

Executive Summary and Recommendations

Working Group 1 of the Consultative Group on International Agricultural Research (CGIAR) Change Management Initiative has presented a convincing case that the global agricultural research framework has shifted dramatically. The CGIAR remains a major player but now operates alongside well-resourced national organizations and private sector companies and foundations. It needs to reposition itself to maximize interactive synergies in this new global system. Working Group 1 has identified key strategic objectives, themes and program opportunities for the new CGIAR.

This new CGIAR cannot be built on existing governance practices. By any test, the current governance framework requires significant reform. It is too complex, with no clear lines of accountability, has embedded conflicts of interest and is too costly. Past reform efforts have tended to add to this complexity. This increasing complexity of CGIAR governance is compounded by the trend towards more restricted funding and the double accountability that this imposes on Centers.

Working Group 3 (WG3) was asked to propose a new governance framework at the System, Center and program level that is

- simple, transparent and cost effective and
- promotes openness, inclusion, accountability and impact.

In developing a new governance framework, WG3 recognizes the paramount importance of a dynamic and challenging programmatic framework and strong institutional capacity to secure this agenda. One goes with the other. But, without a well articulated business agenda, the CGIAR will not be supported by key partners. Equally, the CGIAR Centers need to demonstrate that they are preferred employers for dedicated, high-quality scientists.

WG3 recognizes that there is no one “right” governance model. Governance needs to be tailored to the agenda and circumstances. In a sense, it is the tool supporting desired outcomes in cost-effective ways. It needs to strike the right balance between centralized and decentralized interventions. And it requires incentive mechanisms for continuous self adjustment.

At the System level, WG3 examined five governance options, three developed by the group, a fourth preferred by the Alliance of the CGIAR Centers (the Alliance) and a fifth recommended by the Independent Review Panel. The three options developed by WG3 are the following:

- Improve current arrangements but without significantly challenging dominant CGIAR principles of donor sovereignty, Center autonomy, consensus decision-making or independent technical advice.
- Incorporate the CGIAR as a formal legal entity with a board and corporate office and with the Centers as subsidiaries reporting to the board. Under this option, the Centers would not be autonomous legal entities but part of a larger international entity.

- Establish a new legal funding entity with its own board that would operationalize CGIAR strategic objectives and opportunities as a set of programs that it would fund at \$20-50 million per year. It would identify institutions or consortia best equipped to carry out each priority program and be supported by two small panels, one made up of scientists and the other of partners. The CGIAR Centers would remain autonomous, either as clusters or single institutions. Instead of being subsidiaries, they would be linked to the funding entity through performance contracts. There would be scope for some transitional institutional support to the Centers, to prevent the loss of critical assets.

The relative strengths of these options, as well as of the options put forward by the Alliance and the Independent Review Panel, are set out by WG3. It concludes that much of the ambiguity and complexity is inherent to a system based on donor sovereignty, Center autonomy and consensus decision making. All three principles will need to be fettered by a commitment to collective decision making, particularly by the funders, and a new understanding (or a new compact) between funders and the providers of science outputs. On balance, WG3 favors option 3, the performance contact model. It strikes the right balance between centralized and decentralized. It can be implemented without the root-and-branch changes required for the corporate model, option 2. It provides scope for a Systemwide programmatic focus and, at the same time, for transitional institutional support for Centers. It does not preclude the CGIAR Centers from raising funds and engaging in special funded projects, nor from fostering and joining global networks as autonomous entities. It avoids potential conflicts of interest by establishing a research funding mechanism that is independent of the provision of research services. It seeks to address potential conflicts of interest by adopting norms that would avoid (rather than “manage”) them. It supports subsidiarity as an organizational principle, leaving the execution of the research agenda to the implementing organizations (CGIAR Centers or other organizations) and their partners.

In its terms of reference, WG3 was asked to consider organizational options at the Center level. There is unanimity in WG3 that, if you were starting today, you would not establish 15 Centers. There would be fewer Centers with less overlap and clearer mandates. WG3 recognizes that host country arrangements pose significant impediments to change at the Center level. It considers that the use of clusters would address this impediment better than outright mergers of Centers. In any event, high-level dialogues with host countries would be necessary before initiating any change.

In reflecting on the current Centers and their mandates, WG3 finds substantial merit in considering whether the CGIAR should have two types of Center: those that produce global public goods and those that are regional and much closer to partner countries and institutions and the development assistance agendas. The roles of global and regional Centers are different, and these differences have been articulated, along with some very preliminary thinking on possible structural configurations. This are offered not as a recommendation but as inputs to follow-up work by the CGIAR on organizational structure.

Recommendations

Working Group 3 makes the following recommendations for reforming the governance of the CGIAR:

1. That the foundation principles on which the CGIAR need to be revisited. As input into that discussion, WG3 proposes the following five principles for consideration:
 - System coherence and focus
 - Collective donor action (paralleling norms set by the Paris Declaration)
 - Inclusion (of partners, clients and beneficiaries)
 - Accountability
 - Cost-effectiveness
 - Avoidance of conflicts of interest

At the System level:

2. That an International Fund for Agricultural Research (IFAR or a collective fund with a similar name) be established to which donors would contribute at the System and Program levels. Governance at the System level would focus primarily on the operations of IFAR.
3. That an expertise-based Board be appointed by the CGIAR Assembly to oversee and manage IFAR. A Nomination Committee established by the Assembly would be responsible for proposing the membership of the Board. The Board would not be representational and would be accountable to the Assembly for its stewardship of IFAR funds.
4. That the ‘Performance Contract Model’ proposed by the Working Group should be the central focus for improving governance at the System level. Details on this model are put forward in the report of the Working Group for further consideration.
5. That an independent evaluation unit be established that would report directly to the Assembly and be accountable to it.
6. That the Board establishes two panels, one on Science and the other on Partnership, to provide advice on science, development and partnership policy and priority matters.

At the Program level

7. That the CGIAR gradually shift its funding focus from CGIAR Centers to CGIAR mega programs focused on key development challenges. A benchmark parameter of \$20–50 M per annum for each program is suggested.
8. That the CGIAR establish two types of programs – global programs responsible for addressing strategic research problems of international significance, and regional action programs responsible for addressing specific sustainable production problems faced in significant geographic regions.

9. That CGIAR funded programs be mega in character focused on key development challenges. A benchmark parameter of \$20–50 M per annum for each program is suggested.
10. That leadership of these mega programs rest with a legal entity which would be accountable to the CG Board for its execution and specified deliverables. This legal entity could be a CG Centre or the Alliance of CG Centers if it was a legal entity. The CGIAR should not preclude the option of a non-CG institution being the nominated program executor if the program competencies rested outside the CGIAR or were stronger outside the CGIAR.