

International Centers Week (ICW2000) “Charting the Future of the CGIAR”

Chairman’s Paper: Guidelines for Next Steps

Introduction:

There is a strong sentiment for change in the CGIAR. All components of the System are agreed that the CGIAR must be re-launched, and that it must be clearly seen to be changing in both form and function. In doing so, we will be building on the existing strengths of the System.

The studies and papers produced by the Synthesis Group, TAC, FC, CDC/CBC, FARA, ELARD, and other groups and individuals provided invaluable inputs to our deliberations. The rich substance of these papers compelled us to be engaged in truly productive discussions.

As promised, I have prepared a Chairman’s Paper that provides a draft summary of where we are at, and what we can now do, based on the emerging consensus, to move the process forward. A first draft of this paper was discussed initially at the executive session of CGIAR members. This paper summarizes our understanding of the principles at work, outlines the changes we can make expeditiously, and sets out a process to take us forward to MTM2001.

I am gratified by the commitment of all ICW participants to work at creating acceptable change. I am confident that this spirit will prevail beyond ICW2000, because we all know that unless we remobilize and reorganize ourselves we will be unable to cope with the daunting global challenges that confront us.

Agreed Principles:

Comments made in plenary, and reports from the working groups that met at ICW2000 indicate that there is broad agreement on the following principles as the basis for change.

Research Agenda/Priority Setting

- The CGIAR would benefit from a bottom-up agenda setting process.
- Regional research agendas have two components: a component that defines priorities for the region as a whole, regardless of who addresses the problems, and a component that defines the CGIAR’s role within that broader regional agenda. The former is created through a process that involves national and regional structures-- including international

organizations, regional and sub-regional fora and civil society institutions--taking ownership. TAC and the centers can help facilitate these processes through technical inputs. The latter needs to be defined by CGIAR bodies, such as centers and TAC, taking into account the priorities outlined in the broader regional agenda, and in consultation with other relevant bodies.

- As a producer of global public goods, the CGIAR would take responsibility for translating regional priorities into a global research agenda. TAC should work in partnership with other organizations such as GFAR, centers, and NARS.

Organizational Structure and Governance

- The CGIAR should learn from its past experiences in structural change and consolidation.
- All organizational components are inter-connected, and cannot be considered in isolation: change should be based on a holistic approach.
- The CGIAR will gain from greater cohesion, integration and cooperation among its components, but the form and functions of possible structures need to be defined with precision and clarity.
- The CGIAR needs a clear, simple and transparent decision-making process. Also it should better distinguish consultation processes from executive decision-making and implementation.
- Change should not stifle decisions and action by creating a new layer or layers of bureaucracy. Any changes must lead to greater efficiency.
- The CGIAR should streamline its committee structure, and reduce the number of committees reporting to it.
- Independent and objective technical advice is a cornerstone of effective priority setting, as well as of peer reviews and of ensuring scientific excellence.
- The CGIAR notes that the centers they support have decided to be known as *Future Harvest Centers*.

Proposed System-level Mechanism

Forming a federation (as defined by the Synthesis Group) was not fully endorsed. However, members recognized that the goals of the federation model outlined in the Synthesis Group report are valid. On balance, they believe that an appropriately structured mechanism could offer opportunities for efficiency gains, strategic management, and increased cooperation across the System. There is a consensus that a greater level of clarity and precision is required

on a specific organizational form that would foster greater cooperation among centers in a cost-effective manner. Members urge further work to address the following concerns and evaluate all options:

- organizational fit with other components of the System and the extent to which it provides complementary and/or supplementary functions;
- accountability to shareholders;
- the question of legal status;
- role, function and composition of a board;
- level and form of expected efficiency gains and cost reductions;
- specific functions of the federation;
- sources of funding;
- adherence to the principle of subsidiarity.

Stable Future Finance

- The CGIAR should increase its revenue over the long-term by:
 - sustained ODA support
 - increased Southern membership and contributions
 - non-traditional sources of funding.
- All components of the System must commit themselves to seeking efficiency gains.
- A new compact is required among members and between members and centers to adhere to norms that protect the interests of the System.
 - Reforms should not be budget neutral, but should aim at allocating additional resources to research.
 - New financial instruments and modalities should be explored to ensure increased and stable funding.
 - The CGIAR should project a strong image as a successful public goods provider through an effective “marketing” and communications program.

Action Points:

Points on which agreement was reached at ICW2000 include: (a) actions that will provide quick wins and (b) actions with a medium or long-term perspective.

Quick Wins

Decisions on the lines proposed below will yield quick wins, while at the same time laying the foundation for long-term gains.

- Encourage centers to proceed with program realignments on which there already is consensus. Members fully endorsed the current efforts by centers to work more closely with each other.
- The centers should also be encouraged to pool their common services, where there are obvious cost advantages.
- Support centers in their efforts to review the composition and procedures of their boards.
- Implement the bottom-up priority setting approach in at least one region as soon as possible, on an experimental basis, with the help of TAC and GFAR and in collaboration with existing national and regional institutions.
- Consider holding only one CGIAR meeting per year, i.e. eliminate the Mid-Term Meeting after the Durban MTM, and develop options for decision-making between meetings. Following ICW2001, meetings could be held on alternate years, one in a developing member country and the other in the US (at the World Bank) or in another developed member country.
- Initiate a low-cost means of keeping stakeholders informed and engaged between meetings through regular electronic communication (e.g., e-conferences, monthly e-newsletter, tele/video conferencing).
- Conduct meetings with greater efficiency: slim down the agenda, and set apart a day for decision-making. Prepare agenda items and draft decision memoranda prior to meetings and submit them to members normally three weeks in advance.
- Implement a coordinated effort in public awareness and resource mobilization.

Decisions on quick wins reached at ICW2000 should be implemented under the Chairman's guidance without delay.

Long-term Change

Further action is required on a number of issues that were discussed at ICW2000, but on which no consensus was reached. These include the nature of a System body and whether central support units should be consolidated. I am fully committed to working with members and centers on these issues, so that an action plan may be presented at MTM2001 for endorsement.

Another issue concerns long-term finance. I welcome the Finance Committee's efforts to evaluate new approaches to fund raising and to consider the potential of non-traditional sources of finance. I will continue consultations on options, programmatic funding, non-

traditional support, and appropriate windows of opportunity for competition. Possible changes in financial modalities will need to be carefully considered with experts. I will ensure that our decisions in this area will be consistent with the strategic thrust of the contemplated changes in governance and organization.

Views contained in the papers that were prepared prior to ICW2000, or were expressed during discussions at ICW, will be the starting point of moving forward. The change process will lose momentum, however, unless it is carried forward between now and MTM2001.

Change Design and Management Process:

The process would be carried forward from ICW00 through a *Change Design and Management Team* reporting to an ad hoc *Steering Group*. At ICW2000 the CGIAR empowered the *Steering Group* to coordinate the change process on its behalf through MTM2001.

The Steering Group would be headed by the CGIAR Chair and would include individuals who would bring perspectives from a cross section of the CGIAR:

- centers
- the Cosponsors
- members from Southern and transition economies
- largest contributors
- other OECD bilaterals
- other international and regional organizations
- partnership committees.

A 15-20 person Steering Group is envisaged. The Chairman would appoint the Group based on nominations from members and centers.

The Change Design and Management Team would be charged to generate concrete proposals for improving the CGIAR's governance, organization and structure taking into account the principles agreed to at ICW2000. The Chairman would submit the team's report to MTM2001 with his recommendations on specific options and with an implementation plan.

The Change Design and Management Team would have about 5-7 members and would be headed by an eminent outsider. The team would include outside experts in relevant fields in governance and management as well as experts inside the System (at the CGIAR Secretariat, TAC Secretariat or the centers.) The Team would outsource parts of the work to consulting firms. The Chairman would appoint the Steering Group at ICW2000 in consultation with the CGIAR. He would appoint the Change Design and Management Team as early as possible in consultation with the Steering Group. The CGIAR Secretariat would serve as the base for the effort and provide the necessary substantive and administrative support. In addition, the Chair will assign a CGIAR Secretariat staff member to act as an internal communications officer, so as to ensure that all CGIAR members and stakeholders are kept fully informed on all aspects of the work in progress.

The Change Design and Management Team would be charged with the following deliverables by MTM2001:

- **A restructuring action plan for the entire CGIAR System with a clear rationale for program integration and/or consolidation of centers (including analysis of options).**

- **A governance plan that streamlines CGIAR decision-making and clarifies the roles of all components (including Cosponsors, the Consultative Council and other committees) and brings net efficiency gains.**

- **A business plan for:**
 - **increasing efficiency in the provision of common services;**
 - **coordinating system-wide programmatic activities; and,**
 - **reducing center and System overheads in order to transfer more resources to research.**

I submit these thoughts as my reading of the views expressed at ICW2000, so that we can move forward we can move forward with deliberate speed.

October 27, 2000