

Summary of ExCo 13 Discussion and Recommendations to the CGIAR on Alignment in the CGIAR¹

7.a. Final Report from ExCo ad hoc Committee on Funding System Priorities

Jonathan Wadsworth, Chair of the ExCo ad hoc Committee on Funding System Priorities, presented the final report of the ad hoc committee to ExCo.

He described the work of the ExCo ad hoc committee, and reviewed the principles of CGIAR funding and the messages from the AGM06 Member Coordination Forum, including funding the System Priorities as a means to an end, the need for outcome orientation, and general support for a programmatic approach.

He reviewed the current three Center-based entry points for funding, and described the System Priority-based entry points envisaged, with varying levels of restriction. The proposed funding allocation mechanism would involve four steps:

- 1) Develop an Annual Demand Matrix from Center and CP MTPs to determine proposed investments based on System Priorities.
- 2) Donors declare what they will be funding in coming year (and as many subsequent years as possible), which would represent an Annual Funding (Supply) Matrix.
- 3) Subtract the Annual Demand Matrix from the Annual Supply Matrix to determine over-, under-, adequately-funded cells.
- 4) Donors willing to support this process to agree among themselves to reallocate some of their funding from over-funded cells to under-funded cells.

The ExCo ad hoc committee believes the proposal delivers on all of its intended objectives and recommended that:

- 1) ExCo endorses the principles for funding SPs and suggestion to review assessment and computation of CGIAR-approved Center audited overhead rates.
- 2) ExCo endorses the step-wise process suggested, including joint preparation by SC, Alliance and CGIAR Secretariat of the information needed to enable considered discussion by those donors willing to discuss harmonization of all or part of their funding to the CGIAR.
- 3) The Members' Coordination Forum at AGM07 discusses the final report and possible ways forward. The discussion should address practical implementation and assess Members' views, likelihood and timescale for harmonization.
- 4) A standing panel on funding be established by ExCo as a means of continuing to provide a space to discuss System level, medium to long term strategic funding issues of the CGIAR.
- 5) A code of conduct for donors with respect to funding issues be elaborated and instigated for eventual incorporation in the CGIAR Charter.

¹ Excerpt from Thirteenth Meeting of the CGIAR Executive Council (October 16-17, 2007) Summary Record of Proceedings, November 2, 2007.

- 6) The ExCo ad hoc committee continues to function until AGM07 with a view to assisting the CGIAR Secretariat in organizing the Members' Coordination Forum.

Discussion:

- Several members expressed support for the ExCo ad hoc committee recommendations.
- Framework plans are an important aspect of the proposed mechanism and provide for checks and balances.
- Establishment of the Alliance allows for such a system because funding can be approached systematically and collaboratively. For such a system to work, changes in behavior are required by both Centers and CGIAR Members.
- It is essential for donors who provide restricted funds to provide for full costs of projects, including full overhead recovery.
- EIARD endorsed recommendations and noted they are in line with the Paris Declaration. EIARD members are willing to participate in implementation of the recommendations and will do their best to overcome any impediments.
- The challenge to making such a system work is behavior change. Experience in other organizations suggests that individual cells add up to beyond what is available, and require strict discipline and a governing body.
- The goal is to get the System moving in the right direction. There is danger if a large philanthropist were to come in and distort funding, which may require the CGIAR to decline new donors if they are not prepared to adhere to funding the System Priorities.
- The proposed mechanism is no small undertaking and will require significant buy-in from all parts of the System. One could also consider the consensus based decision making and evaluate whether there could be another category of non-member donors who are only willing to fund projects but may not be interested in participating in CGIAR decision-making. There was also a suggestion of adding a separate column on innovative or blue sky research apart from the 20 SPs.
- There is need to ensure and maintain some sort of stability for Centers in the short term to avoid endangering Centers. Another member, however, pointed out that Centers do have the choice and have the option of not accepting project money that does not fund overhead costs.
- J. Wadsworth noted that the recommendations centered on the need for a strategic committee on financing, as there is currently no space in the System for deliberations on finance. It is a weak point of ExCo.

Conclusion and ExCo recommendation to the CGIAR:

- *ExCo endorsed the recommendations of the ExCo ad hoc committee, subject to the understanding that discussion at AGM07 should be undertaken with a sense of likely support from CGIAR Members.*
- *ExCo requested the ad hoc committee to canvass Members to gauge the willingness to develop timelines and implement the recommendations.*

7.b. Scoping Team Proposal

Peter Core, Chair of the Scoping Team introduced the item. He also invited Elizabeth McAllister, Chair of the CGIAR External Review Panel to make a few remarks on the work of the panel.

P. Core presented the Scoping Team proposal, noting that the TOR requested the proposal to include: 1) main challenges and emerging issues, 2) methodologies and design of the process that could be used for developing a new CGIAR vision, and 3) specific TOR for phase 2 of the process.

The Scoping Team identified the following key challenges that would provide relevant focus in the effort to revitalize the CGIAR:

- Research priorities and programs
- Strategic partnerships
- Donor behavior
- Governance
 - System level
 - Center level

The scoping team proposes using the time between ExCo 13 and AGM07 (Phase 1) to continue stakeholder discussions on the change process to gather additional feedback and update the plan for change for presentation at AGM07. Additional discussions will take place at AGM to further map out Phase 2 of the process.

Phase 2 of the process would include 1) issue clarification and solution generation among working teams, 2) solution consolidation, testing and approval, and 3) broad implementation. It would be driven by a Change Design Team composed of a representative group of stakeholders. The process would focus on high impact and long term, sustainable change management issues, including more visible processes and structures to more hidden issues with a relationship focus.

The Scoping Team recommended the following for ExCo's consideration:

- 1) Recommend for approval of the CGIAR the five issue areas identified by the Scoping Team as the focus for the Change Process
- 2) Recommend for approval of the CGIAR the process for Phase 1 and Phase 2 as outlined in the paper

K. Sierra noted there is need to engage the various stakeholders and build excitement in the Alliance, and take a holistic view of the process. The External Review being conducted in parallel to the process could augment the effort as it may uncover potential issues that the change process does not see. The CGIAR should take advantage of this opportunity.

Discussion:

- ExCo recognized the importance of the exercise and expressed support for moving forward.
- There is need for effective participation of NARS and developing countries in the process.
- EIARD stated that it strongly supports change in the System and has always actively participated in groups and task forces that elaborated recommendations that were approved but unfortunately, were only partially translated into actual changes. It believes that conditions for change are now in place and fully supports the scoping exercise. EIARD suggested that interviews be conducted with a broader group of stakeholders including young researchers in Centers, partners, and high-level decision makers to bring in fresh points of view. Broader consultation may have led to identification of other crucial issues for focus. The change process should incorporate focus on accountability, structure and also stakeholder behavior. The inception report of the External Review will also be an important input into the exercise.
- One member noted that change often only happens when there is a high level of dissatisfaction and effort should be made to show a high rate of return as fast as possible, perhaps through rapid harvesting of “low hanging fruit” followed by larger issues. Another member cautioned that we must bite off what we can chew, and only focus on the big ticket items.
- It was pointed out that there is a need to exercise caution when consulting with a broad range of partners, and raising the expectations of too many stakeholder groups. Perhaps the most relevant stakeholders should be targeted depending on the issue concerned.
- Any high-level meeting should ensure it will attract the appropriate high-level people to attend.
- GFAR reiterated support to the change management process and confirmed GFAR’s willingness to help organize consultations with broader partners.
- K. Sierra clarified that after the proposal is discussed at AGM, a change design team would be constituted. Phase 2 would also require broader participatory groups with a high level of commitment. She also highlighted that many donors had indicated to her that they were impatient for some change in the CGIAR.
- P. Core reiterated the need for extensive input and participation by a broad group of stakeholders; otherwise, nothing is going to happen. The exercise needs to be conducted in a way that the CGIAR can move forward and do something significant in the next 3-5 years, but in pieces small enough to “chew.”
- During implementation, timelines and roles/responsibilities must be clearly articulated and communicated.

Conclusion and ExCo Recommendation to the CGIAR:

- *ExCo endorsed the Scoping Team proposal recommendations and recommends the CGIAR move forward with the change management process.*
- *To ensure all of the relevant voices are heard and issues identified, ExCo requested the Scoping Team continue to survey stakeholders, including focus groups of young researchers.*

- *ExCo members were requested to consult with their constituencies and identify names of persons that should be consulted by the Scoping Team.*
- *It is important to build trust in the System, and to begin by placing trust in the change design team, establish future roles and responsibilities at AGM, and give flexibility to the change design team to do what needs to be done, in order to help the process move forward without undue delays.*
- *Additional funding for the change management process from members will be welcome to supplement World Bank funding.*
- *The scoping team was requested to incorporate ExCo's comments and feedback in their proposal and develop specific immediate proposals that could be considered by CGIAR at AGM for decision.*