

**Meeting of the CBC
September 19 – 21, 2002
IPGRI Headquarters
Nr. Rome, Italy**

SUMMARY OF PROCEEDINGS

**BECOMING MORE EFFECTIVE AS BOARDS
OF TRUSTEES**

AGENDA ITEM 1: WELCOME AND INTRODUCTIONS

John Vercoe, Chairman, CBC, welcomed CBC members to the meeting. Apologies had been received from David MacKenzie, CIP, and Geoff Miller, IFPRI, who were both unwell, and also from Angeline Kamba, IRRI, who was traveling in China with members of the IRRI Board. Jim Godfrey attended the meeting on behalf of CIP, and Arie Kuyvenhoven on behalf of IFPRI.

A full list of participants is attached as Annex 1.

The Chairman thanked Benchaphun Shinawatra, Chair of the Board of IPGRI, for hosting the meeting.

Geoff Hawtin, Director General, IPGRI, welcomed participants to the CBC meeting being held at IPGRI's new headquarters in Maccarese outside Rome, and invited all CBC members to dinner at his home on Friday evening.

Action: It was agreed that the Chairman would send a note to David and Geoff wishing them a speedy recovery.

The draft Agenda, dated August 6, 2002, was reviewed and agreed. The Agenda is attached as Annex 2.

AGENDA ITEM 2: REPORTS ON CENTER STRATEGIES AND ACTIVITIES

The Chair introduced the meeting by referring to the changes that the CG System was currently undergoing and the important role that CBC had in influencing both the direction and the nature of the changes. If CBC accepted this role then it needed to have a much greater degree of cohesion and consensus than in the past and needed to be much more aware of the variations that exist between the Centers. CBC has to identify and agree upon the cultural changes that are required by the System and recognize that it will be the major avenue through which these changes will be implemented. The second agenda item will high light the variations between Centers and provide an opportunity for CBC members to “get to know each other and their Centers” a little better.

Each Board Chair made a brief presentation outlining the strategies and activities of their Centers. Presentations focused on Center funding patterns, relationships with new and potential donors, formalized partnerships and joint ventures as well as public relations and public awareness. Copies of available Center presentations are listed on the CBC website.

AGENDA ITEM 3: ANALYSIS OF CENTER REPORTS

The Chairman summarized the important elements in the reports, and identified perceived major issues. These are:

1. Security of System Resources
 - Has the CG change movement had any significant impact on the CG?
2. Board Members & the CG System
3. Inter-Center Collaboration
4. Challenge Programs
 - Formulation and Governance
 - Priority Setting
 - Quality Control
 - Competition
 - Funding
 - IPR
 - Role of Science Council
5. Review of Center ‘Review’ Systems – EPR, etc.
6. How to be a Global Player?
 - Influencing global policy
 - Advocacy
 - Core business (IARC) perspective
7. ExCo and System/Centers
8. Appeals
9. Common Services
 - Internal Audit

10. Codes of Conduct
 - BoT
 - Management
11. IPR
12. Staff Role in Governance Issues
 - Role of Staff on DG Selection
13. Balance between R & D& Innovation
14. Science Quality
15. Capacity Building/Training
16. Vision - Thinking Big

AGENDA ITEM 4: ENHANCING BOARD PERFORMANCE IN ITS RESPONSIBILITIES.

Institutional Partnerships

Discussion points:

- Formal agreements with institutions, especially in the host country, provide the opportunity to undertake research programs in a more integrated fashion;
- If a lead actor is identified in the partnership, then, via an MoU, the respective roles and responsibilities and agreed upon expectations for each party should be clearly identified;
- In some instances, formal institutional partnerships can facilitate the mobilization of resources for the partners;
- Depending upon the number of actors, the discussion of institutional partnerships may also apply to formal networks and consortia.

The role of the Board in strengthening institutional partnerships:

- The role is dependent upon the nature of the partnership and who the principal actors are;
- The Board should play a key role in oversight;
- The Board should, in this oversight, monitor the number of institutional partnerships, for they can consume a great deal of the Center's resources – both financial and human.

Public Awareness/Relations/Communications

Discussion points:

- An important reference was made to a recommendation in an earlier study by the CGIAR Finance Committee regarding the need for a system-wide Funding to be linked firmly to the Public Awareness Strategy. To date, no action appears to have been taken on this linkage. While the implementation of such a strategy should not be centralized in one location, there should be coordination amongst the Centers, thus requiring a coordinating focal point. (N.B. This discussion was held within the context of Agenda Item 5: Fund Raising Exercise.)

- Public Awareness/Relations is the responsibility of Management. However, individual Board members can be called upon to assist the Center, at the request of management.
- As well, Board members may be able to suggest effective PA/R/C entry points to management based upon their personal contacts, and professional networks.

The role of the Board in Public Awareness/Relations/Communications:

- The Board has an important role in the formulation of a policy framework for Center Funding, Public Awareness/Relations and Communications.
- A long-term strategy for the above should be developed for the CG system. (The CBC should have significant input to such a strategy, for it must reflect the work of the Centers whilst building the image of the CG System as a whole).
- The CBC should reaffirm its membership in PARC (Public Awareness and Resource Mobilization Committee).
- There continues to be confusion about the role, function, and impact of Future Harvest. The CBC must be concerned about the Public Awareness challenge for the external community to distinguish between the IARCs and the Future Harvest Centers.

Action:

- The Secretariat to the CBC will ensure that the CBC member on PARC, Alex McCalla, receives all necessary documentation for his participation in this meeting of PARC, to be held at the CGIAR AGM in Manila in October.
- The CBC will request the CG Secretariat that an external review be undertaken of the Future Harvest initiative. As the Centers are supporting this activity financially, it is the responsibility of the Boards to know the role, function, and the impact on the programs of the Centers. The TOR of this review should be developed in concert with the CDC.
- Place on CBC/CDC agenda for Manila.

Fund Raising Exercise

Discussion Points:

- The discussion of this item was undertaken within the context of the previous item on Public Awareness/Relations and Communication.
- The pros and cons of a professional fundraiser were presented. In most cases, the experience was not positive.
- The positive experience of the appointment of a staff member who could train the research staff in fund raising skills was described, and recommended as a possible model to copy.
- Centers should take care to ensure that the message given to the external target audience reflect correct information, for the 'story' is often larger than reality;
- Concern was expressed that too much of the time of the Director General may be spent on chasing unrestricted funds, and as a result, "more money is spent to get less money".

The role of the Board in Fund Raising:

- The primary responsibility for fund raising is a center management responsibility.
- Individual Board members may be asked to assist in this activity where it is evident that s/he possesses the appropriate skills.
- Board members may also take the initiative to advise management of fund raising opportunities based upon their contacts and professional networks.
- In selecting new Board members, fund raising skills may be identified as a desired qualification.
- Consistent with the need for a CG system-wide strategy, it is highly desirable to have a “collective behavior”.

Technology Transfer Mechanism

(Please note ISNAR’s Work on Technology: The Evolution from Strengthening Research-Extension Linkages to an Intellectual Property Perspective.)

Discussion Points:

- The flow of technology AND information is critical to the end user if research capacity is to be developed amongst its staff.
- Technology transfer AND innovation should be seen as a continuum in the process of utilization of research results.
- To ensure the flow of technology, the process of Technology Exchange in some Centers was described. A concrete example given was that of a Science Park at CIAT.

The Role of the Board in Technology Exchange:

- The Board should be actively involved in the formulation of relevant strategies and policies in the Centers;
- The Boards should monitor the performance of the Centers in the implementation of these strategies;
- The CBC should be a forum for the exchange of experiences, challenges, and lessons learned.

Monitoring Program Direction

Discussion Points:

- Concern was expressed about the effective use of the Board’s time on program issues rather than crises that are more of an administrative or managerial nature.
- To ensure that the work of the Board was driven by the Board and Center requirements rather than driven by external requirements, CCERs, as currently structured and where seen as a bureaucratic requirement, were abolished in some Centers.
- There is often a need to monitor the process of programs at the formulation and implementation stages as well as in mid-life and at their completion.

- Several Centers expressed a strong need of CCERs as an effective tool for program monitoring and evaluation, as they should be initiated by the Board.

The Role of the Board in Monitoring Program Direction:

- In the report of Board experiences, it was strongly recommended that micro-management be avoided. The line between policy direction and management by the Board is very thin. However, the Board must function at all times at the strategic level and transparently.
- Instruments of governance are required for the oversight of Challenge Programs or new collaborative programs and CBC needs to scrutinize CP proposals carefully to ensure they are consistent with Center operating procedures and provide adequate oversight.
- A broader-based “conference” mechanism might be an appropriate governance tool to plan, implement, and evaluate the new program.
- Boards need to explore and then exchange information of strategic benchmarking for their monitoring processes and should look for innovative approaches to performance monitoring. Milestones or benchmark indicators should not be based upon the particular experience of any individual Board members.

CCERs (See also agenda item 11)

(As the previous item on Monitoring Program Direction addressed in part CCERs, the Agenda Item 5: Center Commissioned External Reviews was discussed within Agenda Item 4. See Background Paper: IITA-CCER on the CBC web site.)

Discussion points:

- CCERs are useful for within Center program management, and serve as a useful input into the EPMR process.
- Although CCER’s imply an evaluation, and thus addressing results, they should be forward-looking, providing guidance for future programming.
- The key questions to be answered are: when should a CCER be undertaken, by whom, and for what desired outcome.

The role of the Board in CCERs:

- The consensus is that although the Board has a role in establishing, setting ToR and identifying panel members, oversighting the process, and will receive the results of the CCER, Board members should not be members of a CCER panel.
- Boards should also have a “Code of Conduct” for Review Panel members and the Panel chair.

Monitoring Center Performance

Discussion points:

- One of the major criticisms of the CGIAR system has been its reliance on incessant reviews which have sometimes given rise to managerial turbulence, underperformance by some Centers, apparent lack of trust in senior and

middle management, and diversion of substantial resources to carry out monitoring and evaluation assessments, leading in turn to under-resourcing of other key activities.

- Review groups can be wrong and their views detrimental to, rather than constructive for, the Center. There have been instances where reports of reviews have been released prior to a response by the Center indicating the need for tighter processes. The ToR and review group membership need to be agreed by the Center and the selection criteria for review-group membership probably needs to be revised.
- On IARC board performance *per se*, there needs to be recognition of (i) non-profit-making role of the Center; (ii) open accountability; (iii) proper transparency of operation; (iv) fiscal and scientific integrity; (v) respect for the long-term nature of the work conducted by the Centers; (vi) the expectations of the sponsors, (vii) the need to attract and retain high-caliber staff; (viii) various mechanisms and processes to monitor and enhance Center performance; and (ix) efficient and effective board processes.
- The primary measure of Board and Center performance is the positive societal impact of that Center on international agriculture in all its guises. A badly run body will under-perform and offer poor value for money. The key measures of Center performance will come from an analysis of outputs over 5-10 years rather than more frequent snapshots. There should also be time for retrospective analysis of the impacts of policy changes. Boards and executives should respond promptly changes in direction should the need arise.
- The relationship between the review group chairs (representing the CG System) and Board Chair needs to be open, fluent and founded on mutual trust and confidence. Confidential briefings enable either side to voice concerns, or agree strategies or tactics, or clarify issues.
- There is a feeling that there is excessive outsourcing of performance monitoring by the CGIAR system, often duplicating, and in some cases undermining, the specific responsibilities of Boards and executives to carry out this essential task. Investors need to be satisfied that monitoring processes are in place and measure success as the successful adoption of center products and processes.
- A healthy interest by board members in Center activities is essential and beneficial for Center staff. There is a key role for audit committees to ensure that financial management and related matters are being handled professionally and they must intervene at the earliest opportunity if there are suspicions of wrongdoing or unacceptable weaknesses in the system. Risk management – from Center reputation to health and safety liabilities – is a Board issue. All DGs have a duty to ensure that boards are made aware of potentially large problems facing the Centers and Boards must be prepared to act promptly on the best advice available
- If Board (in the case of the DG) and HR policies emphasise performance-linked incentives, then compliance is certainly encouraged.

- Board performance is related to Center performance. A dynamic relationship should exist between the board, DG and other senior executives, focused essentially on outputs and out-comes. Board members have both an overseeing and an ambassadorial role.
- Some Centers have found a system in which each board member gives account for their Center-related activities each year (meetings attended, papers prepared, visits, presentations *etc.*), to be a useful tool to encourage greater participation and commitment. It is a moot point as to how it is possible to assess how they have contributed to making the Center a productive and effective work environment. On the other hand, they share responsibility for an under-performing Center.
- Finally, keep performance indicators simple, straightforward and measurable where possible.

Role of the Board in Monitoring Center Performance:

- The critical questions are: what is being measured and when?
- Performance indicators are required for long-term assessment, as the judgment by the external community, i.e., donors, is based upon a proven track record.
- The monitoring of a Center’s performance must consider factors over and above program matters. The performance of the Center in its physical and geopolitical environment is of great importance.

Action:

- It is proposed that the CBC create an ad hoc committee (working group?) to consider this matter in greater detail and develop criteria/common indicators to monitor the performance of the Centers. The working group would report back to the full CBC for further discussion and possible action.

AGENDA ITEM 5: ENHANCING THE BOARD’S PARTICIPATION IN CENTER STRATEGIES

What is the boundary between Board and Management?

Discussion points:

- The relationship between Board and management needs to be based on unity and trust. All concerned need to understand the rules by which governance and management are carried out.
- Board and management must develop a sound, arms-length working relationship. Micro-management must be avoided.
- The differences in roles, responsibilities and accountabilities between the Board and management have to be understood and appreciated by all.

- Field visits are useful to keep Board members informed and interested as well as for the opportunity for discussions with staff. The Director General needs to keep Board members up-to-date.
- Special attention is required for a smooth transition during transfers of DG or Board Chair.
- A frank and open dialogue between Board members (self-assessment) mitigates the risk of conflict, taking into account cultural differences that can play a role, and the special position of ex-officio Board members.

Action:

- A consensus was reached by the CBC that although staff should participate in open and transparent consultations with Center Boards, there should not be a staff representative on the Boards of Trustees. It was also agreed by the CBC that Board decision-making should not include staff member approval or agreement but consultation with staff on significant matters is essential.
- The CBC agreed that Directors-General should not participate in matters related to DG recruitment, and that this understanding should be included in the proposed Code of Conduct for Board Members.

Program Planning and Priority Setting

Discussion points:

- Boards have a definite role to set the framework for long-term strategic planning exercises, but not for short-range problem responses.
- Boards bring an orientation of the external environment, which can be strengthened through external consultants, for example, during CCER's.
- In the case of DG transition, it is useful if the Board sets the short-term strategic framework before the new DG is selected, giving the incoming DG one or two years to add his/her own vision in an updated version of a longer-term (5 year) strategy.

External and Internal Audits

Discussion points:

- In light of the recent USA accounting problems, special attention is required in Center auditing.
- It is recommended to have a separate Audit Committee, in addition to the executive and finance committee. The Audit Committee has a specific role in the financial process and ensures risk management.
- It is recommended that the Audit Committee have yearly interactions with the external auditors. External auditors should be changed after every five years.
- The Director General should never sit on the Audit Committee.
- In some cases, external auditors can be employed to undertake internal audits.
- Efficiencies can be achieved if several Centers employ the same firm to undertake internal audits.

AGENDA ITEM 6: THE BOARD'S ROLE IN:

Inter-Center Collaboration

Discussion points:

- Concern was raised regarding the number of potential Challenge Programs, especially with regard to the competitive nature of funding. There was little evidence of additional funds for Challenge Programs, and no funds appeared to be forthcoming. Fifty percent of World Bank funding was to be transferred from core to restricted funding.
- Governance issues were discussed in detail, and more information was requested as regards fiduciary responsibility. Who has the accountability and responsibility for the entire Challenge Program?
- Mention was made of the high transaction costs for administration and management of Challenge Programs.
- Intellectual Property Rights are also a possible major problem in Challenge Programs.
- It was agreed that strategic alliances should be formed in an open and transparent manner, and a mechanism must be developed for individual Centers to voice their displeasure if they are not involved in a specific Challenge Program.
- CBC strongly supported restricting the number of pilot Programs until a monitoring and evaluation system was developed to determine the effectiveness of the pilot Challenge Programs.

Action:

- ExCo to be advised of CBC concern.
- Monitor pilot Challenge Programs to develop best practices.

Enhancing a corporate culture between Centers

Discussion points

- CBC and CDC and their joint meetings are a very good basis on which to build a more corporate culture
- CP and other CG and Center activities now require concerted and cohesive action the targets and mechanisms for which CBC and CDC need to identify and agree upon.

Implementing EPMP Recommendations

Discussion points:

- A discussion document outlining the reassessment of the function and conduct of EPMPs has been prepared by iSC and is available in draft form.

Action:

- CBC to review document for discussion at next meeting.

AGENDA ITEM 7: ENHANCING CENTER COOPERATION IN POLICY DEVELOPMENT

Intellectual Property

Discussion Points:

- Recognition that IP could become the high risk area that would spell financial disaster for Centers, especially those heavily engaged with the Private Sector;
- All Centers have IP policies;
- What happened to the Rockefeller offer to assist in this area?
- Challenge Programs amplify this risk because of the sharing of IP and the increased potential to “lose track” of who owns what, in whole or in part, and what has been claimed that it will achieve,
- We generate it and must therefore manage it – but what type of management is required to ensure that the liabilities of one Center are not transferred to another Center because of cooperative agreements or shared IPR
- Is central management via a “federation” or joint venture structure, utilizing agents with the required skills and back up a possibility?

The Role of the Board:

- Ensure that the IP of all centers is adequately protected;
- Are there linkages to the Global Conservation Trust that need parallel consideration?

Action:

- Include in CBC/CDC agenda for Manila to be informed on current status and identify any need for further attention.

GM Experimentation

Discussion Points:

- Concern amongst donor countries in particular;
- Lack of regulatory frameworks in many countries in which the CG Centers work a major constraint but improving;
- Centers’ policies and codes of practice reflect the requirements of the countries in which they work;
- India and China are two countries undergoing rapid growth in the area planted to locally developed GM crops.

Role of the Board:

- Ensure that Centers’ policies are harmonized to reflect credit and accountability on the part of the CG System and are acceptable and defensible (legally and ethically) in the public arena.

Action:

- Include on CBC/CDC agenda for Manila to establish current status and the wisdom and need for harmonization of codes of practice and/or common policy principles.

Biosafety, Animal Ethics, Occupational health and Safety Policies

Discussion Points:

- CBC recognized the need in these areas to conform to World's Best Practices as determined by North American and European standards;
- No further discussion or action required at this time.

Appeals Processes (Senior Management)

Discussion Points:

- Past experiences were shared that involved various approaches by the Boards and Board's Chairs;
- All Centers have appeals mechanisms of some sort;
- Cannot avoid the fact that under the current CG structure, the Board Chairs (as the legal entity of Centers) bear the final responsibility for decisions of the Center, regardless of how much outside advice is received from any quarter.

Role of the Board:

- Cannot accept (legally) the proposition that appeals can be settled without the final approval of the Board unless the Center's constitution and policies are in some way at odds with the Host Country agreement and their laws;
- Ensure that all policy processes have been followed in the lead up to situations that end in dispute i.e. "paper trials" of evaluations, warnings, communications exist and can be made available;
- Clarify the language of the policies to ensure all staff understand them fully and appreciate their meaning and intention;
- A panel of outside experts in dispute settlement and mediation may be a useful resource for the Centers in some instances;
- Before taking any action towards the settlement of a dispute, seek legal (and other) advice early rather than later.

Action:

- Convey the CBC position to the CDC and the Secretariat.

Staff T & C appeals processes for senior management:

Discussion items:

- Appeal policies to be shared amongst members of the CBC;
- Minutes of the meeting of Directors of Human Resources should be shared with the CBC;
- A response to the letter from the Chair of the CDC and the Director of the Secretariat is required indicating that the Boards, as autonomous entities, do not support the idea of an external appeal agent. There are adequate policies to address the matter of staff termination and appeal;
- The Human Resource Committee may be requested to determine the degree to which a common process can be established across the Centers, without compromising the autonomy of the Center Board.

Action:

- Request system-wide Human Resources Advisory Services committee to review HR policies and procedures for each Center.
- Minutes of HRAS to be shared with CBC.

Involvement of Staff in Governance :

Discussion points:

- There should good communication between the Board and staff.
- As it is evident that the roles, responsibilities and accountabilities are different, the staff should not have representation on the Board.
- Legal advice should be sought during procedures.
- National staff should be treated in accordance with law of the land as well as Center procedures.
- Boards should have a clear Code of Conduct to reflect the above.
- ILO may be consulted in order to receive their advice and opinions, especially in the case of issues with DGs and Heads of Personnel.

Action:

- CBC/CDC Agenda Item: Joint discussion with CBC/CDC.
- Individual Center policies to be shared with CBC prior to joint CBC/CDC meeting. (Caryl to request appeals policies.)
- Request minutes of HR committee (Colombo, September 7-9) meeting from Ravi.

Other Staff Issues

Discussion Points:

- The issue of staff membership on the Board was raised but it was agreed that meaningful interactions with the staff at various levels e.g. staff councils and open meetings with staff (formal and informal), was a more productive process and avoided the problems of (a) the Boards being considered as “representational” and (b) how such a person might be elected or appointed without introducing an element of an interest that may be in conflict with the well-being of the Center as a whole.
- The issue of staff pay and the variations between various categories of staff (IRS, RRS and NRS) was recognized to be a possible source of tension between staff in the CPs where they may be working side by side in the same location and performing similar tasks and functions.

Actions:

- No further action on staff membership of Boards
- The issue of Center variations staff pay grades and scales and benefits packages may need attention and possible harmonization when CPs become operational. CBC will alert CDC to their interest in this issue in their report to the CBC/CDC meeting in Manila and determine further action.

DG Matters

Discussion Points:

- This item to be carried forward to the CBC Manila meeting.

Action:

- Agenda Item for CBC meeting on October 24, 2002, Los Banos, Philippines.

Board Appointments

Discussion Points:

- CBC is highly conscious of the way in which Boards have the capacity and influence “drive” the System and generate and implement change;
- CBC is eager to achieve greater Board diversity in composition commensurate with the changes that are occurring, and are needed to occur, within the System;
- Increasing the width and depth of the pool of Board candidates;
- The current central CGIAR data base is considered to be of little value and needs considerable input of expertise and resources to make it a useful resource;
- Consultative processes in which Boards currently engage is very productive but can be improved.

Role of the Board:

- CBC is examining processes that need to be put in place to expand the pool, through consultative processes with donors, partners and “friends of the system”, and maintaining and sharing their own data bases;
- Several Boards have introduced innovative appointments to accelerate the change processes and enhance governance, in consultation with donors and partners.

Actions:

- Expand and strengthen existing board member search and appointment processes;
- Formalize sharing processes between Centers.

For more on this topic see Agenda Item 15.

AGENDA ITEM 8: ASSESSING DG PERFORMANCE

Discussion points:

- It was agreed that this agenda item would be carried over to the next meeting of the CBC in Manila.

Action:

- Agenda Item for CBC meeting on October 24, 2002, Los Banos, Philippines.

What the donors want in relation to Social Science Research?

Discussion points:

- Alex McCalla briefed CBC on the recent Social Science Conference, held in CIAT headquarters, focusing on the needs of the CGIAR and the role of social

- research in CGIAR. This briefing was in contrast with the account prepared by Michael Cernea and distributed to the CBC by the Interim Science Council.
- A full account of this meeting will be available shortly.
 - Emphasis must remain on the social economic aspects rather than anthropological studies per se. In order to accomplish this, the CG needs a critical mass of expertise in this area.
 - CBC felt that the issue of working across Centers was very important in this area and agreed to revisit this topic at a later date.
 - The Chair thanked Alex McCalla for representing the CBC at this conference.

Action:

- Members to note the final Conference Report when available.

AGENDA ITEM 9: UPDATE ON SCIENCE COUNCIL

The Chair of the Interim Science Council (iSC), Emil Javier, made the following remarks on the report of the ExCo Working Group on the establishment of a CGIAR Science Council.

- The report of the Working Group endorses the work of the TAC/iSC, and adds the global advisory function to the role of the existing committee.
- It is proposed that the Science Council will have six members plus the Chair. Is this body large enough to undertake the work?
- The new structure includes four special panels focusing on relevance of science, quality, impact assessment, and mobilizing global scientific community in agricultural research. The head of each special panel will report their findings and deliberations to the Science Council. Will this panel structure bring efficiencies or will it fragment the function of the SC? How can different disciplines and regional perspectives be brought together with such a limited membership?
- The role of the Co-Sponsors was discussed and concern was expressed that not all co-sponsors are providing sufficient financial support.
- The potential conflict between the function of the Science Council and the new Program Committee of the ExCo was discussed. Have the roles been clearly defined?

Discussion by CBC:

- Vital CBC be involved in selection of Chair and membership of Science Council. Members of SC must be outstanding individuals with exceptional professional track records in order for ExCo and CG to have full confidence in their advice. SC should not necessarily be representative of regions/disciplines.
- CBC stressed the importance of the Co-Sponsors funding the SC adequately.
- Concern was voiced at overlap between mandate of CBC and several functions of panel on mobilizing global scientific community in agricultural research and the need to harmonise these functions of CBC and this panel was recognised.

Action:

- CBC to forward names of potential candidates to ExCo.

Update on Challenge Programs:

The iSC Chair also made a presentation on the iSC Assessment of Challenge Program Proposals: The Pilot Process. (Note: Please see the document on the CBC web site.)

- In phase one, 10 pre-proposals were reviewed by the iSC. Three proposals have now been endorsed by iSC and will be presented to ExCo and then to the full CG for consideration. These CPs are Water, Genetic Resources, and Biofortification of Crops.
- What is the role of the Science Council in approving specific projects within the context of the Challenge Programs? This critical question needs in-depth debate.
- The iSC switched from gatekeeper to advocate and viewed its role no longer purely to assess proposals, but to help put together very best proposal possible. In cases where particular Centers had not been included in CPs, the Science Council contacted the Centers concerned and included them in the final CP proposals.
- In some cases where the iSC had not endorsed the original CP proposals, they decided to recommend an ‘incubator’ CP which would allow consortia to work together on a smaller scale and to establish a track record. The iSC suggested funding should be made available to support the costs of this work in order to sustain interest and momentum.
- In the second phase of the CPs, 41 proposals were received and reviewed by the iSC. After an initial assessment, 13 pre-proposals now being peer reviewed. These 13 CPs will be classified into three types, and comparisons will be undertaken by type. These classifications are:
 - Relevance to global challenges/conventions;
 - Relevance to regional priorities; and
 - Programs highlighting the efficiencies gained by working together, e.g., IPM, genomics, where costs are prohibitive for individual centers.
- Because of the uncertainty and the many questions to be answered regarding new funding for Challenge Programs, fewer programs will be submitted for funding and approval.

Discussion points:

- The CBC needs more information, in order to be assured that the Science Council will adequately undertake the monitoring of the CPs.
- CBC needs to clarify how SC can recommend CPs to the AGM when they have already been funded.
- In referring to these three new Challenge Programs, the iSC Chair used the terminology “...CPs were like creating new centers”!
- The CBC understands the need to go slow on the approval of new CPs, and endorses the cautious approach – donor support, the availability of new money, etc.
- The CBC supports the financial support for coordination/‘incubation’ costs for those programs not successful in the second phase.

AGENDA ITEM 10: NEW DIRECTIONS IN EPMRs

The Chair of the iSC, Emil Javier, also updated the CBC on the EMPR process.

- In order to reduce costs and be more efficient and effective, there will be smaller EMPR panels.
- The program review will be de-linked from administrative management review, and the EMPR will focus solely on the scientific program and the management of such programs. It is the intention that custom-built design visits of no more than ten days become the norm.
- The administrative management dimension of EPMRs can be evaluated more efficiently on a system-wide basis across Centers.
- ICRISAT will be the first Center to be affected by this new review process, and will pilot the new EMPR in early 2003.
- Ex-ante peer review process should be applied to the Center's programs, and the iSC Secretariat are putting together a roster of scientists who can be contracted to undertake such reviews.
- CCERs will not be required to feed in to the EMPR process. They are to be undertaken at the will of the Center and its Board.
- The iSC has outlined the elements of the new roles of the SC, especially the Center-based internal review system: "Guarding and Enhancing the Quality and Relevance of Science". (Note: document is on CBC web site.)

Action:

- CBC to review document "Guarding and Enhancing the Quality and Relevance of Science" for discussion at CBC meeting in Manila.

AGENDA ITEM 11: GETTING MORE FROM CCERS

Discussion points:

- It was agreed that CCERs are a flexible process, not necessarily required by an EMPR, but are a useful vehicle for self-evaluation before, during and on completion of a project/programme.
- It was agreed that the Centers must have major input in the preparation of panel TORs, and must also choose the members of the panel.
- Information from Centers showed that there have been and will continue to be CCERs at Centers in order to help Boards, management and EPMRs enhance performance on a wide front, not limited to programmatic scientific matters. For the Centers it is also clear that evaluation processes are not limited to CCERs – there are other mechanisms, both formal and informal, some of which are only for internal consumption. Others are aimed at supplementing available information for EPMRs. Costs of CCERs are from \$35,000-50,000.
- CCERs are useful and helpful to Boards. A Board needs an external review process in addition to EPMRs to give input to the effective governance function.

- Flexibility is called for. CCERs, per se, are not necessarily the answer. Centers need a review system that meets the needs of individual Centers and which continue to recognize the need for evaluation and progressive change.

Action:

- Members review critically and constructively the new report prepared by the interim Science Council focusing on the total review process.

AGENDA ITEM 13: UPDATE ON CGIAR: AUDIO CALL WITH IAN JOHNSON AND FRANCISCO REIFSCHNEIDER

Ian Johnson, Chairman, CGIAR and Francisco Reifschneider, Director, CGIAR updated the CBC on recent developments. Ian briefed the CBC:

- On WSSD, the CGIAR was well represented in South Africa.
 - Ian Johnson led the WB delegation, and Adel El-Beltagy gave a keynote address on behalf of the CGIAR.
 - Agriculture is now more central to the development agenda than it was 5 years ago, and appears to be seen as a ‘rising sector’.
 - Reference was made to the “NEPAD” initiative. South African CG member gave a paper on Agricultural Research in Africa. CBC to review.
 - The NARICA presentation received a tremendous welcome.
- Several members have also indicated increased financial support for agriculture and the CG:
 - Canada has agreed to double its CG funding over a 5-year period.
 - The USA has agreed an increase of \$189 million with a significant boost to CGIAR’s work in Africa. The US also indicated they will recommend other donors to follow suite
 - Finland has indicated an increase in their contribution to the CG
 - Netherlands has contributed an additional \$25 million for the water and food challenge program.
 - Italy has indicated an increase from E2.5m to E4 million; and
 - Japan has announced the CGIAR will not be affected by their recent budget cuts, which is good news for the current year.
- Israel, Malaysia, Morocco and Syngenta have also informed the Secretariat that they intend to join the CG.
- The Bank’s Agriculture and Rural Development strategy was sent to the World Bank Board for approval.
- CBC must play more active role in broader public policy debate.
- CBC is the policy board for the CG system and needs to produce a harmonization of approaches that must be handled collectively.
- Ian urged the CBC to address the critical issues of human resources (selection process, appeal process, etc.) as well as to other areas of center wide concern.
- In considering Board appointments, the trustee role of the Board with respect to the fiduciary responsibility should be considered. Take note of the paper on CG Board nominees.

- Reference made to the Public Awareness / Financial issues. N.B. Recognition of Alex McCalla as a member of PARC.
- Global Conservation Trust: How important is to the Centers, are the Centers willing to commit resources to ensure its continuation? GCT will only thrive if it receives CBC support.

Francisco informed the CBC that:

- ExCo was scheduled to handle several critical issues at their meeting on September 23-24. Recommendations were expected to go to the CG for final decision at the AGM.
- The Finance and Program Committees were meeting for the first time during ExCo.
- The Reform Agenda is on track with only minor adjustments. ExCo is an excellent governance mechanism.
- Three Challenge Program proposals have been recommended by the interim Science Council for endorsement at ExCo. It was envisaged that these programs may be approved by the CG virtually, prior to AGM.
- System Office is growing. The draft integrated operating plan is currently being produced and will be presented in detail at AGM. ExCo will receive a briefing during its meeting. Recruitment for the CG's new CIO is now complete and the successful candidate has started work at ICLARM. The Strategic Advisory Service for HR was launched last week in IWMI.

Discussion points:

- CBC stressed the need for dependable core funding, in addition to increased donor support for the Challenge Programs.
- Additional funding from GEF or global health fund will only be distributed through a Challenge Program. The GEF facility has recently been replenished to \$3 billion and its mandate strengthened to include desertification and land degradation. ICRISAT has received \$15 million grant from GEF.
- CBC is happy to communicate with the CG Chairman formally through ExCo but also appreciates the opportunity to meet with him as CBC.
- CBC must participate fully in preparation of agenda for Board Orientation programs. Next Orientation program set for early 2003. CBC to review paper prepared by CG Secretariat on "CG Nominees".
- CBC voiced their concern regarding the public awareness function and the overlaps with the work of the Future Harvest Foundation, the individual Centers and the CG Secretariat Communications Team. Ian Johnson indicated it would be worthwhile for the CBC to think about outreach and communications and to work with PARC on producing a more coherent message. The Finance Committee of ExCo is also discussing a long-term finance strategy for PARC.
- The relationship between the ExCo Program Committee vs. the Science Council was discussed and it was agreed to review the TORS to ensure no overlap exists. A flexible and pragmatic approach must be adopted.
- Regarding the accountability for WB funds in Challenge Programs, CBC stressed their concern at the possibility of creating service units to manage the financial

aspects of each CP. Ian Johnson explained that he did not foresee the setting up of any additional formal instruments to manage the programs, and that they should use the system currently in place at different Centers. He also stressed that the World Bank was not going to put their entire contribution into Challenge Programs if they were not yet ready. It would very much depend upon what other donors were doing. The Bank provides the glue to the system in the overall context of where the system is going.

- Ian Johnson stressed the importance of ensuring due process in implementing Challenge Programs – sound science and a sound business plan will ensure success.

The Chair thanked Ian and Francisco for their very useful update and looked forward to meeting them at the AGM.

AGENDA ITEM 14: GIVING FOCUS TO AFRICA

Discussion points:

CBC agreed that the important issues were to:

- Work to Africa's agenda, in cooperative mode and in true partnership with African institutions.
- Focus and program must be driven by the African agenda and in areas in which CG Centers and their partners have a comparative advantage.
- Work cooperatively and submerge the interests of individual Centers under a CG effort, i.e. not worry about individual logos but fly the corporate flag.
- Programs should include a strong component of social economic research, given the focus on poverty alleviation.
- At the AGM, Centers with strong program in Africa should meet to present a coordinated approach to secure funds that may be available;
- It must be clear as to the outcomes to be achieved in such a meeting.
- The Africa issue should be on the agenda of a joint CBC/CDC

Actions:

- Use AGM and CBC/CDC to further the interests and coordination of CG activities in Africa.

AGENDA ITEM 15: ROLE OF CBC IN THE FUTURE

CGIAR Nominees on Center Boards

Discussion points:

Background: ExCo has asked for some formal arrangements for "CG nominees"

- CBC recognizes the need for checks and balances provided by the System review processes.
- CBC stressed the need for the Secretariat to invest sufficient resources to widely advertise vacancies on Boards of Trustees and to maintain an active, updated and informative database containing potential candidates.

- CBC agrees to withdraw the process as outlined in an Attachment to the CG paper.
- CBC agreed to formalize the process as outlined in Attachment 1 of the CG paper and continue to ensure that views of the members of the CGIAR are canvassed in the selection of Board members in a systematic way. Work with Secretariat to ensure process is followed.
- CBC stressed the need for all Board members to be educated in the CGIAR system and to recognize their obligation to work within the CGIAR framework and standards. However, any process, which created two classes of Board members should be avoided.

Action: Moise at Ex-Co:

- Previous CBC approach as per the Attachment to the CG paper is off the table. CBC will formalize Attachment 1 of Secretariat paper. Centers will also put names on list of potential candidates the CG Secretariat nominates.

Gender and Diversity

Discussion points:

- The CBC reviewed the proposal as presented by the G/D program. It was acknowledged that the CBC does not require to “deepen our understanding” but requires the current voluminous data and knowledge to be translated into relevant guidelines in all aspects of CG activities, including Boards and staff appointments at all levels.
- The question was asked if the G/D program was purely a study group to collect data, or should it also try to identify suitable people for employment at all levels within the CG.
- The CBC is keen to review the TORS of the G/D program and to understand its intended short- and long-term outcomes.

Action:

- Request briefing at CDC/CBC meeting in Manila.

Board Orientation Programs

Discussion Points:

- CBC supports the Board orientation programs with more attention to a Center and regional approach and noted the need to take language and cultural differences in its content.
- CBC sees itself as a key player in the development of a curriculum for the Board orientation courses.
- CBC also noted the value of obtaining training materials for in-house Board orientation programs, and requested the Secretariat to provide such materials.

Action:

- Establish a CBC standing Committee for curricula development for Board orientation

- Request Secretariat to provide training materials for in-house Board orientation programs.

Enhancing Communication:

Discussion points:

- CBC recognized the need to enhance CBC communication.

Action Item:

- Jag and John Vercoe to develop a short discussion paper on the who, what and how of CBC communication.

Strengthening Leadership and Enhancing Board Diversity of Center Boards

Discussion points:

- CBC recognized the need to draw from a wider pool of relevant expertise at both Board and senior staff levels. For example, the skills and experience of members from the private sector are of great value to the system as our candidates with experience in fundraising. However, these potential candidates are often disadvantaged by their lack of knowledge of the CG system or by the large workloads that they carry in their professional life. People who will strengthen the leadership are often fully occupied by their other activities and can incur time and financial penalties if they engage in the leadership of the CGIAR at the Board level.

Action:

- Discussion paper to be prepared for discussion at the next CBC meeting, which will cover various approaches to developing leadership skills. Action: Jag

Financing CBC

Discussion points:

- It was agreed that key relationships within the system needed strengthening. Most important for the CBC are those with the CDC. It was also thought that it may be useful to have a liaison person/observer participate in meetings of the Science Council, PARC, Future Harvest and others.
- It was recognized that these linkages require funding.

Action: Paper to be developed on CBC program and budget for discussion at next CBC meeting. Action: Alex/Lauritz.

Changing CGIAR Culture

Discussion points:

- After a brief discussion, it was agreed that the CBC Chair would prepare a short discussion note on this item based on the CSIRO overheads for our next meeting.

Action: John V to prepare discussion paper.

Agenda Item 16. What have we learned?

In reviewing the proceedings of the meeting, it was agreed that a standing agenda item on sharing experiences would be a necessary addition covering such topics as:

- Board Compensation
- Insurance: Officers and Directors liability
 - Security
- Security – Plan
- Board Discipline
 - Codes of practice and behavior
- Staff salary and benefit packages
 - Parity for staff working on Challenge Programs
- Board Transition

Board Compensation:

Discussion points:

- CBC members discussed the issue of Board member compensation and agreed to prepare a proposal for discussion at the next CBC meeting.
- CBC agreed to: Increase honoraria to \$350 per day door to door for Board members. Additional 10 days time for Board Chair without having to provide documentation. One ‘Reading Day’ to be included for each Board and CBC meeting. Field visits, orientation days, etc. are to be considered business days and will be compensated at the rate of \$350.

Action:

- Caryl to prepare matrix of CBC remuneration.
- Bob and Alex to prepare proposal for discussion at CBC recognizing that it has to be ratified by individual Center Boards.

Draft Minutes to be shared with DGs and Boards on understanding that they have not been approved by CBC.

Review of List of Major Issues

A. Has the CG change movement had any significant impact on the CG?

- The CBC/CDC need to maintain the effectiveness of the Executive Council (ExCo) and ensure that it maintains its representational role of the membership and keeps the interest of members who are not represented on the Council.
- The reduction in the number of times the Centers meet with donors caused by the elimination of the mid-term meeting. The Executive Council only partially supplants the benefits of a mid-term meeting, and the role that it now fulfills does not compensate for the lack of contact between donors and the Centers. The

danger is that the membership, not being engaged bi-annually, will lose its commitment to the system. Therefore it is essential that CBC/CDC through their representation on ExCo try to maintain and enhance the interest of members in the mission and objectives of the system.

- Challenge Programs have forced a new way of funding. Whilst the intention was to foster greater cooperation and cohesion between the Centers, the competitive nature of the funding and the inability of all Centers to contribute equally to the selected Challenge Programs have the potential to generate fragmentation.

Codes of Conduct for Boards of Trustees

Discussion points:

- The CBC recognized the value of harmonizing Center Codes of Conduct for Boards and staff and confidentiality agreements.
- There was a brief discussion on the role of the Board Chair in the DG selection process with different points of view on the wisdom of the Board Chair chairing the Search Committee as well as the Board meeting for the final decision.
- It was recommended that all CBC members review their Center constitutions, particularly in relation to voting requirements on various issues.

Action:

- Center Codes of Conduct, Confidentiality Agreements and Corporate Governance Documents to be posted on the web with a view to some harmonization across Centers. Action: Caryl
- Action Plan: It was agreed that the actions arising from this meeting would be communicated to the members with tasks being allocated to various members, subject to their agreement.

Agenda for CBC/CDC at AGM

It was agreed that the Chair and the Vice-Chair of the CBC would develop the agenda for the forthcoming CBC and joint CBC/CDC meeting in collaboration with the Chair of CDC. The draft agenda will be sent to the members of the CBC for information and comment. It was agreed that the following items would be put on the agenda for discussion and brainstorming:

Balance between R & D& Innovation
Science Quality
Capacity Building/Training

Members suggested that CBC should meet at least twice a year, preferably in conjunction with CDC to enable a joint exchange and strengthen the relationship and solidarity. These meetings will preferably be held in conjunction with a meeting of ExCo.

AGENDA ITEM 18

Financing CBC: The program and budget for CBC to be developed by Alex/Lauritz will be submitted to CDC for approval at the next meeting.

Executive Assistance: It was agreed that the appointment of an Executive Assistant was a big step forward, and the CBC thanked Caryl Jones-Swahn for her support to the Group.

CBC and ExCo: Moise Mensa agreed to attend ExCo on behalf of CBC. In relation to the EMPR reports on ISNAR and CIP, it was noted that the CBC and CDC representatives should not participate in the substantive discussion of the report, but should alert the ExCo to the flaws in the process and the need for confidentiality and codes of conduct for EPMPR panels. The disparity of time allocated to each report was also noted by CBC.

Website: Function and usage. The CBC applauded the usefulness of the website and thanked Caryl Jones-Swahn and Danielle Lucca for their assistance in setting up the site. It was agreed that further uses for the site would be discussed at a future CBC meeting.

Agenda Item 19: Any Other Business:

- After some discussion on the timing, the dates for the next meeting of the CBC was confirmed for October 24, followed by a joint meeting of the CBC/CDC to be held on October 25 at IRRI Headquarters, Los Banos, Philippines. Social functions will be held on both evenings. The Chairman undertook to ensure that there was less “down-time” at the next AGM.
- The Chairman expressed CBC’s gratitude to the Director General and the staff of IPGRI for their warm hospitality and excellent venue, with particular acknowledgement of the efforts of Sheilah Ebel for her part in the meeting arrangements.

With a vote of thanks to the Chair the meeting was adjourned.

ANNEX 1

**MEETING OF THE CBC
SEPTEMBER 19 – 21, 2002
NR. ROME, ITALY**

BECOMING MORE EFFECTIVE AS BOARDS OF TRUSTEES

LIST OF PARTICIPANTS

Chairman: Dr. John Vercoe, Chair, ILRI

Vice-Chair: Mr. Moise Mensah, Chair, ISNAR

Dr. Lauritz Holm-Nielsen, Chair, CIAT

Dr. Jag Maini, Chair, CIFOR

Dr. Alex McCalla, Chair, CIMMYT

Dr. Jim Godfrey, Chair-designate, CIP

Mr. Bob Havener, Chair, ICARDA

Dr. Bob Kearney, Chair, ICLARM

H.E. Lucie Edwards, Chair, ICRAF

Dr. Martha Stone, Chair, ICRISAT

Dr. Arie Kuyvenhoven, Board Member, IFPRI

Dr. Mort Neufville, Chair, IITA

Dr. Benchapun Shinawatra Ekasingh, Chair, IPGRI

Dr. Klaas Jan Beek, Chair, IWMI

Dr. Lindsay Innes, Chair, WARDA

Ms. Caryl Jones-Swahn, Executive Secretary, CBC

CBC Meeting

AGENDA

Location: IPGRI near Rome

Dates: 19-21 September

Meeting Theme: Becoming More Effective as Boards of Trustees

Agenda Item 1 Welcome and Introductions

Agenda Item 2 Reports on Centre Strategies and Activities

Agenda Item 3 Analysis of Centre Reports

Agenda Item 4 Enhancing Board Performance in its responsibilities for:

- Institutional Partnerships
- Public Awareness/Relations/Communications
- Technology Transfer Mechanisms
- Monitoring Program Directions
- Monitoring Centre Performance
- Other issues from item 3

Agenda Item 5 Enhancing the Board's Participation in the Centre strategies

- What is the boundary between Board and Management?
- Programme Planning and Priority Setting Exercises
- Fund Raising Exercises
- External and Internal Audits
- Center Commissioned External Reviews (CCERs)

Agenda Item 6 The Board's Role in:

- Inter-Centre Collaboration (e.g. System wide and Challenge Programmes)
- Enhancing a corporate culture between Centres
- Implementing EPMP Recommendations

Agenda Item 7 Enhancing Centre Cooperation in Policy Development:

- Intellectual Property
- Issues with GM experimentation
- Biosafety/animal ethics
- Staff T&C/appeals processes for senior management
- DG matters (see item 8)
- Board appointments – all (see ExCo 2 document)
- Other issues

Agenda Item 8 Assessing DG Performance

- Useful Indicators
- Warning Signs
- Staff Surveys
- Unstated CGIAR Expectations
- Contracts and remuneration

Agenda Item 9 Update on Science Council

- Working Group
- iSC - Presentation by E. Javier
- Challenge Programmes – Presentation by E. Javier

Agenda Item 10 New Directions in EPMRs – Presentation by E. Javier

- Uncoupling the Management from Program Review (proposed)
- Cost Containment Strategies for EPMRs
- Enhancing the Value of EPMR Reviews

Agenda Item 11 Getting More from CCERs

- Acceptance of Recommendations by EPMR Panels
- Cost-Reduction Strategies
- Improved Terms of References and Charges to Panels
- Joint CCERs

Agenda Item 12 Recap on the last 2 days and identify areas for more discussion

Agenda Item 13 Up-date on CG: Audio Conference

- “State of the Nation” – Ian Johnson
- Restructuring (ExCo, iSC, System Office) – F. Reifschneider

Agenda Item 14 Giving Focus to Africa – Overview by Chair

- Assuming a Leadership Role in Donor Country Initiatives in Africa
- Joint Planning
- Collaboration
- Co-Location
- Finding Complementarities

Agenda Item 15 Role of CBC in the Future

- Board orientation programmes
- Enhancing Communication
- Sharing Successes
- Developing Leadership
- Enhancing Board Diversity
- Strengthening Representation
- Changing CGIAR “Culture”

Agenda Item 16 Collating the Findings – What have we learned?

Agenda Item 17 Action plan

- What to do?
- Who to do it – Suggestions and Volunteers
- Agenda for CBC/AGM and CBC/CDC

Agenda Item 18 Business session

- Financing CBC
- Executive assistance
- CBC and Ex Co
- Website – function and usage

Agenda Item 19 Any other business

- Dates for CBC/AGM