

Experiences of the ExCo Ad Hoc Committee from the first cycle of the new CGIAR nomination process

DRAFT

Summary

The new CGIAR nominee process was approved by the CGIAR in 2004 and subsequently launched in early 2005. Although the new process is scheduled to be piloted for two years, some lessons can be drawn at this early stage. The ExCo Ad Hoc Committee, acting on behalf of ExCo in the nomination process, identified three major weaknesses in the agreed procedures: (1) inconsistency in the criteria applied for the selection of CGIAR nominees, (2) lack of awareness and knowledge about the new process, and (3) tight tentative time schedule for each step in the nomination. As a result, two options for taking the exercise forward have been identified:

1. Pilot another cycle using the same procedures, and introduce refinements only after two or more cycles are completed, consistent with the CGIAR decision of AGM 04.
2. Pilot another cycle, benefiting from the lessons learnt so far and make amendments to the procedures which will be implemented in the second cycle.

The ExCo Ad Hoc Committee suggests following option 2.

1. Introduction

The Committee of Board Chairs (CBC) and the CGIAR Secretariat developed a revised CGIAR-nominee appointment process. The revised process was endorsed by ExCo on December 31, 2003 and approved by the CGIAR on March 12, 2004. However, reservations were expressed by some ExCo members at its September 2004 meeting on the effectiveness of the new process. As a result, the process was revisited at the CGIAR Annual General Meeting in October 2004 (AGM04). The CGIAR decided that the approved process should be implemented and remain in force through the end of 2006, at which time a review to derive lessons and recommend next steps would be conducted.

The objectives of the redesigned CGIAR nominee process are as follows:

- provide greater opportunity for the donors and stakeholders to identify potential board candidates and participate directly in center governance;
- reinforce corporate CGIAR System perspectives to each board;
- promote greater alignment between CGIAR and center goals and priorities;
- maintain and improve the System's ability to capture geographically diversified representation in governance;
- strengthen the boards' expertise in the area of business management and corporate governance; and

- provide that key donor and client interests are considered in a board's policy making.

Following approval of the process, implementation procedures (including a two-cycle per year calendar) were developed. Subsequently, ExCo established an Ad Hoc Committee which was asked to act on behalf of ExCo in the new nomination process. Four Ad Hoc Committee members were appointed: Marina Puccioni (Italy), Mohammad Roozitalab (GFAR), Jimmy Smith (Canada), Usha Zehr (PSC).

Although the process is scheduled to be piloted for two years , some obvious weaknesses have already been identified and the ExCo Ad Hoc Committee expressed its desire to share with ExCo some observations and concerns about the new process and suggest options for further improvement.

2. Experience from the initial cycle

For the first cycle, 6 Center Boards identified Board vacancies to be filled by a CGIAR nominee: CIAT, CIP, CIFOR, ILRI, IPGRI, IWMI. The committee received from 1 to 3 Board nominations from each Board and added 0 to 3 additional candidates to the pool, giving detailed explanations on their deliberations. However, the committee is disappointed that there remains a difference of opinion between the Boards and ExCo on the profiles of candidates that could best serve the Center's and the System's interests as CGIAR nominees. The Committee considers that Center Boards and the CGIAR are striving towards the same ultimate objective--namely, building engaged and responsible Boards with strong knowledge and expertise in all relevant areas (e.g., in science, policy, governance, finance), as well as an interest to effectively promote the objectives of both the Center and the CGIAR.

The committee sees **three major weaknesses in the CGIAR nominee process:**

- (1) inconsistency in the criteria applied for the selection of CGIAR nominees
- (2) lack of Board awareness and knowledge about the new process
- (3) tight tentative time schedule for each step in the nomination procedure.

The following elaborates on the three weaknesses in more details.

(1) Inconsistency in the criteria applied for the selection of CGIAR nominees

To fulfill the objectives of the new nomination process the ExCo Ad Hoc Committee used four key considerations in analyzing the list of candidates provided by the Board for filling a CGIAR Nominee slot on the Board:

- (1) Ensuring that the Board, as a whole, has at least a minimum level of expertise in the areas of: (i) financial management; (ii) governance; and (iii) CGIAR system perspectives.

- (2) If the Board could be strengthened in one or more of these areas, whether the candidates proposed by the Board appear to satisfy these needs (in addition to meeting the disciplinary expertise requirement set by the Board) and whether there are other candidates who satisfy both the Board's disciplinary expertise requirement and the needs in finance, governance or system perspective.
- (3) Bringing "new blood" to the Center and the System.
- (4) Whether all of the candidates suggested by the Board satisfy the requirement in the CGIAR Board Guidelines that "*CGIAR member agency employees with line responsibility for CGIAR funding decisions should not serve as members of center boards.*"

From the responses received from Center Boards that participated in the initial cycle it was apparent that very different criteria were used among the Boards in short listing candidates and eventually arriving at a preferred candidate. This constitutes a major bottleneck in the new process. It also suggests that CBC did not develop criteria for scoring the pool of candidates—clearly called for in Step 3 of the agreed process—to be used by the Center Boards, and in line with the objectives of the CGIAR nominee process (the criteria used by Ad Hoc Committee in their review of nominees was derived from this set of objectives).

For the CGIAR nominee process to be successful a standard set of criteria, fulfilling the objectives of the exercise, needs to be used by both the Boards and ExCo. By applying the CGIAR agreed objectives the Ad Hoc Committee derived the following criteria for selecting a CGIAR nominee:

- (1) Expertise in the areas of: (i) financial management and/or (ii) governance; and/ or (iii) CGIAR system perspectives. Other disciplinary expertise should be considered as secondary.
- (2) Maintain and add diversity (e.g. nationality and gender) to the Board membership.
- (3) Strive to bring new talent and experience to the Centers and the System.
- (4) Satisfy requirements of the CGIAR Board Guidelines, including "*CGIAR member agency employees with line responsibility for CGIAR funding decisions should not serve as members of center boards.*"

Boards should be requested to explain in Steps 2-4 (attachment 1) how their suggested candidates meet the criteria. If a Board sees the need for Board members to have other credentials, then those should be covered by non-CGIAR nominated Board members.

(2) Lack of Board awareness and knowledge about the new process

The Ad Hoc Committee observed that there was a lack of awareness and insufficient knowledge among some Boards and Board Secretaries about the new process and the steps involved, as well as the changes it seeks to bring about. This led to misunderstandings and delays in the process. It was also noted that the principal

individual taking the lead in communicating with the Ad Hoc Committee varied across Centers – in some cases it was the Board Secretary and in other cases the Board Chair or the Chair of the Nomination Committee.

Therefore it would be desirable if the Board Chairs, Chairs of Nominations Committees and the Board Secretary would become fully acquainted with the selection procedures. The CGIAR Secretariat could discuss with CBC how it can best assist Boards in this respect.

(3) Tight tentative time schedule for each step in the nomination procedure

At the request of CBC, two nomination cycles per year were established. The procedures for each cycle comprise multiple steps, and completing all steps within the tight schedule depends on a timely response by the Boards, the ExCo Ad Hoc Committee and the CGIAR Secretariat. The initial experience indicates that it seems to be very difficult to complete each step in line with the set schedule. However, the Ad Hoc Committee believes a second cycle should be completed before judging whether reducing the frequency of the CGIAR nominee cycle to one cycle per year would be more reasonable, and would also help to better manage transaction costs to the Boards, Ad Hoc Committee and the CGIAR Secretariat.

3. Options for proceeding with the CGIAR nominee process

The ExCo Ad Hoc committee sees two options for taking the CGIAR nominee process forward, while fully taking into account the CGIAR approved nomination process:

- 1. Pilot another cycle using the same procedures, and introduce refinements only after two or more cycles are completed, consistent with the CGIAR decision of AGM 04.**
- 2. Pilot another cycle, benefiting from the lessons learnt so far and make minor amendments to the procedures (such as the amendments shown below) which will be implemented in the second cycle.**

The ExCo Ad Hoc Committee suggests following option 2.

Amendments to the “Procedures for Selecting CGIAR Nominees to Center Boards

Steps 2b is amended by:

1. *Both the Board and the CGIAR use the following selection criteria in suggesting candidates*

- *Expertise in the areas of: (i) financial management and/or (ii) governance; and/ or (iii) CGIAR system perspectives. Other disciplinary expertise should be considered as secondary.*
- **Maintain and add diversity (e.g. nationality and gender) to the Board membership**
- *Strive to bring new talent and experience to the Centers and the System.*
- *Satisfy requirements of the CGIAR Board Guidelines, including “CGIAR member agency employees with line responsibility for CGIAR funding decisions should not serve as members of center boards.”*

2. *The same criteria would be used throughout steps 2-4 in the process*

Attachment 1

Procedures for Selecting CGIAR Nominees to Center Boards

Background

At its fourth meeting held on May 16-17, 2003, the CGIAR Executive Council (ExCo) recommended the following in connection with CGIAR nominees to Center Boards:

- *The CGIAR should maintain and improve the CGIAR nominee process. Each Center Board should have at least two members identified by the CGIAR and appointed by the Board. These members would be briefed by, but not report back to, the CGIAR.*
- *The current CGIAR nominee process should be suspended until an improved process is in place.*

The objectives of the redesigned CGIAR nominee process are as follows:

- provide greater opportunity for the donors and stakeholders to identify potential board candidates and participate directly in center governance;
- reinforce corporate CGIAR System perspectives to each board;
- promote greater alignment between CGIAR and center goals and priorities;
- maintain and improve the System's ability to capture geographically diversified representation in governance;
- strengthen the boards' expertise in the area of business management and corporate governance; and
- provide that key donor and client interests are considered in a board's policy making.

The CGIAR Secretariat and CBC developed a revised CGIAR-nominee appointment process. The revised process was endorsed by ExCo on December 31, 2003 and approved by the CGIAR on March 12, 2004. However, reservations were expressed by some ExCo members at its September 2004 meeting. As a result, the process was revisited at the CGIAR Annual General Meeting in October 2004 (AGM04). The CGIAR decided that the approved process will be implemented and remain in force through the end of 2006, at which time a review to derive lessons and recommend next steps will be conducted.

The CGIAR-approved nominee process is depicted in Figure 1 and detailed step-by-step procedures are shown in Table 1. The guidelines cover two six-month timetables (one starting in March and the other in September) for identifying and appointing CGIAR-nominees to Center Boards (BOT). The timetable indicates the deadlines and actions to be taken by Members, ExCo, Centers, and the CGIAR Secretariat to implement the process.

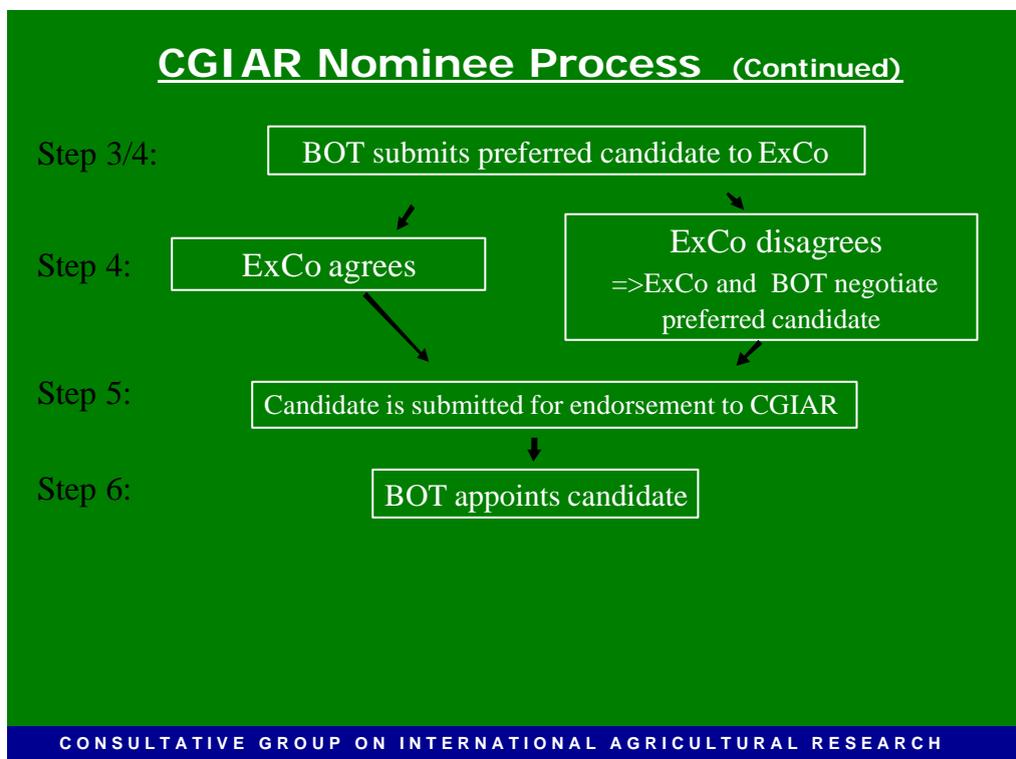
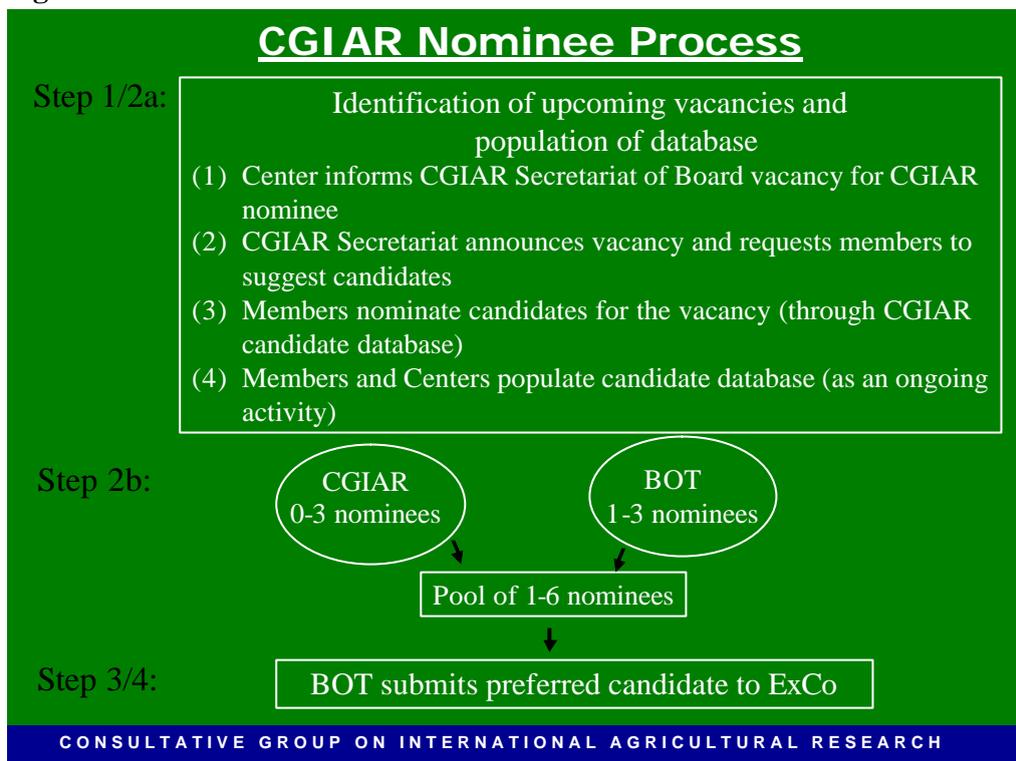
Table 1. Continued.

Indicative Timeframe	Action Steps	Action By
<p>Apr 16 and Oct 16</p> <p>April 17-May 15 and Oct 17 - Nov 15</p>	<p><i>Step 3. The list of potential candidates are referred to the Board for due diligence and scored for suitability based on criteria identified by CBC.</i></p> <p>a) Sends full list of candidates, including ExCo-identified candidates, to the Center Board.</p> <p>b) Scores each candidate for suitability and rank order the list taking into consideration the following objectives of the redesigned CGIAR nominee process:</p> <ul style="list-style-type: none"> i. Reinforce corporate CGIAR System perspectives to the Board; ii. Promote greater alignment between CGIAR and Center goals and priorities; iii. Maintain and improve the System’s ability to capture geographically diversified representation in governance; iv. Strengthen the Board’s expertise in the area of business management and corporate governance. 	<p>CGIAR Secretariat</p> <p>Center Board</p>
<p>May 16 and Nov 16</p> <p>May 17-30 and Nov 17-30</p>	<p><i>Step 4. The Board indicates to ExCo its preferred candidate(s), and the reasons for their selection, for endorsement and, if required, further negotiation. In the event of further negotiation, the candidate jointly agreed by the Board and ExCo would be submitted to the CGIAR membership for endorsement, on a no-objection basis.</i></p> <p>a) Submits to ExCo through the CGIAR Secretariat its preferred candidate(s) for endorsement.</p> <p>b) Reviews and endorses the Board’s preferred candidate(s) or notifies Board of desire to further negotiate the selection.</p>	<p>Center Board</p> <p>ExCo</p>

Table 1. Continued.

Indicative Timeframe	Action Steps	Action By
June 1-7 and Dec 1-7	c) If necessary, ExCo and Board Chair identify mutually agreed candidate.	
June 8 and Dec 8	<p><i>Step 5. The System Office submits the identified candidate (s) to the CGIAR for endorsement on a no-objection basis.</i></p> <p>a) Sends circular to CGIAR for approval of agreed candidate (s) on a no-objection basis.</p>	CGIAR Secretariat
July 8 and Jan 8	<p><i>Step 6. The Center fills the vacancy.</i></p> <p>a) Notifies Center Board of approval.</p> <p>b) Makes the formal appointment.</p>	<p>CGIAR Secretariat</p> <p>Center Board</p>

Figure 1



International Livestock Research Institute – ILRI

Subject: Drawing Lessons from the first CG Nomination Cycle

ILRI Board Chair and Management have reviewed the ExCo Ad Hoc Committee's evaluation report drawing experiences from the first cycle of the two years pilot phase of the new CG nomination process. We would like to offer the following comments and suggestions with the objective (i) to improve and simplify the CG nomination process and (ii) more fundamentally, contribute to the re-thinking of governance in CGIAR Centres.

Experience from the initial cycle of the new CG nomination process

The Ad Hoc Committee report identifies three major weaknesses of the new process:

- inconsistency in the criteria applied for the selection of CG nominees,
- lack of Board awareness and knowledge about the new process,
- tight tentative time schedule for each step in the nomination process.

We do understand the Committee's disappointment about the difference of opinion between the Boards and ExCo on the profiles of candidates that would best serve both the Centre's and the System's interests as CGIAR nominees. But we believe that the first two weaknesses identified stem from the same fundamental problem, i.e. :

- objectives of the redesigned CGIAR nomination process too broad,
- ad hoc committee's selection criteria to be brought in line with clear and limited objectives of the CGIAR nomination process.

We believe therefore that minor adjustments to the present process will not solve the problem and that more fundamental changes are required. We would recommend not to overstretch the CGIAR nomination process in attempting to make it one of the main tools for CGIAR Centre governance reform. We believe that we need to have two distinct but fully complementary processes to change the nature, focus and structure of Centre governance:

- The mainstream process to be driven by the Centres themselves, CBC and the Secretariat and to be enforced by the new Performance Measurement System, EPMRs and specific governance CCERs,
- The CGIAR nomination process with limited and clearly defined objectives similar to the very beginning of the CG system (Foundation Nominees).

The Mainstream Process to reform Centre Governance

There is growing awareness and consensus in the System and among Centres on the need to evolve in the way that Centre Boards define their role and built their capacity while the System as a whole is undergoing fundamental changes in its structure and governance. The growing complexity of science and related partnerships and its necessary links to the international development agenda require Centre Boards to adopt a much more strategic view on programme issues. At the same time, a new context and trends in funding of international agricultural research, with demands for more accountability, transparency and efficient use of scarce resources require a stronger focus on financial, administration and fiduciary oversight and resource mobilisation.

Re-thinking and adapting nature, focus and structure of Centre governance includes a broad range of governance issues:

- Re-defining the Board's role: more emphasis on corporate business, strategic decision making, collective action of CG Centres and capacity to build resources and forge new partnerships,
- New skills of BoT Members: Policy and international development; governance, finance and administration, fiduciary oversight,
- Science leadership and oversight: more flexible and efficient tools to inform and assist the Board,
- Board size and composition: smaller boards with a more strategic composition
- Committees and functions: more effective and leaner structures,
- Procedures and standards: new methods and forms of conducting business, putting in place of appropriate tools and processes,
- Meetings and agenda setting: rather more than less meetings and more strategic focused agendas,
- Performance measurement: more emphasis on Board and governance issues
- Control of governance cost: both direct and indirect.

A broad based and powerful process would be required to inspire and drive this reform. Most of the necessary tools are already in place: (i) Board Training and capacity building, (ii) a new Performance Measurement System, (iii) EPMRs with more teeth, (iv) CCERs with a specific governance focus and, last but not least, the CGIAR nomination process. Finally, and perhaps most importantly, there is growing awareness and acceptance of the fact that things must change! There is clearly an important role for collective action by the Alliance.

The CGIAR Nomination Process

To make this process effective, we would require a more simple, robust and broadly accepted system with limited and clearly defined objectives. Key principles and elements of such a system would include:

- As in the early days of the system, Centres must accept the legitimacy of the CGIAR Membership to participate in Centre governance,
- Number of CGIAR nominees would depend on the overall size of a given Board (1-3)
- Objectives of the process would be limited to (i) allow donors and stakeholders to participate directly in Centre governance, (ii) reinforce System perspectives and promote greater alignment between CGIAR and Centre goals and priorities and (iii) strengthen collaboration and collective action of Centres,
- Selection criteria for nominees would be in line with defined objectives,
- Proposals for suitable candidates from the database would be made by the Ad Hoc Committee (a shortlist of 3 to 5 candidates),
- Boards would inform the Ad Hoc Committee of their preferred choice (or any fundamental problem) and invite the candidate as an observer to the next Board meeting,
- Boards would appoint the new Board Member

Uwe Werblow
ILRI Board Chair