

Consultative Group on International Agricultural Research

Seventeenth Meeting of the Executive Council

November 3-4, 2009

Rome, Italy

Summary



CGIAR Secretariat
November 17, 2009

Introduction

The Seventeenth meeting of the CGIAR Executive Council meeting was held at International Fund for Agricultural Development (IFAD) headquarters. The purpose of the meeting was to 1) confirm Alliance, Donor, and Stakeholder support for reform progress, 2) develop solutions on key issues in the CGIAR Document on Reform (dated October 26, 2009) that have been identified; and 3) agree on a path forward between ExCo 17 and the CGIAR Business Meeting in December 2009.

The meeting confirmed strong alignment and support of the reform, and for moving forward with the transition.

The Transition Management Team (TMT) met prior to the ExCo meeting, and concluded that discussion at ExCo 17 should focus on key issues that require attention, rather than on individual work streams of the transition. The meeting also sought to ensure that reforms met the six principles agreed to at AGM08:

1. Clear strategic focus;
2. Increase research output, outcome, and impact;
3. Greater efficiency, effectiveness and relevance;
4. Simplicity and clarity of governance;
5. Enhanced decentralized decision making; and
6. Active subsidiarity to capitalize on complementarities of the Centers.

Discussion of these key issues was preceded by an update from the Alliance of CGIAR Centers.

Update from the Alliance of CGIAR Centers

Alliance Executive Chair Steve Hall presented the update and confirmed there is unanimous support within the Alliance for the reforms agreed to at AGM08 and for moving forward with the transition. The Alliance is confident that it will reach the desired outcome. Key progress to date includes:

- Developed a draft Constitution for the Consortium of CGIAR Centers.
- Completed preliminary analysis to support Consortium design and shared services.
- On track to have a Consortium Board selected by December 2009.
- Developed a draft Strategy and Results Framework (SRF) for the CGIAR.
- Developed an initial draft of Mega Programs; work is still needed, and there is a path forward.

The Alliance believes the progress achieved to date is forming the foundation for success in the new CGIAR and is confident of success.

Outcome:

- *ExCo congratulated the Alliance for work and progress to date, and its commitment to work collectively toward a shared vision. It looks forward to actions that will follow the framework that has been put in place.*
- *ExCo was pleased that the Consortium Board will have the authority to review management units on efficiency and effectiveness, and against alignment with the SRF.*

- *ExCo is also pleased at the prospect of shared services and possible efficiencies it would entail.*
- *ExCo advised on the importance of culture change in Centers and to build an appropriate incentive structure for staff.*

Key Issues Identified

For each of the key issues identified by the TMT, it developed a potential approach and next steps (if necessary) for moving forward. Outcome of ExCo's discussion is presented below on each of the issues.

Key issues 1 and 2: Fiduciary responsibility and transfer of funds to Centers

The underlying concern was to avoid unnecessary bureaucracy in the Consortium operations, and maximize the use of financial management capacity of the Centers for transferring funds to the Centers.

Potential approach:

- If the Consortium can maintain fiduciary responsibility, and the Trustee agrees, funds could flow directly to Centers from the Fund (initial advice from World Bank Trustee is that direct disbursement from the Fund to Centers is possible).
- The Consortium will have fiduciary responsibility and must have strong financial management capabilities (as distinct from treasury management capabilities).

Next steps:

- Discuss with Trustee.
- Confirm feasibility of direct disbursement.

Outcome:

- *ExCo agreed with the potential approach.*

Key Issue 3: Clarity around the "locus of oversight" in the Fund Framework document

One of the Fund Council's responsibilities in the Framework Document for the CGIAR Fund Section of the CGIAR Document on Reform (dated October 26, 2009, Section 4, page 124) states, "Serving as the locus of oversight in the CGIAR for the partnership's governance and institutional health." This has raised concerns of a potentially "policing" role of the Fund Council.

Potential approach:

- Substitute text: "In discharging its responsibilities, the Fund Council has an overview of the CGIAR's strategic impact, quality and relevance of programmatic performance, managerial and governance performance, and its financial performance and resource mobilization, based primarily on information from the Consortium."

Outcome:

- *ExCo agreed with the potential approach.*

Key Issue 4: Bilateral funding—scope of work outside SRF

The issue was whether bilateral funding by donors to Centers could be outside the scope of SRF.

Potential approach:

- Agreement in principle that the spirit of the CGIAR Reform is that the bulk of Center research should fall under the agreed SRF and that Centers have flexibility to conduct work outside of the SRF.
- Bilateral funders agree to work in agreement with the Paris Declaration and Accra Principles.

Outcome:

- *Language to be inserted in all documents: “Any work undertaken by a Center should not compromise either the ability of that Center or any other Center to fulfill its obligations to deliver on the SRF or compromise the reputation of the CGIAR. Transparency of reporting to donors and stakeholders should be ensured. The Center and Consortium would be responsible for adhering to these principles and be responsible for any dispute resolution. Bilateral funders agree to work in agreement with the Paris Declaration and Accra Principles.”*

Key Issue 5: Bilateral funding—full cost financing

The issue was whether bilateral funding should reflect full cost of the programs including system costs.

Potential approach:

- Agreement on the following principles:
 1. There will be full cost financing for any bilateral funder or service purchaser.
 2. These costs will include full System costs, except that of the Fund office.

Next steps:

- Consortium to develop a proposal in early 2010 on full cost financing (i.e., define the components for what bilateral funding will cover, and create an estimate for the total cost and percentage). If this assessment indicates that costs are out of line with peer group organizations, then proposals should be made to reduce costs.

Outcome:

- *ExCo agreed with the potential approach.*
- *The proposal on full cost-financing should have a specific deadline date for development, e.g. February 2010.*
- *GCARD is an important and essential interface to the CGIAR and should be funded by donors based on the best estimate cost of its contribution to the CGIAR, including the cost of the GCARD process.*

Key issue 6: Window 3 (Institutional funding directed by donor)

The issue was whether Window 3 (see page 120 of the Framework Document for the CGIAR Fund Section) should remain operational without a sunset clause.

Potential approach:

- Define Window 3 as transition mechanism to smooth bilateral funding to Centers until Mega-Programs are in place. Window 3 to be closed by [end-2013] unless Fund Council decides otherwise based on dialogue with the Consortium.
- Create flexibility for additional program windows (e.g., gene bank collections, capital improvements) as needed to preserve mission critical capabilities of the CGIAR.

Outcome:

- *ExCo agreed with the potential approach in principle.*
- *Members do not want to destabilize Centers during the transition, but at the same time would like to see incentives to attract funding to MPs.*
- *There was concern about setting an end date for Window 3 given uncertainties. Instead, the documents should note that Window 3 will close after a transition period, and that the Fund Council will determine at the end of two years a sunset date, in dialogue with the Consortium.*
- *To move to programmatic funding, flexibility should be maintained by establishing funding mechanisms for gene banks, capital improvements, etc. (Note: the Fund Council may also allocate funds to these critical activities from Window 1.)*

Key issue 7: Role of Partner UN agencies

The issue was on the engagement and the role of the “co-sponsors” as partner UN agencies in the new CGIAR.

Potential approach:

- Agreement in principle that it’s important to have partner UN agencies with food security development mandates (i.e., FAO, IFAD) as part of the renewed System to:
 - Provide an essential context for the CGIAR in the multilateral system,
 - Play a key role in policy advocacy in terms of positioning the CGIAR in the broader development context, and
 - Facilitate and catalyze a stronger linkage and scaling up of CGIAR research with the delivery and extension systems at program levels, through e.g. linking CGIAR work to the mainstream activities of UN agencies and multilateral development banks, information and knowledge exchange.

Outcome:

- *ExCo agreed with the potential approach.*

- *Other UN agencies with different mandates (e.g. environment) should be encouraged to partner on relevant mega-programs.*

Key issues 8: Allocation of initial Fund Council seats

Potential approach:

- See suggested allocation of seats in Attachment 1.

Outcome:

- *ExCo agreed to the suggested allocation of Fund Council seats.*
- *If a major foundation wished to join the Fund and contribute significant funding, the Fund Council could consider adding an additional seat to the Foundations constituency.*
- *The World Bank trustee will attend meetings as an observer.*
- *The Fund Council will decide on how it will solicit views of private sector, e.g. formation of a private sector committee or through other modalities.*
- *The underlying principles for Fund Council composition were agreed:*
 1. *Donor country seats will take into account recognition of share of their funding (not exact proportionality), and regional balance. This will recognize over time unrestricted funding through support to the full SRF or Mega Programs.*
 2. *Maintain North-South balance.*
 3. *Constituencies are free to rotate their seats according to their own rules (which should be defined and shared for information with the Fund Council in the interest of transparency, not decision).*
 4. *In the event that a Southern constituency does not have a qualifying Fund donor, a regional organization should be asked to manage a process that will decide on a Fund Council representative to serve until a qualifying member emerges.*
 5. *Members will be expected to disclose and manage conflicts of interest.*
 6. *Effectiveness of the initial Fund Council will be reviewed as part of the external review of the CGIAR in three years, and suggested revisions might be proposed to change Fund Council composition. In this case, a special meeting including all Fund members will be called to decide on changes (as needed).*

Key issue 9: M&E Framework for the System

Potential approach:

- Establish a joint Alliance-Donor working group to review and revise the M&E Framework Section (Section 5) of the CGIAR Document on Reform (dated October 26, 2009) to ensure consistency and appropriate tone.

Outcome:

- *ExCo agreed with the potential approach.*

- *The working group made revisions to the M&E Framework Section of the CGIAR Document on Reform (dated October 26, 2009) during ExCo 17. The working group will be maintained to make further revisions and consistency check of the document as needed in preparation for the Business Meeting.*
- *The working group will also examine options for the independent evaluation arrangement.*

Key issue 10: Independent Science and Partnership Council Roles and Responsibilities

Potential approach:

- Approval of TMT recommendations on ISPC roles and responsibilities (Attachment 2).

Outcome:

- *ExCo agreed to the revised ISPC roles and responsibilities in Attachment 2.*

Key issue 11 and 12: Next Steps on Strategy and Results Framework and Mega-Programs and Providing support to GCARD process

S. Hall updated ExCo on development of the SRF and MPs, noting additional work required including on the evidence base of the SRF, logical derivation of a set of MPs from the SRF, and needed elements of MPs. He presented next steps in the process for information.

Mark Holderness presented a GCARD process strategy and timeline, and 2010 GCARD event plan.

Potential approach:

- ExCo to provide guidance to Alliance on expectations for future drafts of the SRF and MPs, and on how a successful outcome of the 2010 GCARD event would be defined.

Outcome:

- *Recognizing more work needs to be done on SRF and MPs, ExCo commended the progress to date.*
- *A short (two-page) cover note should be added that describes the document and what it expects to achieve, and the process going forward.*
- *An annex of stakeholder comments should be added.*
- *A draft template proposal on elements to be included on description of MPs should be developed and included as an additional annex. This will help bring clarity and inform donors what they can expect.*
- *There was a concern on the interface between development of the SRF and the GCARD process. A suggested face-to-face meeting among the GFAR Steering Committee, GCARD taskforce and Alliance should be held to ensure more interaction.*

- *There is a strong desire by donors to see a few pilot MPs as soon as possible; ExCo requested planning to proceed so that 1-2 MPs can be approved by the end of 2010.*
- *One outcome of GCARD should be endorsement of the SRF with broad acceptance.*

Key issue 13: Independent Science and Partnership Council Transition

Potential approach:

- Interim ISPC will be launched in December 2009, for one year.
- Current Science Council chair will be appointed the chair of the interim ISPC for one year from December 2009, with search for successor initiated in mid-2010 to ensure a smooth transition.
- Current Science Council members to become interim ISPC members.
- Interim ISPC to develop a proposed 2010 work program/budget and ISPC & ISPC Secretariat composition to be based on its new roles and responsibilities.
- 2010 work program should be scaled in recognition of other demands on Centers during the transition.
- The Fund Council will approve the revised 2010 work program/budget in consultation with the Consortium.
- Any new recruitment of ISPC members will be deferred until approval by the Fund Council.

Outcome:

- *ExCo agreed with the potential approach.*
- *The Standing Panel on Impact Assessment (SPIA) will maintain its current form as an independent panel with the Chair of the Panel functioning as an ex officio member of the ISPC. The SPIA work program and budget will be included in the 2010 ISPC work program and budget to be presented to the Fund Council.*

Key issue 14: Disbursement of funds in 2010

The issue was on maintaining stable funding for the remaining transition period.

Potential approach:

- Provide commitment that existing disbursement mechanisms will be used in 2010 (until the Fund can disburse to the Consortium).
- Agree that transition costs will be funded *in addition to* at least the 2009 level of core funding (i.e., core funding will not be reduced by transition costs).
- When possible, donors will inform Centers of their likely funding commitments for 2010 by the end of the current calendar year.
- Donors will disburse their funds on their normal schedules to ensure continuity to Centers in 2010 (i.e., no one is “waiting” for the outcome of the Reform).

- The CGIAR Secretariat will canvass donors to better understand methods that donors will use to transition to the new system and share best practices to support implementation.

Outcome:

- *ExCo agreed with the potential approach.*
- *It was agreed that the World Bank would work to set up the Fund as quickly as possible. Noting that disbursements from the Fund would in any case also depend on progress in setting up the Consortium, ways to enable quick disbursement (for example using Window 3) while the Consortium is being developed should be explored.*
- *ExCo emphasized the importance of putting in place a credible Consortium Board chair and CEO as soon as possible to ensure a well-functioning organization and to help build support and market the new system. Center Board Chairs and Directors General also have a responsibility to help market and generate enthusiasm for the new system.*

Key issue 15: Understanding full cost of new CGIAR

Potential approach:

- Ask the Alliance and CGIAR Secretariat to develop a total System costing before the Business Meeting in Dec 2009, including direct, indirect, and hidden costs, capitalizing on Boston Consulting Group work to date, if possible.

Outcome:

- *ExCo emphasized the need for information on full cost of the new CGIAR to understand the cost savings element that will help market the new system.*
- *The CGIAR Secretariat and Alliance will provide information that is available by the Business Meeting.*
- *In response to a question on roles, it was clarified that resource mobilization will be a main role of the Consortium, with collaboration from the Fund Council.*

Key issue 16: Ongoing Communication between Donors and Centers

Potential approach:

- Request the Alliance/Consortium to present proposals on how to ensure a low cost, high value way to ensure effective communications with donors.

Outcome:

- *ExCo agreed with the potential approach.*

Key issue 17: Make documents clear, coherent, and consistent—with tone that reflects the partnership intent

Potential approach:

- Assemble a “drafting group” to *execute* on the intentions discussed with the Alliance and decisions made at ExCo 17, composed of:
 - Three members from the Alliance,
 - Three Donor representatives,
 - World Bank resource person, and
 - Trustee.

Next steps:

- Ensure the group finishes its work by November 16, 2009.

Outcome:

- *ExCo agreed with the potential approach.*
- *The working group on the M&E Framework could form part of the drafting group.*

Key issue 17.5: CGIAR Joint Declaration document

Potential approach:

- Drafting group to revise based on ExCo agreements.
- Declaration will be endorsed by ExCo (virtually) by November 23, 2009.

Next steps:

- Ensure group finishes its work by November 16, 2009.

Outcome:

- *ExCo agreed with the potential approach.*
- *Strengthen the aspiration section at the beginning of document; sections on conduct to be included in an annex.*
- *Written comments/suggestions should be sent as soon as possible.*

Key issue 18: Draft framing for Business Meeting

Potential approach:

- Draft objectives for Business Meeting
 1. Confirm Alliance, Members, and Stakeholders support for the latest developments on the reform,
 2. Confirm that the reform elements meet the principles established at AGM08, and
 3. Officially approve the reform.

Outcome:

- *ExCo agreed with the proposed objectives.*
- *In addition, concrete information on the GCARD process should be presented to ensure alignment with the Funders Forum.*
- *Donor involvement in development of SRF should also be reflected in the agenda.*
- *A high-caliber speaker should be invited to speak at the meeting to help raise the profile of the new CGIAR.*
- *The Business Meeting will be a two-day meeting: December 7 will be an informal space for dialogue and December 8 the formal meeting.*
- *There will not be a pledging session on December 8, which will be deferred until early 2010.*

Key issue 19: High level transition timeline for 2010 (Attachment 3)**Outcome:**

- *A kick-off event for the new CGIAR in early 2010 will be considered.*
- *An Alliance/Consortium-Fund Council dialogue on SRF and MPs should be organized prior to the Funders Forum. It should be coupled with the first Fund Council meeting.*

Closing Session

Recognizing the considerable amount of work yet to be accomplished, the CGIAR Chair noted that it was the final meeting of the Executive Council and thanked members for their service on ExCo and support to the CGIAR reform. She also thanked IFAD for hosting the meeting and the excellent support provided to the meeting. She expressed her appreciation to the staff of the CGIAR Secretariat and to the staff of the SC Secretariat and Alliance Office who had supported the reform while carrying out the important work of the CGIAR. She closed the meeting by acknowledging the contributions from all parts of the CGIAR to the reform effort.

Proposed Composition of Initial CGIAR Fund Council Seats*

Donor Countries	Number of Seats	Representatives from the South	Number of Seats
Europe	4	SSA	2
North America	2	Asia	2
Asia	1	Pacific	1
Pacific	1	CWANA	1
Subtotal	8	LAC	1
		Regional Fora	1
		Subtotal	8
		Total	21
Multilateral and Global Organizations and Foundations	Number of Seats		
World Bank	1		
IFAD	1		
FAO	1		
Foundations	1		
GFAR	1		
Subtotal	5		

*In addition to the 21 Fund Council Members, there will also be a Fund Council Chair.

Independent Science and Partnership Council Roles and Responsibilities

The Independent Science and Partnership Council (ISPC) will be a standing panel of world-class scientific experts. The Council's overarching purpose is to provide independent advice and expertise to the funders of the CGIAR through services to the Fund Council and the Funders Forum. It will also serve as an intellectual bridge between the funders and the Consortium of CGIAR Centers.

The ISPC plays a vital role for the CGIAR to strengthen science, to improve productivity and quality of science, to catalyze the partnering of CGIAR science with other institutions of international agricultural research and to support the important role of the CGIAR as honest broker in various global debates.

In providing its advice, the ISPC will ensure alignment of programs with the Strategy and Results Framework. As part of a learning organization, the ISPC will capitalize on previous evaluations and seek to provide its learning to evaluations being done by the peer review process and eventual *ex-post* evaluation.

ISPC's specific tasks will be:

1. Commission and oversee evaluations of the scientific quality, relevance, partnership arrangements and likely development effectiveness of the investment proposals submitted by the Consortium to the Fund Council and make recommendations concerning their investment worthiness.
2. In undertaking the role described in 1 above, the ISPC will also provide feedback and guidance to the Consortium on any areas of concern regarding the quality of the proposed research and partnership arrangements contained in submitted investment proposals and on any deficiencies in the *ex ante* impact assessments provided by the Consortium in support of them.
3. Provide the Fund Council and the Funders Forum with foresight advice on trends and emerging issues, as well as potential strategies of addressing them related to the CGIAR Strategy and Results Framework. In undertaking this role the ISPC will act as commissioner and coordinator of any required foresight studies, drawing on expertise within the Consortium and beyond, as appropriate, to undertake them.
4. To complement the GCARD process, in consultation and partnership with the Consortium and GFAR, convene periodic high-level scientific dialogues on high priority issues that will inform the scientific deliberations among CGIAR scientists and their research partners and help catalyze partnerships of the CGIAR with other global science communities.
5. Improve strategic investment decisions and help increase the rigor and the reach of impact assessment studies within the CGIAR by commissioning, in partnership with the Consortium, *ex-post* impact assessment of the development effectiveness of CGIAR investments. The evaluation of the Mega Programs and system review will be undertaken by an independent evaluation arrangement, which will in turn avail itself of the lessons learnt from the ISPC's work.
6. Provide the Fund Council with independent advice on other matters upon request.

High Level Transition Timeline for 2010

