



**Sub Saharan Africa
Challenge Programme**

*Securing the future for Africa's
Children*

**SUB-SAHARAN AFRICA
CHALLENGE PROGRAMME**

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ACRONYMS

ACP	African Caribbean and Pacific
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
CGIAR	Consultative Group on International Agricultural Research
CIAT	International Center for Tropical Agriculture
CIMMYT	International Maize and Wheat Improvement Centre
CORAF	Conseil Ouest et Centre Africain pour la Recherche et le Développement Agricole
CP	Challenge Programme
CRST	Cross-site Research Support Team
CTA	Technical Centre for Agricultural and Rural Cooperation
DFID	Department for International Development (United Kingdom)
EC	European Commission
EIARD	European Initiative on Agricultural Research for Development
FARA	Forum for Agricultural Research in Africa
IAR4D	Integrated Agricultural Research for Development
IFDC	International Fertilizer Development Center
HH	Household
IITA	International Institute for Tropical Agriculture
INRAN	Institut National de la Recherche Agronomique du Niger
IPG	International Public Good
ISAR	Institut des Sciences Agronomiques du Rwanda
KKM	Kano-Katsina-Maradi
LI	Lead Institution
MC	Management Committee
MTP	Medium Term Plan
NARS	National Agricultural Research System
NGO	Non-governmental Organization
PCU	Programme Coordination Unit
PLS	Pilot Learning Site
PSC	Programme Steering Committee
RPG	Regional Public Good
SADC-FANR	Southern African Development Community-Food, Agriculture and Natural Resources
SC	Science Council (of the CGIAR)
SRO	Sub-Regional Agricultural Research Organization
SSA	Sub-Saharan Africa
SSA CP	Sub-Saharan Africa Challenge Programme
TSBF-CIAT	Tropical Soil Biology and Fertility Institute of CIAT
WECARD	West and Central African Council for Agricultural Research and Development
ZMM	Zimbabwe-Mozambique-Malawi (corridor)

1. EXECUTIVE SUMMARY

Introduction

The Sub-Saharan Africa Challenge Program (SSA CP) was initiated in 2004 following extensive consultations with numerous agricultural stakeholders (researchers, extension and development agents, policy makers, farmers, and the private sector) to diagnose the main reasons behind the underperformance of agricultural research in Africa and propose solutions. These consultations established that, besides inadequate investment in the sector, the main impediment to the realization of the full potential for African agricultural research to catalyze wide scale development impact lies in the way the research is organized and conducted i.e. in issues concerning process. The research-to-development process currently employed in Africa treats research, technology transfer, and technology use as largely independent activities whereby research-derived knowledge consisting principally of prescriptive technology packages flows linearly from researchers to farmers through extension agents.

An alternative approach that overcomes many shortcomings of the conventional method is known as international agricultural research for development (IAR4D). It bears very appealing characteristics and an anecdotal record of successes. It has caught the attention of major policy making institutions and the temptation to push for its out scaling is palpable. However, a rigorous analysis to confirm whether IAR4D is feasible in Africa and to test the widely held hypothesis that it delivers more benefits than conventional approaches has not been carried out. Such knowledge is essential to assure that the investment in scaling out and adopting IAR4D will produce a good return and lead to the desired wide scale development impact.

SSA CP Objectives and research questions

The SSA CP aims to: (a) empirically establish whether IAR4D is feasible in Africa more cost-benefit effective than conventional agricultural research and development (ARD) approaches, and replicable on a large scale, and to (b) characterize IAR4D and derive principles on how it should be implemented in Africa. In pursuing the above objectives, the Programme seeks to answer the following three research questions:

1. Does the IAR4D concept work and can it generate International Public Goods (IPGs) and Regional Public Goods (RPGs) to end users?
2. Does the IAR4D framework deliver more benefits to end users than conventional approaches (assuming conventional research, development and extension approaches have access to the same resources)?
3. How sustainable and usable is the IAR4D approach outside its test environment, that is, can it be scaled out to achieve broader impact.

Programme structure

The SSA CP stands out as the only challenge programme (CP) defined by a geographic domain (sub Saharan Africa) and is hosted and coordinated by a non-CGIAR institution (FARA secretariat). The other CPs are thematic but with a global reach. Currently the SSA CP's research is carried out in three pilot learning sites (PLS), namely (i) the Kano-Katsina-Maradi (**KKM**) PLS, which straddles southern Niger and northern Nigeria (West Africa); the **Lake Kivu** PLS, located on the borders between the Democratic Republic of Congo, Rwanda and Uganda (East Africa), and the Zimbabwe-Malawi-Mozambique (**ZMM**) PLS, a transect that runs through these countries in Southern Africa.

With regard to structure, the SSA CP operates at three levels: (i) programme-wide (regional level); (ii) at the pilot learning site level (3 PLS)—the work in each PLS constitutes a research project (sub regional level); and (iii) at sub-project level (9 sub-projects in total)—each sub project is implemented by a multi-stakeholder, multi-institutional and multi-disciplinary taskforce..

The SSA CP's research is organized around four projects, namely: one meta-analysis project and three PLS projects. Each PLS project comprises three sub projects. The sub projects are designed to generate outputs that will result in similar outcomes, though the activities for each sub project are aimed at addressing problems specific to the circumstances of the environment and production chain the sub project is dealing

with. The meta analysis project organizes all the cross-PLS research work to generate inferences that are generalizable across SSA.

SSA CP Achievements in 2007

The Programme devoted the first half of 2007 to: (i) developing a new research plan, (ii) mobilizing the extra human and financial resources required to implement the plan, (iii) establishing the contractual arrangements for managing activities at sub-regional and site level, and (iv) convening a side event on lessons in multi-stakeholder agricultural approaches at the FARA general assembly. It realized all the outputs it set out to achieve in the first half of the year, namely:

- A new research plan was developed and submitted to the science council in May 2007,
- the cross site research support team (CRST) was established,
- the funds required to finance the Programme's budget for the first year were all secured—the SSA CP started the year with a financing gap of US\$7.6 million and by the end of the year had received fresh contributions amounting to US\$8.0 million;
- contractual arrangements were entered with all lead institutions and taskforces, and
- a side event on multi-stakeholder approaches was successfully organized at the FARA general assembly.

The SSA CP devoted the latter half of the year to implementing **research actions** stipulated in the May 2007 (first version) of the research plan. However, for legitimate reasons, during the latter half of the year it was unable to uphold the high level of accomplishment it registered in the first half. Overall, approximately 50% of the planned outputs were realized. These mainly comprised outputs from activities that did not involve field-based work. All the activities the programme did not initiate were moved forward to 2008. The partial implementation of the year's work programme is reflected in the modest expenditure over the year, which amounted to only 29% of the budget.

Two crucial unplanned activities were carried out during the second half of the year. They are: (i) a review of the Programme's governance and management structure aimed at reducing transactions and increasing the programme's decision making efficiency, and (ii) revision of the research plan to address concerns raised by the CGIAR science council about the May 2007 version of the plan. Both activities generated outputs of strategic value to the programme. The review of the governance and management structure led to changes in the structure which are projected to free up a substantial amount of funds (US\$1.3 million per year), which will be directed to field research activities.

The variance between expected and realized outputs for the second half of the year is traceable to three main causes: (a) a delay in disbursement of funds. It was not until October 2007 that the SSA CP accumulated sufficient funds to consider initiating field operations in the research sites; (b) The science council's concerns about the scientific robustness of the May 2007 version of research plan. This necessitated a revision of the research plan, which inevitably entailed delaying some activities notably site selection, identification of baseline indicators and establishment of platforms until a revised research design that laid out how the above tasks would be carried out was in place; and (c) ambitious planning: with the benefit of hind sight, it is now evident that the May 2007 research plan was too ambitious with regard to the deliverables it aimed to generate.

SSA CP Governance and Management

The SSA CP's governance and management was the subject of a review following dissatisfaction by the Programme's stakeholders over its structure, which they characterized as cumbersome (i.e. it did not advance decision making efficiency) and expensive (i.e. it entailed high transaction costs). The review recommended changes that were approved by the Executive Board of FARA and implemented with effect from November 2007. The changes affected the following:

- a. the pilot learning site management committees (MCs), which were responsible for governance at PLS level. These were dissolved and their functions transferred to the governance organs of the Sub regional agricultural research organisations (SROs);

- b. the Programme's steering committee, which was responsible for overall governance oversight. This was also dissolved and its functions transferred to the Programme sub committee of FARA's Executive Board. Three advisors were designated to provide technical support to this sub committee when it is carrying out its governance oversight of the SSA CP.
- c. the pilot learning site lead institutions (LIs) which are responsible for financial management, administration and research coordination at PLS level. The LI functions, currently performed by two CGIAR centers, are to be transferred to the respective SROs, i.e. ASARECA shall take over LI functions for Lake Kivu PLS, likewise CORAF/WECARD shall do the same for KKM and SADC-FANR for ZMM PLS. These changes are planned to be completed by the end of 2008.

In June 2007 the SSA CP bid farewell to the then outgoing coordinator, Dr. Freddie Kwesiga and welcomed the current one, Dr. Adewale Adekunle.

Transaction costs

In 2007, the SSA CP's transaction costs fell from 35.3% in 2006 to 25.7%, a margin of 9.6%. The FARA secretariat aims to substantially cut the transaction costs to single digits (9%) before the end of the current research phase. It expects to achieve this target by instituting other transaction cost cutting measures in addition to the changes in governance and management highlighted above.

SSA CP Finances

At the beginning of 2007 the SSA CP's funding status was a major cause for concern. The Programme started the year with a financing gap of US\$7.6 million or 77% of its annual budget (US\$9.9 million). Thankfully, the Programme's donor's responded favourably to FARA secretariat's appeal for contributions. By October, the Programme had secured US\$8.0 million as fresh contributions towards its budget for the first year. Thus, the budget for the first year was fully funded. However, partly because the major disbursements were effected towards the close of the year, which in turn contributed to delays in commencement of field-based research activities, only the non-field based activities in the work programme were implemented. As a result the expenditures for the year amounting to only US\$2.86 million account for a modest proportion (29%) of the first year's budget.

The FARA secretariat hereby expresses its deep appreciation to the government of Italy, DFID, the European Commission and the World Bank for responding to its appeal. It also recognizes the contributions of other donors who have supported the SSA CP since its inception in January 2005 (i.e. the governments of Norway, Denmark and the Netherlands). The secretariat anticipates that the new financing arrangement proposed by FARA's donors will contribute to insuring it from a recurrence of the fund disbursement delays experienced in 2007

Lessons learned.

The main lessons learned from implementing the SSA CP in 2007 are summarized in section 7 of this report. Two key lessons among them are:

- The SSA CP will be venturing into largely "uncharted waters" when it commences the establishment of innovation platforms, the strengthening of IP and community capacities to innovate and in measuring process-level changes then establishing their causal connections with observed changes in welfare indicators. It will therefore need to devise means of improving the effectiveness and speed of learning by doing, that is, it will need to evolve methods for rapid capture and sharing of lessons and experiences (communication) in order to improve upon innovation processes. These represent some of the key capacity strengthening areas for the Programme. It will also need to draw on contemporary experiences by other initiatives experimenting with rural institutional innovations.
- Several characteristics of the SSA CP, notably the multiple levels of management and operation, multiple sites and an emphasis on innovation, which entails interaction among multiple partners, place high demands on the communication systems the SSA CP ought to have in place. The programme needs to make substantial investment into improving communication and knowledge management.

This is the third annual Challenge Programme report the SSA CP is submitting to CGIAR secretariat.

BACKGROUND

Sub-Saharan Africa is on course to becoming the only developing region that will fail, by a significant margin, to attain the Millennium Development Goal targets of halving the proportion of poor people and those suffering from hunger by 2015. This margin must be trimmed. Since livelihoods of most Africans are agriculture-based, efforts towards realizing the aforementioned targets will necessarily entail marked and sustained improvement in the productivity of agriculture and associated enterprises. The World Bank's *2008 World Development Report* proposes a *productivity revolution* in smallholder farming as the measure required for agriculture-based countries to realize the potential of agriculture in increasing economic growth, poverty reduction, food security and environmental sustainability.

The Sub-Saharan Africa Challenge Program was initiated in 2004 following extensive consultations with numerous agricultural stakeholders (researchers, extension and development agents, policy makers, farmers, and the private sector) to diagnose the main reasons behind the underperformance of agricultural research in Africa. These consultations established that, besides inadequate investment in the sector, the main impediment to the realization of the full potential for African agricultural research to catalyze wide scale development impact lies in the way the research is organized and conducted i.e. in issues concerning process. The research-to-development process currently employed in Africa treats research, technology transfer, and technology use as largely independent activities whereby research-derived knowledge consisting principally of prescriptive technology packages flows linearly from researchers to farmers through extension agents.

The aforementioned consultations, which were led by the FARA secretariat, proposed an alternative approach that aims to appropriately embed agricultural research within a larger system of innovation whereby knowledge from numerous sources (comprising all the various actors and stakeholders) is integrated and effectively put into use to bring about developmental outcomes and impacts. This approach, which is known as Integrated Agricultural Research for Development (IAR4D), is very compelling and its appeal is reinforced by anecdotal reports of successes registered by projects in SSA that have applied variants of its principles. However, a rigorous analysis to confirm whether IAR4D is feasible and to test the hypothesis that IAR4D delivers more benefits than conventional approaches has not been carried out. This is a significant knowledge gap about IAR4D which must be addressed before IAR4D can be widely promoted in the region. The challenge of the SSA CP is to address this gap, that is, to establish a proof of the IAR4D concept.

1.1 Program objectives and structure

The overall goal of the SSA CP is to contribute to improved rural livelihoods, increased food security and sustainable natural resource management throughout SSA by deriving generalizable principles for implementing IAR4D, evaluating its feasibility and impact across Sub Saharan Africa and depending on the findings from this investigation, scaling out IAR4D. The SSA CP's objectives have evolved since its inception in January 2005. Initially, the Programme was designed as a large scale action research and capacity building project to spread knowledge throughout Africa, of best practices for carrying out IAR4D. Following the evaluation of its 18 months inception phase by the CGIAR Science Council (SC), the Programme's focus shifted to establishment of proof of the IAR4D concept. Specifically, the Programme aims to:

- i. Define IAR4D and derive principles on how it should be implemented; and
- ii. Conduct an experiment to empirically establish whether IAR4D is feasible, more cost-benefit effective than conventional ARD approaches, and replicable on a large scale.

With regard to structure, the SSA CP operates at three levels: (i) programme-wide; (ii) at the pilot learning site level (3 PLS)—the work in each PLS constitutes a research project; and (iii) at sub-project level (9 sub-projects, 3 per PLS-project). Operating at the programme level are the FARA Secretariat, which hosts the Programme's Coordination Unit (PCU); the Programme sub-Committee of FARA's Executive Board which is responsible for overall governance of the Programme and a cross-site research support team (CRST) which is responsible for design and analysis across the three PLS to derive generalizable principles for implementing IAR4D and establishing the proof of concept, and for backstopping the sub

projects in selected areas of expertise notably monitoring and evaluation, impact assessment, research methods and data management.

At the PLS level, the main actors are the three sub-regional agricultural research organizations (SROs) in SSA and lead institutions (LIs), which are responsible for coordination of research and financial management at this level. At the sub-project level, the principal actors are the multi-institutional sub-project implementing teams known as task forces, which include the ultimate beneficiaries of the Programme—the farmers. Further details about the Programme's structure are presented in Chapter 5.

The SSA CP's research is organized around four projects, namely: one meta-analysis project and three PLS projects. Each PLS project comprises three sub projects, each implemented by a separate taskforce. The sub projects are designed to generate outputs that will result in similar outcomes, though the activities for each sub project are aimed at addressing problems specific to the circumstances of the environment and production chain the sub project is dealing with. The meta analysis project pools data from all the PLS and conducts cross-PLS research to generate inferences that are generalizable across SSA.

1.2 Research strategy and priorities

During its current research phase (up to 2010), the SSA CP is focusing on answering the following three research questions:

1. Does the IAR4D concept work and can it generate International Public Goods (IPGs) and Regional Public Goods (RPGs) to end users?
2. Does the IAR4D framework deliver more benefits to end users than conventional approaches (assuming conventional research, development and extension approaches have access to the same resources)?
3. How sustainable and usable is the IAR4D approach outside its test environment, that is, can it be scaled out to achieve broader impact?

Thus, the SSA CP's research is focused on the evaluation of IAR4D, specifically the processes it entails and the associated benefits compared to those delivered by traditional approaches. IAR4D is characterized by a structure—the innovation platform (IP)—and several process principles. The IP is an informal coalition and/or partnership of scientists, extension workers, farmers' representatives, private firms, non-governmental organizations and government policy makers who cooperate and interact (often across sectoral lines) motivated by the common belief that the benefits they derive from bringing their collective competencies to bear exceed the benefits they realize when working independently.

In searching for answers to the three research questions above, the Programme formulated a hypothesis for each of them and drew up a multiple treatments experimental design to test the three hypotheses. The design compares household (HH) and community level outcomes under: (i) IAR4D, (ii) the conventional approach, and (iii) no intervention. In other words, the SSA CP experiment will comprise three treatments carried out in three blocks (the PLS) and nine repetitions (three per block—the taskforces). It is conducted over 36 IPs, 540 villages and 5,400 HHs spread across the three PLS.

2. RESEARCH ACCOMPLISHMENTS

2.1 Overview

The development of a new research plan acceptable to the CGIAR was an important milestone in the SSA CP's work programme for 2007. It therefore featured as a major undertaking around which most of the Programme's activities during the year revolved. A new research plan was necessitated by the shift in the Programme's focus recommended by the CGIAR Executive Council in October 2006. This change in focus rendered the work programme stipulated in the SSA CP's 2007-2009 MTP redundant. The first version of the new research plan was completed in May 2007. It serves as the main reference for the

research work planned in 2007. **Thus the reporting on research achievements for 2007 will use the May 2007 research plan as the key reference.**

The May 2007 research plan articulated the methodology the SSA CP proposed to follow in answering the three research questions outlined above in section 1.2. The SSA CP stakeholders hailed it for increasing clarity about the Programme's research and for laying down, albeit in broad terms, the methods that would be employed to achieve the Programme's objectives. However, the CGIAR science council (SC) found the methodology the plan proposed to employ in identifying the effects of IAR4D to be lacking in terms of scientific robustness. The SC also expressed concern about the targets the Programme proposed to use in monitoring progress towards establishing the proof of concept. They SC pointed out that these targets lacked specificity. To sum up, a further and radical revision of the May 2007 version of the research plan, in particular a revision of the research design was necessary for the SSA CP to secure the CGIAR's approval to continue beyond 2007. The said revision was carried out in November and December 2007 and feedback from a peer review of the revised research plan indicates that it adequately addresses the concerns pointed out by the science council. A formal evaluation by the SC of this plan is however expected in August 2008 as part of the SC's commentary on the SSA CP's MTP for 2009-10.

2.2 Technical Outputs

The Programme devoted the first half of 2007 to: (i) developing a new research plan, (ii) mobilizing the extra human and financial resources required to implement the plan, (iii) establishing the contractual arrangements for managing activities at sub-regional and site level, and (iv) convening a side event at the FARA general assembly, on lessons about ARD partnerships and implementation of multi-stakeholder agricultural research approaches. It devoted the latter half of the year to implementing actions stipulated in the May 2007 (first version) of the research plan (Table 1) as well as responding to unforeseen, albeit crucially important issues, that emerged during the year, notably a review of the programme's governance and management arrangements and revision of the research plan. Although the outputs from fundraising and administrative activities carried out in the first half of the year cannot strictly be characterized as research achievements, their relevance to the research is self-evident.

The Programme realized all the outputs it set out to achieve in the first half of the year (a new research plan was developed, CRST was established, funds required to finance the budget for the first year were all secured, contractual arrangements with PLS lead institutions and taskforces were entered and a side event on ARD partnerships and multi-stakeholder approaches was successfully organized at the FARA general assembly). However, the Programme was unable to uphold this high level of accomplishment for activities planned to be implemented during the second half of the year. The variance between the expected and realized outputs is traceable to the following:

- a. the delay in securing sufficient funding to assure continuity of field activities for at least six months. Although the secretariat was able to mobilize all the funding required for the first year's budget, most of the funds were disbursed to the FARA secretariat towards the end of year (October). Meanwhile, in order to avert the likely consequences arising from possible interruption in field research activities due to disruption in the flow of funds to taskforces, the FARA secretariat premised commencement of field research activities on availability of funding sufficient to sustain operations for no less than six months. The limited field activity carried out during this period was pre-financed by taskforces in the southern Africa pilot learning site.
- b. The science council's concerns about the scientific robustness of the Programme's research design. This necessitated a revision of the research plan, which inevitably entailed delaying some activities notably site selection, identification of baseline indicators and establishment of platforms until a revised research design that laid out how the above tasks would be undertaken was in place.
- c. Ambitious planning. With the benefit of hind sight, it is now evident that the research plan was very ambitious. This lesson will be employed to inform future planning.

Overall, approximately 50% of the outputs planned for the second half of the year were realized. These mainly comprised outputs from activities that did not involve field work. All planned activities the programme did not initiate in 2007 were moved forward to 2008. The partial implementation of the year's work programme is reflected in the modest expenditure for the year, which amounted to only 29% of the budget.

Two crucial unplanned activities carried out during the second half of the year include: (i) a review of the Programme's governance and management structure aimed at reducing transactions and increasing the programme's decision making efficiency, and (ii) revision of the research plan to address concerns raised by the SC on the new research plan. Both activities generated outputs of strategic value to the programme. The review of the governance and management structure led to changes in the structure which are projected to free up a substantial amount of funds (US\$1.3 million per year), which will be directed to field research activities. The revision of the research plan led to its acceptance. Findings from the review of the programme's governance and management are presented in section 5.1.

Table 1 Planned research actions, outputs expected and achievements realized by December 2007

Activities (from May 2007 research plan)	Tasks	Outputs Expected by December 2007	Achievements realized by December 2007
1. Develop a Methods Protocol	<ul style="list-style-type: none"> - Hire the necessary expertise, - Develop a draft methods guide for the SSA CP's research 	<ul style="list-style-type: none"> - First version of research methods guidelines in place 	<ul style="list-style-type: none"> - First version of the research methods guide developed
2. Select research sites (for all the three treatments)	<ul style="list-style-type: none"> - Develop criteria for site selection based on initial baseline conditions that will affect the performance of the IAR4D process - Identify the broader geographical domains within the PLS over which the research will be conducted as well as the local areas and households that will be used as samples 	<ul style="list-style-type: none"> - Site selection and household sampling criteria identified - Report-narratives of site selection and household sampling procedures and maps of selected sites generated 	<ul style="list-style-type: none"> - Site selection criteria and household sampling criteria were defined as part of the methods guide development exercise and refined in the revised research design - The selection of sites had not been completed by the end of the year so it was carried forward to 2008.
3. Conduct baseline surveys	<ul style="list-style-type: none"> - Develop indicators for baseline data collection - Develop the baseline survey protocol, hire the necessary expertise, conduct baseline surveys in both the intervention and counterfactual sites. 	<ul style="list-style-type: none"> - Baseline indicators developed - Baseline survey protocols developed - Database of starting conditions (according to defined indicators) in intervention (IAR4D) and counterfactual sites in place 	<ul style="list-style-type: none"> - Initial set of baseline indicators identified - Baseline survey protocols were developed but revision of the research design necessitated revision of the protocols. - Data structure for recording baseline data developed
4. Continuous monitoring	<ul style="list-style-type: none"> - Build capacity for monitoring and evaluation - Develop Participatory Monitoring and Evaluation plans - Carry out monitoring and analyze monitoring data 	<ul style="list-style-type: none"> - Participatory Monitoring and Evaluation plans developed - Context-specific process monitoring protocols including indicators developed - Database on process indicators monitored 	<ul style="list-style-type: none"> - PM&E plans and process monitoring protocols developed but revision of the research design necessitated revision of these protocols. - A database structure for recording and organizing the monitoring data developed
5. Analyze baseline data to establish the baseline situation	<ul style="list-style-type: none"> - Analyze baseline data 	<ul style="list-style-type: none"> - Preliminary report on starting conditions (according to defined indicators) in place 	<ul style="list-style-type: none"> - Report of nutrition survey conducted in Malawi and Mozambique prepared - The Programme did not progress as far as actual collection of baseline data. Hence analysis of this data could not take place. This was moved to 2008.

Activities (from May 2007 research plan)	Tasks	Outputs Expected by December 2007	Achievements realized by December 2007
6. Assemble field teams and the cross-site research support team	- Develop Terms of Reference (TORs) for all cross-site research positions, and positions for cross-taskforce research and conduct recruitment	- Required human resource for cross-site research mobilized, i.e. the cross-site research support team; and cross-taskforce research (post-docs and seconded NARS professionals) mobilized	- CRST mobilized and mode of engagement defined. Terms of Reference for post-doctoral fellows and seconded NARS professionals also developed and recruitment initiated (vacancy announcements advertised). The recruitment is set to be completed in the first half of 2008.
7. Initiate or strengthen Innovation Platforms	- Develop stakeholder profiles, compare to research guidelines, - Conduct baseline assessment of platform stakeholders, facilitate emergence of coalitions, train process (IP) facilitators	- At least 18 Innovation platforms (IPs) established - Institutional mechanisms for sustaining IPs defined - Database of IP actor baseline characteristics assembled	- 3 IPs established by taskforces in ZMM PLS. - The Programme did not progress as far as establishing innovation platforms. This activity was moved to 2008. In all 36 IPs will be established. - A database structure for IP actor characteristics was defined
8. Commence research interventions indicated in pilot learning site and task force logical frameworks	- Conduct action research on the interfaces i.e. interactions among (i) increasing productivity, (ii) natural resource management, (iii) improving access and efficiency of agricultural markets, and (iv) supportive agricultural policies).	- Interface research priorities for each taskforce defined - Action Plans for research on interfaces drawing upon the innovation platforms	- Interface research priorities for each task force defined. - Taskforce workplans developed - The Programme did not progress as far as commencement of research on interface interventions. The same holds for the Action Plans. This activity was moved to 2008.

2.3 Portfolio of SSA CP projects

The SSA CP's research is organized around four projects: a meta analysis project and three PLS projects, one in each of the three sub-regions of sub-Saharan Africa (i.e., Lake Kivu (LK) project in Eastern and Central Africa, Kano-Katsina-Maradi [KKM] project in West Africa, and Zimbabwe-Malawi-Mozambique[ZMM] project in Southern Africa).

2.3.1. The Meta Analysis project:

The objective of the meta analysis project is to derive generalizable principles for implementing IAR4D and evaluating its feasibility and impact across sub Saharan Africa. The meta analysis project is the avenue through which the principal outputs of the current SSA CP research phase will be generated. Its outputs will be generated from analyses of data pooled from the three PLS projects (Table 2). The main outputs of this project are:

- i. Empirical evidence of whether IAR4D works, the extra benefits it delivers compared to those delivered by traditional approaches given the same resources and whether it is replicable beyond the SSA CP's test sites;
- ii. General principles for implementing IAR4D.
- iii. A database of process and impact indicator variables for 36 innovation platforms and their associated research communities and households (540 villages and 5,400 households across the three PLS) which will be made available as a public good for long term monitoring of the sustainability and impact of the platforms.
- iv. Methods and tools for designing, implementing and analyzing social experiments in Sub-Saharan Africa.

Status

Because the meta analysis project draws on the three PLS projects, its progress is necessarily tied to the progress registered by the PLS projects. By the end of 2007 the PLS projects had not collected data that the meta analysis could use to generate deliverables leading to outputs (i), (ii) and (iii). However, substantial foundational work leading to identification of the methods that would be used across the research sites to allow for integration of data and generation of cross-site inferences was carried out. The deliverables realized include the methods guide and terms of reference for the cross site research support team and postdoctoral research fellows.

2.3.2. The PLS projects

The three PLS projects and their subprojects are outlined in Table 2. Each of the three PLS projects is expected to generate the following outputs.

- i. 12 Innovation platforms (IPs) created and functional. The knowledge gained on strategies for strengthening the innovation capacity of IP members is subsumed under this output.
- ii. Potential technological, market, policy and institutional innovations identified, developed and mechanisms for putting them into use analyzed
- iii. Lessons learned from the innovation platforms evaluated and documented. This includes approaches for creating and sustaining the IPs and an assessment of the performance of IAR4D relative to conventional ARD approaches.

Status

In 2007, the PLS projects focused on preparatory activities for commencement of field-based research work. These included capacity building on methods to be used and assembling the building blocks for a baseline study. The revision of the research plan introduced new methods that necessitated revision of the previously defined procedures. In some instances such as identification of indicators and definition of site selection criteria, the revision entailed repeating some activities.

Output No.	Status
i	<p>The methods guide elaborated methods for strengthening the innovation capacity of IPs.</p> <p>Three IPs were created in ZMM PLS through pre-financing by their taskforces. The rest will be created in 2008.</p>
ii	<p>The PLS projects are designed to generate technological, market, policy and institutional innovations as integral parts of the proof of concept experimentation. The innovations expected to emerge from the SSA CP's research are defined by the IPs. By the end of 2007 the IPs were largely not in place, hence the innovations expected from the PLS projects had not been identified let alone developed.</p>
iii	<p>The building blocks for conducting and analyzing a baseline study were assembled. They include defining criteria for selection of research sites (for the three treatments), identification of indicators for monitoring changes in output targets, drafting of baseline survey protocols, development of database structures, findings from the nutrition survey carried out in Malawi and Mozambique and mobilization of expertise that will oversee the baseline study.</p> <p>The experimental design for evaluating the effects of IAR4D was developed and thoroughly discussed with the taskforces.</p> <p>The framework for monitoring IP process was also developed.</p>

Table 2 An outline of the subprojects in each of the three PLS projects

Three PLS projects:		
Objective: Derive process guidelines for implementing IAR4D and evaluate its feasibility and impact in specific contexts and for specific objectives.		
LK PLS (Eastern & Central Africa)	KKM PLS (West Africa)	ZMM PLS (Southern Africa)
<p><u>Specific objective:</u> More food production and agricultural productivity through diversification and improved market access while improving the use of natural resources.</p> <p>The LK PLS project comprises the following subprojects:</p> <ol style="list-style-type: none"> 1. More food products and better nutrition at reduced cost and minimal degradation of the natural resource base (<i>sub-project lead institution: ISAR</i>); 2. Beneficial conservation and sustainable use of natural resources (<i>sub-project lead institution: Makerere University</i>); and 3. Wealth creation through agro enterprise diversification and improved market access (<i>sub-project lead institution: CIAT</i>). 	<p><u>Specific objective:</u> Improve the productivity of farming systems and ensure an efficient use of resources through technical, administrative, marketing and management improvements.</p> <p>The KKM PLS comprises the following subprojects:</p> <ol style="list-style-type: none"> 1. Improving livelihoods of rural population in the Sahel through intensification, access to markets, and sustainable management of natural resources (<i>sub-project lead institution: INRAN</i>); 2. Sustainable agricultural intensification and integrated natural resource management to improve rural livelihoods in the Sudan Savanna (<i>sub-project lead institution: IITA</i>); and 3. Developing a multi-stakeholder approach to linking technical options, policy, and market access for improved land productivity in the Northern Guinea Savanna (<i>sub-project lead institution: IFDC</i>). 	<p><u>Specific objective:</u> Improve the performance of the agricultural value chains through intensification and other technical innovations in high & low potential farming systems.</p> <p>The ZMM PLS comprises the following subprojects:</p> <ol style="list-style-type: none"> 1. Improving human nutrition and income through integrated agricultural research on production and marketing of vegetables in Malawi and Mozambique (<i>sub-project lead institution: Bioversity International</i>); 2. Integrating sustainable soil fertility management innovations in staple cereal systems and other value chains to enhance livelihoods and environmental systems in Southern Africa (<i>sub-project lead institution: SOFECSA/CIMMYT</i>); and 3. Efficient water and nutrient use in cereal grains systems in market-based conservation agriculture systems (<i>sub-project lead institution: TSBF-CIAT</i>).

3. PROGRESS ON OTHER SSA CP ACTIVITIES

3.1 Capacity Building

The capacity building supported by the SSA CP in 2007 focused on strengthening the competencies of sub-project taskforces in innovation system concepts, action research methodologies, participatory monitoring and evaluation, site selection and data management. The above were identified as the most essential skills required by the taskforces to commence field research. The capacity strengthening was provided by consultants and members of the cross-site research support team as part of their backstopping function. The Technical Centre for Agricultural and Rural Cooperation in the ACP states (CTA) supported the participation of all taskforce leaders, lead institution coordinators and coordination unit personnel in training events on innovation systems it organized in Uganda (July) and Nigeria (October). The Programme recognizes the need to strengthen innovative capacity among IP actors and at stakeholders involved in action research. It further recognizes the need to strengthen its communication systems. It therefore proposes to make adequate provision in its budget to address these capacity gaps.

3.2 Data management

The SSA CP coordination unit continued its maintenance of a database of all documentation generated by the Programme since its inception. The data management remains largely limited to management of documentation because the Programme has not yet started collecting field research data.

As an indication of the importance the Programme attaches to data management, it appointed a research data management expert on its cross-site research support team (CRST). With the help of this expert it has developed a data management plan and guide. The data management plan provides for the engagement of full-time data curators for each PLS and a data archivist at the coordination unit. It also elaborates a model for structuring field data collected by the taskforces and integrating it to create a seamless programme-wide data set.

3.3 Communications/ Public awareness

Several characteristics of the SSA CP notably its multi-stakeholder orientation, its emphasis on strengthening interactions and knowledge flows among IAR4D actors, and its aim to transform the way IAR4D actors perform their functions, require the Programme to establish and maintain a robust communication and public awareness capacity.

The development of a communication strategy that was initiated in 2006 realized its first milestone, namely a first draft of the strategy, in 2007. The strategy will be progressively refined, drawing upon lessons learned from its implementation. Early products of this strategy are already in place. They include: (i) a quarterly newsletter entitled “Inside the SSA CP”; (ii) wiki and blog sites to facilitate interaction and collaboration by SSA CP researchers; and (iii) flyers and posters to raise awareness about what the Programme is doing. In addition, the Programme contributed an article in the CGIAR annual report entitled “Partnerships that drive “business unusual””. The SSA CP takes advantage of the location of its coordinating unit within the FARA secretariat to make full use of the secretariat’s communication and publication awareness resources, networks and reach.

3.4 Other Activities

3.4.1. Agreements between the FARA Secretariat and Lead Institutions

The FARA Secretariat entered new agreements with IITA and CIAT as lead institutions (LI) for the research phase. LIs are responsible for managing finances and coordinating research activities within the PLS. IITA continued to perform the LI functions for KKM and ZMM pilot learning sites and CIAT continued to perform similar functions for Lake Kivu pilot learning site.

3.4.2. Mobilization of funds to Finance the SSA CP

The Programme carried forward US\$2.3 million from 2006. Its budget for 2007 amounted to US\$9.9 million. Thus the FARA secretariat was faced with the task of mobilizing the balance of US\$7.6 million. To this end it initiated dialogue with donors that had financed the inception phase and reached out to new potential ones. These concerted efforts were rewarded with confirmation of funding pledges by most of the donors such that by October 2007 the programme’s funding for the first year was fully secured. Further details on the programme’s finances are presented in section 6.

3.4.3. Side Event at the FARA General Assembly: Sharing Experiences on Multi-Stakeholder Approaches in Agricultural Research

The SSA CP organized a side event during the FARA General Assembly and Agricultural science week held from 10-16 June 2007 in Johannesburg, South Africa. The theme of the side event was “fostering partnerships in sub Saharan Africa’s agricultural research for development”. The well-attended side event served as a forum for harvesting and sharing experiences on multi-stakeholder ARD approaches. Two conclusions that emerged from the event are: (i) building effective partnerships is a long term undertaking whose impacts are usually gradual; and (ii) working through partnerships involves high initial costs, which however are more than offset by the much larger benefits attributed to this mode of operation. The meeting highlighted the need for greater understanding about the impact pathway for multi-stakeholder ARD approaches, noting that such knowledge is necessary for fine tuning these approaches. This is precisely one of the international public goods the SSA CP aims to generate. The side event underscored the strategic importance of the SSA CP’s research to advancing SSA’s agricultural research and development.

3.4.4. Review of the Governance and Management Structure to Reduce Transaction Costs

A review of the Programme's governance and management was carried out to explore ways of reducing its transaction costs and increasing its efficiency and effectiveness. Further details about this review are presented in section 5.

4. GOVERNANCE AND MANAGEMENT

The SSA CP operates at three levels, namely (i) programme-wide/regional, (ii) at PLS/sub-regional and (iii) at the task force (sub project) level (see **Error! Reference source not found.**). Governance structures are in place at the first two levels, and management structures exist at all three levels. The management philosophy of the SSA CP draws on the principle of subsidiarity, whereby each level of management is responsible only for tasks that cannot be performed more effectively at lower levels.

4.1 Programme Governance Structure

Concerns raised by several stakeholders over the level of the SSA CP's transaction costs¹ CP and decision making efficiency prompted the secretariat to commission a review of the Programme's governance and management structure in order to explore ways of curbing the transaction costs and increase decision making efficiency. This review, conducted during the third quarter of the year, revealed that the Programme's transaction costs were high (22.7%) in the first year (2005), albeit comparable with other CPs during their inception. These costs however shot up to 35.3% in 2006. The Secretariat attributes this exceptionally high figure to the nature of SSA CP activities carried out in 2006—most of them fell under the transaction costs category even though they were fundamental to the development of the CP. These activities included the review of concept notes and proposals; the consultative development of the Programme's strategy and medium term plan and expenses associated with the several external reviews to which the programme was subjected in that year.

The review recommended phasing out the PLS governance bodies (management committees) by transferring their functions to the governance bodies of respective sub regional agricultural research organisations (SROs). It further recommended the transfer of the CP's Steering Committee functions to the Programme sub-Committee of FARA's Executive Board², thus phasing out the Steering Committee as well. Three technical advisers were designated to backstop the programme sub committee of FARA's Executive Board in discharging its function of overseeing governance of the SSA CP. The three advisors are: Prof. Sheunesu Mpeperekwi based at the University of Zimbabwe and formerly the Chair of ZMM's management committee; Dr. Rodomiro Ortiz, the Deputy Director General of CIMMYT and chair of the Alliance of Deputy Executives, and Dr. Pierre Fabrè from the European Initiative on Agricultural Research for Development (EIARD).

Concerning management, the review recommended the transfer of PLS management functions from CGIAR centers (IITA and CIAT) to the respective SROs. The review estimated that changes to the Programme's governance and management would cut its transaction costs to 9% and free up approximately US\$1.3 million per year, which the Programme may re-allocate to field research activities carried out by the nine taskforces. These recommendations were approved by FARA's Executive Board in October 2007. Figure 1 illustrates the Programmes new governance and management structure.

The steering committee held two meetings in 2007: in January and June 2007. It also reviewed the May 2007 version of the research plan and endorsed it before it was submitted to the SC. The January

¹ The interpretation of transaction costs adopted by the Secretariat's review is the one used by the CGIAR Science Council (SC) where transaction costs are defined as the overall cost of governance and management including costs incurred by steering or advisory groups, evaluation panels and operations of secretariats. The SC makes a distinction between transaction costs and overhead costs. It defines overheads as the costs of resources used by an organization just to maintain its existence such as rent on the office space; cost of utilities and maintenance of essential facilities, and cost of retaining the organization's core administrative staff.

² The Programme sub committee is one of the three sub committees of FARA's Executive Board. One of its functions is to provide general oversight, guidance and advice to the Executive Board on matters relating to programs coordinated by FARA.

meeting reviewed the workplan and budget for 2007, the Programme's governance and management and progress towards implementation of the SC's 2006 review recommendations. Further, it approved the creation of a cross-site research support team, drew up a plan for monitoring the Programme's progress, strengthening communication with the science council and for preparing a white paper on IAR4D which the Programme would use to stimulate debate among high level policy makers about the approach. The June 2007 meeting reviewed the progress registered in the first half of 2007, recommended actions to speed up disbursement of secured funds, enhance engagement with the science council, and advance preparation of the white paper.

4.2 Management and coordination of the SSA CP

The principal management bodies of the SSA CP include (i) the FARA Secretariat which hosts the Programme's coordination unit (PCU) and is responsible for overall management of the Programme; (ii) the PLS Lead Institutions, and (iii) the task force lead institutions. The Executive Director of FARA's Secretariat is responsible for the overall and strategic management of the SSA CP, while the PCU led by a Coordinator is responsible for operational management of the Programme (including technical coordination of its research). The PCU is leanly staffed (three professional staff), focusing on programme-wide issues. It is assisted by the cross-site research team in discharging functions concerning technical coordination of research. It is complemented by other staff of the FARA Secretariat including those responsible for finance, human resources and operations (travel and protocol), as well as communication and information systems. In June 2007 the SSA CP bid farewell to its first substantive coordinator, Dr. Freddie Kwesiga and welcomed his replacement Dr. Adewale Adekunle, the current coordinator.

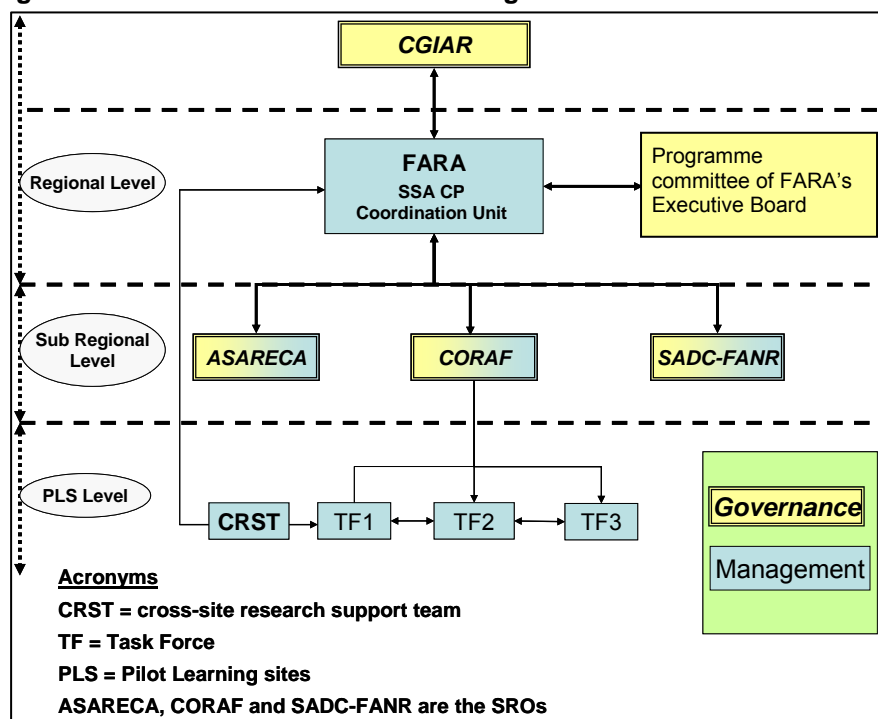
In conformity with the principle of subsidiarity, management functions relating to the PLS and task force levels are carried out by the PLS Lead Institution and the task force leaders/lead institutions respectively. The Lead Institutions at the PLS and task force level are responsible for managing and accounting for funds used to finance activities within their jurisdictions and for management of the technical dimension of the Programme's research, including facilitating the work of the cross-site research support team within their PLS and taskforces. IITA is the LI for both the ZMM and KKM PLSs while CIAT is the LI for Lake Kivu PLS. In accordance with recommendations of the review of the Programme's governance and management structures, SROs are set to take over PLS lead institution functions from IITA and CIAT in January 2009. Figure 1 shows the management structure of the SSA CP.

In 2007 the FARA secretariat mobilized funds for the Programme and disbursed them to the PLS LIs. Through the PCU it led the development and revision of the research plan, assembled the CRST and recruited postdoctoral fellows, entered agreements with the LIs, coordinated the development of the methods guide, facilitated the development of the communications strategy and spearheaded its implementation, oversaw the revision of PLS and taskforce workplans to align them to the revised research plan, and coordinated the development of research protocols, a data management plan and guide, and identification of the Programme's indicators.

The LIs entered agreements with the taskforces and disbursed funds to them. They coordinated the development of PLS workplans and site selection criteria; accounted for the funds disbursed to them by the FARA secretariat, reported on progress in their respective PLS, and participated in the development and revision of the research plan, preparation of the methods guide and identification of indicators. They also facilitated communication among the coordination unit, management committees and taskforces.

The taskforce lead institutions managed and reported on taskforce funds to the PLS LIs; reported on progress by their taskforces, coordinated the participation of their taskforce members in the development of the research plan, the methods guide, identification of indicators, site selection criteria and development of taskforce workplans and budgets. They also facilitated communication among taskforce members with the PLS and subsequently the coordination unit.

Figure 1 The new Governance and management structure of the SSA CP



4.3 Operational issues, challenges and transaction costs

4.3.1. Operational Issues and Challenges

The Programme has endured long delays to the long awaited commencement of its field research activities. These delays have chipped away at the initial high morale of its research actors and increased the Programme's overall transaction costs due to the extension of the time and hence resources devoted to planning. Nevertheless, owing to their high expectations in the Programme, its research actors retain sufficient enthusiasm and commitment to stay the course and realize its deliverables. After numerous twists and turns stretching as far back as January 2005, there are firm indications that in 2007 the SSA CP finally found its bearings and will henceforth start reporting concrete research achievements.

The challenges faced by the programme in 2007 and the measures taken to address them are summarized below:

- The programme's transaction costs shot to an alarming 35.3% in 2006, which called for a review of its governance and management arrangements. In 2007 the transaction costs fell to 25.7% which is nevertheless very high. The changes in governance and management and measures to improve decision making efficiency and cost effectiveness are expected to achieve the desired effect of curbing the transaction costs substantially to a target of 9% by 2010.
- The coalitions of stakeholders on which the programme is counting to test IAR4D lack the capacity to innovate. To address this challenge, the programme has made provisions in its budget to strengthen their capacity in this respect.
- The SSA CP has enjoyed tremendous goodwill from its donors. However, their disbursement of funds to support 2007 activities was effected very late in the calendar year, which in turn delayed commencement of activities that required substantial investment to take off. Refreshingly, the Programme's donors propose to enter into a financing arrangement with the FARA secretariat, which will provide a mechanism for the secretariat to meet its cash flow requirements and thus insure it from a recurrence of similar delays in the future.

- It is generally accepted that private sector actors and the profit motive play a major role in innovation processes. The current level of participation by these actors in SSA CP-instigated partnerships has been largely inadequate. The SSA CP will therefore seek to increase the involvement of these actors in IPs and action research processes. It proposes to achieve this by identifying incentives for their participation and undertaking to identify and accommodate their special needs.
- The multiple levels of management and operation, multiple sites, multiple disciplines and the emphasis on innovation, which entails interaction among multiple partners and sharing of knowledge, all place high demands on the communication systems the SSA CP ought to have in place. The Programme is cognizant of this reality and is exploring a wide range of communication tools and avenues. It also proposes to make the necessary investments required to facilitate multi-directional flows of knowledge and information at all levels of its operations.

4.3.2. Transaction costs

In 2007, the SSA CP's transaction costs fell from 35.3% in 2006 to 25.7% (Table 3), a margin of 9.6%. The FARA secretariat aims to further cut the transaction costs and attain its target of 9.0% before the end of the current research phase. This target emerged from analyses performed during a review of the Programme's transaction costs carried out in August – September 2007. The said review proposed changes to the Programme's governance and management structure and measures to improve the programme's decision making efficiency such as increased use of information and communication technology.

Table 3 SSA CP Transaction Costs in 2007

Expenditure Item	US\$ (millions)
PSC meetings and field trips	0.036
PLS Management Committee meetings	0.063
Programme Coordinating Unit (including operational cost, personnel costs, FARA General Assembly; and synthesis of lessons learned)	0.634
Total	0.733
Total Expenditure for the year	2.856
Transaction costs as % of total expenditure	25.7%

5. SSA CP FINANCES

5.1 Financial Objectives and Outcomes

The Programme secured all the funding it required to finance the budget for the first year of its research phase (i.e. US\$9.9 million). However, most of these funds were disbursed in the last Quarter of the year. The funding was provided by DFID, the Government of Italy, the European Commission and the World Bank as detailed in Table 4.

At the beginning of the year 2007 only the US\$2.3 million brought forward funds from 2006 was available for the Programme's activities. The FARA secretariat was thus faced with the challenge of mobilising the balance of US\$7.6 million needed to cover its budget. Its concerted efforts in engaging with its donors were rewarded such that by October 2007 the programme's funding for the first year was fully secured. The late confirmation and disbursement of funds however contributed to the delayed commencement of planned field-based research activities.

The FARA secretariat hereby expresses deep appreciation to all the donors that have supported the activities of the SSA CP since its inception in January 2005.

5.2 Schedule of Contributions Received

The contributions towards financing the SSA CP's first year budget (2007) amounted to US\$8.008. Table 4 provides a breakdown of the funds received, their sources and dates of receipt.

Table 4 Contributions from Donors in 2007

Date	Donor	Value in Original Currency (millions)	US\$ (millions)
Jul-07	Government of Italy	€ 0.500	0.605
Oct-07	DFID (United Kingdom)	£ 2.000	4.053
Oct-07	World Bank	\$ 0.738	0.738
Jan-08	European Commission	€ 1.800	2.612
Total Contributions			8.008

5.3 Schedule of disbursements

The funds disbursed by FARA and expenditure incurred on SSA CP activities carried out in 2007 amounted to US\$ 2.856 million. A break down of the expenditure components, where these disbursements were made (the recipients) and the amounts disbursed is presented in Table 5.

Table 5 Schedule of Disbursements to Partners (CGIAR and outside) in 2007

Institutions/Recipients	Expenditure component/activities	Amount (US\$)
Kano/Katsina/ Maradi PLS activities	CGIAR -IITA	0.551
Lake Kivu PLS activities	CGIAR - CIAT	0.403
Zimbabwe/Malawi/Moz. PLS activities	CGIAR - IITA	0.308
Taskforces Members and other SSA CP stakeholders in FARA GA	Taskforce Institutions	0.089
SRO Technical Support	Sub Regional Organizations	0.189
Lead Institutions(IITA & CIAT)	PLS management committee	0.063
Cross Site Capacity Building	Other Partners	0.078
Development of MTP	Other Partners	0.066
Support to SSA CP activities	FARA	0.528
Programme Coordination	FARA	0.545
PSC meetings	FARA	0.036
Total		2.856

5.4 Resource allocation/expenditure (by project and priority areas)

Disbursements to the SSA CP's 9 sub projects were channeled through the Lead Institutions. Other disbursements were made to the LIs as compensation for their services, the cross site research support team members; the coordination unit and other providers of services to the SSA CP. The expenditure template enclosed shows details of these expenditures. The resources allocation by object of expenditure is shown in Table 6 while the allocation by project and system priority is shown in Table 7.

Table 6 Allocation by Object of Expenditure

Object of Expenditures	US\$ (millions)
Personnel	0.452
Supplies and services	0.276
Collaboration/ Partnerships	2.083
Operational Travel	0.045
TOTAL FOR SSA CP	2.856

Table 7 Resource allocation by project and priority areas

Project	System Priorities	Amount US\$ (millions)
Meta- Analysis Project	5D	0.179
	5A	0.179
	5C	0.089
TOTAL BY PROJECT		0.447
PLS - Kano/Katsina/Maradi Project	3A	0.021
	5A	0.132
	5D	0.127
	3B	0.073
	5B	0.097
	5C	0.074
	4A	0.056
	4C	0.027
4D	0.116	
TOTAL BY PROJECT		0.723
PLS - Lake Kivu Project	3A	0.024
	5B	0.047
	4C	0.021
	4A	0.103
	3B	0.024
	4D	0.096
	5D	0.155
	5C	0.130
5A	0.124	
TOTAL BY PROJECT		0.723
PLS - Malawi/Mozambique/Zimbabwe Project	4C	0.038
	5B	0.103
	5A	0.420
	3A	0.038
	5C	0.064
	4D	0.189

	5D	0.112
TOTAL BY PROJECT		0.964
TOTAL FOR SSA CP		2.856

5.5 Other financial management issues

The EC contributed €1.80 million to the SSA CP budget for 2007 and disbursed a total of €1.62 million. The total expenditure on this grant in 2007 amounted to €1.04 million leaving a committed balance of €0.58 million. FARA secretariat proposes to carry forward this balance to fund the activities it was designated to support in 2007 but for reasons explained in section, could not be carried out.

6. LESSONS LEARNED

The principal lessons learned from implementing the SSA CP during the reporting period are listed below:

- All the SSA CP action plans developed hitherto have turned out to be too ambitious. The lesson drawn from this experience informs future planning to set more modest targets. It is believed that the slower than expected progress is traceable to the multi-scale and multi-institutional nature of the work. The multiple scales and institutions introduce lags in processes.
- The SSA CP side event at the FARA General Assembly concluded that (i) building effective partnerships is a long term undertaking whose impacts are usually gradual; and (ii) working through partnerships involves high initial costs, which however are more than offset by the much larger benefits attributed to this mode of operation. The experience gathered from the SSA CP shows that whereas instruments that clarify roles and responsibilities of parties to a partnership or alliance, for example, memoranda or understanding or letters of agreement, play an important role in structuring partnerships and minimizing uncertainty, ambiguity and likelihood of conflict. Their negotiation can however be very time consuming. Innovations aimed at simplifying and speeding up the conclusion of such instruments are important elements of institutional innovations.
- Two dominant views of IAR4D continue to prevail. The first view treats IAR4D as a research-for-development approach that can be packaged into principles and practices which can then be disseminated as a methodology suitable for specific circumstances. This is the view held by the SSA CP. The second view treats IAR4D as a way of investigating how research and development actors ought to be organized to enhance innovation. The SSA CP draws on the philosophy of this view. The two views complement each other and opportunities exist for proponents of either view to work together towards drawing the best out of their separate views of IAR4D.
- The SSA CP will be venturing into largely “uncharted waters” when it commences the establishment of innovation platforms, the strengthening of IP and community capacities to innovate and in measuring process-level changes then establishing their causal connections with observed changes in welfare indicators. It will therefore need to devise means of improving the effectiveness and speed of learning by doing, that is, it will need to evolve methods for rapid capture and sharing of lessons and experiences (communication) in order to improve upon innovation processes. These represent some of the key capacity strengthening areas for the Programme. It will also need to draw on contemporary experiences by other initiatives experimenting with rural institutional innovations.
- Several characteristics of the SSA CP, notably the multiple levels of management and operation, multiple sites and an emphasis on innovation, which entails interaction and sharing of knowledge among multiple partners combine to exert high demands on the communication systems the SSA CP ought to have in place. The programme needs to make substantial investment into improving communication and knowledge management.
- Estimations of transaction costs and decision making efficiency are useful inputs into decisions concerned with formulating governance and management arrangements or choosing among options. The SSA CP invested substantial time and financial resources in maintaining a governance and management structure that turned out to be cumbersome and expensive. An estimation of the

transaction costs associated with the structure prior to its adoption would have forewarned the Programme about the cost implications of the structure. It would also serve as a benchmark for the Programme's transaction costs.

**SSA Challenge Program
Revenue and Expenditure
For the year ended December 31, 2007
Amount in US \$**

Contributions Received

Donors		
	European Union	2,611,980
	DFID	4,053,000
	Italy	604,595
	World Bank	738,000
Earned Income		
Total Revenue		8,007,575

Expenditure

Partners		
	Kano/Katsina/ Maradi PLS activities- led by IITA (Lead Institution)	551,145
	Lake Kivu' PLS activities - led by CIAT (Lead Institution)	402,827
	Zimbabwe/Malawi/Mozambique PLS led by IITA (Lead Institution)	308,133
	Cross Site Capacity Building activities -Other partners	77,903
	SRO Technical Support	189,000
	Development of MTP- Other partners	65,683
	Other Partners (Inc FARA)	528,815
	sub-total	2,123,505
Program Management ²		
	Personnel	451,556
	Supplies and services	40,376
	Operational Travel	53,186
	SSA CP participating in FARA GA	88,782
	Program Steering Committee	36,066
	PLS MC meetings	62,657
	sub-total	732,624
Total Expenditure		2,856,129
Excess of Revenue over Expenditure (Deficit)		5,151,446

Balance brought forward from 2006 and previous years 2,327,600

Cumulative balance **7,479,046**

when applicable

¹ please indicate as a footnote how much of the total Program Management is transaction costs,

² defined as: steering or advisory groups, research evaluation panels, secretariat where such mechanism exist

foot note 2

Details for transaction cost

Expenditure Item	US\$ ¹
PSC meetings and field trips	36,066
PLS Management Committee meetings	62,657
Programme Coordinating Unit (including operational cost, human resource, FARA GA , IPR and synthesis on lessons learned)	633,901
Total	732,624
Total Expenditure for the year	2,856,129
Transaction cost as % of total expenditure	26%