

KEY POINTS FROM THE WORKSHOP OF THE PRIVATE SECTOR COMMITTEE ON PUBLIC-PRIVATE PARTNERSHIPS

COMPILED FOR THE CGIAR BUSINESS MEETING 2009

1. Observations

- The workshop highlighted best practices from PPPs between the CGIAR and the private sector in the past, noting areas (e.g. regulatory and seed systems; liability and stewardship IP issues) where greater attention is needed.
- On stewardship and liability issues related to IP, the Central Advisory Services on Intellectual Property provides needed guidance on the “how”, but there is need for system guidance and structure around "what needs to be done." The cost of this could be factored into the reform process.
- There is considerable experience with private sector collaboration in the CGIAR. However the approach to partnerships is not consistent across the CGIAR Centers.
- A formalized evaluation of the benefits, risks, and resources necessary for PPPs between the CGIAR and the private sector is essential.
- Knowledge of macro and microeconomic market trends is indispensable to create value for the poor along the lines of the common elements of the mission of CGIAR and the private sector, and should always appropriately considered in developing a PPP's value creation target.
- It is very important to address the need to bring research and development closer together in order to increase the impact of research and development programs.
- On the organizational aspects of PPPs, donors' support for common initiatives between the private and public sector aimed at achieving sustainable increased production is necessary. The complementarities and synergies emerging from the common work of different players have been key in driving the entire production chain in the past.
- Donor understanding of the importance of promoting and supporting capacity building initiatives for local private companies is critical. These local players frequently act as partners of CGIAR Centers enabling the product of Center research available to the end users.

2. Recommendations

- PPPs should be seen as a valuable and effective vehicle routinely used to capitalize on the complementarities that exist between the CGIAR and the private sector's R&D value creation process.

- The CGIAR should establish an effective and time sensitive process for investigating and evaluating strategic partnerships. The outcome of this work would benefit from the experience of similar evaluations done by private sector companies.
- Critical skills are needed in any organization to effectively partner and to efficiently design and execute PPP-projects. These skills include an understanding of the diverse ways of thinking of the CGIAR and Private sector. There is an opportunity to establish a centralized function to do this that could serve the CGIAR System (e.g.: third party affairs), that would be responsible and accountable for providing support, direction and service on what needs to be done and how to structure such collaborations. This could also strengthen and enhance the CGIAR's ability to proactively search for value creating partnerships.
- Prior to the start of any PPP it will be critical to have a shared and clear understanding of the type and nature of the value creation as well as market access plans for the innovation. A well defined business plan that includes sound project management and resourcing plans is essential. This plan needs to include all the relevant players and participants to enable maximum impact and effectiveness. The critical skill sets associated with project management and effective process development and resourcing cannot be under-emphasized. This type of cross cutting competency would provide greater transparency, definition and create greater levels of trust.
- It is assumed that the future demands and concomitant factors for crop production in CGIAR's target countries require more cross-functional and cross-sectoral approaches involving the complete set of technologies and inputs required to boost production as well as create a feasible approach to cope with the changing systems for producing and distributing food and underlying agricultural commodities. To more favorably position the CGIAR research effort in this dynamic environment, an elevated level of the consultation with the private sector R&D effort would assist the CGIAR's conceptual and practical direction setting. This would also provide and ensure greater transparency and broader support of the CGIAR's relevance and strategic role along with competitive advantages in the world's agricultural community.
- Greater private sector input into the Strategy and Result Framework and Mega Programs should be sought, in order to ensure that a more strategic operational view of partnerships is included. This requires clarity around the comparative and competitive advantages of the CGIAR, and the funding roles and responsibilities of the parties.
- The elaboration and implementation of a stewardship framework for the CGIAR System, responsive to likely private partner concerns, and encompassing the treatment of stewardship of genetically modified organisms through all stages of product development, distribution, and use, would be highly beneficial for the success of future PPPs.
- As a follow-up to this workshop, donors, senior management, and center research directors need to establish minimum standards for PPP engagement with the CGIAR, including a position on the extent of the CGIAR's stewardship responsibility for material it shares with partners.