

Change Management Process Retreat #1
Working Group 4 – Funding Mechanism
Minutes of Meeting – February 27, 2008

Attendees:

Marlene Diekmann (Chair)
Rob Bertram (Co-Chair)

Charles Haines
Anne-Marie Izac
Dennis Kyetere
Shantanu Mathur
Emmanuel Njomo
Mahmoud Solh

Loriza E. Dagdag (CGIAR Secretariat)

Shantanu Mathur joined the group to provide additional institutional memory on finance matters.

Future inter-actions will be by e-mail, in addition:

Conference Calls:

- March 20, 2008 9:00 am (Washington, DC time)
- April 10, 2008 9:00 am (Washington, DC time)
- Possibly in June, July, August

Face-to-Face meetings:

- May 11-12, 2008, Ottawa, Canada (before ExCo meeting)
- August – at the time of the 2nd retreat of the Change Management Process
- Sept 1-2, 2008, Brussels, Belgium (before the Science Council Meeting)
- A possibility of a 4th meeting on October 3-4, 2008, Lisbon, Portugal (after ExCo)

The group was tasked to undertake an exercise that would define the structure and output expected of the group as part of the Change Management. The process of framing and re-framing was guided by the following key questions:

1. Final outcome
2. Specific deliverables that define success
3. Specific questions that the group will answer
4. What is included in the scope of work
5. What is not included in the scope of work

After discussions and sharing of views, the group agreed on the following:

1. **Final outcome** (objective of the group) – Define a funding approach and implementation mechanism that meets the requirement of the CGIAR System.
2. **Specific Deliverables** :
 - a. Donors Code of conduct including implementation

- b. ToR for Funding Committee
 - c. Options for funding mechanisms (e.g. IFAR, etc.) including defining procedures (stepwise process)
 - d. Analysis of financial data (e.g. unrestricted/restricted funding, full cost recovery , sources of funding – multilateral, bilateral etc.)
 - e. Study of funding structures from similar international organizations (benchmark study)
3. **Questions that the group will answer:**
- a. What are information needs of donors for decision making?
 - b. How can we develop safety nets to address funding shocks?
 - c. How do we ensure sustainability of financial resources and long term commitment?
 - d. What are the incentives for unrestricted funding?
 - e. How to minimize transaction costs?
4. **What is included in the scope of work of WG4?**
- a. See 2 and 3 above; to be addressed in close collaboration with the Independent Review Panel.
5. **What is excluded in the scope of work of WG4?**
- a. The issue of partnership for funding to be discussed with WG2.
 - b. Legal entity to be discussed with WG3.

In preparation for future inter-actions and with a view of moving forward the process, a set of milestones were identified.

Key milestones before the May ExCo:

- Code of Conduct for Donors
- Analysis of financial data
- Study of funding structures from similar international organizations comparable to CGIAR

For the benchmarking exercise, the Mr. Njomo suggested that in the interest of time, the group needs another consultant to do this. For his part, he committed to submit by March 15, 2008 the following: (1) outline of the financial study (2) ToR for consultant on the benchmarking study.

Inputs required from CGIAR Secretariat:

- Administrative support
- Set-up conference calls
- An additional Consultant to help in the analysis of funding structures from similar international organizations (if not sufficiently addressed by the Independent Review Panel)

The meeting was adjourned 2:45pm February 27, 2008.