

# **Report of the 18th Meeting of the CGIAR Private Sector Committee**

**Washington, DC  
October 6-7, 2003**

*The 18<sup>th</sup> meeting of the CGIAR's Private Sector Committee (PSC) was held at the CGIAR offices in Washington, DC on October 6-7, 2003 under the chair of Sam Dryden. Members Usha Barwale-Zehr, Bernward Garthoff, Robert Horsch, William Niebur, Alejandro Delfino and PSC Secretary Selcuk Ozgediz attended. Anne Shusterman recorded the proceedings and drafted this report. Bruno Ferrari and Mumeka Wright sent regrets. Ian Johnson, CGIAR Chairman, and Francisco Reifschneider, CGIAR Director, attended the luncheon meeting on October 7<sup>th</sup>.*

## *Agenda:*

### *Introduction*

- *Welcoming Remarks*
- *AGM Agenda Review*
- *Report from the Secretariat*
- *Membership Matters*

### *Review of Three-Year Planning Initiatives*

- *Alliance Building Initiative*
  - *Challenge Programs*
  - *Center Interface Programs*
  - *Delivery Systems Program*
- *Communication Initiative*
  - *Declaration of Corporate Support*
  - *External Communication Program (Brochures, OPEds)*
  - *Bellagio Meeting Concept*
- *Policy Dialog Initiatives*
  - *World Bank/CG/CEO Dialog*
  - *Public Goods/Property Rights Program*
  - *Stewardship Programs*

### *The Path Forward*

- *How can the Initiatives be more efficient?*
- *How can the Challenge Programs better take advantage of the expertise within the PSC?*
- *Is there a way to consolidate meetings to better facilitate participation?*

### *Other Business*

### *Closing Remarks*

## **Introduction**

The meeting began with a working dinner on October 6<sup>th</sup>. Selcuk Ozgediz welcomed the participants and Alejandro Delfino, from Argentina and representing perspectives from farmers' organizations, was introduced as the newest member of the PSC.

Selcuk briefed the committee about developments in the CGIAR since the last PSC meeting in January 2003. He also gave an overview of the external Review of Partnership Committees being conducted under the chairmanship of Keith Bezanson. The Review Panel will not release its report until after the upcoming Annual General Meeting (AGM) as they plan to utilize that meeting to confer with other stakeholders about their views on the CGIAR's partnership committees.

Selcuk also briefed the committee about the key issues scheduled to be discussed by the CGIAR at the Annual General Meeting scheduled to be held in Nairobi October 28-31. Sam Dryden is scheduled to attend and represent the PSC.

The issue of PSC Membership was addressed as well as the importance of meeting attendance. It was suggested that if a committee member is unable to attend two consecutive meetings they should be replaced. Selcuk asked the PSC to provide names of potential new members.

## **Review of Three-Year Planning Initiatives**

The meeting resumed the next day at the CGIAR offices. The first item on the morning's agenda was a review of the **Alliance Building Initiatives**.

Bill Niebur gave an update on the Biofortification (now renamed HarvestPlus) and Unlocking Genetic Resources in Crops for the Resource Poor Challenge Programs. Both programs have made considerable progress since the London meeting. Following is a brief summary of the work done to-date:

### Biofortification CHALLENGE PROGRAM (HarvestPlus)

- This effort is being led by Howdy Bouis and Joe Tohme within the CGIAR system
- The first meeting was held in July with psc
- The group identified leads for each crop
- The following areas of focus were identified:
  1. Bio-informatics
  2. Nutritional genomics
  3. Seed systems
  4. BioSafety
  5. Food tech
  6. Infrastructure
  7. Social & Economic impact of biofortified foods
- Operation models are being evaluated
- Howdy Bouis and Joe Tohme are working with key individuals and corporations and are moving toward having practitioners working with practitioners
- A contact list has been created and committee members are continuing to provide additional names
- Individual crop meetings are being held

### Unlocking Genetic Diversity in Crops for the Resource Poor

- The 1<sup>st</sup> technical meeting was held late August in the Netherlands, with three participants from the Private Sector
- The Steering Committee meeting was held in early September with follow up report to PSC on September 17<sup>th</sup>
- A Program Director, Robert Ziegler from Kansas State, has been hired

During the follow-up discussion, the Committee acknowledged the work that Bill and his colleagues have put into the Challenge Programs. The group thought it would be valuable to get feedback from the Centres on how the two Challenge Programs have been received to date, including feedback on both the positive and negative aspects as well as feedback from the Centers/CP on how they perceive our involvement in the process: has it been useful and would they like to work in this manner.

The CP process is facilitating;

- The transition from Independent Centres to Centres working together
- The need to provide incentives for people to work outside their comfortable boundaries?/routine job responsibilities
- The need for clearer framework for decision-making as the programs proceed
- The need to create ownership and accountability
- The need for full-time dedicated researchers on projects

The Committee agreed that the Challenge Programs have the potential to become a valuable unifying thread within the CG system.

After discussing the Challenge Programs, the meeting focused on the **Center Interface Programs**.

Bernward Garthoff provided an update on the Scientific Exchange Program. The working title of this Initiative is “The Top Twenty Scientist Exchange Program” which reflects the goal of engaging 20 scientists (less in the beginning) per year in the program which was to be extended over a period of up to 10-years. The following working fields have been identified:

1. Plant Production
2. Plant protection
3. Seed Improvement
4. Modern Biotech
5. Post Harvest Pest Control
6. Malaria
7. Education/Training

The proposal is to look for younger scientists from various specialties. It was mentioned that retired scientists might be more likely candidates than younger ones. The Committee is interested in building mechanisms to ensure that the program is seen as ‘career enhancement vehicle’ by the participating institutions—rather than an “exit strategy” for redundant staff.

One issue relates to anti-trust and IPR concerns. The PSC agreed to provide Bernward names of attorneys and input from their respective organizations.

The group discussed the importance of talking with the Centre Directors about the skills they need. Sam Dryden offered to present the Program to the CDC at the upcoming AGM. They also discussed mechanisms for positioning the Scientific Exchange Program as part of a broader change initiative so it becomes more attractive to funders. Bernward has offered to engage Manfred Kerns to further develop the project.

It was suggested that the Scientific Exchange Program Working Group consider pilot programs of two or three management issues and incorporating mentors into the program. One example of this could be identifying an individual in bioinformatic expertise and then teaming that person with peers and mentors from the industry.

Next, Rob Horsch reported that he had approached the Harvard Business School to explore doing a case study as part of the Senior Management Forum on Change. They declined to participate in such a study. The PSC thought that it might be more valuable to assess the changes that have already occurred to determine “lessons learned”.

Usha Zehr provided an update on the **Delivery Systems Program Working Group**. Following is a list of the challenges and issues identified:

- Need for standardized procedures for delivery in CG Centres
- Stewardship of genes
- How can PSC impact delivery of the products
- Quality and accuracy of IP records being kept and licenses that exist

The Delivery Systems Working Group plans to write to CDC to assess interest and arrange for a meeting with PSC to address several issues in their common agendas, e.g., IP issues, licensing options, and research collaborations.

It was stated that the ultimate goal of the CG system (in the area of plants) is to deliver seeds and explore mechanisms for PS participation. The need for “quality seed” was stressed as well as the need to distinguish between germplasm and seed.

Sam Dryden began the discussion on the **Communication Initiatives** with a report on the Declaration of Corporate Support drafted earlier this year. The senior executives connected to the original CEO meeting with Jim Wolfensohn signed the letter. Sam plans to re-categorize a work plan to reflect the Declaration of Corporate Support.

As part of the same Initiative, the External Communication Program has published one article to date entitled “Harnessing Technology for the Poor and the Environment: Corporate Social Responsibility in International Agricultural Research.” in “Corporate Responsibility—Responding to the global challenge. This publication is being prepared for distribution at the G8 summit, the annual IMF/World Bank meeting, and, via mail, to the OECD database and to Entico's database of people working round the world in the area of corporate social responsibility.

It was proposed that the PSC consider co-authoring an op/ed piece with the Centres on the positive changes taking place within the CG for publication in various print media (e.g., Nature,

Science, Herald Tribune, New York Times, and the Financial Times.) It was also suggested that Sam Dryden write an article covering his tenure with the PSC.

The Bellagio Meeting Concept was addressed and seen as a valuable effort. The upcoming December 3<sup>rd</sup> meeting of corporate CEOs with Jim Wolfensohn could be a possible time to propose a Bellagio meeting.

The Committee discussed the **Policy Dialog Initiatives** beginning with the World Bank/CG/CEO Dialog. The objective of the December 3, 2003 meeting with Jim Wolfensohn is to pick up on the same agenda from the meeting [three] years ago looking at creating an authorizing environment, IPR, regulatory harmonization and finance and infrastructure, as well as identifying new items such as the work being done in the Challenge Programs.

Rob Horsch reported on the Public Goods/Property Rights Program. In addressing this Initiative, it became clear that there were several other groups looking at the same issue such as the AATF, Rockefeller Foundation, PPRA and the American Association for the Advancement of Science (AAAS) [need to get what the acronyms stand for]. This may not be an area the PSC should focus its attention. The Committee did think it would be valuable to follow-up on the 1996/97 survey of centers on public goods and property rights by conducting a new survey and comparing the results with those obtained in the baseline survey.

Bernward Garthoff shared his thoughts on the Stewardship Programs. It was generally agreed that brochures do not work and that it would be more beneficial to invite stakeholders to discuss opportunities face-to-face.

After hearing the updates from the PSC, Alejandro expressed the importance of always staying focused on delivering products to the farmer.

Ian Johnson and Francisco Reifschneider joined the PSC during its luncheon meeting. Following a synopsis of the morning's discussion, Ian Johnson commented that the list of PSC activities is impressive and that it shows progress being made and significant effort is going into creating Private/Public partnerships. Ian felt that the Challenge Programs are proving themselves to be a positive way to initiate change.

Both Ian and Francisco were enthusiastic about the potential of the Scientific Exchange Program. The PSC is going to also look at other opportunities for information exchange such as an individual being able to attend relevant private sector meetings.

### **Other Business**

After lunch, the discussion turned to business matters. It was decided that the PSC would meet in person as an entire committee once yearly and conduct the remaining meetings via video and teleconference. Usha Zehr will propose potential dates for feedback.

### **Closing Remarks**

Sam Dryden closed the meeting by thanking the Committee for all their good efforts. Selcuk took the opportunity to thank Sam for his years of service to the PSC.

## **Report of the 17th Meeting of the CGIAR Private Sector Committee**

**London  
January 23-24, 2003**

*The 17<sup>th</sup> meeting of the CGIAR's Private Sector Committee (PSC) was held at the Park Lane Sheraton Hotel in London on January 23-24, 2003 under the chairmanship of Sam Dryden. Members Usha Barwale-Zehr, Bernward Garthoff, Robert Horsch, William Niebur and PSC Secretary Selçuk Özgediz attended. Bruno Ferrari sent regrets. Ian Johnson, CGIAR Chairman, and Francisco Reifschneider, CGIAR Director, attended from mid-afternoon on January 23. In addition, the Committee interacted with Andrew Bennett (Syngenta Foundation).*

*Agenda:*

- 1. Introduction*
- 2. Orientation on the CGIAR*
- 3. Overview of PSC Mission, Activities and Achievements*
- 4. Identifying Strategic Issues and Initiatives*
- 5. Establishing Work plan for Strategic Initiatives*
- 6. Mode of Operation and Administrative Matters*
- 7. Other Business*
- 8. Conclusions*

### **1. Introduction**

Sam Dryden opened the meeting and welcomed the participants. He noted that there had been a major turnover in the Committee, with five new members (and a vacant slot soon to be filled.) This presented an opportunity for a “new phase” for the Committee, and as such, the bulk of this meeting was devoted to exploration of future directions. The agenda was adopted without changes.

### **2. Orientation of the CGIAR**

Selçuk Özgediz gave an overview on the evolution of the CGIAR, its mission and organization. He covered key principles of governance and the pillars of the current Reform Program and explained the rationale for setting up the PSC and the CGIAR's expectations from the Committee. A discussion followed. The members found the CGIAR mission statement to be too broad and noted that, were it in the corporate world, crafting a simpler and more focused mission statement would have been essential.

**Action Item – Draft a revised Mission Statement.**

### **3. Overview of PSC Mission, Activities and Achievements**

Sam Dryden provided an overview of the Committee's evolution. He noted that, since its inception, PSC has had 25 members from 15 companies. The Committee had 7 face-to-

face meetings in its first 24 months, but in recent years has shifted to conducting its business through virtual meetings. In 2002 there was one face-to-face meeting and four teleconferences.

Dryden noted that the Committee operated at three levels:

- Center-level
  - Four PSC meetings held at centers
  - members visiting centers
- Policy-making level
  - Participation in CGIAR's Annual General Meetings
  - Participation at ExCo/Consultative Council/Steering Group, etc. meetings
  - Contributions to assessment of CPs
- Stakeholder-level
  - Initiating dialogue with CEOs
  - Providing PS representatives to GFAR, GRPC
  - Contributing to the WB Assessment on Agricultural Science and Technology
  - Initiating or participating in other consultations involving the private sector

Dryden singled out the following as some of the key PSC initiatives in previous years: conducting a survey of centers on biotechnology, contributing a major paper to the CGIAR on public-private partnerships involving biotechnology, initiating stakeholder consultations on biotechnology and intellectual property issues, participating in "stripe" reviews, and issuing a Declaration of Corporate Support of the Millennium Goals and the CGIAR.

Some of these initiatives require follow-up (e.g., Declaration of Corporate Support and participation in CPs). It was timely for the revamped PSC to explore areas where the Committee could contribute the most in strengthening partnerships between the private and public sector.

#### **4. Identifying Strategic Issues and Initiatives**

The majority of the meeting was devoted to discussion of strategic issues and identifying initiatives the PSC could undertake. The initial list developed by the Committee was enriched with the participation of Ian Johnson and Francisco Reifschneider. Andrew Bennett, who attended for about two hours, contributed to the discussion of CPs and public-private sector relations in the use of proprietary technology.

The following were among the issues and messages that emerged from the discussion:

- (a) *Public goods and property rights*: Distinctions should be drawn between "true public goods" vs. "limited public goods" and "public domain" vs. "public ownership." Distinction should also be drawn between germplasm conservation vs. products (like seed). The latter is a private good (e.g., seed is a private good

for the farmer.)

- (b) *CEO dialogue*: The origins of this dialogue (i.e., among the CEOs and between the CEOs and the WB and other institutions) lie in the groundwork done and the enabling environment created by the PSC. The Committee should continue to play this facilitating role.
- (c) *Corporate Declaration*: The Declaration states a set of principles. The emerging PSC work program should reflect implementation of these principles.
- (d) *WB Agricultural Science and Technology Consultation and RF's African Agricultural Technology Facility*: PSC should continue participating actively in the WB Consultation (several members are involved with this activity.) As noted in the Declaration for Corporate Support, the role played by the CGIAR as an honest broker should be supported.

Like the WB assessment, AATF is an outcome of the CEO dialogue, focusing on IPR and regulatory harmonization issues. PSC should be supportive of AATF as it helps create an enabling environment in Africa for the transfer of proprietary technology.

- (e) *Challenge Programs*: The PSC is highly supportive of the Challenge Program concept and looks forward to making meaningful contributions to the process and the Programs. Given the strategic importance of the CP, the PSC should continue challenging the CPs, with a stress on outputs, deliverables and efficiency. PSC could facilitate CGIAR's efforts in having the CPs peer reviewed, especially in terms of their business plans.
- (f) *Complementary Delivery System for Smallholders*: There is need to develop evolved concepts of "handoff" of materials. The private sector is heavily engaged with delivery, which the CGIAR is not. Removing impediments and addressing downstream IPR, regulatory and public good aspects are critical. This is a area that the PSC and NGO sectors might better coordinate with the Centers.
- (g) *Visiting Scientist Programs, Management Workshops, and Case Studies*: There could be exchange of scientists between the PS and the CGIAR. One could learn from the practices of other PS partnerships on ways of handling IP issues in such exchanges. Also, key CG managers could participate with PS executives in focused, theme based workshops (e.g., on change management). As there are some good examples of public-private partnerships within the CGIAR, one or more of these could be developed into case studies (such as through the Harvard Business School). Such case studies would illustrate difficulties in dealing with public vs. private goods and ways of addressing the challenges in research partnerships.

- (h) *Enhanced Center Board Representation:* The PSC could play a more active role in identifying PS managers who could serve on center boards.
- (i) *Regulatory Issues:* These lie at the middle of public-private cooperation nexus and include regulations covering phytosanitary, biosafety, chemical, water use, and related matters.
- (j) *Stewardship Advocacy and Communication Issues:* The seriousness with which the PSC honors its stewardship role (*vis-à-vis* the environment and public safety) in agricultural production is not understood well. The facts of public-private interdependency and the reality of the messy “middle ground” also need clarification. The PSC could help by undertaking a communication initiative, advocating “principled pragmatism.” Brochures, op-ed pieces and other instruments could be used.

Ian Johnson encouraged the Committee to continue exploring the public-private interface through a careful analysis of why there is need for the private sector and what can make the interdependence work for both parties. Being “purist” on public vs. private goods is easy, but that often leads to stalemate and inaction. There is need to search a middle ground. Enlightened public and private sector policy have to come together in the next 20 years. The PSC can help work on the future landscape.

Johnson also encouraged the PSC to take a more active role in CPs, possibly by facilitating peer reviews by corporate scientists. The PS input on CGIAR center boards would also be welcomed as there is need for strengthened fiduciary oversight at the board level. PSC should also explore ways of co-financing some CGIAR activities, such as the bio-fortification CP.

Francisco Reifschneider noted that the CGIAR could benefit from the PSC in several ways. First, in the area of genomics, the CG has much to learn from the experience of the PS. There is a tremendous degree of interdependence potential in the genomics area. Second, the PSC could help in improving delivery systems. As public extension systems have virtually disappeared in many countries, the PS carries a major responsibility in linking with the farmer and in the use of prudent agro-ecology system management by the farmers and farmer communities. Third, the PSC can help mobilize PS views (on the CGIAR, on CPs, etc.) Fourth, the Committee could help mobilize resources through staff exchange programs, intellectual property, co-financing, etc. Finally, the PS could help bring greater transparency to PS views through a strong communications initiative.

Andrew Bennett pointed that the centers do have proprietary technology to work on. Companies are not reluctant to pass on to the centers technologies that have little commercial value (but could have public value). What is needed is the creation of a relationship that is open, honest and healthy (as part of a scientific interaction.) Although genetic engineering is an important tool, natural breeding will continue to be important for many years to come.

## 5. Establishing Work plan for Strategic Initiatives

The Committee's discussion of issues was followed with assignment of priorities to the issues and clustering of the high priority issues into three initiatives PSC would undertake over the next three years. These include the following:

- Alliance Building Initiatives
- Policy Dialogue Initiatives
- Communication Initiative

**Alliance Building Initiatives.** The PSC agreed to work on three fronts:

- (a) Challenge Programs. The Committee would work towards enhancing private sector participation in CPs. It would also assist the CGIAR, if requested, in organizing independent *ad hoc* reviews of CPs or CP proposals.
- (b) Center Interface Programs. The Committee would carry out preparatory work in two areas: a scientist exchange program and a senior management forum on change.
- (c) Delivery System Programs. The PSC would contribute to thinking in this area by developing evolved "hand-off" concepts. It would also examine smallholder finance and distribution mechanisms and make recommendations to the CGIAR.

**Policy Dialogue Initiatives.** These represent continuation of an existing PSC initiative and two new programs:

- (a) World Bank/CGIAR/CEO Dialogue. The Committee would continue its facilitating role in this area.
- (b) Public Goods and Property Rights Program. A first initiative in this area would be having a Harvard Business School case study developed, based on the experience of the CGIAR with the private sector, that clarifies concepts and issues involved and points to mutually satisfactory solutions.
- (c) Stewardship Programs. These will focus on the private sector's efforts in responsible deployment of technology and on phyto-sanitary, biosafety, and regulatory issues.

**Communication Initiative.** This will be a new area of focus for the PSC, which, heretofore, has limited its communications internal targets (i.e., the CGIAR and the CEOs). Activities will include:

- (a) Declaration of Corporate Support. The principles and intent of the Declaration will be clarified and communicated widely.
- (b) Brochures, OpEds. PSC will develop brochures and draft opinion pieces advocating the need for public-private partnerships and showcasing the attempts being made through the CGIAR to find a middle ground.
- (c) Bellagio Meeting Concept. When sufficient background work is in hand, the PSC could facilitate a Bellagio-type meeting (similar to the meetings held in Rockefeller Foundation's facilities in Bellagio, Italy to facilitate the dialogues that led to the founding of the CGIAR) between the leaders of the CGIAR and those of the corporate world.

The Committee agreed on a work plan and a division of labor among the members to start work on these strategic initiatives.

## **6. Mode of Operation and Administrative Matters**

The Committee agreed to continue dialogue among members through tele- or video-conferences. All members attending the meeting indicated they had access to video conference facilities.

Members would also take advantage of upcoming meetings (such as the Seed Trade Association Meeting in June in Bangalore) for interaction among subsets of PSC.

It was also noted that once the initiatives were underway, another face-to-face meeting in mid-2003 may be useful, particularly if the members who were absent were also able to attend.

## **7. Other Business**

There was no other business.

## **8. Conclusions**

Sam Dryden summarized what was achieved during this meeting. All participants gave high marks to the quality of the discussion as well as its outcome.