

Annex 2. Final Alliance Principles and Procedures

PRINCIPLES AND PROCEDURES

of the

**Alliance of Future Harvest Centers of the
Consultative Group on
International Agricultural Research**

April 27, 2006

PREAMBLE

Stimulating Progress – the need for Collective Action

The CGIAR is a unique, global organization. The diversity of its institutions endows the CGIAR with energy and creativity, and a broader collective grasp of research issues and answers than would be allowed in an otherwise more homogenous institutional culture. Taking the utmost advantage of the rich tapestry of collective talents held by the Centers and putting them to work for the poor is the process that enhances this quality of the CGIAR. For the Centers, the ability to continue to enhance this process requires a new and effective way of thinking about how we work together.

The first Centers were created to “support research and technology that can potentially increase food production in the food-deficit countries of the World.” The logic was that, by increasing staple commodity production, we would automatically increase the well-being of the poor—the inspiration and goal underpinning the work of the System. In time, it became clear that the relationship between increased production and well being was neither as simple nor as linear as had been imagined.

Accordingly, both the CGIAR and the Centers evolved, adapting to a more complex reality by committing to a more complex mission: “*to contribute to food security and poverty eradication in developing countries through research, partnership, capacity building and policy support promoting sustainable agricultural development based on the environmentally sound management of natural resources.*” Today, global initiatives require the Centers to address an even broader range of challenges. We pulled together, taking every measure necessary to enhance our ability to work as a collective, in order to make a significant contribution to their implementation.

Our Track Record

Collective action is not new to the CGIAR. There are numerous examples of successful joint actions – large and small.

In the early 1990s, the CGIAR approved the creation of System-wide and Ecoregional Programs (SWEPs). The goal was to formalize and promote collaboration among the Centers. The Ecoregional Programs had the added objective of facilitating the Centers’ capacity to respond to the CGIAR’s new research agenda on natural resource management. Today, the System has 11 System-wide Programs and 6 Ecoregional Programs.

In 2001, the CGIAR System put into place a number of reforms. Among the reforms, a System Office was created to improve effectiveness and efficiency in financial, administrative and human resource management. Several initiatives, hosted and funded by the Centers, were placed under the umbrella of the System Office. These initiatives, and others outside the System Office, whose collective purpose was to allow the Centers

to share costs and best practices, have been extremely successful. They include a shared salary, pension and benefit system (AIARC); a communally organized contract for telecommunications (ICT-KM); shared library subscriptions at lower service costs (the Library Consortium); an Internal Audit Unit; and Human Resources (SAS-HR), Gender & Diversity (G&D) and Intellectual Property (CAS-IP) Programs that are developing leading-edge policies and sharing best practices across the System.

A second pillar of the reform process – that comprising the Challenge Programs – became operational in 2003 and has received strong support and participation from the Centers. The Challenge Programs were conceived as vehicles for mobilizing the new and bigger partnerships needed to address major high-profile challenges on the CGIAR's ever more complex research agenda.

The Challenges

The capacity of the Centers to respond collectively to development challenges and to operate more cost efficiently as a result of resource sharing has improved markedly over the past decade as a result of CGIAR System reform and additional initiatives taken by the Centers themselves. However, the Centers recognized that putting in place an effective mechanism to foster more effective collective action would require greater attention to institutional learning, a sharper analysis on when collective action is more effective than action by individual Centers, the development of incentives for rewarding collective action and tools to measure the performance of collective action. It would also require an effective conflict resolution mechanism.

In order to provide the necessary leadership and executive capacity, the Centers have decided to create the Alliance of Future Harvest Centers and to develop the present principles and procedures to guide its operation.

The Benefits

The Alliance was established by the Future Harvest Centers to achieve the following benefits:

- *For partners and stakeholders*, the Alliance provides more efficient access to the expertise of all the Centers without overburdening the expertise and facilities of partners, especially, weaker NARS. The benefits will be more effective program outputs and outcomes.
- *For CGIAR members and donors*, the Alliance provides the channel for consolidated Centers' contributions to CGIAR business. It creates more efficient and effective programs on key themes by harnessing the full capacities of the Centers to tackle the issues raised. It provides CGIAR members with a powerful mechanism to encourage greater cooperation among Centers and with greater confidence that agreed outputs and outcomes will be achieved. It enables more complex problems to be tackled effectively and will add value to CGIAR member contributions.
- *For the System*, the Alliance provides a vehicle for greater consistency in Center policies as well as a means by which decisions of the System will be more efficiently

and effectively implemented. This vehicle is further strengthened by the fact that acceptance and compliance with the decisions of the Alliance will be facilitated through the accountability of an Alliance Executive and an Alliance Board. The Alliance champions the reforms that may be needed in the structure, governance, and programs of Centers. It develops performance indicators to evaluate the contribution of Centers to the CGIAR and to its collective endeavors in line with the existing System-wide Performance Measurement scheme.

- *For Centers*, the Alliance provides a formal basis for confident participation in collective action with sister Centers and other agencies on major global agricultural, forestry, fisheries and water issues for which no one Center could deliver alone. It creates a mechanism that enables Centers to speak and negotiate authoritatively with a united voice on common issues and to achieve economies of scale through such measures as programmatic alignment and use of common services. The Alliance provides a forum for the Centers to discuss the implementation of the CGIAR mission at the operational level and provides a focal point for enhancing corporate spirit and action. The Alliance also provides an effective mechanism to prevent and resolve conflicts that may otherwise limit progress and intended impacts. The Alliance will develop mechanisms to help Centers continually upgrade their performance so that the reputation of the whole CGIAR System is protected.

Mission, Objectives/Functions and Principles

Mission of the Alliance

To enable the Future Harvest Centers of the CGIAR to contribute more effectively and efficiently to the mission of the CGIAR by cooperating and pooling their resources whenever and wherever needed.

Objectives and Functions of the Alliance

The objectives are to:

- help *evolve* and improve the CGIAR System;
- be a *collective, unified voice for the Centers on matters requiring a common position*;
- *contribute to on-going Center and Board components of System reform*;
- *strengthen and build on existing collective actions to create greater impact thereby strengthening the Centers' contributions to the CGIAR mission, while respecting the principle of subsidiarity*;
- *create opportunities for enhanced collective action that uses the complementary skills and knowledge of the Centers and their partners and the ensuing economies of scale*; and
- *provide a mechanism for binding decisions to resolve conflicts among Centers that cannot be resolved by the Centers themselves.*

The functions are to:

- (a) Develop and sustain outstanding collective partnerships between Centers and external partners through:
 - building and sustaining partnerships on shared vision, complementary skills, commitment to execution of agreed plans, mutual respect; and
 - recognizing, promoting and applying best practice in partnerships as reflects the mission of the CGIAR.
 - Increase the effectiveness and efficiency of inter-Center collaboration and collective action through:
 - providing precise channels for developing, agreeing and implementing a strategic agenda for collective actions, including policies, on matters where a common position or action is advantageous;
 - developing and using efficient, logical and transparent mechanisms to select, fund, manage and support System-wide and multi-Center programs; and
 - providing incentives for inter-Center collaboration and creating economies of scale by reducing duplication and excessive competition among Centers.

- (b) Position the Future Harvest Centers to manage organizational change through:
 - creating seamless access to the knowledge and services of all Centers;
 - creating greater public and CGIAR System awareness of collaborations and collective actions and their successes;
 - enhancing the level of support in collective policy development, resource mobilization, public relations and services;
 - investigating and developing new areas of services and support best provided collectively;
 - creating mechanisms to help the Centers to continuously upgrade their performance, especially in collective actions, to enhance the reputation of all Centers and the CGIAR;
 - facilitating the creation of Center Clusters under the Alliance; and
 - contributing to processes of reform as needed to help ensure efficiency and effectiveness of the Centers in carrying out the work of the CGIAR including facilitating improved governance systems.

- (c) Resolve conflicts amongst Centers in disputes related to collective action through:
 - creating clear principles and practices for collective action, including clear arrangements among collaborating partners;
 - implementing a stepwise process for resolving issues that arise consisting of:
 - encouraging the affected Centers to enter into dialogue to resolve the conflict;
 - involving the Alliance Executive (AE), upon request from the affected Centers, to address the conflict if it cannot be resolved by the affected Centers through dialogue; and
 - involving the Alliance Board if the decision by the AE is disputed by any party (the decision of the Alliance Board will be final and binding on the affected Centers); and
 - implementing a progressive scale of sanctions in respect of Centers that do not abide by the binding decision.

Principles of the Alliance

- 1) *In conforming to the mission of the CGIAR, the allegiance of the Alliance is first and foremost to the poor.*
- 2) *All Centers supported by the CGIAR are members of the Alliance. Collective actions are based on the principle of partnership among equals, internally and externally.*
- 3) *Collective action implies mutual respect among Centers and no hierarchy of Centers. Except under clearly defined circumstances, such as Centers' mandates, no Center can automatically assume leadership for an action that cuts across Centers' mandates. Centers do not assume line responsibility for other Centers' staff.*
- 4) *The Centers are to ensure transparency through open communication among themselves and with partners and stakeholders.*
- 5) *The problem to be addressed or the opportunity to be sought through collective action is to be approached through assembling the best possible team(s) or mechanism from Centers' resources and in cooperation with partners.*
- 6) *Priority setting, on issues that would benefit from a collective approach, is to be based on open, transparent practices, including stakeholder consultation with participating Centers, research and development partners and investors.*
- 7) *For areas identified as collective-action initiatives of the Alliance, each participating Center is accountable to the collective-action's steering mechanism, which is accountable to the stakeholders.*
- 8) *While the principle of the Alliance is to promote harmonious collective action, any conflicts that arise in this context are to be resolved among the Centers through the conflict resolution mechanism adopted by the Alliance. The Alliance Board's decision is final and binding on the affected Centers.*
- 9) *For each collective action, problem to be solved or opportunity to be captured, clear specifications and reachable objectives are to be identified by the AE or a cluster of Centers (the participating Centers). The obligations of each party and the mechanisms and processes relating to the settlement of disputes between parties are to be clearly defined.*
- 10) *Shared standards and practices (for administration and science) are to be employed whenever justified to minimize transaction costs and increase efficiencies.*
- 11) *Best practice in relation to conflicts of interest applies to the members of the Alliance Executive and Board in the conduct of the business of the Alliance.*

Commitment of the Centers

The Centers agree to the Alliance Principles and Procedures, and to abide by the decisions of the Alliance regarding all collective actions.

Collective Action

The Alliance is designed to enable the Centers' collective efforts to be more effective when the Centers work with external partners and with each other in those areas where there is a comparative advantage in working collectively. The Alliance is also designed to allow Centers to support organizational change when this is deemed necessary. Collective action can occur in many different forms, such as in collaborative research programs, partnership formation above the level of one Center, in capacity building, and in corporate and scientific services.

A collective action may take the form of an Alliance-wide collective action, encompassing matters of common interest to all Centers on which a common position or decision is judged to be beneficial to the interests of the CGIAR. In such cases the decision to establish the collective action shall be taken by agreement of all members of the Alliance.

Other collective actions shall be established by agreement of all of the Centers participating in the collective action.

Based on strategic guidance by the AB, the AE or the Directors General of the Centers concerned will identify opportunities for, establish and implement collective action.

Decisions taken within the framework of a collective action concerning its implementation shall be binding in accordance with the provisions set out below in the section on "Decisions of the Alliance".

In collective actions, the obligations of each party and the mechanisms and processes related to the settlement of disputes are to be clearly defined in an agreement at the outset of the activities in a manner that is consistent with the Principles set forth above. Modifications of the obligations of the parties can not be imposed upon participating Centers by a majority vote.

Structure, Membership and Governance

The Alliance consists of four components: the Centers, the Alliance Board, the Alliance Executive and the Alliance Office.

- 1) The member Centers of the Alliance are the Centers supported by the CGIAR.

- 2) The Alliance Board consists of the Board Chairs of the Centers. The Board may co-opt one or two persons who are independent from any Center to complement the skills of the Alliance Board on a case-by-case basis. These co-opted members shall have no vote on the Alliance Board.
- 3) The Alliance Executive consists of the Directors General of the Centers.
- 4) The Alliance Office is one of the components of the CGIAR System Office and facilitates the business of the Alliance.

Membership of the Alliance, Center Obligations and Sanctions

All Centers supported by the CGIAR are members of the Alliance and endorse these Principles and Procedures. Each Center sends to the Alliance Board, through the Alliance Office, an instrument signed by both the Board Chair and the Director General of the Center, on behalf of the Center's Board, affirming the Center's endorsement of the Alliance Principles and Procedures and commitment to:

- 1) contribute to the Mission and Objectives/Functions of the Alliance;
- 2) adhere to the Principles of the Alliance; and
- 3) abide by the decisions of the Alliance Board and the AE taken within the framework of a collective action concerning its implementation.

Centers that do not abide by the commitments spelt out in the Alliance Principles and Procedures shall be subject to such sanctions as the Alliance Board may decide in accordance with the Principles set forth in this document, including, as appropriate:

- disclosing the Center's action to the Center's Board;
- disclosing the Center's action to the other CGIAR components, through such organs as the SC and the Executive Council; and
- in extreme cases, barring the non-compliant Center from participating in new collective action initiatives or continuing in the collective action at issue until the Center complies with the decision in question.

Alliance Board Roles and Responsibilities

These are to:

- a. demonstrate initiative in responding to CGIAR opportunities and challenges that are common to Centers;
- b. develop a collective viewpoint on good governance and policy issues that affect strategic directions of Centers and effective responses to key development challenges;
- c. encourage cooperation among the Centers and an Alliance-wide approach on issues of common interest;
- d. provide strategic guidance to collective action by the CGIAR Centers;
- e. develop performance measures to evaluate contributions of Centers to CGIAR collective endeavors in line with the existing CGIAR Performance Measurement scheme;

- f. interact with the AE to facilitate and encourage inter-Center functions and activities (such as joint planning) and to present Center viewpoints to CGIAR stakeholders;
- g. resolve disputes among Centers related to collective actions, and impose sanctions on individual Centers where necessary. This will be done in a fashion that avoids conflicts of interest;
- h. interact with the AE and the Alliance Office to ensure transparency and good governance;
- i. interact with the CGIAR System providing information to and from Center Boards, including information on collective action initiatives, opportunities, and decisions; and
- j. facilitate linkages and exchanges among the Centers, CGIAR members, and other parties who share the CGIAR vision and ideals.

Alliance Executive Roles and Responsibilities

These are to:

- a. identify opportunities and needs for collective actions and establish and implement them;
- b. involve national, regional and international partners in collective actions, as appropriate;
- c. promote best practices and standards in Centers' work, including harmonized medium-term planning and reporting;
- d. strive for individual Centers' efficiency, effectiveness, and sound business practices through transparency in performance as a base for collective strength;
- e. strive for efficiency in addressing global concerns and meeting global targets;
- f. create new system-wide working methods and norms;
- g. support the development of harmonized human resource and financial management policies, procedures and tools;
- h. reinforce partnerships and forge new linkages;
- i. stimulate cross-fertilization of ideas and support institutional learning;
- j. reduce tensions and inefficiencies within the System;
- k. ensure that appropriate mechanisms for collective action are developed;
- l. elaborate and implement conflict resolution mechanisms and refer unresolved issues to the Alliance Board for final decision;
- m. strengthen the voice of the Centers within and outside the System, and create better awareness of the success of collective actions; and
- n. enhance communication among Centers and with other components of the System.

Alliance Officers

The Alliance officers shall be:

- 1) the Chair of the Alliance Board, who shall be elected by the voting members of the Alliance Board in accordance with such procedures as the Alliance Board may decide; the Chair of the AB shall be responsible for leading the AB in its strategic guidance on collective actions, fulfilling its obligations in resolving conflicts, and initiating other actions necessary to carry out AB responsibilities.
- 2) the Chair of the Alliance Executive, who shall be elected by the members of the Alliance Executive in accordance with such procedures as the Alliance Executive may decide; the Chair of the Alliance Executive shall be responsible for the operations of the Alliance, shall represent the Alliance, shall report periodically to the Chair of the AB on the performance of the Future Harvest Alliance Office (FHAO) and shall act as its Executive Officer; and
- 3) the Chief Alliance Officer, who shall be appointed by the Alliance Executive, after consultation with the Alliance Board; the Chief Alliance Officer shall be the head of the Alliance Office and shall report to the Chair of the Alliance Executive. The Chief Alliance Officer shall also be a Unit Head of the CGIAR System Office, whose duties shall include – under the direction of the Chair of the Alliance Executive – maintaining a register of all agreed collective actions, supporting and facilitating the planning, development and implementation of collective action among the Centers, liaising with other components of the System Office and all components of the CGIAR, preparing the agenda and documentation for the meetings of the Alliance Board and Executive, and ensuring the implementation of the decisions by the Alliance Board and Executive. Also, the Chief Alliance Officer shall support the Chair of the Alliance Board in his/her Alliance duties.

Decisions of the Alliance

Revisions of the Principles and Procedures have to be agreed by all members of the AE and the AB.

Decisions to establish an Alliance-wide collective action shall be taken by agreement of all the members of the Alliance Executive. Decisions to establish collective actions at a lesser than Alliance-wide level shall be taken by agreement of the Centers participating in the collective action in question and by informing the Alliance Board of this consensus.

Decisions taken within the framework of an Alliance-wide collective action concerning its implementation shall be taken wherever possible by agreement of all members of the Alliance Executive. Where it is not possible to reach consensus on a particular matter, decisions may, as a last resort, be taken by a vote that represents at least a three-fourths majority of the total membership of the Alliance. Where not all members are present at the meeting of the Alliance at which a decision is to be taken by a three-fourths majority vote, and it is not possible to obtain a three-fourths majority of the total membership of

the Alliance in the absence of some members, the Chair or Chief Alliance Officer must contact the non-attending members in order to obtain their votes.

Decisions taken within the framework of collective actions at a lesser than Alliance-wide level concerning their implementation, shall be taken wherever possible by agreement of all members of the Alliance participating in the collective action in question. Where it is not possible to reach consensus on a particular matter, decisions may, as a last resort, be taken by a vote that represents at least a three-fourths majority of the members of the Alliance participating in the collective action, according to procedures similar to those applicable to Alliance-wide decisions.

After establishment of a collective action with its instrument of agreement, no additional obligations, responsibilities or other commitments can be imposed on a member without its consent.

All decisions taken within the framework of a collective action in accordance with the above procedures shall, in the case of an Alliance-wide collective action, be binding on all members of the Alliance, and, in the case of collective action at a lesser than Alliance-wide level, shall be binding on all members of the Alliance participating in the collective action in question.

Procedures for resolving disputes in collective actions are to be applied by the Alliance in a manner consistent with the Principles set forth in this document. Where a decision regarding a collective action is reached by the Alliance Board, all the Centers concerned shall promptly abide by that decision.

The Alliance Principles and Procedures contained in this document do not amend or supersede the constituent instruments of individual Centers. In the event that a Center is unable to comply with a decision on the grounds of its constituent instrument, it shall circulate its assessment of the situation, in writing, among the other members of the Alliance, within one month of the decision in question. The Alliance and the Center in question shall undertake best efforts to find a mutually satisfactory solution to the problem.

Amendments

These Principles and Procedures may be amended by common agreement of all Centers that are members of the Alliance.

Amendments will normally be considered at a joint meeting of the Alliance Board and the Alliance Executive. Arrangements may be made where necessary for participation by electronic means by Centers that cannot be physically represented at such a joint meeting.

Unless otherwise decided by consensus an amendment will be effective upon its adoption by the joint meeting.

Withdrawal

Any Center that is a member of the Alliance may withdraw from membership of the Alliance by giving written notice of its withdrawal to the Alliance Board, through the Alliance Office.

Any such notice of withdrawal will become effective one year after its receipt by the Alliance Office.

Centers withdrawing from the Alliance will still be expected to honor the terms of any specific agreements entered into during their period of membership of the Alliance.

Linkages

The Alliance shall have strong linkages with all the components of the CGIAR System as well as with stakeholders outside the System.

- 1) Within the CGIAR System – the Alliance shall foster the flow of information on collective action to:
 - a) CGIAR members, donors, and stakeholders; this shall be done primarily through the participation of the Chair of the Alliance Board and the Chair of the Alliance Executive in meetings of the Executive Council and the Annual General Meeting of the CGIAR;
 - b) the SC: the Alliance and the SC shall have an important relationship as the SC is responsible for advice to the CGIAR System on the totality of the work of the Centers, including collaborative programs; the Alliance shall communicate to the SC its strategic considerations that could be relevant in setting program priorities and obtaining resources for collective action programs; and
 - c) other committees and working groups of the CGIAR, as appropriate.
- 2) Outside the CGIAR System – the Alliance shall liaise with other relevant bodies, as appropriate, to strengthen the capacity to promote the CGIAR mission; in so doing, such liaison shall be in full cooperation with other CGIAR entities, and in compliance with the procedures and priorities of the whole CGIAR System.
