

CGIAR Secretariat Commentary on the Governance, Management and Finance Aspects of the Annual Reports (2005) of Challenge Programs

1. Background

Being responsible for the oversight of Challenge Programs, ExCo receives summary progress reports submitted by all the CPs. In order to streamline the reporting process, ExCo 8 asked the CGIAR Secretariat and the Science Council to prepare a template for CP reports for detailed and more uniform reporting instead of ad hoc progress reports, to be submitted to ExCo at its October meeting. The 2005 CP Annual Reports have used a common reporting template, which will be further fine-tuned in a process of learning by doing. ExCo 8 also asked the CGIAR Secretariat to provide comments on governance and finance aspects of the CP reports to ExCo. This commentary responds to ExCo's request, and highlights some key governance and finance issues common to the 4 CPs. This note is not, however a critique or evaluation of any specific CP, which would be the scope of the forthcoming CP External Reviews scheduled for 2007.

2. Governance

- Governance Structures- Even though there are differences in the governance structures of the 4 CPs, a common challenge for all of them is the need to balance inclusiveness in their oversight bodies on the one hand, with effectiveness in decision-making on the other. For example, the Program Steering Committee of the Generation CP includes all Consortium members. As the Consortium membership grows, the Program Steering Committee too becomes larger. The same holds true for the Consortium Steering Committee (CSC) of the Water and Food CP where all members /partners are represented. Whilst this is important to ensure buy-in from partners, an overemphasis on inclusiveness has implications on the efficiency and effectiveness of decision-making, and moreover, could be a source of potential conflict of interest when partners are directly involved in decisions that might affect them individually. There is a need to develop firewalls to avoid real or perceived conflicts of interests. Achieving this delicate balance between inclusiveness and effectiveness/efficiency of decision-making in the governance body of the CPs is a fundamental step in ensuring institutional maturity.
- Host Institution - Although CPs were created as independent programs of the CGIAR aimed at opening the system to outside actors, CGIAR Centers retain a predominant role in most CPs, through a variety of formal and informal arrangements, including joint staff positions between the CP and Centers; joint accountability and reporting lines (e.g. CP audit carried out as part of a Center audit); and presence of Center Boards in the governing bodies of the CP. Therefore CGIAR Centers play very central roles in each CP (Even in SSA-CP that is managed by FARA, IITA and CIAT play a key role in the three Pilot Learning Sites). In the case of the SSA-CP, FARA Secretariat, and more specifically its Executive Secretary play a range of supervisory, management and advisory roles in the CP. The recent external Review of the SSA-CP inception phase also highlighted the need to separate the management role from the governance role played by FARA. Therefore, for all the CPs, a critical issue is a further clarification in the roles, responsibilities, accountabilities and funding of the CP in relation to its host institutions or CGIAR Centers.

3. Health of the Partnership

- Mobilizing Science- CPs have been explicitly conceived to mobilize science and reach out to a diverse range of stakeholders and partners. In this sense, the CP Annual Reports highlight the opening up of the CGIAR to new stakeholders through innovative partnership approaches followed by the CPs. This complex structure poses a challenge in the management of the partnership in a way that best uses each partner's comparative advantage with a clear definition in the roles and responsibilities of each partner.
- Transaction costs – While information on transaction costs is limited in most of the Annual Reports, it is not clear whether the level of transactions costs (which to some extent are inevitable given the nature of CPs) is offset by the benefits of conducting research in “network mode,” and whether appropriate ways to minimize them have been put in place, and also whether the level of transactions costs is decreasing over time as the CP structure becomes institutionalized. These questions are critical in evaluating efficiency of operations in the CPs, and should not only be important elements in the upcoming External Reviews, but also be an integral part of the CP's internal monitoring and evaluation systems.

4. Management

- Knowledge Sharing and Internal Communication - Internal communication and sharing information both within and across the other CPs has been identified as a key concern in most of the Annual Reports. The geographically decentralized nature of the CPs, their multi-sector and interdisciplinary approach, and their multi-partner structure often puts a strain on information systems and flows. This seems to be a concern both for management and the scientists involved in the programs.
- Effective Internal M&E Systems- Given their time-bound nature it is critical that CPs establish effective M&E systems to monitor their own progress, especially vis a vis the milestones that were envisaged in their original project proposals. This sense of ‘achievements’ as compared with their internally set targets is not clearly reflected in most of the Annual Reports.
- Staff - As the CP's complex structure becomes more institutionalized, coordination entails increasing workload. For example, Generation CP cites insufficient staff levels as an important management challenge.

5. Finance

- Research funding - Two models for funding research are generally used: competitive and commissioned grants. The pros and cons of each need to be assessed. For example, the SSA External Review found the competitive grant system unsuitable for the collaborative nature of the SSA-CP. Additionally, the CGIAR present funding mechanisms based mostly on yearly allocations are challenging for programs based on contractual commitments for multi-year projects.
- Incremental resources for research- The key question raised during the early stages of implementation of the CPs was about their ability to raise incremental funds. Records show that funding for the CPs increased from \$7.8 million in 2003 to \$34.9 million in 2005- an increase of \$27.1 million over three years. CPs grew from 2% of the total CGIAR funding in 2003 to 8% in 2005. Center programs also experienced an increase from \$373 million in 2003 to \$418 million in 2004 or an increase of 12% (\$45 million), and have maintained the level in 2005. Unrestricted funding remained stable in real terms during the period. CPs have earned a strong level of support from traditional and non traditional donors. Funding estimates for CPs for 2006 indicate a positive trend, constituting 81% of the overall growth in funding for the whole CGIAR.