

Summary of ExCo 9 Discussion and Conclusions on Funding System Priorities Task Force¹

Finn Christensen (Denmark), Chair of the Task Force on Funding System Priorities, presented the TF's progress report. The TF considered the following four options for funding System Priorities:

1. Maintaining the status quo;
2. Improving coordination among Members;
3. Option 2 *plus* informal discussions among Members; and
4. Establishing an allocation committee.

The TF recommended Option 3. It suggested that the mechanism for implementing this recommendation would be the development of a CGIAR matrix that would be used as a resource allocation tool for decision making—one that would help identify and highlight over- and under-funded priorities. Associated with this recommendation, the TF urged Members to increase their unrestricted funding, and/or loosen the restrictions imposed on their restricted contributions.

This matrix would be developed by the Science Council, in cooperation with the CGIAR Secretariat, based on the agreed System priorities.

With regard to financing the Science Council and its Secretariat, the TF recommended an interim financing measure for 2006 to be sourced from the two paying co-sponsors (World Bank and FAO), and other interested and willing Members. For the long-term, the TF recommended financing the SC through a contribution of up to one percent of total Member annual funding to the CGIAR to finance the SC and the CGIAR-commissioned EPMRs.

Discussion:

- The recommended option on funding System Priorities appeared to tie currently untied (i.e., unrestricted) funds, as these would now be connected with a priority area or activity.
- What is the matrix going to look like and how will it actually be used in allocation decisions?
- Is there a code of conduct for accepting restricted funding from Members?
- Full costing of projects remains a challenge in practice.
- With regard to financing the SC, financing of EPMRs represent a change from the current practice (currently paid for by each Center being reviewed).
- With regard to the recommended “taxing” option, could this be enforced for each Member, given the divergent policies and constraints of the Member community? Also what would be the transactions costs?

¹ Excerpt from Ninth Meeting of the CGIAR Executive Council (October 19-20, 2005) Summary Record of Proceedings, October 31, 2005.

- An alternative would be to “tax” the Centers. Taxing Centers and putting the funds in a “blind trust” could address any concerns that may be raised on the independence of the SC.

With respect to System Priorities, the TF clarified that Members who prefer to make unrestricted contributions to Centers would continue to do so rather than contribute to a pool. The SC Chair indicated that the matrix had not yet been developed because the latest MTP submission from Centers was not based on the priorities. Regarding a code of conduct for accepting restricted contributions, the CDC Chair indicated that while individual Centers may have such a code, the CDC did not have one, and would look into that.

Conclusions:

- *ExCo thanked the TF for its work thus far.*
- *The TF will take note of the comments received from ExCo; further comments should be sent to Finn Christensen.*
- *ExCo reiterated the need for a funding mechanism that results in full and predictable funding for the SC that protects its objectivity and integrity.*
- *The issue of a code of conduct for acceptance of restricted funding should be placed on the agenda of the CDC.*
- *ExCo looks forward to receiving the final report of the TF, which is to be submitted for discussion at AGM05.*