

**ALLIANCE BOARD UPDATE
ON IMPLEMENTATION OF
KEY STRIPE REVIEW RECOMMENDATIONS**

**EXCO 13
OCTOBER 16 – 17, 2007
Rome, Italy**

**Prepared on behalf of the Alliance Board (AB)
by
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Introduction

The Alliance Board is pleased to provide an update on the implementation of the key Stripe Review recommendations for ExCo 13. This is presented in the summary format suggested by Namita Datta noting that this report only covers those recommendations which are not already being reported via the performance Management System.

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September 20, 2007

**ALLIANCE BOARD UPDATE TO EXCO13
ON IMPLEMENTATION OF KEY STRIPE REVIEW RECOMMENDATIONS**

SUMMARY OF RESPONSES TO QUESTIONNAIRE

Recommendation 3	Board Compensation	9 have conducted a review 3 are undertaking/plan a review 3 did not think a review necessary
Recommendation 11	Joint/Common Members Joint Meetings	10 have joint/common members 8 have joint meetings
Recommendation 17	Annual DG evaluation	13 do, 3 with 360° feedback system
Recommendation 18	Annual Board Committee Assessment	13
Recommendation 19	Succession Planning - Chair Succession Planning - Member	15 15
Recommendation 21	Open nominations - Board recruitment	14
Recommendation 22	Formal Guidelines for Agenda-setting	15
Recommendation 23	Board Sec Reporting to Board Chair Formal Board Sec Evaluation	15 9 1 is informal 3 are underway 1 is in Board Guidelines - not practiced 1 does not
Recommendation 31	PM indicators in Annual Report	5 do 3 underway/planned 7 do not

CGIAR STRIPE REVIEW OF CORPORATE GOVERNANCE

QUESTIONNAIRE

Recommendation 3 - The proposals above may increase the time and attention that members may be required to give their boards. It will most certainly demand more time from the chairpersons of boards. This may necessitate a review of the compensation of Board members due to the increase in accountability, responsibility, expertise, and time required of them. This would apply, in particular, to board chairs and committee chairs.

Question 3. *Has there been any review of the compensation of board members? [] If Yes, what are the major findings? [] If No, why do you think it is not necessary?*

YES: 9 Centers: Bioversity, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, WorldFish

3 Centers are undertaking/plan on undertaking a review

NO: 3 Centers do not think a review is necessary

MAJOR FINDINGS

MADE CHANGES: 5 Centers

Bioversity's Board agreed to phased increases, as long as staff were receiving their increases

ICARDA, ICRISAT - for uniformity

ILRI for uniformity and to strengthen Board/Management interaction between Board meetings

WorldFish increased honorarium to make commensurate with responsibilities; will review regularly to ensure package is fitting

FOUND NO CHANGE NEEDED: 3 Centers

IITA's present policy already allows for compensation of Trustees for work conducted outside of meetings and approved by the Board Chair in advance

IRRI's review found its Board compensation package commensurate to the responsibility, expertise and time required of Trustees

IWMI decided at its March 2007 meeting that a revision to the compensation package was not necessary

REVIEW PLANNED/UNDERWAY: 3 Centers

CIMMYT believes it is necessary but has not had a chance to do a review

CIP will consider a review in 2008 after EPMR completion

World Agroforestry is undertaking this review and will be presented at the next Board Meeting

NO REVIEW NEEDED: 3 Centers

Africa Rice

CIAT totally disagrees with the recommendation. Board members work voluntarily, to serve the Center, and like the Center, they are accountable to the poor

CIFOR - the motivating factor for BOT service is a shared commitment to research that matters and to the CGIAR goals. Therefore, the level of compensation is not a factor and would not change the CIFOR BOT perceptions about the frequency of BOT meetings. Indeed, most BOT members are fully employed and serve on the BOT with the permission of their employers. CIFOR's Chair used to receive a higher daily honorarium but now receives the same as other BOT members. CIFOR believes that the compensation paid to its Board members remains adequate but will seek to ensure that it remains in line with other members of the Alliance

NB ILRI believes the Alliance should carry out a joint review of CGIAR Center Board compensation packages with the objective to assess, adjust and harmonize their level and content

Recommendation 11 - If System priorities and funding of regional partnerships and global programs increase in importance, center and systems' governance structures will need to adjust to this new reality. To enhance the oversight of inter center collaboration among centers the Panel endorses the practice of joint board memberships. Boards of such centers may also occasionally meet jointly, to review their programs and performance.

Question. 11.1. *How many Center boards have joint/common board members?*

10 Centers have joint/common board members: Africa Rice, CIFOR, CIMMYT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish
5 Centers have none: Bioversity, CIAT, CIP, ICARDA, ICRISAT

Question. 11.2. *How many Centers are holding joint board meetings? Please list Centers.*

8 Centers hold joint board meetings: Africa Rice, CIMMYT, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish
CIFOR has explored the possibility of joint/concurrent Board meetings with World Agroforestry but without success thus far.

6 have none: Bioversity, CIAT, CIP, ICARDA, ICRISAT, IFPRI
ICARDA has no joint board meetings but invites Board Members of other Centers with whom ICARDA has joint programs or mutual areas of interest

Recommendation 17 - The annual evaluation of the center DG is the responsibility of the full board. A wide range of inputs, including feedback from center staff should be sought by the board as part of the evaluation process. The findings of the evaluation and their implications should be discussed in the full board, and communicated by the board chair to the DG. Remuneration, incentives and other benefits given to the DG should be disclosed to the board.

Question. 17. *How many Centers have in place a process of annual evaluation of the Center DG that involves a wide range of inputs including feedback from staff (e.g. 360°)? Please list Centers.*

13: Africa Rice, Bioversity, CIFOR, CIMMYT, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish
3 with 360° evaluation: Bioversity, ILRI, IWMI

ICARDA Board follows a standing annual evaluation of Board Chair and DG based on the CGIAR reference guidelines but does not have in place yet the 360° evaluation process

CIP uses an output-based system but will consider a 360° feedback as an input

CIMMYT has a comprehensive evaluation of the DG by the Board but without direct staff involvement

IRRI instituted in 2006 a formal DG performance evaluation process although this is still limited to the Board. To gather feedback on the operations and management of IRRI, the Board meets with the Senior Managers and the Employees Assn at its April Meeting

Recommendation 18 - Boards should conduct their annual self assessment and an evaluation of the chair in a formal manner with clear guidelines. Committees and their chairs should also be evaluated in a similar manner. The board chair should discuss with each member his/her performance annually and offer guidance for improvement as appropriate. The Panel strongly reiterates the crucial role of EPMRs in providing an independent cross-check of center governance, and as an important means for strengthening the performance and accountability of center boards.

Question. 18. *How many boards conduct annual self-assessment of each of their committees? Please list Centers.*

13: Africa Rice, Bioversity, CIAT, CIFOR, CIMMYT, CIP, ICARDA, ICRISAT, IFPRI, IRRI, IWMI, World Agroforestry, WorldFish

IITA is conducting an annual self-assessment of each Board Committee to be formalized at its Oct 2007 meeting
ILRI's is planned for 07/08

Recommendation 19 - Succession planning for board chair and members should commence at least a year ahead of the vacancy. For the DG, the succession planning process should be set in motion with an even longer lead time. In addition to the DG's appointment, the board should also approve the appointments of the deputy DGs (if any) and other members of the senior management team, based on the recommendations of the DG.

Question. 19.1. *How many boards commence succession planning for the board chair at least a year ahead of the vacancy?*

15: Africa Rice, Bioversity, CIAT, CIMMYT, CIP, CIFOR, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish

CIMMYT's and ILRI's succession planning for the Board Chair is done 2 to 3 years ahead of the vacancy. ILRI has a Board Development Strategy which outlines the succession process

Question. 19.2. *How many boards commence succession planning for board members at least a year ahead of the vacancy? Please list Centers.*

15: Africa Rice, Bioversity, CIAT, CIFOR, CIMMYT, CIP, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish

Recommendation 21 - For members-at-large, a Board should carry out a systematic analysis of its needs for expertise / skills / representation. In order to improve transparency in the recruitment process, CGIAR stakeholders and shareholders should be invited to submit nominees for the available membership slots.

Question. 21. *How many Centers invite open nominations from CGIAR stakeholders and shareholders while recruiting board members-at-large? Please list Centers.*

14: Africa Rice, Bioversity, CIAT, CIFOR, CIMMYT, CIP, ICARDA, ICRISAT, IFPRI, IITA, IRRI, IWMI, World Agroforestry, WorldFish

CIFOR's current practice reflects the recommendation; input from stakeholders/ shareholders is obtained informally
CIMMYT invites nominations extensively and informally from shareholders and stakeholders, including CGIAR Members
CIP has no formal process but is working on it
ILRI's system will be put in place from 07/08

Recommendation 22 - Special attention needs to be given to increasing the efficiency of functioning of the boards. Appropriate agenda setting, timely circulation of papers/documents well ahead of meetings, and summarizing the issues for strategic discussion and decision making will enable members to be more effective. The chair needs to play a lead role in running efficient meetings and facilitating decision making.

Recommendation 30 - Center board should seek and ensure that it receives from management all the information the board needs for performing its guidance and oversight responsibilities — for it alone has ultimate accountability for all aspects of center performance.

Question. 22/30. *How many boards have a formal set of guidelines concerning agenda setting, circulation of papers for meetings, and summary of key decisions? Please list Centers.*

15: Africa Rice, Bioversity, CIAT, CIFOR, CIMMYT, CIP, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish

ARC has a set of guidelines which may not have been formalized

IWMI has a formal set of guidelines concerning the above and also posts the summary of key decisions on the IWMI intranet

Recommendation 23 - The board secretary should report to the board chair in regard to all board matters. Annual evaluation of the board secretary should be dealt with by the board chair in consultation with the rest of the board and other relevant officials.

Question. 23.1. *How many Centers have their board secretary report to the board chair on all board-related matters? Please list Centers.*

15: Africa Rice, Bioversity, CIAT, CIFOR, CIMMYT, CIP, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IRRI, IWMI, World Agroforestry, WorldFish

ICARDA's Board Secretary, besides his/her regular responsibility to the DG, has a direct special responsibility to the Board Chair

ICRISAT's Office Manager in the DG's Office serves as Board Secretary and reports to the Board Chair on all Board-related matters; this set-up is planned for review when the next DG takes office

Question. 23.2. *How many Board chairs carry out a formal evaluation of the board secretary in consultation with the rest of the Board and other relevant officials? Please list Centers.*

9: Bioversity, CIAT, ICARDA, ICRISAT, IFPRI, IITA, ILRI, IWMI, WorldFish

UNDERWAY: 3

CIFOR will add a formal evaluation process for the Board Secretary to the agenda of the December 2007 Board meeting.

CIP's Board Chair and DG evaluate the Secretary; the Board is developing a system for their input into the process.

IRRI has developed a performance evaluation instrument for the Board Secretary to be implemented from Sep 2007 upon Board approval.

INFORMAL: 1 - CIMMYT's Board Secretary's evaluation by the Board Chair is informal.

NO/ NOT PRACTICED: 2 - ARC Contained in Board guidelines but not being practiced; World Agroforestry

Recommendation 31 - Boards should promote greater openness and transparency with respect to the governance of the centers. Annual reports of the centers should publish performance indicators, both outcome and process related, so as to enable all stakeholders to understand and assess the impact of their programs. Major board decisions and quarterly updates of center's financial accounts should be published on center websites.

Question. 31. *How many Centers publish PM indicators in their annual report? Please list Centers.*

YES: 5: CIP, ICARDA, ICRISAT, IWMI, World Agroforestry

UNDERWAY/PLANNED: 3 - Bioversity will publish PM indicators in its 2006 Annual Report; IRRI plans to do this; WorldFish commits to doing this by end-2007

NO: 7: Africa Rice, CIAT, CIFOR, CIMMYT, IFPRI, IITA, ILRI

NB CIMMYT suggests that there be a set of guidelines for what should be included in Center Annual Reports to formalize reporting and to meet minimum standards of accountability. Currently Centers use annual reports for public relations purposes only.

