

## **CGIAR Mid-Term Meeting 1999**

TUESDAY, MAY 25, 1999

### **“Launching Pad to the Future”**

Third System Review of the CGIAR: Chairman’s Comments at the  
Commencement of Discussion  
On Action Proposals from the Consultative Council

#### **1. Overview: A Time for Action**

Good Afternoon, friends and colleagues.

Our foremost responsibility at MTM99 is to launch the system into the future. To do so, we need to bring consideration of the third System Review (SR) to closure. We are helped in this responsibility by a set of recommendations crafted by the Consultative Council, which was established as a follow-up mechanism to the System Review. We have before us, as well, the terms of reference and other action outlines for how these recommendations might be implemented, if the Group so decides. I thank all of you who have participated directly and indirectly in this exhaustive, even exhausting, process. So let us agree that the time for introspection is done. Now, it is time to act. Let us move forward, preserving all that is enduring in the CGIAR, but recognizing the need for change.

The world around us is changing dramatically. I do not refer to the alignments and perhaps misalignments in the political world, but to the exhilarating science revolution that is all around us. Exciting changes of profound significance in the biological sciences are taking place at a very fast pace. Genomic studies are being accelerated at incredible speed. Scientists are already able to accomplish in a day what it took 1000 scientists ten years to achieve in the past. At the same time, scientists are working across species to create and accumulate knowledge with potential applications in various species. The pace is ever-quickenning, the scope is ever-broadening. We must be part of this science revolution or we will become irrelevant. We must change – or perish.

Change is driven by a variety of forces, making both the substance and process of change complex. Intermingling with proprietary science, for instance, requires that we be especially nimble. Thus, in this world of change that takes place at an almost dizzying pace, it would be anachronistic for the CGIAR not to accelerate its own decision-making.

At International Centers Week, I will re-examine the vision of the CGIAR for the future, and will outline a set of options for your consideration. However, before we contemplate giant steps forward on the science front, we need to put our own house in order.

My **first Proposition** for MTM99, therefore, is:

*This mid-term meeting will bring consideration of the third System Review to closure and, in doing so, will launch the implementation of action proposals emanating from that review, as amended and adopted by the Group.*

In order to do this, we will refer to the specific proposals crafted by the Consultative Council for your consideration. For clarity, I will now be referring to the findings in the summary report of the Consultative Council meeting held in Brussels and issued as Document MTM/99/05, rather than to the original statements in the report of the System Review Panel (SRP). That SRP report is now being edited for wide distribution. I take this occasion once again to thank the panel for their sense of dedication, for their wise counsel, and for their willingness to share their valuable time with us. Let us acknowledge the efforts of Maurice Strong and his colleagues in the customary fashion.

Let me go now to the major themes of the Consultative Council's report:

- Scientific Excellence and Science Partnerships,
- Financial Strength, and
- Governance.

## 2. **Scientific Excellence and Science Partnerships**

The System Review and the Consultative Council re-emphasized the principle of partnerships. This approach resonates well within the CGIAR of today. A large number of partnerships are now in existence, covering the four levels of collaborative activity identified by the Committee of Board Chairs (CBC):

- defining the global research agenda,
- defining the CGIAR agenda and research priorities,
- defining the research agenda at each center, and
- collaborating in research.

Partnership arrangements – whether through policy committees or in practical research relationships – need to be periodically re-examined, their relevance re-confirmed and their effectiveness enhanced. That is the reason for the proposed analytic study of the lessons to be drawn from partnership arrangements to be carried out by the Technical Advisory Committee).

The CGIAR contribution to partnerships is scientific integrity, research relevance, and commitment to the production of public goods. TAC and the centers have examined the science-based recommendations of the Consultative Council, and are ready to integrate these proposals with the evolving research agenda of the CGIAR, covering such areas as:

- Initiatives for integrated gene management that will conserve genetic resources and use them sustainably,
- Integrated natural resource management programs involving both national and international scientists, consistent with international agreements such as the Convention on Biological Diversity,
- Application of the latest and sometimes dramatic developments in biotechnology in ways that are pro-poor, pro-women, and pro-environment, that guard against hazards, respect ethical considerations, and ensure biosafety.
- Entrepreneurship and a sense of adventure in the continued development of global agricultural knowledge networks that will provide both traditional and contemporary scientific knowledge as free goods to farmers, scientists, NGOs and others in developing countries,
- Empowerment of women in agriculture, and
- Enhanced policy research and capacity building.

Your consensual decisions on this whole package of science-based proposals will launch the centers into a course of action for the future; action that the centers themselves have helped to frame.

So, I give you **Proposition #2:**

*The Group endorses the recommendations for the strategic orientation of research priorities, as well as the ideas for expanded science partnerships, formulated and being further developed by TAC and the centers.*

As a corollary, and in keeping with the critical need for the CGIAR to benefit fully from current and continuing developments in information technology, and to make the results of its own research more readily available to all, I suggest **Proposition #3:**

*The Group encourages the centers, in order to become effective partners in existing knowledge networks, to strengthen their databases, present their findings in a more user-friendly fashion, and expand their use of information technology, both for communication and dissemination.*

On the science side, that leaves only the Consultative Council's recommendation for the improved effectiveness of research in and research support to Africa. A dialogue between the centers and their African colleagues, with the full involvement of the Special Program for African Agricultural Research (SPAAR), is already underway, and is the subject of **Proposition #4:**

*The Group welcomes the consultations between the centers and African NARS leaders, encourages all those engaged in this exercise to continue their discussions in a practical manner, and to present proposals for consideration by the Group at ICW99.*

### 3. Financial Strength

Next, the financial strength of the system.

We have come a long way from the grim and faltering days of 1993 and early 1994, when the research agenda was imperiled, and the scientific integrity of the system was threatened by budget shortfalls. Full funding of the research agenda was achieved in 1998, with contributions of some \$340 million, up from \$234 million in 1993. Conservatively, \$340 million is being projected for 1999 as well. All funds are now in a single category, in support of the research agenda. The current health of the system should not, however, induce a sense of complacency among us. I appreciate and applaud the successes so far achieved, but should point out the danger signals:

- Restricted funding as a proportion of the agenda has risen from 23 percent in 1994/1995 to 39 percent in 1998. In addition, some of the funding classified as “unrestricted” carries qualifications, attributions or other constraints. Some members who provide restricted funding are not covering the associated overheads. This results in an over-constrained situation for the centers. I urge you to treat this issue as a matter of gravity. Members providing restricted funding must be willing to cover the associated overheads. Centers must have more unrestricted funding if they are to preserve their flexibility and resilience. Restrictions on funding are forcing centers downstream into technical assistance activity and away from upstream research. The trend to restrict funding is therefore a very serious threat to the primacy of research in the CGIAR. Our raison d’être is to support research. If we act in a manner contrary to this objective, we are, in effect, subverting ourselves. That is unacceptable.
- Earlier progress made toward reaching the agreed disbursement target of 50 percent in January and the rest by mid-year has slipped. The centers have suffered net opportunity costs of at least \$5 million, as a result.
- The variability of currency fluctuations -- member currencies vs. dollar, local currencies vs. dollar -- is going to be with us for some time, and we must be ready for this, with greater reserves at the centers and at the systemwide level. This is of the utmost importance to all centers. They cannot expect to receive bailouts from the World Bank. We are looking into different instruments, such as “hedging,” to deal with this situation. Realistically, however, the impacts tend to be highly variable and quite center specific.

- The outlook for ODA continues to be uncertain, and fraught with gloomy expectations of a long-term downward trend. Robust support for the CGIAR in this environment is of great comfort, but we must be ready for all eventualities. Hence, the need for a long-term funding strategy. So let me repeat what I have said at these meetings before: we must all recognize that contributions to the CGIAR are a long-term productive investment, and that the CGIAR is not a beneficiary of “donations.” Towards this end, let us agree that henceforth the word “donor” is expunged from the CGIAR lexicon. This group consists of member investors.
- New and innovative funding sources must be explored, as the system gears itself to undertake the more exacting tasks of the future.

The Finance Committee, which was previously loaded down with fire-fighting tasks, has assumed a strategic role, and you will hear from Alec McCalla on the steps being taken to devise a funding strategy that encompasses traditional as well as non-traditional sources of funding. Plans for the strategy are expected to be accompanied by proposals for a structure to carry out the tasks involved, and for creating an effective working relationship between fund raising and public awareness programs.

This is the context in which the finance-related proposals before you are set. They are meant to secure the long-term financial health of the system, and they require your comment and concurrence – both in principle and in practice. This can be done through **Proposition #5**:

*The Group endorses the financing proposals of the Finance Committee, and requests the FC Chair to table at ICW99 a long-term funding strategy, a structure for implementing that strategy, and for managing the public awareness component of fund raising.*

#### 4. **Governance**

Governance questions have periodically pre-occupied the CGIAR, and a number of modest steps have been taken over several years. The quest for improvement, for striking exactly the right formula, has been ceaseless.

A number of important governance issues were raised by the System Review Panel, studied by the members, reviewed by the Consultative Council but not adopted. These are summarized by the Consultative Council report (pages 5-8).

Specifically:

- The CGIAR will not be incorporated into a legal persona, and no central executive committee will be making decisions on behalf of the Group.
- No formal entity has been created to hold patents on behalf of the system. Instead, the CBC is looking into the need, if any, to create a subsidiary body representing the centers. No decision is pending on this question at present.

In connection with patents, let me bring to your attention the new publication which puts in readily accessible form the material agreed to by the centers in Brasilia with additional input from FAO and whose appropriateness has been largely confirmed in the light of System Review recommendations. This handy publication deals with the whole range of issues involved in the creation of “rules of engagement” under which the public and private sectors can cooperate, so that poor farmers and smallholders in developing countries will not be cut off from access to new crop technologies. The publication is available at the CGIAR display counter outside this room.

Other points for action include:

- The role of cosponsors is retained, with greater transparency and consultation in the way they function. I believe that the open search being conducted for the TAC chair demonstrates this commitment,
- Further strengthening the working of TAC, which should remain a gender conscious, geographically and technically balanced group of 10-14, drawing on a range of external and additional expertise as and when required,
- Folding IAEG into TAC,

- Redefining the composition and activities of the GRPC, and
- Creating a new Science Partnership Committee, to strengthen links between the CGIAR and the international scientific community. The total membership of partnership committees (NGO, private sector, and scientific) will remain at the current 21.

Each of these proposals has its own logic. Together, they are intended to position the CGIAR for the future, and are directed at protecting quality assurance and enhancing the quality of strategic advice on which the Group can base its decisions. I urge you, therefore, to consider **Propositions #6:**

*The Group endorses the governance recommendations presented by the Consultative Council, specifically, the continued role of the cosponsors who will strive to ensure systematic consultation with members as they conduct business, the need to further strengthen the working of TAC, the rationale for folding IAEG into TAC, the need to redefine the composition and activities of the GRPC, and the basis for creating a Partnership Committee for Science.*

The question of system leadership was an important aspect of governance discussions, both at ICW98 and at the Consultative Council. The council has recommended that the Chairman should continue to be a senior official of the World Bank, and that he/she should devote at least 50 percent of his time to the CGIAR.

On this question, the Bank's senior management has asked me to reaffirm its full commitment to the CGIAR, and to be thoroughly supportive of the system's endeavors. They have specifically asked me to clarify the Bank's position to you as follows:

As some of you know, I may be leaving the World Bank in November. Should that happen, the Bank will propose to you the appointment of a person of recognized standing as full-time Vice Chairman -- not a CEO -- and a Bank Vice President as Chairman, but not spending 50 percent of his or her time on the CGIAR. If, on the other hand, I do not leave the Bank in November, I will be your Chairman for at least another year, serving close to full-time.

**Proposition #7** is based on this clarification:

*The Group welcomes the continued commitment of the Bank to support the CGIAR, and decides to await further consultation on chairmanship with the Bank in November.*

Both at ICW98 and at the Consultative Council, the Group's preference for collegiality and informality in decision-making was unambiguously reaffirmed. The need to combine the expertise and insights of the various groups and committees with the participatory approach of involving all stakeholders in decision-making, led us to use a Consultative Council as the mechanism to follow up on System Review proposals. Members of the council have shown how effectively a Consultative Council can facilitate decision making without in any way eroding the authority and centrality of the Group.

The Council was not intended to be a decision-making body. It has not usurped the Group's authority and functions. Its responsibilities were consultative and advisory. It has functioned as a facilitator by reviewing the issues, distilling them into a format that could sharpen discussion and decisions, and enable the Group to go directly to the core of the issues, thus making full productive use of its time at plenary sessions. It has worked for the system, and has also been representative of the system.

Hence, **Proposition #8:**

*The Group recognizes that the Consultative Council operated very well, and empowers the Chairman to call the council into session as and when required.*

Beyond collegiality and transparency, there is another issue which I have raised with you as early as in 1994, and to which I have referred several times. This is the public perception that the CGIAR is "in-bred." At a time when we are putting our house in order, and in a period of transition, it is necessary that we reach out to a new generation of talent and diversity, both research scientists and CGIAR members. This is critical to the credibility, the long-term viability, and the influence of the Group.

This is the reason for Proposition #9:

*The CGIAR will make a special effort to seek out talent of greater gender and national diversity in all key positions of the system, without compromising quality and standards.*

## 5. **Conclusion -- Moving On**

My friends.

Discussion of the agenda for MTM99 has been timed to give you every opportunity to examine the proposals before you, but you have a far, far greater opportunity than that of discourse. You have the opportunity and face the challenge of ensuring that agricultural research will be a dynamic instrument of societal progress, serving the needs of a new time and a new generation in a new millennium.

This is a unique opportunity. Let us use it wisely, to launch the system into an exciting future. Thank you.