

# A Renewed Partnership for the CGIAR in the 21st Century

**A Position Paper from the  
Alliance of the CGIAR Centers**

**June 2008**



## A Renewed Partnership for the CGIAR in the 21st Century

The Alliance concurs with the paper on *Visioning the Future of the CGIAR* (WG 1) on a number of points. The global agricultural research landscape has evolved significantly over the recent past. Furthermore, the type of science required to address the challenges that agricultural research for development has not yet solved is increasingly more complex and heterogeneous. Consequently, the CGIAR needs to 'revise its modes of operation to engage more effectively with the expanding range of partners, in both the South and the North, in the emerging global agricultural research and knowledge system' (WG 1, *Visioning the Future* p. 12).

This need to re-position the CGIAR was also highlighted by the World Development Report (2007, p.170), when it stressed that the global system today is very different from that in the days of the Green Revolution.

"Collective action and partnerships involving a variety of actors in an innovation systems framework are emerging as important. Such a framework recognizes multiple sources of innovation, and multiple actors as developers and users of technologies, in a two-way (nonlinear) interaction. Such systems have many advantages. They can pool complementary assets such as intellectual property, genetic resources and research tools. They can reap economies of scale and scope. They can facilitate technology transfers through arrangements with private input distributors. They can promote integrated value chains. And they can foster mechanisms to express consumer and farmer demands for technology and product traits."

The Alliance totally agrees that collective action and partnerships will become yet more and more important.

It also agrees with the new core functions of the CGIAR identified by WG 1:

- *Conduct strategic research for development*, a 'heartland' function which underpins the other functions below.
- *Conserve core collections of germplasm and related knowledge*.
- *Catalyze research and innovation*, working with partners, convening, networking, facilitating spill-over and scaling-up of innovations.
- *Raise awareness, including anticipation/foresight*, providing sound scientific data or studies for raising awareness among

- both the public and key decision makers.
- *Support for policy and decision making* to respond to increasing demand from decision makers at global, regional and national levels.
- *Capacity development* as a contribution to the global agricultural research and knowledge system.

The Alliance discussed the new business model required to re-position the CGIAR along these new lines, as well as current System bottlenecks and inefficiencies. The Alliance consequently agreed on a set of principles that must drive the current change process. It discussed three scenarios based on these principles. Further work is needed to fully flesh out all scenarios as a number of issues have not been discussed.

This paper presents the principles the Alliance considers as prerequisites for a successful redesigning of the system and it outlines the Alliance's preferred scenario and two alternatives.

### 1. *Principles for improving efficiency and impact in the CGIAR System*

To address current inefficiencies in the System and effectively re-position the CGIAR, the Alliance considers that changes must be aligned with the following principles:

- *Position the system clearly* as a global research network in the context of all the other actors in international agricultural research for development;
- *Simplify the system*, to decrease its bureaucracy and make it less costly to operate; change should lead to a clearer and cheaper System, more responsive to external demands and which can rapidly make decisions in a transparent and unambiguous manner;
- *Improve quality and effectiveness of decisions* through subsidiarity. Decision-making must take place at the most appropriate level and location. Over-centralization in research management decisions provides an unfavourable environment for scientific innovation;
- *Ensure a clear division of roles* and responsibilities between funders and providers of science-based results, with clearer mutual accountability; this two way accountability

## A Renewed Partnership for the CGIAR in the 21st Century

should be based upon performance and results;

- *Institutionalize collective action* to decrease its transaction costs; currently the System provides disincentives for collective action;
- *Effectively manage volatility in funding* by requiring long term financial commitments from donors;
- *Increase the effectiveness of the scientific teams* producing results: decrease unnecessary transaction costs (e.g., consolidate all accountability and reporting requirements), remove bottlenecks and disincentives to collaboration;
- *Remove the parts of the system* that do not have a role in the new model.

Changes should be implemented with due regard for the balance between short term and long term transaction costs and benefits and with the objective to urgently address current inefficiencies whilst better positioning the System.

### 2. Scenario A

This is the scenario preferred by the Alliance.

The building blocks in this scenario are a Donor Council, a "New Partnership Board", the System within its international context and the Centres. Diagram 1 provides a schematic representation. In this scenario donor sovereignty is not total (donors agree to the creation of an IFAR and of a New Partnership Board); likewise Centres' autonomy is limited by the prerogatives of this New Partnership Board. Independent scientific advice is provided to the System by an independent scientific committee, which responds to specific requests from the New Partnership Board. Decision-making is formal, with clear accountability lines.

Elements of the current System which disappear are: the current form of Science Council and SC Secretariat, the current System Office (Secretariat of the CGIAR, Alliance Office, and System Office units), ExCo and AGM. An independent scientific committee with a clear accountability line to the New Partnership Board is created, with functions focused on independent scientific advice to the system. A Corporate Office is created, with functions which are broader than those of the System Office. ExCo meetings are replaced by meetings of the New Partnership Board, which are run professionally. AGM

is replaced by a general stakeholder consultation every three years.

### The Donor Council

This Council is constituted by donors to the System who have committed more than \$0.5m per year to a multi year replenishment fund or IFAR type of mechanism. Donors of restricted funds may be invited to participate in the discussions.

The Donor Council has the following functions:

- Agree on an overall vision and strategic objectives for the System;
- Put in place and provide oversight to a replenishment mechanism for all unrestricted funds to the System (an international fund for agricultural research – IFAR – type of mechanism);
- Members of the Council commit, on a voluntary basis, to multi year funding allocations to the System;
- Develop an investment strategy for the replenishment mechanism (IFAR type of mechanism)
- Appoint 3-4 individuals, acting in their own capacity, to the Board of the new partnership (see next section on the New Partnership Board for details).

The Council appoints a manager of the replenishment fund whose main responsibility is to implement the investment strategy of the Council; the fund manager also supports the Donor Council in the execution of its other responsibilities.

### The Board of the new partnership

This Board is composed, in equal proportions, of not more than 15 individuals appointed by the Donor Council and the co-sponsors, the Centres and the partners. These individuals are eminent personalities who are engaged in Board issues for about 25% of their time. They are not nominated to represent the part of the System which nominated them, but to provide their own eminent views on strategic issues. To ensure that the Board has the overall balance of skills needed to fulfil all its responsibilities, a consultation mechanism between donors, centres and partners is organised.

Each individual on the Board is thus nominated by either the Donor Council, or the 15 Centres or the

## A Renewed Partnership for the CGIAR in the 21st Century

partners. In the case of the partners, a reinvigorated GFAR provides the appropriate platform to facilitate this nomination. The Chair of the Board is elected by the members of the Board. The Chair is probably engaged for 50% of her/his time in Board affairs. Each individual on the Board is nominated for three years and can be given a second mandate of three years by the group which nominated him/her.

A number of system level functions are assumed by the Board. These are to:

- Allocate unrestricted funding to the three Strategic Objectives (in WG1 paper) and, within each Strategic Objective, to specific results that Centres undertake to produce; as a variant, three separate committees – one per Strategic Objective – make allocation recommendations to the Board;
- Facilitate joint strategic planning of the work of the Centres funded through the replenishment fund;
- Analyse best ways to rationalize the mandates of the Centres through joint strategic planning and the allocation of unrestricted funds; encourage and support research synergies through the formation of clusters of Centres;
- Design and implement an accountability mechanism that responds to the needs of the donors providing funds through the IFAR type of mechanism;
- Appoint the independent Scientific Committee;
- Commission external reviews and regular assessments of results, since unrestricted funds are allocated for multiple years on the basis of expected results, as well as any other required scientific advice;
- Be accountable to donors, partners and Centres;
- Engage in system level fundraising for unrestricted resources;
- Conduct strategic planning and foresight ('prospective') studies to provide overall guidance on priorities for the System, in the context of the international agricultural research landscape;
- Set common policies.

In addition to these new functions, the Board also assumes functions currently dispersed within the system. These are:

- Provision of common services such as communication and public awareness, finance,

human resources, intellectual property...

- Brokering and coordination within the System.

The Board is supported by a CEO which it appoints, and by a corporate office providing the necessary back up for the implementation of all the Board functions listed above.

A Charter will lay out the authority and responsibilities of the Board vis-à-vis those of the other parts of the System.

### The renewed system and its partners within the international research for development landscape

The renewed System, with partners on the Board, works in closer partnership with national research institutions and universities, at both national and international levels. This is a result of the Centres having increasingly a role of catalyst and broker in the international agricultural research scene, as indicated in the paper produced by WG1.

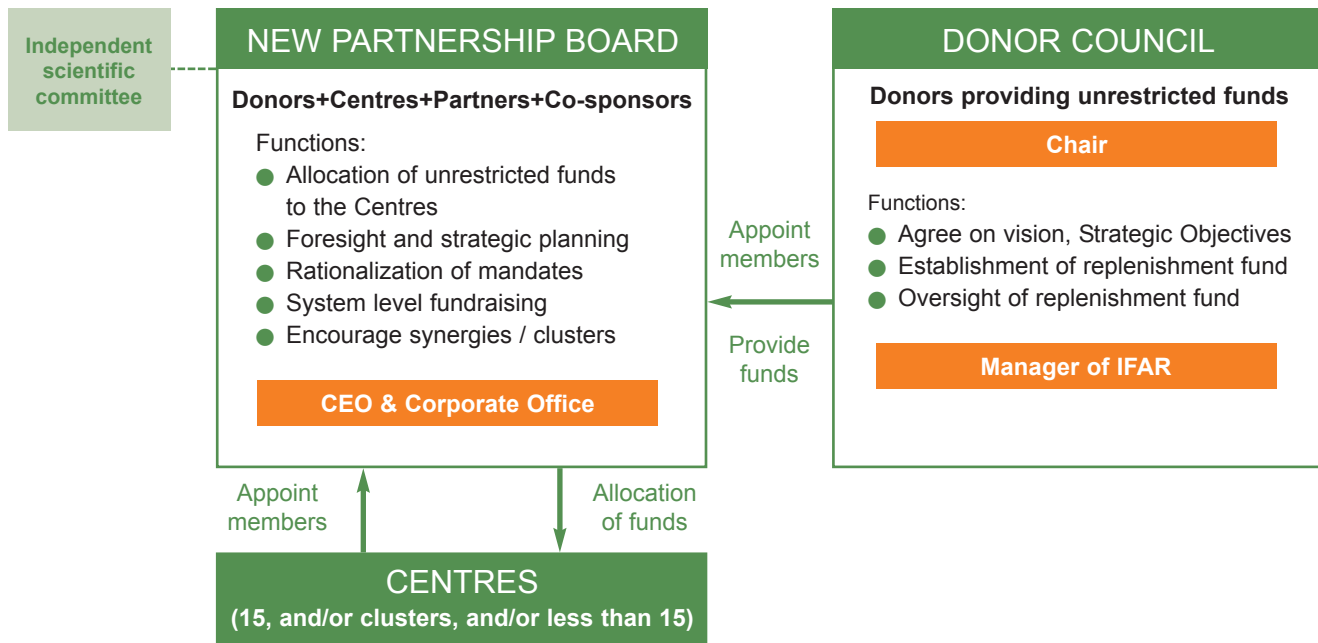
The System interacts with a re-invigorated GFAR through regular consultations organized during the triennial GFAR Forum which replaces the yearly AGM. GFAR facilitates the appointment of individuals by partners on the Board of the new partnership. It also facilitates regular consultations with regional fora and advanced research institutions, in addition to CSOs, private sector and farmers' organisations.

### The Centres

Centres delegate to the new partnership Board issues regarding the rationalisation of mandates, the authority for the setting of common policies and administration of common functions and services. Centres may therefore re-organise into clusters, and/or engage in mergers, as per the analyses of the Board. Furthermore, they jointly plan with the other Centres those activities that are funded through the IFAR type of mechanism. Finally, they implement the strategic policies developed by the Board.

In this scenario, restricted funds continue to be allocated and managed as they are today. Centres and their Boards are therefore directly accountable to donors for the use of such funds. Centre Boards are smaller in size, and focused on strategic scientific and partnership issues, while retaining fiduciary responsibility for Centres' budgets.

DIAGRAM 1.



The advantages of this scenario over the status quo are:

- A simpler System, with a clear division of responsibilities between the Centres, the Board, the Donor Council
- Greater participation of partners in resource allocation and strategic policy making for the Centres, resulting in greater buying-in
- Greater research synergies through joint planning of activities by Centres and through potential clusters and mergers
- Greater financial stability
- The New Partnership Board can establish strong incentives for collective action
- Less bureaucracy, less overall transaction costs which facilitates scientific innovation at the level of scientific teams
- System level decisions and a conflict resolution mechanism through the Board
- Gradual increased integration by facilitating the formation of clusters of centres and of mergers

The weaknesses in this scenario are:

- This scenario addresses the need for changes in the System through the leveraging effect of unrestricted contributions; restricted funds are still allocated in the same manner as today and transaction costs continue to be incurred to manage them;

- There is a potential risk that the new partnership Board (depending upon the personalities on it) may push for an over centralised system, with the known adverse implications for nimble decisions and operations; mechanisms to forestall this potential risk would need to be put in place;
- By comparison with the other two scenarios, scenario A involves a less clear separation of responsibilities between donors and research actors in the CGIAR (the configuration of the "Partnership Board")
- Donors of restricted funds are not involved in system level discussions of issues;
- Decreasing current levels of bureaucracy requires a full overhaul of all the parts of the System which currently do not directly produce science-based results, as well as implementing difficult changes in centre mandates which may lead to downsizing some parts of current scientific teams;
- Entrenched interests will resist such profound changes.

### 3. Scenario B

The building blocks in this scenario are the same as in scenario A, with the addition of an Agricultural Research Alliance (ARA). As a consequence of this addition, responsibilities among the building blocks are shared differently than in scenario A. In scenario

## A Renewed Partnership for the CGIAR in the 21st Century

B the Partnership Board and ARA share the responsibilities that were all vested in the Board in scenario A. This leads to a clearer division of responsibilities between funding and operations. Another difference is that Centres delegate a number of responsibilities to ARA which, in scenario A, are delegated to the Partnership Board. Diagram 2 provides a schematic representation.

Only the elements of the System which differ between scenarios A and B are discussed below.

### The Partnership Board

The composition of the Board is similar to that in scenario A. However, given that the functions of the Board are fewer than in scenario A, board members and the Chair are engaged in board issues for a lower percentage of their time than in scenario A.

The Board has the following functions:

- Provide a common vision and shared objectives for the System;
- Allocate unrestricted funds from the IFAR type of mechanism to the three Strategic Objectives (in WG 1 paper) through a transparent and equitable process;
- Decide upon the need and timing of external reviews of the System and of all its component parts;
- Provide incentives to rationalize the mandates of the Centres; this is essentially through the allocation of unrestricted funds to the Strategic Objectives;
- Appoint the independent Scientific Committee and draws its TORs;
- Commission external reviews and regular assessments of results, since unrestricted funds are allocated for multiple years on the basis of expected results, as well as any other required scientific advice;
- Be accountable to donors, partners and Centres. Each constituency in the System (donors, partners, centres) has clearly separate accountabilities. As a whole the system is accountable, through this Partnership Board

The Partnership Board is supported by a Secretary whose main responsibilities are to prepare the logistics of Board Meetings and provide the necessary back up for the implementation of all the Board functions listed above.

A Charter will lay out the authority and responsibilities of the Partnership Board vis-à-vis those of the other parts of the System.

### The Agricultural Research Alliance – ARA

This is a corporate entity and as such its composition is determined by a legally binding contractual agreement. ARA includes a lean corporate office and a CEO whose responsibilities are to ensure the delivery of all the functions below. As a legal entity, it has its own Board which can include partners. ARA is accountable to the Centres, and it facilitates nomination by the Centres of individuals to the Partnership Board.

Its functions are:

- Allocate unrestricted funds to expected results from the Centres on the basis of the allocations made by the Partnership Board to the three Strategic Objectives. Allocations are also guided by the assessment of results from the Independent Scientific Committee.
- Implement joint planning of the work of the Centres, when and where warranted.
- Engage in system level fundraising for unrestricted resources;
- Conduct strategic planning and foresight ('prospective') studies to provide overall guidance on priorities for the System, in particular in the context of the international agricultural research landscape;
- Analyses the need for rationalizing the mandates of the Centres through joint strategic planning and the allocation of unrestricted funds; encourage and support research synergies through the formation of clusters of Centres
- Design and implement an accountability mechanism that responds to the needs of the donors providing funds through the IFAR type of mechanism
- Set common policies
- Provide common services such as communication and public awareness, finance, human resources, intellectual property...
- Encourage and support partners' active participation in all of the above, to ensure joint ownership, equal research partnerships, and greater relevance and impact of results.
- Brokering and coordination within the System

## A Renewed Partnership for the CGIAR in the 21st Century

### The Centres

Centre Boards delegate to ARA the above functions, including that of rationalising mandates when the need occurs. Centres may therefore re-organise into clusters, and/or engage in mergers, in answer to ARAP's analyses and to 'signals' from the Partnership Board. Furthermore, ARA, and through it subsequently the Centres, take the IFAR resources allocated through the Partnership Board and translate them into operational plans and activities. Finally, ARA and its constituent Centres develop and implement the strategic policies that respond to allocation (and other) decisions of the Partnership Board.

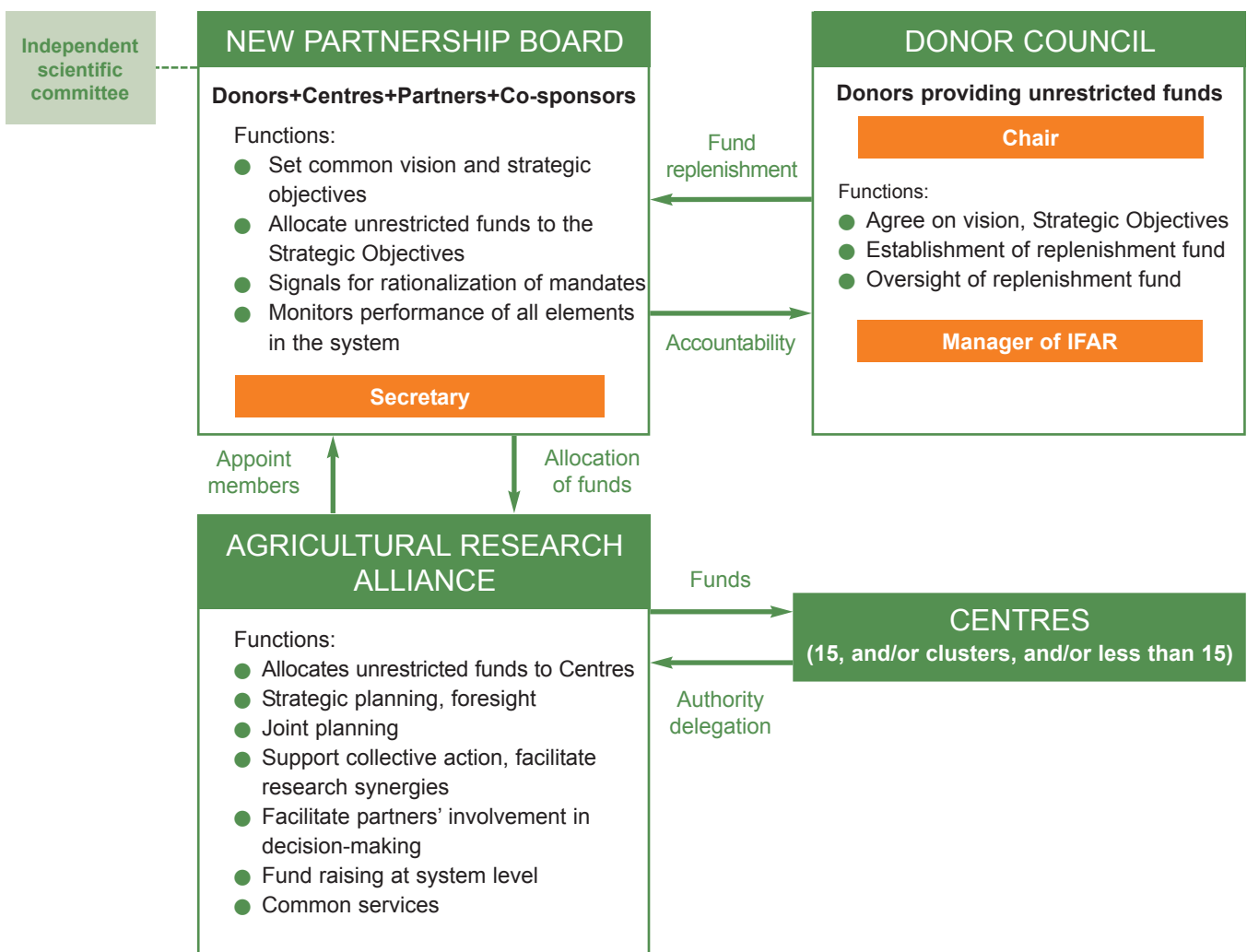
In this scenario, as in scenario A, restricted funds continue to be allocated and managed as they are today.

The advantages of this scenario, by comparison with scenario A are:

- A clearer division of responsibilities between funding and operations
- A more balanced distribution of these responsibilities within the constituting elements of the System (and almost no risk of over centralisation)
- A stronger contribution of partners in the governance of the System, resulting in time in a renewed and broadened partnership base for the whole system, and in greater impacts on the ground.

The main disadvantage of this scenario by comparison with scenario A is that it is more complex and may involve higher transaction costs, depending upon the actual 'system mindset' of the different building blocks.

DIAGRAM 2.



## A Renewed Partnership for the CGIAR in the 21st Century

### 4. Scenario C

In this scenario (Diagram 3) donors make all resource allocation decisions and Centres interact with donors directly and through a coordination and facilitation mechanism (the Alliance).

#### The Donor Council

Decisions on the allocation of funds from the replenishment, IFAR-type mechanism, are entirely made by the Resource Allocation Committee in the Donor Council. The Resource Allocation Committee allocates unrestricted funds not only to the three strategic objectives but to the Centres as well, on the basis of expected results.

#### The Alliance Board

In this scenario the Board of the Alliance replaces the Board of the new partnership, and it does not have resource allocation responsibilities. Rather, it has coordination and facilitation and implementation functions, as the current Alliance does. It is made up of individuals appointed by the Centres. It functions like a clearinghouse. Limited responsibilities are delegated to it by the Centres regarding mandates and strategic policy making.

Potential clustering of Centres and mergers are decided by individual Centres, under the incentives provided by donors and the Resource Allocation Committee and with encouragement and support by the Alliance. It is expected that over time a smaller number of Centres will emerge from the inter-centre competition for unrestricted funds.

The main advantage by comparison with the other two scenarios is a very clear division of responsibilities between funders and providers. Another advantage is that this scenario is not far removed from the current situation. It will therefore be easier to implement than scenarios A and B.

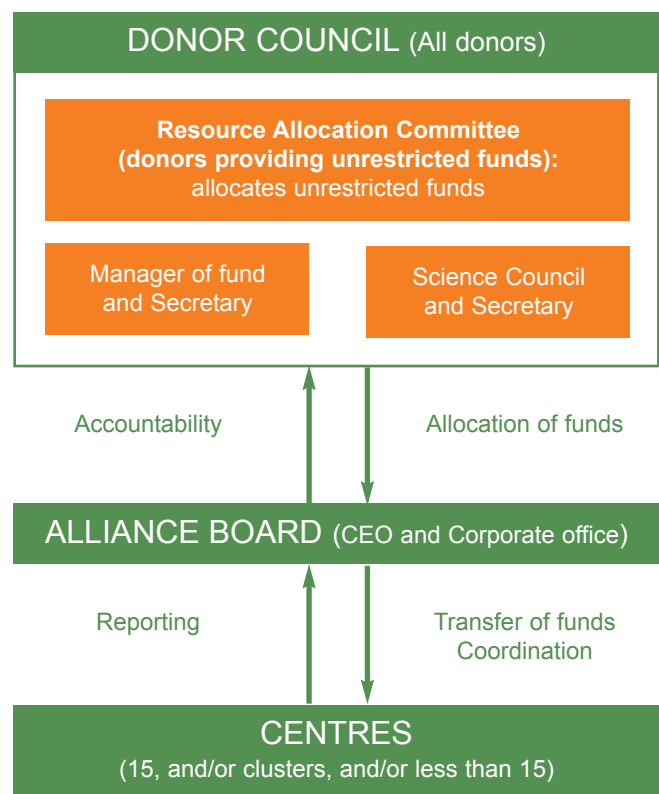
The main disadvantage – which may be seen as an advantage by some – is that it is very similar to an open market system, as the System was when it was initially created with four Centres and a few donors. As such, it does not provide greater focus than the current system, and does not address issues of repositioning the System globally, or simplifying the System and its bureaucracy.

In addition, this scenario does not comply very well

with the principle of subsidiarity since all funding decisions regarding unrestricted allocations are centralized within the Resource Allocation Committee.

Finally, the scenario does not institutionalise collective action (another principle in the set of principles for increasing effectiveness and impact); on the contrary, individualistic behaviour is the norm. Research synergies are therefore less important than in the other two scenarios. Partners do not contribute to overall governance anymore than they do today.

DIAGRAM 3.



For further information on the Alliance of CGIAR Centers contact:  
**Office of the Alliance of CGIAR Centers**  
c/o FAO  
Via delle Terme di Caracalla  
00153 Rome ITALY  
+39 06 57052276  
<http://www.cgiar.org/centers/alliance.html>