

CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH  
SCIENCE COUNCIL AND THE CGIAR SECRETARIAT

**Lessons Learnt from Selection and Implementation of the  
CGIAR Challenge Programs**

October 2007



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## List of Lessons Learnt

### PART I. SC Lessons from CP Selection and Implementation

1. *The open competitive call for CP concepts has not been successful in generating a sufficient number of exciting and innovative research ideas, especially from the ARIs.*
2. *The expectation for highly relevant research ideas and high quality pre-proposals through competition in a process including two competitive steps not linked to one another does not seem to have been realistic. The only viable pre-proposals have come from the groups behind the original concept notes.*
3. *With the selection criteria expecting CGIAR Center involvement in a pre-proposal, and with the Alliance assuming a collective responsibility for working on the pre-proposals, followed by its collective action at the concept note development, it is increasingly difficult to build viable alternative consortia to address a challenge.*
4. *The research challenge that the CP can feasibly solve needs to be carefully identified at start of the program, and this should be a prerequisite for its approval. The CP needs to focus its activities on a clearly defined set of priority research areas which can be implemented through commissioned and competitive grants and not expect to address all components of the “global challenge”. Only those that are primary constraints to achieving the goals of the CGIAR, not already addressed in one form or another and where IPG research is most likely to result in impact should be identified.*
5. *There is need to revisit a CP program’s scope, priorities and expected results in each phase of the CP. CPs should continuously re-assess their focus in light of the likely funding scenarios and accumulated research results or shortcomings and at the start of the second phase be explicit about the schedule of delivering results.*
6. *CPs addressing very broadly-defined challenges (as exemplified by CPWF and SSA-CP) appear to be slow in establishing efficient and potentially effective programs and have more difficulty in establishing their ‘time-boundedness’, and hence in clearly targeting and articulating what their high impacts are likely to be.*
7. *It appears that crop genetic research (as in the HarvestPlus and Generation CPs) has less intrinsic complexity and therefore it may be relatively easy to focus the scientific effort, make progress and show scientific breakthroughs in a relatively short time frame. Research on natural resource management and institutional innovation may be considered intrinsically much more complicated with multiple potential interactions among many factors, including on social aspects and policy. It is therefore even more important that NRM and institutional CPs have their research domains carefully articulated.*
8. *It appears that those CPs that had a clear and tractable challenge defined from the outset were able to attract and engage research institutions that saw their role in taking up that challenge. Those CPs that defined their challenge more in terms of ramping up the engagement in the current field of research (doing the same but more of it) were attractive to more conventional partnerships and failed to entice new players (ARIs) to enrich and synergise the CGIAR competencies. It is important that a CP engage groups that have expertise in new and innovative areas of science that can benefit the overall goals of the CP and complement the competencies of the CGIAR partners and NARS partners.*
9. *Waiting for a competitive grants process to attract partners can lead to a dilution of effort and loss of focus.*

10. *There is need to carefully consider what level of NARS engagement is optimal for increasing the CP's likely success in delivering relevant outputs and outcomes, for implementation and for out-scaling and impact after the CP is terminated.*
11. *There is need to carefully consider whether competitive grants schemes are the preferred funding mechanism, and under what conditions, to optimise appropriate involvement of NARS.*
12. *The CPs should consider whether investment in supporting NARS capacity to apply for and manage competitive funds is the best focus for capacity building.*
13. *The CP's ability to generate IPG research results and make reasonable projections of outcomes and impact are linked to a clear and realistic choice of a limited number of research priorities and to an ability to get swiftly oriented towards its core challenge of conducting research. These elements are more likely to be positively influenced by a tighter rather than looser time frame.*

**PART II. CGIAR Secretariat Lessons from CP Selection and Implementation: Governance, Management, Finance, and Partnerships**

1. *Although institutional representation of CP consortia members or partners in the governance structure has merits (e.g. enhanced ownership of the program and promotion of harmonious working relationship at the research level), a governance body that is composed of independent individuals with no institutional connection to consortium members or CP partners appears to have more advantages and higher potential for effective and efficient performance.*
2. *The organizational structure of a CP should allow for independent governance as stipulated in the CP definition. However, it should also take into account the need for support provided by a host institution as a legally constituted entity. Programmatic decisions should be left entirely to the CP's steering committee.*
3. *Consistent with the CPER recommended framework towards more independent and more effective governance, CP management (Director/Coordinator) needs to play a considerably stronger leadership role, particularly in strategic thinking and planning for the CP, and be given the primary responsibility for performance evaluation of CP staff and management team.*
4. *On funding issues,*
  - *CPs have not caused a decrease in Center funding nor have they diverted the resources from unrestricted contribution.*
  - *CPs were successful in generating new funds for their research agenda and have earned strong level of support from traditional and non traditional donors.*
  - *The differences in the CP governance mechanisms have introduced an additional level of complexity in the CGIAR accountability standards. Therefore, there is a need for fiduciary framework that reflects the substance more than the form of the governance arrangement.*
5. *CP resource allocation to Partners has ranged from 30% to 60% over the past three years. This measure depends to a large extent on the nature of the CPs' component activities/projects. CPs recognize that there is still scope for strengthening engagement and increasing further the flow of resources to their partners in the coming years through various funding mechanisms (competitive grants, commissioned research, special projects).*

6. *The additional complexity brought about by the differences in governance structures adopted by the four CPs, makes it difficult to obtain consistent and comparable data for analyzing the CPs' transaction costs. The transaction costs reported by the pilot CPs have decreased as expected since their inception phases. However, management of transaction costs continues to require close oversight.*
7. *The competitive grant funding mechanism is an effective tool for opening up the CGIAR research agenda to other research suppliers. What is absolutely essential is to have clear, transparent, and agreed set of rules for implementing it.*
8. *In general, partnerships in the CPs have been regarded in a positive light by partners. Although there were difficulties during the inception phases, there is a consensus that the partnerships model has been effective. The roles and responsibilities of partners have been clear. The NARS partners have been specifically appreciative of the skills gained through training and other capacity building activities of the CPs. However, there are also challenges, cited not only by the CP partners but also by the CGIAR Centers, that the CPs have to address.*

## **PART I. SC Lessons from CP Selection and Implementation**

### **1. Background**

The Executive Council (ExCo) at ExCo11 requested that the Science Council (SC) and CGIAR Secretariat conduct an analysis of lessons learnt from the Challenge Programs, complemented by inputs from the ExCo *ad hoc* Committee on Funding System Priorities, in order to better inform Membership of the progress in implementing the CP concept. This document builds on a previous report on lesson learnt submitted to the Group at AGM'04<sup>1</sup> and draws from several other sources of information<sup>2</sup> including a recent study conducted by the Alliance Deputy Executive (ADE).<sup>3</sup> It addresses also the CP selection process based on experience of the “Pilot process”, the 1<sup>st</sup> Cycle of CP selection in 2002 and the 2<sup>nd</sup> Cycle of CP selection up to the pre-proposal selection stage this year.

The Challenge Program (CP) concept was developed as part of the CGIAR's reform program to bring about a programmatic approach to take on global challenges in cooperation with a wider range of partners and it is described in a document from the Interim Executive Council (IEC).<sup>4</sup> The CGIAR agreed to adopt a flexible and learning-by-doing approach to developing CPs. Presently four CPs are operating: Water&Food CP (CPWF), HarvestPlus CP, Generation CP (GCP) and Sub-Saharan Africa CP (SSA-CP) from which the lessons are mainly drawn.

In drawing these lessons it is important to consider the stated objectives of the CP concept to benefit the System as a whole and to reflect upon the perceived expectations of the different stakeholders. It is also important to consider the internal policy environment in which the CGIAR operates. With the approval of the CGIAR System Priorities for research in 2005 and the consideration of new ways of funding the research, the environment is significantly different from the situation in 2001 when the CP approach was first launched. When the decision to “unfreeze” CPs was made, i.e., reinitiating the CP process was confirmed at ExCo11 (May 2006), the CGIAR membership raised some concerns about the implications of adopting the System Priorities (SPs) for new CPs on the one hand and the need to ensure alignment of new CPs with the SPs on the other.

Lessons learnt to-date should be instructive in helping the CGIAR consider the merits of the CP approach and to what extent expectations have been met or are likely to be met. They will also help in considering if changes need to be made and how the CP approach can be revised to meet the current and evolving expectations in the light of the performance of the current CPs, the implementation of the SPs and the current context of the CGIAR.

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<sup>1</sup> [http://www.cgiar.org/pdf/agm04/agm04\\_cp\\_lessons.pdf](http://www.cgiar.org/pdf/agm04/agm04_cp_lessons.pdf)

<sup>2</sup> SSA CP external review (2006), CPERs of Water & Food CP and HarvestPlus CP (2007), CP MTP analyses by the SC (2005, 06, 07), CP Annual Reports

<sup>3</sup> ADE Study: Lessons Learnt in First Cycle Challenge Programs; draft 29<sup>th</sup> September, 2007

<sup>4</sup> Draft IEC Recommendations on CGIAR Reform – An integrated proposal

[http://wbln0018.worldbank.org/Apps/CGIAR/IC\\_CGIAR.nsf/4F1B144AAA9938338525664C00017FDB/428EEEB4935F1AC385256B5F005B21FA/\\$FILE/agm0104.pdf](http://wbln0018.worldbank.org/Apps/CGIAR/IC_CGIAR.nsf/4F1B144AAA9938338525664C00017FDB/428EEEB4935F1AC385256B5F005B21FA/$FILE/agm0104.pdf)

## **2 Process for the development of CPs**

### **2.1 Three rounds of selection**

The formal process of selecting a CP involves three steps—Concept note, pre-proposal and full proposal development. The Concept note and pre-proposals steps are competitive and not linked to one another. To date we have had three rounds of selection: Pilot process followed by 1<sup>st</sup> and 2<sup>nd</sup> Cycle CP selection. In the Pilot process 10 proposals by CGIAR Centers and their partners were “fast tracked” and the pre-proposals including a concept note were submitted for the interim SC to assess. The three pre-proposals recommended by the iSC for full-proposal development were eventually all accepted by the Group.

Since the Pilot process, the CGIAR has had 2 Cycles of CP selection following the formal process. In the 1<sup>st</sup> Cycle 41 concept notes were considered. Of these, only the fourth of the current CPs (SSA-CP) was selected. The iSC identified four other promising pre-proposals, one led by a consortium outside the CGIAR, but recommended them not to be advanced to the full-proposals stage because it felt that time was needed to test the CP approach and learn from the pilot CPs.

ExCo decided to reinitiate the CP process in May 2006, and the 2<sup>nd</sup> Cycle was launched in November 2006 through a call for concept notes. The same process is being followed as in the 1<sup>st</sup> Cycle except that at the concept note call, the criterion of alignment with the CGIAR SPs was added to the main criteria. Thirty five (35) concept notes were received, 10 of them from the CGIAR Centers Alliance. The SC recommended five ideas for pre-proposal development—all from Centers Alliance with partners—from which three were recommended by ExCo to the Group. The SC did not identify any concept notes from proponents external to the Alliance that satisfied the CP criteria.

An analysis of the origins of the concept notes in the 1<sup>st</sup> and 2<sup>nd</sup> Cycle provides an indication of whether the CP is attracting new research providers. In the 1<sup>st</sup> Cycle the main source of concept notes (13 out of 41) were the CGIAR Centers. The second largest proponent group were Northern Universities (8), mostly in Germany. The remaining proponents included international organizations, initiatives or NGOs (4), NARIs (2), one University in the South, private individuals and some others. With two exceptions, the proposals from the non-CGIAR proponents did not include a CGIAR Center. About two-thirds of the concept notes had some relevance to international development oriented research in agriculture. The remaining were local projects and initiatives on information or capacity building. In the 2<sup>nd</sup> Cycle most concept notes came from the Centers Alliance (10 out of a total of 35), followed by Universities in the South (10), NARIs (6), Universities in the North (3), NGOs in the south and miscellaneous proponents, including three private individuals. Only about half of the concepts notes concerned had relevance to international development-oriented research in agriculture and among the rest there were several development proposals.

In summary, while the CP approach has broadened the interest of institutes—both North and South and NGOs—few of these concept notes have had relevance to the international public good research agenda of the CGIAR.

## **2.2 The efficiency and effectiveness of the Process for advancing the objectives and other expectations of the CPs**

The CPs were created in order “to establish a programmatic approach to research and funding, to complement existing approaches” which then included Center research programs (carried out to a greater or lesser extent in partnerships) and systemwide programs. The CPs were designed to address a global or regional challenge and intended to capture research providers outside the CGIAR and through partnerships facilitate outcomes and impact. It was seen as a core mechanism of change and a key means of opening up the CGIAR.

As indicated in the preceding section, the call for new initiatives from outside the CGIAR has not resulted in a significant opening up of the System. While many institutes and even individuals with little connection to the CGIAR responded by submitting ideas on research, product development, technology funding, development and technical assistance, only one CP (SSA-CP) from outside the CGIAR Centers has been selected and even that one has had very strong Center backstopping during its development.

From the ExCo 12 Meeting Minutes it is apparent that there is disappointment among members with the results of the 2<sup>nd</sup> Cycle concept note round, particularly in the apparent inability to attract good quality concepts to address regional or global issues from proponents outside the CGIAR. The disappointment may reflect different and even contradictory expectations of what the CP process should be yielding. ExCo expressed a similar disappointment after the 1<sup>st</sup> Cycle of concept notes suggesting a need to clarify the definitions of a CP in order to obtain more concept notes that satisfy the criteria for CP. Also, at that time, ExCo felt that the incremental approach being used for identifying CPs was unable to ensure that the CGIAR would end up with an optimal portfolio of CPs in terms of meeting the needs of the System. This meant that it would be useful to take a proactive approach, develop a vision of where the CGIAR wishes to end up over time, and identify CP themes that best fit that vision.

There may be various reasons why the open concept call has not resulted in stronger ideas from outside the CGIAR. External research providers dealing with more basic science or research areas that go beyond the CGIAR’s core research may not be motivated to submit ideas for mission oriented research programs somewhat distant to their research orientation unless stimulated by a CGIAR partner or through other mechanism of directed call. The earlier stalling of a good quality pre-proposal from an external group may also have discouraged at least that group from re-entering the competition. Furthermore, the open, broad tender may discourage major research providers from putting forward ideas. It is unlikely that those external institutions that have potential to bring the critical and complementary research skills to the CGIAR are motivated enough to prepare concept notes, particularly if they are not assured exclusive rights to develop the pre-proposal. Competition for cutting-edge research funding is high and research groups of excellence are unlikely to willingly elaborate research ideas beyond the mere title unless a non-disclosure arrangement protects their idea.

### ***Lessons learnt:***

- 1. The open competitive call for CP concepts has not been successful in generating a sufficient number of exciting and innovative research ideas, especially from the ARIs.*

### ***Alternatives for identifying ideas:***

There is need to consider alternative ways of a) identifying the most significant and most relevant research areas where the multi-partner approach of a CP can bring significant added value to the CGIAR research agenda; and b) encouraging and providing incentives for appropriate external research consortia to tender at the pre-proposal stage. We may assume that the most important global challenges are quite well known and the step of generating ideas in the current process is not productive. An alternative then is for the SC, through a priority setting process, make a “call” for interested consortia to submit research pre-proposals within a given priority challenge. A process of “guided tendering”, getting the major research players in the identified area of research involved in competitive bidding would seem most efficient. The process would need clear terms of reference and be implemented through review by external peers who have nothing at stake in the process. They could outline the true scope of the challenge which would help potential proponents in writing well-targeted pre-proposals. This process would eliminate the concept note stage. In general there is a need for the CGIAR to better understand the motivations of ARIs and other partners and perhaps be more pro-active if their involvement in competitive research for the CGIAR goals is to improve.

Success in getting the main external research groups engaged is likely to be higher if the call is based on a CGIAR-generated ToR (concept note) where different consortia may tender a pre-proposal for which the proponents can claim ownership. That could encourage external groups even to lead the proposal development. As the process of pre-proposal development does not involve any funds, the external proponents in particular need to be sufficiently motivated to participate. The financial threshold for NARS to participate at that stage may be high and needs to be considered (this may explain the “lack of any meaningful NARS participation in 9 out of 10 pre-proposals during the Pilot phase” observed by ExCo in its 2<sup>nd</sup> meeting). Starting the development from pre-proposal follows the more common practice whereby research consortia put forward proposals that they then can follow-up towards implementation if the proposals are successful.

The SC suggests that in any future CP call the concept note step would be dropped and the competitive call would be made for CP pre-proposals on research themes identified through a new SC-led mechanism to be designed.

### **2.3 Competition at pre-pre-proposal stage**

A requirement for a CP is that CGIAR Centers are involved (at least two CGIAR Centers at the full-proposal stage). In all rounds of CP selection, the CGIAR Centers have been strongly behind the promising pre-proposals. In the 1<sup>st</sup> Cycle the two pre-proposals put forward by teams other than the original proponents of the concept note had no potential for a CP; in both cases the CGIAR Center involvement was negligible. Also in the 2<sup>nd</sup> Cycle, only three of the 39 pre-proposals submitted had clear CGIAR Center involvement in the research to be conducted. In the five other pre-proposals that listed one or more Centers as partners the roles of the CGIAR Centers were not described appropriately and their involvement in pre-proposal development was obviously negligible. Some 80% of these pre-proposals, mostly submitted by a national research institute, university or NGO in developing countries had a national or restricted regional focus and a very narrow scope of research and were not of a scale suitable for an international research program. In many cases the guidelines for pre-proposals had not been followed. Most importantly, it appears that the process is not encouraging outside “competitive”

proposals that are viable and involve the Centers. Indeed, the consensus among the Alliance Centers that submitted the successful concept notes and were involved in developing the pre-proposals and the coordinating role that the Alliance assumed for pre-proposal development<sup>5</sup> seem to be precluding other research suppliers finding an appropriate CGIAR partner for alternative pre-proposals and thereby preventing a truly competitive process.

***Lessons learnt:***

2. *The expectation for highly relevant research ideas and high quality pre-proposals through competition in a process including two competitive steps not linked to one another does not seem to have been realistic. The only viable pre-proposals have come from the groups behind the original concept notes.*
3. *With the selection criteria expecting CGIAR Center involvement in a pre-proposal, and with the Alliance assuming a collective responsibility for working on the pre-proposals, followed by its collective action at the concept note development, it is increasingly difficult to build viable alternative consortia to address a challenge.*

***Alternative for developing pre-proposals***

The current rule for CGIAR Centers to be involved in a CP proposal should not preclude Centers being involved in alternative proposals with different sets of partner proponents. The engagement of Centers in the CP is considered important because of the specific expertise that the Centers have in research for development and in research in the developing country context for producing international public goods. Yet if there is a cartel building in which the Centers will not engage in serious competition with each other, it is very unlikely that there will be competitive tenders of equal quality for a CP concept. Both the lessons from the on-going CPs and from the CP selection suggest that the lead-position that Centers have had in CP development and implementation may have prevented the CPs from moving strongly to areas where Centers have limited expertise. Thus the Alliance must work towards a balance between helping in the coordination among the Centers on the one hand and encouraging a “competitive market” development of partners and ideas on the other hand. Alternatively, the relevance of the research proposal and the competence of the consortia should be evaluated solely on the basis of the proposal without any restrictions on who the partners are.

The SC believes that different measures are needed to foster more interest from alternative research providers and to stimulate competition of good research proposals at the pre proposal stage while maintaining the essential characteristic of a CP to add value by building on the core competencies of the CGIAR Centers in implementing international agricultural public goods research for development.

**3. Programmatic lessons from the implementation of the existing CPs**

This document draws extensively from the external review of the SSA-CP in 2006, and the recently completed reviews of CPWF and HarvestPlus in 2007.<sup>6</sup> This analysis has also drawn from the SC’s assessments of the CP Medium-Term Plans.

The essential programmatic elements of a CP are:

- they involve high-impact research addressing a complex challenge

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<sup>5</sup> As explained in a memo from the Alliance to the CGIAR members and stakeholders 22<sup>nd</sup> June, 2007

<sup>6</sup> The external review of the Generation CP, started later than the two other Pilot CPs will be completed in 2008.

- they build on but go beyond the CGIAR's core competencies
- they add value
- they facilitate outcomes through their partners
- they are time bound

### **3.1 Program complexity and focus: defining the challenge**

Overall, the CPs struggle to narrow their focus on a tractable research component as part of the larger and complex “global challenge”. The four CPs currently operating are very different in terms of how well the program focus was defined at the time of approval of the proposal and how they have since evolved.

The CPWF was proposed to address the overall problem of productivity of water used in agriculture in a complex set of an undetermined number (at the time) of river basins within the context of five themes. At its inception, the CP proposed a broad research and delivery framework to be used in defining the precise researchable questions in up to 12 target benchmark basins. Despite a clear charge from the SC to sharpen the research questions at the outset, the program was shaped by partnership considerations and a large number of competitive grants projects, rather than by a strategic set of research priorities. The 2007 CP external review (CPER) makes the observation that the CP's objectives are exceptionally wide-ranging and problematic for defining a viable research strategy, for effective coordination and for achieving sufficient depth to deliver useful outcomes. The CPER concludes that the CP needs to re-define its vision and overall objectives, sharpening the focus and improving its overall coordination and coherence.

The SSA-CP was also initiated around a very broadly defined challenge, addressing marketing, resource productivity and sustainable use of natural resources through a proposed new paradigm, IAR4D (Integrated Agricultural Research for Development). This broad set of objectives prevented the proponents from defining the core researchable issues until the program was operating and the issues were defined through participatory consultation in pilot sites. Again the external review found the CP had not developed a focused program, around a core set of research questions that would be very relevant to the IAR4D approach and for the CP (and for African agriculture). It concluded that the IPG character of this CP would lie in the “Proof of the IAR4D concept”. It questioned that the current suite of projects would allow this to be proven and cautioned about expanding the number of pilot sites to allow more focus on the “proof of concept”. In the CP's MTP in 2007, the program is still struggling with an enormous factorial of a very large number of activities and tasks, combined with a large number of very diverse partners and a high level of context specificity. It still has not described a focused program that has good chances to contribute to development of IPGs by establishing a proof of concept for the IAR4D paradigm.

In contrast, the HarvestPlus CP was built on an earlier pilot research project and focused from the beginning on three key micronutrients affecting population health and well-being, especially of poor, vulnerable groups. The focus has been on proof of principle and the CP has staged its activities quite carefully by working on six Phase 1 crops where it expects to demonstrate the principle through delivery of biofortified varieties, and five Phase 2 crops where the biofortification work proceeds at more preliminary stages. The rationale for this spread of focus over crops was to be able to demonstrate the principle quite fast while developing a base of products and knowledge for similar work on more crops even after the CP comes to the end of its

10 years. The SC has called for prioritization among crops so that the CP could even under a problematic funding scenario secure delivery of results from its highest priority research. While giving the program excellent credits, the CPER nevertheless recommended that the program at this stage define and focus on what realistically can be expected from the CP and what can not. The CPER also recommended that the Program define its overall objective to guide the assessment of its implementation strategy, fund raising efforts, resource allocation, productivity, efficacy/effectiveness and cost-effectiveness that ought to be in line with the objectives. The CPER stressed the need to place boundaries now rather than risk the future because of vagueness and lack of focus. In response to the CPER, the SC reaffirmed its preference for priority focus on the proof of principle with Phase 1 crops before being spread too thinly on Phase II crops.

The Generation CP, due to its nature and history of being seen very much at the Center of the CGIAR's core business in genetic resources, has had pressure to expand its scope to a large number of crops. To some extent breadth of scope has been used to excite external partners to put forward applications for the competitive bidding. Although the SC had found the program to be in general well focused, it noted in the 2007 MTP inclusion in the program of many other traits than drought resistance selected for the proof of concept and cautioned the CP against a loss of focus. The CP has published a new strategy to add focus to some of its sub-programs; a sign of the CP being aware of the need to readjust its strategic approach and focus as it matures.

In summary it is difficult, if not impossible, to hold the program accountable for the kinds of products that it is expected to deliver if none were clearly defined at the outset. The Centers also have highlighted this as a major lesson.

***Lessons learnt about the complexity of the challenge:***

4. *The research challenge that the CP can feasibly solve needs to be carefully identified at start of the program, and this should be a prerequisite for its approval. The CP needs to focus its activities on a clearly defined set of priority research areas which can be implemented through commissioned and competitive grants and not expect to address all components of the "global challenge". Only those that are primary constraints to achieving the goals of the CGIAR, not already addressed in one form or another and where IPG research is most likely to result in impact should be identified.*
5. *There is need to revisit a CP program's scope, priorities and expected results in each phase of the CP. CPs should continuously re-assess their focus in light of the likely funding scenarios and accumulated research results or shortcomings and at the start of the second phase be explicit about the schedule of delivering results.*
6. *CPs addressing very broadly-defined challenges (as exemplified by CPWF and SSA-CP) appear to be slow in establishing efficient and potentially effective programs and have more difficulty in establishing their 'time-boundedness', and hence in clearly targeting and articulating what their high impacts are likely to be.*
7. *It appears that crop genetic research (as in the HarvestPlus and Generation CPs) has less intrinsic complexity and therefore it may be relatively easy to focus the scientific effort, make progress and show scientific breakthroughs in a relatively short time frame. Research on natural resource management and institutional innovation may be considered intrinsically much more complicated with multiple potential interactions among many factors, including on social aspects and policy. It is therefore even more important that NRM and institutional CPs have their research domains carefully articulated.*

The SC reinforces the criteria for full-proposal selection and suggests that any successful CP final proposal would need to very clearly identify the precise challenge, the priority areas of research and a clear strategy for time-bound delivery of research results.

The SC considers it highly important that the selection of CPs not be influenced by anticipated prospects of large amounts of funding or by political pressures.

### **3.2 Adding value**

The CPs are designed to generate “added value” by bringing together new partners to generate complementarities and synergy and expand to new areas of research that would not otherwise be forthcoming under existing partnerships and institutional mechanisms. The CPs should be a main vehicle to bring on board ARIs—both from the North and the South—and mobilize science from outside the CGIAR to accelerate progress.

The current CPs have established numerous and very broad partnerships. The CPERs for CPWF and HarvestPlus give credit to the programs for this. What is not clear is how effective those partnerships have been in adding value, net of the transactions costs. From the Centers experience it is unclear whether they see much added value from the CPs so far. The Centers report that they have gained most from the inter-Center collaborations, but there are also sentiments that partnerships could have been generated without CPs and at a lower level of transaction costs and that the procedures may have favoured mainstream research. The Centers do not seem to place much emphasis on the new partnerships with ARIs and the subsequent dimensions of new science linkages that are expected to be a major contributor to added value.

In the case of the CPWF, the external review found that the CP is too much oriented and driven by the agricultural sector and the water sector is not playing its potential role. The panel also found that IWMI is a dominant partner in most projects and receives the bulk of the funding. In addition, as the CPs were expected to go beyond the competencies of the CGIAR Centers, it is a concern that in the CPWF MTP, external research groups are only seldom identified as primary research providers. In other words the “added value” from bringing the agriculture and the water sector together is not readily apparent, at least not in their capacity as a primary researcher provider.

In contrast, the HarvestPlus CPER recognised the very notable involvement of the nutritional genomics groups relative to the resources received. The group includes 5 leaders from outside the CGIAR that operate at the top of the field globally with research competence that clearly goes beyond the CGIAR’s on nutritional genomics. It is interesting to note that the CPER identified a need in this program to strengthen the linkages between the different areas of research. This seems to be related to a challenge of translating scientific discovery into development outcomes and impacts.

The GCP has also engaged the most important and leading groups in areas of genomics and bioinformatics from outside the CGIAR and has been given credit in the MTP commentaries for its partnerships.

The SSA-CP was criticized in its CPER for having too many partnerships and yet not enough partners that fully understood the difficulty of the challenge. It called for strengthening of the partnership with ARIs that could help insure that the proof of concept research would have a sound scientific basis.

**Lessons learnt:**

8. *It appears that those CPs that had a clear and tractable challenge defined from the outset were able to attract and engage research institutions that saw their role in taking up that challenge. Those CPs that defined their challenge more in terms of ramping up the engagement in the current field of research (doing the same but more of it) were attractive to more conventional partnerships and failed to entice new players (ARIs) to enrich and synergise the CGIAR competencies. It is important that a CP engage groups that have expertise in new and innovative areas of science that can benefit the overall goals of the CP and complement the competencies of the CGIAR partners and NARS partners.*
9. *Waiting for a competitive grants process to attract partners can lead to a dilution of effort and loss of focus.*

**3.3 Involvement of NARS**

The involvement of NARS is seen as necessary especially for embedding the research findings in institutions where further implementation and application needs to occur. Several strong NARS have joined the CPs at the start as lead partners. A broad front of NARI, NGOs and universities has subsequently joined through project development. Their participation also presents the forum where the CP's main program-integrated capacity strengthening ought to occur.

The NARS are very well involved in the GCP, particularly at the regional level through networks (which seems to work well), and the CP has engaged several strong NARS as deliverers of research products rather than receivers. In the HarvestPlus CPER it was noted that involvement of regional, national and local partners helps avoid duplication, unnecessary conflicts and helps to promote synergies in the science and implementation.

The CPWF program has a very large partner group of 200 with a strong body of national partners leading potentially to serious transaction costs and difficulties in profiling key players in the partnership. A crucial observation from the SSA-CP review was that the competitive grants' scheme tended to reduce cooperation among the very teams that were expected to work together. Furthermore, partners' capacities to effectively compete for grants was highly variable. The CGIAR Center-led proposals for competitive grants were invariably much stronger and therefore more successful than the NARS-led ones.

**Lessons learnt:**

10. *There is need to carefully consider what level of NARS engagement is optimal for increasing the CP's likely success in delivering relevant outputs and outcomes, for implementation and for out-scaling and impact after the CP is terminated.*
11. *There is need to carefully consider whether competitive grants schemes are the preferred funding mechanism, and under what conditions, to optimise appropriate involvement of NARS.*
12. *The CPs should consider whether investment in supporting NARS capacity to apply for and manage competitive funds is the best focus for capacity building.*

**3.4 The time-bound nature of IPG oriented research and CP duration**

The time bound nature of the four on-going CPs is not always apparent; two of them have planned for 10 years and none have articulated an exit strategy after the 2<sup>nd</sup> phase. The lessons learnt report in 2004 recommended that the "time-bound nature of the CPs should be emphasized, and the implications of it to the planned program scope and focus defined. There is

a clear concern that, once established, it is difficult to end these programs”. This is consistent with the ADE view as well that the CPs should not lose their timebound delivery element.

The HarvestPlus CP has based its planning on the expectation of a 10-year horizon. The CPER confirmed that the IPG nature of the CP’s planned outputs have been clear from the outset and identified several important milestones already achieved. In addition to genetic materials and methodologies, the results are seen to provide a strong foundation for the development of nutritionally enhanced crops after and beyond the lifetime of the 10-year CP, which the SC considers important for the CP’s exit strategy.

GCP is also set up for 10 years. The anticipated schedule for delivery of results is for the forthcoming CPER to assess. The SC has repeatedly observed signs of over-ambitiousness in the program plans. In its response to the SC’s MTP commentary in 2006, the GCP stated that having a clear focus and a 10-year time limit forces the program to be aggressive in setting targets.

The CPWF was proposed as a 15-year program. The CPER notes that the CPWF should retain its time-limited status because the Centers can exploit the research synergies established by the time of conclusion of the programme. It is not clear from the CPWF review how far the CP has progressed in achieving research results; the CPER examined some published work and expressed a concern about limited analysis and synthesis. In its MTP reviews, the SC has found that the program has a large number of projects of a local nature, and lacks a clear vision of how to integrate these projects and to synthesize their work in order to produce substantial IPG outcomes. While the CP claims it converts local activities to IPGs through cross site analyses and transfer of lessons learned, often this is not evident. In theory, the CP is the obvious body to bring about critical integration across disciplines, basins, sectors and partners, thereby achieving unique IPG related outputs.

The SSA-CP also sees itself as a longterm initiative that is expected to progress through several cycles. The SC repeatedly observed that this CP has a relatively limited IPG orientation, which is a concern. The request to the SSA-CP to create new knowledge and engage in cutting-edge science does not easily fit with the SSA-CP’s remit and seems to have created confusion and apprehension.

***Lessons learnt on time bound CP:***

*13. The CP’s ability to generate IPG research results and make reasonable projections of outcomes and impact are linked to a clear and realistic choice of a limited number of research priorities and to an ability to get swiftly oriented towards its core challenge of conducting research. These elements are more likely to be positively influenced by a tighter rather than looser time frame.*

The experiences suggest that for a CP it may be suitable to aim for a “proof of concept” which is attainable in a 10-year time frame. At the same time the CP can establish the partnerships for the implementation BUT it is not necessary for the CP to fully implement the program – that can be devolved to the stronger partners, including the CG Centers built up during the life of the CP. Such plans could be defined in the CP’s exit strategy.

This would mean modifying the evaluation of the CP to assessing: a) the added knowledge leading to IPGs; and b) the robustness of the partners put in place to implement the program based on the new knowledge gained from the CP. This would allow greater clarity in the time-bound nature of the program to develop IPGs and to the delivery of results. The expectation for

the CPs to produce results towards resolving a clearly defined challenge in a time-bound manner, and the linkage of this expectation with funding, sets clear limits to the duration of a CP.

The SC suggests that a 10-year limit should be the rule for CPs, possibly with 3 cycles of funding.

The SC suggests that the CPs should be a mechanism to create an impulse for further research through creating significant new research knowledge and at the same time binding together research partners. This impulse could lead either to mainstreaming the research after the CP has come to the end of its term or to a different program format outside the CGIAR continuing from where the time-bound CP has left.

In summary the main reasons for a fixed term are:

- a fixed and relatively short timeframe would force its implications to be considered in the planning and prioritizing of research.
- the CPs optimal function seems to be providing a “proof of concept” on valuable research ideas or an impulse to solving a larger challenge through a coherent and coordinated effort, while further research can be mainstreamed into Center programs and the implementation and scaling out can be taken up by national and regional partners.
- in order for the System to capitalize on these high profile programs, their specific characteristics (including being clearly time-bound and oriented from start to delivering results for impact) should be appreciated and they should not be established for the long term like Centers are.
- it is likely to be easier to maintain the interest of donors funding the CPs if the CP cycles are more dynamic than accumulation of long-running CPs would allow.
- there is no need to maintain the high overhead in terms of transactions costs of a CP once the main benefits from the added value have been realised.

All CPs should have an exit strategy already when they begin. Despite the very generic challenges implied in the current CP titles, these and future CPs should have a clear set of activities that can lead to a limited number of IPG results relevant for solving a well defined part of the broader challenge, before they come to an end.

An even earlier exit strategy may be needed when the program is not advancing as expected. Some suggestions for an early exit are:

- Program could radically down-size to a very limited number of attainable objectives and complete them in a shorter time than anticipated;
- Program could synthesize results generated so far, and some of the work could be mainstreamed into Center programs
- A Center could take over the research for the viable parts
- The program could become a regional or sub-regional one outside the CGIAR – i.e. an exit strategy from CGIAR may not mean an end to the program.

#### **4 Advancing the Programmatic Approach in the Future**

At the outset of the CPs, the iSC emphasised that Centers work already involved considerable collaboration with sister Centers and a range of other partners and that a programmatic continuum could be seen as spanning from Center core programmes at one extreme to CPs at the other extreme.

Since the initiation of the CPs there has been a tendency for a programmatic approach to become the norm. Discussions among Centers about alliances at various levels have led to several programmatic alignments within the CGIAR (IRRI-CIMMYT programs, the ICARDA-CIMMYT winter wheat breeding program and the IRRI-CIAT-WARDA rice consortium in SSA to name a few). Most importantly the implementation of the SPs through framework planning (FP) is expected to induce most of the CGIAR research agenda to be implemented through multi-partner programs that include elements of the CP thinking: results orientation and time-bound targets, new external partners, new research ideas within the existing research themes and commitment by donors to fund SPs rather than just individual Centers with an attempt to secure longer term funding rather than small short-term grants.

The question of how many CPs should and can the CGIAR sustain at any one time is still an issue. The ability to promote certain research topics to visible, “elite” programs that attract funding additional to that otherwise directed to the CGIAR requires that new funding sources be identified and attracted continuously to fund existing and new CPs, or that the project plans are so distinctly different from the CGIAR’s core agenda that they attract additional and stronger commitment from current CGIAR donors.

At the time of approval of the first pilot CPs, there was a question of how many CPs could be developed over time and how the resources should be allocated among the different research instruments: CPs, Center core programs and systemwide programs. Since then, the CGIAR has approved 20 SPs and the alternative mechanisms for conducting research need to be considered in the context of these prioritise. In 2006, the SC contributed to the discussion on the implementation of the CGIAR SPs envisaging that some priorities could be implemented through CPs.<sup>7</sup> In the SC’s criteria for assessing the CP concept notes, two SPs were specifically mentioned as potential for CP in this round: *Increasing income from fruit and vegetables* (3A) and *Markets and rural institutions* (5B/C). In addition, the SC opened the door for topics cutting across the SPs, such as climate change or agriculture and human health. The latest round however, was started before much had been done to design the overall implementation of the SPs, including a more strategic consideration of the alternative tools referred to in 2004 recommendation 2.

During the latest concept note selection, ExCo did not approve a concept note on SP 5B/C. This decision suggests that there are different views about the implementation of the SPs on one hand and on the requirement for the CPs to contribute to SP research. The SC reiterates that the CPs, without restricting the scientific approaches used and the size of the effort, should be seen as one mechanism to implement SP research. The CPs should not be used as a mechanism to define the main research priorities to be included or added, but a mechanism for defining how to address agreed System research priorities, what science to include for advancing SP goals, and if necessary to redefine the specific goals within SPs. The relationship between the SP FPs and the CPs needs to be carefully assessed.

The SC considers two lessons from 2004 particularly relevant to the implementation SP research: *“The investor should seek maximum effectiveness and efficiency by investing in a research program that addresses the agreed CGIAR priorities and uses the most cost-effective instrument to address the challenges implied in those priorities”*; and *“The future System Priorities should be used to identify areas of research where a call for CP could be made. Selection criteria need to be modified considering how much detail in science and partnerships can be realistically expected before implementation begins. Investor, and*

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<sup>7</sup> [http://www.cgiar.org/exco/exco11/exco11\\_sc\\_strategy\\_implementation\\_priorities.pdf](http://www.cgiar.org/exco/exco11/exco11_sc_strategy_implementation_priorities.pdf)

*anticipated investor interest, should not be criteria for the development of CP activities outside the well-defined priorities.*

There are advantages in maintaining CPs provided that they have distinctly different characteristics from other collaborative programs. These characteristics are likely to include: strong component of research that goes beyond the CGIAR's competence and subsequently involvement of external expert groups and organizations that can even lead the programs; donor commitment to fund time-bound research on the challenge; focus on a challenge and prioritization of research that allows the CP to deliver research results with high probability of outputs, outcomes and impact within a fixed time (10 years maximum); System's ability to influence the CPs for mid-term corrections. The advantages can then include ability to mobilize science with consequences on the CGIAR's research over all and in the longer term; better visibility and perception of the CGIAR overall; renewed donor interest in a System that supports dynamic research through different modes of organization.

There are also risks associated with having two categories of multipartner programs (CPs and Center programs) within the CGIAR, particularly if these programs do not have distinct characteristics. These risks include:

- the "core" Center programs addressing the majority of the SPs are conceived as standard, less exciting programs that may have difficulties in attracting funding. Such programs could be considered of lower priority for funding and this could affect the morale of staff and CGIAR productivity.
- CPs will not be any different from the other programs, except that they involve a different selection process and higher transactions costs.

The SC does not ascribe to these views but acknowledges the risks.

***The SC reinforces the original principles of the CPs to engage new partners and new science in impact oriented and time-bound programs for addressing high priority research challenges. The SC believes that changes are needed both in the CP selection process and in the way the CPs get organised and targeted to be able to deliver results in a tight timeframe. The SC also suggests that the value added from the CPs in comparison with other modalities to conduct research within the CGIAR be reviewed when the first CPs can be evaluated for their results.***

## **PART II. CGIAR Secretariat Lessons from CP Selection and Implementation: Governance, Management, Finance, and Partnerships**

### **1.0 Some reflections on the Process for the development of CPs**

While primarily aimed at analyzing the experience in CP implementation over the past three to four years, the present study also provides an opportunity to revisit the process for the development of CPs.

The current CGIAR-approved process for development of CPs is outlined below:

<b>Roles Actors</b>	<b>Idea Generation</b>	<b>Pre-proposal Development</b>	<b>Full Proposal Development</b>
Science Council	- Recommends research themes/concept notes	- Prepares guidelines/criteria - Recommends pre-proposals	- Coordinates peer review of proposals - Recommends proposal for implementation
Executive Council	- Issues call for ideas - Endorses research themes/concept notes	- Issues call for pre-proposals - Approves pre-proposals	- Endorses proposal - Recommends financing by the CGIAR
CGIAR	- Approves research themes/concept notes		- Approves program and financing plan

As indicated above, the CGIAR has the final decision authority in identification of CP themes and approval of full proposals. ExCo provides general oversight of the CP selection process and implementation.

The Science Council's analysis of aspects of the process was prompted by the observed low level of participation of the so-called cutting-edge research institutions in the development phases of the CPs which resulted in low proportion of concept notes or pre-proposals that could be advanced to full proposal development. The conclusion was that the key features or components of the current process (i.e. open competitive call for concept notes and the de-linking of the first phase with the call for pre-proposals) have "not been successful in generating a sufficient number of exciting and innovative research ideas, especially from the ARIs."

The criteria laid out by the SC in evaluating concept note clearly indicate that the two- to four-page concept note goes beyond identifying the challenge. Specification of program rationale, definition of research objectives, providing evidence that the program complements CGIAR Centers core competencies, etc. would require a certain level of creativity on the part of the proponent. It can be argued that these may be subsumed under a more elaborate pre-proposal as defined in the current process. This, in our view, makes sense. The only concern is that the opportunity for a preliminary screening of ideas/concepts is lost. How important this revision in

curtailing potential contribution from institutions outside the CGIAR (particularly the NARS) is not clear from the experience gained from the two regular rounds of the CP development process.

SC is proposing an alternative mechanism to improve participation of the cutting-edge research consortia in identifying ideas for CP. Our concern in that regard is on the extent to which the principle of open competition is lost or substantially reduced in the process. It would be helpful to know more about how those consortia will be identified. Our observation is that most consortia are not pre-existing and are usually organized in the process of developing proposals.

The required involvement of CGIAR Centers in the development of CPs needs to be reviewed. This is often interpreted that the CGIAR Centers would take the lead in the preparation of the proposal and implementation of the program once approved. The requirement seems to be inconsistent with the principle that the CPs will be encouraged to the extent that there is inadequate or lack of “in-house” capacity within the CGIAR to address the challenge.

SC provided a comprehensive analysis of the programmatic aspects of CP implementation. We fully agree that CPs need to have clear focus and a fixed life span, i.e. time-bound.

## **2.0 Effectiveness of Governance**

When a “lessons learned” study was conducted in 2004, the data and information available were limited because the target Challenge Programs (the pilot CPs) had barely one full year of implementation experience. The present study has the benefit of 3 to 4 years of pilot CP implementation experience, with information and perspectives coming from a number of different sources including CP stakeholder groups and external evaluators. In assessing aspects of CP governance, management, finance, and partnerships, the study used the following documents as references: CP annual reports (each including a section on lessons learned) and MTPs, CP external review reports (except Generation CP External Review which is ongoing), and a report of a survey on Centres participation in CPs coordinated by the Alliance Deputy Executives (ADE)-Science. Some feedbacks on partnerships were also made available by a small sample of CP partners (NARS, ARIs, and NGOs). The common governance panel member of the CP external reviews (Markus Palenberg) has also provided a synthesis of cross-cutting governance, management and finance-related issues based on his experience in the CPWF and HarvestPlus External Reviews.

In the development of both pilot (CPWF, HarvestPlus, and Generation) and regular (SSA) CPs, the proponents were given flexibility in setting up and adopting governance structures. An external reviewer referred to the CPs as “unincorporated joint ventures”, making reference to the fact that they are organizations without separate legal entity. Fig. 1 depicts the governance structures of the four existing CPs. The governance bodies are called either a “steering committee” or, in the case of the HarvestPlus CP, an “advisory committee” with decision-making authority.

### **2.1 Size and composition of governance bodies**

One of the most critical governance challenges for a CP is the appropriate balance between efficiency and inclusiveness in decision making at the level of the governing body, especially in terms of its size and composition. These differ among CPs, and both have been major factors

affecting the effectiveness and efficiency of governance functioning. In a consortium set-up, where an institution's membership entitles it to a seat in the steering committee, the increase in size due to entry of new members could make the CP governance processes unwieldy/cumbersome. Some CPs have highlighted the large size of their governing body as a challenge in effective governance. This increasing size has often been mainly because of an increase in the number of partners who are represented on the governing body/steering committee.

The composition of the CP steering committee or governing body is an even more critical issue. CPWF has a steering committee that is entirely composed of representatives of partner institutions or members of the consortia, and chaired by the host CGIAR Center (IWMI). Generation CP's steering committee is composed mainly of representatives of consortium members, a few *ex-officio* members and an independent Chair. SSA CP's steering committee is composed of representatives of program stakeholders (SROs, NARS, IARCs, ARIs, FOs, NGOs, and the private sector). HarvestPlus' program advisory committee is composed of independent experts without institutional connection to the CP. The four CPs essentially depict three types of governance arrangements in terms of composition of the governance body: the first one is exemplified by CPWF; the second, by HarvestPlus; and the third, by GCP. SSA CP<sup>8</sup> falls somewhere in between the first two. With its steering committee largely composed of representatives of consortium members, GCP governance arrangement resembles more the CPWF's model.

The recently completed external reviews (CPERs) of CPWF and HarvestPlus provided an important insight on the first two types of governance arrangement. Commenting on the differences between the governance arrangements between Harvest Plus and CPWF the governance review panellist states that the "fundamental difference between them is that one CP Steering Committee is entirely composed of institutional representatives of CP partners whereas the other CP Steering Committee is almost entirely composed independent experts without institutional connection to the CP." It was observed that an "independent set up" (i.e. the HarvestPlus governance model) had a "clearly superior governance performance" This was attributed to the following:

- Institutionally independent steering committee members make decisions with only the best interest of the CP in mind, i.e. no institutional interest is factored in
- No perception of conflict of interest
- Steering committee membership does not pose limitation to partner/stakeholder membership in the CP consortium
- Greater opportunity for selection (for steering committee membership) of individuals with expertise needed by the CP, e.g. those in the fields of financial management, auditing, and program evaluation

Another issue regarding size and composition of the governing body is that as CPs grow and mature, they will require increasing financial expertise on their governing bodies to ensure financial oversight. There is already a consensus about the importance of financial expertise on Center Boards, but would assume increasing importance in the CP context as well.

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<sup>8</sup> The external review of the inception phase of the SSA CP commissioned by the Science Council recommended the conversion of the steering committee into a program advisory committee, and that the steering role should be assumed by FARA and the SSA-CP leadership. FARA, however, did not accept this recommendation. The steering committee instead provided for the commissioning of an ad hoc technical advisory committee.

**Lessons learnt:**

1. *Although institutional representation of CP consortia members or partners in the governance structure has merits (e.g. enhanced ownership of the program and promotion of harmonious working relationship at the research level), a governance body that is composed of independent individuals with no institutional connection to consortium members or CP partners appears to have more advantages and higher potential for effective and efficient performance.*

**2.2 Relationship with host institutions**

Each of the four CPs is hosted by one or two institutions/organizations that provide offices and administrative/operational services, and legal umbrella to the program. Three CPs are hosted by CGIAR Centers and one, by a regional agricultural research forum/organization. The nature and terms of relationship with the host institution differ among CPs. All host institutions are part of the CP steering bodies, but their respective Boards or governance bodies do not necessarily exercise direct oversight authority over the CPs.

CPWF is hosted by IWMI and its consortium steering committee is chaired by IWMI's Director General. However, under the Joint Venture Agreement (JVA) under which the CP operates, the steering committee is an autonomous decision making body and does not formally report to IWMI's BOT (or to any boards of the JVA members) to ratify its decisions.

GCP is hosted by CIMMYT but the latter's role in the program steering committee is no greater or more dominant than the other members of the committee. Unlike in CPWF, the GCP steering committee is presided over by an independent Chair.

HarvestPlus CP is one example where the host Centers (IFPRI and CIAT) have governance authority over the CP, as reflected in Fig. 1. The CP Director reports to the Program Advisory Committee (PAC) and the DGs of the two host Centers, who are also members of the PAC. However, the PAC has the ultimate decision-making power over workplans and budgets. According to the HarvestPlus CP management, "such a structure inherently forces consensus building and has worked well."

SSA CP represents a unique case wherein the host organization (FARA), through the Executive Director of its Secretariat, plays a dominant role in governance and management of the program. This arrangement is a result of FARA's strong sense of ownership of the program, it being the main proponent of the CP. The external review of the inception phase of SSA CP recommended a change in the program's governance arrangement that was meant to have greater clarity in the relationship between FARA and the program.

With much interest, the CPERs delved into the CP-host institution relationship issue. The review found polarized views on how governance and management authority should be distributed between the host Centers and the CPs. The governance expert on the two CP reviews pointed out that in interviews with representatives of CP governance and management there were two extreme views about the relationship between the host Center and the CP. One view was that host Centers should have no say in CP management and another that host Centers should have programmatic control over the CPs. The governance review expert suggested that "the optimal approach is somewhere in between the two extremes.

## Challenge Programs' Governance and Management Structures

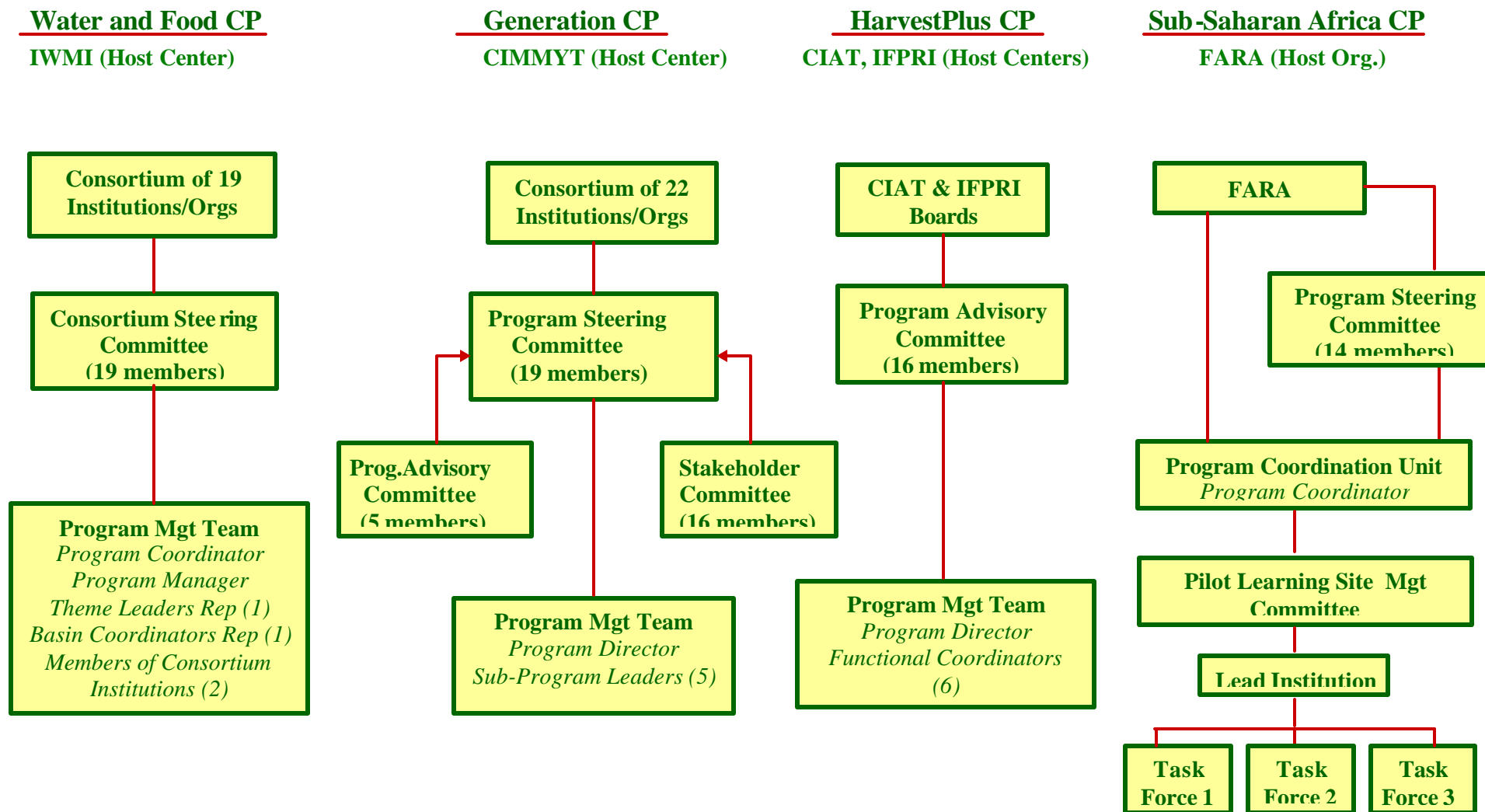


Fig. 1. Governance and management structures of four existing Challenge Programs

The review panels regarded the optimal arrangement as follows:

- Decisions about programs should be taken by the CP steering committee alone, preferably without the participation of the host Centers' representatives when the issue comes to a vote. This arrangement "ensures independence of the CP's decision and shields the host Centers from real or perceived conflict of interest."
- The legitimate institutional interest of host Centers should be acknowledged. The host Centers should have the right to review CP decisions with respect to potential legal, financial or reputational risks that they may pose. However "programmatic interests do not fall under such legitimate institutional interests"

In their lessons learned document the management of one of the CPs highlighted also the need for the CP to build its own identity including its own logos so that the CP is not treated as if it were "another funding agency" rather than a scientific joint venture.

**Lessons learnt:**

2. *The organizational structure of a CP should allow for independent governance as stipulated in the CP definition. However, it should also take into account the need for support provided by a host institution as a legally constituted entity. Programmatic decisions should be left entirely to the CP's steering committee.*

### **3.0 Management**

CP management is headed by a Program Director or Program Coordinator (see Fig.1). At the program level, CPWF, GCP, and HarvestPlus each has a management team chaired by the Program Coordinator/Director. SSA CP has a management committee at each pilot learning site led by a partner institution. The CP Director or Coordinator is supported by a Secretariat.

Some of the major issues in CP management relate to the structure. For example, the external review of one CP pointed out that the perceived lack of program leadership of the management team of that CP was attributed to the fact that it was set up as a decentralized consortium led by the host Center. The host Center and other members of the consortium are expected to provide the leadership; the management team is expected to perform largely a coordinating function. The review Panel's recommendation called for changes in governance and management structure that would enable the management team to play a considerably stronger leadership role, particularly in strategic thinking and planning.

On staffing, the Centers have pointed out (as indicated by the results of the ADE study) that while they have benefited from CP staffing, that has not always resulted in a net advantage for them. Some of the concerns made were: losing staff time to coordination, administration, and to research activities that are "less central to their institutional strategy". If the point of the observation is that the Centers do not have net gain from CP staffing, then the implication is that a more independent staffing structure for the CP would seem more appropriate. However, this appears inconsistent with most of the host Centers' general objection to giving CPs a greater level of independence on governance and management, and with the overall argument that CPs should remain CGIAR entities.

Split staff appointment between the CP and the host institution was identified by the reviews as a major management issue. The governance panel expert for the two reviews commented that CP staff employed by the host institutions on behalf of the CP has led to the "two masters problems"

i.e. situations of unclear or overlapping responsibilities in the vertical chain of command. This can lead to management inefficiencies.”

CPs themselves have identified staffing as a challenge. However they have different preferred options- one CP prefers to have a mix of full time and half time project management while another feels that split appointments between host institution should be avoided because they make ‘loyalty and availability particularly difficult in complex CPs. But both feel that CP management must have primary responsibility for performance evaluation for effective management. This view is also shared by the review panels.

**Lessons learnt:**

3. *Consistent with the CPER recommended framework towards more independent and more effective governance, CP management (Director/Coordinator) needs to play a considerably stronger leadership role, particularly in strategic thinking and planning for the CP, and be given the primary responsibility for performance evaluation of CP staff and management team.*

**4.0 Finance**

**4.1 Mobilization of incremental resources for research**

A key question raised during the early stages of implementation of the Challenge Programs was about their ability to raise incremental funds. During the initial pilot years of the CPs in 2003 and 2004, projections showed that the increase in CPs’ funding was driving the overall growth of investments in the whole CGIAR.

Table 1 shows the actual funding figures during the period 2003-2006. Funding for the CPs increased from \$7.8 million in 2003 to \$40 million in 2006, or an increase of \$32 million over four years. Relative to total CGIAR funding, the CPs grew from 2% of the total CGIAR in 2003 to 9% in 2006. Center programs also experienced an increase from \$373 million in 2003 to \$418 million in 2004 or an increase of 12% (\$45 million), and have maintained the level since then except in 2006, where a reduction of 7% (\$29 million) was experienced due to the non-delivery of the European Commission’s contribution in that year. Using 2005 as the base year (since it included the EC contribution), out of the \$69 million increase in total CGIAR resources relative to those mobilized in 2003, about \$27.1 million (or 40% of the total) was accounted for by funding increases for the CPs. This reconfirmed an earlier indication in the 2004 “lessons learned” study that the increase in CPs’ funding has been a major source of growth of total resources invested in the CGIAR.

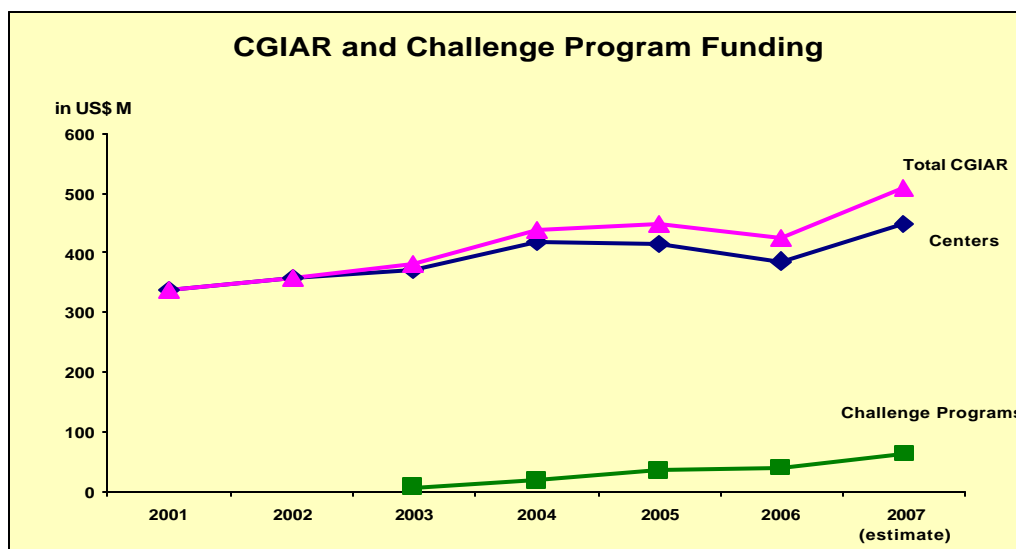
<b>Table 1. Investments ( millions \$ ) in CP relative to total CGIAR agenda</b>				
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Total CGIAR Centers and CP</b>	<b>381</b>	<b>437</b>	<b>450</b>	<b>426</b>
<b>% of Growth (relative to previous year)</b>	<b>7%</b>	<b>15%</b>	<b>3%</b>	<b>-5%</b>
<b>CGIAR Centers</b>	<b>373</b>	<b>418</b>	<b>415</b>	<b>386</b>
<b>% of Growth (relative to previous year)</b>	<b>4%</b>	<b>12%</b>	<b>-1%</b>	<b>-7%</b>
<b>Challenge Programs (CP)</b>				
<b>Water and Food</b>	<b>5.0</b>	<b>5.8</b>	<b>10.5</b>	<b>10.5</b>
<b>Harvest Plus</b>	<b>2.0</b>	<b>6.9</b>	<b>9.9</b>	<b>11.6</b>
<b>Generation</b>	<b>0.8</b>	<b>6.5</b>	<b>12.1</b>	<b>14.6</b>
<b>Sub-Saharan Africa</b>	<b>0.0</b>	<b>0.4</b>	<b>2.4</b>	<b>3.0</b>
<b>Total</b>	<b>7.8</b>	<b>19.6</b>	<b>34.9</b>	<b>39.7</b>
<b>% of Growth (relative to previous year)</b>	<b>-</b>	<b>151%</b>	<b>78%</b>	<b>14%</b>
<b>% of CP to Total CGIAR</b>	<b>2%</b>	<b>4%</b>	<b>8%</b>	<b>9%</b>

In relation to unrestricted support to Centers, Table 2 shows that even after the introduction of the Challenge Programs, unrestricted support to the Centers has been stable (in absolute terms) from 2003 to 2005. The decrease in unrestricted support in 2006 was due to an overall reduction of funding to the system as a whole, as well as technical reasons, rather than as a result of a diversion to CPs.

The ADE study indicated that there is a “common feeling” among Centers that the “CP, in general, divert funds away from the Centers and from core CGIAR research.” This has been the sentiment expressed by some Centers since challenge program was first adopted by the CGIAR as an approach to managing its research agenda. This claim or apprehension was not supported by the 2004 CP “lessons learned” study, and neither by the data presented in the current study.

<b>Table 2. Investments in Centers Programs</b>				
<b>( in US\$ millions )</b>				
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Unrestricted</b>	195	195	195	181
<b>Restricted</b>	178	223	220	205
<b>Total Centers Programs</b>	<b>373</b>	<b>418</b>	<b>415</b>	<b>386</b>
<b>% of Growth (relative to previous year)</b>	<b>4%</b>	<b>12%</b>	<b>-1%</b>	<b>-7%</b>

Funding estimates for CPs for 2007 continue to increase. They constitute 26% of the overall growth in funding for the whole CGIAR for 2007. Figure 2 shows the funding trends for the Center Programs, Challenge Programs and the total CGIAR.



**Figure 2. Funding Trends**

Financial support to Challenge Programs continues to grow, and these resources form a substantial part not only of the host Centers' financial accountability, but of the whole CGIAR System, hence, the need to be more transparent and enhance accountability to safeguard the interest of all the stakeholders.

As the CPs were designed to encourage collaboration with CGIAR Partners, and each CP developed its own governance structure, these posed a challenge to CGIAR fiduciary accountability framework. CGIAR accountability standards have evolved to adapt to the new business needs presented by the CPs.

#### 4.2 Range of donors and sustainability of funding

Table 3 illustrates the range of donors that the CPs have been able to establish, from traditional to non-traditional donors. Given the size of the CPs, having at least five donors providing the majority of the funding means that there is strong support from a range of donors; funding is not just from a few who are interested in the programs. There appears to be a high level of confidence that donors will continue to recognize the value of the CPs and will continue to support them.

2003		2004		2005		2006	
Bill & Melinda Gates Found	7.0	United Kingdom	8.5	United Kingdom	10.4	World Bank	8.2
World Bank	6.9	World Bank	8.1	Bill & Melinda Gates Found	8.8	United Kingdom	7.8
European Commission	5.2	European Commission	6.9	World Bank	6.5	Bill & Melinda Gates Found	7.0
Netherlands	1.8	France	2.7	European Commission	5.7	France	2.1
Switzerland	1.0	Netherlands	2.2	USA	2.4	Switzerland	1.9
sub-total	22.0		28.4		33.8		27.0
% to total CP funding	92%		89%		88%		80%
Total CP funding	23.9		31.9		38.4		33.6

**Lessons learnt:**

4. On funding issues,
- CPs have not caused a decrease in Center funding nor have they diverted the resources from unrestricted contribution.
  - CPs were successful in generating new funds for their research agenda and have earned strong level of support from traditional and non traditional donors.
  - The differences in the CP governance mechanisms have introduced an additional level of complexity in the CGIAR accountability standards. Therefore, there is a need for fiduciary framework that reflects the substance more than the form of the governance arrangement.

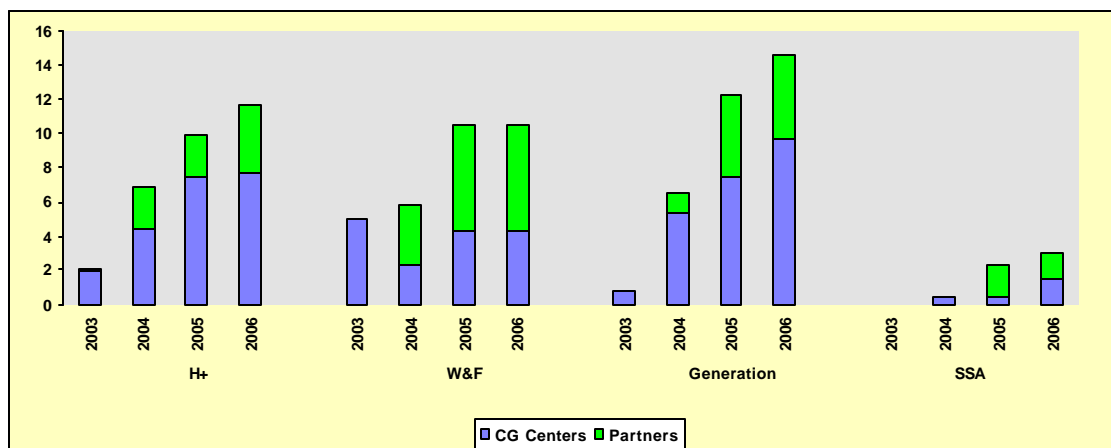
**4.3 Allocation of resources to research suppliers**

Table 4 and Figure 3 show the amount of resources that the CPs have allocated to CGIAR Centers and Partners. Based on the average of resource allocations over the period 2004-2006, about 41% of the total program has been implemented by Partners (The 2003 figures were not included since breakdown of allocation is not available for CPWF and Generation CP). SSA CP, being managed by a non-CGIAR Center (i.e. FARA), had the highest average allocation to partners at 60%, followed by CPWF at 59%, GCP at 32%, and HarvestPlus at 31%.

<b>Table 4. CP fund allocation to research suppliers</b>					
<i>in million \$</i>					
	Year				Total
	2003	2004	2005	2006	
<b>Challenge Programs</b>	<b>Actual</b>				
<b>HarvestPlus</b>					
CGIAR Centers	1.97	4.5	7.5	7.7	21.7
Partners	0.05	2.4	2.4	4.0	8.9
<b>Total</b>	<b>2.02</b>	<b>6.9</b>	<b>9.9</b>	<b>11.7</b>	<b>30.5</b>
<b>Water &amp; Food</b>					
CGIAR Centers	4.98*	2.4	4.3	4.3	16.0
Partners		3.4	6.2	6.2	15.8
<b>Total</b>	<b>4.98</b>	<b>5.8</b>	<b>10.5</b>	<b>10.5</b>	<b>31.8</b>
<b>Generation</b>					
CGIAR Centers	0.81*	5.4	7.4	9.7	23.3
Partners		1.1	4.8	4.9	10.8
<b>Total</b>	<b>0.81</b>	<b>6.5</b>	<b>12.2</b>	<b>14.6</b>	<b>34.1</b>
<b>Sub-Saharan Africa</b>					
CGIAR Centers		0.4	0.4	1.5	2.3
Partners			2.0	1.5	3.5
<b>Total</b>	<b>0</b>	<b>0.4</b>	<b>2.4</b>	<b>3.0</b>	<b>5.8</b>

\* Breakdown of the allocation to partners is not available.

**note:** Figures on disbursement by CPWF to partners and Centers were not based on audited financial reports. This data was provided by the CPWF management



**Fig. 3. Fund allocation to CGIAR Centers and Partners**

Considering only the CPs that are hosted by CGIAR Centers, i.e. excluding SSA CP, the total amount allocated by the CPs to the Centers during the past three years accounted for about 60% of the total CP resources. The Centers still have the larger share. The estimates for 2007 (from MTP 2008-2010) show an increase in the Partners' share across the three CPs. However, except for GCP, the projections show that the Centers would still receive the same or higher amount of contributions compared to those in the previous years.

**Lessons learnt:**

5. CP resource allocation to Partners has ranged from 30% to 60% over the past three years. This measure depends to a large extent on the nature of the CPs' component activities/projects. CPs recognize that there is still scope for strengthening engagement and increasing further the flow of resources to their partners in the coming years through various funding mechanisms (competitive grants, commissioned research, special projects).

**4.4 Transaction costs**

The issue of transaction costs was raised and fully recognized when the CP approach to the CGIAR research agenda was first conceptualized. Transaction cost is defined as the overall cost of CP governance and management, i.e. steering or advisory committee, research evaluation panels, secretariat (where such mechanism exists). This is in addition to the Centers' indirect costs for "overheads".

In the 2004 study, transaction costs incurred by two CPs (CPWF and HarvestPlus CP) which started implementation in 2003 were estimated at about 23% of the total costs. In 2006, GCP reported transaction costs amounting to 9.7% of the CP's total expenditure while SSA CP reported 35.3%. The other two CPs did not include an estimate of their transaction costs in their reports. Along with "fund diversion", the "transaction costs" issue is often raised in the discussion of the CP approach. Having had a few years of implementation experience, some CPs have put forward the following points:

- Costs associated with establishment of new initiatives and developing new modes of collaboration and of doing business should be expected to be high; however such

costs are expected to drop progressively, as they have, in succeeding years of CP implementation.

- Investment in networks should be regarded as investment in more effective science and not as transaction costs and that maintenance of effective partnerships requires tact and negotiation.
- While the SSA CP's transaction costs during its research phase are higher than similar costs for the CGIAR Center-hosted CPs, it was pointed out that its lower average overhead costs more than compensate for the higher transaction costs.

**Lessons learnt:**

6. *The additional complexity brought about by the differences in governance structures adopted by the four CPs, makes it difficult to obtain consistent and comparable data for analyzing the CPs' transaction costs. The transaction costs reported by the pilot CPs have decreased as expected since their inception phases. However, management of transaction costs continues to require close oversight.*

**5.0 Competitive grant mechanism**

Adoption of competitive grant mechanisms has been a common feature of all CPs. Some donors have encouraged the CPs to adopt such mechanisms because they are known to be effective in opening up the research agenda to other research suppliers and generate new partnerships. However, the following challenges have been raised by some CPs.

- Competitive grant system has not been conducive to team building and fostering of partnerships.
- Centers may react less favorably to competitive processes compared to other institutions. One CP felt that this may be because of perceptions that "CP funds ought to be redistributed among centres or were diverted from Center budgets."
- Competitive grant contract usually makes the negotiation to make adjustments in research plans difficult, i.e. the winning bidder would not normally consider changes in the terms of reference.
- The full compliance that is required with CGIAR Financial Guidelines 6 for competitive processes has added considerable administrative burden to CPs.

The fourth point arose from CPWF's experience in a competitive call for basin focal projects where process issues became the subject of an external audit. While the audit report did not find evidence of any wrongdoing by anyone, it did find deficiencies in the CP's ex-ante procurement procedure. The CP was advised to implement additional controls in its competitive bidding processes. It is obvious though that for the mechanism of competitive grants to work smoothly and transparently, the decision making body of the CP or its governance structure itself needs to be free from potential conflicts of interest. Thus, there is a clear linkage between funding allocation and governance issues. The lessons learned from the CPWF audit experience are expected to benefit both the current and future CPs.

The experience of Generation CP with the competitive process has been good. It has found competitive grants complementing well the two other funding mechanisms it is using, i.e. funding of commissioned and special research projects.

**Lessons learnt:**

7. *The competitive grant funding mechanism is an effective tool for opening up the CGIAR research agenda to other research suppliers. What is absolutely essential is to have clear, transparent, and agreed set of rules for implementing it.*

**6.0 Partnerships**

A CP is a partnership enterprise. By definition, it is a research undertaking that “requires partnerships among a wide range of institutions in order to deliver its products.” The partners are meant to complement the CGIAR Centers’ core competencies.

From the ADE-coordinated survey of Centers’ participation in CPs, it was found that CGIAR Centers generally acknowledge that “CPs can bring new partnerships and strengthen existing ones.” However, the ADE study also pointed out that Centers have benefited much from inter-Center collaboration and that “partnership is already fundamental to the approach of most Centers and may not always need stimulation by a CP.” In fact the ADE paper on Center perceptions about CPs suggests “feelings of pressure to develop partnerships for cosmetic reasons and high opportunity costs would divert energy and resources from CP and CGIAR goals.

The section on finance has provided an idea of the extent of partners’ participation primarily as research suppliers across existing CPs based on the amount of financial resources that are allocated to them. There are views that the partners’ share should be higher than what it has been during the first 4 years of CP implementation.

But a key question is: Is the partnership model used by the CPs effective? Unfortunately, this question was not adequately addressed by the two recently completed CPERs. The panels did receive some indications from interviewing some research partners and members of the steering committees. The CGIAR Secretariat also obtained some responses to a few questions that it sent to randomly selected research partners (ARIs, NARS, and CSOs) of the four CPs.

Most of the respondents, particularly the NARS, indicated that their respective institutions have clear roles and responsibilities across all levels of participation, i.e. in management, technical advice, and research implementation. A respondent from a Northern university pointed out that the university’s role as a research or technology provider and as a co-funder, as indicated in the CP agreements, “creates unclear situations.”

There is a consensus among respondents that the partnerships model has been effective. They also indicated positive experiences from participation in the CPs. The CP partnerships contribute to the research goals not only of the NARS but of the other partners as well. NARS partners are also being trained in different skills and, by attending meetings and conferences; they have broadened their experience and developed some leadership to participate in governance/management bodies.

CPs have stimulated interest among university and ARI scientists in development issues, on which some have not had the opportunity to do research before. One respondent from a Northern university commented that “the (CP) model provides much more room for Northern partners to participate in joint research, compared to bilateral donor-supported projects and programmes.” A respondent from an ARI remarked that “the degree of connection (between the

CGIAR Centers and his institute) vastly improved as CPs have provided a mechanism to work together.” CPs also encourage Centers to look at best practices at an international level.

Responding to the question of what adjustments need to be made in the CPs, a global CSO representative cautioned that requiring a set number of partners of different kinds can result in “partners by necessity” that are not effective or sustainable. He also observed that the CP process consumes a significant amount of staff time and funds for numerous meetings, which is perhaps justified for new initiatives but should be streamlined as the program gains more implementation experience.

The following are some of the challenges mentioned by the partners:

- Long preparatory/planning phase of CPs; there is a need to build confidence among participating scientists with the new approach of program planning used; the process consumes a significant amount of staff time and funds for numerous meetings
- Need for greater and more engagement of NARS in some projects;
- Some CP projects “appear to struggle to maintain real commitment from some partners, particularly those from CGIAR Centers,” because they are already “heavily committed to so many other projects”;
- Wide geographic coverage of some activities; need to have more focus in program components; issues of critical mass;
- Counterpart funding by some institutions is an issue; limited CP funding at the national level makes an opportunity for smaller national CSOs/NGOs playing a modest role.

***Lessons learnt:***

8. *In general, partnerships in the CPs have been regarded in a positive light by partners. Although there were difficulties during the inception phases, there is a consensus that the partnerships model has been effective. The roles and responsibilities of partners have been clear. The NARS partners have been specifically appreciative of the skills gained through training and other capacity building activities of the CPs. However, there are also challenges, cited not only by the CP partners but also by the CGIAR Centers, that the CPs have to address.*