

# AGM08 CGIAR Change Management Process Conclusion and Decisions<sup>1</sup>

## 4.a. Integrated CGIAR Reform Proposal

### *Conclusion and Decisions:*

#### *Chair's Summary:*

*The CGIAR endorsed in principle the Integrated Reform Proposal, while highlighting several points, including:*

- *There is a sense of urgency and the time to act is now, especially considering the myriad external factors, e.g. continuing widespread hunger, threat of climate change, etc. The System missed previous opportunities and must not miss this one.*
- *Several Members indicated they are ready to increase their funding based on strong implementation of the reforms. Broad support has been expressed from NARS, the South, Foundations, Donors, and the Alliance. There is a strong will and sense of purpose, and commitment to continue building trust via transparency and inclusiveness.*
- *There is recognition that a broad architecture has been outlined guided by clear principles; however there are many details to be worked out as the transition proceeds.*
- *There is a need to speak with a clear System voice and to position the CGIAR as part of the international architecture, and to play a significant leadership role in addressing global challenges such as the food crisis and climate change. The CGIAR must explore ways to establish dynamic relationships with other multilateral actors including FAO, UNDP, World Bank, IFAD and others to carry out this role. Effective communication will be key to garner support needed from policy makers and the public.*
- *Members expressed support to the foundation elements in the proposal with several notations:*
  - *Strategy and Results Framework and mega-programs: All activities should be included in the strategy and results framework to provide a linkage to all funding support, not only to that channeled through the Fund. Science Council input will be key during development of the strategy and results framework, as well as from partners, particularly from the South, and input from the conference on agricultural research for development. The gender dimension will be incorporated into the strategy and results framework. There is a need to develop a sample or "test" mega-program so donors can see how it would look, but not necessarily funded until the strategy and results framework is in place. Donors were requested to not withdraw funding from ongoing research activities.*
  - *Fund: There will be two channels for funds to flow (i.e. through the Fund and bilaterally), however the System should aspire to make the Fund attractive for donors to use and attract more of the funding through this channel. Members also recognized there will always be a need for a bilateral channel, but with full cost recovery. In order for donors not to lose opportunity for interactions with*

---

<sup>1</sup> Excerpt from 2008 CGIAR Annual General Meeting (December 4-5, 2008), Summary Record of Proceedings, January 27, 2009.

*Centers, Members agreed with the suggestion to provide a forum to meet in off years between the Funders Summit, which might be linked with a Fund Council meeting. There is a need for the institutional funding window to be clarified. In addition, an effective strategy needs to be put in place as the System moves from bilateral to programmatic funding to not jeopardize the current research programs/projects. Members were encouraged to continue with current funding during the transition to ensure the current System is not damaged. Concerns of potential donors to the Fund will be taken into consideration in the design stage during the transition. On composition of the Fund Council, there should be a balanced representation of members from the North and South. Some Members believe stakeholders should serve only in an advisory capacity, especially to avoid perceived or real conflicts of interest.*

- *Consortium: Clarity is needed on accountability and lines of authority between Centers and the Consortium. The need for structural change was emphasized, and it should be a first order of business for the Consortium. Members are looking forward to an early report out in this area. Language should be included in founding documents to reflect potential changes in number of Centers.*
- *Independent Science and Partnership Council: There is a need for strong, forward looking ex ante advice, catalyzing mobilization of science and partnerships to link with the best science. However, it would not do the work of building partnerships which will be done by the Centers.*
- *Partnerships: Members appreciated the various entry points for partnerships, but noted that partnerships should always be for results and not for the sake of partnerships. They should be dynamic and not merely for transferring money. A template for mega-programs should specify results expected on the ground through partnerships and how they will be judged. Partnerships should also be thought of more broadly.*
- *Fiduciary and monitoring and evaluation arrangements: There is a need for strong fiduciary and M&E frameworks to ensure a robust System. It is important to build such a framework and get buy-in as well from donors and challenge donors to live up to the Paris Declaration on Aid Effectiveness. A link between ex post evaluation and ex ante planning should be maintained.*
- *Dispute resolution: Members expressed a need for a dispute resolution mechanism as part of system governance that will give guidance in the event of disruptions to the System. A proposal for such a mechanism should be developed during transition.*
- *Research vitality and no over centralization: These principles should be maintained to ensure adequate flexibility in mega-programs to give adequate space for innovation to take place, including attracting scientific talent.*
- *Competition: A competitive process in mega-programs should be built in where it makes sense.*
- *Transition: risk management is very important and needs to be taken into consideration. Expertise should be engaged to help address this issue during transition. The System must also protect scientific assets and programs to support these assets. Balance speed with caution going forward.*

- *Members expressed thanks to the entire change team. The CGIAR Chair singled out Rodney Cooke and Jonathan Wadsworth, the Change Steering Team, and chairs of the working groups for their time and dedication to the effort.*

## *CGIAR Decisions*

- I. *The CGIAR approved, in principle, the document A Revitalized CGIAR—A New Way Forward: The Integrated Reform Proposal and in particular, the following elements as a way of implementing reform:*
  1. *The CGIAR Vision “to reduce poverty and hunger, improve human health and nutrition, and enhance ecosystem resilience through high-quality international agricultural research, partnership and leadership,” and Strategic Objectives: (a) Food for People, (b) Environment for People, and (c) Policies for People. The CGIAR is committed to provide public goods especially in support of developing countries in collaboration with NARS and other partners.*
  2. *A Consortium of Centers will be created that is a legal entity with a Board and CEO.*
  3. *A CGIAR Fund will be created that is composed of Fund investors and aims at providing multi-year financing. The Fund will have a Funders Summit and a Fund Council which will be a decision making body. The Fund Council will be chaired by the World Bank. The chair will be non-voting. The Fund Council will be organized such that it includes donors to the Fund from both the South and North with some stakeholders. Satisfactory fiduciary arrangements will be agreed between the parties.*
  4. *CGIAR investments will be results focused and time bound through a Strategy and Results Framework to be developed by the Consortium in consultation with partners and the Independent Science and Partnership Council. The Strategy and Results Framework will encompass all channels of funding, and will define how the CGIAR achieves its three strategic objectives. This Framework will be further expressed through mega-programs, which should be developed with strong participation from the South. Gender considerations will be fully integrated including clear indicators.*
  5. *The Funders Summit will approve the Strategy and Results Framework. It will meet every two years, and provide an opportunity to review performance of the overall System. In off-years all Funders will be invited to have dialogue with the Consortium, which could be linked to the Fund Council timetable.*
  6. *Mutual accountability between funders and the Consortium, under the Strategy and Results Framework with full cost recovery, will be operationalized through performance contracts. As part of the overall governance, a dispute resolution mechanism will be developed in case of Systemwide disruptions.*
  7. *Partnerships are essential for designing research programs and delivery of research outcomes and impact. Incentives for partnership through the Centers, including funding of partnerships, will be built into all levels of the System. Processes to introduce competition, where appropriate, will also be built into mega-programs.*
  8. *An Independent Science and Partnership Council will support the Fund Council and the Funders Summit and advise the Consortium Board.*
  9. *An independent evaluation arrangement will periodically take place at the Program and System levels. An independent evaluation on the reforms of the new CGIAR will be undertaken in three years.*

10. A final CGIAR Business Meeting will take place in 2009 to sign off on the transition (time and venue to be decided). Thereafter, CGIAR will cease to organize Annual General Meetings. A biennial global conference on agricultural research for development will be organized by GFAR in collaboration with the Consortium and Independent Science and Partnership Council.

The above reforms will ensure that the strategy and programs will operate in the context of the international agricultural research for development architecture. The arrangements will enable the Consortium of Centers to speak with a single voice and provide leadership in the international arena.

II. The CGIAR decided that during transition changes will be scrutinized and implemented to ensure they pass the following six tests:

1. Clear strategic focus;
2. Increase research output, outcome, and impact;
3. Greater efficiency, effectiveness and relevance;
4. Simplicity and clarity of governance;
5. Enhanced decentralized decision making; and
6. Active subsidiarity to capitalize on complementarities of the Centers.

#### **4.b. Change Management Transition Arrangements**

##### ***Conclusions and Decisions:***

Members agreed with the proposed transition arrangements and would like to help to get them implemented. The TOR of the Transition Management Team (TMT) was broadly endorsed. In approving the transition arrangements the following notations were made:

- Members approved the delegation of decision-making authority to ExCo during the transition period; it is important to have a clear decision-making framework. ExCo meetings will continue to be open to all CGIAR Members as observers.
- TMT will make periodic reports on the progress of implementation of the transition plan; one-page reports will be provided on a regular basis and a Q&A on the CGIAR web site will be posted and updated regularly. Drafts of documents will also be shared as soon as they become available.
- TMT will ensure that a communication strategy for the transition process be formulated as soon as possible.
- The development of a single unifying charter for the new CGIAR was endorsed to give the System a unified vision, high aspiration and branding strategy.
- On the composition and TOR of TMT: FAO will be brought in as an associate member; the CGIAR Chair requested FAO to provide the name of its representative. TMT should make sure that the global positioning of the new CGIAR is considered in going forward and in developing a new charter. (See Attachment 2)
- On the Fund: A large number of donors expressed interest in contributing to the Fund. Donors are invited to give an early indication of interest so that they could be included early in the design process. The following are specific actions that need to be

*undertaken: addressing currency exchange rate fluctuation issues and their management; transitioning of the World Bank Multi-Donor Trust Fund (MDTF), making sure that there is no gap in funding Centers and their programs.*

- *On mega-programs: The terms of reference for the preparation of such programs should include precision on articulating demand for the programs.*
- *There is a need to look at the value-added coming from the reform program. The cost estimates are to be done by the Alliance with a note that costs should consider not only the added cost but all costs (i.e., a broad based cost-benefit analysis).*
- *A plan for revitalization of GFAR should be developed.*
- *The Science Forum which will be held in June 2009 will not be a prototype global conference on agricultural research for development.*
- *The role and place of the Genetic Resources Policy Committee in the System needs to be decided.*
- *Financial contributions of the following donors to the change management initiative were acknowledged and appreciated: Canada, China, Germany, Ireland, Norway, Switzerland, Syngenta Foundation, United Kingdom, and World Bank. USA provided in-kind contribution. A proposal will be prepared quickly for donors to consider contributing to defray the cost of the transition phase. Most of the cost is associated with the setting up of the consortium and building or revitalizing GFAR; the Fund cost will be covered mostly by the World Bank through a specialized fund.*
- *It was decided that a final CGIAR Business Meeting will be held, likely in conjunction with the second meeting of ExCo in late 2009.*
- *The transition plan should include a risk assessment, and the TMT should consider contacting an expert to provide advice on the matter.*