

Minutes of the CDC Meeting
October 22-24 and 30, 1998,
Washington, DC

Participants:

Members: Geoffrey **Hawtin**, Chair, Director General, IPGRI
Grant **Scobie**, Director General, CIAT
Jeffrey **Sayer**, Director General, CIFOR,
Timothy Reeves, Director General, CIMMYT
Hubert **Zandstra**, Director General, CIP
Adel El-Beltagy, Director General, ICARDA
Meryl Williams, Director General, ICLARM
Pedro **Sanchez**, Director General, ICRAF
Shawki Barghouti, Director General, ICRISAT
Per Pinstrup-Andersen, Director General, IFPRI
David **Seckler**, Director General, IIMI
Lukas **Brader**, Director General, IITA
Hank Fitzhugh, Director General, ILRI
Ron **Cantrell**, Director General, IRRI
Stein **Bie**, Director General, ISNAR
Kanayo **Nwanze**, Director general, WARDA

Secretary: **Jean-Pierre Jacqmotte**

Agenda:

Thursday October 22, 1998:

- Opening of meeting
- Meeting with **Mahendra** Shah, **Executive Secretary**, CGIAR System Review Panel
- CDC **System** Review Discussion
- Reports of the CDC Sub-Committees

Friday October 23, 1998:

- Meeting with TAC Chair and Executive **Secretary**
- Joint session with CDOC
- Annual Meeting AIARC
- Meeting with representatives of the Conservation Company
- Report on Future Harvest
- Report on PARC
- Meeting with USDA and USAID representatives

Saturday October 24, 1998:

- Meeting with the CGIAR Chair and Executive **Secretary**
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- Joint meeting with the CBC

Friday October 30, 1998:

- Appointments to CDC sub-committees
- Post-ICW98 wrap-up meeting
- CDC Follow-up on the CGIAR System Review

Op of CDC Meeting

1. The CDC Chair welcomed Ron Cantrell as a *new* member of the CDC in his capacity of Director General of IIRI, and Jean-Pierre Jacqmotte who had very kindly agreed to provide executive support to the CDC.
2. The members of the CDC reviewed and approved the agenda with some minor amendments. Papers dealing with the Public Awareness Audit and with the Story Development Initiative (SDI) were tabled in preparation for the discussion on PARC.
3. The CDC agreed that the major outputs of the CDC meeting for ICW98 would be:
 - a CDC *statement* to the CGIAR on the System Review – which was made available at the opening of ICW98 on Monday October 26;
 - a summary report of the CDC meeting – which was tabled at ICW98 on Friday October 30; and,
 - an update on the developments since MTM98 in Brasilia on genetic resources, intellectual property rights and biotechnology – a joint document of the CDC/CBC/FAO was tabled at ICW98

For the record, these three documents are annexed to these minutes.

Meeting with Mahendra Shah, Executive Secretary, CGIAR System Review

4. In his introduction, Mr. Shah reported that the Panel issued its report in mid-September for review at a stakeholder meeting, following which the report was revised. He emphasized that the report was not to be seen as a blueprint for the future CGIAR, but as a series of guiding principles, embodied in 29 recommendations.
5. He said that the report did not include a concrete proposal for consolidation of Centers through mergers or closure, but identified criteria to proceed rationally with such an exercise: Centers' focus; possible synergies

arising from consolidation; regional dimensions; and considerations of management and governance.

6. with regard to funding, Mr. Shah emphasized the importance given by the Panel to unrestricted funding of the CGIAR research agenda. As this was at the level of 60% of total funding in 1997, the Panel originally suggested that the ratio be put at a minimum of 70% of any individual Center's total budget. However this was later lowered to 50% in light of funding realities. In addition, the proposed central body could, if accepted, manage unrestricted funds to support overhead items, as well as essential system activities such as training and the genebanks.

7. During the discussion, a number of issues were raised and discussed, including

- the general lack of analytical data in the report to support the recommendations – and increase its accessibility in the follow-up phase;
- the lack of alternative proposals;
- the lack of transparency in the consultation process followed by the Panel;
- the implications of broadening the mission statement, including its practicality in terms of accountability;
- the relationship between raising unrestricted funding, the demonstration of impact, and CGIAR participation in development-oriented projects – including with the World Bank;
- the IARCs comparative advantage in undertaking new initiatives such as the proposed African program;
- the shift in emphasis on certain activities and the issue of additionality versus replacement of existing activities;
- the "political" acceptability of a legal structure for the CGIAR.

6. The CDC Chair thanked Mr. Shah for his very helpful presentation and for his responses to the queries of the CDC members. He stressed the need for the CDC to find the best entry point in the discussion of the report with the Group.

Internal CDC Discussion on the System Review Report

9. The CDC members stressed the need to develop a collective statement that could be shared with the Group and serve as a guideline for CDC members participating in the working groups at ICW98. It would be important for the CDC to make its views clear on strategic issues, and to assure pro-active participation of the CDC and the Centers in the follow-up to the Panel report and discussion by the Group.

10. The CDC broke up in four working groups to discuss the recommendations, on the basis of a tentative guideline paper. Through an iterative process of discussions in the CDC plenary, exchanges with the CGIAR

Chair and the CBC, a collective statement was prepared and tabled at ICW98 (see annex 1).

CDC Sub-Saharan Africa Sub-Committee

11. The sub-committee tabled a report of its meeting held on 21 October 1998. Most of the items discussed had been subsumed within the CDC position paper on the System Review. The Chair reported that there were clear indications that a collective approach to USAID by the Centers was to be preferred to individual ones. The question was also raised whether additional donors should be invited to participate. The CDC recommended the sub-committee to take an 'accommodating' rather than an "inviting" attitude towards other donors.

Intellectual Property Rights (IPR) Sub-Committee

12. It was reported that since the previous CDC meeting – at MTM98 in Brasilia – consultations had been pursued among the Centers and with FAO. The result was three documents to be tabled at ICW by CDC, together with CBC and FAO:

- Guidelines for the Designation of Accessions under the FAO Agreements;
- Second Joint Statement of FAO and the CGIAR Centers on the Agreement Placing CGIAR Germplasm Collections under the Auspices of FAO; and,
- Material Transfer Agreement (MTA).

13. The CDC approved these documents and noted that the revised MTA should replace all earlier versions and should be implemented immediately by all Centers.

14. With respect to the IPG Guidelines, discussions were still underway among the members of the IPR Subcommittee and others, particularly with respect to the definition of 'germplasm and related information', as used in the agreements with FAO, and how to define a 'derivative'. It is expected that the IPR Sub-committee will be in a position soon, based on further discussion among the Centers and with FAO, to make a recommendation to the CDC. Once endorsed by the Centers and FAO this will then have to be reflected in a further revision of the MTA.

AIARC Sub-Committee

15. The need for the CDC, broadly representative of the membership of AIARC, to hold an annual meeting was stressed – which should call on all members. Among others, a decision was needed with regard to the admission to AIARC of new members, as well as on the need to improve communication between AIARC and center staff with regard to changes made to the compensation package. – See annex 4 for the minutes of the AIARC membership.

Meeting with the TAC Chair and Executive Secretary

16. The CDC and TAC Chair and Executive Secretary exchanged views on a number of subjects:

17. **CGIAR Logframe** – The TAC Chair reported that TAC75 had reviewed a draft document, in which earlier comments from the CDC had been incorporated. The implementation of the logframe in its current state would be discussed at ICW98, but it was more likely that final decisions would be made at MTM99. In the mean time, Centers should expect to use the new terminology in preparing their program of work and budgets for 2000/2002. Information sessions for center staff are being considered.

18. **Center Commissioned External Reviews (CCERs)** – There was a general agreement that CCERs fulfill an essential function in the overall CGIAR evaluation process and that streamlining the process – as recommended by the System Review Panel – would put the CCERs at its very center. This, in turn, would lead to shorter and better-focused EPMRs that would build on the CCERs. However, this would require that the CCERs and EPMRs share common criteria so as to be consistent and complementary to each other. Emphasis was also placed on the selection of members of the review panels since, to a large degree, this determines the credibility of the review.

19. **Marginal Lands Study** – According to the TAC Chair, while the themes have been identified, poor data inhibit the assessment of the issues and thus of strong recommendations to resolve them. More research is needed to develop such studies further. Some CDC members, referring to the LAC study, expressed their disappointment at the lost opportunity to tackle some critical issues such as that of cash crops (for export) versus food crops.

20. In this respect it was stated that TAC needed to concentrate its efforts on substantive issues rather than on process-oriented issues such as the logframe or CCERs. The TAC Chair agreed with this statement. He referred to the fact that the logframe was worked on by external consultants. He also agreed that TAC

should consult much more closely with the Centers on the composition of study panels and draw as much as possible on expertise from within the CGIAR.

21. **Partnerships** – The TAC Chair said that the management of partnerships has become an important and complex business. He referred to the fact that Pioneer had 1400 partnership arrangements. Also, he referred to the great interest of donors for this subject as demonstrated by the growing number of holdback facilities used by donors to promote partnerships. He informed the CDC that three outside consultants had approached TAC and the CGIAR Secretariat to pursue this issue at the system level. A CDC member commented that managing public partnerships was quite different from managing private partnerships. Again the role of TAC in this non-program area was questioned.

22. **Ecoregional Programs** – The TAC Chair informed the CDC that the review of ecoregional programs is under way. Ted Henzell is heading the review of eight programs (out of a total of nine), and will pay particular attention to the appropriateness of the concept of ecoregional programs. CDC members brought to the attention of the TAC Chair the fact that the CDC commissioned study was now available (the Collinson report) as a possible input in the TAC initiative. The CDC expressed the hope that the TAC study would go beyond just being another desk study. They also warned of the dangers of trying to reach generalized conclusions on ecoregional approaches, and urged TAC to consult widely with the Centers, including those who participate in, but do not convene, such programs.

Joint Meeting with Representatives of the CDDC¹

23. The CDC discussed with the representatives of the CDDC a number of issues:

24. **Financial Matters** – The CGIAR Secretariat had informed the CDC that 1998 CGIAR funding, estimated in a range of \$335-340 million, was in line with the original estimate. For 1999, the CGIAR Secretariat assumed that the World Bank's contribution would remain at \$45 million. Four members of the CDDC² will collaborate with the CGIAR Secretariat on a feasibility study and development of options for "corporate" liquidity management. Along the same lines, Centers will collaborate with the CGIAR Secretariat on streamlining center procedures to assess their overhead rates, as recovery of these costs has become a significant source of unrestricted funding. Some CDC members questioned whether the Secretariat has the necessary expertise, e.g. in hedging, to undertake such a task. As it was estimated that outside experts could be quite costly, it was suggested to associate Centers' external auditors with the studies. The CDC decided to support the studies while reserving its judgement on their outcome.

¹ For details, see the Report of the Meeting of the CDDC, October 21-22, 1998

² Representatives of WARDA, IRRI, CIAT and IIMI

25. **The CGIAR Gender and Diversity Program** – Upon recommendation of the CDDC, the CDC endorsed the proposed CGIAR Gender and Diversity program. The CDC committed financial support in the amount of \$200,000 as a bridging arrangement between the former and the new program, provided the coordination unit be established in a developing country, and full funding of the program be ensured. By the end of ICW98 the CDC was satisfied that both conditions would be met, and confirmed its support. The CDC nominated Meryl Williams for membership on the board of the program.

26. **Gender Analysis** – The CDDC informed the CDC that it had received a report for information on this issue.

27. **Spatial Information for Agricultural Research** – The CDDC informed the CDC that a consortium (CSI) of nine Centers, led by CIAT, had been established since MTM98. The consortium has identified six areas of collaboration and has established a steering committee. CSI will develop project proposals.

28. **Electronic Communication** – The contract with CGNET Services for IVDN expires in April 2000. The subcommittee on Electronic Communication and Information Technology (chaired by Stein Bie) thus plans to present to the CDC a proposal for tendering for this service. The aim is for the CDC to reach a decision on the service contract by ICW99. This may, or may not, be awarded to CGNET Services. The CDC subcommittee, with the assistance of CDDC, will call a meeting, before MTM99, to develop a CGIAR information strategy and policy. The CDC was pleased to note progress in the CGIAR's preparedness for Y2K compliance.

29. **Central Advisory Service (CAS) for IPR** – The CDDC recommended the establishment of a center-driven CAS with its own board. Funding is expected from a special allocation by the CGIAR Finance Committee. The CAS would develop a three-year inter-center project that would include an inter-center audit of IPR, channeling legal advice, and the development of proposals for a permanent CAS. The CDC emphasized the critical importance for the CGIAR of the proposed undertaking and the need to ensure true center "ownership" of the CAS.

Central Advisory Service for IPR

30. Subsequent to the presentation by the CDDC (see previous paragraph) the CDC discussed at length, in closed session, the various options regarding the proposed Central Advisory Service for IPR. It was agreed that the main function of the service would be to advise Centers on IPR matters relating to contractual arrangements with other institutions – private and public. The service would be restricted to CGIAR Centers and unless a strong demand can be demonstrated it

should *not* aim to cover biosafety issues or provide training. A major component of the advice provided would be to provide information on how to source appropriate legal expertise - in essence a 'referral service'. The CAS will not be responsible for developing IPR policy for the CGIAR but should only advise on its implementation. It was agreed that ISNAR would take the lead in establishing the service at its HQ in The Hague and that the Center Directors' Sub-Committee on IPR would provide direction and oversight. The CAS should comprise one legal expert - who is fully conversant with the North American IPR legal situation - and an appropriate support staff member. It was further agreed that the situation should be reviewed after a period of two years and a decision taken at that time as to whether to continue the CAS or to disband it, and in the case of its continuance, the basis of its future funding.

The Conservation Company³

31. John Riggan and his associates of The Conservation Company made a presentation on their involvement in the Ford Foundation's Organizational Strengthening Program. He explained that the program has a number of main themes that include funding, priorities and marketing (public relations and impact demonstration); managing collaborative alliances and partnerships; recruiting and maintaining high quality, diverse staff; and knowledge management.

32. Timothy Reeves and Pedro Sanchez provided first hand information on their experience with the program and both reported that they were very positive, particularly in team building, in improving the integration of women in the center structure, and through the course on partnerships. There was a general agreement that Centers as well as the CGIAR could benefit greatly from the program e.g. in the areas of global marketing, inter-center team building, Board development, the gender and diversity program, etc. The program operates on a matching funds basis between the recipient and the Ford Foundation.

Future Harvest

33. Barbara Rose, Director of Operations of Future Harvest, briefed the CDC on the progress made by the campaign since MTM98 with regard to the "pillar" studies (one is being reviewed, another is being prepared). She also mentioned the recruitment of ambassadors, the establishment of the campaign's identity (name and logo), and the external orientation of the program. She also reported strong support from World Bank staff in her endeavors.

34. The CDC unanimously congratulated Barbara Rose for her achievements during this first year of the campaign. Issues raised by CDC included Future Harvest's capacity to raise funds, its emphasis on agriculture compared to the

³ For more details, see hand-out distributed at the meeting

environment, its linkages with ~~Centers~~ and ~~NSOs~~, its interest to ~~NARS~~ as a model to reach their national policy makers, ~~the need to go beyond the North American "market", and the need for publications and materials in multiple languages.~~

PARC

35. Hubert Zandstra, Chair of PARC, reported on the meeting that had taken place earlier in the week

- Ruth Raymond (IPGRI) has taken over as Chair of the CGIAR Public Awareness Association
- PA workshops (facing the media/crisis situations) have now taken place in Latin America, Asia and Europe. They have been well received.
- The Centers agreed to nominate 6 people to staff the 1999 EPCOT displays. Partial funding will be provided by PARC
- PARC plans to partially support the Story Development Initiative (SDI) from its budget
- The PARC Chair intends to convene a meeting to explore ways of ensuring full collaboration among PARC, Future Harvest and the newly revamped IFAR.
- The CDC agreed that the Centers will provide \$800,000 in 1999 to finance PARC and Future Harvest. In addition, PARC retains an option to levy the full amount agreed earlier by CDC - i.e. 0.2% of individual center budgets.

USDA/USAID Meeting with CDC

36. A meeting was held with representatives of USDA and USAID to discuss the strengthening of ties between USDA and the Centers. Present at the meeting were, among others, Floyd Horn (Deputy Undersecretary of Agriculture), Emmy Simmons (Director, Center for Economic Growth and Development, USAID), Rob Bertram and Dana Dalrymple (USAID), Tiff Harris (CIMMYT) and representatives from Burgess Communications. The discussion mainly focussed on the proposal to hold a joint high-level seminar in early 1999 aimed at highlighting the importance of international agricultural research and the mutual interests of USDA and the CGIAR. It was agreed that the CDC would appoint four of its members to work on a Task Force to oversee arrangements: Tim Reeves (Chair), Adel El-Beltagy, Hank Fitzhugh and Per Pinstrup-Andersen.

CDC Meeting with the CGIAR Chair and the Secretary

37. In his opening statement, the CGIAR Chair stated that the report of the Review Panel ~~was~~ a real ~~asset~~ as it endorsed unconditionally the ~~work of~~ the CGIAR, and had already attracted the strong interest of the World Bank President. ~~The~~ latter had committed himself to ensuring the Bank's contribution to the CGIAR remained at the level of \$45 million for 1999, provided the Bank's Board ~~accepted this~~. During ICW98 the ~~center~~ directors would have an opportunity to interact with the board members.

38. With regard to the timetable, the CGIAR Chair expressed his intention to come to closure on several issues at ICW98. He expressed the view that the Group should tackle the report in a sequential fashion rather than as a package. He agreed that some issues, such as the legal persona of the CGIAR, the central board, the independent patenting unit, the full time Chair/CEO and key financing issues, ~~were~~ unlikely to be resolved at ICW98.

39. The CDC members largely agreed with the Chair's proposal on how to deal with the issues raised in the report, i.e. by distinguishing the underlying principles of the recommendations from the proposed implementation modalities. However, they stressed the fact that many of the recommendations referred to initiatives already being undertaken by Centers individually or collectively. There was a need to distinguish between the functions that are better assumed at the central level compared to the center- and intercenter levels. They also voiced their concern that attention be paid to the public goods nature of both the CGIAR and its products. Some CDC members cautioned against pressuring the Group too hard to reach decisions as most of the issues are highly complex and time is needed to think them through, e.g. partnership modalities, cosponsor status, evaluation processes, etc.

40. In his concluding comments the CGIAR Chair stressed the need for the CGIAR to anticipate the future and ready itself for change. He stressed the need to enlarge CGIAR membership, particularly from among developing countries, and ensure their full participation in decision-making. He urged all CGIAR participants to be open minded with regard to resolving issues, including on the consolidation of Centers. On the latter point he acknowledged there is a need to come to conclusion swiftly to avoid uncertainty among the Centers. He said he disagreed with the Panel on a number of specific points, e.g. on the quality and effectiveness of CGIAR meetings, the substitution of CGIAR plenary meetings by the central board, and the effectiveness of committees such as the Finance Committee. He indicated that until new decisions are made, all existing decisions, Committees etc. will remain. Thus, for instance, with regard to germplasm, the consensus reached at Brasilia will stand until such time that it is superseded by new decisions. He indicated his intention to set up an advisory body which together with the proposed working groups, and with due representation and participation of the Centers, would lead the process of

teaching consensus at ICW98 and MTM99. By ICW99, which might be his last ICW as Chair of the CGIAR, he expected all elements to be in place.

Meeting with the CBC

41. The CDC Chair briefed the CBC on the steps it had undertaken to prepare a position paper on the System Review Panel report based on its internal discussions and interactions with Mahendra Shah and the CGIAR Chair. He briefly described the main contents and focus of the CDC position paper, a draft of which was made available to the CBC members for their comment.

42. Discussion focussed on the treatment of IPR in the review report and concern at the proposal to establish an independent entity to handle IPR. The following topics were also discussed: the status of the advisory council and the representation of CDC/CBC on it; the need for Centers to enter into strategic alliances with producers and users of information; and the future role of TAC and the desire to see it evolve towards a more strategy-oriented body.

43. CBC Chair concluded that they and the CDC were clearly on the same wavelength and they could support the statements of the CDC. He also indicated that the CBC might choose another way to convey its own comments to the Group.

CDC Post-ICW98 Wrap-Up Meeting

44. Immediately following the dosing of ICW98, the CDC met briefly to discuss a few items:

- **Composition of CDC sub-committees and representation of CDC on other committees and task forces** – composition, as shown in annex 5 was approved.
- **Gender and Diversity Program** – The CDC confirmed that it would provide funding to the program as it considered that the pre-conditions set earlier had been met.
- **Follow-up on the System Review** –
 - **CDC representation on the Advisory Council**: Pedro Sanchez and Per Pinstrup-Andersen (Geoffrey Hawtin as alternate)
 - **CDC Report on Recommendations 4 through 11**: a list-server will be set up for all CDC members to participate in the discussion, based on the commentary tabled at ICW98; report due end November 1998
 - **First Meeting of the Advisory Council**: January 1999;

- CDC Retreat to review outcome of the first meeting of the Advisory Council - February 1-3, 1999 - Location to be determined (Kenya, London, Rome)
- TAC76 meeting, possibly concomitant with a second Advisory Council meeting - Location: Rome - Date: March 22-27, 1999
- CDC Meeting: May 21-23, 1999, China, immediately before MTM99.

45. The members of the CDC unanimously thanked Geoff Hawtin for his leadership of the CDC over the past year, and welcomed Pedro Sanchez as its new Chair.

CENTER DIRECTORS' COMMITTEE SUBMISSION TO THE SYSTEM REVIEW

The submission presented here has been prepared from inputs provided by the directors general of the 16 CGIAR centers. It thus gives a center perspective and concentrates on the operations of the centers within the system, and especially on how they work together and in the global research system. Given the complexity of many of the issues addressed, however, it is not a consensus document but rather a review of discussions among the center directors.

The center directors note that, in recent years, the CGIAR has undergone extraordinary transformation. Despite the huge challenges the system still faces to perform long term strategic research in a climate of uncertainty, it is emerging from this transformation as a truly unified system, able to reflect both the strength of its total capacity and the enormous diversity of its components and the array of partners.

The submission covers:

- comments on the center director's vision of the CGIAR and the major challenges facing the system;
- the role of the CGIAR;
- the comparative advantage of the CGIAR, including the questions of location of the centers;
- the positioning of the CGIAR in the world system; and
- comments on the performance and effectiveness of the system.

A vision and the challenges

The center directors stress that they believe the mission of the CGIAR now is more critical than ever before and that the best and latest science must be brought to bear on food security, poverty alleviation and natural resource conservation. We see the CGIAR as working at many levels. The centers own work directly bears on these challenges and as the challenges change, **so** must the work of the centers. The centers **also** work in partnerships with those who must, long term, carry on much of the responsibility for this work in their own developing countries..And the centers form the 'glue' of the Global Forum.

As we see it, the vision of the CGIAR as expressed at the 1995 Lucerne Ministerial level meeting needs updating. The CGIAR is evolving rapidly with external and internal events. We have drafted a new Vision Statement for consideration of other stakeholders. By redrafting the current vision, we wish to overcome some shortcomings in the present vision statement in the way in which it addresses the environment, biodiversity and global partnerships.

DRAFT CDC VISION OF THE CGIAR

Conduct, together with our partners, research that will result in less poverty, a healthier, better nourished human family, enhanced natural resources and people-centered policies for sustainable development.

The CGIAR will focus on five major research thrusts over the next 20 years:

. Improving and Sustaining the Productivity of Diverse Systems. Make developing country smallholder agriculture more productive, sustainable and resilient through genetic improvement in crops, livestock, fish and trees and better management practices.

. Enhancing Environmental Functions and Services. Safeguarding terrestrial and aquatic

environments in which agriculture, forestry and fisheries production is maintained or increased, restoring them when degraded and reducing the impact of production practices on the environment, to assure they produce needed environmental functions and services such as watershed protection, nutrient cycling, carbon sequestration, fish, tree and water production, etc.

. Saving Biodiversity. Protect, conserve and characterize the genetic resources of major crop, animal, aquatic and forest species and their ecosystems. Conserve, utilize and keep freely available to the world over 600 000 accessions of thousands of plant and animal species the centers hold in trust.

. Improving Policies. Public policy and the development of human institutions and management heavily influence improving productivity, environmental functions and biodiversity. CGIAR's policy research helps streamline and improve policies, institutions and management that influence the spread of new technologies and natural resource management.

. Strengthening National Capacities. Through collaborative relationships with national research and extension programs in agriculture, forestry and fisheries in developing countries, and through global partnerships, the CGIAR strengthens skills and develops capacity and linkages in research methodologies, research management and information technology.

In looking to the future which this vision of the CGIAR science addresses, we see many challenges and opportunities where the CGIAR has major roles to play. Among the major global developments are the International Convention on Biological Diversity and questions over the protection, ownership and use of genetic resources including intellectual property rights and biosafety; and the future impacts of trade liberalization and the operations of the World Trade Organization on agriculture, forestry and fisheries contributions to food security. Of growing importance will be the arrangements post-Kyoto concerning climate change; and the role of public and private sector science in biotechnology, for food production and environmental protection.

And finally, in response to changing domestic and global imperatives, development assistance agencies are undergoing major shifts in their missions, policies, delivery mechanisms and sources of financial support. These shifts have been driven by domestic or multi-lateral policy shifts as well as the degree of progress made in recent decades and the changing role of governments. Typically, development assistance now involves a greater focus on poverty alleviation and environmental protection rather than direct economic and technical development and growth, and greater involvement of civil society and the private sector as development partners and delivery channels. Private sector fund flows to development assistance are also increasing, especially from north American agencies. The loci of poverty alleviation efforts has also shifted regionally and nationally. Regionally, Africa and South Asia are now highlighted as requiring most attention. The aftermath of the recent Asian economic events also raises questions as to the future rural and economic developments of many Asian countries. Nationally and internationally, many equity issues drive concerns, including gender and ethnic issues, urban and rural poverty, marginal versus high potential lands, and access rights to natural resources. The corporate private sector is driven by good business sense to pay more attention to the environment but the question remains as to whether attention to social justice concerns will also improve the corporate bottom line.

The CGIAR is responding to the challenges of changes in science, development assistance and its operating environment by enriching its partnerships and by becoming more accountable for its outputs including the technical and policy implications of its work.

National agricultural, forestry and fisheries research systems are grappling with the challenges of ever more complex production and environment situations and the need for global competitiveness. For strengthening often still weak national systems, especially in the smaller countries, international assistance is essential.

Role of CGIAR centers

Here, we focus on the centers' role rather than more generally on that of the whole of the CGIAR system. The role of the centers has many parts, principal among which are:

- i. creation of international public goods;
- ii. a conduit for science and its applications in developing countries.
- iii. research leadership;
- iv. strategic partnerships;
- v. a forum for global discussion.

Each of these is briefly examined, in some cases answering questions already raised by the System Review.

i. Creation of international public goods:

This is one of the most essential roles of the centers but one which has changed with time as our partners' capacities have changed and the types of goods needed have changed. Therefore, whereas the public goods produced by the centers in earlier times may have been germplasm lines and training, the goods today include some of these plus more upstream research methods, policy-relevant advice, natural resource management research methods, how to tackle poverty alleviation via science and more environmentally beneficial research as important areas.

Thus, this role is an example of how the centers mandates develop with time. It also demonstrates that there will be a need for international centers far into the foreseeable future, and contrasts with earlier views that the centers had time-bound mandates or expiry dates. This is not to be interpreted as a blanket claim for all centers for all time. A further need for international public goods arises from globalization whereby competitive forces reach into the lives of all people in all countries. Thus all people, regardless of their means, require access to food production and environment protection technologies.

ii. A conduit for science and its applications to developing countries:

The CGIAR, with its focus on development, acts as a conduit for science into developing countries and also to focus national science attention on the lower income groups in those countries. NARS science often must set priorities which tend to benefit development of the better off segments of society, in line with national economic imperatives.

The conduit role, and also the strategic partnership role, require that centers constantly keep under review the balance between the amounts of research work conducted by the centers and that facilitated by them; the balance between upstream and downstream research; the form of their work in biotechnology and other new areas of science; and the interpretation of the centers' roles in research relevant to poverty alleviation.

iii. Research leadership:

Centers should take the international research leadership not only on obvious mandated areas but also, for developing countries, on the relevant agricultural, forestry and fisheries aspects of such global issues as climate change, El Nino, intellectual property rights and biotechnology.

As centers, we recognize that we need a coordinated approach that will give us the capacity to respond, e.g. with agreed position or issues statements. Thus center directors have undertaken to coordinate during our annual meetings and have appointed a number of focal persons responsible

for coordinating the development of a position on each issue and identifying appropriate strategies and follow-up. To improve the system's performance as an authority in handling major issues, appropriate media strategies and skills are needed.

iv. Strategic partnerships:

Strategic partnerships in research require that the work builds on each partners' comparative advantage. This is dealt with in more detail in the next section on the positioning of the CGIAR system. The center directors believe that the CGIAR role in strategic partnerships goes well beyond the clearinghouse and networking roles often discussed for the CGIAR. Indeed, the CGIAR could not be effective as a clearinghouse unless it brings credible scientific capacity and hands-on experience to this role, as well as a good knowledge of potential partners and the ability to work in partnerships.

v. A forum for global discussion:

Also as part of its scientific leadership role, the CGIAR can and does provide global fora for discussions of science and policy.

Comparative advantage

Unlike many international organizations, the CGIAR is apolitical and not, by its nature, inter-governmental. This has given it both autonomy and flexibility.

Its apolitical nature has meant that scientific cooperation between some countries has been facilitated with mutual benefits to the partners; benefits, that would have been inaccessible if bilateral cooperation had been the only option.

It has been instrumental in attracting 16 new members from the developing countries in the last 4 years. The absence of a formal legal structure; an executive body or a weighted voting structure, means that smaller new members feel they have an equal opportunity to contribute to the vigorous and open debate about priorities and future strategic directions.

The Centers derive much of their strength and resilience from their diversity- diversity in their staffing, in their independent Boards of Trustees and in their decentralised, wide geographical coverage. Almost all the centers are actually working out in the countries they serve, picking up first hand the needs, experiencing the conditions and gaining a first hand understanding of needs, working with country agencies and seeing potential modalities for the uptake of research results.

The CGIAR Centres have an enormous network of collaborating partners in both the NARS and with a wide range of ARO's. They provide a funnelling point for the contacts acting as neutral intermediaries in bringing rapidly advancing sciences to the service of the developing countries. AROs from the North attempting to do similar work often use the centers as their entry point and their working in collaboration with and through the centers makes CGIAR a vital part of the global delivery system

These broad networks built up over nearly 30 years have provided the foundation for a significant widening of the partnerships in recent years, in tune with the changing paradigm of development assistance and the trend towards globalization.

The CGIAR has demonstrated its ability to adapt its research agenda to emerging priorities. The relative importance of saving biodiversity and protecting the environment has risen dramatically in recent years, in accord with new global challenges.

Through access to the materials, and products of the CGIAR system, partner countries are able to make more efficient use of their own limited resources for research, by drawing on materials and scientific advances that are widely applicable and tailoring them to their circumstances.

The CGIAR has been a vehicle for sustaining the flow of funding to agricultural research when the overall level of ODA for agriculture has declined sharply.

The model of the CGIAR is seen as being successful by other groups, and is being emulated in the Global Water Partnership and the Consultative Group to Assist the Poor. Medical researchers have attempted to develop a similar system of international research centers aimed at health and disease issues unlikely to draw private sector and national government support. Some international centers for development-related medical research exist or are being formed, e.g. the International Diarrheal Research and Development Center in Bangladesh and the new International Vaccines Institute in South Korea, but so far a system has not formed.

The most significant comparative advantage is the ability to get development-oriented research done. There is no other organization that we collectively know that comes close in delivering research results under developing country conditions as the 16 centers do. The apolitical nature of the CGIAR, center autonomy and donor sovereignty have made this possible.

Location of CGIAR Centers

At its meeting with Center Directors on October 29, 1997, the CGIAR System Review Team asked Directors to comment on the issues related to the location of Centers. Why were they located where they are? What considerations were given to their location? What factors were important in locating Centers, and could different locations be preferred for certain centers.

To answer these questions generically is quite difficult, as the activities of CG Centers differ widely. Some deal with commodities, some with factors of production and environment, some with policy and management. Some Centers have global responsibilities, some are regionally focused. Many are mixed, dealing on a regional level with some activities and on a global level with others, or combining factor or management issues with commodities. For this reason, this commentary will consider several aspects of the issue of center location. These include; Access, biological and environmental considerations, institutional environment, and Governmental support.

Access. All Centers contribute to CGIAR objectives and as such consider developing countries as their geographical focus. They study complex systems that are environmentally, culturally, historically and institutionally conditioned. They therefore require ready access to the conditions and problems which they seek to address. This is particularly true for those addressing biological or physical/environmental sciences. Such centers are where the action is - there is no substitute for living with the real problems day by day in a developing country situation. This is a major comparative advantage over development oriented institutions with large headquarters in the first world.

Biological and environmental aspects. In the case of commodity centers, their location should assure access to the major centers of germplasm diversity. Major production regions must be serviced and access to suitable locations for screening ("hot spots") should be sought. For centers dealing with natural resource issues, the target environments must be taken into consideration when deciding on locations. ICLARM, for example, is in the most important fisheries and aquaculture region in the world - southeast Asia; ICRAF in the most agroforestry dependent region - SubSaharan Africa, CIFOR in one of the key tropical forest countries - Indonesia.

Institutional environment. Centers have sought to be located in functional institutional environments, such that quality facilities can be maintained and quality staff can be attracted. One such factor found to be important to success of many centers, is the close proximity of Universities, whose programs could become linked to center activities, and for which centers could provide research opportunities. Institutional conditions change with time. Urban sprawl, crowding, health conditions and economic growth or collapse, the weakening of institutions and war and famine, have all influenced the fate of centers once they were established.

Government support. All Centers depend on strong Government support in the locations where they are active, for their functionality. This support has been fairly stable over time, even during times of major national unrest as in Nigeria, Ethiopia and more recently Peru. But relations between centers and the broader scope of host countries' institutions often pass through ups and downs.

Decentralization. Several centers have found it necessary to develop a presence in all major areas in which their commodities, key ecoregions or actors/environments occur. The need for decentralization depends on the commodities and factors addressed by the center, and the ability of existing institutions to serve as an effective counterparts. For certain commodities shipment of plant or animal materials is extremely difficult, and germplasm transfer facilities need to be established in key locations. Centers in effect face constant location changes opening and closing work sites. Decentralization can be driven by a number of the factors listed as headings above, but generally leads to self-enforcing institutional alliances that become very important in Center functioning. The advantages of decentralized operations have increased as a wider institutional participation is sought, and because of greatly improved communications.

Changes in Location. Once established, the Centers gradually built up institutional capital in their location(s) of operation, particularly in their headquarters. The highest value lies in the staff and institutional culture. A change of location, which may be necessary from when the comparative advantage of a location changes over time, will imply a loss of between 3 and 7 years of work, in particular for biological or resources management Centers. This is because of the need to attract and develop new staff, create new procedures, study new screening and testing environments and make new institutional links.

Conclusion. The location of CGIAR Centers is decided on the basis of their objectives and the opportunities offered to achieve these. Environmental and institutional factors, which may change over time, determine these opportunities. The locations of operations evolve as Centers responded to the unique challenges they face in their research areas and because of changes in the institutional and political environment. Given their tasks, the Centers seek to achieve the nearly most functional locations for their activities. Therefore, in addition to its cost, a change in location is usually only justified when major changes in objectives or comparative advantage of locations occurs.

Positioning of the CGIAR system

The CGIAR is uniquely positioned to bring the best appropriate science to bear on sustainable food production and environmental protection in developing countries. As argued in previous sections, however, the most effective role for the CGIAR has changed over the past three decades. In earlier days the CGIAR was often the primary supplier of agricultural research in developing countries. Now, and increasingly for the future, the CGIAR is a partner in agricultural research, linking and focusing the capacities and activities of NARS, NGOs, universities, the private sector and ARIs.

This evolving role for the CGIAR is due to fundamental changes in the North and South. In the South many investments in building institutional capacity and developing human capital have been

sustainable. However, too often, the values of this capacity are not fully realized because of inadequate operational funds and failure to focus on development priorities, new paradigms and research tools.

In the North, the level of science is higher than ever, but the agriculturally active population is small and there is less understanding of the role of agriculture in economic development, especially for developing countries. Memories of contributions of agricultural research to agricultural development in the North earlier this century have waned.

The CGIAR's international status enables it to help bring the fundamental scientific capacity of ARIs to bear on the agricultural systems and indigenous genetic resources to which the NARS in the South provide direct access. Moreover, the CGIAR has credibility from its own scientific contributions to this global research partnership addressing the biotechnical, agroecological and socioeconomic constraints to agricultural development

Increasingly, the CGIAR centers are focusing on strategic partnerships - defined as arrangements with institutes/systems/organizations/individuals to develop and implement research programs/projects jointly, building on each partners comparative advantage.

We believe that the CGIAR must focus on problems beyond our current capacity. This is mandated by the linkages among issues facing agriculture, forestry and fisheries, the need for a systems approach to address the issues and the need to achieve impacts through developing the capacity to deliver on discoveries.

We identified the following factors as important in fostering CGIAR strategic partnership:

- i. partners must be willing to adjust their research programs within the CGIAR agreed agenda;
- ii. partners and investors must own the common agenda;
- iii. the capacity to deliver must exist within the partnership;
- iv. credit must be appropriately accredited;
- v. partners must set and agree priorities jointly;
- vi. strategic partnerships require credible internal capacity to managing/contracting out different services;
- vii. the partnership must include complementary skills; and
- viii. the partnership must be based on mutual advantage.

Strategic partnerships need to constantly work through the differentiation of roles and responsibilities. These will be strongly task and capacity related so it is not possible to generally prescribe for the centers what they should be doing more of, what to get out of, who do we give work away to and to what extent. However, the center directors feel that it may be possible to develop some general principles for choosing program portfolios.

Performance and effectiveness:

We note that the CGIAR is a large, growing and increasingly complex organic system which has been greatly enriched in recent years by new partnerships, and other committees designed to enhance the financial, management and research accountability of the system. All parties to the system recognize that political and stakeholder support, partnerships, policy oversight, management and impact evaluation are important to a healthy functioning system. At the core of the system lie the centers.

We have chosen to address the question of system structure, and specifically center structure in relation to performance and effectiveness.

The center directors have adopted an open mind on the questions of CGIAR and centers' structures but note that perceived problems in the CGIAR were rarely structural. In addition, there could never be a 'perfect' structure for a system as complex as the CGIAR.

In considering the totality of the CGIAR structure including the structure of the centers, the center directors drew up the following criteria relevant to the CGIAR structure:

- i. major structural change should be reserved for cases in which major gains could be expected or to fix major problems;
- ii. during change, continuity of system knowledge and investments in relationships should be assured;
- iii. large, bureaucratic institutions should be avoided;
- iv. flexibility through decentralized decision-making should be maintained;
- v. function should take priority over and determine, to the extent possible, form;
- vi. open accountability should be maintained;
- vii. assets such as the political independence of the CGIAR and participation by the south in its governance should be maintained.

Potential factors on which center structures could be investigated included structure by discipline, ecosystem, region, commodity and issue. The center directors noted that among the present centers, examples of center(s) could be found for each of these factors. Potential criteria for structuring the centers could be as follows:

- i. CGIAR focus:
 - the widened agenda;
 - future food and environment implications.
- ii. commonality of science, e.g. roots and tubers, water
- iii. optimization of intercenter transactions;
 - make NARS relations per center as simple but rich as possible
 - make use of joint staff and Board appointments to maximize communication
- iv. optimize intercenter management;
 - develop methods to keep intercenter management of research as efficient as possible.

The center directors also noted that the present structure of **16** autonomous centers was only one possible configuration and we made a general examination of a wide range of alternate options including one board/one CEO, and other arrangements of the **16** centers.

We do not have a single view on an alternative preferred structure and what follows is an analysis of the pros and cons of two models - a major restructure to form fewer, larger centers, and the one board/one CEO model, with legal character.

A radical new structure could achieve further renewal via a shakeup, may reduce governing costs if the numbers of centers were greatly reduced, provide opportunities to aggregate some resources, make system-wide decision-making more efficient with fewer centers and reduce transaction costs for some multidisciplinary work. On the negative side, the changes would lead to losses of corporate history, partnerships and institutional knowledge, incur significant restructuring, relocation and startup costs, cause **loss** of research output flows, require identities and partnerships to be re-established with national systems, create some geo-political fall-out due to headquarters decisions and lead to hierarchical management in large centers. Further, the center directors felt that the present center size of about **\$10 to \$40** million was appropriate from a governance and management viewpoint, although the effectiveness of budgets of this size varies

with the composition of the budget, e.g., the percentage of unrestricted core as discussed in other submissions.

For the extreme model of one board/one CEO, the center directors felt that this would bring the potential benefits of unified reporting, accounting and marketing but with a loss of diversity of the centers; better integration from top to bottom but would be risky if the whole system experienced problems; may provide focus for better donor discipline but loss of some donors through lack of diverse investment options; and would be problematic in terms of cost savings since savings from having a single board would likely be off-set by the need for substantial advisory committees or mini-boards for specific parts of the operation.

Finally, the center directors also emphasized the benefits of the 'single system' rather than 16 (or any other number) of centers approach and noted that in the last two years, the centers have been moving strongly to form a unified system, while retaining the diversity of each mandate and center culture. In order to underline the extent of this unification, the center directors are presently conducting an audit of formal arrangements between centers.