

**Minutes of the CDC Meeting  
October 20, 23 and 29, 1999  
Washington, DC**

**Participants:**

Members: Pedro Sanchez, CDC Chair, Director general, ICRAF  
Aart Van Schoonhoven, Interim Director General, CIAT  
Jeffrey Sayer, Director General, CIFOR,  
Timothy Reeves, Director General, CIMMYT (in part represented by David Hoisington)  
Hubert Zandstra, Director General, CIP  
Adel El-Beltagy, Director General, ICARDA  
Meryl Williams, Director General, ICLARM  
Leslie Swindale, Interim Director General, ICRISAT  
Lukas Brader, Director General, IITA  
Hank Fitzhugh, Director General, ILRI  
Per Pinstrup-Andersen, Director General, IFPRI  
Geoffrey Hawtin, Chair, Director General, IPGRI  
Ron Cantrell, Director General, IRRI  
Stein Bie, Director General, ISNAR  
David Seckler, Director General, IWMI  
Kanayo Nwanze, Director General, WARDA

Secretary: Jean-Pierre Jacqmotte

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**Wednesday October 20, 1999 (PM)**

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### Main Decisions and Actions Required

1. The CDC will collaborate closely with TAC, CBC, the Consultative Council and others on the development of a 5-to-10 year strategy for the CGIAR, in accordance with proposition 1 approved by the CGIAR at ICW99. To that effect, the CDC will hold a retreat in late January/early February, depending on the timing of meetings of TAC and the Consultative Council (pages 6 and 25).
2. Similarly with regard to proposition 2, the CDC will fully collaborate in developing proposals for restructuring the CGIAR, once the strategy has been agreed upon by the CGIAR at MTM2000 (pages 6 and 25).
3. The CDC urges all Centers which have not yet done so to proceed with diligence with the IP audits, with a particular emphasis on the use of proprietary materials from others. Sharing of the audit information among Centers will be under a confidentiality clause, and only the essential, minimum information will be shared with the CGIAR membership (page 8).
4. The CDC adopted the plan of action for INRM as presented by Jeffrey Sayer (page 9 and annex 1), and its intention to approach INRM from a science-based, problem-oriented ecoregional perspective. The CDC accepted ICLARM's invitation to hold the INRM science meeting at Penang, Malaysia, August 21 – 25, 2000.
5. The CDC endorsed the plan of action of the ICWG on Climate Change, and Centers not actively participating in the ICWG will contribute to its work, prior to final submission of the report at MTM 2000 (pages 10 and 11).
6. The CDC endorsed the reports from Meeting of Minds I, the MTM Stakeholder Meeting and Meeting of Minds II, which described the joint vision and elements of the strategy for the CGIAR in sub-Saharan Africa. The CSSA was given the authority and responsibility to carry this strategy to its completion. The next key operation is the SPAAWFARA meeting in Conakry, Guinea in February 2000. A six-person working group has been nominated to finalize the strategy for presentation to the CGIAR at the MTM in 2000 (pages 12 and 13).
7. The CDC confirmed its strong support to Future Harvest and its objective to enlarge its PA campaign to Europe and other regions, endorsed the principles embodied in the Riggan report on the CGIAR Long Term Financing Strategy with reservations about the maintaining the independence of the central PA/RM mechanism (see annex 2), and agreed to provide PARC an amount of \$600,000 for PAA activities (\$110,000, net of a carryover of \$60,000) and Future Harvest (\$490,000). The latter is conditional to Future Harvest being able to operate in a satisfactorily independent fashion during 2000 (page 15 through 17, and annex 3).
8. Ron Cantrell was requested to approach Emil Javier on TAC's intentions with the Plant Breeding Review and report back to the CDC for further discussion (page 17).
9. As a follow-up on the Memorandum of Understanding signed between USDA and the CGIAR, it was decided that each Center will act independently in implementing this new partnership. ISNAR was requested to prepare a position paper on the desirability of entering in similar MOU agreements with similar

agencies in other countries, including IARCs' host countries, either in an active mode or in a responsive mode. Wageningen and Montpellier were mentioned (page 17).

10. The CDC decided to restructure itself in issue-oriented Task Forces and their membership was agreed upon. Chairs of TFs are requested to provide a work program to the CDC chair, and share information on their respective TF activities with the CDC chair and all DGs (pages 18, 26 and annex 4).
11. The CDC approved three resolutions presented by the CDDC dealing with (a) AIARC directors' authority to approve expenditures on the Joint Expenses Account, (b) the distribution of the 1997 van Breda reimbursements, and (c) the replenishment by Centers of the Joint Expenses Account in the amount of \$5,000 each (page 20).
12. The CDC agreed with the CDDC proposal to extend the contract with CGNET through April 2001, provided the new contract negotiations be based on achieving cost reductions. The CDC endorsed the CDDC proposal to develop an electronic communication strategy over the next 18 months, which would allow to recoup the pre-investment (page 21).
13. The CDC approved CDDC's proposal to extend the deadline for the CDDC Task Force on Salary and Benefits through January 31, 2000, and to increase its budget with a transfer of \$2,500 from each Center to the Joint Expenses Account. It was agreed that the full report, with Center specific information, of the Task Force will only be shared with the Directors General. A global information report will be released for other audiences (page 21).
14. The CDC approved the appointment by the Central Asia and Caucasus Task Force of a consultant to develop a CAC strategy and review the governance of the program (page 26)

## 1. Opening and Discussion

1. Welcoming and condolences -- Pedro Sanchez, CDC Chair, welcomed Leslie Swindale and Aart Van Schoonhoven in their capacity as Interim Directors General of ICRISAT and CIAT, respectively. He conveyed, on behalf of all CDC members, his sincere condolences to Per Pinstrup-Andersen and Timothy Reeves for the recent tragedies they experienced.
2. Meeting agenda -- The chair presented the agenda for the CDC meeting and it was adopted.
3. Leadership succession -- With regard to the leadership succession in the CGIAR, at the time of the meeting Ismail Serageldin's situation at UNESCO was not yet clear but it was speculated that he would not get the necessary votes to get the Director General position. It was now clear that Alex McCalla would retire from the Bank at year's end and would thus not become, as some had speculated, the CGIAR Vice Chair. Alexander von der Osten will retire in June 2000. Shawki Barghouti rejoined the World Bank in the RDV Department and holds a key position to assist and support the CGIAR and the Centers.
4. Funding situation and outlook -- For 1999, Danida reduced its contribution by 10% (\$1 million) across the board as a consequence of increasing its support to **Kosovo**. It is unlikely that that amount will be restored in 2000.

In mid-year, the EC DG IB had cancelled its 1999 contributions to ICRAF and ILRI while maintaining its overall contribution to the CGIAR at the expected level. In addition, there was still the lingering backlog on 1997-98 disbursements (totaling \$32 million). This led one Center board to consider writing off the delayed contributions as a bad debt. These problems are at least in part, attributable to the EC being once more in the middle of a significant reorganization. The consolidation of the "assistance" branches (DG IB and DG VIII) is likely to benefit the CGIAR in the longer term through a more consistent policy. It was observed that significant amounts of Lom funds remained undisbursed because of lack of initiative of the beneficiary countries, and could possibly be tapped by the Centers through joint initiatives. It was further suggested that a high level intervention, e.g. the Danish commissioner, might be needed to resolve the issues sustainably.<sup>1</sup>

With regard to 2000, Germany has announced a reduction by 50% (\$8.5 million) of its unrestricted contribution to the CGIAR as a consequence of drastic domestic budgetary measures. At USAID, prospects are rather dim at this juncture as only \$20.5 million, compared to \$25 million in 1999, have been earmarked so far.

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<sup>1</sup> During ICW, Mr. Werblow met with several Directors General separately and collectively. In the latter meeting -- which included ICRAF, IITA, ILRI, IFPRI, WARDA and IFS -- he explained that the EC could make available an amount of **12 million EURO** over four years for a multi-center initiative (including **IFS**) around a common theme. A task force of the CDDC, chaired by Bruce Scott, is dealing with the preparation of such a proposal.

5. Follow-up on the System Review – It was alleged that some key players in the review panel (including Maurice Strong) are spreading negative comments on the CGIAR's reaction to the review's recommendation. They insinuate that the CGIAR will continue its business as usual as the Directors General do not want change.

It was the feeling that such accusations were undeserved and the proposed mechanisms for change (e.g. incorporation and CEO) were not accepted by the donors as they infringed on their sovereignty and independence. However, the System Review did not address the restructuring beyond the centralized mechanism, and it was also felt that there is a demand for restructuring from the membership to which the Centers need to respond.

It was suggested that the key issue lies in the setting of priorities, namely what should be done and who should decide about it, i.e. in a centralized fashion by TAC as in the past, or in a decentralized way by the Centers as they have done in the past year by responding to System Review recommendations. It was acknowledged that for "outsiders" not much change was perceivable.

An upfront initiative by the Centers was deemed necessary as the undercurrent was considered strong, particularly among the North American and European stakeholders, who had quite different views on the issue. It was acknowledged that both the mandates of center boards (primarily focused on the Center's well-being and not on that of the CGIAR) and their annual meeting cycle were not necessarily conducive to an effective exercise led by the CDC. Also, it was observed, the CDC may not have the expertise to conduct such an exercise and may need to call on outside help.

The CDC chair concluded that there would be merit in holding a CDC retreat to develop a common position among DGs with regard to a longer term vision of the CGIAR and the framework of a structure conducive to its implementation.

During ICW99, the CGIAR chair presented two propositions regarding these issues. Upon advice of the Consultative Council, the CGIAR endorsed a proposition giving the lead responsibility to TAC to develop, in collaboration with the CDC and inputs from others, a vision of the CGIAR in a 5-to-10 years perspective. The vision will be reviewed by the Consultative Council and presented to the CGIAR at MTM2000. Following this, TAC would deal, in a similar collaborative mode, on the issue of structure with the aim of presenting a proposal to the Consultative Council and CGIAR by ICW2000.

At its wrap-up meeting on October 29, the CDC concluded that a CDC retreat-meeting would be advisable to provide a common input into TAC's work. Pending the timing of meetings of TAC and the Consultative Council, the CDC planned a retreat meeting in The Hague tentatively in late January/early February 2000.

6. Centers' Forum – As suggested by the CDC, the ICW99 Center Forum's theme will be inter-center collaboration. The CDC chair urged his colleagues to portray in their presentations the sense of serious attempts by Centers to improve collaboration. Positive comments were received from CGIAR members on the organization and content of this year's Centers' Forum.

7. Report on TAC77, The Hanue, September 1999 – Stein Bie reported that there is an obvious renewal within TAC with more independent thinking underpinned by good academic bases, leading to better discussions on science. However, TAC seems less aware of the center dynamics. TAC seemed concerned about the tense relationship between the CGIAR Secretariat and Centers with regard to the EP MR and the staffing of the panels; it requested opening up the pool of experts with a particular emphasis on expertise in partnership management.

TAC further expressed concern about Centers listing "unidentified" sources of funding in their 2000 programs and budgets, and it endorsed the Centers' financing plans at the baseline level. It also called on the EC and Germany to "fall into line" with other donors with regard to funding levels and disbursement procedures.

TAC reviewed and commented on several reports:

- Ecoregional programs: Ted Henzel's report was very much welcomed as it was considered to lay new ground and showed that progress has been made. The CDC did not agree with the proposed change in definition in the TAC commentary.
- CAC: TAC called for a collective approach rather than activities being deployed in parallel.
- Focus on Africa: TAC considered the report of MoM II as work in progress and expects a final proposal by March 2000 for submission to the CGIAR at MTM2000.
- INRM: the Bilderberg report provoked quite a debate among TAC members, in part due to TAC members having seen different version of the paper. It was considered to be work in progress, and not yet firm enough – as there was no consensus emerging from the report -- to serve as a basis for a TAC commentary.

TAC further discussed the merger with IAEG, the EP MRs, and the need to reaffirm TAC's independence within the CGIAR.

During the discussion some CDC members observed that the support of the TAC Secretariat in EP MRs tends to be weak as the load is large, difficult to manage, and with high demands on panel members particularly in social sciences. The size of panels, number of reviewers and the high cost of EP MRs to Centers were considered as alarming. This was contrasted with the more efficient internal reviews by small teams and which are effective tools to prepare for EP MRs, but they often are not taken in consideration by the EP MR teams unless they are very recent. The need to harmonize the internal review process among Centers was emphasized.

8. The minutes of the May 1999 CDC meeting in Beijing were formally adopted.

## 2. Follow-up on System i

9. IGM – Patents – IPR – With regard to the IPR audits, Timothy Reeves reported that funding (\$750,000 out of a total of \$1 million available) for the audits had been allocated to 11 Centers<sup>2</sup>. Four Centers<sup>3</sup> had completed their audits, and eight others were in various stages of progress. The issue now before these Centers is to what degree the audits should be published: while it was considered to be a Center decision what and how much should be released, Centers had to make sure that appropriate information be shared with the CGIAR membership. It was suggested that circulation of audit information among Centers be considered under an inter-center agreement with a confidentiality clause – a draft of which could be prepared by CIMMYT and circulated rapidly. It was emphasized that the IPR audits should not be limited to germplasm, but cover other areas (models, processes, etc.) and include the use of proprietary materials from others. One Center (CIAT) claimed not to need an IPR audit as it has easy and free access to lawyers, information and data bases; the Center was however reminded that the Centers had collectively accepted to proceed with the audits – for which there are pressures from the donors and the PSC – and that CIAT should not underestimate the merit of an audit with regard to the use of proprietary materials from others.

With regard to the Wholly Owned Subsidiary (WOS) it was mentioned that the Rockefeller Foundation is in contact with CIMMYT, ILRI and IRRI on this subject. However, the approach to WOS varies widely between the Foundation and the Centers. A meeting of the Centers and their Board Chairs with the Rockefeller Foundation is scheduled for shortly after ICW99. A participant warned that for non-competitive crops (e.g. cassava) there are a lot of free goods available including from multinationals. These, in some cases, like to give licenses for free as PR. There may be a risk that a WOS might destroy such opportunities

With regard to the Central Advisory Service (CAS) it was reported that that it also experienced quite some pressures from the Rockefeller Foundation, possibly unduly so. As the Finance Committee allocation has been released, a professional in IPR has been recruited from among three outstanding candidates, and the Advisory Committee had met with considerable success.

A discussion led to clarify the role and status of:

- CAS: it reports to the CDC which is solely empowered to maintain or disband it; its daily supervision rests with ISNAR, whose DG is the conduit to the CDC IPR TF which reports to the CDC; CAS advises Centers upon request.
- The Advisory Committee's membership consists of Center representatives and outsiders with specific expertise.

<sup>2</sup> No allocation has been made to CIAT, ICARDA, IFPRI, ISNAR and IWMI

<sup>3</sup> CIMMYT, CIP, ICLARM and IRRI

10. Integrated Natural Resource Management – Jeffrey Sayer, Chair of the INRM TF, reported that in Beijing the CDC decided to hold a meeting of representatives of Centers, NARS and donors. With the support of The Netherlands, UK and Germany, a 2 ½ day meeting was held in Bilderberg (Netherlands) and attended by about 50 people, half from the Centers and half from NARS, ARIS and donor agencies. The meeting gave cause to the production of a significant number of papers which were summarized in the report submitted to TAC for comments, that never came as TAC considered the report to be work in progress.

For the presentation of the report during ICW99, Jeffrey Sayer proposed to focus on five points:

- A website containing a good collection of papers on INRM;
- Science: a meeting will be held in 2000 that will lead to a series of consultations on an action program;
- Scientific work:
  - i. New technologies (e.g. modeling, new concepts)
  - ii. Development of performance indicators
  - iii. State of art approaches (including change in Centers' culture towards INRM)
  - iv. Development of a conceptual framework (for which TAC proposes the set up of a Task Force), that would allow tackling issue-by-issue, thus avoiding a too theoretical global approach.
- Ecoregional approaches: there does not seem to be a consensus that the ecoregional approach is the only possible approach to INRM. TAC commented that the term "ecoregional" be dropped and that INRM be approached on a problem-base through multi-center consortia. Though sound at first sight, TAC's recommendation may lead to a "problem-driven" rather than a "science-driven" approach;
- The TAC analytical programmatic approach is basically commodity driven, and not INRM driven. TAC needs to take the lead to develop a more balanced approach. It also requires from the Centers action with regard to balance staff and expertise mix, rewards for INRM related work, etc.

From the discussion it appeared that there was not yet a consensus among Centers and other participants on basic principles and this subject needs more reflection and work. Consequently, Jeffrey Sayer was asked to present the Bilderberg Report for what it was, i.e. the workshop product, and not a CDC report. The CDC decided to clearly label such documents as not being endorsed by the CDC until such action is taken and the report approved by the CDC.

In a subsequent session Jeffrey Sayer presented a two page note, outlining his presentation to the CGIAR during ICW99 and which would constitute the basis for CDC's decision making – See Annex 1.

Commenting on the note, Jeffrey Sayer stated that TAC comments were interesting but did not touch on the core of the problem: science is not approached in a holistic way and several initiatives are being worked on in parallel; the single network proposed by TAC is not feasible and there should be several working in parallel; and TAC seems to reject the ecoregional approach for INRM.

In the discussion it was observed that while the concept of ecoregionalism was not clear, it was a tool to connect Centers working in the same region. It was also said that the Henzel report may be perceived as an assessment of systemwide ecoregional programs, in fact it was not. The meeting was reminded that the concept of INRM came from the System Review, and that the INRM approach as presented in the Bilderberg report (based among others on ICRAF produced papers on the subject) was correct. In addition, the CDC had no choice but to proceed pro-actively in this area. It was therefore suggested that the ecoregional approach be maintained as an operative tool to implement INRM.

The CDC accepted ICLARM's invitation to hold the INRM science meeting at Penang, Malaysia, August **21 - 25, 2000**.

With regard to the Bilderberg report it was decided to distribute it to the CGIAR, with slight changes, as a report of the workshop. It was noted that much confusion emanated about posting different drafts of the Bilderberg report in a website. CDC decided that such drafts be indicated as work in progress, not yet endorsed by the CDC until that is the case.

**11. Inter-Center working Group on Climate Change** – Pedro Sanchez, chair of the ICWG, introduced the subject and the paper tabled by saying that climate change is getting much attention not only from the cosponsors but from several donors as well. The inter-center working group, he reminded, is composed of representatives of all Centers, plus TSBF and GCTE. USAID provided the ICWG \$160,000 to finance collaborative research on the CGIAR's impact on climate change, specifically in the area of carbon sequestration. While most Centers have contributed greatly in the ICWG effort, more needs to be done in the areas of policy, fisheries, forestry, institutions, and on the semi-arid and tropical areas.

Referring to paragraph 2 of the paper, Pedro Sanchez stated the objective of the ICWG as follows: *“As an institution dealing with strategic research issues, the ICWG-CC considers that the CGIAR has no option but to include the drivers of climate change into its agreed agenda. A CGIAR-wide strategy is being developed, based on the collaborative advantage of the CGIAR as seen by the larger global change research community. Considering the CGIAR's comparative advantage in relation to alternative sources of supply, the ICWG-CC concluded that the CGIAR priorities should be a shared responsibility in adaptation research and the lead responsibility on mitigation research in developing countries, both done in collaboration with the International Geosphere-Biosphere Program (IGBP), particularly its core programme GCTE (Global Change in Terrestrial Ecosystems).”*

As an action program, Pedro Sanchez referred to the next two paragraphs which identify the priority areas on adaptation research and those in mitigation research:

- Adaptation research:
  - Integrated gene management to cope with expected changed climates (IGM, breeding strategies);
  - Protection of *in-situ* biodiversity with changed climates (IPGRI to take the lead);
  - Development of tools to cope with less and more erratic water resources (IWMI and others to tackle issues related to crops, management, etc.).
- Mitigation research:
  - Increasing carbon stocks in agroecosystems (CIP, ICRAF, IITA, ILRI and ASB produced good studies so far which constitute a good basis; IIRI studies on methane emission related with breeding and water);
  - Improving nitrogen use efficiency with less nitrous oxide emissions (CIMMYT did excellent work in Mexico and India);
  - Improving water use efficiency (**50%** of irrigation water is wasted as it is not reaching the irrigation canals; has a strong effect on poverty, food security and the environment).

The ICWG chair recommended that Climate Change not be treated as a systemwide program but that rather that the Centers integrate this dimension in their research programs. The ICWG would monitor implementation and progress.

During the discussion participants emphasized the importance of the subject. Participants endorsed strongly the paper, particularly the proposal that no systemwide program would be created for this purpose, and supported the idea that ICWG would serve as a coordinating mechanism. Some wondered why the impact of IARCs' work on this issue had not been assessed yet since crop adaptation and crop substitution due to climate change have happened in the past. As the reality of climate change is still being debated, some participants felt that, as in the ICWG paper, the CGIAR should take a neutral position, i.e. not promoting or denying its reality, but based on the most solid scientific assessment to date, the Intergovernmental Panel on Climate Change (IPCC). It was also noted that the CGIAR not be considered as a tool of industrialism. IFPRI and ICLARM offered to contribute to further work of the ICWG, offer that was accepted by the ICWG chair.

The CDC endorsed the report and its presentation as a CDC report at the plenary session of ICW99.

**12. Focus on Africa** – Hank Fitzhugh, chair of the CSAA, introduced the subject by referring to the origin of the concerted effort over the last twelve months: perceived multiplicity of Centers' action in the region and lack of coherence by the Review Panel as well as by the CGIAR membership as expressed at the Consultative Council in January 1999. Out of this came the idea to hold a DGs retreat which evolved to a larger meeting including national and regional representatives. Meeting of Mind I (MoM I) succeeded in attracting a high level of participation from African partners. At MTM99 the

African representatives expressed strong support for both the process and outcome of MoM I. At the same meeting the CGIAR endorsed the inclusive process followed and the vision statement that resulted from MoM I, and called for a plan of action -- jointly developed by the CGIAR Centers, SPAAR/FARA, African Sub-regional Organizations, NARS and African donors (e.g. African Development Bank) -- to implement the shared vision.

The report of MoM II presents the progression from a shared vision to a strategy that lays out what should be done by the IARCs through collaboration with national and regional partners. It was emphasized that in this strategy policy research becomes the third research pillar alongside IGM and INRM.

The following elements<sup>4</sup> were identified as the foundations of the strategy for the CGIAR in sub-Saharan Africa, among which the first will absorb the majority of the effort:

- Technologies for sustainable development (both IGM and INRM).
- Technology dissemination and farmer empowerment.
- Policy research.
- Capacity building.

The operationalization of the strategy calls for actions in four areas<sup>5</sup>:

- The lab-to-land development continuum.
- Improved collaboration with African partners.
- Internalizing the strategy within the CGIAR Centers.
- Co-ordination among CGIAR Centers.

This strategy does not call for a new mechanism – which was suggested by the System Review – and is more responsive to the needs of the stakeholders in the region. It was emphasized that the strategy has full support from key African individuals and that its implementation has already started (shared vision, better coordination, better insight in what is going on in the region). It was also emphasized that for the IARCs' strategies to become more consistent with African strategies the dialogue, started at MoM I and II should be sustained. A mechanism for sustaining this dialogue still needs to be worked out.

The discussion demonstrated strong support for the report and its proposed strategy. Questions were raised with regard to the scope covered by the report: forestry, fisheries and water do not seem to have been incorporated and, as IFPRI, these sectors/IARCs have quite different counterparts at the country level. The incorporation of these sectors into the strategy is seen as a necessity. Though the private sector is not a major player in agricultural research in sub-Saharan Africa, there is a need to link up with it. Florence Wambugu, a member of the CGIAR Private Sector Committee, was present and actively contributed to MoM II. The degree of institutionalization of the

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<sup>4</sup> See section 4.1 through 4.4 of the MoM II report

<sup>5</sup> See sections 5.1. through 5.4 of the MoM II report

relationship, currently heavily dependent on individuals, should be reinforced particularly in West Africa. It was further emphasized that the operationalization of the principle of coordination among Centers (section 5.4 of the report) was crucial vis-a-vis the CGIAR as it may expect some more drastic mechanism to achieve that goal. A word of caution was voiced with regard to developing a detailed strategy and plan of action since the status of national strategies across countries is very heterogeneous, and forcing the process on them would lead to political implications. According to the CSSA there are no plans to force any strategy upon the NARS. They will be totally inclusive in the process of finalizing the strategy for the CGIAR in SSA by MTM 2000. Kanayo Nwanze informed the CDC that a forthcoming WARDA seminar on partnership management would contribute to the CSSA effort.

Wrapping up the discussion the CDC and CSSA chairs made the following points:

- The CDC vested authority and responsibility of this task to the CSSA.
- A six-person working group was nominated at Abidjan to carry out the completion of the strategy at the Conakry meeting in February 2000. The members are: Hank Fitzhugh, Stein Bie, Kanayo Nwanze, Moctar Toure, Geoffrey Mrema and Romano Kiome.
- A final report of the strategy will be presented by CSSA Chairman, Hank Fitzhugh, at MTM 2000.
- The CSSA came a long way in achieving a shared vision, a common feeling of collaboration, and getting a strong support from the African caucus; CDC/CSSA need to be patient but persistent to develop the operation further;
- Within the CGIAR (Alex McCalla and World Bank Africa regional staff in particular) the way CSSA led the operation was considered to be a model to be followed by other CDC Task Forces;
- There is a need to broaden the approach to include CIFOR, ICLARM, IFPRI and IWMI more closely as well as their counterparts in the NARIs, based on country level experiences. Representatives from these Centres should be present at subsequent meetings including the SPAAWFARA meeting in Conakry, Guinea in February 2000.
- The CSSA need to reaffirm their full commitment to work closely with NARS;
- The CSSA will reflect further on how to deal with the "what's" of the strategy in smaller groups (compared to MoM I and II).

### **3. CDC Meeting with TAC Chairs**

13. Pedro Sanchez welcomed Don Winkelmann and Emil Javier, respectively TAC Chair and Incoming TAC Chair.

Don Winkelmann dealt with the following items:

- EPMRs: TAC's Standing Committee on EPMRs – led by Lucia de Vaccaro – is working on a forward projection of EPMRs and on "personalizing" terms of reference; the selection of panel chairs and members will be done in closer

collaboration with the Centers, through consultation on TORs and reviews of shortlists;

- Plant Breeding Review: the terms of reference include a review of breeding methodologies (not “what” but “how”), examine the status of participatory breeding (using statistical and computer applications) and assess the balance between traditional methods and biotechnology; the Standing Committee on Reviews will oversee the review. Centers will be consulted regarding the composition of the review team.
- INRM: the Consultative Council requested the CDC to formulate a proposal of strategy and action plan for INRM. A draft report was submitted to TAC who did not formally comment on it considered the document to be work in progress. However, TAC intends to comment on the CDC presentation during ICW. Ted Henzel’s presentation of his report on ecoregional programs will be complemented by a consistent TAC commentary. TAC is fully aware of the complexity of interactions in INRM between water, soil, etc.
- Inter-Center Collaboration: this is a real concern of both the donors and the Finance Committee. TAC’s approach to the issue is that collaboration should be based on synergies and complementarity. In this framework, the CAC needs to demonstrate that it is a worthwhile exercise and is operative.
- Partnership Study: this work is performed in collaboration with Linda Spink and the Ford Foundation; it will contribute to the WARDA workshop which will be held in December. The study gets a lot of encouragement as most interested are very much aware of the high transaction costs that go with partnership. An advisory panel is being set up which will comprise Center representatives, Emmy Simmons, and other individuals with experience in partnership management. The study will include a literature review, an inventory of existing partnerships in the CGIAR, and further research on the subject.

In closing Don Winkelmann emphasized the need for the CGIAR to have a strong central capacity to assess science capacities and opportunities. He thanked the DGs for their support during his tenure as TAC chair, encourage them to stay with the challenges at hand and to focus on the essence.

In turn Pedro Sanchez thanked Don Winkelmann on behalf of all DGs for the tremendous task he performed during the last five years, particularly with regard to TAC better understanding of the Center dynamics. He wished him well in his retirement in New Mexico.

Emil Javier explained that he is starting to feel his way towards new responsibilities as incoming TAC chair and thought that, based on a good collaboration with the CDC, he should succeed. He said that he is getting a loud and clear message that TAC should become more strategic in its thinking and operations. He then asked the DGs to give their views on what “a strategic TAC” would be. Views voiced were:

- The need for TAC’s views on IPR in a five year time horizon;
- Water demand/supply projections for 2025 have been made; as it concerns a systemwide issue, TAC needs to feed this in the CGIAR “thinking”;

- TAC should initiate studies on genetic materials following methodologies used elsewhere (e.g. fruits);
- TAC should broaden its approach to agricultural research, as it did before when it moved from food availability to food security, by moving now from food security to health;
- TAC should have a long term: what is the applicability of what is currently being done in 10 years? Or should the CGIAR change fundamentally, e.g. from a food crops focus to cash crops? The latter could be justified on the basis of income generation for poor farmers;
- TAC needs to be strategic in the priority setting. Emil Javier felt that devoting TAC's attention to imbalances on the order of 3% of the agreed agenda was not a good use of its time and TAC should be much more strategic. Centers are considered to be unduly supply driven in their research. This should be reversed towards a demand driven research agenda certified by TAC.
- TAC needs to move away from discussions on processes to discussion of issues, e.g. partnerships.
- TAC should look at trade off questions in environmental issues; the cost of labor and productivity should be part of the equation in priority setting;
- TAC should look at the relevance of issues in terms of poverty alleviation; it should also operate more as a stimulator rather than a break;
- As TAC became involved in micromanagement, intellectual leadership was increasingly taken over by the Centers. However, this needs to be done in collaboration between the Centers and TAC and, as it should provide a forward looking vision and independent advice. This requires a high level of leadership;
- TAC should **look** into the question of technological forecasting: what tools are needed to achieve goals set for 2020.

Emil Javier responded briefly to this flurry of ideas by saying that TAC should find the appropriate balance between its attention given to short term-budget related issues and to strategic issues and address questions such as "what should be put in place if the CGIAR were not to exist?"

#### **4. CDC Position on Proposals or Activities initiated by Others**

**14. Review of PAA, Future Harvest, Story Development Initiative (SDI) and the Riggans Report to the FC** – With regard to PAA and SDI Hubert Zandstra, Chair of PARC, reported that both are quite active and will continue to do so. There still is unevenness among Centers' capacity for PA and storytelling, and the latter should be linked to Future Harvest. The EPCOT operation is increasingly considered to be an effective means of communication with the larger public. During ICW, a presentation at EPCOT will be simulated.

Hubert Zandstra reported that Future Harvest had given an extensive report to PARC, which was attended by several DGs, and will have a briefing meeting for a broader audience during ICW. More recent developments include the acceptance by Archbishop Tutu to be a Future Harvest Ambassador (and since then joined by Jane

Fonda) and the reproduction of Carter's op-ed piece (originally published in The International Herald Tribune) in a NSA magazine. The Future Harvest website carries continuously new stories (e.g. water, fisheries, women, population, IRRI, ICRAF, etc.). In terms of fundraising, besides support from Canada, Sweden and Switzerland, Future Harvest raised \$140,000 from USAID to finance a series on agricultural research and disaster mitigation. It continues to work on innovative ways to get the message on agricultural research across to influential individuals, the media, and the informed public. With outside assistance it will seek corporate relationships. The Peace and Food Security study should be given publicity at MTM2000 in Germany. The establishment of a Future Harvest hub in Europe is being considered with special funding, and was endorsed by the CDC. Future Harvest is also working with UNDP to provide agriculture and agricultural research a higher visibility in the organization.

With regard the Riggan's report on Long Term Financing Strategy for the CGIAR, Hubert Zandstra reminded the meeting that at MTM99 Alex McCalla had set up a working group with (donor) representation of the FC, CBC, CDC and PAA. The working group had met on August 18 in Palo Alto and had held a conference call meeting earlier in October. He mentioned en passant that some people joined the working group in a non-transparent way. Alex McCalla had also retained the services of John Riggan, President of The Conservation Company. Riggan presented his report to PARC and had been made available to all DGs. PARC's views on the report were available – see annex 2 – which were endorsed by the CDC.

During the discussion, Future Harvest was congratulated for the excellent progress made so far. It was projected that it would take over at least some of the PA activities currently performed by the Centers and by the CGIAR Secretariat. Expanding PA in Europe was needed, so a similar need exists in Japan and in Africa. There was some debate whether the name Future Harvest should replace CGIAR or be associated with it as the Riggan's report suggests.

It was observed that merging PARC with the Future Harvest board could mean the CDC losing control over Future Harvest. The CDC strongly believes that Future Harvest is owned by the Centers and it is our trademark. It was considered essential to preserve Future Harvest's independence as a legal entity, possibly "hosted" by the World Bank. If Future Harvest is going in the direction of resource mobilization, there is a need to establish an allocation mechanism. If Future Harvest were to include other IARCs in its PA operations, the question would arise on how to deal with them with regard to resource mobilization. Finally the question of IP on the Future Harvest was raised.

Hubert Zandstra presented a PARC budget amounting to \$600,000 for 2000, including support to PARC and PAA. – see annex 3. The budget was approved with the proviso that Centers' support to Future Harvest be subjected to the maintenance of Future Harvest as independent entity under new structure; deviation from this basic principle could trigger the Centers to stop the funding it.

15. CGIAR-NAS Biotechnology Conference – A CGIAR-NAS sponsored International Conference took place in Washington, DC, on October 21-23. Some participants in the meeting expressed their dissatisfaction with the way the conference came about, i.e. a unilateral decision of the CGIAR chair on behalf of the CGIAR, without consultation of the Centers who have a significant role in this area. The CGIAR, it was said, should not promote biotechnology per se but apply it quietly. On the other hand, there was a perceived need for the CDC to speak out on the subject at the risk of being equated with the CGIAR chair's positive position on the subject. A joint statement with the CBC was suggested for release during ICW. However, it was recognized that at this juncture there is neither a unanimous view among the Centers on the subject, nor clarity about what TAC's intentions are with regard to the Plant Breeding Review.

In conclusion, Ron Cantrell was requested to approach Emil Javier on TAC's intentions with the review referred to above, and report back to the CDC for further discussion.

16. USDA Symposium – A USDA sponsored symposium took place on Capitol Hill on October 18. At the event a memorandum of understanding was signed between USDA and the CGIAR, represented by Pedro Sanchez. This represents a strategic alliance (supported by funding) with an ARI. The multiplication of such MOUs in Europe (e.g. Wageningen, Montpellier), in Japan and in Southern countries would be welcomed to neutralize the possible perception of an American encroachment on the CGIAR.

Some participants raised question about the value of such MOUs which in other cases were mere expressions of goodwill and did not transcend the PR dimension. Others expressed more positive attitude vis-a-vis such instruments as they can lead to staff secondments or increased financial support. In this context the question was raised whether an MOU with Germany could possibly stem the cut in its support. Similarly, host country agreements could include the gist of MOUs. Words of precaution were expressed: should the Centers be proactive or responding to MOU proposals? ARIs in some cases promote **MOUs** with the CGIAR to broaden their international exposure. Also the question was raised whether umbrella MOUs were preferable to center-by-center MOUs, and if the former were favored how to avoid conflicts between the two.

In conclusion, ISNAR, which produced an inventory of MOUs a few years ago, was asked to prepare a position paper in this issue for consideration by the CDC.

## 5. CDC Structure

The CDC discussed briefly its structure in committees or task forces with the aim of improving their operations and being more authoritative. The general feeling was there should be a smaller number of sub-committees or task forces allowing for some cross-membership (but calling less on outsiders) which would be conducive to better coordination among the groups. The task forces, as they would be called, would attempt to be issue oriented and chairs would prepare programs of activities which will be shared with all CDC members.

During ICW99, the outgoing Executive Committee of the CDC circulated a proposal of Task Forces to be set up or transformed, and a proposed composition (chairs and membership). See annex 4.

## **6. CDC Meetina with Joachim de Haas (BMZ)**

Jochen de Haas requested to meet with the CDC to brief the DGs collectively about recent developments in Germany with regard to its financial contribution to the CGIAR.

At the onset Jochen de Haas stated that Germany's considers the CGIAR to be an essential and useful entity that merits support. This position, he said, will be maintained in the long term. However, in the short term financial support will be reduced and tight. The new Minister of Finance has decided to exclude borrowings as a means to support the federal budget. Consequently the total federal budget was cut by 7.4%, and that of BMZ by 8.7%. Such a reduction forced BMZ to protect first legally binding commitments and reduce more discretionary budget items by a significant amount. The unrestricted contribution to the CGIAR will be reduced in 2000 by 50% (or about \$8.5 million equivalent). The outlook is that this will be maintained through 2003. All this happened despite PA types of activities to stem the reduction. Among others, the Future Harvest Carter op-ed was widely circulated within BMZ, and a group of scientists addressed a letter to the Chancellor calling for the reinstatement of support at the 1999 level. While there is quite some sympathy at BMZ for the CGIAR, there is no obvious action to remedy the problem. Jochen de Haas added however that Centers and the CGIAR should put the utmost pressure on high political levels.

Jochen de Haas clarified that for 2000 the restricted, project-based funding would remain as agreed, and only the unrestricted contributions would be cut by half. For future years Jochen de Haas urged the Centers to limit their proposals for project funding to a single proposal. He further explained that the reduction in 2000 forced BMZ to concentrate its unrestricted contribution on nine Centers to make them meaningful<sup>6</sup>.

During the discussion the main topic was how the CDC in partnership with others (PAA, Future Harvest) could organize a PA campaign, particularly in the framework of MTM2000 in Dresden. Jochen de Haas answered that holding the CGIAR and GFAR meetings in Dresden might have some effect, but less so than if they had been planned in Berlin. He said that the plan calls for the Federal President to attend the opening of MTM and the BMZ Minister to one of GFAR. He added that consideration was given to the attempt to bring in some private foundations to complement BMZ through cooperative programs; the experiment would start with smaller foundations to expand, if successful, to the larger ones. It was also suggested that Centers' German board members could be mobilized to approach the authorities. While not rejecting this suggestion, Jochen de Haas said that getting "outsiders" to convey the message would

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<sup>6</sup> In DM '000: CIAT: 700; CIFOR: 400; ICLARM: 600; ICRAF: 500; IITA: 800; ILRI: 800; IPGRI: 600; IRR: 800; and IWMI: 400.

be more effective; he illustrated this by saying that an intervention of James Wolfensohn would be more effective than one from Ismail Serageldin.

It was also said that the action of the German government was intrinsically geared against the poor, not against the IARCs. This could be interpreted by other as a signal with dear consequences, in particular in the EU. Germany should put pressure on the EU to streamline its processes and to, at least partially, compensate for the drop in German support. It was also said that budget lines outside BMZ could be tapped as complements. While he doubted that anyone can influence the EU, Jochen de Haas said that indeed other budget lines might be available, e.g. to support biotechnological research, if the right message were to be addressed to the right people, namely crisis prevention versus short term solutions.

In closing, Pedro Sanchez, on behalf of his colleagues, congratulated and thanked Jochen de Haas for his courage in giving the Centers advance notice of reductions in funding. He expressed the hope that this, would only be a temporary situation as had been the case with Finland.

## **7. FAO International Undertaking**

Within strict time constraints, Geoffrey Hawtin drew the attention of his colleagues to the difficulties encountered in the negotiations of the FAO International Undertaking. It will still take some time to conclude the negotiations and in the meantime national legislation covering access to genetic resources and IPRs is being enacted in many countries in response to the CBD and GATT/TRIPs. Such legislation could severely restrict the international movement of germplasm, particularly in the South. He referred to a fuller presentation on the issues to be made to the plenary during ICW.

## **8. CDDC Report**

Bruce Scott (ILRI), Chair of the CDDC, presented an interim report of the CDDC meeting which was being held in parallel with the CDC meeting. He was joined by Masa Iwanaga of IPGRI and Martin Van Weerdenburg of IFPRI. They were also joined by Koen Geerts of IPGRI who is Chairing the Task Force on Salary and Benefits

Items presented and discussed were:

- AIARC: the CDC has delegated the authority to hold the AIARC Annual Assembly to the CDDC. The CDDC received a report from the AIARC Chair and the Director/Executive Officer, based on the activities of the past year. The CDDC requested the CDC to approve the following resolutions:
  - The AIARC Board of Directors be given the authority to approve expenditures on the Joint Expenses Account.
  - The van Breda insurance premiums from 1997 will be finalized in February 2000 and, once the final calculations are made, that each Center will be

reimbursed on a proportional basis according to the amount of the premium that they each contributed after the claims paid out to the staff of each Center.

- The Joint Expenses Account be replenished by each Center contributing \$5,000 each for the period October 1999 to October 2000.

The CDC endorsed the three resolutions.

- Financial issues:

- 1) The CDDC received financial reports from the CG Secretariat on the status of 1999 and the proposal for 2000 financing .
- 2) In 1998 the CDDC had approved a study on Indirect Cost Recovery. ICRISAT had let the study with some outside consultants and the contribution of information from all Centres. The methodology was discussed by the CDDC who agreed to proceed with five pilot studies to test the formula. This is expected in April and will form the basis of a standard formula for all Centres.
- 3) The CDDC was briefed on an experiment between IRRI, IPGRI and ICLARM to share internal audit functions in Southeast Asia. This may be something that other Centres in other regions may wish to consider joining.
- 4) The CDDC was informed by the CG Secretariat that the Financial Manual is in its final stage of preparation and will be released in the near future.
- 5) Systemwide investment of liquidities: Gordon MacNeil worked on two proposals respectively with Generale and Citibank. Final proposals and recommendations are expected by February 2000, but the viability of the scheme was, at this juncture, estimated at less than 50%.
- 6) Accounting of pass-through funds: this is a priority item on the CDDC list for studies to be undertaken in collaboration with the CGIAR Secretariat.

- Other matters:

- Linda Spink gave a presentation on the Organization for Change Program which brought about a lot of interest from the CDDC members;
- Vicky Wilde reported on the Gender and Diversity Program, which was launched with a one-time CDC financial contribution;
- Jacqueline Ashby (CIAT) reported on Systemwide Program on Participatory Research and the Gender Analysis;
- The CDDC heard reports on PA, PARC and John Riggan concerning a longer term financing Strategy for the CGIAR.

The CDDC discussed in depth the future of electronic communication in the CGIAR. The contract with CGNET, which has been a true catalyst for inter-center functions, comes to an end in April 2000. In its reflection on the issue the CDDC considered that the approach to electronic communication should be need driven rather than technology driven; therefore it suggests that the integrated system be based on a well thought through strategy. In order to achieve that the CDDC recommended to the CDC that:

- CGNET be given a one year extension through April 2001;
- Negotiations be based on cost reductions;
- The CDDC develops, in collaboration with the Centers, a strategy and options over the next 18 months;

- The pre-financing should be recouped.

The CDC agreed with this proposal but suggested that consultants be identified to write the terms of reference of CGNET for the extension.

Another item, still under discussion at the time of the meeting, was the salary and benefits survey. The CDC was reminded that the last one was performed by Bill Gormbley in 1993. The CDDC has set up a Task Force, chaired by Koen Geerts and including seven Center representatives. The Task Force has recruited the services of Joan Joshi to undertake the study. The comparators used by the task force go well beyond the 16 Centers and include the Ford and Rockefeller Foundations, the World Bank, AsDB, IDRC, GTZ, Unilever, Monsanto, and universities in Australia, France, Germany, **UK** and the **US**. A methodology was developed to use the comparators in a sensible way. The CDDC proposed to the CDC to extend the deadline from December 31, 1999 to January 31, 2000 in order to include more comparators and pay closer attention to gender and diversity. The CDDC also requested the CDC to approve an increase in the budget from \$30,000 to \$40,000. The cost to each Centre should be about \$2,500. Since the joint expense account is depleted, the CDC approved both the extension and the total budget, and consequently each Center will transfer a total of \$7,500 (combined with the \$5,000 approved for other expenses) to the AIARC managed account.

The CDC requested the task force to deal with the full report in strict confidentiality and release it only to the DGs. A separate report should be prepared for circulation within the CGIAR with center specific information, while another report with global information should be prepared for outside audiences. The CDC also urged the task force to draw on studies undertaken by Centers since 1993.

Finally Bruce Scott informed the CDC that revised terms of reference of the CDDC will be submitted to the CDC.

## **9. Joint CBC-CDC Meeting**

17. In his opening statement, Walter Falcon, chair of the CBC, reviewed the items that were on the CBC agenda: the compensation review; the board-management interface and the related training and guidelines; the governance, funding of and the need for clarity in the systemwide programs; overhead rates and related board policies; structure of the CGIAR and the leadership question; Future Harvest and the proposed new foundation; and IPR and patenting.

Pedro Sanchez, chair of the CDC, referred to Hubert Zandstra to comment on the CDC view on Future Harvest, and to Ron Cantrell regarding IPR and patenting. With regard to the systemwide programs, the CDC is awaiting information and views from the CBC, particularly in view of the FC Chair's intention to allocate World Bank funds to these activities.

18. With regard to systemwide programs, Walter Falcon informed the CDC that an interim report was being prepared. The CBC agreed with the findings of the Henzel report as well as with TAC commentary on the subject. Five systemwide programs have been reviewed, and all were ecoregional in character. The review shows evidence of at least some effectiveness. It is CBC view that TAC should:

- Collect evidence on ecoregional and non-ecoregional programs, and identify best practices;
- Streamline some of these programs so that they fold into Centers' programs, and possibly close down some others;
- Reach a common understanding on the substance of such programs (and their sources of funding) and on what can reasonably be expected from them;
- Improve their governance, taking into account Center Boards responsibilities;
- Review the structural problems related to collaboration among (competing) Centers in the areas of accounting, implementation, supervision, and funding.

Pedro Sanchez commented on CDC's work on INRM as work in progress. The CDC is in agreement with TAC, and believes that NRM within an ecoregional context should be problem specific.

It was noted that in December 1994 a meeting drafted guidelines on the governance of systemwide programs. Also, it was observed, systemwide program such as for genetic resources, livestock and water are of a different nature – and present different issues – compared to multi-center ecoregional activities focusing on specific problems.

Some participants indicated the need for the Finance Committee to issue explicit criteria for the allocation of World Bank funds to systemwide programs. These criteria should be developed in consultation with the CDC. It was also underlined that this was a matter of urgency as the system wide programs could not wait until MTM2000 to know whether or not and at what level they would be funded by the World Bank.

In conclusion, Walter Falcon said that a paper – more positive in tone than the one presented in Beijing – will be presented during ICW, and that further work needs to be done to differentiate ecoregional problems from ecoregional zones since the Henzel report does not provide all the answers.

19. On CGIAR structure and leadership, Pedro Sanchez reported on the negative comments made by some System Review Panel members, including Maurice Strong, on the response the review received from the CGIAR. It was now clear that Ismail Serageldin would stay with the World Bank and the CGIAR for a couple of years, and that raised the issue of having a CGIAR chair not well connected with the Bank's decision making structure. It might be that there is a strong undercurrent within the CGIAR to restructure it; if this were to be true, then the CDC needs to take the initiative. McCalla's departure at year's end would create a vacuum in the Banks support for and understanding of the CGIAR, which might be at least in part filled by Shawki Barghouti in so far as McCalla's successor (likely to come from Winrock and thus familiar with the

CGIAR) would allow that to happen. In any event, Shawki will and is already playing a crucial role in liaising between the Centers and the Bank's operational regions. Pedro Sanchez reported on a very positive first contact between the CDC and Emil Javier, the incoming TAC chair. From this interaction it is clear that TAC will become much more strategic than is currently the case.

In response the CBC chair indicated that if restructuring will be tackled it should be led by the Oversight Committee which should work closely with the CBC and CDC. While dismissing the negative comments from panel members as irrelevant, a participant emphasized that a restructuring of the CGIAR would go well beyond the Center structure and also include the review of the role of the World Bank and TAC – the latter being in need of new terms of reference; this would require quite some time, and CBC and CDC should not hesitate to take a lead role in the overall exercise. In this transition, strong leadership will be needed. Pedro Sanchez said that while the CDC did not discuss the role of the Finance Committee it had discussed the role of TAC at some length, including the need for TAC to build, in its strategic work, NRM indicators as it currently bases this work on commodity indicators.

20. With regard to Future Harvest and the Riggan report, Pedro Sanchez informed the CBC that the CDC was in broad agreement with Riggan's report. The CDC has however reservations with regard to the proposed board of the foundation which would not be conducive to "think differently". The Centers, he added, have a strong sense of ownership of Future Harvest, including its logo. It is considered to be the appropriate mechanism to operate as a PNRM hub for the Centers, in which the CGIAR Secretariat's work in PNRM should be integrated. The CDC considered that Future Harvest should be expanded, and had pledged continued financial support provided it is able to continue to operate independently. The CDC has no objection to Future Harvest becoming an integral part of the CGIAR system, but it should be guaranteed to be able to expand its PA and RM activities in a professional way.

Several CDC members expressed their appreciation for the work and role Future Harvest has achieved so far, as well as the high potential it has if given the adequate intellectual and financial resources.

The CBC chair warned the DGs that their expectations from Future Harvest as a fundraising mechanisms may be too high: fundraising by the Centers will remain the core. Participants added that Future Harvest is in need of a resource mobilization plan that would include the identification of possibly sources of funding as well as the cost of implementing the plan. This should also be accompanied by a proposed mechanism for allocating the resources raised. It was also noted that long term financing of the CGIAR from private sources was unlikely; thus the current set up might be adequate for PA but not necessarily for RM. In the case of IRRRI's Rice foundation, it was noted that it was started with the help of the Rockefeller Foundation, expanded based on an ASEAN media network, and that the initial investment was rather high.

In conclusion, the CBC chair stated that Future Harvest and the related Riggan's report raised issues of ownership both from the Centers and stakeholders, of a changing culture in the CGIAR with regard to PA and RM, of allocation of funds raised centrally, and of the complementary role of such mechanism rather being a substitute for existing center-based ones. He also called for clarification of a foundation's role both in PA and RM, for which a budget should be prepared.

21. IPR – Ron Cantrell reported good progress with the IP audits at the Center, with four completed and five well on their way. The CGIAR will need to decide what it wants to do with regard to using IPR as tools to preserve public goods. Currently IPR is totally private sector driven, The audits constitute a first step for the CGIAR which will then have to decide what kind of organization it wants to be with regard to IPR; in any case it should be built from the base upwards, and not from the top down.

Participants emphasized that the CGIAR needs to take a prospective attitude in defining its position, including vis-à-vis the private sector. While Centers are already in the patenting business, issues are to be resolved on how to commercialize these and how to deal in this regard with the NARS.

22. Overhead rates – The CBC chair stated that center overhead rates should be explicitly stated in Centers' audited financial statement, and a clear definition of what project related direct costs are versus institutional overhead costs is needed. The boards have the intention of pushing center management to recover the full cost of projects, as these become a significant source of unrestricted funds. While not disagreeing with his position, participants stressed the various definitions of overhead used by donors as well as the broad range of attitude among them vis-&-vis paying overheads.

The CDC chair informed the CBC of an ongoing study by the CDDC on the issue of overhead, the report of which is expected to be delivered in April 2000.

In conclusion Pedro Sanchez also welcomed the visible improvements in the board-management relations.

## **10. CDC dinner meeting with the CGIAR Chairman**

At MTM99, the CGIAR Chair had expressed his wish to meet with the CDC in a retreat format at the time of ICW99. Due to circumstances, the meeting was limited to a dinner right after his return from Paris.

Ismail Serageldin confirmed that, since he did not get the director-generalship of UNESCO, he would stay with the World Bank and the CGIAR for about two more years. This, he said, would ensure continuity in the CGIAR leadership at a time of high turn-over in the CGIAR with a new TAC Chair, Alex McCalla leaving the Bank, and the upcoming retirement of the CGIAR Executive Secretary. Also, he said, this was an opportunity and the right timeframe to tackle the unfinished task of the System Review,

namely the restructuring of the CGIAR. With regard to the latter, he invited the CDC to take the lead in such an exercise.

Some participants questioned the CGIAR chair about his status and influence within the World Bank as he appeared that with CGIAR, CGAP and the Global Water Partnership in his vice presidential portfolio, he might not be closely associated with the top-level decision making. Serageldin refuted this argument on the basis of his close relationship with both the President and the Managing Directors of the World Bank. He added that CGIAR would greatly benefit from having a virtually full-time chair, which was impossible to get from any other Vice-president, including Ian Johnson, Vice President ESSD, his likely successor.

The CGIAR Chair acknowledge that the Vice Chairmanship, proposed by the Consultative Council in January 1999, may not be established in the short term as he would spend at least 50% and as the Bank was not likely to assign two top level managers to the CGIAR. He acknowledged also that this would impact the terms of reference of the new Executive Secretary who should be selected by mid-year 2000.

Some participants drew the attention of the CGIAR Chair on the fact that Centers may not be best placed to tackle the restructuring of the CGIAR. Center boards and management are primarily concerned with the well-being of their Center, and only in a subsidiary way with that of the system.

In conclusion, the CGIAR Chair called on the CDC to support him in its effort to get the CGIAR through a restructuring phase in an effective and efficient way. Pedro Sanchez, on behalf of his colleagues, expressed the CDC satisfaction to see Serageldin taking on the CGIAR again and assured him of their collegial support.

### **11. The CDC Report to the CGIAR**

As usual, the CDC chair presented a report – which had been reviewed by the CDC members – on behalf of the CDC during the plenary session of ICW99. The text of this report is shown in annex 5.

### **12. CDC Wrap-up meeting** (Friday October 29, 1999)

Per Pinstруп-Andersen, the new chair of the CDC, chaired a short CDC meeting that was held immediately after the closure of ICW99.

It was agreed that the chairs of the various task forces would keep all CDC members informed of work plans and activities of their respective task forces, the composition of which is shown in annex 4.

With regard to the Central Asia and Caucasus program (CAC), Per Pinstруп-Andersen informed the CDC that a consultant should be appointed by the CDC Task Force on CAC to develop a strategy and look into the governance (i.e. the Steering

Committee) of the program. At a meeting with Alex McCalla and others (see separate note of November 1, 1999). Tony Pritchard had been mentioned as a possible candidate. CDC members suggested other names<sup>7</sup>, including that of Christian Bonte-Friedheim which got the consensus agreement.

Upon proposal of the CGIAR Chair (proposition 1) following consultation of the Consultative Council, the CDC discussed the need to hold a meeting to discuss the development of a CGIAR 5-10 year strategy, for which TAC will take the lead. In view of the TAC meetings scheduled for November 1999 and March 2000, the CDC agreed to plan the meeting in late January-early February 2000 at ISNAR in The Hague. The TAC chair had called upon all stakeholders, including the Centers, to feed TAC with ideas and suggestions, The CDC discussed whether this should be done at the center-level or in a consolidated way at the CDC-level, particularly since the DGs views on "strategy" were very broad in their interaction with Emil Javier. The CDC decided that Centers would send their inputs to the CDC chair (copied to Jean-Pierre Jacqmotte) who would transmit the to TAC. If Centers were to chose the alternative, they would copy their communication to Per and Jean-Pierre.

On behalf of all CDC members, Per Pinstруп-Andersentanked Pedro Sanchez, in absentia, for the great leadership he provided to the CDC during the past very active twelve month period.

12/4/99

JPJ draft 11/8/99 - PS comments 11/21/99  
Comments LB 11/24/99- GH comments 11/25/99

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<sup>7</sup> The other names mentioned were: Joachim von Braun and Klaus Lampe.

## INRM PRESENTATION FOR ICW

- Progress since MTM, The Bilderberg meeting, participation, status of report etc.
- CDC has reviewed progress and taken the following decisions.

### DECISIONS:

1. Improve Knowledge management: Maintain and upgrade Website; initiate e-mail dialogues on key issues.
2. SCIENCE (Recognise that the scientific challenges depend upon the nature of the INRM issue being addressed. INRM approaches are needed at all levels from the household, the watershed, the eco-region through to global environmental issues such as climate change. Note for example the numerous satellite meetings and presentations this week which are working on methodology development for INRM, e.g.
  - Eco-regional methodologies
  - Collective action and property rights
  - Participatory plant breeding
  - American hillsides
  - Desert margins
  - Climate change mitigation/adaptation
 Note also the very considerable achievement of IARCs in PAR, IPM and Farming systems etc, (Full inventory in MTM documents).

The CDC will now undertake further work on:

- Methodological development - Integrative sciences.
- Performance indicators. Performance of NR systems.
  - o Trial with African woodlands.
- Strengthened conceptual frameworks; development of more explicit statements of desired poverty/environment outcomes for INRM research.
 

*(All this to be done separately for different INRM challenges, some multi-center some single center, eg. ASB, Desert margins, Aquatic systems, forest systems etc, lead scientists from each of the major INRM initiatives will be brought together in Y2K to review these issues)*

3. Individual centers are actively reviewing their scientific skill mix, team structures, reward systems in *recognition* of the need to make changes to strengthen capacity to do INRM research.

4. Centers are actively strengthening their alliances with ARIs to access "integrative science". (Process given impetus at Bilderberg).

5.. CDC will work with TAC on **priority setting and impact assessment tools** for INRM.

6. CDC task force to monitor progress.

## Center Directors' Committee

### The Center Directors' View on the CGIAR longer Term Financing Strategy

The Center Directors Committee (CDC) endorsed the principles laid out in the report with regard to public awareness (PA) and resource mobilization (RM) as they are broadly consistent with those underlying the Future Harvest strategy both in its establishment, and in its current operations (i.e. building on its PA base toward, proactive RM). The CDC welcomes the invitation to lift up and broaden the Future Harvest effort within the CGIAR.

The CDC suggests that there are a number of areas of the report that need further refinement in consultation with the Finance, Committee, through the participation of Future Harvest and the Public Awareness Association (PAA). These are:

1. CDC hoped that the name of the foundation would be simply Future Harvest and that it not formally include mention of the CGIAR
2. CDC expressed its hope that the composition of the board of the foundation be creative and innovative, building on the expertise in PARC in consultation with the Centers, and including individuals -- both within and outside the CGIAR -- with specialized expertise in PA and RM.
3. CDC expressed its belief that the most effective way to proceed with the foundation is to build on the activities and strengths of the already active Future Harvest organization by expanding this activity. The CDC noted that the Future Harvest organization's legal structure, name and logo, as well as its mission already encompass what is necessary to move forward. CDC expressed its desire that the momentum gained by Future Harvest should be maintained, and it endorsed its new initiative in RM and PA in Europe and eventually in other regions.
4. CDC feels that the process of further development of funding strategies would be greatly enhanced if all relevant actors, including Future Harvest and PAA, be included.
5. CDC feels strongly that Future Harvest should be elevated from a center-led initiative to a system-level operation, but that it remain independent operationally and intellectually. It expressed a strong desire to be consulted about the location of the enlarged operation. The CDC stressed that the Centers and their work are at the heart of Future Harvest and in its new "incarnation" they should remain so.
6. CDC was pleased that it has been recognized that in the interim period Future Harvest should continue to operate under the leadership of its Board and PARC and under optimum conditions. The CDC, along with the Future Harvest board and PARC, expressed its willingness to work with the parties involved to ensure that Future Harvest does not lose its momentum in the process.
7. CDC emphasized that the evolving Future Harvest should be linked to the PA and R efforts of the Centers and not be a substitute or competitor for these.

## PARC Finances

	1999		2000
	Budget	Expected	Budget
Future Harvest	\$527,000.00	\$510,000.00	\$490,000.00
Fund Raising	\$ 46,000.00	\$ 16,000.00	
<b>Total</b>	<b>\$573,000.00</b>	<b>\$526,000.00</b>	<b>\$490,000.00</b>
<b>PAA</b>			
Training	\$ 35,000.00	\$10,000-00	\$25,000.00
Consultants	\$ 20,000.00	\$ 30,000.00	\$25,000.00
Exhibits	\$35,000.00	\$ 15,000.00	\$25,000.00
Epcot	\$40,000.00	\$40,000.00	\$40,000.00
Editorial Services/SDI	\$ 80,000.00	\$90,000.00	\$45,000.00
NSO support	\$34,000.00		
Other	\$ 33,000.00	\$ 11,000.00	\$ 10,000.00
<b>Subtotal</b>	<b>\$243,000.00</b>	<b>\$230,000.00</b>	<b>\$170,000.00</b>
<b>Total PARC</b>	<b>\$816,000.00</b>	<b>\$756,000.00</b>	<b>\$660,000.00</b>
Carry over			\$ 60,000.00
<b>2000 Centre funding required</b>			<b>\$600,000.00</b>

## Centre Directors Committee Report to ICW-99

### Follow-up on System Review recommendations assigned to the CDC

#### 1. Integrated Gene Management Task Force:

- Intellectual Property (IP) audits progressing well; three are completed and 10 are in progress; valuable lessons are being learned.
- Wholly Owned Subsidiary issue still being studied; its implementation seems unlikely at this point.
- Central Advisory Services for IP is now operational at ISNAR.

#### 2. Focus on Africa:

- Meeting of the Minds II, held early September at Abidjan, continued strengthening the shared vision and mode of collaboration with our African partners.
- Next steps: finalize a research agenda and strategy.
- Discussion with SPAAWFARA in February 2000 in Guinea. Final report of the strategy to TAC in March and to the CGIAR at MTM 2000.
- Dialogue with African partners will continue on a regular basis to monitor implementation of the strategy.

#### 3. Integrated Natural Resource Management:

- The Bilderberg Meeting in September had a broad representation of partners. The outcome was a set of INRM principles and guidelines. Next step is a CGIAR scientific meeting to internalize and put into effect the principles adopted at Bilderberg.
- Centres consider essential the continuation of ecoregional programmes and endorse TAC's recommendation that such programmes be sharply focused around a major problem.
- Centres recommend that TAC includes INRM-related criteria and indicators along the current commodity-related criteria.
- Centres endorsed the progress report of the Intercentre Working Group on Climate Change, which will finalize its report at a proposed meeting in Mexico March 20–23, 2000 at CIMMYT. We gratefully accept the Netherlands offer to fund this meeting. The final report will be submitted to TAC and to the Group at MTM 2000.

#### Long-term Financing of the CGIAR

- Active and constructive CDC participation the FC working group meeting at Stanford.
- CDC endorses the principles laid out in the "Framework report" and welcomes the invitation to broaden the Future Harvest effort within the CGIAR. We suggest the following further refinements, in consultation with other stakeholders on the following:

1999-2000 CDC Task Forces

Representation on Others

	Executive Committee	IPR	INRM	Information & Training	SSA	CAC	PARC	AO Jaison	GRPC	Future Harvest	AIARC Board	Diversity	IPAAR/ARA	GFAR
Stein Bie				C		M								X
Lukas Brader		M			M						X		X	
Ron Cantrell		C	M						X					
Adel El-Beltagy			M	M		C								
Hank Fitzhugh					C			M						
Geoffrey Hawtin								M	X	X				
Kanayo Nwanze					M		M						X	
Per Pinstrup-Andersen	C													
Timothy Reeves						M	M		X					
Pedro Sanchez	M		M		M									
Jeffrey Sayer	M		C											
Meryl Williams							M	C				X		
Hubert Zandstra			M	M		M	C			X				

William DAR - TBD

DG CIAT - TBD

DG IWMI - TBD

C = Chair; M = member

- Keeping the name short and simple.
- Broadening the composition of the Board in novel ways
- Building on the current Future Harvest activities and maintaining its momentum.
  - Involving all relevant actors including PAA and Future Harvest staff
  - Consultation on the location of the effort
  - Ensuring operational and intellectual independence of the effort
- Linking this effort to centres' public awareness and resource mobilization efforts.
- The CDC is fully supportive of Future Harvest and expresses its great appreciation for the achievements so far. It is also fully supportive of Future Harvest expansion of public awareness activities to Europe and beyond, and towards resource mobilization.
- It will work with all others concerned to facilitate the transition of Future Harvest from a center-level activity to a system-wide operation. The CDC has shared its views on this subject elsewhere.

### CDC Structure

- Changing the way we do business, due to the additional responsibilities given to the CDC by the CGIAR. Executive Secretary invaluable.
- CDC committees re-constituted into Task Forces with the aim of being more proactive in issue identification, development of proposals for change and a timely dialogue with our counterparts, within and outside the CGIAR.
- The CDC Executive Committee for next year will be Per Pinstrup-Andersen (chair), Pedro Sanchez and Jeff Sayer.
- The current Task Forces and incoming chairs are: Intellectual Property and Germplasm Resources (Ron Cantrell), Integrated Natural Resource Management (Jeff Sayer), Public Awareness and Resource Mobilization (Hubert Zandstra), Information and Training (Stein Bie), Sub-Saharan Africa (Hank Fitzhugh), and FAO Liaison (Meryl Williams). Other task forces are under consideration.
- Several Intercentre Working Groups such as Genetic Resources and Climate Change will continue, as well as CDC representation in boards or executive bodies of AIARC (Lukas Brader), GRPC (Geoff Hawtin), Future Harvest (Hubert Zandstra), Gender & Diversity Program (Meryl Williams), SPAAR/FARA (Kanayo Nwanze) and GFAR (Stein Bie).

### **Transition Issues**

- The CDC endorsed Ismail Serageldin's continuation as CG Chair for 2 years and made our opinion known at the Consultative Council Meeting of October 26.
- The Centres are ready to contribute, along with TAC, to the long-term vision of the CGIAR and discussions on restructuring issues.

- The CDC commends both the transparent process and the successful outcome of the search for the new TAC Chair and supports the call for an equally transparent and consultative process as well as the terms of reference for the replacement of the current Executive Secretary.
- The CDC sees with regret the departure of Alex McCalla as the World Bank co-sponsor and chair of the Finance Committee. He has been a good friend of the Centres in this and previous positions, including Chair of the CGIAR first review panel (1976), TAC member and chair. We do hope he will remain associated with the CGIAR in some capacity so we are fortunate to continue benefit from his superb intellect, clarity and strength.
- It is also with regret that the CDC sees Don Winkelmann leaving as TAC Chair. As a former Center DG, Don showed during his tenure a good understanding of center dynamics and was able to communicate with them well. The CDC wishes him well.
- The CDC welcomes wholeheartedly Emil Javier as the next TAC Chair and, based on previous experience, is looking forward to an excellent collaboration with TAC particularly on strategic issues facing the CGIAR.
- At Beijing we said our farewells to Grant Scobie of CIAT and Shawki Barghouti of ICRISAT; we welcome Willy Dar as incoming ICRISAT DG and look forward to the new CIAT DG later in the year.

#### Issues to the Members

The CDC would like to call on the CGIAR members to:

- Continue and increase their unrestricted core support, despite prevailing trends.
- Be more proactive in working with Centers on mobilizing public sources outside the ODA framework.
- The CDC also calls on the Members to **find** ways to accelerate disbursement of their contributions, to discuss necessary changes in a multilateral context, and to avoid making drastic changes in allocations in mid-year.