

**Joint Meeting of the
Alliance Board and Alliance Executive:**

Alliance of the CGIAR Centers

April 26-27, 2006

**Cali, Colombia
CIAT**

*Final for release
June 20, 2006*

Including:

1. Summary Record of Proceedings
2. Final Alliance Principles and Procedures
3. Alliance response to the Stripe Review on Governance
4. Terms of Reference for the pooling of Center reserves

**Prepared by the
Future Harvest Alliance Office**

Table of Contents

Table of Contents	2
Attendance	3
Opening Remarks and Welcome	5
Session I : Joint Meeting of the Alliance Leadership	5
Agenda Item 1. Welcome, Review of Next Steps Document and Follow-Up	5
Agenda Item 1.1. Alliance Principles and Procedures Document	6
Agenda Item 2. Skype Conversation with panel members of the Stripe Review for Corporate Governance: Final report and next steps	7
Agenda Item 3. Review of Proposed Study on Financial Reserves and Next Steps	9
Agenda Item 4. Report from the FHAO.	10
Agenda Item 5. Update from Centers with current EPMRs (WorldFish, ICRAF and CIFOR).....	11
Agenda Item 6. Role of the Centers in Management of Genetic Resources : New initiatives, implementation and policy recommendations.	12
Session II : Implementing the CGIAR Research Priorities	13
Agenda Item 1. The Research for Development Continuum.....	13
Agenda Item 2. Global Public Goods.	14
Agenda Item 3. Sub-Saharan Africa Medium-Term Plans.	16
Agenda Item 4. Special Session on LAC.....	17
Agenda Item 5. Climate Change.	18
Agenda Item 6. High Value Goods and Crops for the Poor.	19
Agenda Item 7. Funding the Priorities.....	20
Agenda Item 8. Performance Assessment	22
Agenda Item 9. Agriculture and Health.....	23
Agenda Item 10. Inter-Center Collaboration in Implementing the CGIAR Research Priorities.	24
Closing Remarks	26
Annexes	
Annex 1. Final AB-AE Decisions/Actions Table CIAT, 2006.....	27
Annex 2. Final Alliance Principles and Procedures document.....	32
Annex 3. Stripe Review on Corporate Governance response for ExCo10.....	44
Annex 4. Terms of Reference for Pooling of Reserves Study.....	46
Annex 5. Final Agenda Joint Meeting	49

Attendance

CIAT	Jim Jones, Board Chair Yves Savidan, Board Chair (designate) Joachim Voss, Director General and AE Chair
CIFOR	David Kaimowitz, Director General
CIMMYT	Lene Lange, Board Chair Masa Iwanaga, Director General
CIP	Jim Godfrey, Board Chair and AB Chair Pamela Anderson, Director General
ICARDA	Adel El-Beltagy, Director General
ICRISAT	Simon Best, Board Chair William Dar, Director General
IFPRI	Isher Judge Ahluwalia, Board Chair Joachim von Braun, Director General
IITA	Mortimer Neufville, Board Chair Bryan Harvey, Board Chair (designate) Peter Hartmann, Director General
ILRI	Uwe Werblow, Board Chair Carlos Seré, Director General
IPGRI	Tony Gregson, Board Chair Emile Frison, Director General
IRRI	Keijiro Otsuka, Board Chair Robert Zeigler, Director General
IWMI	Nobumasa Hatcho, Board Chair Frank Rijsberman, Director General
Africa Rice Center (WARDA)	Gaston Grenier, Board Chair Kanayo Nwanze, Director General
World Agroforestry Center	Eugene Terry, Board Chair Dennis Garrity, Director General
WorldFish Center	Trond Bjorndal, Board Chair Stephen Hall, Director General

FHAO	Anne-Marie Izac, Chief Alliance Officer Kerri Wright Platais, Senior Program Officer
AB Executive Secretary	Jo Hernandez
<u>Special Guests</u>	
Panel, Stripe Review for Corporate Governance (via Skype)	Samuel Paul, Chair Paul Egger Lili-Ann Foster Manuel Lantin, Secretary
CGIAR Secretariat (video-conference)	Ian Johnson, CGIAR Chairman Francisco Reifschneider, CGIAR Director
Science Council	Per Pinstrup-Andersen, Chair Ruben Echeverria, Executive Director
Alliance Deputy Executive	Douglas Pachico, Chair

Opening Remarks and Welcome

The Alliance Board (AB) Chair, Jim Godfrey, opened the meeting by thanking CIAT for hosting this gathering of the Alliance leadership and for all the work that had gone into the preparations for the meeting. He welcomed two new Board Chairs: Simon Best (ICRISAT) and Nobumasa Hatcho (IWMI), and indicated that good-byes were in order for Mort Neufville (IITA), Isher Judge Ahluwalia (IFPRI), Jim Jones (CIAT), and Margaret Catley-Carlson (ICARDA). The incoming Chairs of CIAT and IITA were in attendance (Yves Savidan and Bryan Harvey, respectively); Angela Cropper and Margaret Catley-Carlson had sent apologies for not being able to attend.

Jim Godfrey also welcomed Jo Hernandez from the CGIAR Secretariat, the new Executive Secretary for the Alliance Board; she would be replacing Caryl Jones-Swahn. Furthermore, he indicated that he was delighted to welcome Anne-Marie Izac, who had taken up her position as the new Chief Alliance Officer in mid-March. Special thanks were given to Geoff Hawtin, who had served in an interim capacity as Head of the Future Harvest Alliance Office (FHAO) for the past five months. The Chair added that special guests to the meeting included Douglas Pachico, Chair of the Alliance Deputy Executive, and Per Pinstруп-Andersen and Ruben Echeverria, Chair and Executive Director of the Science Council, who would join for Session II.

Joachim Voss, as Chair of the Alliance Executive (AE) and Director General of CIAT, welcomed everyone to the meeting, which was being held during the biggest flood in Cali in 35 years. He paid special tribute to three departing Director Generals: Adel El-Beltagy (ICARDA), Kanayo Nwanze (WARDA) and David Kaimowitz (CIFOR).

The meeting was organized into three sessions: Session I – Joint Meeting of the Alliance Board and Executive; Session II – Implementing the CGIAR Research Priorities (Alliance leadership with special guests); and Session III, involving separate and closed meetings of the Alliance Board and Alliance Executive.

Session I: Joint Meeting of the Alliance Leadership

Agenda Item 1. Welcome, Review of Next Steps Document and Follow-Up

The AB Chair referred to the Decisions/Actions Table and follow-up items from the Marrakech AGM05 meetings, indicating that the only item still to be completed was the Harmonizing of Center Mission and Vision statements. He asked that Centers work to provide IFPRI with the requested materials, requesting that this be completed in time for the fall meeting of the Executive Committees (ExComs), a joint leadership group for the Alliance, in early September.

Decisions

1. *The decisions and actions from AGM05 were updated and approved by the AB and AE.*
2. *The Mission and Vision statements are to be collected by Joachim von Braun by 31 August, 2006.*

Agenda Item 1.1. Alliance Principles and Procedures Document

The AB Chair stressed that the first order of business was to ratify the Alliance Principles and Procedures (AP&P). Two amendments had been circulated by the FHAO prior to the meeting to address concerns raised by various Boards; these were unanimously approved. Special thanks were offered to the members of the drafting team: Jim Jones, Emile Frison, Pamela Anderson and Maggie Catley-Carlson, with assistance from Geoff Hawtin as interim Executive Officer for the FHAO.

Discussion

- With regard to the fee structure of the Alliance, some Centers requested that payments be the same for each Center.
- A question was raised concerning the binding nature of the amendments and whether or not they could be modified by a three-quarters vote. The answer given was that each action would be based on a written agreement, which would not be changed by a majority vote.
- The intent was to clearly specify in each agreement what would take place. Members of the drafting team offered to work with the Centers for further amendments as needed.
- The questions of how the Alliance would be funded, and of who would pay and for what, were discussed, with the aim of preparing for further discussion regarding funding during the pre-AGM meetings of the Alliance in Washington D.C. at the end of the year.
- The AE Chair explained that the current funding structure was based on Center income, as had been the practice for all collective activities put in place by the Centers for many years (prior to the formation of the Alliance).
- With the intent of moving forward as a group by the end of the meeting, the AB Chair asked the drafting team and the Chief Alliance Officer (CAO) to work on the additional amendments needed to allow full ratification by the group.

The following day, a few additional sentences were proposed for insertion in the AP&P, to clarify points that were of concern to some Boards. The AP&P were unanimously endorsed by the meeting.

Decisions

1. *All 15 Centers agreed to ratify the final version (April 27, 2006) of the AP&P. Of these 15 Centers:*
 - 13 Centers ratified during the meeting
 - two Centers stated their intention to ratify within a week of the meeting

(Note: Unanimous ratification was made by all Centers, and was announced by the AB Chair to the CGIAR Chair and Director on May 6, 2006).

2. *A letter will be sent to the Chair of the CGIAR by the AB and AE Chairs requesting that the Alliance be recognized officially, in particular through appropriate amendments to the CGIAR Charter.*

Agenda Item 2. Skype Conversation with panel members of the Stripe Review for Corporate Governance: Final report and next steps

The AB and AE held a Skype conference with the panel members of the Stripe Review for Corporate Governance:

- *Samuel Paul (India), Chair of the panel and expert in governance*
- *Paul Egger (Switzerland), expert on CGIAR issues*
- *Lili-Ann Foster (Canada), expert on fiduciary/governance issues*
- *Manuel Lantin (CGIAR Secretariat), Secretary to the Review*

Jim Godfrey thanked the team for having done an excellent job. He emphasized that this was a joint study, supported through the efforts of the AB and the CGIAR Secretariat.

Discussion

- Several Board Chairs felt that the study had done an excellent job in flushing out the key issues that needed to be addressed; they pointed out that many were, in fact, under consideration (or the object of current action) by several Centers. The report was considered sensible and constructive. The issue of benchmarks was raised; some speakers stated that they did not feel that the CGIAR could be compared to the corporate sector.
- Questions were raised regarding the panel's views on accountability, definition of stakeholders, and remuneration of Board members.
- S. Paul stated that while the panel presented examples, he agreed that the CGIAR System did not necessarily fall in line with many corporate structures. He indicated that compensation for Board members needed to be addressed; the panel agreed that the Centers would need to think about how to best deal with this issue in the future.
- The question of how to lighten the oversight and reporting burden placed on the Centers was raised; it was indicated that this still needed to be addressed. Oversight would be needed to provide balance without creating an additional bureaucratic burden on the Centers.
- It was felt that the Science Council (SC), Executive Council (ExCo) and CGIAR Secretariat were performing their functions; nonetheless, there was some perceived overlap; it was hoped that progress could be made in improving the harmonization and transparency of activities. S. Paul agreed, but emphasized that this issue was not in the terms of reference for the study and therefore was only touched upon briefly in the Report. The panel suggested that there was a need for the leaders of the System, the SC, Centers and the Secretariat to further clarify,

- through dialogue among themselves, governance roles and how these would affect the future strategy and direction of the Centers.
- With regard to CGIAR nominees to Center Boards, Centers mentioned that these nominees had reported not having had any interaction with the CGIAR (briefings, reports, etc.) and asked how the performance indicators for the Boards could be better defined.
 - The panel reported that some of the better performing boards had already taken measures to establish common objectives and goals for their annual performance, and would define their performance evaluation based on the deliverables achieved.
 - Despite general agreement with the report, concerns were raised among the Alliance members with regard to some of the key recommendations. Specifically, concerns were expressed with regard to finding and retaining high-quality Board members. Some speakers cautioned against reducing the number of people on Center Boards, as they felt this would lead to a reduction in the representation of critical stakeholders. Concerns were also expressed that too much emphasis was placed on the US Sarbanes-Oxley (Sarbox) Act as a benchmark, rather than the UK Higgs Guidelines which form the basis of the materials on Corporate Governance that have been used in the CG Board Orientation process. The U.S. Congress was actively debating legislation to lighten the reporting and governance burdens under Sarbox for “smaller organizations” which are defined as those with an annual turnover of less than US \$780m – i.e. more than the whole of the CG system turnover.
 - It was felt that while the report gave guidance to general topics, it did not address the fundamental, strategic vision of “how to do things differently”. Therefore, follow-up was needed to adequately reflect overall governance issues in the System.
 - Specifically, follow-up with the SC was needed regarding how the External Program and Management Reviews (EPMRs) could better address governance. At the program level, it was pointed out that the Alliance Deputy Executive (ADE) had worked on changes for governance performance indicators; the suggestion was made that the Board Chairs now lead this dialogue.

Decisions

1. *The Alliance accepted the report on good practice issues for Center Boards. The meeting noted that a number of the recommendations in the report had already been implemented by a number of Boards. It also noted that more strategic issues related to the governance of the CGIAR system and the division of responsibilities therein need to be addressed by the Alliance, in dialogue with other parts of the CGIAR. The Sub-committee on Governance for the AB will be responsible for taking action on this.*
2. *The report will be taken to Center Boards; Board Chairs will report back to the Alliance upon implementation of the recommendations.*
3. *As an initial response, a statement was prepared (Annex 3) to update ExCo. The final response will be prepared when all Boards have reported back to the AB on implementation.*

Agenda Item 3. Review of Proposed Study on Financial Reserves and Next Steps

Jim Godfrey informed the group that the suggestion for this study had originated during the Business Meeting in Marrakech, when the Alliance was requested to look into options for pooling reserves and to report back to ExCo10 on the study's progress. He reported that, although the study had not been budgeted for 2006, the Secretariat was willing to share its cost.

The Alliance agreed to further revise the ToR for the consultant who would be sought to conduct the study, and would ensure that they included the revision of comparable practices among similar institutions. The Alliance also agreed to ensure that the study would provide the results the Centers hoped to see achieved. Additional names were added to the list of possible consultants.

Discussion

- A request was made that both the ToR and the study take a close look at what would be considered an acceptable level of reserves, and that this be captured in a transparent fashion. Current best practices in comparable non-profit organizations should be considered, taking into account internationally accepted accounting practices.
- It was observed that because the CGIAR is a system, it is difficult to find comparators, and that corporate structures would not be appropriate.
- The group mentioned the need to investigate other non-profits with proper benchmarks, such as medical charities (CARE, Save the Children), before launching a study.
- The Alliance was reminded that the issue of pooling reserves had been discussed previously, during the period when Chris Bonte-Friedheim was CDC Chair. After 18 months it had been decided that the Centers should not pool reserves, even if collective reserves could yield better returns and interest.
- The importance of selecting a reviewer who understood the system, as well as the performance and functions of the Centers, was stressed.
- Opinions both for and against the idea of pooling reserves were expressed; the fact that both voices should have representation in providing input into a study of this nature was emphasized.
- Some felt that the issue of mobilization of reserves should be addressed in the study.
- It was indicated that the study was driven by the fact that several donors had made the argument that if the System were a single, legal, corporate entity, the level of reserves held today would not be needed.
- It was suggested that the ExComs appoint a small group from the Alliance, representing the diverse viewpoints and opinions on the reserves issue, to take charge of the selection of the consultant and to work with him/her.
- The question of whether independent, legal entities could indeed pool their reserves was raised; it was indicated that this was something the review should

consider and advise upon. It was also suggested that a risk-management approach be explored to determine whether an insurance scheme for disasters or a credit-union type of arrangement for major renovations and similar undertakings could be used.

Decisions

1. *The revisited ToR was approved by the Alliance.*
2. *A sub-committee was appointed to manage the process, including the selection of a consultant. The sub-committee would consist of the Board Chairs of three Centers, representing a range of funding and reserve situations: ICRAF, IRRI and CIAT. The sub-committee will liaise with the Secretariat, and the FHAO will provide support.*

Agenda Item 4. Report from the FHAO

Anne-Marie Izac, the new Chief Alliance Officer, presented a short overview of the office and her plans for formulating a set of work plans over the next few months to allow her to move forward in serving the goals and objectives of the Alliance. She reminded the group that the office consisted of herself as full-time staff, Kerri Wright Platais, who would continue her work as Senior Program Officer, and a part-time consultant, based in D.C. As in the past, specialized consultants will also be called upon to complement the work of the office, as needed.

Anne-Marie Izac said that she was currently based in Montpellier, France, but would be relocating to Rome by the end of the summer, when she would establish the Alliance office at IFAD. She would be sharing this office with the soon to be relocated head of the Gender and Diversity Program (G&D). She emphasized the need for the Alliance to be known for empowering the scientists to do the best job possible, with the greatest impact on the ground.

Discussion

- There was a short discussion regarding finalization of the details of the agreement with IFAD regarding the hosting of the Future Harvest Alliance Office; it was requested that this be handled at the highest level of the CGIAR, to ensure proper representation for the Centers.

Decisions

1. *IFAD will be requested to host, rather than house, the FHAO. The AE Chair will discuss this with the President of IFAD, seeking an arrangement parallel to the FAO and World Bank arrangements for hosting other parts of the System. If necessary, the CGIAR Chairman will be asked to assist on behalf of the Centers.*

Agenda Item 5. Update from Centers with current EPMRs (WorldFish, ICRAF and CIFOR)

ICRAF, WorldFish and CIFOR presented brief overviews of their recent EPMR processes. Overall, these were considered transparent, and the committees were perceived as having been receptive. A few areas for change and improvement were noted.

Discussion

- With respect to the sharing of draft chapters of the reports, one of the Centers felt that there had been some inconsistencies and that no provision had been made for robust discussion between the reviewers and the Center.
- It was noted that recent SC meetings had evidenced two strategic issues with regard to the EPMRs: 1) an increasing positioning of the research agendas of the CGIAR Centers toward more upstream research; and 2) a need to assess when it is time for a Center to review the number and use of field sites, and when it is appropriate for technologies to be passed on to stakeholders in lieu of the Centers taking on implementation.
- It was observed that this is an area in which the Alliance must be extremely proactive, particularly in relation to the production of international public goods.
- It was noted that EPMRs are extremely useful if handled appropriately by all parties, but that some panels do not have optimal membership. The suggestion was made that EPMR review teams also be reviewed, or that they participate in a self-assessment at the end of the review to determine how well they have performed.
- Some speakers said they would like for donors and Centers to have an opportunity to discuss and explore areas of synergy and desired research.
- It was observed that in the early days of the CGIAR, the SC mandate was given to TAC by the CGIAR stakeholders and Chair. Currently, different paradigms were playing out, requiring further discussion and dialogue.
- It was stated that the SC is interested in outputs, and not so much in impacts and outcomes.
- It was suggested that time be set aside during the coming AGM for Centers and donors to engage in more active dialogue, and to follow up on the new research priorities and their implementation.

Decisions

1. *The Alliance will offer the SC suggestions for improving the EPMR process.*
2. *The FHAO will prepare a submission to the SC with suggestions for improving the EPMR process.*
3. *The AE Sub-committee for AGM06 will follow up on the idea of a day/forum for Donor-Center dialogue.*

Agenda Item 6. Role of the Centers in the Management of Genetic Resources: New initiatives, implementation and policy recommendations

Emile Frison introduced this item, stating there were a number of issues, as well as activities underway, which required taking a position and/or approval by the Centers. He thanked all the Center staff involved in the preparation of the Global Public Goods II proposal, and said it was an excellent example of a true collaborative effort. Two areas for action from the Centers were indicated:

1. a decision on the Genetic Resource Policy Committee (GRPC) recommendation for the inclusion – in material transfer agreements (MTAs) for products of Center research that are transferred to private companies – of clauses committing those private-sector recipients to “voluntarily” sharing financial benefits upon commercialization of the products developed using the received materials
2. approval for the submission of the Global Public Goods II (GPG2) proposal to the World Bank (full document released to the Directors General on April 14th, 2006); in particular, outstanding elements of that proposal were brought to the group’s attention:
 - obligations for the number of accessions, to be upgraded in Phase I should be completed with carry forward funds left over at the end of 2006 or with centre own funds.
 - Phase II to address outstanding upgrades
 - Centers positioned as key players in the global system of conservation
 - total amount requested (US\$ 9.9 million over three years, starting in 2007)
 - 50 percent for collaborative activities and 50 percent for remaining upgrades
 - GPG2 conditional on agreement by the Centers to commit to achieving full and sustainable funding by 2009 to sustain their collections

Emile Frison noted that the proposal was due the end of April.

Discussion

- Regarding value sharing under the MTA, a question was raised as to what benchmarks would be in place if breeding companies were to take wild varieties out of a collection. Are there guidelines, for example, regarding cost per sample?
- It was noted that implementing an up-front payment for resources is not allowed, under the International Treaty on PGRFA.
- It was countered that the age of free availability of genetic resources was over; the reality of benefit-sharing should be recognized. One option would be to charge a differential rate when improved varieties are made available, with a higher rate being applied in the case of varieties protected by patents.
- The need to consider a compulsory benefit sharing clause in the MTAs was proposed (for improved varieties, not for genetic resources held in trust).

Decisions

1. *The recommendation of the GRPC to include the principle of voluntary benefit sharing by the private sector in MTAs was approved.*

2. *The recommendation (one red card) to submit the GPG2 proposal to the World Bank was approved.*

Session II: Implementing the CGIAR Research Priorities

Agenda Item 1. The Research for Development Continuum

The AB Chair welcomed the SC guests, Per Pinstруп-Andersen and Ruben Echeverria, who were joining the meeting for the Second Session.

The topic of the Research for Development Continuum was introduced by the Chair for this session, Lene Lange. Short interventions were made by Peter Hartmann, William Dar and Robert Zeigler. A paper by Peter Hartmann was tabled and a PowerPoint presentation on the Classical Research Paradigm (from an NSF study, 1948) was made by Robert Zeigler. Attention was directed to the fact that striving to develop the tools necessary to meet the demands of the SC and donors, while at the same time fulfilling their research goals placed a great strain on the Centers. It was proposed that the research for development continuum could be optimized by producing research-based outputs with an inbuilt strategy to increase the probability of their impact and use, and empowering national systems/partners to apply CGIAR outputs for the benefit of the poor. An exit strategy for the CGIAR is also needed to constantly encourage and empower national systems/partners to take over, once they are able.

Per Pinstруп-Andersen said it was important for the CGIAR Centers and the SC to see progress happen together, reminding the Centers: “If we sit in our own corners, no progress will be made.” He indicated that more discussion was needed on research for development, and that the SC would hold a subsidiary meeting after ExCo10 in the Netherlands (May 19, 2006).

Per Pinstруп- Andersen indicated that the SC is focusing on the “how to” of research questions, and stressed that it was not the SC’s opinion that the CGIAR Centers should confine themselves to upstream research. Rather, the SC wishes to focus on *what* to do and not *how* to do it. The donors’ feedback primarily addresses the request that the CGIAR system put in place research that will create outputs with a plausible pathway to poverty reduction. He indicated that once a solid research program was established, the belief was that there would be more money for research.

Discussion

- It was observed that the definition of research is not as clear as it may seem, and that the current view held by the SC was that if findings were not replicated or published in certain journals, it was not research.
- It was noted that talking about upstream and downstream can be very confusing; knowledge systems must also be considered.
- It was felt that outcome mapping and analysis of plausible outputs need to go further; resulting from this analysis, appropriate partnerships should be made to

- ensure that research findings do indeed move and are useful and relevant for partners. It was felt that donors would be happy to see this as well.
- It was observed that this is a dialogue taking place on many levels; this includes the level of the scientists, who are concerned because they are looking to participate and be a part of the discussion.
 - On the issue of research paradigms, it was noted that the CGIAR is involved in “mode-two” type of research, in which interaction with partners is what moves findings forward. The appropriate delivery systems must be found, and must be part of the learning process.
 - It was observed that the CGIAR needs to understand its comparative advantage as a System before moving forward.
 - It was recommended that the workshop on May 19, sponsored by the SC, on “Positioning the CGIAR in the Global Research for Development Continuum”, formulate a joint document by the SC and the Alliance on the “Operational Framework and Guidelines in the Global Research for Development Continuum.”
 - It was proposed that the Alliance prepare a draft for such a paper.
 - This position paper should include a description of the CGIAR mission to provide International Public Goods as a means, not as a goal in and of itself.

Decisions

1. *The Alliance will produce a position paper on this issue.*
2. *Frank Rijsberman, Eugene Terry and Douglas Pachico will prepare a document for the SC workshop following ExCo10, on the basis of discussions captured. The document will be circulated to all members.*

Agenda Item 2. Global Public Goods

Joachim von Braun presented a think piece to stimulate discussion on Global (or International) Public Goods, including a discussion of “pure and impure” public goods. He said it was important to remember:

- *although the focus on IG is a necessary criteria for the research of the CGIAR, it does not necessarily guarantee relevance of this research for the poor*
- *IPGs can produce incentives for national systems to act, but are no guarantee of such action; in fact, IPG are often not addressed by national actors and that is why the CGIAR needs to focus on them*
- *IPG create technological spill-over and economic spill-over that produce complex distributional effects (relative winners and losers; there are IP “Goods” and IP “Bads”).*

The way forward:

- *There is a need to focus on relevance for the poor, rather than on the number of countries or numbers of IPG.*
- *Complementarities must be found between Centers, national agricultural research systems (NARs) and others (real IPGs).*
- *Public-private partnerships should be fostered to create IPG, especially where they are appropriate; the two planned workshops with the Private Sector*

Committee of the CGIAR, on product stewardship (2006) and on research management (2007), are promising examples.

- *Careful ex-ante impact studies/scenarios should be conducted/analyzed to assess the IPG effects of research projects.*
- *An effort should be made to produce IPG at the lowest costs and at optimal scales.*

How do public-private partnerships (PPP) link to this? By jointly producing research results and identifying domains of action where public turns to private. PPPs require a sound policy environment to be successful; this environment needs to be improved in the CGIAR, and for that we need more/better:

- *risk management solutions*
- *financial incentives*
- *organization and management options*
- *legal, contractual and regulatory guidelines*

The first Scientific and Know-How Exchange Program (SKEP) report, available at www.IFPRI.org, provides some relevant templates for the latter in the area of intellectual property rights (IPR).

Emile Frison added that clarity was needed as to what the ground rules should be for PPPs. It was up to the CGIAR as a System to establish the rules of engagement with the private sector and bring clarity to the ground rules. There is a need to develop common tools, such as a “standard humanitarian use license” that will reduce transaction costs in dealing with the private sector and help in negotiations, so as not to start from scratch with each new project.

Discussion

- Support was expressed for the importance of setting clear ground rules for engagement with the private sector.
- It was observed that the Centers encounter bottlenecks on the flip-side of humanitarian processes. The private sector might ask for an exclusive commercial license. It is important to ensure that technologies reach the intended end-users.
- It was noted that the CGIAR has made the conscious decision to keep research results in the public domain. The tools and products of research must reach the intended beneficiaries, and agreements might be necessary to ensure this happens.
- The need to think “outside of the box” was emphasized, to find new partners of varying sizes.
- It was observed that IPG are not an absolute goal, but rather an instrument.

Information item

Shared planned activities in the field of private/public partnerships include:

- a monitoring and learning project documenting all PPP research activities of Centers (coordinated by IFPRI)

- two joint Private Sector Committee (PSC)/Center workshops (on product stewardship, PSC with ICRISAT, 2006; and on research management, PSC with ILRI, 2007)
- CGIAR SKEP projects (ongoing)

Decision

1. *The PPP committee of the AE will follow up on the above with the PSC.*

Agenda Item 3. Sub-Saharan Africa Medium-Term Plans

Uwe Werblow reported to the plenary session, with a request for Alliance endorsement of the following:

- *the concept and process for the regional Medium Term Plans (MTPs) in East and Southern Africa (ESA) and West and Central Africa (WCA)*
- *their basic program elements (including alignment of existing activities, integrated research programs and common research platforms)*
- *common research support and corporate services*

In addition, the Centers managing the SSA MTP process requested Alliance endorsement for:

- *light MTP coordination*
- *direct reporting to the Alliance*
- *recruitment of coordinators for both MTPs*
- *US\$400K (estimated) per region over two years*

In response to the requests made during AGM05, the drafting group requested that the following be endorsed by the Alliance:

- ***ICRAF and ILRI, think-piece on ESA governance:*** *alignment of proposed position, programmatic, corporate and research support services, and of specific governance arrangements, but no major structural reform in advance of CGIAR-wide approaches*
- ***IITA and WARDA, WCA progress report to ExCo:*** *considerable progress made in alignment of both Centers; deeper structural reform not viable politically at this point*

Discussion

- Questions were raised with regard to the calendar, and whether it was possible to meet the deadline of June 15th without sacrificing quality.
- P. Pinstrup-Andersen responded it was essential to try to keep the June 15 deadline in order to meet SC deadlines. At the most, this deadline could be extended by one week.
- Concerns were raised about the Steering Committees; a request was made that new governance structures not be created for all new programs, but rather that the Alliance Board work on oversight.

- It was requested that the themes be clarified and that a real business case be presented to the Alliance, to demonstrate where gains would be made from the investments and how the money would be spent.
- The question of how the SSA Challenge Program fit into these plans was raised.
- The group was in agreement that keep oversight should be kept to a minimum and that new bodies should not be created. Questions were raised: What would be the instrument that goes forward? How would this be used to implement the principles of the Alliance?
- The consensus was to seek similar governance mechanisms in ESA and WCA, and for the Alliance to be a key player in these mechanisms.

Decisions

1. *The Alliance endorsed the MTP process, contents and overall directions of both MTPs.*
2. *The Alliance recognized that the implementation of these MTPs has resource implications. It was requested that the ESA and WCA lead Centers provide the Alliance with specifications for lighter governance and implementation mechanisms, as well as business plans and an associated budgets.*
3. *The think pieces prepared by ILRI-ICRAF and WARDA-IITA, at the request of the business meeting of AGM05, were endorsed by the Alliance.*

Agenda Item 4. Special Session on LAC

Pamela Anderson, Chair of the AE Sub-Committee for Latin America and the Caribbean, said it was time to be proactive with strategic thinking in the LAC region, to determine if a similar track (a regional MTP) was required for LAC, or if a different route was preferred. She reminded the group that at AGM05 the membership requested a report back the following year. This session, therefore, would mark the initiation of a strategic discussion.

Masa Iwanaga and Jim Jones contributed to the background paper, emphasizing that, in terms of resources, the region was not overcrowded. They noted that attention from donor agencies appeared to be on the decline and expressed a strong desire to take advantage of South/South collaborations. They also emphasized the importance of gauging if there was a problem in LAC, in terms of coordinated efforts, prior to moving forward.

Discussion

- The general consensus was that the region would benefit from a “light” version of coordinated efforts; this would not involve a great deal of money or resources, but rather would imply opening up and re-engaging in dialogue with important partners in the region.
- Some of the LAC groups reported a feeling of “missed opportunities” in the region in terms of regional networks, funds, etc.; they expressed a need for a better collective vision.
- The importance of not duplicating previous efforts was stressed; a study had been conducted by TAC in 2001 to address similar concepts and ideas.

- The need to determine the extent of work in the region by non-LAC based Centers was expressed, as well as to evaluate needs in LAC compared to other regions. This would help determine how to allocate resources and funding.
- It was felt that a full inventory of “who is doing what” in LAC, and the gaps or overlaps that existed, was needed. Three Centers (CIMMYT, CIP and CIAT) as well as the Water and Food Challenge Program (CP) were currently based in the region; at least 10 Centers were operating or hosted in the region.
- A very disturbing increase in poverty was noted in the region.
- It was noted that Brazil is a special case, because it is a very large country and because of the Amazon Initiative (involving four CGIAR Centers, with IFPRI soon to join to make it five).
- It was observed that, in terms of distribution of inequality, LAC is the highest rated region, with a rapidly eroding middle class.
- The need to conduct a diagnosis and analysis of existing poverty pockets was pointed out, to elucidate trends and projections.
- A general desire was voiced to strengthen relationships with the IDB once more; it was noted that the IDB’s new President is Colombian. Similarly, it was observed that the regional agricultural fund, FONTAGRO, should be brought in, along with other regional funds working on priority setting.
- The preference was not to engage in a regional MTP, but rather to identify sets of priorities relating to sub-elements of the region.
- It was felt that an independent analysis by the Centers was needed, prior to engaging with donors and partners.
- A strong public relations exercise was considered necessary to help identify key persons to work with, as relationships with the Ministries of Agriculture needed strengthening; work needed to be undertaken to strategize priorities and analyze global links and dimensions, while meeting the immediate needs of partners.
- The suggestion was made that the Centers participate in the annual meeting of FONTAGRO in September.
- It was felt that the LAC Sub-Committee should take the lead in these efforts, with CIFOR, IWMI and IPGRI staff and regional coordinators participating.

Decisions

1. *The Alliance requested that Pamela Anderson, Chair of the AE LAC Sub-Committee, organize a stock taking exercise to assess what the Centers were doing in the region and identify overlaps or gaps. A “next steps” report would be prepared for the Alliance meetings at AGM06.*
2. *The Alliance noted there were several significant on-going collective actions in the region, including the Amazon Initiative, CONDESAN and the Harvest Plus CP.*

Agenda Item 5. Climate Change

Adel El-Beltagy chaired this session. Dennis Garrity presented a brief presentation on the proposal of the Inter-Center Working Group on Climate Change (ICWG), discussed by

the AE at AGM05 in Marrakech. In principle, the Alliance endorsed moving forward with the development of a system-wide program.

Discussion

- A great deal of interest in the topic was expressed from virtually all of the Centers, and emphasis was placed on the need for quick action.
- The concept of a system-wide program as the way forward was questioned. Some considered that the transaction costs of a formal system-wide program would be too high, whereas the benefits would be largely internal. The proposed governance for the program was also considered to be unnecessarily cumbersome.
- The importance of maintaining connectivity with the outside community was emphasized, with linkages to GECAFS (Global Environmental Change and Food Systems) and international conferences.
- It was felt that the Alliance should approve that the ICWG go forward and come back with a proposal for lighter governance than what was currently reflected.
- Concerns were expressed that the undertaking was too internal in focus and should be opened up to the larger scientific community.
- The observation was made that the messages from the SC on the System-wide and Ecoregional Programs (SWEPs) was that these should be functioning as second-platform groups (acting as synthesis mechanisms) to help fill gaps and find out what is going on throughout the system.

Decisions

1. *The Alliance endorsed the request from the ICWG on climate change to submit a proposal for a system-wide program to the SC.*
2. *The Alliance noted that the governance mechanisms proposed needed to be simplified. The ICWG will propose a lighter governance mechanism to the Alliance before submission of the proposal to SC.*
3. *The Alliance responded positively to the offer of ICSU and GECAFS to engage in dialogue with the international climate change scientific community on ways to forge closer linkages with them. The CAO was requested to follow-up.*

Agenda Item 6. High-Value Goods and Crops for the Poor

Adel El-Beltagy chaired this session. A presentation was given by Emile Frison.

The Chair started the discussion by mentioning that the Global Horticultural Initiative was now supported by nine Centers; two DGs had attended the meeting in Montpellier, France. He stressed the need for an inventory of activities, since all Centers were, to some extent, involved in relevant activities, representing a great diversity of undertakings, including crops, livestock, fish and forest products.

He indicated that the poverty agenda serves as the motivating factor to make this issue a priority for the CGIAR, because small farmers with little land cannot ensure adequate livelihoods with traditional agriculture. Alternative pathways out of poverty need to be found.

Discussion

- The group stressed the need to analyze the comparative advantage for the CGIAR in this area, and to evaluate what remains to be done.
- Involvement with the private sector, including potential support from the large-scale private sector, was discussed. It was felt that the potential of new products from traditional crops, such as bio-plastics and bio-fuels, should also be included.
- The great potential that existed for the Centers to concentrate on the revolution in microbial and enzyme research for products, and the transformation of by-products, including bio-pesticides, etc., was highlighted.
- Several speakers stressed the importance of thinking carefully about the conditions that would need to be put in place in order for the poor to benefit. Issues of risk, access to technology and knowledge, organization, market chain power and returns on labor would need to be analyzed.
- The significant new possibilities generated by fair- and organic-trade markets, which are growing rapidly in Europe, were signaled as another area for consideration.
- It was felt that the niche of the Centers might be found in the germplasm collections they held. The importance of scientific skills in pathology, virology and entomology, both for sustainable production and for meeting increasingly stringent phytosanitary regulations and quality requirements, was highlighted. It was stressed that relevant research goes beyond these areas of expertise to include institutional, policy and organizational research.
- Some felt that the ongoing work of the Centers should serve as input to the conceptual framework for this area, as it could eventually serve as a new research platform for the System.
- The group observed that once a stock taking exercise was completed, a decision could be made as to how existing work could link with other entities. It was stressed that it was important not to go it alone, and that the effort must be a coordinated one.
- Two of the DGs involved, A. El-Beltagy and P. Anderson, said they would work to get an Alliance representative on the International Horticultural Initiative.

Decision

1. *Each Center was requested to undertake an inventory of its work on High-Value Goods and Crops, and to send it to the Chair of the AE by September 1, 2006.*

Agenda Item 7. Funding the Priorities

Steve Hall chaired this session, stressing the need to think through how the system-wide priorities could be used to strengthen Center research and move the Alliance forward. He said there was a need to look at current investments and how they matched the new priorities, to study current resource mobilization strategies, and to consider important aspects of competition vs. cooperation.

Per Pinstруп-Andersen indicated that the SC, working with the Alliance through the Alliance Deputy Executive, planned to issue a preliminary analysis of the combined spending of all 15 Centers against the 20 system-wide priorities, based on the MTPs currently under review. He recognized that this was only a first step, and that several years would be needed to refine this analysis. He added that the SC would agree to suggest minimum spending envelopes against each priority, but absolutely did not want this to become a centralized mechanism for determining allocations of donor funding across Centers.

Discussion

- It was observed that the basic approach should be a transparent information system, with input from and participation by the Alliance, to facilitate a better match of interests (supply and demand); the SC assessment should play a key role.
- It was expressed that the Alliance should provide two sets of information to facilitate choices aligned with the priorities: 1) a presentation of all Centers' actual and planned spending on each of the SC System Priorities, as derived from the MTPs (already in the making by the SC); and 2) a presentation of the spending on System Priorities that Centers would consider optimal in view of the CGIAR goals.
- The group felt that the forum for coordinating these processes should be the new ExCo Task-Force on Funding the Priorities; this would be discussed at ExCo10.
- The SC welcomed this proposal as an indication of the extent to which donors' priorities were responsible for deviations of Center MTPs from system priorities.
- The Alliance welcomed this proposal as an opportunity to "leap-frog" the annual MTP add-up process and proactively align interests.
- While accepting the priorities per se, the Alliance expressed that it felt strongly that these were only a means to the end of reducing poverty; the SC needs to recognize the importance of demonstrating how the priorities will lead to impact to achieve this overriding goal.
- The suggestion was made that a similar matrix could be compiled for donors and their spending, in order to reflect supply and demand.
- Concerns were expressed about the need to determine the minimum requirement to deliver; otherwise, the System was in danger of "missing the mark".
- Some speakers emphasized the need to know what priorities were under-funded, in order to make appropriate decisions on resource allocation.
- Concern was expressed on the part of the Centers that the donors are not entering into dialogue with them; they expressed interest in pursuing ways of better facilitating connections with the donors.

Discussion ensued as to what a decision to use the priorities as a context for resource management implies:

- It was mentioned that there was a need to be aware of the moral hazard problem and to help the SC handle this.

- It was stressed that it was important to address the problem that some priorities are considered “sexier” than others, more trendy and fashionable. The question was asked: What kind of strategy is in place to make decisions?
- The need for a mechanism to know, as an Alliance, what combination of priorities can be delivered was expressed.
- It was stated that there was a need to follow up on this idea with future big-ticket donors (the Secretariat had set up a group for this), and to assess what the Centers were contributing. This should be linked to clear impact measurement milestones.
- The suggestion was made to work on a first cut of the matrix as a first step, with a three-year mark to develop the larger picture.
- It was expressed that the Alliance needs to be proactive, to see not just the “add-up” from the MTPs, but to help in more strategic thinking for their investments.
- The desire to be more transparent on the supply and demand side, without being too rigid (restrictive), was expressed.

Decision

1. *The Alliance considered it essential to be involved in the development of the CGIAR funding mechanism for system priorities. At ExCo10, the Alliance would propose that it be included on the Task Force on Funding the Priorities.*

Agenda Item 8. Performance Assessment

Adel El-Beltagy chaired this session, stating that Frank Rijsberman had prepared the discussion paper, in collaboration with David Kaimowitz and Mort Neufville.

Discussion

- Overall, the group agreed that the Performance Assessment (PA) and MTP processes were moving in the right direction and evolving toward useful tools for planning and evaluation.
- The group also agreed that once the PA and MTP processes were working well, and the Centers had well-conducted Center Commissioned External Reviews (CCERs) in place, the External Program and Management Reviews (EPMRs) would gradually be reduced in scope, focusing more on the verification of self-assessments and CCERs and on giving a “refreshing” external viewpoint.
- A number of more short-term problems were observed with PA: the verification of the PAs by the internal auditor was causing too much work for the Centers; and the Centers generally felt that they were over-reviewed and that the overall transaction costs were too high.
- There was felt to be insufficient recognition at the system level of the very high volume of donor reporting and donor evaluations (on restricted projects) being carried out by each Center.
- Considerable interest in a system of “outcome contracting” was expressed, as a forward-looking strategy. The attractiveness of such a system, from the Centers’ perspective, was described as a move to a system of longer-term contracts with contracted outcomes. The advantage for donors would be that they could hold

Centers accountable for achieving agreed system priorities, and that it would reduce transaction costs.

- To take this discussion forward, it was suggested that the Centers make use of the Donor Coordination Forum; these ideas could also be coordinated and developed in collaboration with the Task Force on Funding the System Priorities.

Decision

1. *The Alliance reiterated that it would be essential to participate in the Task Force on Funding the Priorities proposed by the Secretariat for ExCo10. It was agreed that principles for funding the priorities, such as outcome contracting, needed to be developed; a dialogue would be initiated with the SC and donors on this issue.*

Agenda Item 9. Agriculture and Health

Joachim von Braun and Emile Frison initiated an overview of Center activities in Agriculture and Health, starting in May 2005, when a working group of DGs whose Centers were involved in these issues was formed.

Short updates were offered from each Center involved in linking health issues with agricultural producers and in studying their interactions through people and the natural environment. At a meeting to be held in May at IFPRI, 12 briefs would be launched as a new platform for research and collaborative activities in this area among the Centers. New areas for collaboration were reported, including:

- *an online resources directory of agriculture and health issues in the CGIAR*
- *collaboration with other members of the health sector, such as the World Health Organization*
- *an initiative on biodiversity for food and nutrition, led by IPGRI in collaboration with FAO*
- *the avian influenza risk and research response (ILRI and IFPRI)*

The presentations highlighted the need for the CGIAR to focus not only on risks via pesticides, water borne-diseases, or transmittable diseases, but also to draw attention to improved nutrition and preventative measures, to show another dimension.

The group was informed that the system-wide initiative on malaria and agriculture, sponsored by IWMI, was not ready to be transferred to the national partners, and that it would no longer be known exclusively as a CGIAR initiative.

Discussion

- It was expressed that this is a platform open to other Centers to join in, and that there was a need to be clear on who does what, to attract new money, including the health-related foundations, and not just traditional donors.
- It was felt that as the Centers pursue this area further, it will be important to have an ongoing dialogue with appropriate NGOs, particularly with regard to bio-fortified varieties.

- Some of the participants expressed that they were intrigued by the avoidance of a system-wide program, noting the switch has been made from damage-control to a more proactive stance.
- This was described as a broader research agenda, where strengths can be drawn upon; it was stated that it would be impossible to package all this into a system-wide program, because it was too big. New activities and inter-Center collaboration were seen as emerging from the platform.
- It was stated that stock taking exercises had been pragmatic in focus, and that there was a wish not to create a new initiative that would undermine what currently exists.
- It was observed that it was exciting to think of the new benefits that could be developed, and that the sustainability agenda should be observed to see what gains could be made in human health.
- The platform approach was well-received. One speaker suggested the need to put in place a mechanism for synthesizing the outputs, in order to take stock from the lessons learned.

Decisions

1. *The Alliance endorsed the concept of a research platform on Agriculture and Health as the way to move forward.*
2. *The platform will provide annual briefings to the Alliance.*

Agenda Item 10. Inter-Center Collaboration in Implementing the CGIAR Research Priorities

An overview, highlighting the current collaborative work underway between the Alliance Deputy Executive and the SC, was presented by Per Pinstrup-Andersen, Ruben Echeverria and Douglas Pachico.

(Note: Agenda Item 11, The relationship between the Alliance and the SC, was blended and merged with this agenda item.)

- *It was decided earlier in this meeting that the DDGs would submit a matrix as a first approach for the Centers and their work on the priorities. The SC would then submit a paper for ExCo10. The presenters felt that this was clearly a case in which one size did not fit all. The SC felt that the Alliance (Executive) should play a major role in establishing an implementation vehicle, because it was better placed to do so. The SC would take ownership if it was driven by the AE.*

A few areas for consideration were mentioned: 1) fruits and vegetables, in particular the work being done outside of the CGIAR; and 2) market research (institutions and structures), which was not a cohesive program (much of this was also being done outside of the system).

Discussion

- The SC expressed that there was room for more CPs, for example on climate change. New CPs would come from new submissions and not from previously submitted proposals.
- The SC accepted the suggestion of the ADE that each project could contribute to impacts on more than one of the priorities.
- It was mentioned that at the moment, the data were not the product of a complicated financial tracking system, but rather of informed estimates.
- It was felt that consideration should be given to disaggregating the information to unrestricted and restricted contributions of CGIAR members and non-members. This would help address the way Centers allocate resources with respect to the priorities.
- A lack of clarity was manifested concerning how, methodologically, to define investment in new research areas.
- There was some concern expressed regarding the sum of activities and the fact that reporting has become excessively burdensome on the Centers.
- Concern was also manifested regarding a system of assessment based on what could be counted (e.g., publications); it was felt that Centers should, in fact, be accountable for impact on the ground.
- Strategically, it was felt that there was positive interest in outcome contracting; this would represent a move away from a defensive and complaining stance.
- It was agreed that this discussion should be taken forward and that the ideas presented should be developed.
- Some of the participants expressed that they appreciated the debate that was going on with regard to peer-reviewed articles, and that this opened up an invitation to take an indicator and make it better.
- It was felt that the Alliance should be proactive about saying how resources should be spread across the priorities; as needed, it should work with the donors to capture their view of what they would like to see.
- A need to go beyond outputs to outcomes was expressed.
- It was stated that no one wants a rigid, mechanical allocation process to come out of this, but rather to rely more on supply and demand; this would allow for a better informed market to plan the way forward.
- It was requested that the CP mechanism be re-opened by the SC.
- The Centers were invited to think about new CPs, but it was expressed that clarity would be needed on the process to prevent any wasted effort. New proposals for CPs should be driven by the 20 priorities.
- It was observed that the CPs were designed as a pillar of CGIAR reform. The question of whether there was a plan and process to evaluate the process of the CPs first, before launching a new plan for CPs, was asked.
- The group was reminded that the decision made by the ExCo at the time the CPs were established was to review all the CPs after three years. It would, therefore, be good if this were to be taken up by the SC, in order to have some idea of, and permit follow-up on, what has worked and what should be repeated, or left behind.

- It was stated that partial information is available to the Centers on what donors would like to fund. A question was raised as to how much money they are willing to spend. It was also asked whether there should be an Alliance meeting with the donors on this, and whether the donors were earmarking.
- The SC stated that it kept all its discussions in the open, and that they encouraged people to come to the SC meetings as observers.
- The question of whether there should be a donors and Centers meeting During AGM, perhaps a two-hour forum, was raised. It was requested that the AE Chair discuss this possibility with the Secretariat.
- The group felt that this meeting should be kept simple, focused on and driven by exciting themes. It should cover 1) priority setting by the SC, and 2) the research for development continuum in order to capture donor views on where to go.

Decisions

1. *The SC will send the completed table of Priorities by Centers, with financial data (informed estimates), to the Centers through ongoing work with the Alliance Deputy Executive.*
3. *The SC requested “implementation vehicles” for each of the priorities; this was not addressed during the meeting.*
4. *The Alliance will continue the dialogue with the SC on the issue of how best to implement and fund each of the system priorities, focusing on impact pathways and partnerships for impact.*
5. *The ExComs will follow up with the Secretariat on the idea of a special meeting or dialogue with the donors during AGM06.*

Closing Remarks

The Chairs closed the meeting stating that they were delighted with the progress made through the ratification of the AP&P.

It was agreed that the next meeting of the Alliance would take place in Washington D.C., at IFPRI, on November 30 and December 1, prior to AGM06. The 2007 spring meetings would be held April 27 and 28 at IWMI, with the April 29 set aside for field visits.

The AB Chair requested that feedback and informal evaluations of the meeting be sent to the Chairs, indicating what was useful and effective, with suggestions for improvement of future meetings. He thanked CIAT and the FHAO for a very productive meeting.

Annex 1. Decisions/Actions Table, Meeting of the Joint AB and AE, CIAT, April 26-27, 2006

Decision Number	Agenda Item	Subject Matter	Decision/Action
06/AB-AE/Apr/01	Session I. Agenda Item 1.	Decisions/Actions Table from AGM05 (review)	<ol style="list-style-type: none"> 1. <i>The decisions and actions from AGM05 were updated and approved by the AB and AE.</i> 2. <i>The Mission and Vision statements are to be collected by Joachim von Braun by 31 August, 2006.</i>
06/AB-AE/Apr/02	Session I. Agenda Item 1.1	AP&P	<ol style="list-style-type: none"> 1. <i>All 15 Centers agreed to ratify the final version (April 27, 2006) of the AP&P. Of these 15 Centers: 13 Centers ratified during the meeting two Centers stated their intention to ratify within a week of the meeting (Note: Unanimous ratification was made by all Centers, and was announced by the AB Chair to the CGIAR Chair and Director on May 6, 2006).</i> 2. <i>A letter will be sent to the Chair of the CGIAR by the AB and AE Chairs requesting that the Alliance be recognized officially, in particular through appropriate amendments to the CGIAR Charter.</i>
06/AB-AE/Apr/03	Session I. Agenda Item 2.	Skype conference with Stripe Review Panel for Corporate Governance	<ol style="list-style-type: none"> 1. <i>The Alliance accepts the report on good practice issues for Center Boards. The meeting noted that a number of the recommendations in the report had already been implemented by a number of Boards. It also noted that more strategic issues related to the governance of the CGIAR system and the division of responsibilities therein needs to be addressed by the Alliance, in dialogue with other parts of the CGIAR. The Subcommittee on Governance for the AB will be responsible for taking action on this.</i> 2. <i>The report will be taken to Center Boards; Board Chairs will report back to the Alliance upon implementation of the recommendations.</i> 3. <i>As an initial response, a statement was prepared (Annex 3) to update ExCo. The final response will be prepared when all Boards have reported back to the AB on implementation.</i>

Decision Number	Agenda Item	Subject Matter	Decision/Action
06/AB-AE/Apr/04	Session I. Agenda Item 3.	Review of Pooling of Financial Reserves (proposed study)	<ol style="list-style-type: none"> 1. The revisited ToR was approved by the Alliance. 2. A sub-committee was appointed to manage the process, including the selection of a consultant. The sub-committee would consist of the Board Chairs of three Centers, representing a range of funding and reserve situations: ICRAF, IRRI and CIAT. The sub-committee will liaise with the Secretariat, and the FHAO will provide support.
06/AB-AE/Apr/05	Session I. Agenda Item 4.	FHAO Report	<ol style="list-style-type: none"> 1. IFAD will be requested to host, rather than house, the FHAO. The AE Chair will discuss this with the President of IFAD, seeking an arrangement parallel to the FAO and World Bank arrangements for hosting other parts of the System. If necessary, the CGIAR Chairman will be asked to assist on behalf of the Centers.
06/AB-AE/Apr/06	Session I. Agenda Item 5.	EPMR Updated from WorldFish, ICRAF and CIFOR	<ol style="list-style-type: none"> 1. The Alliance will offer the SC suggestions for improving the EPMR process. 2. The FHAO will prepare a submission to the SC with suggestions for improving the EPMR process. 3. The AE Sub-committee for AGM06 will follow up on the idea of a day/forum for Donor-Center dialogue.
06/AB-AE/Apr/07	Session I. Agenda Item 6.	Centers Management of Genetic Resources	<ol style="list-style-type: none"> 1. The recommendation of the GRPC to include the principle of voluntary benefit sharing by the private sector in MTAs was approved. 2. The recommendation (one red card) to submit the GPG2 proposal to the World Bank was approved.
06/AB-AE/Apr/08	Session II. Agenda Item 1.	R4D Continuum	<ol style="list-style-type: none"> 1. The Alliance will produce a position paper on this issue. 2. Frank Rijsberman, Eugene Terry and Douglas Pachico will prepare a document for the SC workshop following ExCo10, on the basis of discussions captured. The document will be circulated to all members.

Decision Number	Agenda Item	Subject Matter	Decision/Action
06/AB-AE/Apr/09	Session II. Agenda Item 2.	Global Public Goods	<p>Information item Shared planned activities in the field of private/public partnerships include:</p> <ul style="list-style-type: none"> ▪ a monitoring and learning project documenting all PPP research activities of Centers (coordinated by IFPRI) ▪ two joint Private Sector Committee (PSC)/Center workshops (on product stewardship, PSC with ICRISAT, 2006; and on research management, PSC with ILRI, 2007) ▪ CGIAR SKEP projects (ongoing) <p><i>1. The PPP committee of the AE will follow up on the above with the PSC.</i></p>
06/AB-AE/Apr/10	Session II. Agenda Item 3.	SSA-MTPs	<p><i>1. The Alliance endorsed the MTP process, contents and overall directions of both MTPs.</i></p> <p><i>2. The Alliance recognized that the implementation of these MTPs has resource implications. It was requested that the ESA and WCA lead Centers provide the Alliance with specifications for lighter governance and implementation mechanisms, as well as business plans and an associated budgets.</i></p> <p><i>3. The think pieces prepared by ILRI-ICRAF and WARDA-IITA, at the request of the business meeting of AGM05, were endorsed by the Alliance.</i></p>
06/AB-AE/Apr/11	Session II. Agenda Item 4.	Special Session on LAC	<p><i>1. The Alliance requested that Pamela Anderson, Chair of the AE LAC Sub-Committee, organize a stock taking exercise to assess what the Centers were doing in the region and identify overlaps or gaps. A “next steps” report would be prepared for the Alliance meetings at AGM06.</i></p> <p><i>2. The Alliance noted there were several significant on-going collective actions in the region, including the Amazon Initiative, CONDESAN and the Harvest Plus CP.</i></p>

Decision Number	Agenda Item	Subject Matter	Decision/Action
06/AB-AE/Apr/12	Session II. Agenda Item 5.	Climate Change	<ol style="list-style-type: none"> 1. <i>The Alliance endorsed the request from the ICWG on climate change to submit a proposal for a system-wide program to the SC.</i> 2. <i>The Alliance noted that the governance mechanisms proposed needed to be simplified. The ICWG will propose a lighter governance mechanism to the Alliance before submission of the proposal to SC.</i> 3. <i>The Alliance responded positively to the offer of ICSU and GECAFS to engage in dialogue with the international climate change scientific community on ways to forge closer linkages with them. The CAO was requested to follow-up.</i>
06/AB-AE/Apr/13	Session II. Agenda Item 6.	High Value Goods for the Poor	<ol style="list-style-type: none"> 1. <i>Each Center was requested to undertake an inventory of its work on High-Value Goods and Crops, and to send it to the Chair of the AE by September 1, 2006.</i>
06/AB-AE/Apr/14	Session II. Agenda Item 7.	Funding the Priorities	<ol style="list-style-type: none"> 1. <i>The Alliance considered it essential to be involved in the development of the CGIAR funding mechanism for system priorities. At ExCo10, the Alliance would propose that it be included on the Task Force on Funding the Priorities.</i>
06/AB-AE/Apr/15	Session II. Agenda Item 8.	Performance Assessment	<ol style="list-style-type: none"> 1. <i>The Alliance reiterated that it would be essential to participate in the Task Force on Funding the Priorities proposed by the Secretariat for ExCo10. It was agreed that principles for funding the priorities, such as outcome contracting, needed to be developed; a dialogue would be initiated with the SC and donors on this issue.</i>
06/AB-AE/Apr/16	Session II. Agenda Item 9.	Agriculture and Health	<ol style="list-style-type: none"> 1. <i>The Alliance endorsed the concept of a research platform on Agriculture and Health as the way to move forward.</i> 2. <i>The platform will provide annual briefings to the Alliance.</i>
06/AB-AE/Apr/17	Session II. Agenda Item 10.	Inter-Center Collaboration: Implementing the CGIAR Research Priorities	<ol style="list-style-type: none"> 1. <i>The SC will send the completed table of Priorities by Centers, with financial data (informed estimates), to the Centers through ongoing work with the Alliance Deputy Executive.</i> 2. <i>The SC requested “implementation vehicles” for each of the priorities; this was not addressed during the meeting.</i>

			<p>3. <i>The Alliance will continue the dialogue with the SC on the issue of how best to implement and fund each of the system priorities, focusing on impact pathways and partnerships for impact.</i></p> <p>4. <i>The ExComs will follow up with the Secretariat on the idea of a special meeting or dialogue with the donors during AGM06.</i></p>
06/AB-AE/Apr/18	Video-conference	Special Joint Meeting with the Chairman and Director of the CGIAR	<i>Information sharing.</i>

Future Meetings

AGM06, Nov. 30-Dec. 2: One full day and a half for the joint meeting, beginning November 30th. Will request 1.5 hours for a meeting with Francisco and the new CGIAR Chair on 30 November, and a dinner or breakfast meeting with the new CGIAR Chair and Excom (29, 30 or 1 Dec. or during AGM week).

Spring 2007: April 27 and 28, full Alliance meeting. Suggest 1.5 days joint and half day separate. Venue: IWMI, with the 29th to be set aside for a field trip. The joint ExCom will meet April 26 and 30.

Annex 2. Final Alliance Principles and Procedures

PRINCIPLES AND PROCEDURES

of the

**Alliance of Future Harvest Centers of the
Consultative Group on
International Agricultural Research**

April 27, 2006

PREAMBLE

Stimulating Progress – the need for Collective Action

The CGIAR is a unique, global organization. The diversity of its institutions endows the CGIAR with energy and creativity, and a broader collective grasp of research issues and answers than would be allowed in an otherwise more homogenous institutional culture. Taking the utmost advantage of the rich tapestry of collective talents held by the Centers and putting them to work for the poor is the process that enhances this quality of the CGIAR. For the Centers, the ability to continue to enhance this process requires a new and effective way of thinking about how we work together.

The first Centers were created to “support research and technology that can potentially increase food production in the food-deficit countries of the World.” The logic was that, by increasing staple commodity production, we would automatically increase the well-being of the poor—the inspiration and goal underpinning the work of the System. In time, it became clear that the relationship between increased production and well being was neither as simple nor as linear as had been imagined.

Accordingly, both the CGIAR and the Centers evolved, adapting to a more complex reality by committing to a more complex mission: “*to contribute to food security and poverty eradication in developing countries through research, partnership, capacity building and policy support promoting sustainable agricultural development based on the environmentally sound management of natural resources.*” Today, global initiatives require the Centers to address an even broader range of challenges. We pulled together, taking every measure necessary to enhance our ability to work as a collective, in order to make a significant contribution to their implementation.

Our Track Record

Collective action is not new to the CGIAR. There are numerous examples of successful joint actions – large and small.

In the early 1990s, the CGIAR approved the creation of System-wide and Ecoregional Programs (SWEPs). The goal was to formalize and promote collaboration among the Centers. The Ecoregional Programs had the added objective of facilitating the Centers’ capacity to respond to the CGIAR’s new research agenda on natural resource management. Today, the System has 11 System-wide Programs and 6 Ecoregional Programs.

In 2001, the CGIAR System put into place a number of reforms. Among the reforms, a System Office was created to improve effectiveness and efficiency in financial, administrative and human resource management. Several initiatives, hosted and funded by the Centers, were placed under the umbrella of the System Office. These initiatives, and others outside the System Office, whose collective purpose was to allow the Centers

to share costs and best practices, have been extremely successful. They include a shared salary, pension and benefit system (AIARC); a communally organized contract for telecommunications (ICT-KM); shared library subscriptions at lower service costs (the Library Consortium); an Internal Audit Unit; and Human Resources (SAS-HR), Gender & Diversity (G&D) and Intellectual Property (CAS-IP) Programs that are developing leading-edge policies and sharing best practices across the System.

A second pillar of the reform process – that comprising the Challenge Programs – became operational in 2003 and has received strong support and participation from the Centers. The Challenge Programs were conceived as vehicles for mobilizing the new and bigger partnerships needed to address major high-profile challenges on the CGIAR's ever more complex research agenda.

The Challenges

The capacity of the Centers to respond collectively to development challenges and to operate more cost efficiently as a result of resource sharing has improved markedly over the past decade as a result of CGIAR System reform and additional initiatives taken by the Centers themselves. However, the Centers recognized that putting in place an effective mechanism to foster more effective collective action would require greater attention to institutional learning, a sharper analysis on when collective action is more effective than action by individual Centers, the development of incentives for rewarding collective action and tools to measure the performance of collective action. It would also require an effective conflict resolution mechanism.

In order to provide the necessary leadership and executive capacity, the Centers have decided to create the Alliance of Future Harvest Centers and to develop the present principles and procedures to guide its operation.

The Benefits

The Alliance was established by the Future Harvest Centers to achieve the following benefits:

- *For partners and stakeholders*, the Alliance provides more efficient access to the expertise of all the Centers without overburdening the expertise and facilities of partners, especially, weaker NARS. The benefits will be more effective program outputs and outcomes.
- *For CGIAR members and donors*, the Alliance provides the channel for consolidated Centers' contributions to CGIAR business. It creates more efficient and effective programs on key themes by harnessing the full capacities of the Centers to tackle the issues raised. It provides CGIAR members with a powerful mechanism to encourage greater cooperation among Centers and with greater confidence that agreed outputs and outcomes will be achieved. It enables more complex problems to be tackled effectively and will add value to CGIAR member contributions.
- *For the System*, the Alliance provides a vehicle for greater consistency in Center policies as well as a means by which decisions of the System will be more efficiently

and effectively implemented. This vehicle is further strengthened by the fact that acceptance and compliance with the decisions of the Alliance will be facilitated through the accountability of an Alliance Executive and an Alliance Board. The Alliance champions the reforms that may be needed in the structure, governance, and programs of Centers. It develops performance indicators to evaluate the contribution of Centers to the CGIAR and to its collective endeavors in line with the existing System-wide Performance Measurement scheme.

- *For Centers*, the Alliance provides a formal basis for confident participation in collective action with sister Centers and other agencies on major global agricultural, forestry, fisheries and water issues for which no one Center could deliver alone. It creates a mechanism that enables Centers to speak and negotiate authoritatively with a united voice on common issues and to achieve economies of scale through such measures as programmatic alignment and use of common services. The Alliance provides a forum for the Centers to discuss the implementation of the CGIAR mission at the operational level and provides a focal point for enhancing corporate spirit and action. The Alliance also provides an effective mechanism to prevent and resolve conflicts that may otherwise limit progress and intended impacts. The Alliance will develop mechanisms to help Centers continually upgrade their performance so that the reputation of the whole CGIAR System is protected.

Mission, Objectives/Functions and Principles

Mission of the Alliance

To enable the Future Harvest Centers of the CGIAR to contribute more effectively and efficiently to the mission of the CGIAR by cooperating and pooling their resources whenever and wherever needed.

Objectives and Functions of the Alliance

The objectives are to:

- help *evolve* and improve the CGIAR System;
- be a *collective, unified voice for the Centers on matters requiring a common position*;
- *contribute to on-going Center and Board components of System reform*;
- *strengthen and build on existing collective actions to create greater impact thereby strengthening the Centers' contributions to the CGIAR mission, while respecting the principle of subsidiarity*;
- *create opportunities for enhanced collective action that uses the complementary skills and knowledge of the Centers and their partners and the ensuing economies of scale*; and
- *provide a mechanism for binding decisions to resolve conflicts among Centers that cannot be resolved by the Centers themselves.*

The functions are to:

- (a) Develop and sustain outstanding collective partnerships between Centers and external partners through:
 - building and sustaining partnerships on shared vision, complementary skills, commitment to execution of agreed plans, mutual respect; and
 - recognizing, promoting and applying best practice in partnerships as reflects the mission of the CGIAR.
 - Increase the effectiveness and efficiency of inter-Center collaboration and collective action through:
 - providing precise channels for developing, agreeing and implementing a strategic agenda for collective actions, including policies, on matters where a common position or action is advantageous;
 - developing and using efficient, logical and transparent mechanisms to select, fund, manage and support System-wide and multi-Center programs; and
 - providing incentives for inter-Center collaboration and creating economies of scale by reducing duplication and excessive competition among Centers.

- (b) Position the Future Harvest Centers to manage organizational change through:
 - creating seamless access to the knowledge and services of all Centers;
 - creating greater public and CGIAR System awareness of collaborations and collective actions and their successes;
 - enhancing the level of support in collective policy development, resource mobilization, public relations and services;
 - investigating and developing new areas of services and support best provided collectively;
 - creating mechanisms to help the Centers to continuously upgrade their performance, especially in collective actions, to enhance the reputation of all Centers and the CGIAR;
 - facilitating the creation of Center Clusters under the Alliance; and
 - contributing to processes of reform as needed to help ensure efficiency and effectiveness of the Centers in carrying out the work of the CGIAR including facilitating improved governance systems.

- (c) Resolve conflicts amongst Centers in disputes related to collective action through:
 - creating clear principles and practices for collective action, including clear arrangements among collaborating partners;
 - implementing a stepwise process for resolving issues that arise consisting of:
 - encouraging the affected Centers to enter into dialogue to resolve the conflict;
 - involving the Alliance Executive (AE), upon request from the affected Centers, to address the conflict if it cannot be resolved by the affected Centers through dialogue; and
 - involving the Alliance Board if the decision by the AE is disputed by any party (the decision of the Alliance Board will be final and binding on the affected Centers); and
 - implementing a progressive scale of sanctions in respect of Centers that do not abide by the binding decision.

Principles of the Alliance

- 1) *In conforming to the mission of the CGIAR, the allegiance of the Alliance is first and foremost to the poor.*
- 2) *All Centers supported by the CGIAR are members of the Alliance. Collective actions are based on the principle of partnership among equals, internally and externally.*
- 3) *Collective action implies mutual respect among Centers and no hierarchy of Centers. Except under clearly defined circumstances, such as Centers' mandates, no Center can automatically assume leadership for an action that cuts across Centers' mandates. Centers do not assume line responsibility for other Centers' staff.*
- 4) *The Centers are to ensure transparency through open communication among themselves and with partners and stakeholders.*
- 5) *The problem to be addressed or the opportunity to be sought through collective action is to be approached through assembling the best possible team(s) or mechanism from Centers' resources and in cooperation with partners.*
- 6) *Priority setting, on issues that would benefit from a collective approach, is to be based on open, transparent practices, including stakeholder consultation with participating Centers, research and development partners and investors.*
- 7) *For areas identified as collective-action initiatives of the Alliance, each participating Center is accountable to the collective-action's steering mechanism, which is accountable to the stakeholders.*
- 8) *While the principle of the Alliance is to promote harmonious collective action, any conflicts that arise in this context are to be resolved among the Centers through the conflict resolution mechanism adopted by the Alliance. The Alliance Board's decision is final and binding on the affected Centers.*
- 9) *For each collective action, problem to be solved or opportunity to be captured, clear specifications and reachable objectives are to be identified by the AE or a cluster of Centers (the participating Centers). The obligations of each party and the mechanisms and processes relating to the settlement of disputes between parties are to be clearly defined.*
- 10) *Shared standards and practices (for administration and science) are to be employed whenever justified to minimize transaction costs and increase efficiencies.*
- 11) *Best practice in relation to conflicts of interest applies to the members of the Alliance Executive and Board in the conduct of the business of the Alliance.*

Commitment of the Centers

The Centers agree to the Alliance Principles and Procedures, and to abide by the decisions of the Alliance regarding all collective actions.

Collective Action

The Alliance is designed to enable the Centers' collective efforts to be more effective when the Centers work with external partners and with each other in those areas where there is a comparative advantage in working collectively. The Alliance is also designed to allow Centers to support organizational change when this is deemed necessary. Collective action can occur in many different forms, such as in collaborative research programs, partnership formation above the level of one Center, in capacity building, and in corporate and scientific services.

A collective action may take the form of an Alliance-wide collective action, encompassing matters of common interest to all Centers on which a common position or decision is judged to be beneficial to the interests of the CGIAR. In such cases the decision to establish the collective action shall be taken by agreement of all members of the Alliance.

Other collective actions shall be established by agreement of all of the Centers participating in the collective action.

Based on strategic guidance by the AB, the AE or the Directors General of the Centers concerned will identify opportunities for, establish and implement collective action.

Decisions taken within the framework of a collective action concerning its implementation shall be binding in accordance with the provisions set out below in the section on "Decisions of the Alliance".

In collective actions, the obligations of each party and the mechanisms and processes related to the settlement of disputes are to be clearly defined in an agreement at the outset of the activities in a manner that is consistent with the Principles set forth above. Modifications of the obligations of the parties can not be imposed upon participating Centers by a majority vote.

Structure, Membership and Governance

The Alliance consists of four components: the Centers, the Alliance Board, the Alliance Executive and the Alliance Office.

- 1) The member Centers of the Alliance are the Centers supported by the CGIAR.

- 2) The Alliance Board consists of the Board Chairs of the Centers. The Board may co-opt one or two persons who are independent from any Center to complement the skills of the Alliance Board on a case-by-case basis. These co-opted members shall have no vote on the Alliance Board.
- 3) The Alliance Executive consists of the Directors General of the Centers.
- 4) The Alliance Office is one of the components of the CGIAR System Office and facilitates the business of the Alliance.

Membership of the Alliance, Center Obligations and Sanctions

All Centers supported by the CGIAR are members of the Alliance and endorse these Principles and Procedures. Each Center sends to the Alliance Board, through the Alliance Office, an instrument signed by both the Board Chair and the Director General of the Center, on behalf of the Center's Board, affirming the Center's endorsement of the Alliance Principles and Procedures and commitment to:

- 1) contribute to the Mission and Objectives/Functions of the Alliance;
- 2) adhere to the Principles of the Alliance; and
- 3) abide by the decisions of the Alliance Board and the AE taken within the framework of a collective action concerning its implementation.

Centers that do not abide by the commitments spelt out in the Alliance Principles and Procedures shall be subject to such sanctions as the Alliance Board may decide in accordance with the Principles set forth in this document, including, as appropriate:

- disclosing the Center's action to the Center's Board;
- disclosing the Center's action to the other CGIAR components, through such organs as the SC and the Executive Council; and
- in extreme cases, barring the non-compliant Center from participating in new collective action initiatives or continuing in the collective action at issue until the Center complies with the decision in question.

Alliance Board Roles and Responsibilities

These are to:

- a. demonstrate initiative in responding to CGIAR opportunities and challenges that are common to Centers;
- b. develop a collective viewpoint on good governance and policy issues that affect strategic directions of Centers and effective responses to key development challenges;
- c. encourage cooperation among the Centers and an Alliance-wide approach on issues of common interest;
- d. provide strategic guidance to collective action by the CGIAR Centers;
- e. develop performance measures to evaluate contributions of Centers to CGIAR collective endeavors in line with the existing CGIAR Performance Measurement scheme;

- f. interact with the AE to facilitate and encourage inter-Center functions and activities (such as joint planning) and to present Center viewpoints to CGIAR stakeholders;
- g. resolve disputes among Centers related to collective actions, and impose sanctions on individual Centers where necessary. This will be done in a fashion that avoids conflicts of interest;
- h. interact with the AE and the Alliance Office to ensure transparency and good governance;
- i. interact with the CGIAR System providing information to and from Center Boards, including information on collective action initiatives, opportunities, and decisions; and
- j. facilitate linkages and exchanges among the Centers, CGIAR members, and other parties who share the CGIAR vision and ideals.

Alliance Executive Roles and Responsibilities

These are to:

- a. identify opportunities and needs for collective actions and establish and implement them;
- b. involve national, regional and international partners in collective actions, as appropriate;
- c. promote best practices and standards in Centers' work, including harmonized medium-term planning and reporting;
- d. strive for individual Centers' efficiency, effectiveness, and sound business practices through transparency in performance as a base for collective strength;
- e. strive for efficiency in addressing global concerns and meeting global targets;
- f. create new system-wide working methods and norms;
- g. support the development of harmonized human resource and financial management policies, procedures and tools;
- h. reinforce partnerships and forge new linkages;
- i. stimulate cross-fertilization of ideas and support institutional learning;
- j. reduce tensions and inefficiencies within the System;
- k. ensure that appropriate mechanisms for collective action are developed;
- l. elaborate and implement conflict resolution mechanisms and refer unresolved issues to the Alliance Board for final decision;
- m. strengthen the voice of the Centers within and outside the System, and create better awareness of the success of collective actions; and
- n. enhance communication among Centers and with other components of the System.

Alliance Officers

The Alliance officers shall be:

- 1) the Chair of the Alliance Board, who shall be elected by the voting members of the Alliance Board in accordance with such procedures as the Alliance Board may decide; the Chair of the AB shall be responsible for leading the AB in its strategic guidance on collective actions, fulfilling its obligations in resolving conflicts, and initiating other actions necessary to carry out AB responsibilities.
- 2) the Chair of the Alliance Executive, who shall be elected by the members of the Alliance Executive in accordance with such procedures as the Alliance Executive may decide; the Chair of the Alliance Executive shall be responsible for the operations of the Alliance, shall represent the Alliance, shall report periodically to the Chair of the AB on the performance of the Future Harvest Alliance Office (FHAO) and shall act as its Executive Officer; and
- 3) the Chief Alliance Officer, who shall be appointed by the Alliance Executive, after consultation with the Alliance Board; the Chief Alliance Officer shall be the head of the Alliance Office and shall report to the Chair of the Alliance Executive. The Chief Alliance Officer shall also be a Unit Head of the CGIAR System Office, whose duties shall include – under the direction of the Chair of the Alliance Executive – maintaining a register of all agreed collective actions, supporting and facilitating the planning, development and implementation of collective action among the Centers, liaising with other components of the System Office and all components of the CGIAR, preparing the agenda and documentation for the meetings of the Alliance Board and Executive, and ensuring the implementation of the decisions by the Alliance Board and Executive. Also, the Chief Alliance Officer shall support the Chair of the Alliance Board in his/her Alliance duties.

Decisions of the Alliance

Revisions of the Principles and Procedures have to be agreed by all members of the AE and the AB.

Decisions to establish an Alliance-wide collective action shall be taken by agreement of all the members of the Alliance Executive. Decisions to establish collective actions at a lesser than Alliance-wide level shall be taken by agreement of the Centers participating in the collective action in question and by informing the Alliance Board of this consensus.

Decisions taken within the framework of an Alliance-wide collective action concerning its implementation shall be taken wherever possible by agreement of all members of the Alliance Executive. Where it is not possible to reach consensus on a particular matter, decisions may, as a last resort, be taken by a vote that represents at least a three-fourths majority of the total membership of the Alliance. Where not all members are present at the meeting of the Alliance at which a decision is to be taken by a three-fourths majority vote, and it is not possible to obtain a three-fourths majority of the total membership of

the Alliance in the absence of some members, the Chair or Chief Alliance Officer must contact the non-attending members in order to obtain their votes.

Decisions taken within the framework of collective actions at a lesser than Alliance-wide level concerning their implementation, shall be taken wherever possible by agreement of all members of the Alliance participating in the collective action in question. Where it is not possible to reach consensus on a particular matter, decisions may, as a last resort, be taken by a vote that represents at least a three-fourths majority of the members of the Alliance participating in the collective action, according to procedures similar to those applicable to Alliance-wide decisions.

After establishment of a collective action with its instrument of agreement, no additional obligations, responsibilities or other commitments can be imposed on a member without its consent.

All decisions taken within the framework of a collective action in accordance with the above procedures shall, in the case of an Alliance-wide collective action, be binding on all members of the Alliance, and, in the case of collective action at a lesser than Alliance-wide level, shall be binding on all members of the Alliance participating in the collective action in question.

Procedures for resolving disputes in collective actions are to be applied by the Alliance in a manner consistent with the Principles set forth in this document. Where a decision regarding a collective action is reached by the Alliance Board, all the Centers concerned shall promptly abide by that decision.

The Alliance Principles and Procedures contained in this document do not amend or supersede the constituent instruments of individual Centers. In the event that a Center is unable to comply with a decision on the grounds of its constituent instrument, it shall circulate its assessment of the situation, in writing, among the other members of the Alliance, within one month of the decision in question. The Alliance and the Center in question shall undertake best efforts to find a mutually satisfactory solution to the problem.

Amendments

These Principles and Procedures may be amended by common agreement of all Centers that are members of the Alliance.

Amendments will normally be considered at a joint meeting of the Alliance Board and the Alliance Executive. Arrangements may be made where necessary for participation by electronic means by Centers that cannot be physically represented at such a joint meeting.

Unless otherwise decided by consensus an amendment will be effective upon its adoption by the joint meeting.

Withdrawal

Any Center that is a member of the Alliance may withdraw from membership of the Alliance by giving written notice of its withdrawal to the Alliance Board, through the Alliance Office.

Any such notice of withdrawal will become effective one year after its receipt by the Alliance Office.

Centers withdrawing from the Alliance will still be expected to honor the terms of any specific agreements entered into during their period of membership of the Alliance.

Linkages

The Alliance shall have strong linkages with all the components of the CGIAR System as well as with stakeholders outside the System.

- 1) Within the CGIAR System – the Alliance shall foster the flow of information on collective action to:
 - a) CGIAR members, donors, and stakeholders; this shall be done primarily through the participation of the Chair of the Alliance Board and the Chair of the Alliance Executive in meetings of the Executive Council and the Annual General Meeting of the CGIAR;
 - b) the SC: the Alliance and the SC shall have an important relationship as the SC is responsible for advice to the CGIAR System on the totality of the work of the Centers, including collaborative programs; the Alliance shall communicate to the SC its strategic considerations that could be relevant in setting program priorities and obtaining resources for collective action programs; and
 - c) other committees and working groups of the CGIAR, as appropriate.
- 2) Outside the CGIAR System – the Alliance shall liaise with other relevant bodies, as appropriate, to strengthen the capacity to promote the CGIAR mission; in so doing, such liaison shall be in full cooperation with other CGIAR entities, and in compliance with the procedures and priorities of the whole CGIAR System.

Annex 3. Stripe Review on Corporate Governance response for ExCo10

Alliance Board Response to the Report of the Stripe Review on Corporate Governance of the CGIAR Centers

On the occasion of its joint AB/AE meeting held in Cali, Colombia, on 26-27 April 2006, the Alliance reviewed and discussed the Report of the Stripe Review Panel on CGIAR Center Governance.

As an initial response, the Alliance welcomes the Report as an important contribution to adapt and improve the quality and efficiency of Center governance in a rapidly changing internal and external governance environment. The Alliance broadly accepts the recommendations put forward by the Panel and notes that considerable progress has already been made over recent years as a result of governance CCERs and EPMRs.

The Report provides valuable advice and guidance on basic governance housekeeping issues as well as on good practice recommendations for a number of governance tools and processes. Finally, the Report helps to initiate more in-depth thinking and discussion on some broader and more strategic governance issues.

In terms of the next steps, individual Centers are committed to reviewing and adapting their governance principles, structures and processes and to providing updates on the implementation of the Stripe Review recommendations (as: implemented/will be implemented/will not be implemented). A comprehensive and detailed response from all Centers will be compiled, including decisions to implement or not implement (with reasons for the latter) on all recommendations. This detailed update on Center responses will be shared with the CGIAR membership.

Collectively, Centers will address a number of broader governance issues going beyond the Stripe Review recommendations, with a focus on:

- accountability and mechanisms for achieving accountability
- the evolving nature of Center Boards
- the effective availability of Center Board competencies
- models and standards of best practices

Brief Comment from the CGIAR Secretariat

We agree with the observations/comments of the Alliance Board/CBC, and welcome the contribution of the Stripe Review report on some key governance issues. We think that the report has flagged a number of concerns about Center governance and has made some valuable suggestions on the way forward. We do feel, however, that the report could have contributed a lot more if it had included an assessment and evaluation of current performance of the Boards of the Centers, as specified in their TORs. A more specific description of best practices already existing in many Centers would also have been

useful. We welcome the Alliance Board /CBC decision to spell out the next steps at the level of individual Centers.

Annex 4. Terms of Reference for Pooling of Reserves Study

Alliance Board and Alliance Executive Meetings

April 26-27, 2006

CIAT

Cali, Colombia

Report Back

Session I Agenda Item 3. Pooling of Reserves

Presented by: J. Godfrey

Summary of discussion:

It is the view of the AE/AB that a group of independent legal entities cannot simply share or pool their reserves; this would violate all principles of good governance. Only a single corporate entity for the CGIAR would enable pooling of Center reserves; this is outside the scope of this discussion.

There are, however, a number of options for pooled reserves in a more limited sense (e.g. group insurance scheme for specific risks, or a credit union for mutual lending). A highly reputed legal/financial expert will be consulted to confirm or deny this opinion (a 2-3 day assignment) and help define the scope of the options available within the current legal structure.

The Alliance will commission an in-depth study on the options for using Center reserves for specific shared or pooled purposes (insurance, credit union), following the determination of the scope. This will include recommendations on best-practice in the level, purpose and use of reserves in leading not-for-profits.

Decisions made:

1. The Alliance agreed to the revised the ToR (attached).
2. The Alliance created a committee of three Board Chairs (ICRAF, IRRI and CIAT) to select and supervise the Consultants for both steps and liaise with the CGIAR Secretariat.

Pooling Center Reserves: Terms of Reference

Revised 4-27-06

Background:

The Centers maintain financial reserves for a variety of purposes, e.g. as working capital; for the eventuality of a major, unexpected shortfall in funding; to cover uninsured damage to buildings and capital equipment due to natural disasters or civil strife; or to compensate staff in the event that they have to be laid off.

The total amount of funds held in reserve by the Centers collectively amounts to a considerable sum, estimated to be US\$156 million in 2004 – equivalent to 140 days of operations (compared to the minimum desirable range for individual Centers of 75-90 days). The actual level of reserves today varies across Centers; the current total may be different from the above figure due to drawing down of reserves, exchange rate fluctuations etc.

Assuming it is desirable to pool reserves (an assumption that should itself be examined), the question has been raised as to whether it would be possible to reduce the total size of the reserves needed if the Centers were to pool all or part of their reserves – thus freeing up funds, for at least some Centers, for other purposes. In addition, some form of pooling or joint management of reserves might enable the Centers to achieve higher investment returns and, depending on the nature of the reserves and the way they are managed, could provide a source for funding loans for certain agreed-upon, high-priority activities, such as the development of common research facilities.

The report of AGM05 in Marrakech states: "The CGIAR requested the Alliance to explore and develop options for system-wide pooling of reserves. This should be submitted to the CGIAR Secretariat by the end of April 2006, to be reviewed by ExCo at its May 2006 meeting. Expertise from the Private Sector, CGIAR Secretariat and others should be mobilized, as needed."

The issues to be addressed:

In response to this situation, the Future Harvest Alliance will obtain the opinion of a leading legal/financial management authority (a senior partner in one of the Big Four Accounting Firms is suggested) to assess the validity of the following position of the Future Harvest Alliance:

- 1) In the opinion of the Future Harvest Alliance, a group of independent legal entities cannot simply share or pool reserves. Sharing or pooling of reserves would make it impossible to prepare a financial statement for any one of the legal entities without reference to the others; it would de-facto require consolidation of all the financial reports of the Centers and only be feasible if the Centers were

governed by a single legal (corporate) entity. The opinion of a legal/financial/governance expert is sought to confirm or deny this opinion.

2) The Future Harvest Alliance does see opportunities for more limited sharing or pooling of reserves for specific purposes, such as:

- a Credit Union or Mutual Fund, with the level of contributions being determined by individual Centers
- an insurance scheme, with contributions set on the basis of risk criteria
- a combination of the above/other options

The opinion of the expert is sought to define the scope of the (limited) opportunities for sharing reserves, so as to allow for the preparation of ToR for a more detailed study of these options. A consultant will be commissioned to carry out the studies of opportunities for the (limited) sharing of reserves as defined above.

Timing:

It is expected that the legal/financial opinion, and ToR for the in-depth study, can be obtained before May 15, 2006.

It is expected that the in-depth study can be completed by the end of June 2006.

Annex 5. Final Agenda - Joint Meeting of the Alliance Board and Alliance Executive: Alliance of the CGIAR Centers

Time	Agenda Item	Person(s) Responsible
<i>Wednesday, April 26 Session I: Joint Alliance Board and Executive (Sala Nariño)</i>		
8:00	Agenda Item 1. Welcome and Review of Next Steps Document and Follow-Up Actions from Marrakech AGM05 meeting <ul style="list-style-type: none"> • Update on ratification of the AP&P by Center Boards 	Chairs (J. Godfrey and J. Voss)
8:45	Agenda Item 2. Skype conversation with the Stripe Review Panel member(s) follow-up with Corporate Governance final report and next steps	Chairs
9:30	Agenda Item 3. Review of discussion paper on financial reserves proposal and agreement on next steps	Chairs
<i>10:30 Coffee Break</i>		
10:45	Agenda Item 4. Report from the FHAO	FHAO and Chairs
11:00	Agenda Item 5. Brief update from Centers with current EPMRs (WorldFish, ICRAF, CIFOR)	Chairs
11:15	Agenda Item 6. Role of the Centers in Management of Genetic Resources: New initiatives, implementation and policy recommendations	E. Frison and M. Iwanaga
<i>12:00-13:30 Lunch Break with Special Guests including Videoconference with Ian Johnson and Francisco Reifschneider from Washington, D.C.</i>		
<i>Session II: Implementing the CGIAR Research Priorities: Board and Executive with Special Guests (Sala Nariño)</i>		
13:30	Agenda Item 1. The Research for Development Continuum <ul style="list-style-type: none"> • Discussion of the concepts and implications of the R4D Continuum in implementing the research priorities • Agreement on how to engage the donors and other partners in the discussion, with the aim of reaching broad agreement on the role of the Centers within the continuum 	Hartmann, W. Dar and Lene Lange
14:30	Agenda Item 2. Global Public Goods <ul style="list-style-type: none"> • Discussion and if possible, agreement, on the role of the Centers in relation to generating different classes of GPGs • Inclusion of public private partnerships and potential conflicting issues • How to take the discussion forward e.g. with the World Bank and other donor/partners 	J. von Braun, E. Frison and I. Ahluwalia
<i>15:30 Coffee Break</i>		
16:00- 17:00	Parallel Session A : Choice of two discussions (Sala Tairona) Agenda Item 3. SSA MTPs <ul style="list-style-type: none"> • Strategic discussion on the content of the SSA MTPs and how to implement them • Agreement on next steps 	C. Seré, K. Nwanze and U. Werblow

Time	Agenda Item	Person(s) Responsible
16:00-17:00	<p>Or (Sala Tolima) Agenda Item 4. Special Session on LAC</p> <ul style="list-style-type: none"> • Overview of challenges facing LAC, current CGIAR areas of priority and focus, implementing the new priorities in LAC and interacting with the IDB, FONTAGRO, and supporting the work in the region. • Special Guest: Colombian Minister of Agriculture, Andres Felipe Arias Leyva, invited to share his thoughts on the free trade agreements currently under discussion: challenges and opportunities for agricultural R&D. 	P. Anderson, M. Iwanaga and J. Jones
17:00-18:00	<p>Parallel Session B: Choice of two discussions (Sala Tairona) Agenda Item 5. Climate Change</p> <ul style="list-style-type: none"> • Discussion and agreement on the proposed major program on climate change: content, focus partners and next steps 	D. Garrity, A. El-Beltagy and T. Bjorndal
17:00 - 18:00	<p>Or (Sala Tolima) Agenda Item 6. High Value Goods for the Poor</p> <ul style="list-style-type: none"> • Taking stock of current thinking on high value goods and activities within the CGIAR and specific proposals for strengthening this area of activity in the future within the context of the CGIAR Priorities 	E. Frison, J. Voss and E. Terry
18:00	Wrap-up of the day	Chairs
<i>Dinner hosted by the Alliance Chairs in the home of the Director General</i>		

Time	Agenda Item	Person(s) Responsible
<i>Thursday, April 27 Session II: Implementing the CGIAR Research Priorities: Board and Executive with Special Guests (cont.)</i>		
7:30-8:15	Choice of two short CIAT Tours (Genetic Resources and Biotechnology Units) Meet at hotel reception.	
8:30-9:30	Parallel Session C: Choice of two discussions (Sala Tairona) Agenda Item 7. Funding the Priorities <ul style="list-style-type: none"> • Issues arising from the need to focus funding – and the search for new funds – on the CGIAR Priorities and how the Centers can strengthen collaboration – and minimize competition - in seeking new funds 	S. Hall, B. Zeigler and S. Best
8:30-9:30	Or (Sala Tolima) Agenda Item 8. Performance Assessment <ul style="list-style-type: none"> • Issues facing the Centers with respect to evolving PA system – and proposals for addressing them collectively 	D. Kaimowitz, F. Rijsberman and M. Neufville
9:30	Reporting back to full group from the six parallel sessions (10 min. each for highlights) In Sala Nariño.	Chairs and rapporteurs
10:30 Coffee Break		
11:00	Agenda Item 9. Agriculture and Health <ul style="list-style-type: none"> • Taking stock of current initiatives in this field and agreement on future major lines of action 	J. von Braun, E. Frison and T. Gregson
12:00-13:00 Lunch Break with Special Guests		
<i>Session II: Implementing the CGIAR Research Priorities: Board and Executive with Special Guests (closing session) Sala Nariño</i>		
13:00	Agenda Item 10. Inter-Center Collaboration in Implementing the CGIAR Research Priorities: The way forward <ul style="list-style-type: none"> • Update from the SC meetings • Review and establish a process, with Center assignments and next steps 	Chairs
14:30	Agenda Item 11. Relationship between the Alliance and the SC <ul style="list-style-type: none"> • Practical suggestions and agreement on next steps in strengthening the relationship between the FH Alliance and the SC 	J. Voss, M. Iwanaga
15:00	Conclusion of Session II and Joint Meeting	Chairs
15:30 Coffee Break		
<i>Session III: Closing session and Next Steps for the AB and AE (meeting in separate committees)</i>		
16:00-18:00	See separate Committee agendas. AB to meet in the Board Room (Sala de Juntas) and the AE to stay in Sala Nariño	
19:00 Cocktail hosted by CIAT with optional evening activities planned by CIAT staff		