1992 Memorandum to IDRC Board of Governors.

In the end, IDRC was to receive only \$254,264 of the UNDP planned contribution. Interviewees expressed *return-on-investment* concerns.

5. GOVERNANCE AND MANAGEMENT

One of the first steps in starting SIFR was to develop a job description for the Executive Director (originally called Executive Secretary) and to carry out an international search. Of the 70 applications that were screened for the job, Steering Committee members could agree on only one. However, this

process was not without controversy. Heated debate took place among donors as to the need for such a person, the institutional affiliation, and the role vis-à-vis FAO. There was never a full consensus on these issues. In 1991, for example, it was first decided to locate the Executive Director in the World Bank. About a year later, this office was moved from the WB to IDRC in Ottawa.

Once appointed in October 1992, the new Executive Director was faced with establishing the Secretariat at IDRC, preparing a work plan, disseminating the SIFR Report, establishing liaison with donor agencies and countries, organizing the Bulletin, and identifying a demand-led fisheries research plan in coordination with FAO. This last activity led to many difficulties and accounted for most of the Executive Director's time and energy. At the Steering Committee meeting in October 1993, the Executive Director recommended the preparation of a refined strategy for SIFR, with a clear statement of rationale and objectives, and a framework of activities setting down practical approaches to strategic objectives.

Steering Committee members did not agree with the new plan, feeling that the strategy, as set down in the original study, was clear and adequate.

This disagreement was one of the factors that led to the Executive Director's decision not to continue past the first year of his contract which ended in March 1994. Another factor leading to his departure was the fact that the job, by definition, was temporary and the Executive Director sought permanent employment. Yet other difficulties included the fact that IDRC, unlike other international institutions, cannot grant *international*, tax free status to employees. The most compelling reason, however, was the divisive issue of FAO wanting to house the Secretariat in Rome, an issue that was stressful for both the Executive Director and the Steering Committee.

Following the Executive Director's early departure, there was a six month period during which a member of the Steering Committee provided interim and part time support to the Secretariat while continuing his normal duties at IDRC. Hence, the year between October 1993-September 1994, was characterized as a period of reduced activity for SIFR. The work plan was adjusted and refocused in September 1994 and included an evaluation of the SIFR. In 1994, the acting Executive Director became the full time Director of SIFR. Coincidentally, in 1994, the Executive Director became increasingly involved with the IDRC-funded Sustainable Oceans Development project aimed at creating a mechanism for collaborative partnerships among Canadian institutions with oceans expertise. This situation may have caused some Steering Committee members to feel that the Executive Director was inordinately linked to IDRC.

6. PERFORMANCE

During its six years of operation, SIFR published six Bulletins designed to disseminate information among recipients and interested parties on the following topics:

- Identification of Demand-Led Fishery Priorities and Needs: Workshop of Fishery Information & Statistics in Asia
- Identification of Demand-Led Fishery Priorities and Needs: Fish Productivity (Aquaculture) — Development and Research Needs in sub-Saharan Africa
- Regional Workshop on Fisheries Commodity Conservation and Utilization — Demand-Led Research Needs & Priorities in Asia
- Inter-Regional Research on Fish Genetics
- The International Network on Genetics in Aquaculture Update
- Information for Aquatic Resources Management in Asia

In addition, SIFR sponsored and published a number of research reports, including:

- Fisheries Information in Asia: Needs and Opportunities
- Aquatic Biodiversity Conservation: A Review of Current Issues and Efforts
- A Strategy for Post-harvest Fisheries in Asia.

Naturally, many other activities took place, among which attendance at over 40 meetings; publication of 11 articles, reviews, and announcements; and provision of information to over 20 international gatherings in a two year period between 1992 and 1994. During the same time frame, a large number of visits to donors and potential donors took place.

In spite of this activity, however, it seems clear that SIFR was, for a number of reasons, unable to deliver fully its slated program of planned activities. Based on the March 1994 Report of the SIFR Executive Secretary to the Donor Advisory Committee, it appears that the Secretariat was involved in attempting to coordinate and influence an enormous amount of research activity. The tables below highlight some of these activities.

FISHERIES RESEARCH IN WHICH SIFR COLLABORATED		
Research Theme	Lead Implementing Institution(s)	Supporting Donor(s)
Fish Productivity (aquaculture)		
1. Sub-Saharan Africa	Fisheries Dept., FAO	FAO, Economic Commission for Africa, FAO-executed ALCOM Project, CEC (DG XII)
2. Latin America & Caribbean	Fisheries Dept. FAO	FAO, FAO – executed AQUILA II Project (Italian TF)
3. Asia		
(a) Pathology / Epidemiology	Fish Health Section (FHS), Asian Fisheries Society (AFS) with the participation of University of Stirling / ODA	AFS
(b) All aquaculture themes	Fisheries Dept., FAO, in collaboration with institutions in the region	Proposal to donors under preparation by FAO
Commodity Conversion & Utilization		
1. Asia	Natural Resources Institute (NRI)	ODA (UK)
2. Latin America & Caribbean	NRI	Proposal submitted to CIDA
3. Africa	NRI	Proposal submitted to CIDA

Fisheries Information Needs 1. Asia (a) Study (b) Workshop 2. Africa 3. Latin America & Caribbean	SIFR FAO-RAPA / SEAFDEC To be identified To be identified	IDRC, World Bank FAO-RAPA; SEAFDEC; FAO, Rome. To be identified To be identified
Human Linkages, Socio-Economics & Policy All regions	North Sea Centre (NSC), Denmark	Joint SIFR-NSC proposal submitted to DANIDA
Resource Conservation & Management 1. Asia 2. Africa 3. Latin America & Caribbean	To be identified To be identified To be identified	To be identified To be identified To be identified
All Themes 1. South Pacific Islands 2. Mediterranean Region	Forum Fisheries Agency (FFA) Fisheries Department, FAO; FAO/UNDP Regional Mediterranean Aquaculture Project (MEDRAP II)	FFA, CIDA, IDRC CEC (?), MEDRAP II, IFREMER, Fisheries Dept., FAO

OTHER RESEARCH IN VARIOUS STAGES OF SCREENING BY SIFR	
Title	Source
1. Cooperative Assessment of the Shrimp Fisheries in the ASEAN and Adjacent Seas	Fisheries Department, FAO
2. The Management of Ocean Fisheries: A Fresh Approach to a Failed System	Woods Hole Oceanographic Institution, Woods Hole, Mass., USA
3. Creation of a PTA Centre for Fisheries Research & Management (CFRM)	Preferential Trade Area (PTA) for Eastern & Southern African States, Lusaka, Zambia
4. UNDP/FAO Integrated Coastal Fisheries Management (INT/91/007)	- Mr. Phil Reynolds UNDP/DGIP, New York - SIFR Secretary
5. Lake Malawi Project	Mr. Eduardo Loayza, AGRTN, World Bank, Washington
6. The Nansen Programme	Ms. Kirsten Bjoru, Natural Resources Management Div., NORAD, Oslo, Norway
7. ICLARM's International Network on Genetics in Aquaculture (INGA)	- SIFR Secretary - Mr. Phil Reynolds, UNDP/DGIP, New York
8. World Bank/Ecuador Project on Control of Shrimp Diseases	Mr. E. Loayza, AGRTN, World Bank, Washington
9. IUBS/Reproductive Biology in Aquaculture (RBA) Programme	Dr. Pieter van Oordt, Utrecht Univ., Netherlands
10. ICLARM's National Research Support Programme	- SIFR Secretary - Mr. S. Sverdup Jensen, ICLARM

It is equally clear from reading the same report that the role of SIFR (*to develop mechanisms for matching the research priorities of developing countries with the interests of donors*) was more difficult in practice than in theory. SIFR's role is described as *catalytic and/or collaborative...with direct involvement concentrated in the preparatory and follow up phases*. SIFR's roles as *endorser, screener, and promoter* of research proposals were also mentioned in the report. These roles excluded reviewing or commenting on proposals for technical context — that would be left up to FAO and ICLARM. The one exception was the study of information needs in ASIA that was planned and

executed by SIFR with support from IDRC. In many cases, the implementing agency was FAO or other organizations that actually took the lead in managing the research. The report goes on to state that only modest progress had been made in matching research needs of developing countries with the aid policies and strategies of the donors. Reflecting the lack of agreement on the Steering Committee, the Executive Director concluded that *procedural options for both identification and matching have to be explored with the donors to arrive at workable approaches*. A little later in the report, frustration is expressed at the lack of interest from donors to become involved in consultations to follow-up on workshops.

SIFR's role as promoter, endorser, screener, collaborator, and coordinator was fine in theory, but it seems that it could not be carried out without impinging on the autonomy of the various players involved. Another factor adding to the difficulty was the fact that all of the players, including IDRC, were going through changes in resource levels, organization, and strategic direction. The various, and sometimes conflicting, interests of Steering Committee members and their organizations increased the difficulty of carrying out SIFR's mission and objectives.

In 1995, following the initial two-year experimental operation of SIFR, an evaluation of its achievements in meeting its objectives was carried out. The evaluation was managed by the UNDP. Interest in the evaluation was low. Only 19 of 85 persons on the SIFR Donor List responded to the questionnaire designed to measure SIFR's achievement. However, 35 of these 85 persons attended a subsequent Evaluation Workshop in Rome.

Part of the reason for this lack of interest was the rush in which the evaluation was undertaken. However, it was seen as an opportunity to break what was perceived by the Steering Committee as a logjam caused by divisiveness within the Committee and a perceived lack of progress on the part of SIFR. It should be noted again that this was a period of rapid change and adjustment for all donor agencies. Typifying this flux, IDRC was in the midst of downsizing and restructuring, including the abolishment of its agricultural division that included fisheries research. The appearance was that IDRC lacked serious commitment to SIFR. At the same time, the World Bank, who had considerable influence on the Steering Committee, had decided to mend its relationships with FAO, making it appear as if the decision to move SIFR to Rome had been taken early on.

Results of the evaluation were less than encouraging:

- 11 of 19 respondents were of the opinion that SIFR had not contributed in any significant way to the overall objective of *improving the effectiveness of donor assistance to fisheries research for the benefit of developing countries*
- SIFR in its existing form suffered from the lack of a mandate and official recognition by donors. The target of SIFR initiatives was deemed to be unclear— the donors, recipient countries, or both? This concern highlighted a continuing issue with FAO who maintained that the intent of SIFR was to target the donors while FAO was to target the recipient countries, as per its mandate

- Almost all respondents (17) agreed that there was still a need to *draw attention of developing countries to the SIFR Study*. The conclusion was that the relevant private sector players and policy makers in developing countries were oblivious to the Study
- The evaluation noted that the objective *to increase awareness of donors and recipients of needs and priorities and to increase effective coordination* had not been met. Seventeen respondents identified a need for more effective coordination of fisheries research at both the strategic international and applied regional and national levels. It was recommended that, rather than focusing on general awareness-creating activities, SIFR focus on policy issues at the regional and national levels, working more directly with government agencies in a few carefully selected countries
- *Improving coordination among implementing agencies* had not been done well enough. Again, it was suggested that SIFR play a more active role at the level of national and regional research institutions, while it was at the same time noted that there may be regionally-based institutions better placed for this function
- Only nine, fewer than half of the respondents, believed that there was a need for SIFR to continue providing support to the Fisheries Development Donor Consultation. Indeed, it was noted that only IDRC had made a commitment to continue support to SIFR, provided that other donors also participate. It was pointed out that funding might be easier if SIFR were to be affiliated with another international organization
- The evaluation concluded: *The donor response to the questionnaire and the statements made in the follow-up discussion have made it clear that substantial changes in the scope, activities, and possibly the organizational set-up and location of the SIFR as well, would be needed for the initiative to become fully recognized, utilized and financially supported by the international donor community.*

People interviewed for this Review and case study observed that there were no real impacts and few outcomes flowing from SIFR. Reasons offered included lack of staff and funds, Steering Committee divisiveness and lack of collaboration, focus, and communication with donors.

7. CURRENT STATUS

Finally acting on the recommendations arising from the 1995 Evaluation Report, on September 1, 1998, SIFR was transferred, without staff, to FAO in Rome.

8. LESSONS

The two-sentence Risk Analysis in the Memorandum to the Board of Governors founding SIFR proved to be prophetic. It stated:

This project will only be successful if donors and recipients are willing to participate actively in it. The fact that 18 donors co-funded SIFR [the study] and that SIFR was approved by a Consultation of Fisheries Donors in October 1991 are positive factors. Nevertheless the Executive Secretary's major challenge will be to engage donors and recipients through communication, enthusiasm and results.

Given the careful attention to diagnosis and planning during the formation of SIFR, it is indeed surprising that it was not perceived to be more successful by the very people who founded it and agreed to fund it. The formal evaluation can be seen as rushed, somewhat negative, and drawing conclusions based on too few questions answered by too few respondents. Further, only answers related to the perceptions of achievement of each of five objectives were reported in the Evaluation Report. The evaluator failed to mention the results of the other half of the questionnaire dealing with SIFR outputs — including some 15 questions on areas such as publications, reports on research needs and priorities, and other initiatives—choosing instead to copy the lists of accomplishments provided by SIFR as appendices.

Surprisingly, the report moved directly from an assessment of achievements in meeting objectives to future organizational options. Perhaps the most obvious problem with the evaluation was that its conclusion did not go much beyond *the job isn't done yet*. It failed to observe that, in such a short time frame and without the full and enthusiastic cooperation of donors and Steering Committee members, the notion that the job should or could have been done was absurd.

Nevertheless, the SIFR experience provides some important, interrelated lessons about focus, appropriate levels of resources, constituency, and mission.

FOCUS One of the clearest advantages of Secretariats is their ability to focus sharply on a specific area. As the evaluator of SIFR concluded, no matter where and how SIFR is constituted in the future, it should, under no circumstances, be designed to pursue more than a limited number (maximum of three) of objectives at a time. It is clear that this was not the case as SIFR was mandated to pursue several complex objectives at various levels of policy, research, donor interest and to do so nationally, regionally, and internationally.

In addition, it could be maintained that the institutional interests of IDRC inhibited the chances of maximizing SIFR success. Pursuing IDRC goals such as the Sustainable Oceans Development initiatives may have detracted from the required single-minded focus. It certainly did dilute the already very scarce amount of time and energy of the one-man operation. As the SIFR Steering Committee members interviewed for this Review observed, it was not always possible to see where SIFR's agenda started and IDRC's agenda ended... and this made people very nervous.

Further, much of the time of the two Executive Directors was taken-up by attempting to get donors and founding partners to follow-through on their financial and other commitments. This, combined with the counterproductive interests of the partners themselves, sapped much time and energy. Singularity of purpose and focus are the primary advantages of Secretariats, an advantage SIFR never experienced.

APPROPRIATE LEVEL OF RESOURCES The human resources supplied were not adequate for the job. This was particularly evident during the period in which the Executive Director was part-time, a factor compounding the perceived problem of the lack of independence from IDRC. Further, while there is a great deal of evidence of work planning and activity listing, very little attention seems to have been given to assessing the time it takes to carry out the complex tasks so carefully identified. The human resources supplied was not appropriate for the work identified to be undertaken.

Financial resource levels were also a problem. SIFR may have expended too much energy on securing adequate funding (including the considerable effort involved in attempting to get some of the donors to live up to their commitments) and not enough on results. Further, it seems that IDRC invested more funding than originally intended. Even if the money earmarked for the Sustainable Oceans Development (\$320,500) is subtracted, IDRC was never intended to fund more than 50% — certainly not the 84% that it did contribute. This raises the possibility of IDRC being in the position of being the *donor of last resort*, not something bargained for at the outset. As one donor observed:

If you're offered \$100,000, it's hard to say no but that is exactly what you should do if there is not the funding assured to support an activity for the long term at an adequate level. That's what happened with SIFR; it was built on promises of funds that never came. SIFR has been on a shoestring for a long time. Unfortunately, we are still in the same situation and we are still doing what I said we should not: taking the \$100,000 in the hope that other funding will come along. But with the current donor situation and competing initiatives, it will be difficult.

CONSTITUENCY The first two steps in establishing a Secretariat are: to develop a strong conceptual base for the idea; and, to build a strong alliance and constituency. While the SIFR Study provided the strong conceptual base, it could be argued that far too much time was taken up by the research, conceptual stage. SIFR began in 1986 with the decision to conduct the research. Approximately six years was spent on this phase. SIFR the Secretariat began in 1992 and spent approximately half of its 6 year life on research and planning. Therefore, lots of time was spent on diagnosis. As one interviewee pointed out, SIFR had *good diagnosis but poor implementation, in that it lacked mechanisms to achieve coordination on the ground*. Implementation, the other half, proved to be more difficult in many ways. The most obvious is that, once the research was completed, and SIFR established, donor energy and funds had waned and discussions dissipated into internal squabbles. While SIFR has strong international support, it lacked a strong donor constituency, as demonstrated vividly by the failure to contribute promised funds. These harmony, constituency, and funding issues emanating from the Steering Committee put demands on the Executive Directors' energy and time and detracted from getting the job done. In other words, there was inadequate recognition of the difficulty

of this undertaking which need other organizations to open their operations, decision making processes, etc., for others to inspect and compare.

MISSION The subject matter was consistent with IDRC's research agenda and policy direction at the time. SIFR's mission was *to develop mechanisms for matching the research priorities of developing countries with the interests of donors*. It was to be focused on the coordination of other international implementing and research organizations. In application, this mission can be threatening in that, through the development and application of rules and guidelines, SIFR has the potential to become a *gatekeeper*. Nevertheless, the very people who recognized and substantiated the need for screening, coordination, and cooperation in theory found it discomfoting in practice.

This points to a foundational issues dealing with collaborative partnerships. It is easy to talk about and support conceptually, but few are able to put it in practice. Often, it is time consuming, and it frequently takes a low priority relative to other daily pressures. Further, there is seldom any incentive systems or other mechanisms put in place to encourage behaviours supportive of collaboration. The lesson we witness again and again, but seldom learn, in organizations is that establishing a structure is never enough. Systems need to be put in place to support the new structures. Socio-organizational patterns, values, and culture must also change to ensure environments in which these new approaches can survive and thrive.

9. SOURCES

- SIFR Project Summary (Memorandum to the IDRC Board), 1992
- SIFR Financial Reports, 1992-1998
- SIFR Strategy for International Fisheries Research Evaluation Report, November 1995
- Annual Reports of the SIFR Executive Secretary to the Steering Committee, 1994-1998
- Interviews with former Executive Director, Steering Committee members, IDRC Governors, senior management and staff
- SIFR Bulletins.

SECRETARIAT FOR INSTITUTIONAL SUPPORT FOR ECONOMIC RESEARCH IN AFRICA (SISERA)

CASE STUDY

1. GENESIS

SISERA is an IDRC initiative to strengthen economic research in Africa through institutional support to key research centres. The initiative was designed to complement existing activities aimed at strengthening economic research, such as AERC (African Economic Research Consortium), the ACBF (African Capacity Building Foundation), and the RPI (Réseau sur les politiques industrielles). One of the key obstacles to improved economic research in Africa has been identified as weak institutions with mandates to undertake research and training across the continent.

The proposal was developed first through a process of internal discussions within IDRC and consultations with African researchers, donor agencies, and the AERC. A background paper was prepared and circulated to these groups and then presented to an expert group meeting of economic researchers held in Dakar in June 1996. It was further developed as a proposal and presented to a donors meeting in Nairobi in November 1996. The proposal was then discussed in December 1996 in Abidjan by African research centre leaders. These included the heads and senior managers of CREA (Centre de recherches économiques appliquées), CEDRES (Centre d'études, de documentation, de recherche économique et sociale), CIRES (Centre ivoirien de recherche économique et sociale), CODESRIA (Council for the development of Social Science Research in Africa), AAU (Association of African Universities), and several Deans of university faculties of economics. Some of these institutions are likely to be beneficiaries, and some of them have already received institutional support from IDRC.

However, within IDRC, the proposal was not without controversy. It came at a time of some uncertainty for the staff in the IDRC Regional Office in Dakar and was seen by some outside Dakar as self-serving. Its original name (Secretariat for Economic Capacity Building in Africa) was abandoned over concerns that it would appear to overlap with AERC's mandate, and there were some strong views within the Centre that a new Secretariat for economic capacity building in Africa was not needed.

SISERA was designed to build on IDRC's previous institutional strengthening grants in West Africa to CIREs in Cote d'Ivoire, CEDRES in Burkina Faso, and CREA in Senegal. It has absorbed two major projects currently located in IDRC's Regional Office in Dakar (BRACO) and funded by CIDA, USAID, and IDRC which IDRC is responsible for coordinating. These two projects are:

- The **Programme de troisième cycle inter-universitaire (PTCI)**. This project is funded by CIDA, USAID, IDRC, ACBF, the Cooperation française, and the Dutch. IDRC is currently playing a coordinating role for CIDA and USAID which SISERA will take over until the current phase ends in 1999
- The **Réseau sur les politiques industrielles** has received funding from CIDA, USAID, and IDRC. SISERA will take over IDRC's role in managing the project under a contractual arrangement. The current funding ends in 1998 and there is a proposal for a new phase.

The intent is that, as a Secretariat in IDRC/BRACO with the capability to manage donor funds and coordinate donor initiatives, SISERA will attract other donor funds and be able to facilitate the consolidation and rationalization of donor support to economic research institutions in Africa.

SISERA was approved by the IDRC Board in March 1997 and provided with \$1 million over two years. It was anticipated that additional funding in the order of \$2 million would be provided by other donors, some of which was already rolled over from the projects already funded by IDRC, CIDA, and USAID.

2. CONTEXT

In the past decade, Sub-Saharan Africa has undertaken a number of stabilization and structural adjustment programs (SAPs). The debates that have raged around these policies have been influenced by the international financial institutions, national governments, and certain influential groups and individuals, but African economic research institutions have been largely absent. Yet they should normally play a key role in their countries and in the region as providers of policy advice and research results, and be capable of intervening in both national and international policy bodies.

Donors have some responsibility for this present situation. They have tended to support individual researchers to undertake specific research projects rather than supporting their institutions. This approach has done little to reinforce the research centres in which individuals operate, and may have weakened them in some instances. In particular, it has done little to reinforce poor infrastructure and management systems in those research centres; has promoted insufficient synergy between research and training; and has failed to stimulate networking among research institutions.

SISERA aims to fill a gap in donor support by taking a holistic approach to institutional capacity building. This would include core institutional support, support for collaborative research and networking among institutions, and interventions designed to strengthen the management and human resources of those institutions.

Such interventions require careful monitoring and management; two activities which demand more oversight than most donors can provide. SISERA can provide this oversight role for donor funds and thus expects to increase donor confidence in supporting economic research institutions. IDRC/BRACO is well placed to provide the technical and administrative services that SISERA offers. It has developed and managed institutional support grants in the past and coordinated the projects that were rolled into the Secretariat. In addition, it has a bilingual staff familiar with the countries of Sub-Saharan Africa.

3. MISSION AND OBJECTIVES

SISERA's mission is to help strengthen African economic research centres through coordinated donor action, and thus enable them to perform better and become full-fledged partners in the international research community. SISERA's mission is pursued through the following objectives:

- Improve working conditions and incentive systems in research centres
- Improve managerial capacity and governance structures
- Facilitate networking among research centres and research users
- Facilitate funding of commissioned research work
- Support training activities for researchers through their research centres
- Improve the dissemination of research results.

4. FUNDING AND FINANCIAL VIABILITY

SISERA has an operating budget of \$3.27 million for the first two years. This includes \$1 million from IDRC to SISERA and approximately \$2 million which have been rolled over from the earlier two projects. This will enable it to carry out its planned activities for the first two years, but will not be sufficient to sustain operations without new resources. One of the major tasks of the Executive Director is therefore to secure additional resources before April 1999. Some of these resources may come from IDRC projects but funds will also be required from outside sources such as the World Bank, the European Union, the African Development Bank, and some bilateral donor agencies.

In addition to the money provided for project implementation by the two *rolled-over* projects, USAID is contributing salaries for the project officer, project assistant, and secretary, as well as office rent and office expenses, travel and communications. IDRC is providing the salary for the part-time Executive Director in kind, in addition to the \$1 million grant. If additional funds are provided by donors during the first two years, these will be used to increase the grants made to African economic research institutions.

5. GOVERNANCE AND MANAGEMENT

SISERA has established a Steering Committee, a Technical Advisory Committee, and a Secretariat.

STEERING COMMITTEE The Steering Committee establishes the program of work for the Secretariat, approves the budget, and commissions regular evaluations. It is composed of representatives of SISERA's three donors (USAID, CIDA, and IDRC) and representatives from the Association of African Universities (AAU), the AERC, and the UN Economic Commission for Africa.

TECHNICAL ADVISORY COMMITTEE The Technical Advisory Committee assists the Secretariat in developing its strategy and work plan and participates in the selection of research centres for institutional support, as well as providing general technical support and advice. It consists of leading experts in the field as well as representatives of African economic research institutions.

SECRETARIAT The staff of the Secretariat includes an Executive Director, a Project Officer, a Project Assistant, and a Secretary. The Secretariat is housed in IDRC/BRACO.

6. ACTIVITIES

SISERA works through six modalities to achieve its objectives. These are:

- Core institutional grants
- Collaborative thematic research
- Managerial capacity building
- Support for sabbaticals and internships
- Electronic connectivity
- Dissemination, publication and outreach.

CORE INSTITUTIONAL GRANTS Core institutional grants are the main modality for SISERA support. Their purpose is to enable research centres to develop and implement research programs that have strong local input and are thus more likely to be relevant to local end-users. The institutional grants will include small grants schemes to be administered by the institutions themselves. Such grants usually cover the purchase of research support facilities (books, academic journals, databases, computers and software), staff training, seminars, participation in research meetings, and costs of publishing research output. It is proposed to limit these grants to \$250,000 each and to provide approximately two per year.

COLLABORATIVE THEMATIC RESEARCH Grants for collaborative thematic research allow a research centre to engage in a major research program, often at a regional level, in which it wishes to collaborate with researchers in other institutions. Two possible themes for collaborative research networks are agricultural policy and *participation of women in African economies*. Funding for such regional research initiatives is particularly hard to find in Africa, but it should be noted that the

agricultural policy theme overlaps with one of the projects being planned with multidonor funding under the Trade, Employment and Competitiveness Program Initiative for West and Central Africa.

MANAGERIAL CAPACITY BUILDING SISERA assists research centres to strengthen their managerial capacity by disseminating best practices electronically and through meetings and providing fora where managers can discuss their problems and potential solutions. SISERA will consider providing or supporting training to staff of research institutions.

SUPPORT FOR SABBATICALS AND INTERNSHIPS These grants will allow civil servants, through financial support, to visit research centres and research scholars and conduct research in policy-making agencies. Support will also be given to help African researchers visit research institutions in other countries.

ELECTRONIC CONNECTIVITY One of the important goals of SISERA is to facilitate African researchers' access to the Internet and to email in order to reduce their current isolation. SISERA plans to assess the connectivity of all partner institutions and collaborate in its effort with the IDRC Unganisha project.

DISSEMINATION, PUBLICATION AND OUTREACH The lack of appropriate publication outlets is seen as a major obstacle to African researchers gaining visibility and credibility for their work. SISERA will support a newsletter entitled *Economic Research in Africa* and provide support for the main academic journals in Africa such as the *West African Economic Journal* and the *East African Economic Review*. Support will be provided to enable African researchers to participate in scientific meetings and present their results at dissemination events for parliamentarians, journalists, business people, and trade unions.

7. LESSONS

SISERA has been established for just over one year. The general consensus of all those interviewed who are familiar with SISERA is that it is too early to say what lessons SISERA holds for IDRC in understanding its international Secretariat mechanism. However, some concerns about SISERA echo the lessons learned earlier in other Secretariats. These include the difficulty that SISERA is facing in attracting additional funds to ensure the Secretariat's long term viability and the lack of a full time Executive Director. The two are not unrelated: the task to bring new funding partners on board within the next two years, in addition to implementing the programs, is very difficult for a part-time Executive Director. There is also some ambiguity about priorities and loyalties when an Executive Director works for both IDRC Programs and for a Secretariat, particularly when they feel pulled in several directions and burdened by a heavy workload.

On the positive side, SISERA has demonstrated that there is a need for institutional support for African economic research institutions and that good proposals are coming into SISERA. At present, the demand side is alive and well: it is the supply side that needs attention.

8. SOURCES

- IDRC Project Proposal (PNM) SISERA (96-8153-01), Approved by the IDRC Board in March 1997
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GLOBAL ACCESS TELEVISION BROADCAST SERVICE (WETV)

CASE STUDY

1. GENESIS

WETV began with a series of consultations on the problems of producing and accessing programs produced in the South. These consultations that took place between 1987 and 1992 involved broadcast and other experts in developing countries. These consultations led to the bold idea that a global access television broadcast service providing opportunities for local independent producers could be achieved through innovative public-private sector partnerships. It was led by the founder and first CEO of Vision TV, a successful satellite to cable speciality service, which saw the possibilities at a global level.

At the outset, WETV was seen as an IDRC Agenda 21 initiative responding to the challenge of the UN Conference on Environment and Development to create global outreach and a closing of the North-South gap in information and broadcasting. The restructuring of IDRC in March 1992 eliminated the Communications Program Division, although some of its functions were transferred elsewhere, and freed the former Director to work full-time as Executive Director of Broadcasting on the *Ventures in Development Partnerships* initiative which was to become WETV.

The initiative began in April 1992 as a one year in-house feasibility study in which the demand for a global service was assessed, partners were identified for both producing the programming in the South and for purchasing or sponsoring it in the North, and models of how WETV would work both technically, financially, and programmatically were explored. At the end of the one year feasibility study, the Executive Director prepared a proposal for IDRC to fund a major \$1 million project over two years to undertake the research and development needed to establish an independent WETV company. It was agreed that he would formally leave IDRC to lead this project. The project was presented by the President to the IDRC Board of Governors which approved it in March 1993. WETV was established as an IDRC Secretariat and located in IDRC headquarters in Ottawa.

2. CONTEXT

Several elements of the context made WETV possible. First, there were compelling development reasons to think about an alternative global access television service that could help to free developing countries from northern electronic and broadcast domination. Everyone recognized that broadcast media are a pervasive and profound influence in the North and increasingly in the South. Democratization of information was seen as a development priority, and support for developing country producers and broadcasters as one important means to that democratization. The globalization of the world economy was seen as paralleled by the emergence of a *world culture* sweeping the values of western industrialized societies across all cultures and regions. In this initiative, IDRC saw itself as positioned at the leading edge of development donors.

Another contextual factor was Canadian public policy. Canada saw itself as an innovator in broadcast technologies, telecommunications, and multi-cultural programming. CIDA already had a track record in supporting telecommunications and broadcast infrastructures in developing countries and in supporting R&D in communications. The third relevant contextual factor was IDRC's internal policy. IDRC was looking for innovative ideas on which partnerships could be built and that would extend IDRC's visibility in Canada and overseas beyond its traditional research partners. WETV was expected to put IDRC *on the map* within Canada and globally.

3. GOAL, MISSION, OBJECTIVES, AND STRATEGY

GOAL Through the use of television on a global scale, WETV's goal was to support cultural and social self-expression in developing countries for their development, and for the exchange of information and knowledge in a South-North and South-South fashion, particularly in environment and sustainable development matters.

MISSION The Secretariat's mission was to promote sustainable development and the expression of cultural diversity through the creative use of new and existing communications media.

OBJECTIVES WETV had four main objectives:

- To support and undertake research and development for the creation of an alternative global access television service with southern and northern country public and private sector partners
- To create an international Secretariat to undertake the convening of an international partnership consortium for this purpose, and to manage the day-to-day activities related to this effort
- To establish a Steering Committee to advise and guide the Secretariat in its function, including representatives of partners in the venture

- To create, within a three-year period, an independent organization that would carry out long term financing and operation of a global access television service, and to hand off the activities of the Secretariat to this organization.

STRATEGY Four main areas were to be explored in the R&D phase:

- Determine the appropriate technological options
- Determine and shape appropriate national, regional, and international policy options for sending and receiving programming and use of technologies
- Determine audience demand and needs
- Determine alternative structures for the financing and operation of a global access television service, including scale of start-up, country participants, revenue generating devices and the use of parallel broadcasting.

4. FUNDING AND FINANCIAL VIABILITY

IDRC provided \$90,000 and the full time services of the Executive Director for a year to undertake a feasibility study for WETV during 1992-93. This was successfully completed by March 1993. The Centre then made a two-year grant of \$1 million in March 1993. From the outset, the IDRC Secretariat phase of WETV was seen as two years only. The plan then became to establish it as an independent organization which would leave IDRC. WETV said that it would try to match the \$1 million provided by IDRC by raising funds from other donors within the two year period. In fact, it exceeded this target, raising just over \$1.2 million.

WETV's financial difficulties occurred in the period April-October 1995 *after* the successful conclusion to the R&D Phase and at a time when WETV was planning to change from an IDRC Secretariat to an independent organization. There was an important opportunity to launch the service at the International Conference on Women in Beijing in September 1995. During the period April-June 1995, discussions took place whether to go ahead or not with the planned launch. It appeared that it would require major expenditures before promised financial contributions were likely to be received.

This financial exposure and risk is not uncommon in launching business ventures but it was not a familiar scenario for IDRC. Although the WETV Executive Director had always been very open about the status of promised contributions, both with IDRC management and with the IDRC Board, there was a *systems breakdown in communications* over a period of several critical months in 1995, when the financial situation of WETV and the financial exposure of IDRC were not communicated to the Board.

Between April and October 1995, it became evident that IDRC would have to advance funds in order to complete the planned activities through the launch of the service. The amount of expenditures over and above the IDRC approved allocation amounted to about \$600,000. In October 1995, the IDRC Board approved a supplemental allocation of \$300,000 which was specified for production activities not related to the WETV launch, and authorized advances of \$915,000 to defray on-going operational

expenses to keep WETV solvent until March 31, 1996. At this time, the WETV Secretariat formally closed and the assets were transferred to a new legal entity: WETV Development.

The funds provided to the WETV Secretariat therefore included the \$1 million original grant, \$615,000 to cover the over-run, \$300,00 as an advance for future expenses and \$300,000 as a grant for 1995-96. As the table below shows, IDRC provided 57% of the nearly \$4.5 million budget during the time it was a Secretariat in IDRC.

FUNDS PROVIDED TO WETV DURING ITS PERIOD AS AN IDRC SECRETARIAT 1993-1996

Donor	1993-94	1994-95	1995-96	Total \$	Percent
IDRC	1,000,000		1,565,000	2,565,000	57%
CIDA	50,000	50,000	300,000	400,000	9%
Min/Comm	350,000			350,000	8%
Min/Indus		40,000		40,000	1%
IISD	50,000		14,000	64,000	1%
Teleglobe Can		200,000		200,000	4%
MFA			134,328	134,328	3%
COL	50,000		25,000	75,000	2%
TVE	56,535			56,535	1%
WB		48,784	118,975	167,759	4%
PANICARO		250,000		250,000	6%
Other	13,287	46,058	130,186	189,531	4%
Total	1,569,822	634,842	2,287,489	4,492,153	100%

From the beginning, WETV was planned to be an innovative experiment in public-private sector partnership for broadcasting, with a complex and ambitious funding structure. After the feasibility study which was entirely funded by IDRC, four phases were envisaged, each with its own funding structure.

Feasibility study	April 1992-March 1993	\$90,000 plus 1 PY
R&D Phase	April 1993-March 1995	\$2,204,664
Pre-launch Phase	April-September 1995	\$1,340,000
Start-up Phase	Sept. 1995- August 1996	\$10 million (projected)
Operational Phase	September 1996 -	

R&D PHASE During the R&D Phase, the funding formula was a membership fee structure with international agencies and national broadcasters paying an annual fee which would entitle them to shape the network through their participation in the WETV Steering Committee and, in the case of broadcasters, to use the membership as an investment for preferential access to WETV services in the first three years of its operation..

PRE-LAUNCH PHASE The Pre-Launch Phase was a six month period leading up to the Fourth United Nations Conference on Women, in September 1995, where the WETV service was launched providing about 2 hours of programming a day from Beijing for 17 days to 10 broadcasting services (Canada, Mexico, Caribbean region, Ukraine, Chile, India, Thailand, South Africa, Namibia, and China). The cost was estimated to be \$1,340,000 for programming, operations, securing satellite time, and up-link facilities. The funding structure was foreseen as \$300,000 from bilateral and multilateral agencies, \$340,000 from existing WETV partners, and \$700,000 from the private sector. The funding from other sources did not meet these expectations and IDRC had to act as the funder of last resort.

START-UP PHASE The estimated cost of the start-up which would take a year from the launch (September 1995- August 1996) was approximately \$10 million.

WETV ceased to be an IDRC Secretariat in March 1996 during the *Start-Up Phase* and by that time had developed its own legal structure.

5. MANAGEMENT

WETV operated as a Secretariat in IDRC for three years from April 1993 until March 1996. It was one of the first Secretariats and its operations began before the IDRC Policy on Secretariats was elaborated. In practice, WETV's contracts were reviewed and signed by authorized IDRC officers, it used IDRC to hire its staff, and its financial officer was recruited within the Centre.

The Secretariat also reported to an International Steering Group which was composed of representatives of organizations purchasing memberships, and of a few key international figures. The terms of reference for the Steering Group included reviewing the strategic plan, overseeing the planning and operation of the Secretariat, and meeting twice a year during the R&D phase. Once WETV was established as an independent legal entity, the Steering Group's role would be taken over by a Board of Directors. The Steering Group met twice and their opinions were also sought electronically, but they were a large group and, in any case, could not perform any effective oversight role with respect to *Secretariat operations*.

THE OVERSIGHT ROLE OF THE IDRC BOARD WETV was an unusual venture for IDRC, as it fell outside of its normal granting procedures and programs, and involved a large commitment of funds. In approving the grant, the Board specifically requested the President to provide the Board and the Executive Committee with regular progress reports, starting in October 1993.

The Executive Director provided regular reports until March 1995. He supplied information on projected funding, the meetings of the WETV Steering Committee, and, in response to a request from the Board, in January 1995, he presented a detailed business plan for raising start-up funds and financing the network. The Governors were generally supportive of the initiative but there were concerns about WETV's financial viability and the financial implications for IDRC. They were also faced with a number of governance issues about how IDRC would relate to WETV once it was established as an independent organization.

The Governors were asked to consider how IDRC wished to be involved in WETV once it was successfully launched. In March 1995, the Board agreed that an Ad Hoc Committee of the Board be established to oversee IDRC's on-going involvement with WETV but the Committee did not meet until October, just prior to the Board meeting. At that time, in October 1995, a report was provided to the Board with an update on the launch of WETV in Beijing in September and the new legal structure for WETV. This included:

- **WETV Program Corporation** (a not-for-profit entity) being incorporated in Canada to provide the overall content and quality assurance needed to keep WETV to its development mandate and to represent the interest of the donor community and southern NGOs in WETV International. IDRC was to be a member of the nominating committee for the Trustees of WETV Program and would sit on the Standards and Practices Advisory Council which was an executive body of WETV Program Corporation responsible for monitoring and making decisions on the standards and practices relating to Mosaic partners in the network
- **WETV International Corporation** (a for-profit entity) which was in the process of being incorporated in the Caribbean. This would be the business centre of WETV. It would receive investments and be responsible for managing and investing funds in relation to the operation of the service. It was proposed that IDRC's grant be rolled into WETV Program Corporation in the form of non-participating shares in WETV International
- **WETV Development Corporation** which was already incorporated to assume WETV's assets and liabilities from IDRC and was intended to exist for one year only and be located in Ottawa.

It was at the October 1995 meeting that the Board also learned that the grants from the other donors had not been received as expected and that IDRC had advanced approximately \$615,000 to WETV since April 1, 1995 to cover operational costs, contingent on reimbursement from other sources. The Board was asked to approve this advance and to provide further advance funds to cover the operational costs of the new WETV Development Corporation, up to a maximum of a further \$500,000. Governors were also told that there was strong investor interest in WETV from the private sector amounting to more than \$9.3 million.

The Board spent several hours *in camera* discussing WETV at the October 1995 Board meeting. Their specific response to the question of the over-run on the budget was to approve it but to appoint an Ad Hoc Committee of the Board and an independent outside investigator to look into what went

wrong and to recommend actions to avoid a re-occurrence of any similar situation within IDRC in the future. The investigator, a former IDRC Governor with outstanding financial and managerial expertise, reported in November 1995 to the Ad Hoc Committee. The Ad Hoc Committee endorsed each of the nine recommendations in the report and forwarded their own report to all Governors in December 1995.

In January 1996, another meeting of the Ad Hoc Committee learnt that no private sector investment had been forthcoming to date and that WETV had immediate short-term funding requirements. The Ad Hoc Committee reported to the Executive Committee of the IDRC Board on February 1, 1996 and it was agreed that:

- IDRC should immediately move to finalize the incorporation of WETV Program and help to set up the Board of WETV Development Corporation
- IDRC should enter into an agreement with WETV Development in order to transfer to it all IDRC assets and liabilities regarding WETV
- The \$915,000 already advanced to WETV should be converted into WETV Mosaic air time in favour of the Centre
- IDRC should provide WETV with accommodation until March 31, 1996 and a further modest grant.

In presenting the report of the Ad Hoc Committee to the Board in March 1996, the Chair of the Committee also reported that the Minister and the Auditor General had been informed of the situation.

6. PERFORMANCE AND CURRENT STATUS

WETV was a venture in both innovative programming and in public-private sector partnership in broadcasting. In its third year at IDRC, it faced a shortfall of funding for its launch and IDRC became the *donor of last resort*. But in terms of achieving its program goals and having a successful launch of the service in Beijing in September 1995, it did achieve its targets. It broadcast from the UN Conference on Women via satellite to 34 broadcasting networks or stations covering 50 countries.

WETV also achieved its goals with respect to incorporation and private-public sector partnership. The WETV network is made up of for-profit and not-for-profit entities working in partnership. It was selected to be the official carrier of the UN Habitat Conference in Istanbul in June 1996 and launched regular programming of a few hours daily on October 15, 1996.

Today, the WETV broadcast signal is transmitted to 38 broadcast affiliates in 30 countries using the latest in satellite technologies. In two more years, it is anticipated that more than 60 affiliates and broadcasters will join the WETV network. WETV is using independent producers from around the world, including many developing countries, as initially envisaged. The continuing challenge in raising

funds means that the hours of programming are still limited to a few hours a week. Broadcasters also need time to develop confidence in WETV and to open a WETV time slot in their program schedule. Each affiliate has a tailor-made contract which ensures that an inability to pay fees for programming does not stand in the way of participation in the network. Affiliates can participate by purchasing programming, providing programming in-kind, sharing programming fees, or providing a small fee for the service.

Revenues to support WETV now come from Mosaic Partners. They provide core funding grants which also enable their own public information and documentaries to be aired; corporate sponsors; advertising; affiliate contributions to programming; and program sales to other networks. Programs are in three series: *Living Together*, *Voices and Visions* and *Tapestry* and provide a genuine international outlet for independent producers.

For the Habitat II Conference, WETV teamed up with Apple Computer to produce a webcast from Istanbul, combining Internet and television technology. To facilitate the participation by people in developing countries who did not have access to the Internet, Apple Computer provided two experimental access points in Montevideo and Mexico City. The webcast provided electronic discussion groups and on-line facilities for people to vote on the issues being negotiated by government delegates to the Conference. The site was so successful that Microsoft Network nominated the webcast as *Pick of the Week*. People from at least 79 countries participated interactively in the webcast.

Five years after it was started by IDRC, WETV is still on the air and is still one of the most innovative ideas around in broadcasting. The Executive Director acknowledges that WETV's first three years as an IDRC Secretariat were critical to its success today.

7. LESSONS

INITIAL LACK OF CLEAR POLICY GUIDELINES FOR SECRETARIATS WETV is seen as a key learning experience for IDRC and led directly to the process which created the Policy Guidelines for IDRC Secretariats. The Secretariats were created with the intention of giving them considerable independence and freedom in operating. This was a problem from the beginning for IDRC management as the Executive Directors of the first Secretariats operated on the assumption that they were independent of IDRC and reported directly to their Steering Committees or Boards as well as to the President of IDRC. When WETV was first established, there were few policies in place and no explicit recognition that the *authority* granted to the Secretariat Steering Committee in its terms of reference was, in fact, retained by the IDRC Board.

One month after the WETV Secretariat was established, questions began to arise about the authority of Executive Directors of Secretariats who were consultants to IDRC and fell outside the normal structure for delegated authority from the Board. The liaison function with IDRC for the three existing Secretariats (MI, SIFR, and WETV) was placed in the office of the Director General for Resources and was to deal with start-up issues, policy development, and problem solving. Executive Directors

were able to authorize office expenses and other minor expenditures but major expenses such as travel and staff salaries had to be authorized by the Director General for Resources.

THE INDEPENDENT INVESTIGATOR'S REPORT The Independent Investigator's report identified a number of lessons with respect to the financial management of Secretariats, their relationship to IDRC, and the information provided to the Board. He noted that the Secretariats' independence and the promotion of an arm's length relationship with IDRC reduced the amount of scrutiny that IDRC senior management exercised over them.

He also noted that the Board approved the \$1 million initial grant on the basis of a concept paper rather than any formal project documentation. The Board accepted the best case scenario rather than even considering a worst case scenario for an initiative that was ambitious, path-breaking and outside IDRC's traditional competence and experience.

There were obvious lessons about financial accounting practices in IDRC, and the need to ensure that anticipated contributions were not assumed to be actual cash contributions. The financial accounting system used for the WETV Secretariat had a number of problems, some of which appear to be related to IDRC's financial reporting system, and some others more specifically related to WETV's financial records.

One major problem was that expressions of support for WETV were included as committed contributions before they were received, which led to an over-optimistic picture of the income side of the ledger. In addition, a number of commitments and liabilities were not recorded and when these had to be paid, it became apparent that expenditures would be exceeding revenues. Another problem was that there was inadequate financial reporting, particularly with respect to cash flow statements. Projected *best case* scenarios were used as the basis for operating the Secretariat rather than actual revenue. Thus the May 1995 statement of accounts showed a positive balance of over \$300,000 when the actual cash position was a negative one of over \$1 million.

The Independent Investigator also recommended that future financial reports from Secretariats going to the Board, Executive and Finance and Audit Committees be prepared by IDRC Financial Services and signed off by them. This was to ensure that, in the future, a high standard of financial information on Secretariats is presented to the Board to allow it to make informed decisions. He reported that the IDRC Board did not receive accurate financial information on WETV for several months during 1995 as the over-run built up. Even when there was a cash deficit in March 1995, it was assumed that other funding would cover the shortfall and the situation was not reported to the Board.

Other recommendations of the Independent Investigator's report were that all Secretariats be subject to the same policies and processes as the rest of the Centre unless there was a specific reason for doing otherwise, that the Steering Committees review the annual budget and financial activities of Secretariats, that the President's Designate on the Steering Committee be accountable for ensuring that the Centre's responsibilities are fulfilled, and that separate bank accounts be opened for Secretariats where the volume of activity warrants it.

THE MODUS OPERANDI OF THE IDRC BOARD

With the benefit of hindsight, another lesson can be learned from the WETV experience. From the outset in 1993, the Board discussions on WETV reflected a number of concerns about the very ambitious nature of the project, the quality of information being presented to the Board, and the fact that the initiative was beyond the competence of IDRC. The Board was also worried that IDRC was getting in too deeply as WETV moved towards its operational phase and was, in practice, the funder of last resort for an activity that required millions of dollars.

Governors openly expressed their individual misgivings about WETV at the Board meetings. But the operational style of the Board seemed to mitigate against it being proactive as a body in requiring that information be provided to it or in taking action. The WETV experience was seen by Governors themselves as a lesson in gaining a better sense of their responsibility for governance of the Centre and of the potential liabilities that IDRC might incur when it got involved with complex private-public sector investment ventures. This reinforced their determination to transfer IDRC's assets and liabilities to the independent WETV Development Corporation as rapidly as possible

The WETV experience also appears to be a major turning point in the confidence the Governors had in the reliability, quality, and the timeliness of the information presented to them by IDRC and therefore in the Board's ability to be an effective oversight body. These concerns still reverberate with some Governors today as they consider how the Board can be more effective and improve its knowledge and information sources on IDRC Secretariats and programs.

LINKAGE BETWEEN SECRETARIATS AND IDRC

One of the difficulties encountered by WETV, and also reported by other Secretariats, was the inadequate mechanisms linking the Secretariat to program and management structures in IDRC. Secretariats, even in the same building in Ottawa, were physically isolated from program divisions (now Programs Branch) and the *nurturing environment* in terms of intellectual exchange between Secretariat staff and IDRC program staff did not take place as much as the WETV Executive Director had hoped. The need to be heard and critiqued by experts within the Centre was not met. Instead, there was a feeling of abandonment and an uncomfortable sense of free-floating.

Furthermore, there did not seem to be any *effective mechanisms* to make the formal accountability framework to senior management or the Board really work. WETV felt that no one in IDRC was listening or was sympathetic to what they had to say. This created problems when they had to operate more in a business mode to raise capitalization by hiring well known outside legal and financial advisors, or spent money on promotional material. This was not a style of doing business that IDRC was comfortable with.

Another lesson was that the financial reporting system used by IDRC did not provide the information needed by an enterprise like WETV — which was making frequent cash expenditures — to track its finances, especially to know its immediate cash flow situation. This problem has been pointed to by other Executive Directors who have essentially put in place parallel financial tracking systems, but such a system was not developed in WETV while it was a Secretariat.

IDRC AS AN EFFECTIVE INCUBATOR Despite cash flow problems around the time of the launch, and the crisis concerning IDRC's communications with the Board about the financial situation, a major lesson to be learned from the WETV experience is that IDRC made WETV happen. Without the early support, both financial and institutional, WETV would not have been able to demonstrate that its innovative approach to public-private sector broadcasting could work. Neither would the more than 400 hours of previously unseen broadcasting from development agencies have been aired to date. While the WETV experience had its uncomfortable moments for people in both WETV and IDRC, it showed that the Secretariat mechanism worked well as a time-limited incubator of a creative new organization.

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