(The attachments, to the Integrated Reform Proposal adopted at the CGIAR Annual General Meeting 2001 (AGM01) have been modified in the light of comments at AGM01)

Attachment 1:
Functions of the CGIAR Executive Council (ExCo)

The ExCo is a committee of stakeholders, incorporating perspectives from all components of the CGIAR System, appointed by the CGIAR (the Group) to facilitate decision-making, carry out certain delegated functions and follow-up actions arising out of annual general meetings (AGMs) of the Group. The ExCo will have authority to act on behalf of the Group between AGMs on matters delegated to it by the Group. The CGIAR will delegate to the ExCo the functions necessary for carrying out the regular business of the Group, recognizing the need to align the functions of all CGIAR governance units. In addition, the ExCo will facilitate decision-making by the Group and provide oversight during implementation of the Group's decisions.

The ExCo would meet at least twice a year to transact business. Each ExCo meeting will be co-chaired by the CGIAR Chairman and an ExCo member selected by the ExCo to serve as Co-Chair for the duration of that meeting. The CGIAR Director would serve as the Executive Secretary of the ExCo and the ExCo may authorize the CGIAR Director to take follow-up actions between meetings. Support services would be provided by the System Office.

The ExCo would hold short meetings (e.g. two days) that are conducted in a businesslike fashion; and should report to the Group regularly, using electronic and other means. The ExCo will be responsible for the following functions:

Goal setting and planning:
- coordination and oversight of the CGIAR-wide strategic and operational planning processes as directed by the Group;
- recommendations to the Group on the System's strategic and operational plans and the selection of Challenge Programs, drawing on inputs and advice from the Science Council and other stakeholders; deciding on planning grants to assist in the preparation of CPs;
- recommendations to the Group concerning policies and decisions on resource mobilization and allocation plans;
- recommendations to the Group on medium term plans and annual financing plans for the System and its advisory and support units;
- requests to the Science Council (SC) for scientific advice on programmatic and other Systemwide strategic issues.

Monitoring implementation:
- monitoring administrative actions arising out of the decisions of the Group, including those pertaining to resource mobilization and allocation;

- monitoring and reporting to the Group on the progress, quality and effectiveness of Challenge Programs, with advice from the SC.

Evaluation:
- oversight of evaluation activities on behalf of the Group, with support from the Science Council and the Secretariats;
- recommendations to the Group on actions to be taken in the light of evaluations of the performance and impact of the Centers and Challenge Programs.

Self Governance:
- recommendations to the Group concerning key appointments to Systemwide posts (e.g., Science Council and SPIA Chairs and members, CGIAR-nominees on Center boards);
- oversight of the work programs and performance of advisory and support units;
- advice and counsel to The Group on all other matters of Systemwide governance.

Matrix of Responsibilities

Product	Timing	Stakeholder	CGIAR	Executive Council	Science Council	System Office	Centers and Challenge Programs
Planning Context	5 Years	Collaborate	Approval	Oversight	Prepare	Facilitate	Collaborate
Planning Guidance	3 – 5 years	Collaborate	Approval	Oversight	Collaborate	Prepare	Collaborate
Medium Term Plans **i] Periodic**	Rolling 3years	Collaborate	Approval	Oversight		Consolidate	Prepare
ii] Project Portfolio	as required	Collaborate		Approval	Review of Science	Consolidate	Prepare
Annual Operating Plan						Consolidate	Prepare and Approve
Annual Financing Plans	October		Approval	Oversight		Consolidate	Prepare
Evaluation & Impact Assessment	Periodic	Collaborate	Decision	Oversight, follow-up	Commission (program-matic)	Commission (manage-ment)	Collaborate

Annual Ex-post Report	April			Oversight		Consolidate	Prepare

The process steps and products shown in the matrix above largely follow the present CGIAR processes (which are described in Box 1 on page 31 of the 2000 CGIAR Annual Report) and suggest how responsibilities should be shared among the various elements of System governance in the future. Detailed definitions appear below. A Working Group to be established by the ExCo in 2002 will prepare a detailed proposal on the SC's responsibilities and functions.

Definitions:

Planning Context: Periodically assessing the needs of CGIAR client group for services from the CGIAR in context of emerging developments in science, trends in global economy and the economies of developing countries, and availability of capacity in CGIAR partners and stakeholders. This would serve to update the CGIAR's vision, strategy and priorities, and as a basis for resource allocation across the System.

CGIAR Planning Guidance: Based on the context, planning guidelines describe objectives and proposed deliverables for the CGIAR, areas and activities of more and less emphasis, changes in modes of operation and provide a broad assessment of required human and financial resources. The document provides planning guidance to centers in preparing their medium term plans.

CGIAR Medium-Term Plans (periodic): Based on the guidance provided by the CGIAR and their own strategic plans, centers (and challenge programs as appropriate) prepare program and business plans on a rolling three-year basis. The CGIAR medium term plan is an aggregation of center medium term plans.

CGIAR Project Portfolio: A basic program-planning unit in center plans is a logical framework based portfolio of projects. The projects describe specific objectives, identify collaborators and partners, define deliverables and provide required budgets. The CGIAR Project Portfolio is a consolidated portfolio of center and CP project portfolios.

CGIAR Annual Operating Plan: Centers prepare more detailed operating plans annually to develop work programs, plan activities and resource outlays. The plans identify deliverables for the year. These are reviewed and approved by the Boards of centers or the governing bodies of CPs. The CGIAR annual plan is an aggregation of center operating plans.

CGIAR Annual Financing Plan: Financing plans identify sources of financing for the operating plans and, in case of a mismatch between budgets and availability of financing, revise the deliverables. The CGIAR financing plan is an aggregation of Center and CP financing plans, which are reviewed and approved by their respective governing bodies..

<u>Evaluations and Impact Assessments:</u> Periodic reviews of program performance (Centers, Systemwide, and Challenge Programs), as well as assessments of the impacts of these programs on CGIAR goals provide verifiable information which is fed back into future planning guidance.

<u>CGIAR Annual ex-post Report</u>: At the end of the year, Centers prepare an assessment of planned vs. actual deliverables. The CGIAR Annual Report will include an aggregation of Center reports.

Attachment 2:
Rules of Procedure of the CGIAR Executive Council

I.   SCOPE

1.   These rules of procedure shall apply to the conduct of business by the Executive Council (ExCo) of the Consultative Group on International Agricultural Research (CGIAR, or the Group).

II.   DEFINITIONS

1.   For the purposes of these rules:

   a. "CGIAR" means the Consultative Group on International Agricultural Research.
   b. "Cosponsor" means the representative of the Food and Agriculture Organization of the United Nations (FAO) the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP), and The World Bank.
   c. "Council" means the Executive Council of the CGIAR.
   d. "CGIAR Members" means all donors (countries and institutions) attending the first meeting of the CGIAR and those who have been admitted to membership by acclamation at a subseque nt CGIAR meeting.
   e. "Contributing CGIAR Members" (also called "shareholders") means all institutions who make regular annual financial contributions to the CGIAR at least at the base rate of US$0.5 million.
   f. "CGIAR ExCo Members" means Members of the Executive Council of the CGIAR.
   g. "Centers" means the 16 international agricultural research centers supported by the CGIAR.
   h. "CGIAR Chairman" means the Chairman of the CGIAR, appointed by The World Bank, usually at a vice-president level.
   i. "CGIAR Director" means the Director of the CGIAR, appointed by the CGIAR Chairman and Vice President of the World Bank.
   j. "Stakeholders" means the broadest possible group of individuals and organizations that have a stake in agricultural research for development.
   k. "Elected Meeting Co-Chairman" means a CGIAR ExCo Member elected as Meeting Co-Chairman for the duration of the meeting.
   l. "Systems Office" means the corporate office of the CGIAR.
   m. "Attend" means that a CGIAR Member shall be permitted to be present in the Council meeting room and, at the invitation of the Chairman or elected Meeting Co-Chairman, may address the Council.
   n. "Observer" means a representative of a country, international, regional, or national agricultural research institution, or civil society organization who

shall be permitted to observe the Council proceedings, and at the invitation of the Chair, or elected Vice-Chair, may address the Council, but may not participate in any consensus decision.

o. "CGIAR Annual General Meeting" means the once-a-year meeting organized by the CGIAR to review and implement business decisions

p. "Meeting" means any regular or special meeting of the Council.

q. "Session" means a period of a meeting.

III.   COUNCIL

1.   Functions and responsibilities are defined in Attachment 1.

2.   Composition: 21-member ExCo where all members are full members, and decisions are based on consensus, not voting. Chairman plays a strong "consensus forging" role among all participants. The composition will be as follows:

Non-rotating ExCo Members:

CGIAR Chairman	1
Cosponsors (FAO, WB, UNDP and IFAD)	3[1]
CBC, CDC and SC Chairs	3
GFAR	1

Rotating ExCo Members:

OECD/DAC Country Representatives		5
Americas	1 member	
Asia and Pacific	1 member	
Europe	3 members	

Developing Country Representatives		5
Americas	1 member	
SSA	1 member	
Asia and Pacific	1 member	
CWANA	1 member	
Regional Fora	1 member	

Foundations	1
Civil Society/NGOs/ Farmers' Organizations	1
Private Sector	1
Total	21

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[1] Cosponsors hosting a System governance unit (such as the Science Council Secretariat and the CGIAR Secretariat) would maintain a continuous membership on the ExCo. Rotation would apply to Cosponsors not hosting such a mechanism.

The CGIAR Director will serve as Executive Secretary of the ExCo. Rotating ExCo members will have a term of two years. Each constituency will agree on rules defining its alternates.

3.   Selection of members: Selection will be by consultation, not voting. Among the CGIAR members, only contributing members will be eligible for selection to the ExCo. Rotating members will have a term of two years, with the proviso that initial members should be appointed to terms of varying length to ensure a balance between continuity and orderly rotation. ExCo members should represent diverse perspectives rather than fixed constituencies or countries. A balanced representation of perspectives (e.g., regional) should be sought in the selection and rotation of ExCo members.

IV.   MEETINGS

1.   Nature: The Council shall meet in regular mode or through virtual modes (i.e. through video or audio conferencing or via the Internet).

2.   Frequency: Semi-annual, or as frequently as necessary to enable it to discharge its responsibilities especially when decisions have to be made that cannot await adoption in a regular meeting. Adequate notice (at least four weeks) will be given before a meeting is held.

3.   Location: Once a year at the site of the CGIAR Annual General Meeting and once a year hosted by a CGIAR Member or Center.

4.   Agenda: A provisional agenda is to be made available by the CGIAR Director at least 4 weeks prior to an ExCo meeting, and a final agenda one week prior to the Council meeting. The provisional and final agenda will be simultaneously available to ExCo members as well as all other CGIAR members. ExCo and CGIAR members may propose additions to the provisional agenda. The documentation for the meeting should be available at least a week before the meeting. The Council shall, at the beginning of each meeting, adopt the agenda for the meeting. Any item included on the agenda for a meeting of the Council, consideration of which has not been completed at that meeting, shall, unless the Council decides otherwise, be automatically included on the provisional agenda for the next meeting. The Council may decide to review and decide on such items in virtual mode, where appropriate.

5.   Transmittal of documents: All documents are to be mailed to Council at least seven working days in advance of a regular meeting and as soon as possible before a special meeting. To facilitate speedy dissemination, the documents will be simultaneously made available on the CGIAR website www.cgiar.org

6.   Attendance: Council meetings shall be open to all CGIAR Members, as observers. The CGIAR Chairman, or the elected Meeting Co-Chairman, may, in consultation

with the Council, invite representatives of other organizations and entities, to participate in Council meetings as observers.

7.   Secretary: The CGIAR Director shall serve as the Executive Secretary of the ExCo.

8.   Quorum: Two-thirds of the CGIAR ExCo Members shall constitute a quorum.

9.   Elected Meeting Co-Chair: At each meeting, the Council shall elect a Co-Chair from among the CGIAR ExCo Members for the duration of that meeting. To ensure broad representation, the position of elected Co-Chair shall change from one meeting to another. The elected Meeting Co-Chair will not relinquish any right.

10.   Languages: Interventions shall be made at the Council meetings in English. Language assistance will be provided whenever required by a Council Member.

11.   Interventions: Debate shall be confined to the question before the Council and the Chairman and elected Meeting Co-Chair may call a speaker to order if his/her remarks are not relevant to the subject under discussion. With the consent of the Council, the Chair or elected Meeting Co-Chair may limit the time allowed to speakers and the number of times a speaker may speak on any question.

12.   Closure of list of speakers: During the course of a debate, the Chair may announce the list of speakers and, with the consent of the Council, declare the list closed. When there are no more speakers on the list, the Chair shall declare the debate closed.

V.   ESTABLISHMENT OF COMMITTEES

1.   The ExCo will have two committees: a Committee on Programs and a Committee on Finance. These committees could have membership beyond the membership of the ExCo and their terms of reference should be aligned with those of other CGIAR committees (such as the Science Council). ExCo members may volunteer to serve on either of the two Committees, or nominate other CGIAR members to serve on them. Based on these soundings, the Chairman will propose the membership of each committee for review and appointment by the ExCo. The terms of reference of both committees require the approval of the ExCo.

2.   In addition to setting up its Program Committee and Finance Committee, the ExCo should examine the adequacy of the existing committee structure of the CGIAR, consider ways in which the CGIAR could improve its dialogue with civil society organizations, review the work of existing committees and, where appropriate, propose changes. Action on such changes will require approval of the Group.

VI.   DECISIONS OF THE COUNCIL

1.   The CGIAR does not have formal statutes, instruments, or agreements. It is a consensual body, and consensus-based decisions are to be used as the regular way of conducting business2.

2.   Decisions without a meeting: Whenever, in the judgment of the Chair, a decision must be taken by the Council which should not be postponed until the next regular meeting of the Council but does not warrant the calling of a special meeting of the Council, the CGIAR Director shall transmit to each Member by any rapid means of communication a proposed decision with an invitation to approve the decision on a "No Objection" basis. The objection period will be not less than four weeks.

VII.   RECORD OF THE MEETING

1.   Before the end of each meeting, the Chair and elected Meeting Co-Chair shall present a brief joint summary of the main discussions and conclusions of the meeting. The System Office will then provide the CGIAR ExCo Members with a draft of the minutes recording decisions taken, for comment, indicating comments must be received within seven working days. The final record of the meeting, to be issued as a public document, will be sent to CGIAR Members and posted on the CGIAR website, following adoption by ExCo members, within one month of the meeting completion.

VIII.   AMENDMENTS TO THE RULES

1.   These rules may be amended by consensus of the Council.

Attachment 3:
Principles and Criteria for CGIAR Challenge Programs

Definition: *A CGIAR Challenge Program is a time-bound, independently-governed program of high impact research, that targets the CGIAR goals in relation to complex issues of overwhelming global and/or regional significance (and with global impact), and requires partnerships between a wide range of institutions in order to deliver its products.*

Criteria: A program should satisfy at least the following criteria to qualify as a CGIAR Challenge Program:
- address an issue of overwhelming significance. Issue addressed can be global, regional or sub-regional in importance (but with global impact);
- fit within the CGIAR mission and goals;
- involve both CGIAR centers and their partners, particularly the NARS from the South;
- be co-operative and collaborative in nature; with no overwhelming dominance by a single institution;
- employ a mode of operation that enhances efficiency and effectiveness of the CGIAR System, with demonstrable contribution to CGIAR goals;
- is based on the core competence and comparative advantage of collaborating partners;
- contribute to capacity building of NARIs in the South; and,
- is based on science that is both excellent and relevant.

Principles: The following principles should guide the design and development of CPs:
- Challenge Programs would be developed in the context of the CGIAR Vision and Strategy and its seven planks.
- CPs should complement ongoing research programs of centers and build on their core competencies.
- CPs should not be an "add on" to the CGIAR research agenda, but a core mechanism for change in the CGIAR. As a result, the CGIAR research agenda should become more visible, with some elements significantly different from the current operations of the CGIAR.
- A flexible approach should be used in designing and implementing CPs by learning from the experience gained from the initial set of CPs and lessons from implementing Systemwide and eco-regional programs.
- In terms of alternative models, CPs will emerge through regional priority setting (or other bottom-up) processes, though some will be identified through analysis of gaps in science for the poor, while others could be linked to existing international conventions (e.g., on climate change, biodiversity, water, desertification, etc.) which already have recognition as global concerns, thus helping to "elevate the game" for the CGIAR. Existing Systemwide and eco-regional programs could also serve as building blocks for future CPs.

- CP proposals should be subjected to ex-ante peer review by the CGIAR Science Council. The SC should also play a key role in the evaluation of the quality and relevance of science of CPs during their implementation.
- CPs should aim to mobilize significant new funding.
- CPs should be implemented by CGIAR centers and partner institutions, particularly the NARS from the South, with significant outsourcing to non-CGIAR institutions.
- CPs should be identified, screened and selected through a competitive process through rigorous application of criteria (which are noted in Attachment 4).

Attachment 4:
Process, Responsibilities and Draft Guidelines
for Developing and Implementing Challenge Programs

Process

A five-phase process should be used for the development and implementation of all Challenge Programs:

Phase 1: Idea Generation

Idea Generation would be through an open book process, with free competition among all stakeholders. The output would be a short (two-four page) description of the concept for a Challenge Program (CP). Any potential programs that are assessed through an accelerated process, as pilot programs for example, should be subjected to the same set of stringent criteria as programs developed following the regular process. The acceleration of potential pilot programs should not compromise the integrity of the regular process by which CPs are identified, developed, and implemented.

Idea generation would be a continuous process, with the CGIAR acting on CP themes recommended by the ExCo between the AGMs.

Phase 1 Criteria: The CP
- addresses an issue of overwhelming significance. Issue addressed can be global, regional or sub-regional in importance (but with global impact);
- fits within the CGIAR mission and goals; and,
- is likely to generate significant outputs and impact.

Phase 2: Development of Pre-proposals

Development of pre-proposals would be de-linked from idea generation, in that, once the CP theme is identified, pre-proposal development would be an open, competitive process. This would be open to anyone, not only to those who may have contributed the initial ideas. The objective would be to generate a variety of meaningful pre-proposals (10-15 page) on each selected theme, not to pre-select institutions to submit pre-proposals.

Phase 2 Criteria: The CP:
- is time bound and clearly defined in terms of research outputs as well as the potential impacts on CG clients;
- has clearly defined mechanisms for the delivery and dissemination of research outputs;
- is based on science that is both excellent and relevant, often requiring logical integration of multiple disciplines to address issues of great complexity;
- employs a mode of operation that enhances efficiency and effectiveness of the CGIAR System, with demonstrable contribution to CGIAR goals;
- involves both CGIAR centers and their partners and is based on the core competence and comparative advantage of collaborating partners;

- adds value to existing research and produces synergies between existing core competencies of the Centers' and the partners;
- is co-operative and collaborative in nature; with no overwhelming dominance by a single institution;
- gives evidence of stakeholder involvement in problem identification and link to bottom-up priority setting mechanisms;
- requires significant levels of up-front funding to achieve its objectives;
- there is clear evidence that donors are willing to commit significant up-front funding;
- involves active participation of NARS from the South and contributes to capacity building of NARIs from the South.

Phase 3: Development of Full Proposals

On decision by the Executive Council, the Science Council would ask the parties involved for the further development of the pre-proposals into a full research program proposal. Here, the competition would be among full proposals. The CGIAR could provide some funds (up to US$200 thousand) for the development of full proposals. The program proposal, including a business plan, would be about 30-50 pages in length.

Phase 3 Criteria:
- Outputs of the proposed program:
    a. are relevant and appropriate to the needs of the intended beneficiaries;
    b. are achievable within the proposed time frame.
- Quality and relevance of the science and research:
    c. the proposed research is directly relevant to the outputs;
    d. the research is likely to lead to important advances in science and improvements in the living conditions and income opportunities of the beneficiaries in the countries concerned;
    e. the research is feasible, the science appropriate and the outputs achievable;
    f. the research capability of the CP Coordinator and the team of senior scientists fully meet the demanding requirements of the task and their time allocation is sufficient.
- Strategy of utilizing and applying results:
    g. the Business Plan addresses not only the fundamental scientific aspects but also the applied and adaptive stages of the research, in a realistic manner, and the uptake of research outputs in order to produce high impact outcomes.
- Collaborative arrangements:
    h. the CP involves at least 2 CG Centers and at least 2 NARS from the South. In addition other institutions from the North and South are slated to handle specific program components or projects; CPs should involve the best institutions from the North and the South that can contribute to solving the problem. The institutions from the North should preferably bring their own resources to the consortium.

i. the core parties in the program are the right ones to carry on the research and deliver the benefits;
j. the synergies, value adding and mutual benefits are clear;
k. the core parties are obviously committed in terms of the resources, time and knowledge-sharing;
l. there is clear lines of accountability and clear institutional arrangements spelling out roles, responsibilities, rules of operation and conflict resolution in a formal agreement signed off at the appropriate legal level by each core party or CP associate party.

- Governance and management:
  m. governance and management arrangements are determined in an explicit way by the Business Plan and joint venture agreement;
  n. governance and management arrangements are flexible and adaptable to the specific needs of the CP and the structures are appropriate to the size and nature of the program;
  o. there is clear evidence of genuine cooperation and commitment of the core parties;
  p. the CP is to be coordinated by an "independent" manager, operating on behalf of the core parties with clearly defined reporting responsibilities;
  q. the Challenge Program Coordinator is to be recruited from a core party or from outside, and appointed for a fixed term under the terms and conditions of an agreed core party;
  r. there are clear and satisfactory arrangements for handling legal responsibilities;
  s. the arrangements for administrative support (to be provided by one of the core parties) are satisfactory;
  t. the Board of each core party is accountable for the input resources and delivery of agreed outputs of that core party.

- Intellectual property:
  u. There is full adherence to the CGIAR IPR policy.

- Performance evaluation:
  v. internal performance evaluation mechanisms are adequate.

- Budget and finance
  w. The program creatively mobilizes new resources (cash and in-kind), considering equity, or the need to balance the contributions between the North and the South. It is expected that expenditure on each CP would be in the $8-12 million range, per annum for the initial five years (including the in-kind contribution of partners). The business plan should outline a clear resource mobilization strategy;
  x. the budget and its allocation are appropriate;
  y. the mechanisms for reallocation of the resources are appropriate;
  z. there are sufficient donors willing to commit funding for the first 3-5 years.

Phase 4: Program Implementation

Implementation of the Challenge Program would be the responsibility of the consortium (joint venture) selected by the CGIAR. There would be no "fixed" management model for the consortium. The model selected would depend on the circumstances of the CP and the core parties and would become evident through the elaboration of the Business Plan where it would be spelled out as part of the full proposal. The robustness of the Business Plan would be indicated by the response to the criteria w – z (Budget and Finance, above). An important element of the competition between full proposals (and indeed the peer review by stakeholders and donors) will be evidenced by the indication that there are sufficient donors willing to commit funding. There could be several component projects or sub-projects for which partner institutions have not yet been identified. Institution(s) to conduct these could be selected competitively on the basis of a traditional "competitive grant" scheme.

Phase 5: Program Evaluation

The core parties making up the consortium would plan and implement monitoring and evaluation procedures as called for by the business plan. In addition, the CP would be subjected to rigorous ex-ante and ex-post peer review by the Science Council. Impact assessment would be built into the business plan for the CP, ensuring the collection of necessary base data from the start of the program.

Roles and Responsibilities in
Challenge Program Development and Implementation

Actors	Idea Generation	Pre-proposal Development	Full Proposal Development	Implementation	Monitoring and Evaluation
NARS, ARIs, NGOs, Farmers' organizationsUniversities, the private sector, and other Stakeholders	Propose ideas for CPs	Prepare pre-proposals with partners	Prepare full proposals with centers and other partners	Participate in governance and implementation as agreed in Business Plan	Participate in evaluation as agreed in Business Plan
GFAR & Regional and Sub-regional Fora	Facilitate, as required	Facilitate, as required	Facilitate, as required	Facilitate, as required	
Centers and their Boards	Propose ideas for CPs	- Prepare pre-proposals with partners	- Prepare full proposals with partners	- Participate in governance and implementation as agreed in Business Plan	- Participate in governance and evaluation as agreed in Business Plan
Science Council	- Coordinates process - Recommends research themes	- Prepares guidelines and criteria - Recommends pre-proposals	- Coordinates peer review of proposals - Recommends proposal for implementation	- Monitors science quality - Recommends action by EC	- Coordinates peer review process - Coordinates impact assessment
Executive Council	- Issues call for ideas - Endorses research themes	- Issues call for pre-proposals Selects pre-proposals	- Endorses full proposal - Recommends financing by the CGIAR	- Provides general oversight of implementation Recommend actions by the CGIAR, as necessary	- Recommends action by the CGIAR as necessary (based on evaluation results)

**Guidelines for the Governance and
Management of Challenge Programs**

Governance Arrangements
- Each CP would be accountable to the CGIAR through the CGIAR Executive Council. The ExCo would receive an Annual Report from each CP and would put in place a mechanism to periodically review the overall performance (including governance) of each CP, with advice on science issues by the Science Council.
- Governance and management arrangements should be flexible and adaptable to the specific needs of the CP and should be spelled out in full in the Business Plan. Structures should be appropriate to the size and nature of the program. *The guidelines noted here are illustrative of typical arrangements for a CP—not a blueprint to be followed by all CPs.*
- Most Challenge Programs would be organized as *unincorporated joint ventures* among the core parties.
- Most CPs would have a Steering Group (SG) of not more than 7 members, consisting of an independent chairperson, representatives of the core parties, end-users (including farmers) and other stakeholders, with the majority of the SG consisting of stakeholders. To the extent that the CP would operate as an unincorporated joint venture, the SG would not be a legal body, nor a formal board. The functions of the SG would generally include: (i) oversight on the impact of the CP (on development goals); (ii) supervising the budgetary and financial matters identified in the Agreement; (iii) ensuring that the resources are used effectively to produce the agreed outputs; (iv) setting general policies to bring about increased program integration and efficiency in the implementation; and, (v) mediating in case of conflicts between parties to the consortium. Specific composition, functions, and powers of the SG would be specified in the Agreement among the core parties and in the Business Plan.
- SG would not "handle" funds, but ensure that resources are allocated as noted in the agreement by the core parties.

Management
- Each CP should be headed by an "independent" Coordinator operating on behalf of the core parties with clearly defined reporting responsibilities.
- The CP Coordinator could be recruited from a core party or from outside, and should be appointed for a fixed term under the terms and conditions of an agreed core party.
- The CP Coordinator would be identified jointly by the core parties.
- The core parties could provide power of attorney to the CP Coordinator on certain decisions (i.e., commitment of resources up to a certain limit.)

Legal and Administrative Matters
- There would be legal agreements among the parties concerning their participation, responsibilities and accountability within the consortium.

- Legal responsibility would be provided by any one of core parties to the joint venture, i.e., a facilitator/"agent" institution most appropriate on legal and administrative (including financial) matters.
- Each core party would be responsible for handling administrative matters related to its own participation in the program (i.e., privileges, immunities, indemnities, staffing, HR, procurement, audit policies, etc.).
- IP matters would need to be clearly defined in the consortium agreement and contracts.

Attachment 5:
Science Council Responsibilities and Composition and
Transition from TAC to Science Council

Responsibilities

The primary responsibilities of the Science Council (SC) will be to:

(a) serve as guardian of the relevance and quality of science in the CGIAR, and
(b) advise the CGIAR on strategic scientific issues relevant to the Group's goals and mission. The SC should assist the ExCo and its Program and Finance committees by providing them with scientific advice on the strategic framework and set of priorities conducive to achieving CGIAR objectives.

Specifically, the SC would:
(a)conduct periodic assessments of global and regional trends, scientific challenges, and research opportunities; and prepare the planning context at the System level;(b) provide a critical review of System-level strategic plans and the CGIAR project portfolio;
(c) review challenge program proposals; mount peer review mechanisms, as necessary, for review of the proposals; and,
(d)coordinate the CGIAR's science monitoring and evaluation (including oversight of the peer-review and other quality assurance mechanisms used by the Centers) as well as System-level impact assessment activities.

Composition

The SC will consist of up to eight (8) members plus the Chair. They should be eminent scientists in relevant disciplines in the biological, physical, and social sciences. While solid scientific stature should be a major selection criterion, members of the Council should all have strong science policy and development experience, with the overall composition of the SC reflecting diversity in forms of science and understanding of science management.   The size and the range of skills required of SC members should be kept under review by the ExCo.

Search and selection of the SC Chair and members would be done through an open, global nomination process. The Cosponsors, serving as Nominating Committee, would submit a short list to the Executive Council, which in turn would make the final recommendation to the CGIAR. Serving on a full-time basis, the Chair would have a maximum five-year term, with an initial appointment of three years, which could be extended up to a total term of five years. A member's term would be for two years, renewable up to six years without further extension.

The SC would adopt, as a principal modus operandi, the mobilization of global scientific expertise from both industrialized and developing countries and the public and private sectors.

Transition from TAC to SC

The present TAC will be phased out as of December 31, 2001. The ExCo will appoint an Interim SC for 2002, made up of the existing members of TAC who will not have completed their maximum terms (6 years) in 2001 and the Chair of SPIA.

The ExCo will appoint a 5-7 person Working Group (WG) to prepare a detailed proposal including composition of the SC, function, alignment with ExCo and Systems Office, operational and administrative aspects of the transition. The WG should also address issues related to the transition from the TAC Secretariat to the SC Secretariat. This would be a hands-on WG made up of CGIAR members, experts on science networking, science policy formulation, assessment of science quality (including peer reviews), and strong emphasis on administrative aspects of interagency collaboration. At least one member of the Science Council Task Force should participate in the WG.

The new members of the regular Science Council should be appointed at the latest by Annual General Meeting 2002 so they will be ready to assume office by January 2003.
To provide for some degree of continuity among its membership, the terms of the initial members of the new Science Council could be staggered as follows:
- Three members for four years
- Three members for three years
- Two members for two years

Henceforth, the appointments of members will be for two years, renewable to a maximum of six years.
Membership of the current Standing Panel on Impact Assessment (SPIA) will be maintained until the regular SC can reconstitute the panel.

Transition from TAC Secretariat to SC Secretariat

The present TAC Secretariat at FAO will be constituted as interim SC Secretariat effective January 1, 2002. A transition period of one year is suggested for the organization of the regular SC Secretariat. As early as possible during that period, a formal agreement covering the terms of FAO's hosting of the SC and SC Secretariat should be negotiated and signed among cosponsors. Such agreement would provide the legal framework for the organization of the regular SC Secretariat. This agreement should cover, among others, an institutional arrangement permitting greater latitude to the SC in recruitment of staff and provision of services to SC members, while satisfying any legal requirements of FAO as host organization.

The interim SC Secretariat would need to gear up to enable it to respond effectively to the new demands expected with the initiation of the process for the development and evaluation of challenge programs in 2002. The SC Chair and the Executive Secretary would institute changes in staff assignments as necessary and draw consultant expertise to fill the gaps.

Attachment 6:
Mission, Functions and Organization
of the CGIAR System Office

The System Office would be composed of and integrate the activities carried out by the CGIAR Secretariat, Science Council Secretariat, entities providing common services to the Centers, and the Future Harvest Foundation. Its mission would be *"to serve and facilitate the functioning of the CGIAR System as a well-integrated and responsive learning system implementing a compelling vision, mission and strategy."*

The System Office will operate in a "virtual" and decentralized mode, with its components located where it makes the most business sense. Relations among the components may be defined through contracts or agreement memoranda.

Key clients:
- *The CGIAR System, as a whole* – e.g., by facilitating the development of processes for refining and implementing a common vision, strategy and integrative programs; and by developing and implementing public awareness and resource mobilization strategies;
- *The Investors, as a collectivity* – e.g., by facilitating a better understanding of (and accountability to) their interests and of changes in the global environment; and by helping craft suitable responses by the CGIAR System to emerging threats and opportunities;
- *The Centers, as a group* – e.g., by facilitating the harmonization of policies, capacity building for learning and adaptation, and greater cost-effectiveness in the delivery of common services; and
- *The Executive Council* – e.g., by facilitating follow-up of its decisions and recommendations, serving as its secretariat and supporting the Annual General Meeting and other assemblies of System stakeholders.

Guiding Principles:
- Suitability, quality and cost-effectiveness should be prime determinants of where and how any given activity would be implemented.
- Subsidiarity: the role adopted, and where in the System Office it is performed, should be specific to each function.
- Avoid duplication of effort and create synergies for better cost-effectiveness.
- The relationships between the System Office and the components of the System should be collegial rather than coercive, combined with a clear designation of authorities and accountabilities.
- Increasing adaptiveness and progress towards becoming a learning system.

Main Functions:

Over time the System Office would be expected to develop the necessary capacity and carry out the following functions:

a) Facilitating Refinement and Implementation of the System Vision and Strategy

The CGIAR vision and strategy have recently been endorsed by all components of the System, and priorities are being identified. It is now necessary that a process for implementing a compelling vision and a common System strategy be devised jointly with all stakeholders. The purpose would be to help realize the full potential of the CGIAR as a system and to provide the broad framework for concerted strategic action at both the System and Center levels.

b) Creating Visibility and Support for the System

This involves, among others:
- Facilitating the development of a common communication strategy for the System, aimed at creating a unified, broadly-appreciated persona and a single agreed brand name;
- Facilitating the development of a common resource mobilization strategy for the System, ensuring that this is harmonized with the communication strategy
- Strategically positioning the System in political, business and environmental fora and in the public eye;
- Projecting and making easily accessible the knowledge of the CGIAR in fora of global relevance and to all potential users of the System's products and services; and
- Using compelling stories of the impact of the Centers' work to enhance the visibility and support for the System.

c) Fostering Integrated Programmatic Approaches

The movement toward integrated programmatic approaches must be nurtured and accelerated, so that the interests of both the investors in the CGIAR System and the Centers are better addressed. To accomplish this the System Office would:
- Arrange multi-center/regional discussions with donors, leading to project proposals that respond to donor interests and are consistent with Center and System strategies;
- Periodically arrange fora for dialogue on development issues to facilitate better mutual understanding of the interests of donors, Boards/Centers and other key stakeholders, help identify priority areas for investment and lead toward appropriate adjustment of System and Center strategies and programs; and
- Facilitate development of conceptual frameworks and proposals on Challenge Programs and associated integrated programs, such as INRM.

d) Promotion of Harmony and/or Commonality in Center Policies and Procedures

Principal among these are:
- Financial Management
- Human Resources Management
- Information Technology

- New Policies and Procedures - policies that respond to such significant emerging issues as intellectual property rights and bio-safety knowledge management.

Furthermore, there would be benefit in a general sharing of policies and procedures on a wide variety of issues (partnership, animal welfare, Board operations, biotechnology, to name a few), possibly via a searchable data base maintained by the System Secretariat.

e) Provision of Cost-effective Services to the Centers

Cost-effectiveness can be achieved both through economies of scale and through provision of services of a "back-office" nature at lower-cost sites. If Centers organize to provide certain services in common, they should be able to improve their quality by jointly employing a larger number of highly qualified professionals, as well as by sharing new service elements that would be beyond the reach of Centers acting individually.

- Services provided by the CGIAR Secretariat in Washington.
- Services that require the establishment of a formal, possibly legally registered, service entity or entities to which all or most Centers subscribe.
- Services that can be provided less formally, housed at one Center to serve all or some. Examples of such services include:
  - The Central Advisory Service for IPR, housed at ISNAR;
  - The Gender and Diversity Program;
  - Internal audit services;
  - Legal services;
  - Donor information.

f) Facilitation of Continuous Learning and Adaptation

The CGIAR System must strengthen its responsiveness to relevant changes in the global environment. An improved capacity to learn from experience and become more adaptive is essential for the System and its components to thrive, despite competitive pressures and funding constraints.

- Help accelerate inter-Center networks and communities of practice, including external sources of knowledge.
- Periodically arrange external reviews of Center management (such as the CCERs and EPMRs) to learn lessons and improve Center effectiveness.

g) Facilitating Organizational Development and Flexibility

Training to develop currently needed staff skills as well as career development opportunities that serve as incentive and reward for quality performance are both needed, as are other activities to bring about organizational enrichment in a systematic way. Specifically:

- The organization of training programs to fill Systemwide needs. These might cover management training for Directors General, team-building programs for top management groups or research teams, supervisory training for scientists just moving into management and orientation programs for Board members;

- Identification of qualified programs or consultants to respond to organizational development needs of individual Centers or groups of Centers; and
- Formation of a task force to draw up guidelines for risk management, covering scientific, financial, managerial and security issues.

h) Representing the System

This would involve:
- Identifying emerging trends and challenges in the global environment and gaining an understanding of where and how these trends will be played out;
- Gaining access, organizing or leading meetings, conferences and debates, including virtual debates, on the key agendas;
- Identifying the most appropriate person or component of the System to represent the whole on the agenda and backstopping the representative for maximum effectiveness; this includes clarifying the System's knowledge, skills and services needed for effective participation;
- Identifying ways to set the global agenda in science for development; and
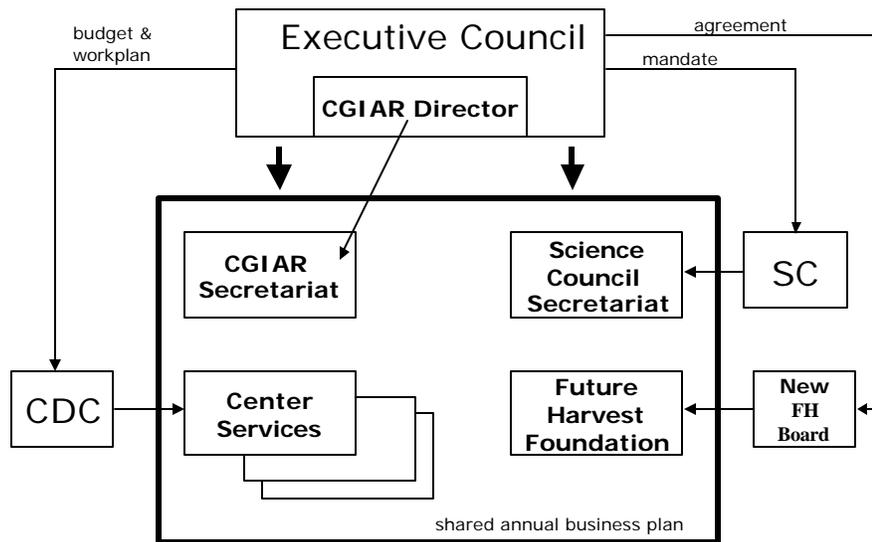
i) Provision of Secretariat Services

Service activities would include:
- Organizing CGIAR meetings and backstopping the Chair, Executive Council and CGIAR committees;
- Serving as a financial clearinghouse;
- Developing accountability standards and guidelines;
- Developing and implementing a corporate communication program (in collaboration with the Future Harvest Foundation);
- Broadening the CGIAR membership and constituency; and
- Representing the System and serving as a focal point for CGIAR institutional knowledge.

Organization

Components would include the following:
- A CGIAR Secretariat located at the World Bank, directly accountable to the Executive Council through the CGIAR Director;
- A Science Council Secretariat located at FAO, directly accountable to the Executive Council through the Science Council Chair:
- Entities providing common services to the Centers, directly accountable to the Center Directors Committee, with oversight exercised by the Executive Council via the annual budgets and the CGIAR strategy; and
- The Future Harvest Foundation, directly accountable to a revitalized and expanded Future Harvest Board, with oversight exercised by the Executive Council via a Memorandum of Agreement.

budget & workplan — agreement — mandate

Executive Council

CGIAR Director

CGIAR Secretariat

Science Council Secretariat

SC

CDC

Center Services

Future Harvest Foundation

New FH Board

shared annual business plan

CGIAR System Office

The System Office would serve all stakeholders of the CGIAR System, and would be accountable, as a whole, to the Executive Council. It would consist of several components at multiple locations that have different relations to the Executive Council depending on their primary function.

An annual plan and budget process and document ("*business plan*"), and necessary Memoranda of Agreement, would provide coherence to the activities of the various entities of the System Office. They would help establish a system of reporting and accountability to the Executive Council, and to the CGIAR Director acting on its behalf. The business plan of the System Office would:

- Highlight the expected outputs/deliverables, indicators/milestones for monitoring progress, and the budget available for the year for each entity/set of key activities;
- Be prepared in a participative manner using inputs from all entities, with decisions made in a transparent and collegial manner; and
- Require that progress be reported to the Executive Council by the CGIAR Director, on the basis of succinct reports, using a common format, from the respective heads of the entities.

The integrated business plan is a vital element of the System Office concept. This document would serve as a form of contract among the entities, organizing and integrating their work. It would also provide a means for the Executive Council to monitor the Office and subsequently exercise influence over its activities.